

A BALANCED APPROACH

Corporate Summary

November 2014

YAMANAGOLD

TSX: YRI | NYSE: AUY

Cautionary Note Regarding Forward-looking Statements

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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 expected production and exploration, development and expansion plans at the Company's projects discussed herein being met, the impact of proposed optimizations at the Company's projects, the impact of the proposed new mining law in Brazil and 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 the 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 mineral resources and mineral reserves, risk related to non-core mine dispositions, risks related to acquisitions, 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 current and annual Management's Discussion and Analysis and the Annual Information Form for the year ended December 31st, 2013 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 for the year ended December 31st, 2013 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.

Please note that "GEO" means gold equivalent ounces throughout this presentation.

Silver production is treated as a gold equivalent converted at a ratio of 50:1.

All amounts are expressed in United States dollars unless otherwise indicated.

Key messages
The "Take-Aways"

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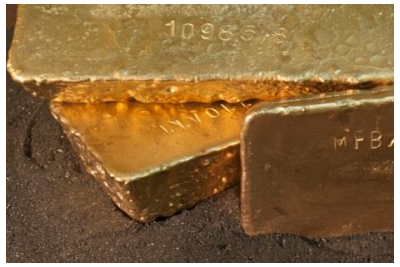
- Focus on quality assets: cornerstone mines have met or exceeded expectations and continue to deliver
- Solid balance sheet with a plan to further improve
- Admit and deal with challenges of historical development stage assets and implementing plan for improvements
- Plan for divestment of non-core assets
- Flattened organizational structure and recognized need for more technical strength
- HIGH degree of confidence for current plan and ability to execute









Making the Distinction

How you look at Yamana

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Yamana's Portfolio Approach
Cornerstone Assets

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	Early 2014 Guidance	Year-to-Date Production
Chapada	103,000	82,650
El Peñón	448,000	329,270
Gualcamayo	170,000	134,404
Mercedes	129,000	80,662
Minera Florida	114,000	87,941
Jacobina	89,000	54,741
Total	**1,053,000**	**769,668**
Canadian Malartic(3)	260,000	201,366

Year-to-date AISC(1,2) at Cornerstone Assets
$754/GEO

Guided to 134 Mlbs of Copper production – YTD 98.5Mlbs

Nothing has changed for our Cornerstone assets, Continue to track to guidance

1. A non-GAAP measure. A reconciliation of can be found at www.yamana.com/Q32014 in accordance with previous Canadian GAAP for public entities.
2. Includes cash costs, sustaining capital, corporate general and administrative expense, and exploration expense.
3. 2014 production attributable to Yamana for the period since acquisition on June 16, 2014 equal to 76,639 ounces.

Operational Performance

Cornerstone operations

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		2014	Production (GEO/Mlbs)	Ore processed (tonnes)	Grade (g/t / %)	Recovery Rate (%)
Chapada	Gold	Q3	30,522	5,440,264	0.28	59.3
		YTD	82,650	15,319,507	0.27	59.4
	Copper	Q3	38.0		0.39	81.2
		YTD	98.5		0.36	80.3
Gualcamayo		Q3	43,060	1,440,285	1.43	73.5
		YTD	134,404	4,781,836	1.51	69.1
Canadian		Q3	64,761	2,416,797	0.94	89.0
Malartic (50%)		YTD	76,639	2,814,609	0.95	89.2
Jacobina		Q3	21,112	372,243	1.89	93.6
		YTD	54,741	1,063,044	1.74	92.0

Operational Performance

Cornerstone operations

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	2014	Production (GEO)	Ore processed (tonnes)	Gold Grade (g/t)	Gold Recovery Rate (%)	Silver Grade (g/t)	Silver Recovery Rate (%)
El Peñón	Q3	117,102	375,507	6.19	93.7	227.73	85.2
	YTD	329,270	1,093,663	6.26	93.5	210.59	83.5
Mercedes	Q3	30,532	176,310	5.30	94.8	54.91	33.3
	YTD	80,662	503,424	4.92	94.5	57.77	31.2
Minera Florida	Q3	30,596	437,202	1.99	80.1	45.59	63.9
	YTD	87,941	1,290,460	2.18	79.9	32.28	59.1

