

Analyst Day
Exploration Presentation

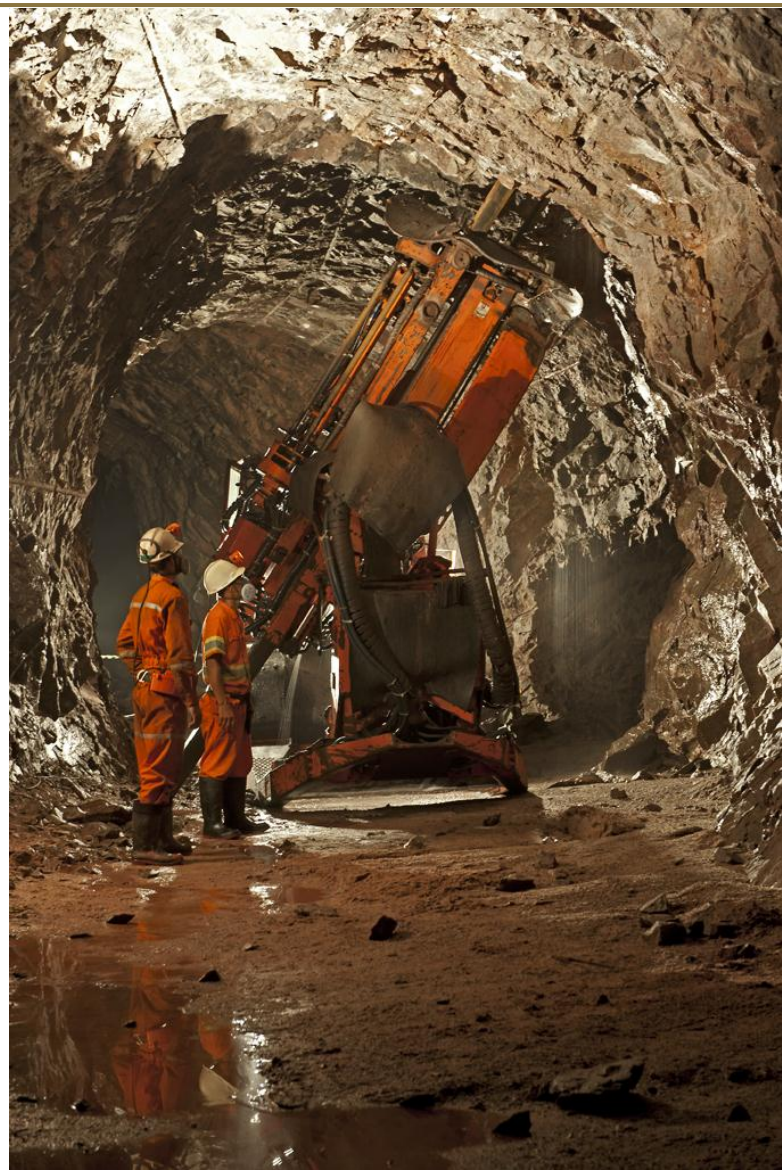
June 5th,2012

YAMANAGOLD

Exploration Strategy and Philosophy

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- Commitment to exploration at operations
  - Replace resources / reserves year over year
  - Significant local prospectivity around operations providing leverage to current infrastructure
- Advanced project pipeline
  - Accelerate to pre feasibility
  - Coordinate with Technical Services
  - Next new mines
- Explore the “Best of the Best”
  - Accelerate in-house projects evaluation
  - Acquire early stage projects
  - Add +2M ounces/year
- Acquire and develop the best talent



Exploration 2011 Review

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- Mineral Reserves increased 11%
- El Peñón
  - Added Pampa Augusta Victoria to M&I, historic gold reserve of 2.2M ounces
- Chapada
  - Discovery of Corpo Sul, 6% increase in gold reserves to 3.3M ounces
- Gualcamayo
  - Discovery of potential QDDLW extension to the southwest and remains open down dip 450,000 ounces of new inferred resources
- Jacobina
  - 20% mineral reserve increase to 2.2M ounces with 10% in grades
  - 5th year of consecutive mineral reserve increase
- Mercedes
  - Reserves increased by 22% to 1M GEO
- 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

Note: Refer to the Mineral reserves and Resources table for detail on tonnage and grades and full Mineral Reserves and Resources disclosure

Exploration 2011 Review

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- Increase resource base and accelerate development of new discoveries at development projects
  - Down dip expansion of Jordino and initial drilling at Maria Lazarus at Pilar
    - Jordino extended down dip and along strike - 1M ounces of new resource
  - Expansion of Lagunas Norte and Diluvio areas at Mercedes

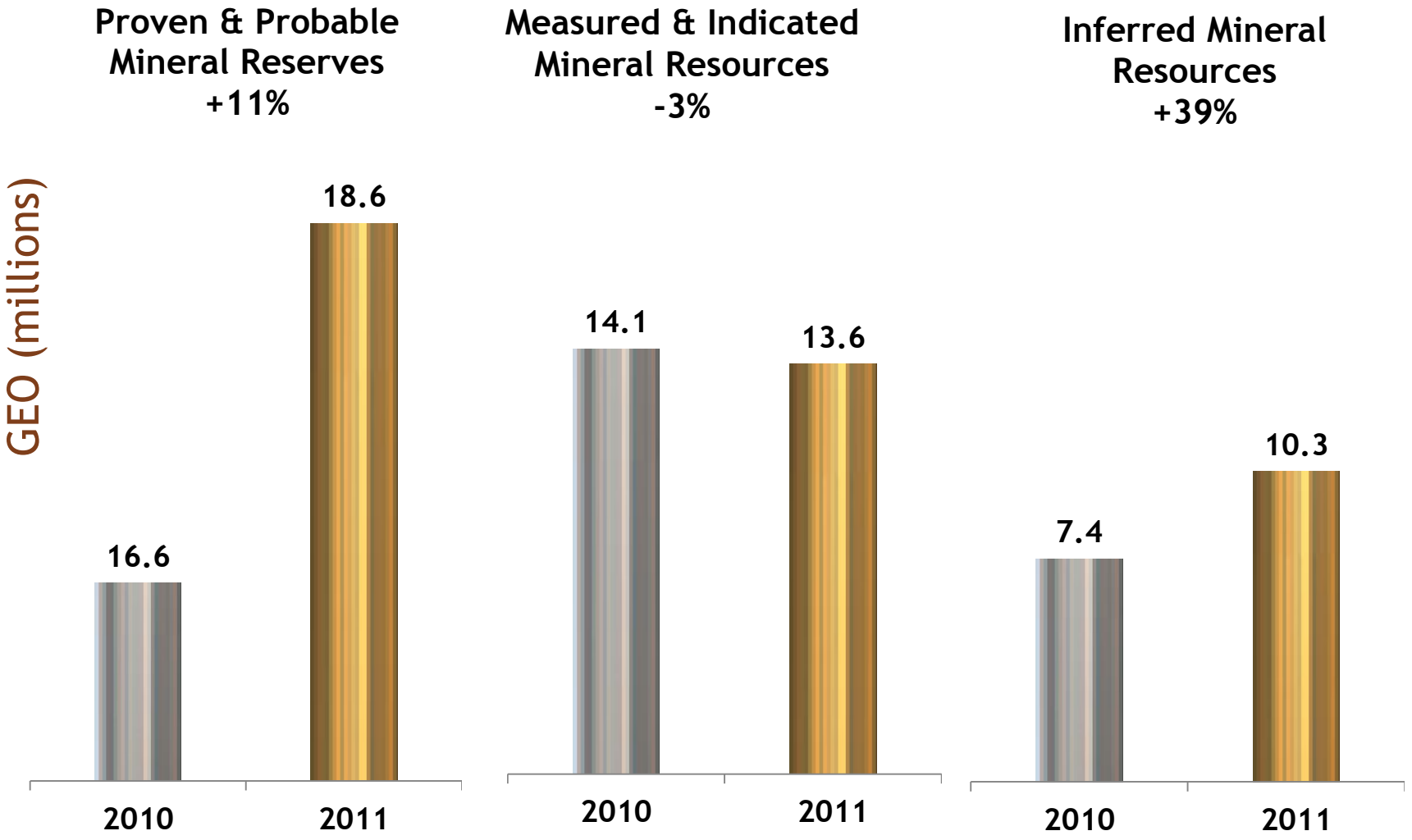
- Develop new projects and preliminary resources through focused greenfields
  - Lavra Velha and Arco Sul in Brazil, Cacique in Chile and El Cinco in Colombia
    - 32 holes ta Lavra Velha resource to be completed in 2012
    - 46 holes at Arco Sul and resource to be completed in 2012
    - 12 holes drilled at El Cinco in Colombia, project abandon due to poor results

- Acquire best prospects in areas of exploration focus
    - Significant new grassroots commenced in south Goiás and Bahia.
    - Two new projects are drill ready in Chile
    - Picacho project acquired in Mexico

Average discovery cost of $25-$30 per oz

Mineral Reserve & Resource Growth

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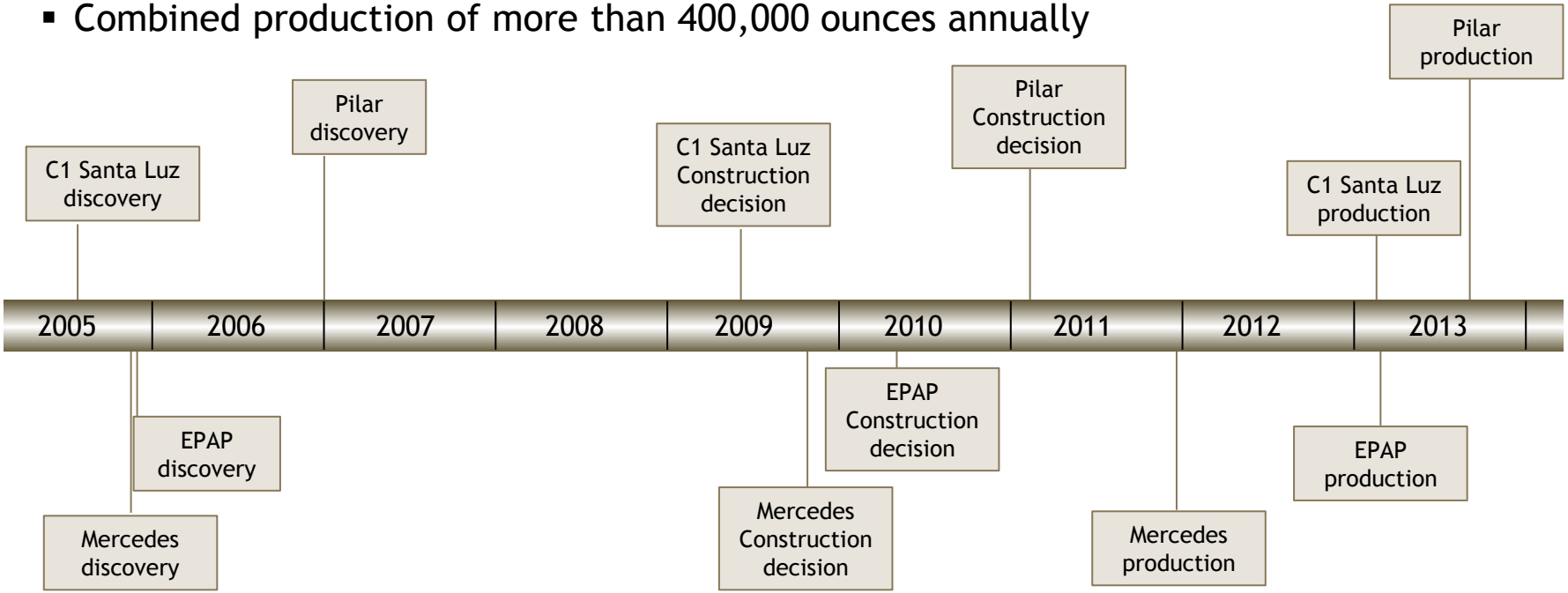
Note: Refer to the Mineral reserves and Resources table for further detail on Mineral Reserves and Resources discussed in this presentation

