

True Value Proposition

2016 First Quarter Results

May 5, 2016

YAMANA GOLD

TSX: YRI | NYSE: AUY

Cautionary Note Regarding Forward-looking Statement

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: This presentation contains or incorporates by reference "forward-looking statements" and "forward-looking information" under applicable Canadian securities legislation within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking information includes, but is not limited to information with respect to the Company's strategy, plans or future financial or operating performance, the outcome of the legal matters involving the damages assessments and any related enforcement proceedings. 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 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, the new Chilean tax reform package, 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), the impact of inflation, 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, risks related to asset disposition, risks related to metal purchase agreements, risks related to acquisitions, changes in project parameters as plans continue to be refined, changes in project development, construction, production and commissioning time frames, 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 timelines, government regulation and the risk of government expropriation or nationalization of mining operations, risks related to relying on local advisors and consultants in foreign jurisdictions, environmental risks, unanticipated reclamation expenses, risks relating to joint venture operations, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending and outstanding litigation and labour disputes, risks related to enforcing legal rights in foreign jurisdictions, as well as those risk factors discussed or referred to herein and in the Company's Annual Information Form 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.

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

Peter Marrone

Chairman and CEO

Operational Highlights

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	Q1 2016	Q1 2015	Change
Gold			
Production (oz.) [1]	**308,061**	299,108	*3%*
Cash costs (/oz.)[2]	**$590**	$651	*(9)%*
Co-product cash costs (/oz.)[2]	**$604**	$699	*(14)%*
AISC (/oz.)[2,3]	**$804**	$889	*(10)%*
Co-product AISC (/oz.)[2,3]	**$786**	$898	*(12)%*
Silver			
Production (oz.)	**1.9M**	2.5M	*(22)%*
Co-product cash costs (/oz.)	**$7.71**	$8.08	*(5)%*
AISC (/oz.)	**$10.64**	$11.01	*(3)%*
Copper			
Production (lbs.)	**25.9M**	26.8M	*(3)%*
Co-product cash costs (/lbs.)	**$1.54**	$1.82	*(15)%*

- Significant production increases compared to Q1 2015 include:
  - Canadian Malartic (8%)
  - Jacobina (61%)
  - Pilar (14%)
  - Fazenda Brasileiro (54%)
- Costs were in line with expectations despite local currencies being stronger, on average, than assumed in guidance

Production met or exceeded budget expectations across the portfolio

1. From continuing operations
2. A non-GAAP measure. A reconciliation of can be found at www.yamana.com/Q12015 in accordance with previous Canadian GAAP for public entities.
3. All-in sustaining cash costs Includes cash costs, sustaining capital, corporate general and administrative expense, and exploration expense.

First Quarter 2016 Operational Summary

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Chapada	Tonnes processed	Production (oz.)	Cash Costs/oz.(1)	AISC/oz.(1,2)	Grade (g/t)	Recovery Rate
Gold	4,588,253	21,039	*$190*	*$634*	*0.28*	*52.3%*
Silver		59,516	*$(5.97)*	*$6.84*	-	-
Copper		25.9M lbs.	*$1.54/lbs.*	*$1.85/lbs.*	*0.35%*	*74.8%*

- Utilization of stockpiles during January and February to offset rainy season impacts
- Advancing H1 2016 operational improvement efforts to increase recoveries and throughput
- Expecting H1 to H2 copper production ratio of 45:55

El Peñón	Tonnes processed	Production (oz.)	Cash Costs/oz.	AISC/oz.	Grade (g/t)	Recovery Rate
Gold	328,882	56,448	*$586*	*$743*	*5.65*	*94.5%*
Silver		1,608,237	*$7.69*	*$9.76*	*176.8*	*86.3%*

- Production in line with plan and positioned to meet full year guidance
- Advancing efforts to improve mine development, productivity and reduce external expenditures
- Continuing to focus on improving operational efficiency and cost reductions

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First Quarter 2016 Operational Summary

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Canadian Malartic (50%)	Tonnes processed	Production (oz.)	Cash Costs/oz.(1)	AISC/oz.(1,2)	Grade (g/t)	Recovery Rate
Gold	2,380,269	73,613	*$557*	*$694*	*1.07*	*89.9%*