Revolving Credit Facility: Drawn to Fund Development

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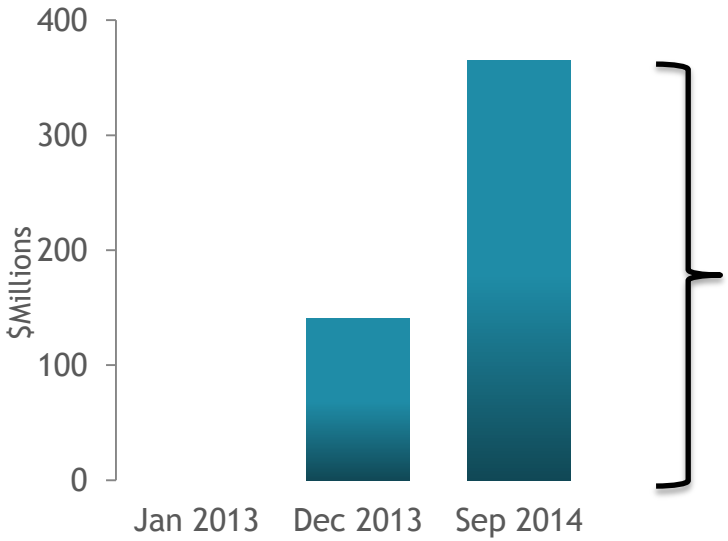
Strategic Objective: Zero balance on revolver because it is Prudent and Responsible



- Revolving facility balance increased due to development projects
- Challenges/delays in commissioning of projects impacted cash balance
  - Cash flow from new operations had been expected to pay off revolver
  - Loss in expected revenues during extended commissioning period
  - Loss now stopped and plan developed and undertaken to meet strategic objective

Paying down the revolving facility
Four Pillars

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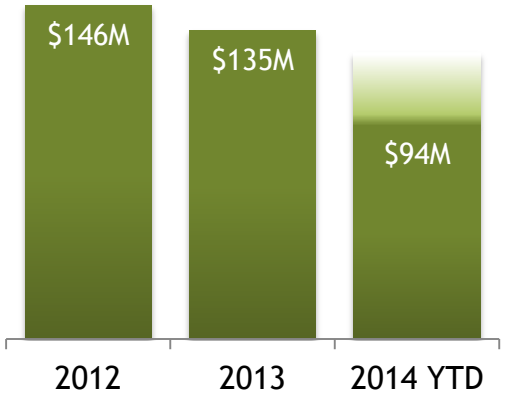
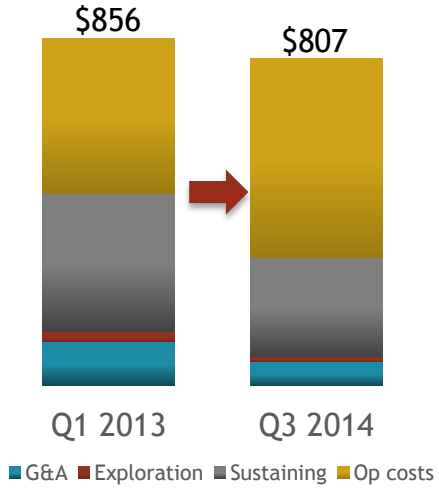
G&A Expenses