Discovery to Development

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ORGANIC GROWTH:

- 4 discoveries made by Yamana between 2005-2006 fuel production growth
  - Mercedes, Pilar, EPAP and C1 Santa Luz
- Average discovery cost of $20 to $30 per ounce
- Average time from discovery to production: 7 years
- Combined production of more than 400,000 ounces annually

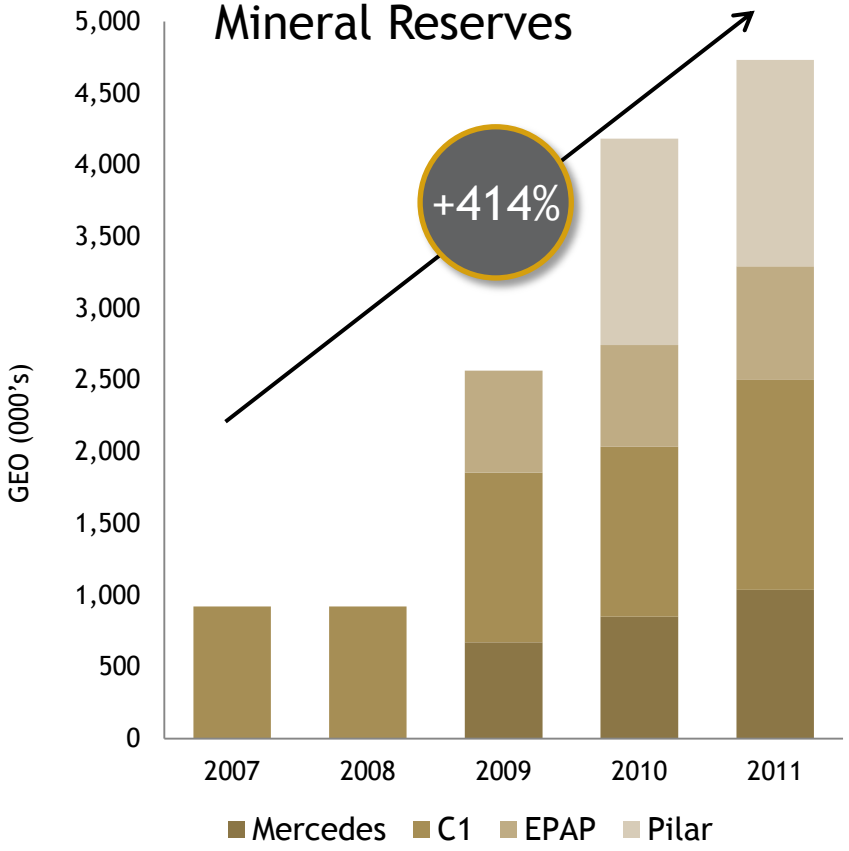


Potential to Grow

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- Reserves & Resources growth potential demonstrated
- Commitment to exploration
  - 2012 budget of $125M
- Original discovery teams are still involved in the exploration and development.





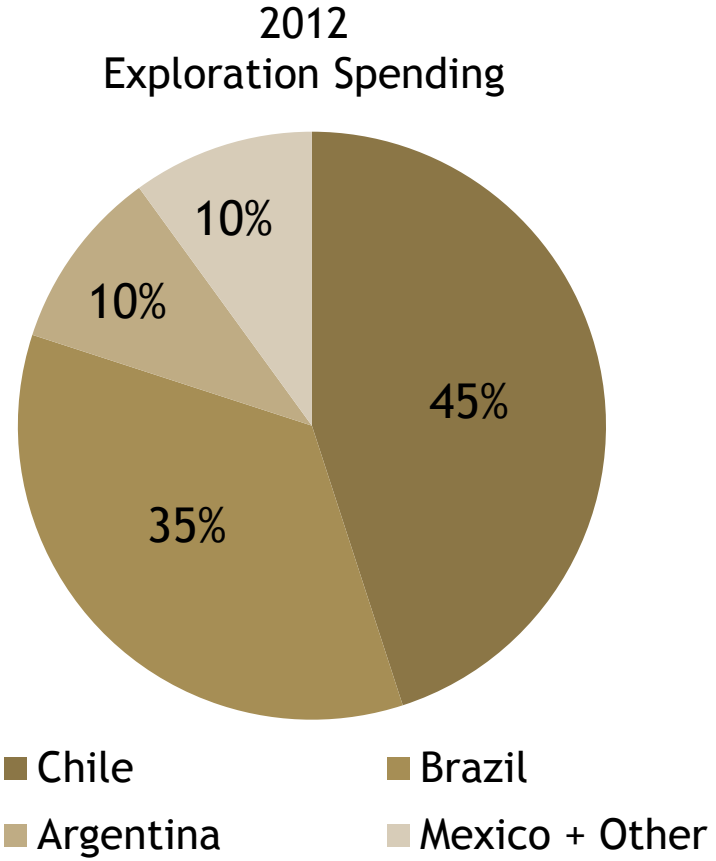
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2012 Exploration – Continued focus

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$125M Exploration budget for 2012

- 10% increase from 2011





2012 Exploration Budget Objectives

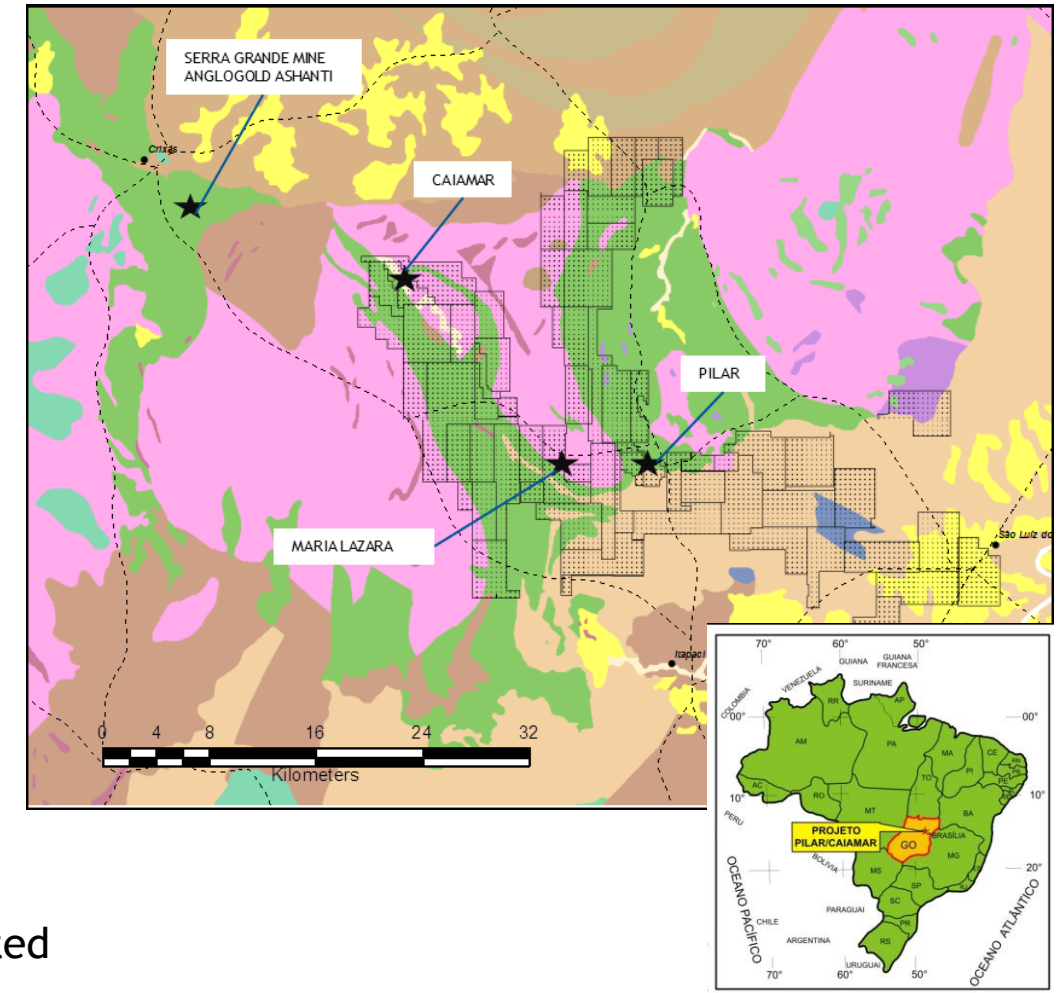
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- Replace reserves and resources at all Operations
  - New discovery at El Peñón, extension of PAV and definition of Soldado
  - Westward expansion of QDDLW
  - Expand high grade resource at Jacobina (MDV and CAN)
  - Extension of Corpo Sul and HS at Chapada
  - Definition of Mila at MLF and expand footprint through regional program
  - Extension of Diluvio and Mercedes vein systems at Mercedes
- Increase resource base and accelerate development of new discoveries at development projects
  - Down dip expansion of Jordino and definition of Maria Lazarus at Pilar
  - Expansion of C1 resource down dip and along strike
- Develop new projects and preliminary resources through focused Greenfields
  - Lavra Velha and Arco Sul in Brazil, Farallon and Petorca in Chile, Picacho in Mexico and El Vapor in Colombia
  - Acquire best prospects in areas of exploration focus
- Reconnaissance exploration to find new projects
  - Brazil, Argentina, Colombia, Mexico and Chile
- Reduce LTA's below 2011 level

Pilar:
Project History

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- Archean/Paleoproterozoic Greenstone Belts (Pilar and Guarinos) terrains (590 sq Km) with known gold occurrences
- Emerging orogenic gold district with Crixas (Anglo Gold, 5Moz), Pilar (2.4Moz) and other promising early stage targets (Maria Lazara and Caiamar)
- 73,000 has of exploration concessions controlled by Yamana
- Significant synergies with Chapada
- 2012 Budget of $10M
  - 36,000 meters of drilling
- 11,200 meters of drilling completed in 24 holes year to date



Pilar:
Evolution of Value Creation

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Jun. 2006: Project acquired from Montita Ltda.

