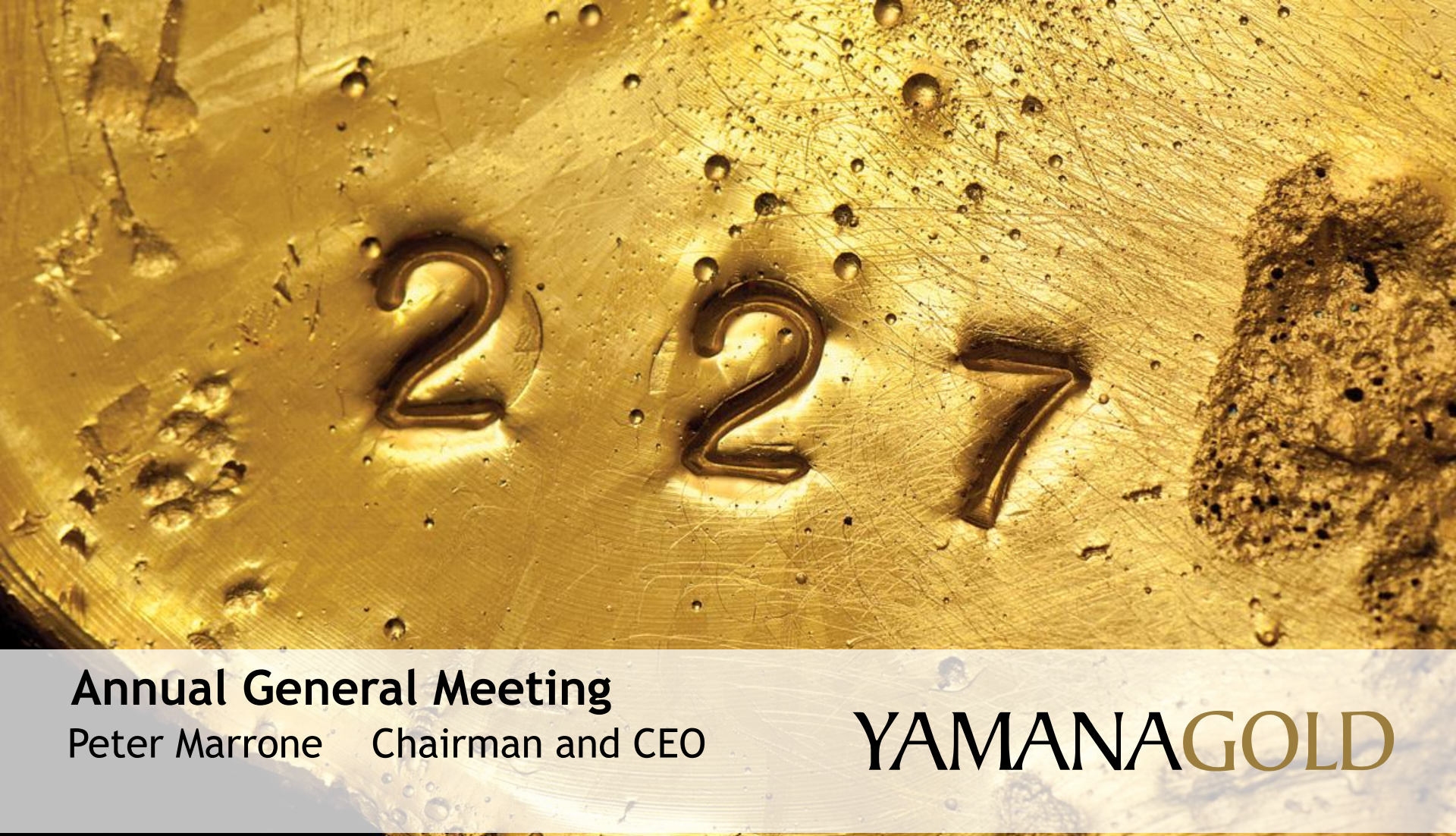


Annual General Meeting

Peter Marrone Chairman and CEO

YAMANAGOLD

Cautionary Statement

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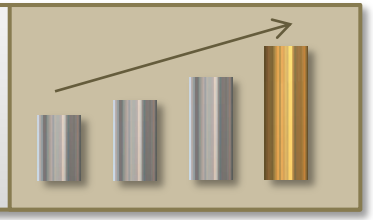
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: This presentation contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Except for statements of historical fact relating to the Company, information contained herein constitutes forward-looking statements, including any information as to the Company's strategy, plans or future financial or operating performance. Forward-looking statements are characterized by words such as "plan," "expect", "budget", "target", "project", "intend," "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the Company's expectations in connection with the projects and exploration programs discussed herein being met, the impact of general business and economic conditions, global liquidity and credit availability on the timing of cash flows and the values of assets and liabilities based on projected future conditions, fluctuating metal prices (such as gold, copper, silver and zinc), currency exchange rates (such as the Brazilian Real, the Chilean Peso, the Argentine Peso and Mexican Peso versus the United States Dollar), possible variations in ore grade or recovery rates, changes in the Company's hedging program, changes in accounting policies, changes in the Company's corporate mineral resources, risk related to non-core mine dispositions, changes in project parameters as plans continue to be refined, changes in project development, construction, production and commissioning time frames, risk related to joint venture operations, the possibility of project cost overruns or unanticipated