- Achieved record Q1 average throughput at the mill of 52,314 tpd
- Focusing on improving grinding and crushing circuits to optimize mill throughput and reducing overall planned maintenance downtime
- Anticipating mining from higher grade zones and mining productivity improvements during 2016

Jacobina	Tonnes processed	Production (oz.)	Cash Costs/oz.	AISC/oz.	Grade (g/t)	Recovery Rate
Gold	*428,836*	*29,971*	*$540*	*$750*	*2.27*	*95.6%*

- Exceeded expectations in Q1 with significant improvements across operational metrics
- Continuing to advance development into higher grade areas
- Exploration program continuing to return positive results with a focus on mineral resource conversion and mineral reserve delineation to extend mine life

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First Quarter 2016 Operational Summary

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Gualcamayo	Tonnes processed	Production (oz.)	Cash Costs/oz. (1)	AISC/oz.(1,2)	Grade (g/t)	Recovery Rate
Gold	2,021,422	36,603	*$799*	*$810*	*0.94*	*59.6%*

- Exceeded expectations for Q1
- Expecting quarter-over-quarter production increases during 2016
- Deep Carbonates technical review is ongoing with the evaluation of mining methods

Minera Florida	Tonnes processed	Production (oz.)	Cash Costs/oz.	AISC/oz.	Grade (g/t)	Recovery Rate
Gold	422,225	25,712	*$732*	*$879*	*2.29*	*83.0%*
Silver		134,276	*$9.65*	*$11.53*	*16.05*	*58.3%*

- Production in line with expectations for Q1
- Advancing efforts to reduce downtime in the underground mine and initiatives relating to the processing plant to improve recoveries

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First Quarter 2016 Operational Summary

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Mercedes

- Improved operational performance the result of a revised mine plan and cost structure, and more selective mining
- Focusing on mineral resource conversion through definition drilling
- Evaluating options to increase the mining rate and milling alternatives to improve recoveries

Pilar

- Record quarterly production the result of the contribution of Maria Lazarus, higher recoveries and higher throughput

Fazenda Brasileiro

- Significantly increased production and reduced costs with the mining of higher grade ore

Strategic Developments
Advancing Opportunities – NAV Increases

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Brio Gold

- Strategic decision to focus on improving the quality of the operations
- Acquired RDM mine to be held within the Brio Gold division
- With RDM, Brio Gold portfolio includes three producing mines and one development project with production profile at full capacity of approximately 250,000 oz.
- C1 Santa Luz has the potential to add annual production of approximately 100,000 oz.
- Continuing to deliver operational execution and pursuing potential to create further value

Cerro Moro

- 2016 development is advancing faster than planned
- 2016 plan includes underground development, site construction and detailed engineering with planned expenditures of approximately $53M
- Objectives for underground development are mitigation of risks and start-up of production in Q2 2018
- Development successes in Q1 include:
  - Completion of 120 metres of the 617 metres of underground development planned for 2016
  - Detailed engineering is now 65% complete - ahead of schedule
  - Civil earthworks commenced in February

Exploration Program
Most Significant Results – NAV Increases

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Gualcamayo	▪ Discovery of new oxide ounces expected to significantly increase mineral resources
Monument Bay	▪ Significant diamond drilling planned for 2016 ▪ Looking to extend and recategorize mineral resources ▪ Expect to significantly increase mineral resources in 2016
C1 Santa Luz	▪ Completed planned program to define carbon enriched portion and oxide/sulfide contact ▪ Expect significant recategorization of mineral resources back to mineral reserves
Chapada	▪ Continuing with exploration and development at Sucupira to define a larger mineral resource and bring into production in 2018
Canadian Malartic	▪ Continuing to define north and south mineral bodies at Odyssey and have discovered two previously unknown structures

Additional exploration success and positive results delivered at other properties in the portfolio

Quantities of Metal Sold

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	Q1 2016	Q1 2015	*Change*
Gold (oz. sold)	**299,877**	296,167	*1%*
Silver (oz. sold)	**1.9M**	2.4M	*(23)%*
Chapada payable copper contained in concentrate (lbs. sold)	**22.7M**	26.7M	*(15)%*

