

2012 Second Quarter Results

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.

Peter Marrone
Chief Executive Officer

Agenda

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- Overview
  Peter Marrone – Chief Executive Officer
- Operational highlights
  Ludovico Costa – Chief Operating Officer
- Financial highlights
  Charles Main - Chief Financial Officer
- Development projects
  Evandro Cintra – SVP, Technical Services
- Exploration
  Darcy Marud – SVP, Exploration
- What's ahead
  Peter Marrone – Chief Executive Officer

THESIS

The Yamana Difference: Dependable Growth Now and for the Future

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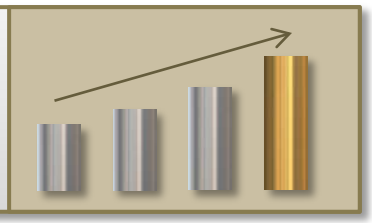
A profile of dependable growth



The financial metrics – importance of financial performance



The future – a long growth runway



A Different Business Model…

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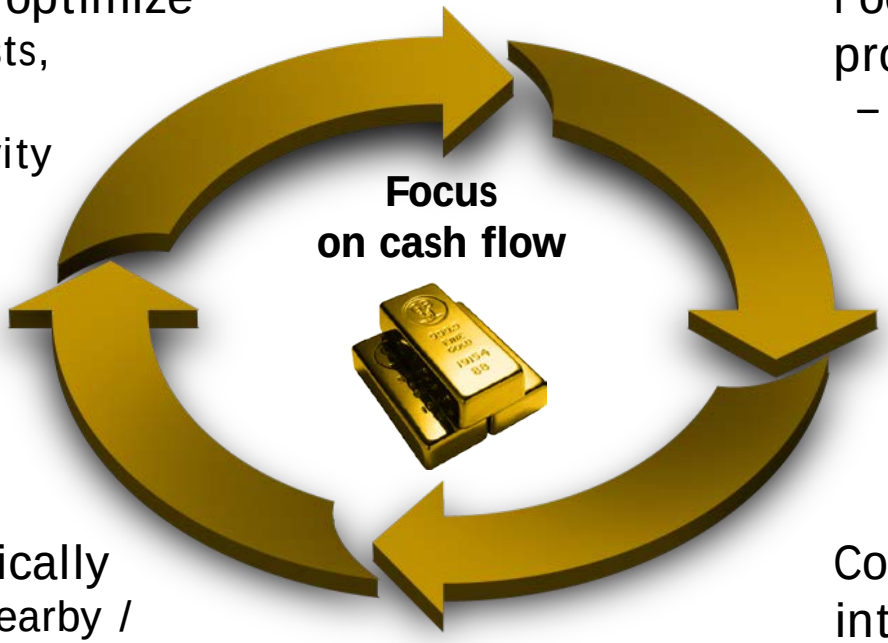
Continually optimize
- lower costs, enhance productivity