costs and expenses, higher prices for fuel, steel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, unexpected changes in mine life, final pricing for concentrate sales, unanticipated results of future studies, seasonality and unanticipated weather changes, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, government regulation and the risk of government expropriation or nationalization of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation and labour disputes, as well as those risk factors discussed or referred to in the Company's annual Management's Discussion and Analysis and Annual Information for the year ended December 31, 2011 filed with the securities regulatory authorities in all provinces of Canada and available at www.sedar.com, and the Company's Annual Report on Form 40-F filed with the United States Securities and Exchange Commission. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates, assumptions or opinions should change, except as required by applicable law. The reader is cautioned not to place undue reliance on forward-looking statements. The forward-looking information contained herein is presented for the purpose of assisting investors in understanding the Company's expected financial and operational performance and results as at and for the periods ended on the dates presented in the Company's plans and objectives and may not be appropriate for other purposes.

THESIS

The Yamana Difference

YAMANAGOLD

The financial metrics – exceeding expectations



A profile of dependable growth



The future – 1.75 million ounces by 2014

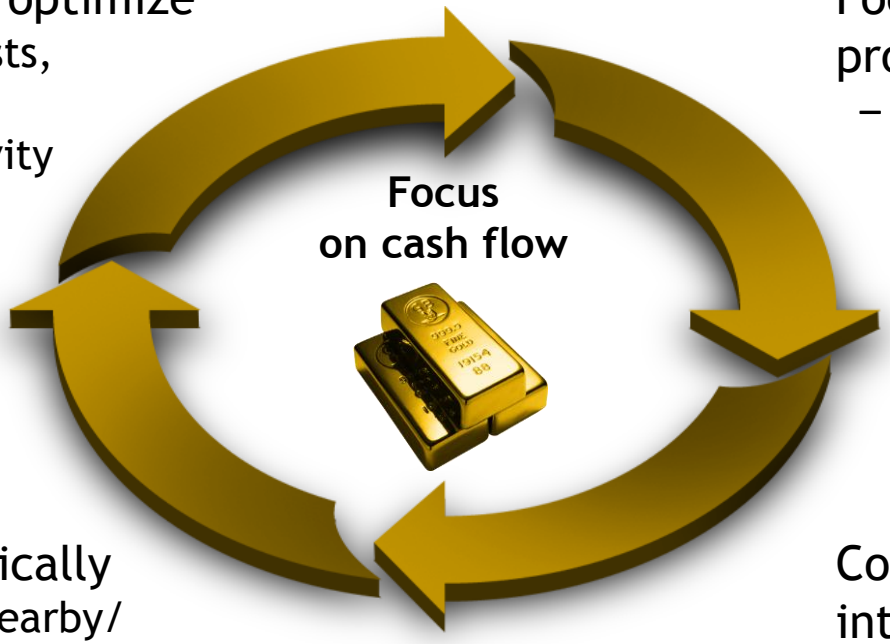


A Different Business Model…

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Continually optimize
- lower costs, enhance productivity