Manageable Dividend

New dividend level conserves $80 million per year

Operating Cost Structure



Additional Opportunities

Monetization of Non-Core Producing Assets and Development Projects

Focus on cost containment

Continuing to deliver reductions

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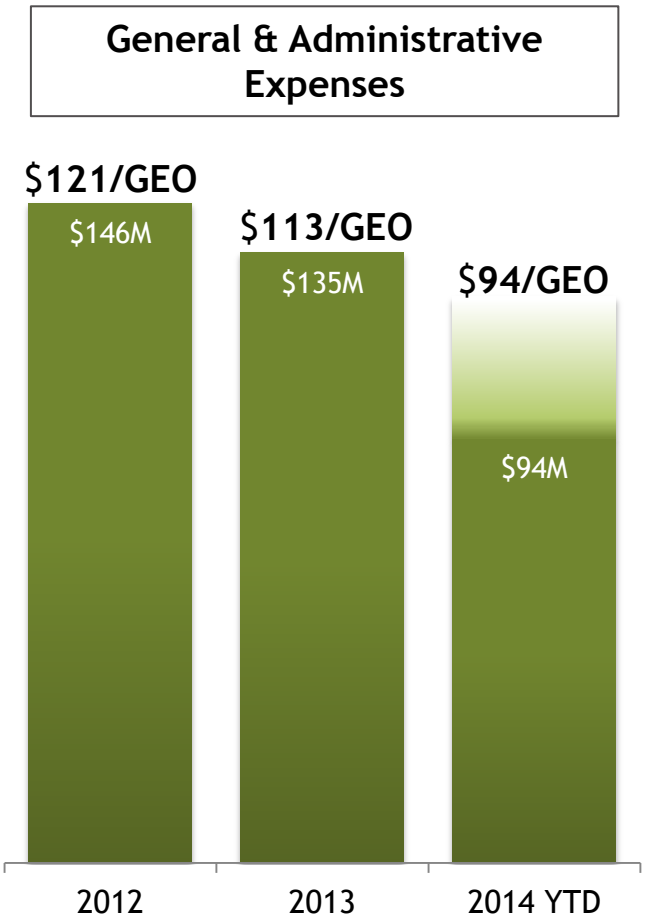

- Implemented cost containment initiative in Q2 2013
- Included reduction in G&A expenses both corporately and at mine site
- Efforts continue to identify areas for additional reductions
- Significantly streamlined management for efficiency with added benefit of G&A reductions.

Lower AISC Cost Structure
Continued Improvement

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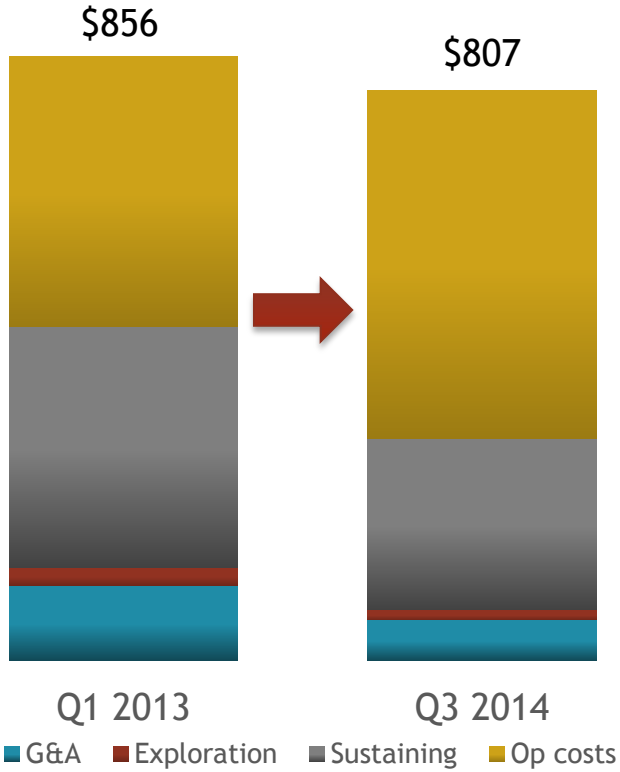
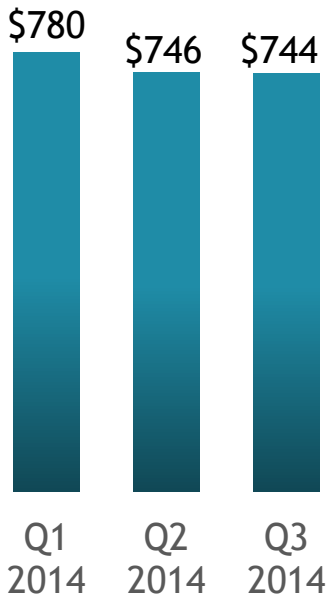
All-in Sustaining Cash Costs[1,2]