Aug. 2006: Exploration commenced

Feb. 2008: Snowden completes first inferred resource estimate:

9.8MT @ 2.8 g/t Au for a total of 889k ounces

Apr. 2009: Snowden completes updated inferred resource estimate:

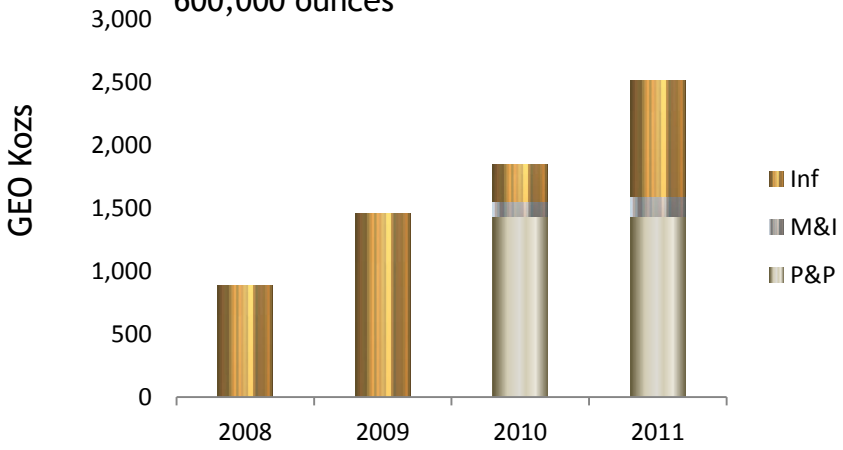
65% increase YOY to 1.46M ounces

Oct. 2009: Exploration ramp commenced

Aug. 2010: First probable reserve estimate at Jordino:

8.87MT @ 4.01 g/t Au for a total of 1.14M ounces

Jan. 2012: Resource update increases resource by over 600,000 ounces



Discovery Cost of $25/oz

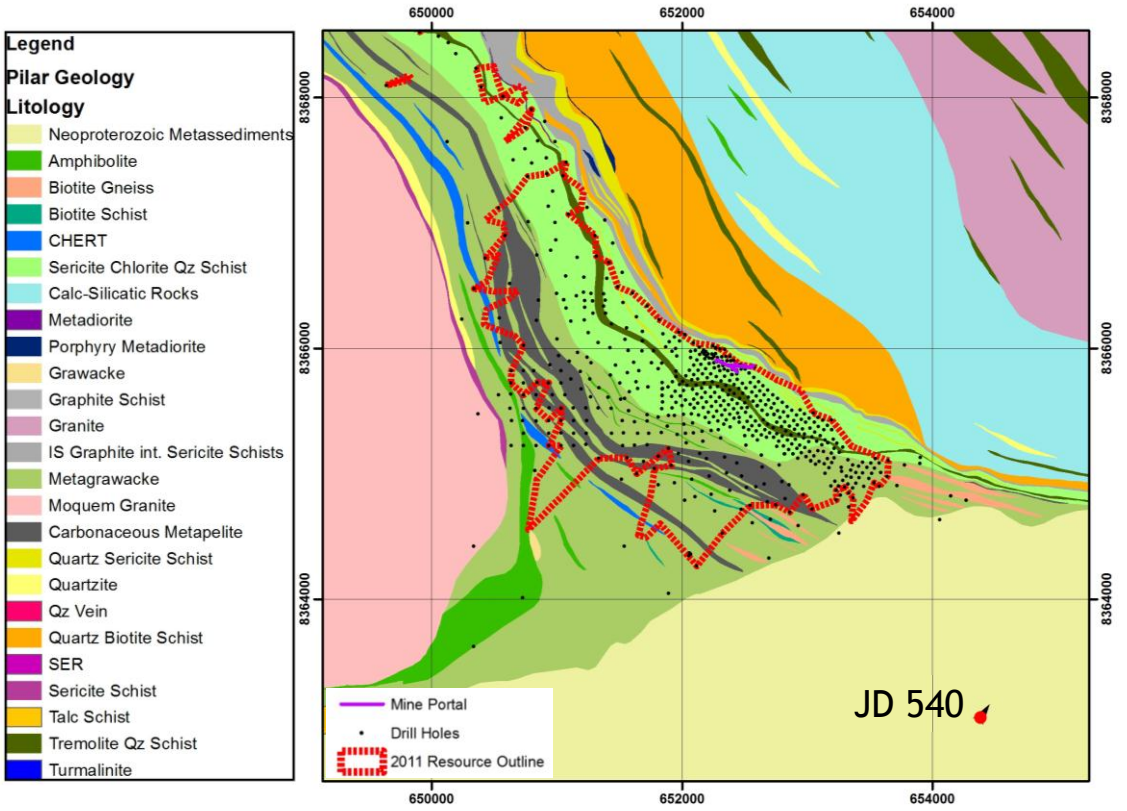


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Pilar:
Jordino Extension

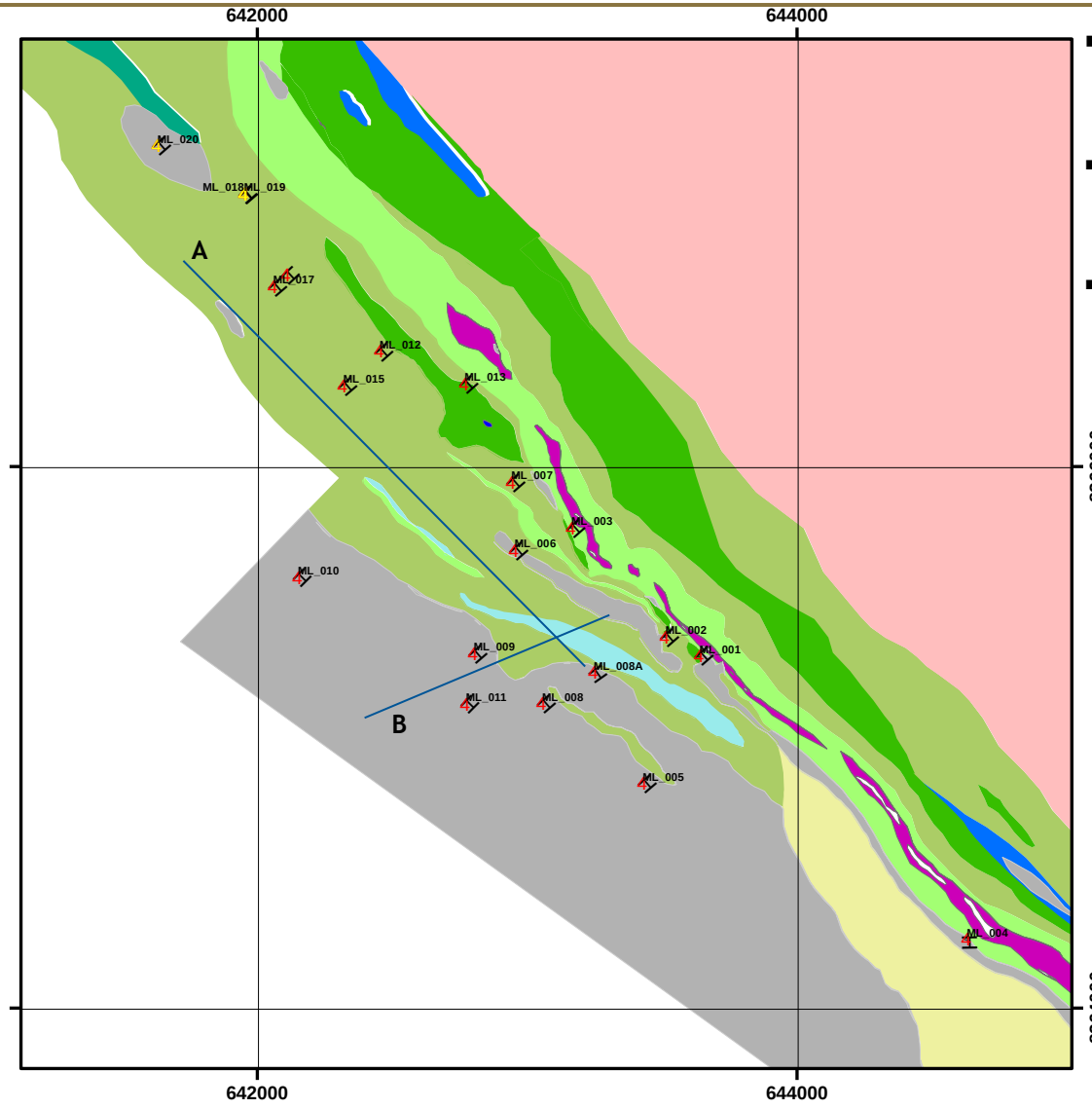
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- JD540 returns 0.43m of 66.4 g/t Au
- 2 kilometers along strike of current Jordino resource
- Deposit confirmed open down dip and now potential expanded along strike to SW



Pilar:
Maria Lazarus

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- Similar grade and thickness of Jordino, however hydrothermal alteration is stronger (proximal?)
- 2km strike of positive holes (A), and still open. 750 m down dip continuity confirmed in one section (B)
- 18 diamond holes to date

Hole	From	To	Length	Au FA	SFA
ML-001	55.00	56.00	1.00	4.25	
ML-002	93.00	95.00	2.00	4.47	
ML-003	41.00	42.00	1.00	2.89	
ML-004	Not Significant				
ML-005	474.47	475.34	0.87	4.04	4.16
ML-006	185.00	186.03	1.03	3.61	4.27
ML-007	146.68	148.32	1.64	1.55	1.41
ML-008	Not Significant				
ML-008A	23.63	24.95	1.32	3.44	4.50
Incl.	24.19	24.95	0.76	4.80	6.26
ML-008A	29.95	31.00	1.05	6.38	9.98
Incl.	30.46	31.00	0.54	11.40	18.90
ML-009	593.00	594.97	1.97	2.06	2.44
Incl.	594.47	594.97	0.50	4.09	4.71
ML-009	598.00	598.50	0.50	10.35	12.80
ML-009	601.35	601.87	0.52	4.30	4.77
ML-010	968.15	969.85	1.70	2.03	3.16
Incl.	969.25	969.85	0.60	3.57	7.05
ML-011	740.43	741.00	0.57	21.10	18.25
ML-012	303.61	304.78	1.17	4.15	4.56
Incl.	304.25	304.78	0.53	8.45	9.40
ML-013	120.26	120.80	0.54	4.62	4.25
ML-014	Not Significant				
ML-015					
ML-017	617.00	617.67	0.67	2.92	2.21

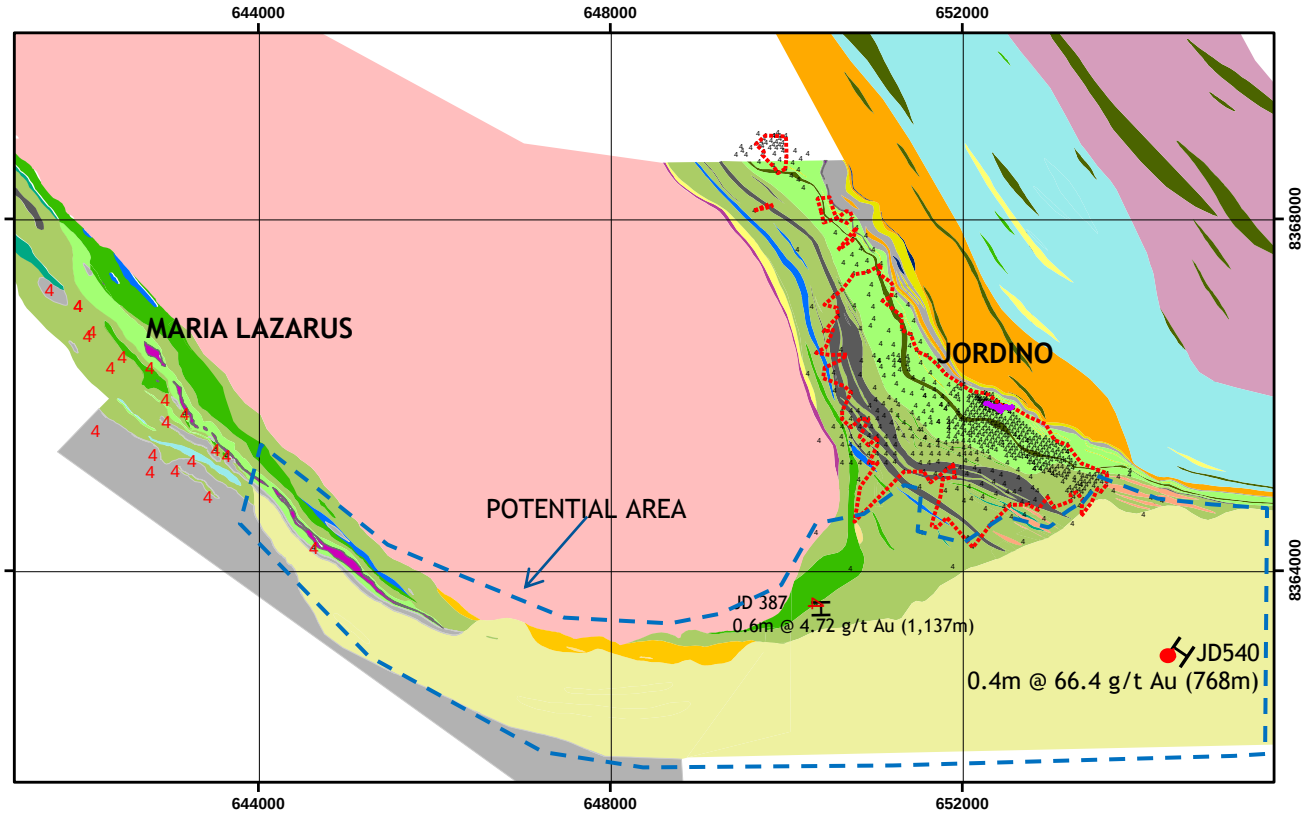
Cutoff 1.5 g/t Au

Pilar:

Potential and Upside

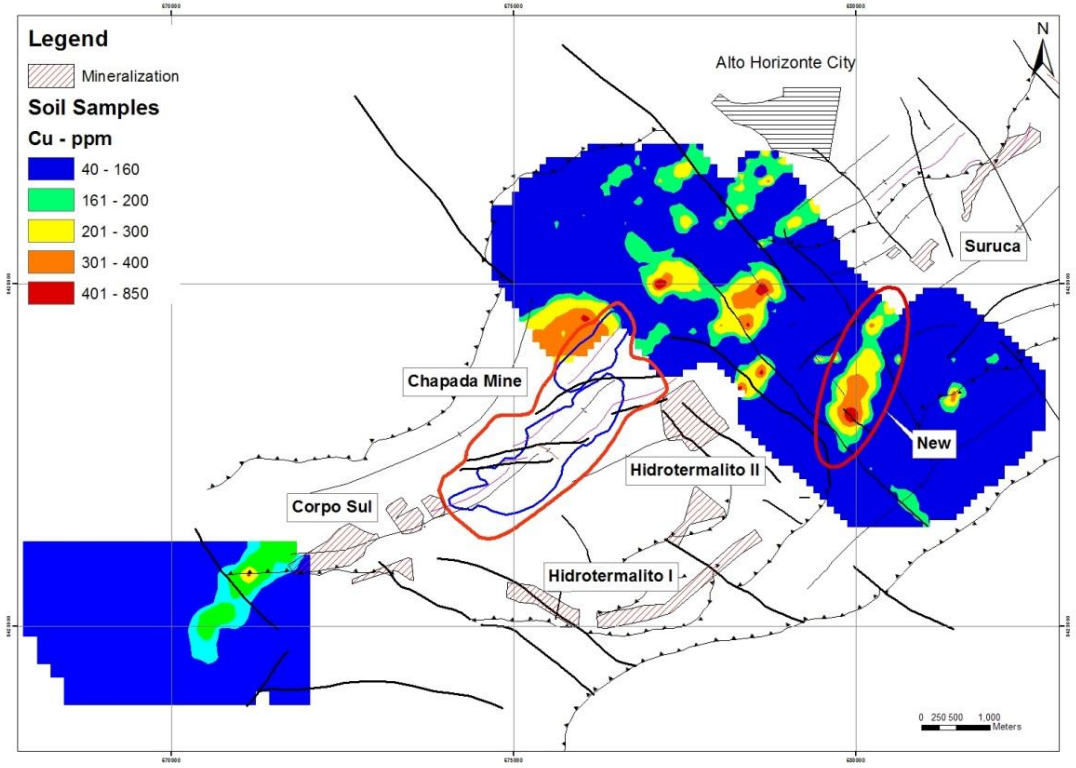
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- New Maria Lazarus discovery and extension of Jordino significantly expand potential
- Potential mineralized strike length of more than 15 kms
- Caiamar located 20 kms NW of Maria Lazarus adds to upside

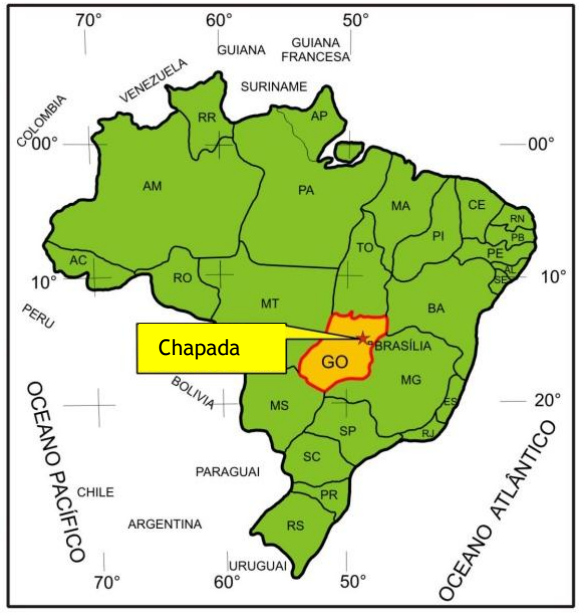


Chapada:
Expansion of Mineralization

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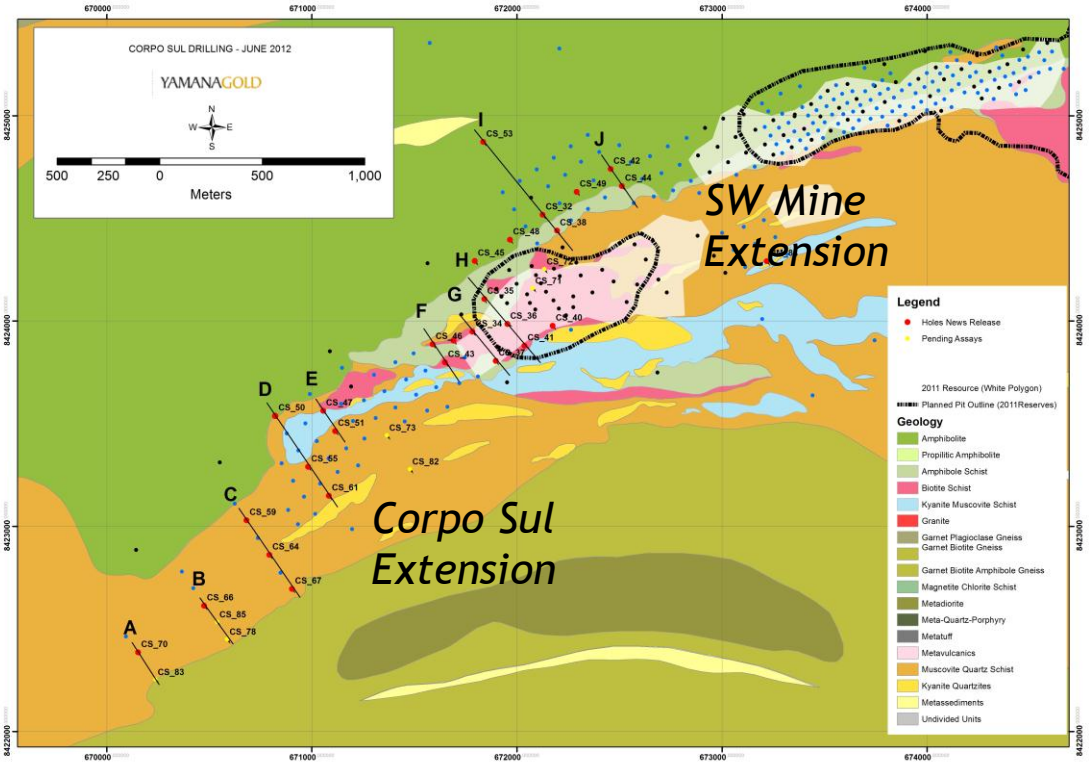


- 2012 Budget of $7M
- 27,000 meters of drilling
- Exploration focus - expansion and definition of Corpo Sul deposit
- Almost 16 kms of mineralization established on Chapada trend