Focus on mid-size projects
- clusters / stable countries

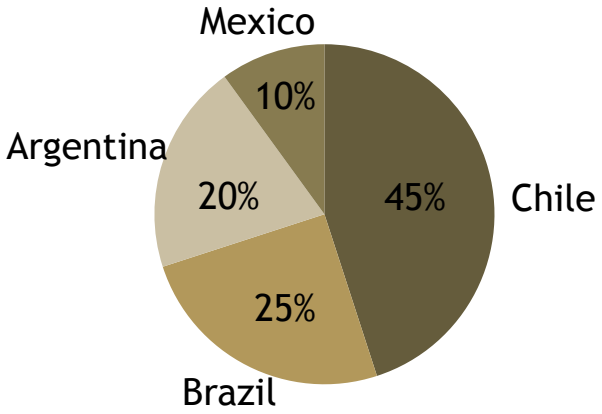


Grow organically
- expand nearby/ development

Convert rapidly into production
- mine sponsorship program

…Operating in Stable Jurisdictions…Today…

YAMANAGOLD



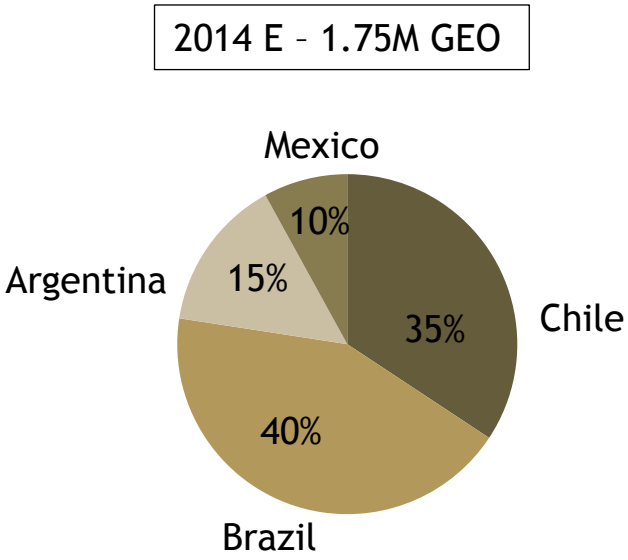







…Operating Mines in Stable Jurisdictions…Tomorrow

YAMANAGOLD










…with Focus on Growth in Financial and Operating Metrics

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KEY METRICS









Dependable growth

Mineral reserves and resources

- Expanding mineral resource base
- Adding higher quality ounces

Production

- Expanding and enhancing existing operations
- Delivering production from new projects