Lower silver and coppers sales were in line with expectations for the quarter

Realized Metal Prices and Revenue

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	Q1 2016	Q1 2015	*Change*
Average realized gold price per oz.	**$1,189**	$1,217	*(2)%*
Average realized copper price per lbs.	**$2.25**	$2.89	*(22)%*
Average realized silver price per oz.	**$14.94**	$16.74	*(11)%*
Revenue[1]	**$430.3M**	$458.1	*(6)%*

Lower year-over-year metal prices highlight the importance of focus on cost compression and margins

1. From continuing operations attributable to Yamana equity holders.

Cost Improvements in Q1

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	Q1 2016	Q1 2015	*Change*
Cash costs[1] per gold oz.	**$590**	$651	*$(61)*
AISC[1,2] per gold oz.	**$804**	$889	*$(85)*

Applying the per ounce cost reduction in Q1 to Q1 ounces sold is equivalent to adding cash flow from an additional mine

1. A non-GAAP measure. A reconciliation of which can be found at www.yamana.com/Q12016.
2. All-in sustaining cash costs (AISC) includes cash costs, sustaining capital, corporate general and administrative expense, and exploration expense.

Significant Financial Performance
Margin Expansion

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	Q1 2016	Q1 2015	*Change*
Gross Margin[1]	**$197.5M**	$176.0M	*12%*
Gross Margin as % of Revenue	**46%**	38%	*21%*
EBITDA Margin[2]	**$168.9M**	$115.5M	*46%*
EBITDA Margin as % of Revenue	**39%**	25%	*56%*

Focus on cost compression resulted in margin expansion despite lower revenue and stronger local currencies

1. Gross margin excluding depletion, depreciation and amortization.
2. Calculated based on gross margin excluding depletion, depreciation and amortization after deducting general and administrative, exploration and Evaluation and other expenses

Significant Financial Performance
Cash Flow

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	Q1 2016	Q1 2015	*Change*
Cash flows from operating activities after net changes in working capital[1]	**$122.8M**	$14.4M	*$108.4M*
per share	**$0.13**	$0.02	*$0.11*
Cash flow from operating activities before net changes in working capital[1,2]	**$128.1M**	$96.0M	*$32.1M*
per share	**$0.14**	$0.11	*$0.03*

Significant improvements in cash flow the result of continued focus on cost compression and margins

1. From continuing operations.
2. A non-GAAP measure. A reconciliation of can be found at www.yamana.com/Q12015 in accordance with previous Canadian GAAP for public entities.

Significant Financial Performance
Net Free Cash Flow

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	Q1 2016	Q1 2015	*Change*
Cash flows from operating activities after net changes in working capital[1]	**$122.8M**	$14.4M	*$108.4M*
Less: Non-discretionary items related to the current period			
Sustaining capital expenditures	**$(49.7)M**	$(50.1)M	*$0.4M*
Interest and finance expenses paid	**$(17.1)M**	$(18.5)M	*$1.4M*
Net Free Cash Flow[2]	**$56.0M**	$(54.2)M	*$110.2M*

- Net Free Cash Flow is calculated as cash flows from operating activities of continuing operations adjusted for non-discretionary expenditures from sustaining capital expenditures and interest and financing expenses paid related to the current period.

Net free cash flow is expected to increase over 2016, strengthening the balance sheet and reducing net debt

1. From continuing operations.
2. A non-GAAP measure. A reconciliation of can be found at www.yamana.com/Q12015 in accordance with previous Canadian GAAP for public entities.

Significant Financial Performance
Earnings and Adjusted Earnings

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	Q1 2016	Q1 2015	*Change*
Net earnings/(loss) [1]	**$38.4M**	$(135.2)M	*$173.6M*
Net earnings/(loss) per share[1]	**$0.04**	$(0.15)	*$0.19*
Adjusted earnings/(loss) [1,2]	**$28.8M**	$(37.5)M	*$66.3M*
Adjusted earnings/(loss) per share[1,2]	**$0.03**	$(0.04)	*$0.07*
Mine operating earnings	**$90.0M**	$38.1M	*$51.9M*
General and administrative expenses	**$21.8M**	$27.3M	*$(5.5)M*
DD&A	**$107.5M**	$137.9M	*$(30.4)M*
Expansionary Capital	**$20.2M**	$16.5M	*$3.7M*
Exploration capitalized/expensed	**$17.0M/$3.1M**	$7.9M/$5.4M	*$9.1M/$(2.3)M*