Chapada:
Corpo Sul

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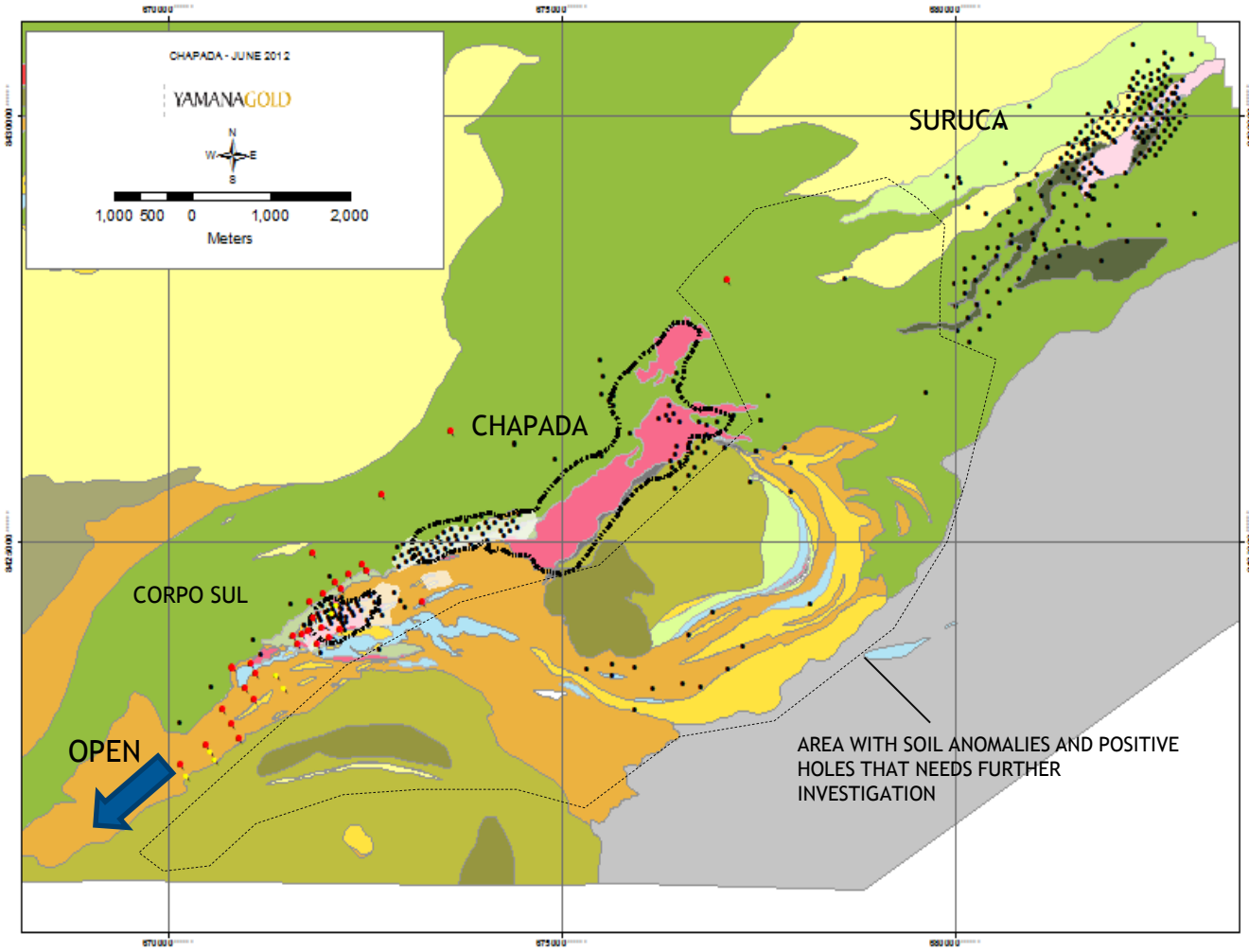
Section	Hole	From (m)	Width (m)	Au (g/t)	Cu (%)
A	CS-70	166	154	0.17	0.32
	incl.	***182***	***106***	***0.22***	***0.41***
	CS-83	Pending			
B	CS-66	149	86.44	0.18	0.34
	incl.	***158***	***29***	***0.23***	***0.4***
	CS-85	pending			
	CS-78	pending			
C	CS-59	237	58	0.1	0.28
	CS-64	106	124	0.15	0.26
	incl.	***149***	***46***	***0.24***	***0.41***
	CS-67	176	45	0.26	0.27
	incl.	***178***	***23***	***0.36***	***0.35***
D	CS-55	94	179	0.13	0.25
	incl.	***187***	***57.83***	***0.2***	***0.41***
	CS-61	132.94	91.06	0.4	0.38
	incl.	***134***	***72***	***0.49***	***0.44***
E	CS-47	109	77	NSV	0.29
	incl.	***114***	***6***	***0.2***	***0.48***
	incl.	***136***	***25***	***0.13***	***0.4***
	CS-51	48.8	168.2	0.13	0.25
	incl.	***127***	***43***	***0.23***	***0.39***
	incl.	***199***	***18***	***0.13***	***0.31***
F	CS-46	24.1	129.05	0.14	0.27
	incl.	***56***	***13***	***0.24***	***0.48***
	CS-43	119	124	NSV	0.16
G	CS-34	43.07	210.93	0.13	0.2
	incl.	***74***	***31.88***	***0.22***	***0.35***
	CS-37	80	69.16	0.37	0.28
	incl.	***100***	***35***	***0.55***	***0.37***
H	CS-35	105	127	0.14	0.25
	incl.	***106***	***31***	***0.21***	***0.4***
	CS-36	13.31	134.3	0.4	0.41
	incl.	***45***	***81.38***	***0.56***	***0.5***
	CS-41	7.39	119.61	0.24	0.2
	incl.	***21***	***41***	***0.4***	***0.3***

Corpo Sul Sulfide

- Possibly new porphyry center
- Previously outlined oxide resource
- Mineralization identified along a current strike length of at least 2.5 kms
- Grades and widths similar to current Chapada deposit

Chapada:
New Targets

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- Economic copper and gold mineralization has now been identified along a strike length of almost 16 kms including the main Chapada deposit.
- Several near mine anomalies remain to be tested

Mercedes:

Yamana's Newest Mine

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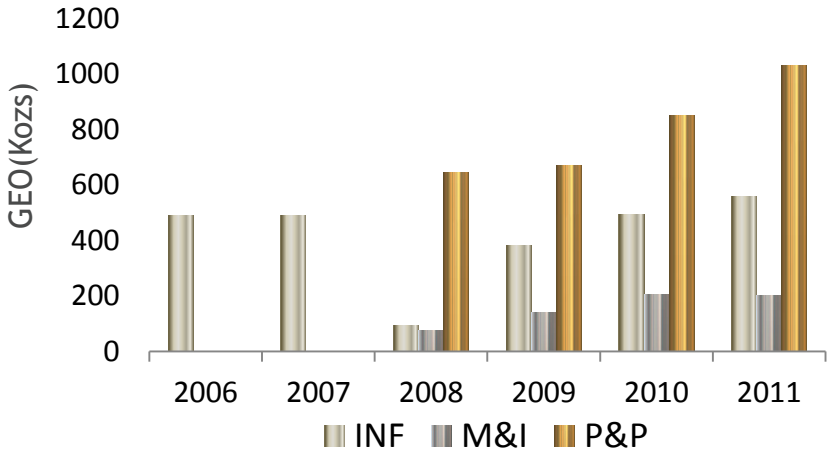
- 100% Yamana
- 248 kms from Tucson, Arizona
- 254 kms from Hermosillo, Mexico



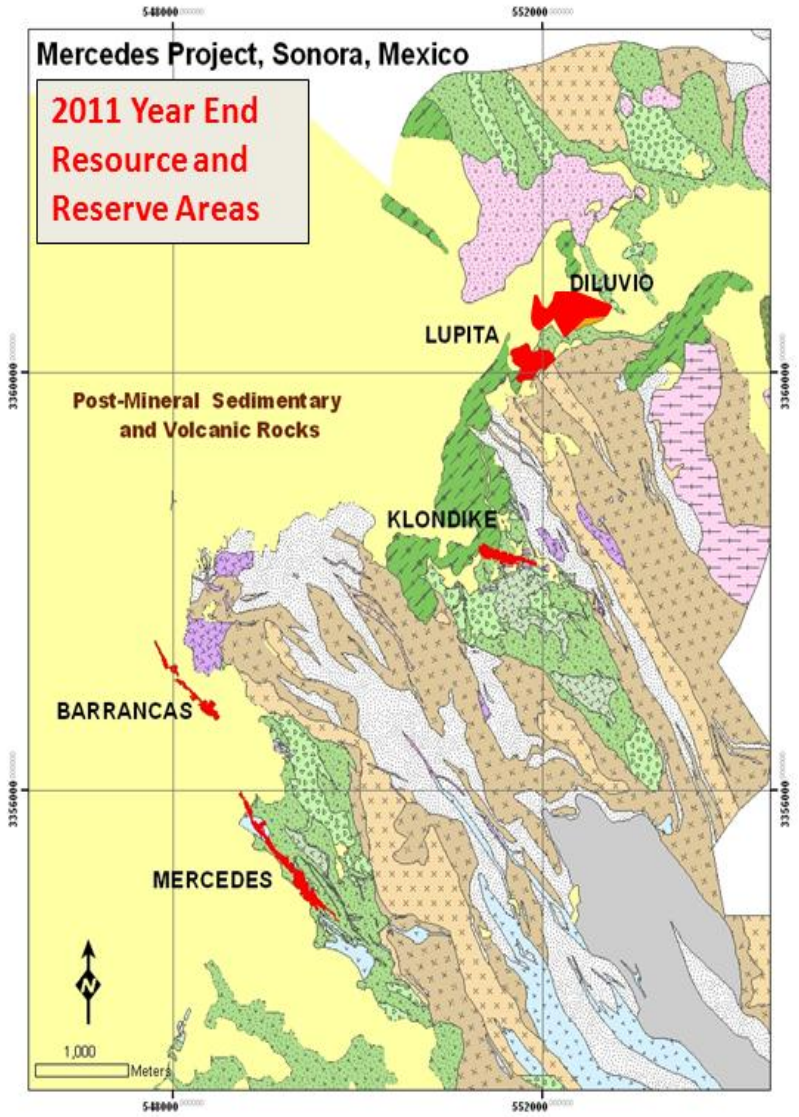
Mercedes:
Numerous Discoveries

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Oct. 2005:	Corona del Oro discovery, M-31 ***21 meters @ 28.44 g/t Au, 245 g/t Ag***
Oct. 2006:	Klondike discovery, K06-15 ***11.17 meters @ 6.78 g/t Au, 16 g/t Ag***
Oct. 2006:	Lupita discovery, LP06-15 ***2.03 meters @ 9.58 g/t Au, 40 g/t Ag***
Sept. 2008:	Exploration decline commenced
April 2009:	Barrancas discovery, M09-423D ***3.05 meters @ 26.03 g/t Au, 22 g/t Ag***
April 2010:	Diluvio discovery, L10-061D ***13.7 meters @3.12 g/t Au, 36.6 g/t Ag***
Oct. 2010:	Lagunas Norte Discovery ***4.90 meters @ 9.31 g/t Au, 121.1 g/t Ag***
Mar. 2012:	**Mariana discovered; M12-639D** ***3.04 meters @ 12.69 g/t Au , 11.5 g/t Ag.***



Discovery Cost of $27/oz



Note: Refer to the Mineral reserves and Resources table for further detail on Mineral Reserves and Resources discussed in this presentation

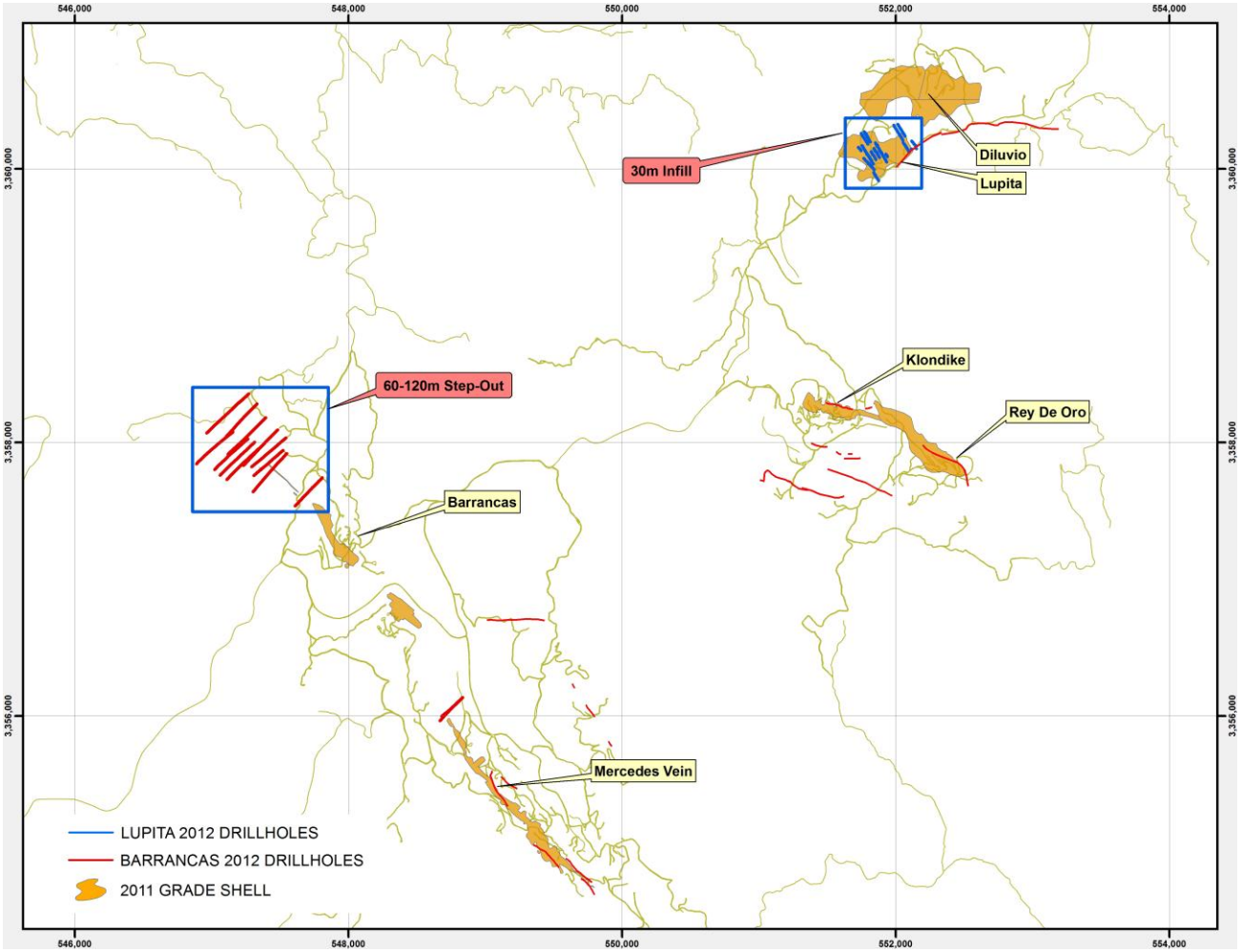
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Mercedes:

Increasing Confidence

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- Budget of $7M with 33,000 meters of drilling
- 55 holes drilled YTD totaling 16,034 meters
  - 41 at Lupita
  - 14 at Marianas
- New discovery at Marianas – extension of Barrancas to the NW
- Drilling at Lupita will increase confidence of mineral resource from inferred

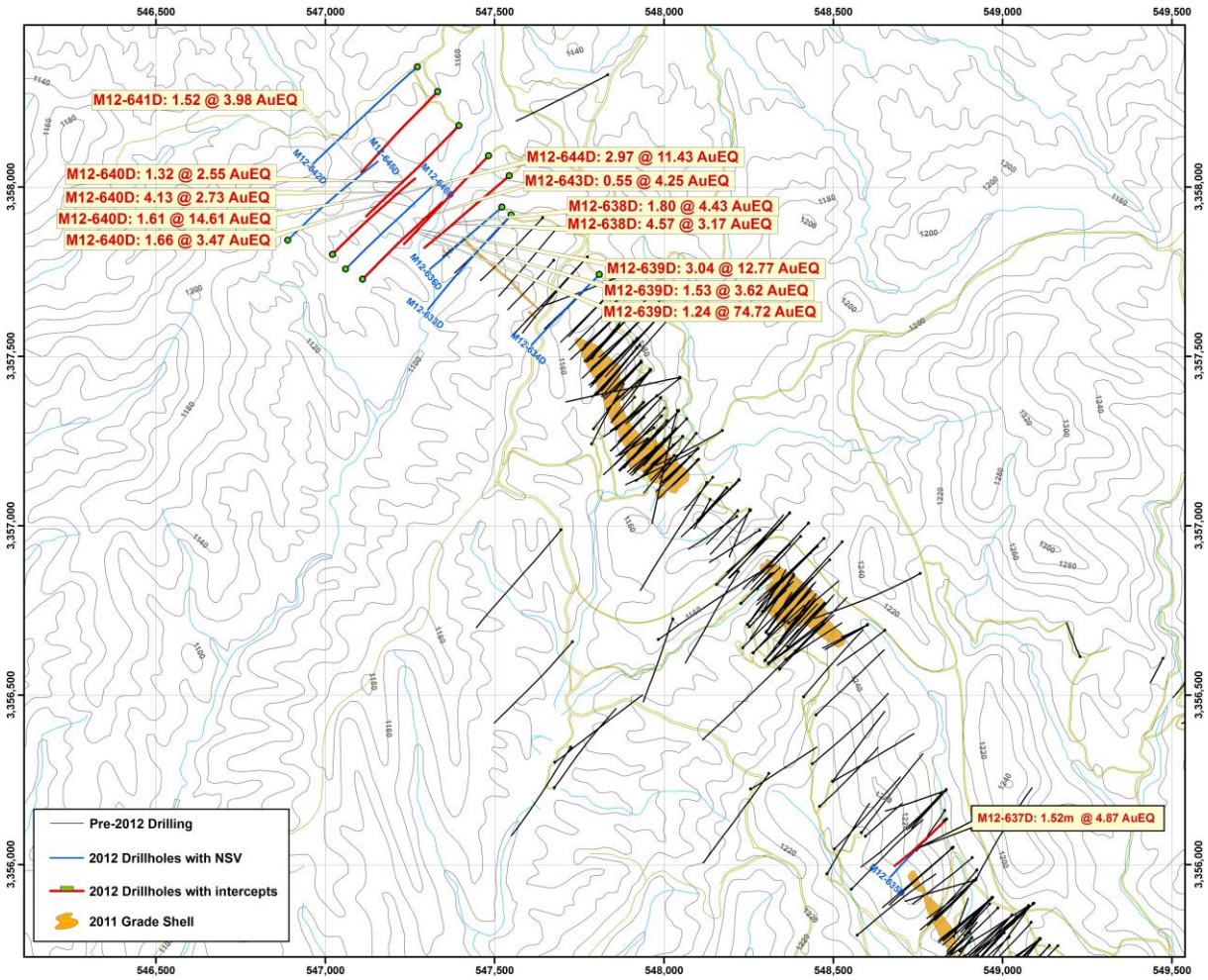


Mercedes:

Marianas Discovery

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- On the Barrancas vein trend, 600 meters NW of Lagunas Norte
- Drill tested along 300 meters of strike length

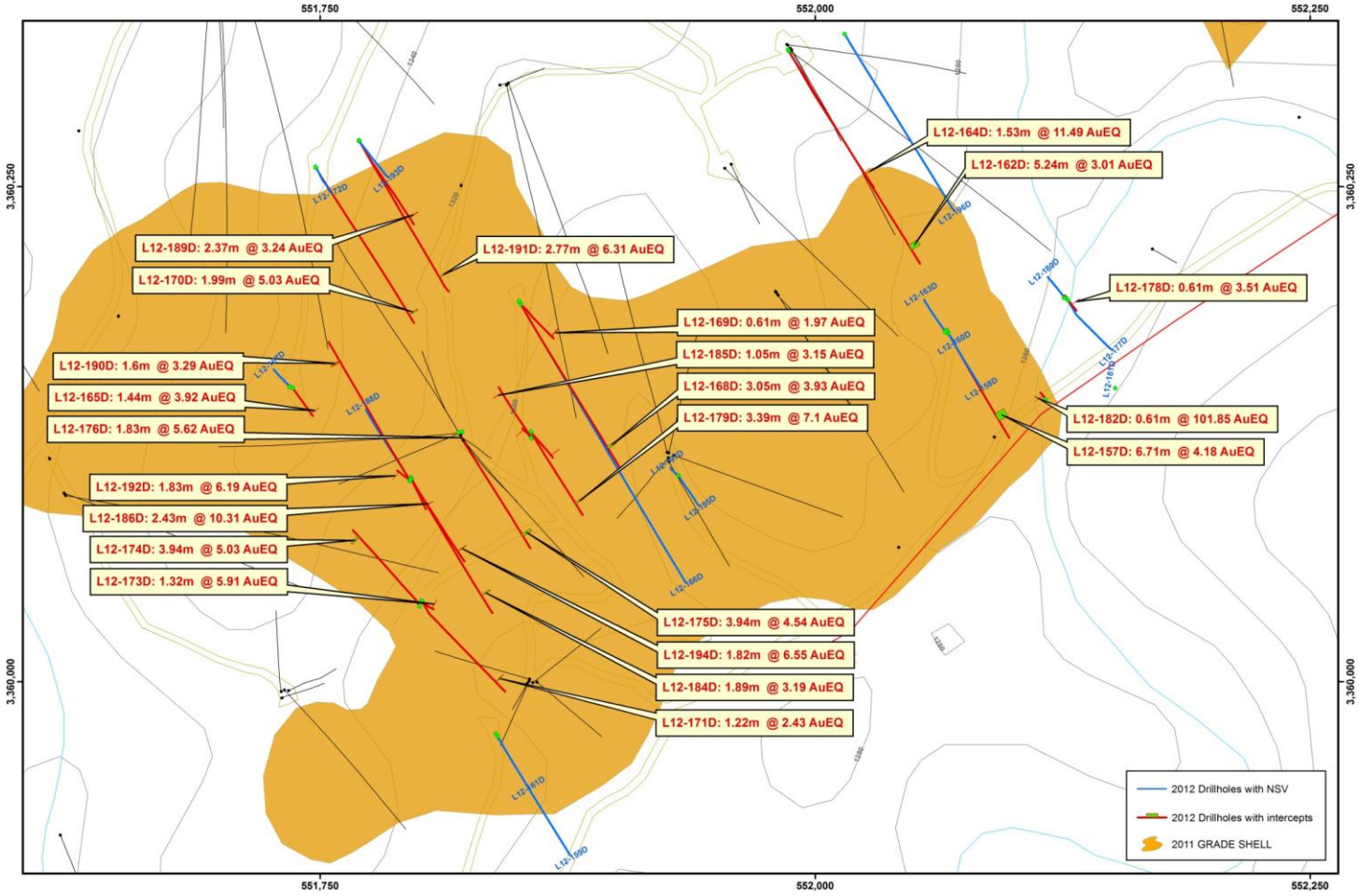


Mercedes:

Lupita

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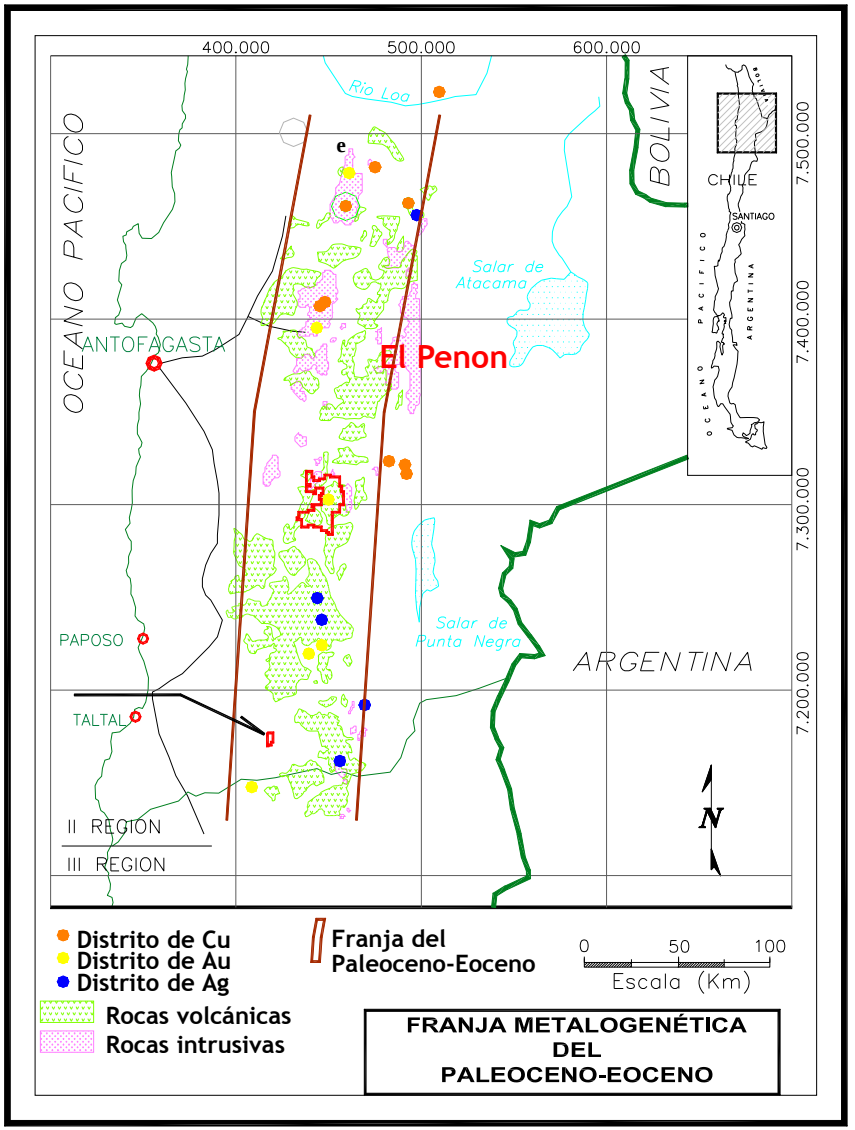
- 41 drill holes completed
- Upgrade inferred resource to indicated