Revenue, earnings, and cash flow

- Focused on sustainable cash flow

Net asset value

- Existing operations
- Development projects
- Project pipeline

Exploration

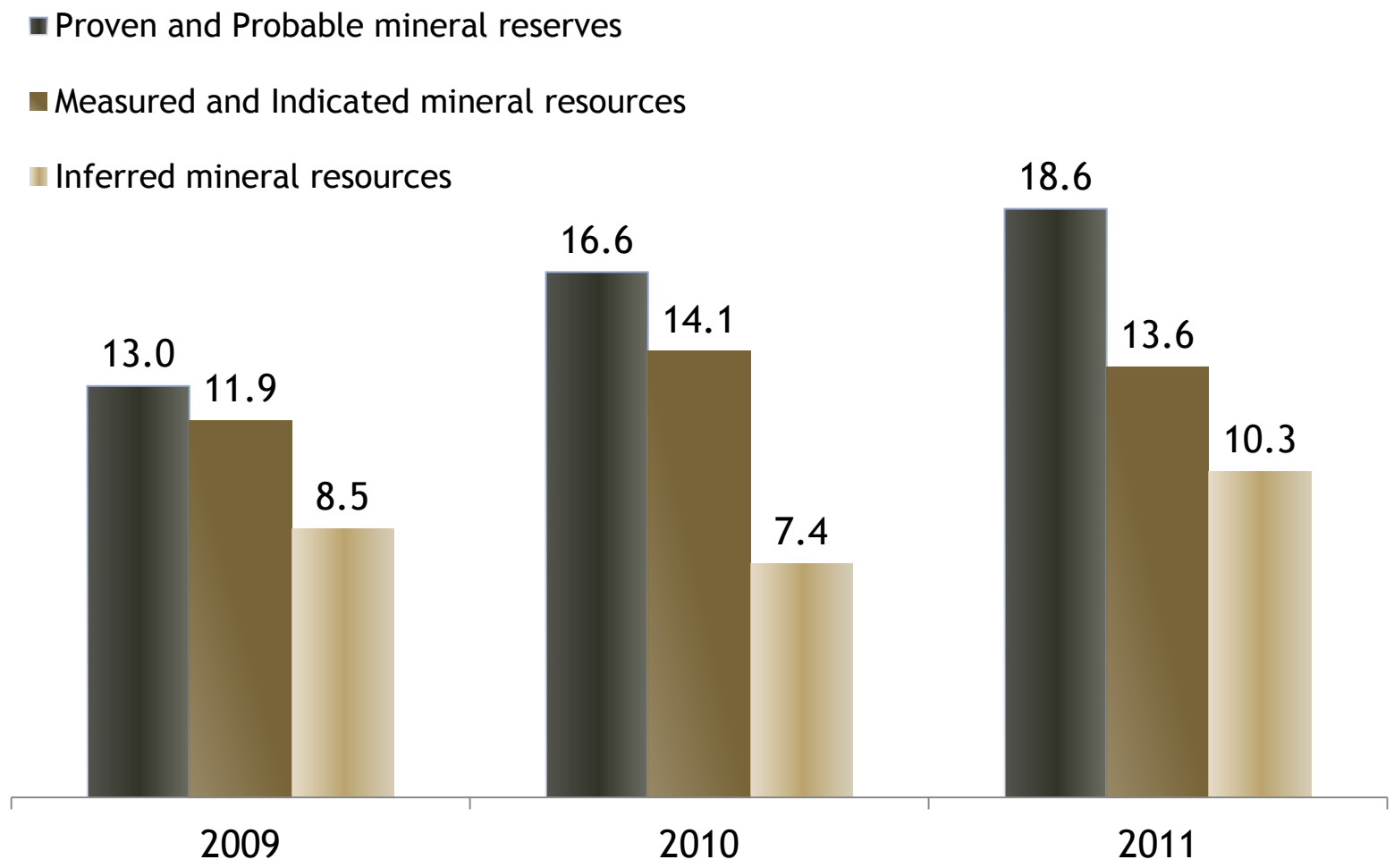
YAMANAGOLD

- Mineral Reserves increased 11%
- 4 discoveries made by Yamana between 2005-2006 fuel production growth
  - Mercedes, Pilar, EPAP and C1 Santa Luz
- El Peñón
  - Discovery of near surface portion of PAV
- Chapada
  - Discovery of Corpo Sul
- Gualcamayo
  - Discovery of potential QDDLW extension to the southwest and remains open down dip
- Jacobina
  - 20% mineral reserve increase with 10% in grades
  - 5th year of consecutive mineral reserve increase
- New projects identified in Brazil & Chile
  - Initial resource estimate expected in 2012 on at least one project

Average discovery cost of $25-$30 per oz

Mineral Resources Growth
(in millions GEO)

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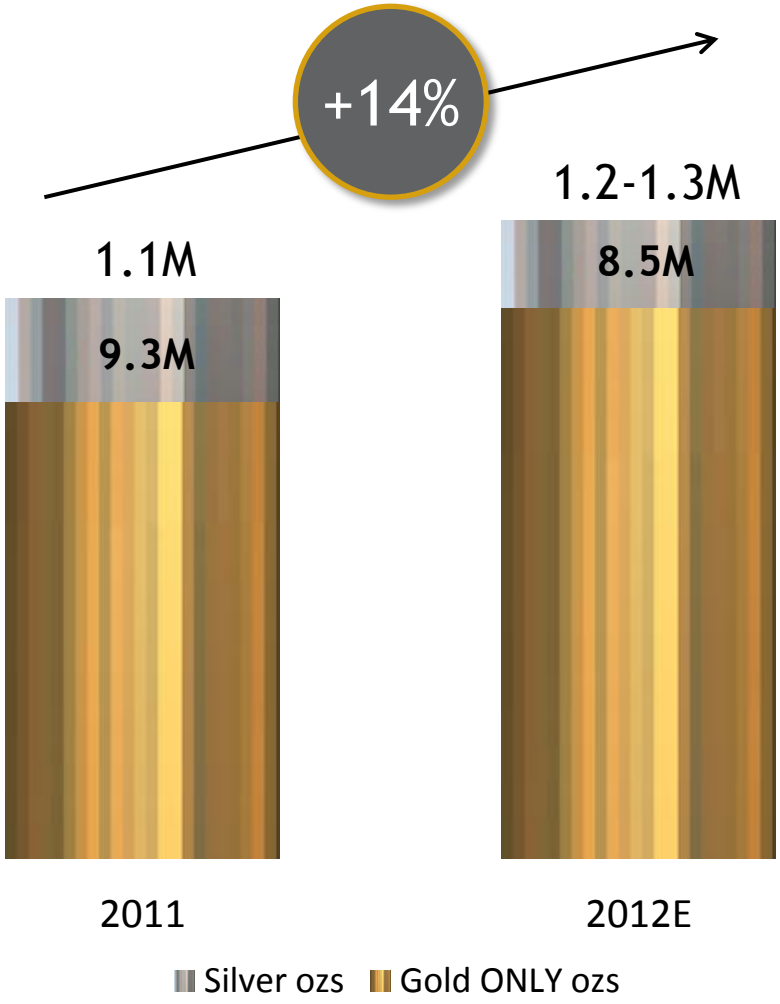


43% growth in reserves since 2009

Note: Figures provided for continuing operations only.