Significant financial performance highlighted by positive developments and increases in earnings and adjusted earnings

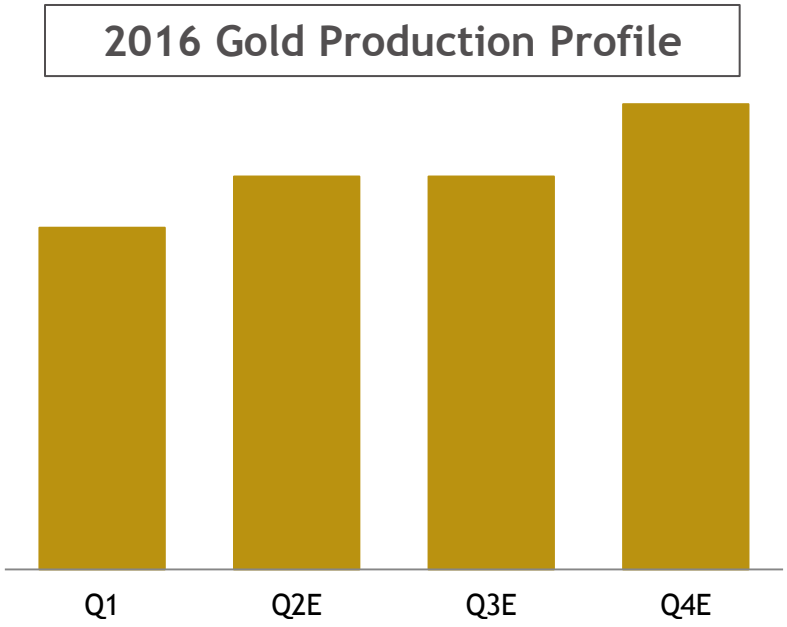
1. From continuing operations attributable to Yamana equity holders.
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Looking Forward
2016 *Gold Production Increases*

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2016E Production

Gold production (oz.)	1.264M - 1.335M
Silver production (oz.)	6.915M – 7.167M
Copper production (lbs.)	122M – 125M



- Q1 production positions the portfolio to meet or exceed full year guidance
- Expecting an approximate 2-3% increase in gold production per quarter
- Expecting to continue established trend of stronger production in second half
- Planned H1 to H2 copper production ratio of 45:55

Continuing to focus on operational execution across the portfolio

Looking Forward

Continuing to Focus on Cost Improvements

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2016E Cash Cost	Co-Product			By-Product	
	Gold	Silver	*Copper*	Gold	Silver
Consolidated Cash[1] Costs (/oz.)	$615	$7.25	*$1.32*	*$535*	*$6.20*
Consolidated AISC[1,2] (/oz.)	$845	$10.75	*$1.60*	*$805*	*$10.20*

- Q1 costs were in line with expectations despite local currencies being stronger, on average, than assumed in guidance
- Costs are expected to increase in Q2 over Q1 before normalizing at lower levels in H2: mostly related to timing of investments and development
- By-product cash costs expected to improve significantly in H2 compared to Q1:
  - Increase in gold production
  - More pronounced increase in copper production
  - Increase in grade at Gualcamayo, Chapada and El Peñón
  - Increase in recoveries at Chapada with announced modifications being implemented in Q2
- Fluctuation of local currencies can have significant impact on costs

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Looking Forward

Longer-term Production Expectations

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	2017E	2018E
Gold production (oz.)	1.378M	*1.455M*
Silver production (oz.)	6.94M	*10.45M*
Copper production (lbs.)	122M	*115M*

Production guidance includes:

- RDM ramping up over 2016
- Partial year from Cerro Moro in 2018
- Year-over-year production growth of approximately 6% in each of 2017 and 2018

Production guidance excludes potential upside from:

- C1 Santa Luz
- Barnat Extension (Canadian Malartic)