El Peñón:
A Flagship Asset

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- Large land package 100% owned by Yamana
- Exploration ongoing for 20 years with proven ability to replace resources and reserves year over year
- Budget of $29.5M with 140,000 meters of drilling
- 34,383 meters drilled year to date

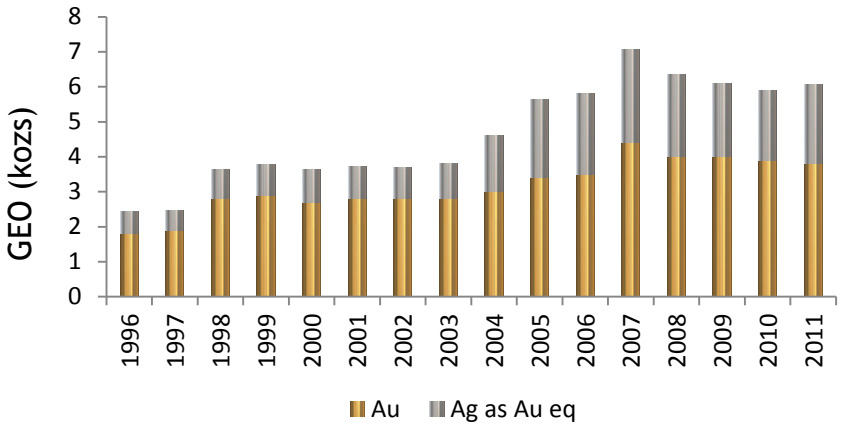


El Peñón:
After 20 years the asset that keeps on giving…..

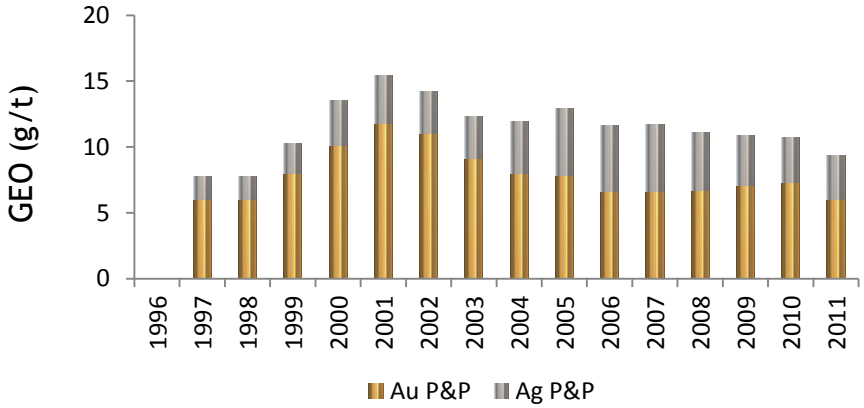
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- Experienced, well funded exploration team
- Average of $7.6M budgeted per year since 1996
  - Average of $18M/year in 2006-2011
- Average of 355k Au and 11M ounces Ag discovered annually
  - Average of 330k Au/year and 7.7M ounces Ag/year in 2006-2011

GEO



Reserve Grade



Discovery Cost of $22/GEO

Note: Refer to the Mineral reserves and Resources table for further detail on Mineral Reserves and Resources discussed in this presentation

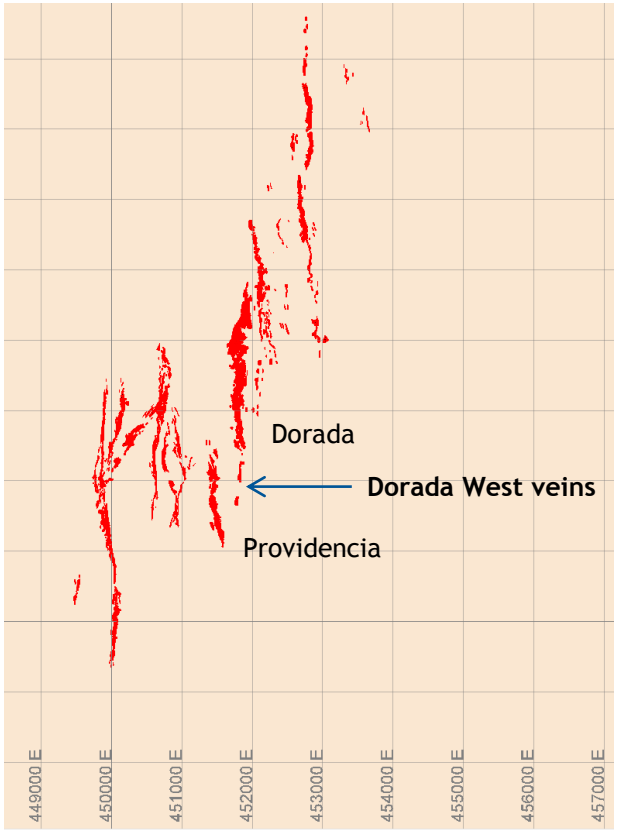
El Peñón:

Dorada West 1 and 2

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- Extensions of past drilling have confirmed two sub parallel veins in the hanging wall of Providencia
- Traced along strike for over 700 meters and down dip for 150 meters
- Average widths and grades:
  Dorada West 1: 1.06m, 9.21 g/t Au and 220 g/t Ag
  Dorada West 2: 2.26m, 5.07 g/t Au and 348 g/t Ag
- Historic resource for Dorada and Providencia:

	Tonnes	Au g/t	Ag g/t
Dorada	2,060,174	9.62	564.34
Providencia	1,927,253	6.78	357.21



Note: Refer to the Mineral reserves and Resources table for further detail on Mineral Reserves and Resources discussed in this presentation

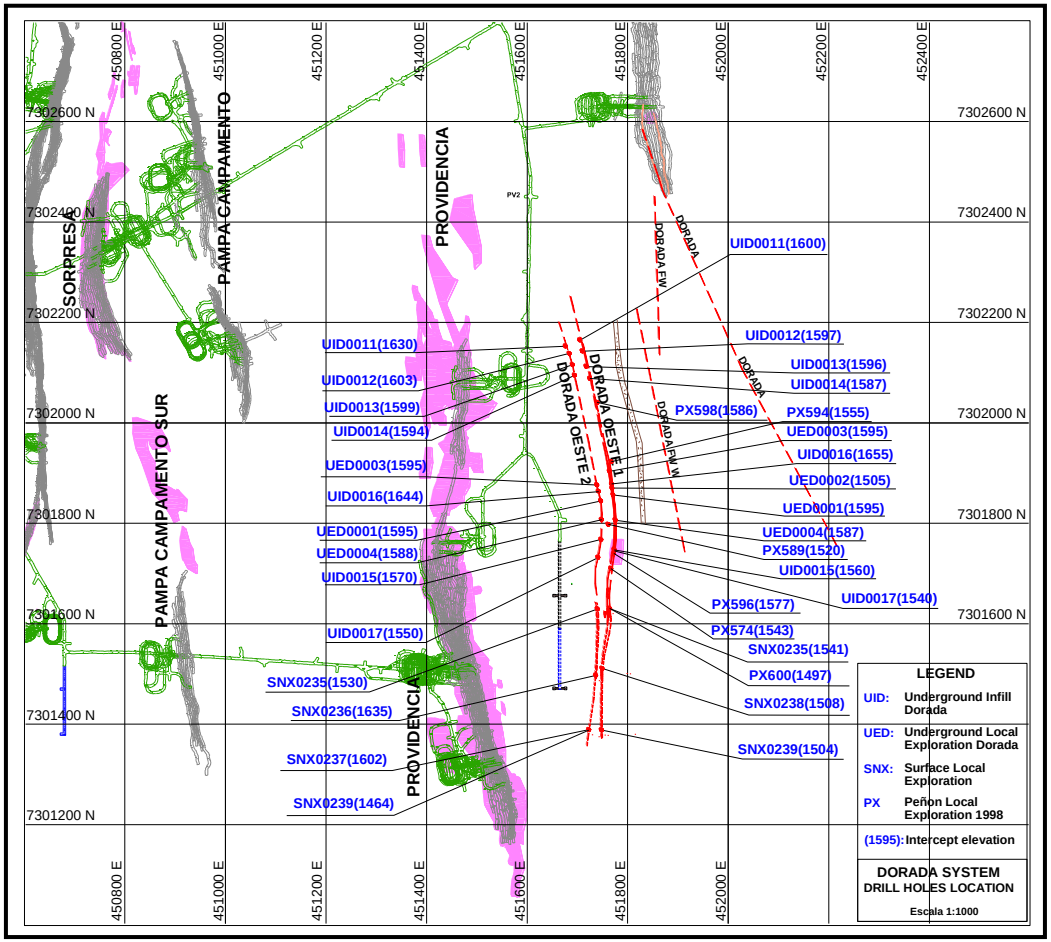
El Peñón:

Dorada West veins

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Dorada West 1 Vein				
Hole No	From (m)	True Width (m)	Au g/t	Ag g/t
SNX0235	364.00	6.16	3.87	320
SNX0238	392.00	2.98	24.20	1663
SNX0239	399.00	2.38	0.02	2
UID0011	107.18	0.77	2.08	116
UID0012	98.00	1.01	14.05	6
UID0013	105.00	0.40	1.27	42
UID0014	124.52	0.95	2.38	134
UID0015	125.29	2.53	4.37	371
UID0016	114.00	1.00	2.62	241
UID0017	154.30	0.62	8.03	674
UED0001	102.43	2.76	3.98	294
UED0002	168.40	0.54	0.53	49
UED0003	124.07	4.00	1.80	146
UED0004	99.00	1.05	2.60	150
PX589	388.00	4.13	0.70	44
PX594	357.00	1.39	1.73	21
PX598	366.00	2.42	0.50	62
PX574	372.00	3.98	4.08	301
PX596	319.00	3.88	10.44	790
PX600	402.00	1.80	0.81	32

Dorada West 2 Vein				
Hole No	From (m)	True Width (m)	Au g/t	Ag g/t
SNX0235	379.00	1.82	3.71	275
SNX0236	316.00	2.84	0.01	0
SNX0237	367.00	1.85	0.66	47
SNX0239	441.00	0.60	1.34	104
UID0011	67.53	1.32	14.99	807
UID0012	71.45	0.75	3.16	49
UID0013	77.50	0.61	146.29	169
UID0014	84.28	1.80	5.13	522
UID0015	91.50	0.38	3.48	287
UID0016	93.05	0.27	4.71	358
UID0017	126.50	0.49	1.19	91
UED0001	77.00	0.90	2.79	182
UED0003	90.00	0.77	1.71	36
UED0004	96.10	0.50	1.68	89