Production Growth…

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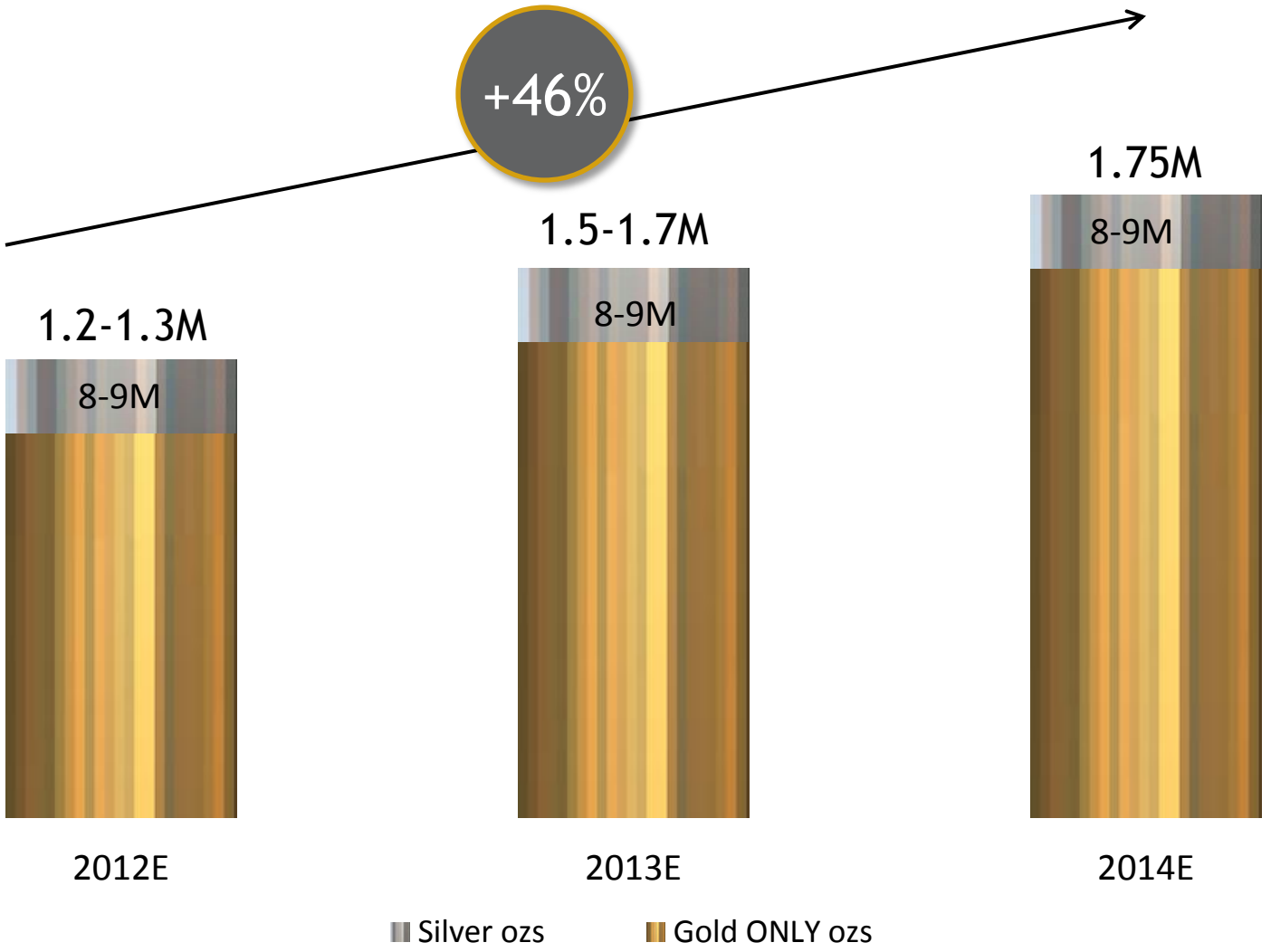


Building value through organic growth

Note: Silver production is treated as a gold equivalent based on a silver to gold ratio of 55:1 in 2008 – 2010, and 50:1 thereafter.

…GEO Production Growth Set to Continue

YAMANAGOLD



Superior organic growth profile

Strong Platform for Growth

YAMANAGOLD

	2011 Production	2012E Production[1]	2014E Production[1]
BRAZIL Chapada Jacobina C1 Santa Luz *(in development)* EPAP *(in development)* Pilar *(in development)*	312,185 GEO	320,000 GEO →	755,000 GEO
CHILE El Peñón Minera Florida	578,324 GEO	590,000 GEO →	600,000 GEO
ARGENTINA Gualcamayo Alumbrera (12.5%)	203,349 GEO	210,000 GEO →	255,000 GEO
MEXICO Mercedes	8,438 GEO	110,000 GEO →	140,000 GEO

(1) Production includes Fazenda Brasileiro and Alumbrera. Silver production is treated as a gold equivalent based on a silver to gold ratio of 50:1

El Peñón

YAMANAGOLD

- Production increased 11%
- Costs declined - operational dilution decreased and feed grade increased
- Higher grade zones Bonanza and Al Este increased production levels
- Significant increases in grades and recoveries

GEO Production[1] (000s oz)		Strategic Life
476	430-455	8+ yrs
2011	2012E	



(1) Silver production is treated as a gold equivalent based on a silver to gold ratio of 50:1.