Yamana Cost Trend



Cornerstone Assets



Steady, low cost level of Cornerstone Assets

New cost structure sustainable, longer term initiatives underway

1. A non-GAAP measure. A reconciliation of can be found at www.yamana.com/Q32014 in accordance with previous Canadian GAAP for public entities.
2. Includes cash costs, sustaining capital, corporate general and administrative expense, and exploration expense..

Dividend History

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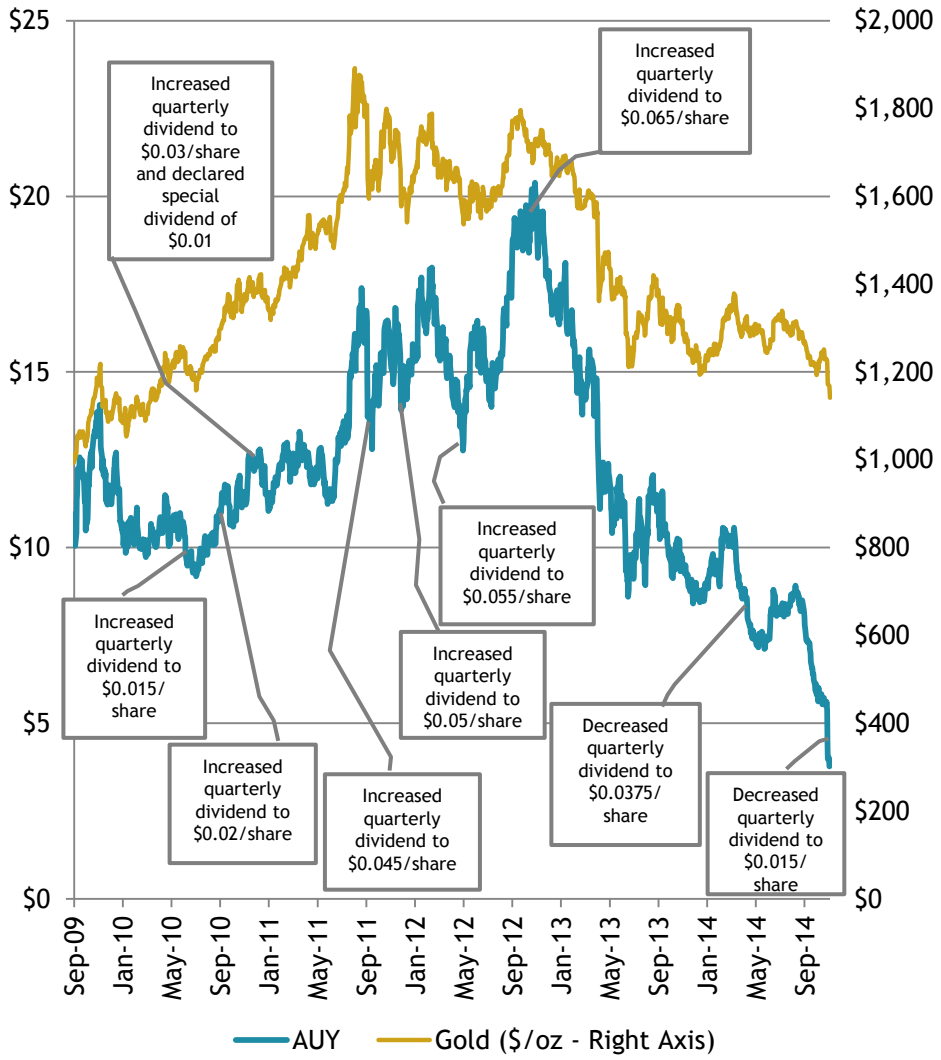