Focused on delivering prudent and disciplined growth

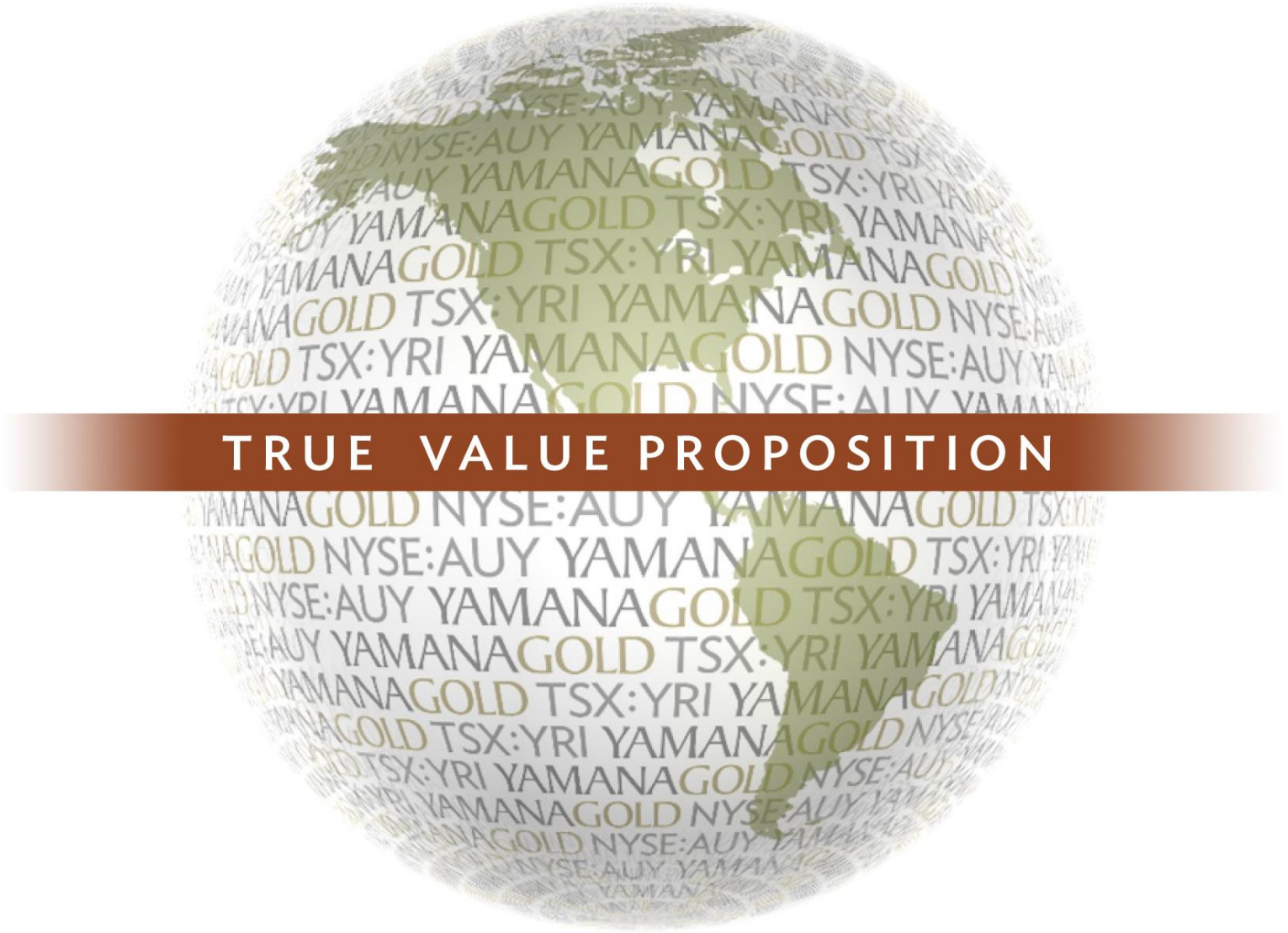
High Quality Portfolio Strategically Focused

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- Americas focused
- Quality mining jurisdictions
- Best asset portfolio in class
  - High quality organic growth assets at various development stages

Positioned to be an industry leader in 2016 and going forward


TRUE VALUE PROPOSITION