Chapada

YAMANAGOLD

- Gold production levels maintained
- Copper production increased 11%
- Improved recoveries
- Feasibility study completed on oxides at Suruca (6 kms from Chapada)

GEO Production[(1)] (000s oz)		Strategic Life
135	110-120	15+ yrs
2011	2012E	

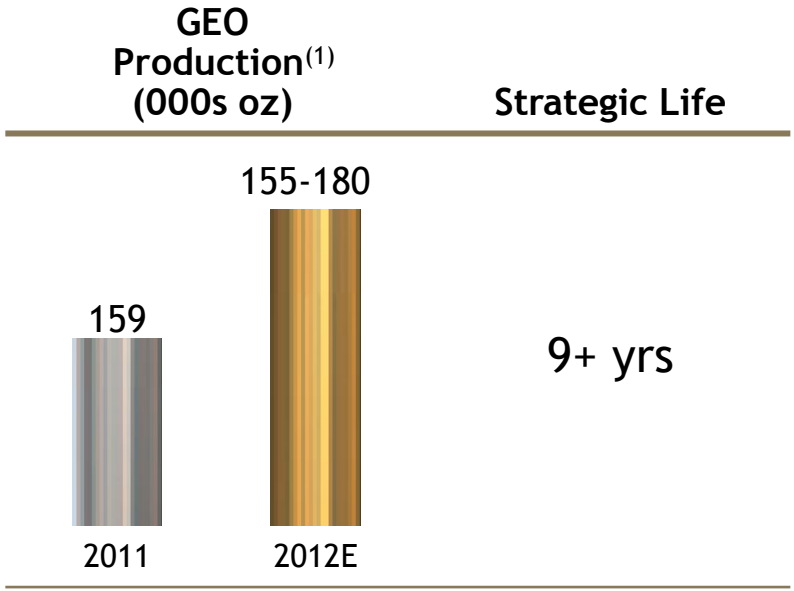


(1) Silver production is treated as a gold equivalent based on a silver to gold ratio of 50:1.

Gualcamayo

YAMANAGOLD

- Production increased 18%
- Costs declined by 13%
- Gold grade increased 18%
- Recoveries improved
- Development of QDDLW advanced





(1) Silver production is treated as a gold equivalent based on a silver to gold ratio of 50:1.

Jacobina

YAMANAGOLD

- Production levels maintained
- Continued development of higher grade zones at Canavieras and Morro do Vento

GEO Production[1] (000s oz)	Strategic Life
122 (2011)	15+ yrs
130-145 (2012E)	



(1) Silver production is treated as a gold equivalent based on a silver to gold ratio of 50:1.

Mercedes — Our Newest Mine

YAMANAGOLD

- Started operation ahead of schedule
- Commercial production started February 1, 2012
- 2012E production 105,000 120,000 GEO via 1,500 to 1,800tpd
- Average annual production of 120,000 GEO





Costs expected to average $475-500/oz in 2012

(1) Silver production is treated as a gold equivalent based on a silver to gold ratio of 50:1.

Advanced Development Projects – All On Track

YAMANAGOLD

	Est. Annual GEO Production	Strategic Life / Est. Production Start	Status
Ernesto/ Pau-a-Pique	100,000 oz	7+ yrs / Late 2012	• On schedule • Detailed engineering completed • Physical advancement ~85% complete
C1 Santa Luz	100,000 oz	10+ yrs / Late 2012	• On schedule • Earthworks completed • Physical advancement ~75% complete
Pilar	140,000-150,000 oz	9+ yrs / Mid 2013	• On schedule • Detailed engineering & earthworks completed • Developing Caiamar, high grade satellite deposit • Physical advancement ~35% complete







Expected to maintain current cost structure

The Pipeline – Intermediate Stage Development Projects

YAMANAGOLD

	Est. Annual GEO Production[1]	Status
Jeronimo – Chile (57% Yamana owned)	150,000 oz / 190,000 oz early years	▪ Estimated capital cost of ~$400M ▪ Cash costs at or below $600 ▪ Feasibility expected by mid-2012, construction decision 2012
Agua Rica – Argentina (under option to sell)	140,000 oz	▪ Estimated production capacity 250,000tpa ▪ Copper production to be ~250,000tpa ▪ Feasibility study expected 2013 ▪ Potential start-up 2016
Suyai – Argentina (100% Yamana owned)	250,000 oz	▪ Continuing dialogue with stakeholders ▪ Mine optimization studies through 2012 - high grade, low cost underground mine with off-site processing, tailings and waste ▪ Cash costs below $400