Previous Annual Dividend	New Annual Dividend
$0.15/share	$0.06/share
$132M	**$53M**

Dividend first introduced in June 2006 at $0.01/share

New dividend level conserves ~$80M per year

Additional Opportunities

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Potential to accelerate increases in available cash

- Monetization of non-core
  - Ring-fenced assets – potential monetization through sale
    - Pilar, C1 Santa Luz, Fazenda Brasileiro
    - Ernesto Pau-a-Pique
  - Agua Rica – Copper, Molybdenum, Gold
    - Potential monetization through sale of project or stream or partnership interests

Overcoming Challenges

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Undertook the development of 2 large expansions and 4 development projects

- ✓ Expansion at Gualcamayo – QDDLW
- ✓ Expansion at Chapada - Corpo Sul
- ✓ Development of Mercedes
- X 3 other development projects
  - Challenges identified in early 2013
  - Assurance of plan to rectify
  - Opportunity and benefit given to operations team to manage

Beginning in late 2013 – reality became more clear

RESULT:

Significant change to management structure

Significant enhancement to project/asset review

Suspend further efforts on challenged development projects

Yamana's Portfolio Approach
Brazilian development projects

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Current Status:

- **C1 Santa Luz:** Care and maintenance: Annual cost $2-3 million

- **Ernesto**: Producing a modest 20,000 ounces per year:

  Breakeven in Q2/Q3 2014 with sale of energy

- **Pilar:** expected to breakeven in 2015 at $1,100 Au.

Total associated carrying costs
$6 – 8M

Decisive action improved positioning to enhance value going forward

Streamlined Management Structure

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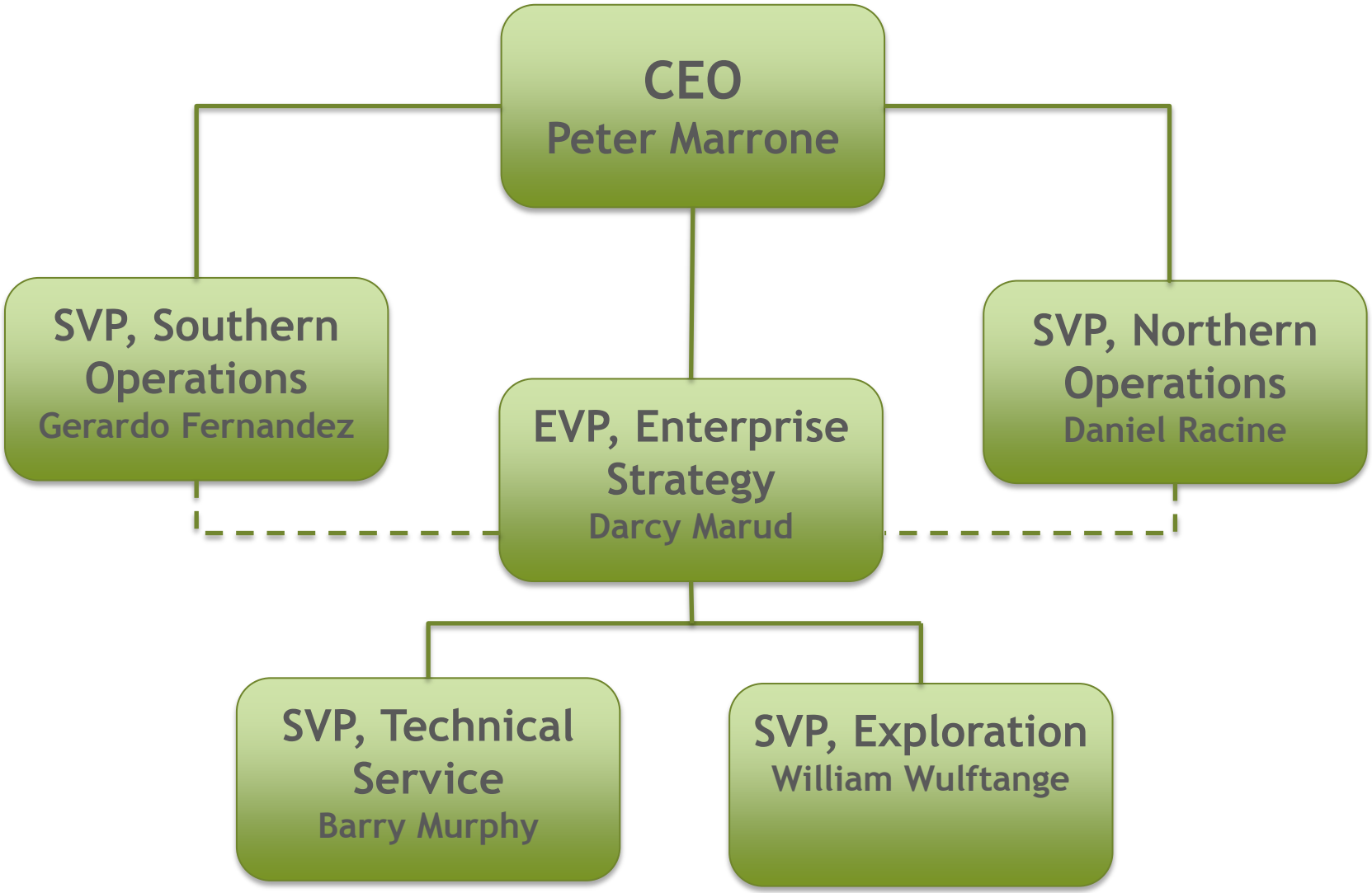