Focus on mid-size projects
- clusters / stable countries



Grow organically
- expand nearby / development

Convert rapidly into production
- mine sponsorship program

Projects – Yamana's Niche

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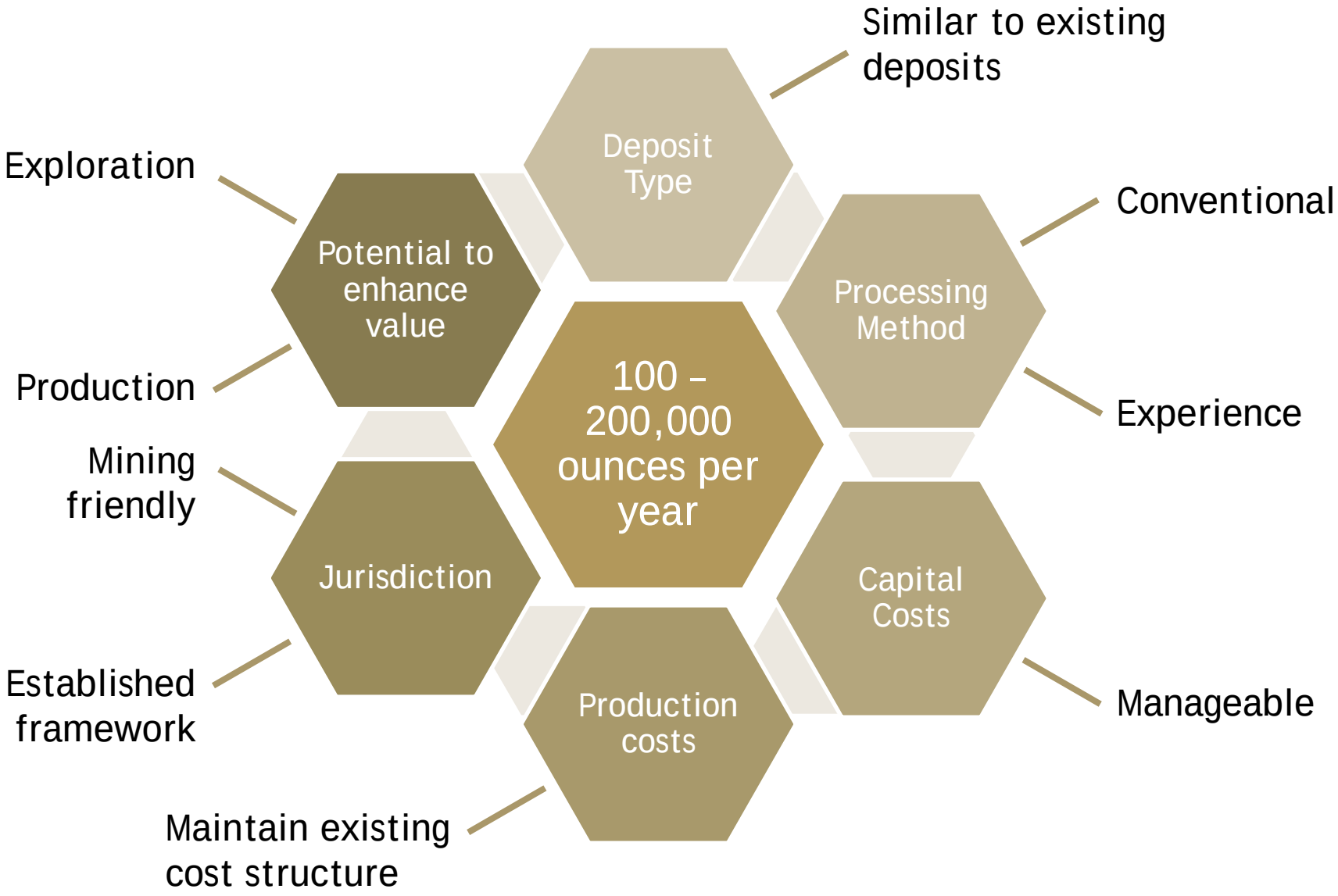

Operating in Stable Jurisdictions

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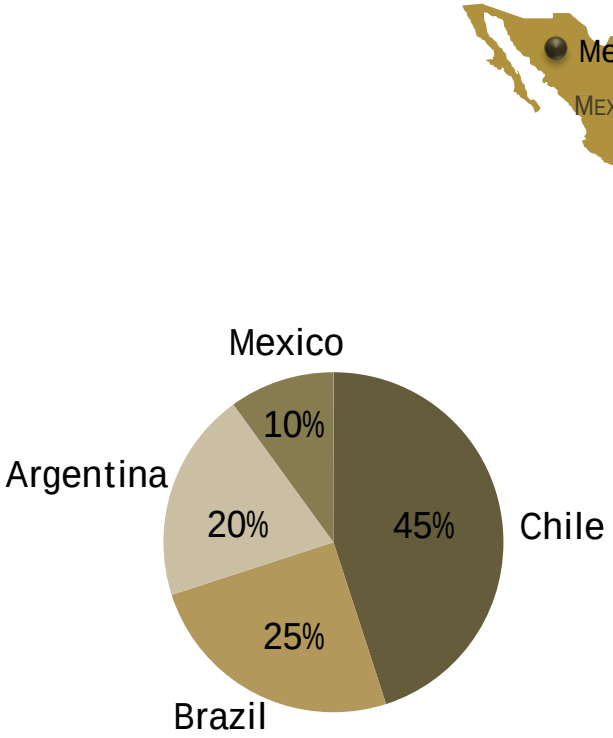