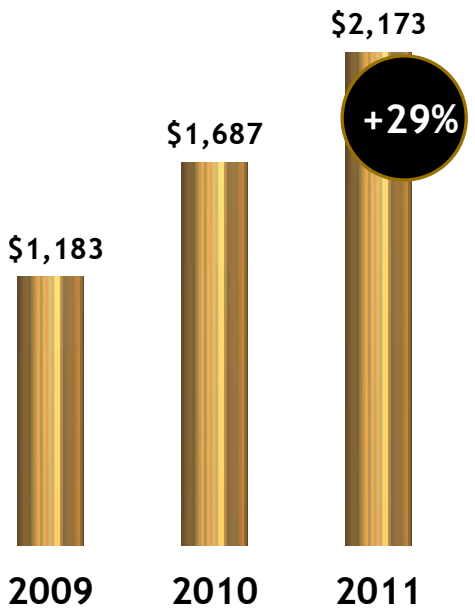




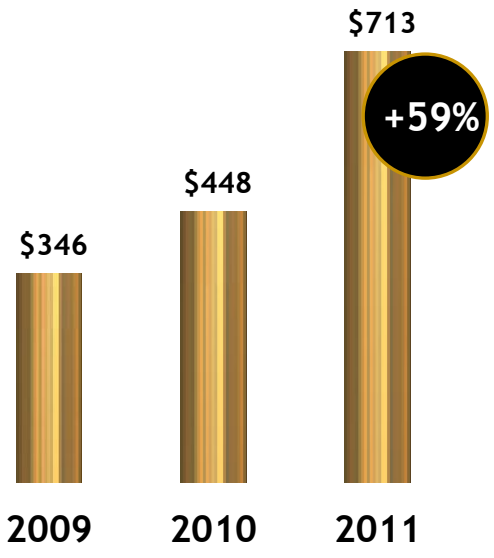
Strong Financial Performance in 2011

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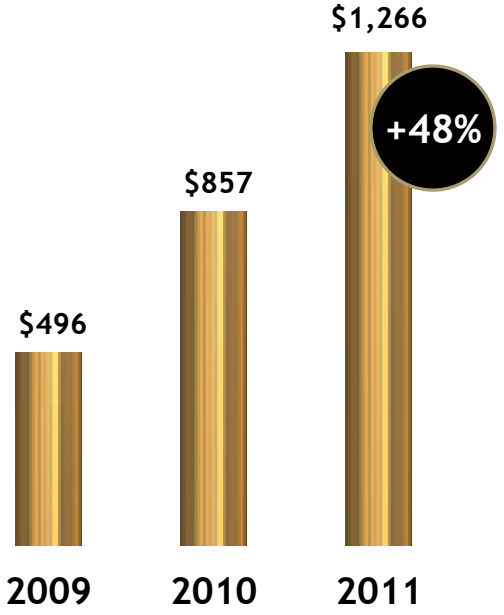
Revenue
(in millions of US dollars)



Adjusted Earnings[1]
(in millions of US dollars)



Operating Cash Flow[1][2]
(in millions of US dollars)



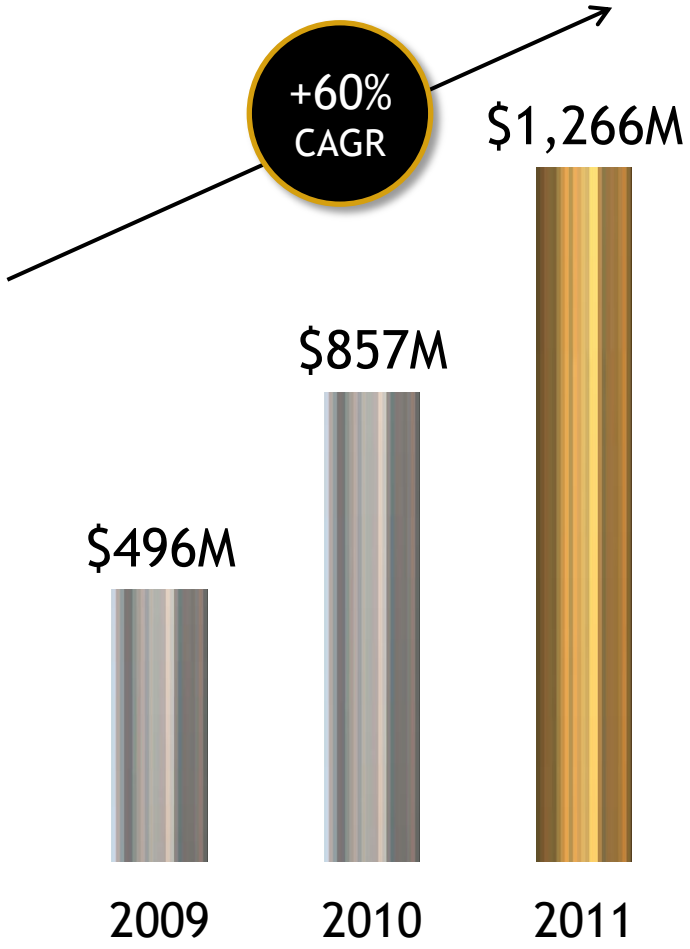
Revenue, earnings and cash flow growth

(1) Non-GAAP measure. A reconciliation of non-GAAP measures can be found at www.yamana.com/2011
(2) Before changes in non-cash working capital items

Operating Cash Flow - Continuous Growth

YAMANAGOLD

- Growing mineral reserves and resources that can quickly be brought into production
- Focus on cost containment
- Organic production growth
- Continued margin expansion