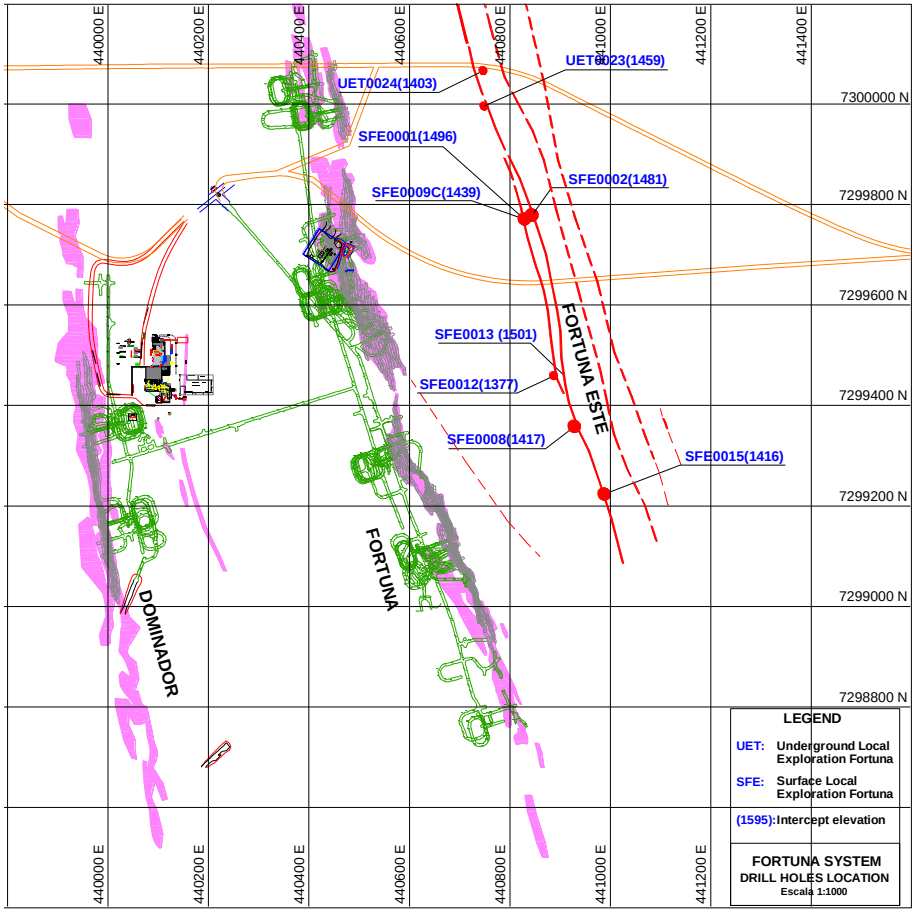


El Peñón

Fortuna Este

YAMANAGOLD

- New discovery located 400 meters west of Fortuna
- Continuous vein zone along 1 kilometer of strike length with only 10 drill holes to date
- Erratic grades but with a shoot developing at the north and south extremities
- UET0022 intersected new structure 150 meters east of Fortuna



Fortuna East Vein

Hole No	From (m)	True Width (m)	Au g/t	Ag g/t
SFE0001	156.00	3.12	1.30	74
SFE0002	169.00	2.16	1.83	174
SFE0008	204.00	1.53	1.10	13
SFE0009C	204.00	4.06	3.84	273
SFE0012	80.00	3.14	1.26	8
	267.00	2.21	0.40	5
SFE0013	142.00	1.45	0.00	0
SFE0015	230.00	1.43	13.00	480
UET0022	207.28	0.50	37.50	5114
UET0023	328.20	0.50	51.76	1509
UET0024	332.30	0.54	6.80	6

El Peñón:

Pampa Augusta Victoria (PAV)

YAMANAGOLD

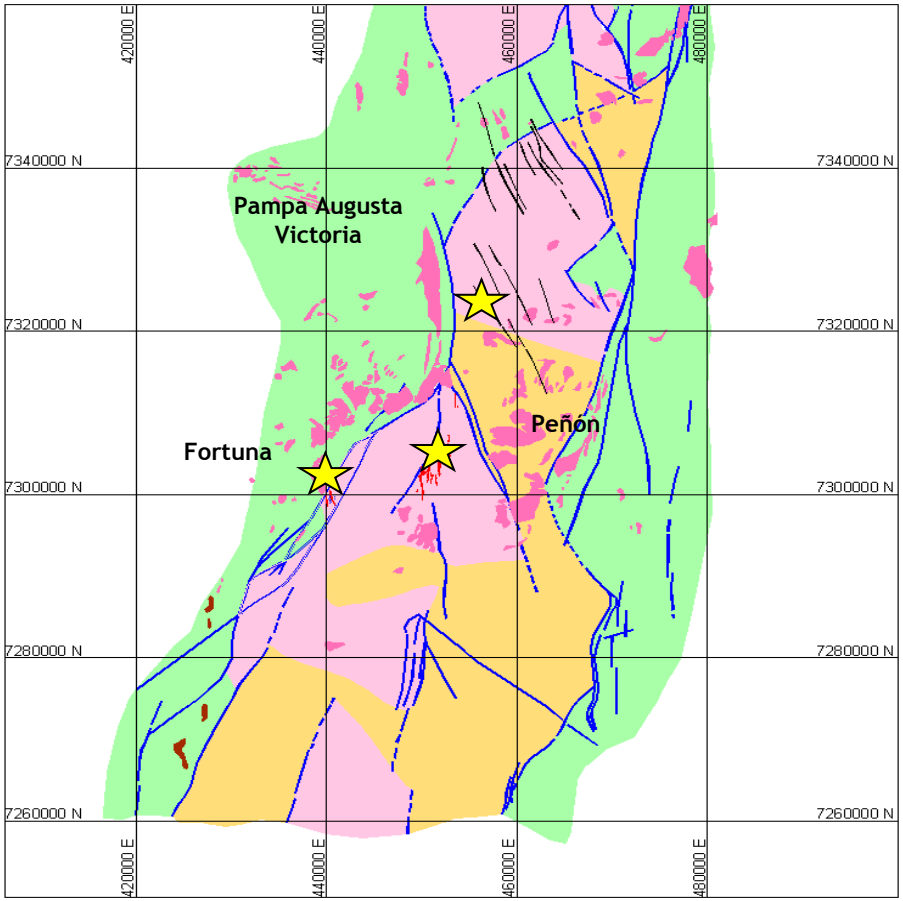
Nov. 2009: Discovered by Yamana geologists

Jan. 2011: NI 43-101 mineral resource

Jan. 2012: First mineral reserve

- 32 drill holes completed
- Focus on Elizabeth and Victoria Este



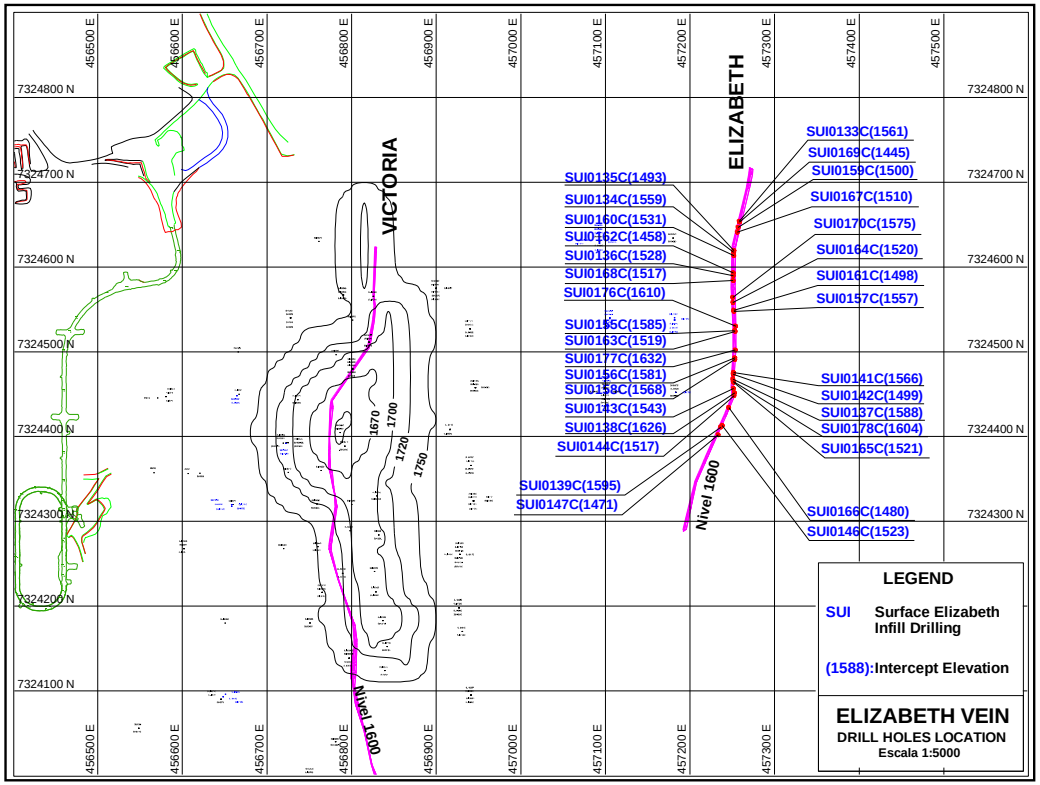


El Peñón:

PAV Elizabeth

YAMANAGOLD

- New vein located approx. 400 meters east of Victoria
- Similar characteristics to Victoria, with local high grade shoots and very high silver grades
- Best grades intersected 150 to 200 meters below surface
- Numerous high grade vein structures located between Victoria and Elizabeth



El Peñón:
Elizabeth vein

YAMANAGOLD

Elizabeth Vein

Hole No	From (m)	True Width (m)	Au (g/t)	Ag (g/t)
SUI0133C	205.75	0.12	0.20	98
SUI0134C	205.35	0.10	1.10	281
SUI0135C	282.50	0.54	13.87	3111
SUI0136C	260.55	0.41	2.23	167
SUI0137C	182.82	0.19	47.80	5695
SUI0138C	156.05	0.22	0.22	1
SUI0139C	179.15	0.02	0.00	0
SUI0141C	231.00	0.35	0.15	52
SUI0142C	274.00	0.34	0.98	152
SUI0143C	244.30	0.19	2.83	410
SUI0144C	258.40	0.40	34.53	2572
SUI0146C	257.35	0.61	0.01	0
SUI0147C	301.00	0.11	0.04	2
SUI0155C	188.81	0.16	3.72	1262
SUI0156C	193.41	0.09	0.16	2
SUI0157C	236.45	0.42	7.55	2154
SUI0158C	232.85	0.23	0.27	20
SUI0159C	277.45	0.20	0.37	18
SUI0160C	253.28	1.15	10.71	2677
SUI0161C	276.95	0.21	16.10	1646
SUI0162C	308.02	0.50	6.72	906
SUI0163C	261.20	0.19	0.11	3
SUI0164C	259.60	0.21	0.32	90
SUI0165C	255.45	0.36	9.55	1265
SUI0166C	287.40	0.43	8.59	196
SUI0167C	272.90	0.44	1.71	281
SUI0168C	264.00	0.25	1.94	729
SUI0169C	327.96	0.27	1.22	856
SUI0170C	197.58	0.30	0.04	1
SUI0176C	166.85	0.40	2.77	597
SUI0177C	151.65	0.61	19.10	1014
SUI0178C	178.45	0.26	0.02	2