Portfolio Going Forward

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Key Assets

Chapada
El Peñón
Gualcamayo
Mercedes
Canadian Malartic

- Management focus on cornerstone operations consistent with balanced approach to growth
- Cornerstone operations will continue to contribute most significantly to production and cash flow
- Optimizations, expansions and cost reductions drive increased returns

Jacobina
Minera Florida
Cerro Moro

- Hold the potential to become key assets
- Development approach at Cerro Moro is the same as Mercedes

Cornerstones of cash flow generating assets form production base

Fourth Quarter Expectations

Continued focus on cornerstone operations

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- Production expected to exceed 405,000 GEO
- Revenues expected to increase from:
  - Unsold ounces from Q3 (~18,000 GEO)
- AISC[1,2] expected in line with guidance: $825 to $875 per GEO

Q4 Expectations	Production	Cash Costs[1]
Chapada	→	→
El Peñón	→	↓
Gualcamayo	↑	↓
Mercedes	↑	→
Canadian Malartic	↑	↓
Minera Florida	→	→
Jacobina	↑	↓

Focus on cornerstone assets expected to deliver record quarterly production

1. A non-GAAP measure. A reconciliation of can be found at www.yamana.com/Q32014 in accordance with previous Canadian GAAP for public entities.
2. Includes cash costs, sustaining capital, corporate general and administrative expense, and exploration expense.

Cerro Moro, Argentina

- *High-grade gold-silver deposit*

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Development approach to Cerro Moro

Feasibility Study Completed

↓

Pre-Development work

↓

Advanced Engineering

↓

Construction Decision
Expected by end of year





Mercedes Development Path

Feasibility Study Completed

↓

Pre-Development work

↓

Advanced Engineering

↓

Construction Decision

↓

Development completed on time and on budget

↓

Cornerstone asset
Delivering on expectation

Expected to generate significant cash flow and robust returns

2015 Expectations

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- Production expected to increase:
  over 1.42M ounces
- Costs are expected to be consistent with 2014 or lower
- All else being equal, expect to generate more cash flow as production will be generating margin and cash flow than 2014
- Expansionary capital expenditures expected to decline
- Cash position expected to increase









Key messages
The “Take-Away”

HIGH degree of confidence for current plan and ability to execute

A significant value proposition

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