2011 cash flow per share of $1.70

2011 Financial Results – Strength in Numbers

YAMANAGOLD

Cash & cash equivalents	$550M
Cash and available credit	$1.1B
Cash flow	$1.3B
Cash flow per share	$1.70
Adjusted earnings	$713M
Adjusted earnings per share	$0.96
Revenue	$2.2B
Margin per ounce	$1,517

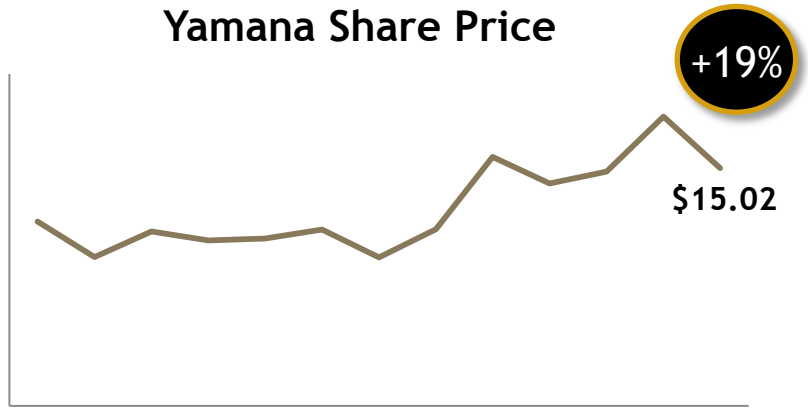


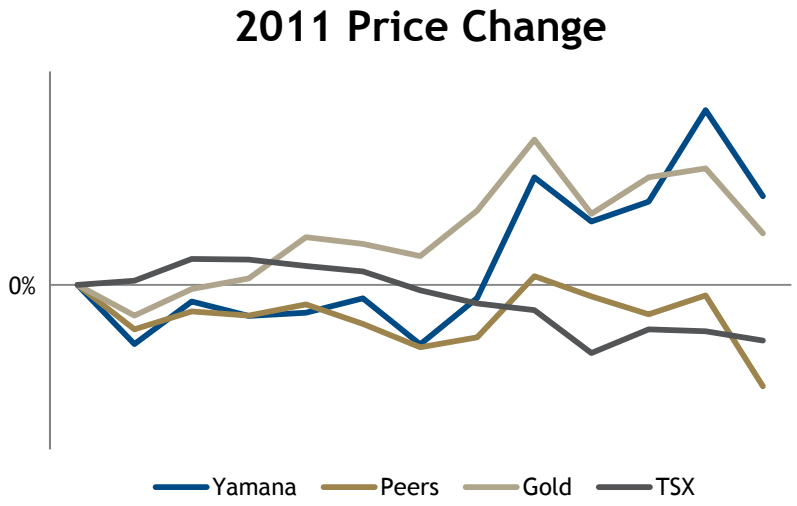


Performance

YAMANAGOLD

- 19% increase in 2011 share price
- Outperformed peer group by 36%
- Outperformed gold bullion by 7%
- Outperformed the TSX by 30%





2011 Performance Objectives

YAMANAGOLD

- ✓ Produced 1.04M – 1.14M GEO
- ✓ Increased production quarter-over-quarter
- ✓ By-product costs below $250 per GEO
- ✓ Strong financial results and significant free cash flow
- ✓ Advanced four development projects
- ✓ Unlocked further value within existing portfolio
- ✓ Focused exploration on several new areas of mineralization
- ✓ Increased gold mineral reserves and gold mineral resources
- ✓ Upheld best practices and international standards in safety, health, environmental protection and community relations



2012 Objectives

YAMANAGOLD

- ☐ Produce 1.2 million – 1.3 million GEO
- ☐ Increase production quarter-over-quarter
- ☐ Maintain by-product costs below $250 per GEO
- ☐ Deliver strong financial results and significant free cash flow
- ☑ Complete commissioning Mercedes Mine
- ☐ Advance three development projects; two into production this year
- ☑ Begin production from tailings project at Minera Florida
- ☑ Unlock further value within existing portfolios
- ☐ Construction decision at Jeronimo
- ☐ Increase mineral reserves and mineral resources
- ☐ Accelerate development of new discoveries & greenfield projects
- ☐ Uphold best practices and international standards in safety, health, environmental protection and community relations

2011 Performance

YAMANAGOLD

	Performance vs. Peers		
	Average	Superior	Exceptional
Production Growth		✓	
Cash Costs/GEO			✓
Cash Flow/share			✓
Revenue/share			✓
Shareholder Return			✓
Mineral Reserves & Resources			✓

2012 Performance Objectives

YAMANAGOLD

	Performance vs. Peers		
	Average	Superior	Exceptional
Production Growth			Pending
Cash Costs/GEO			Pending
Cash Flow/share			Pending
Revenue/share			Pending
Shareholder Return			Pending
Mineral Reserves & Resources			Pending

Continued Focus on Growth in Financial and Operating Metrics

YAMANAGOLD

KEY METRICS









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QUESTIONS