* Pending the closing of the acquisition of Extorre

Quarterly Production Growth

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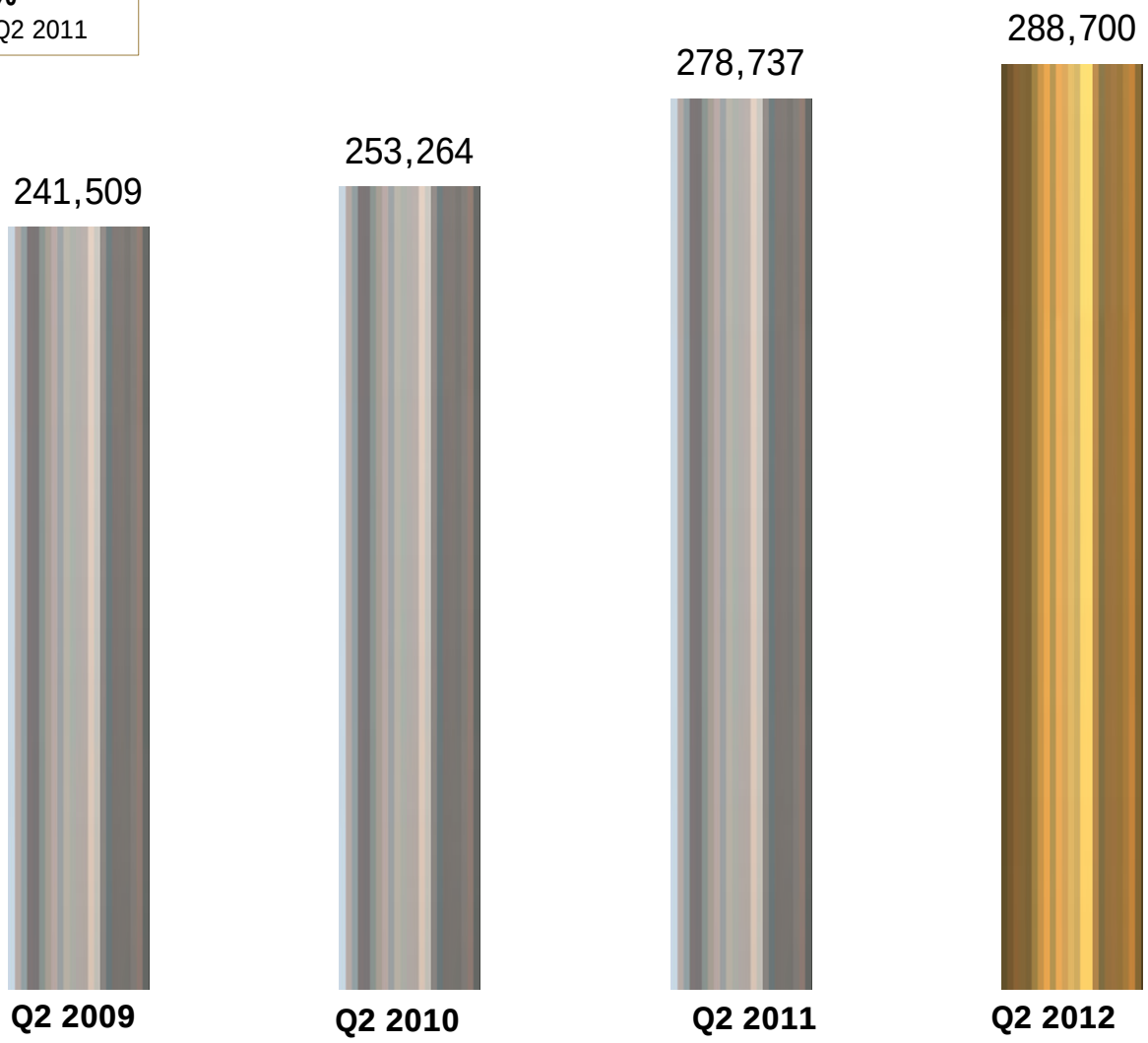
+4%
Q2 2012/ Q2 2011



Note: Silver production is treated as a gold equivalent and is based on an assumed silver to gold ratio of 50:1 in 2011and 2012, and 55:1 for 2009 & 2010 .

GEO Production growth

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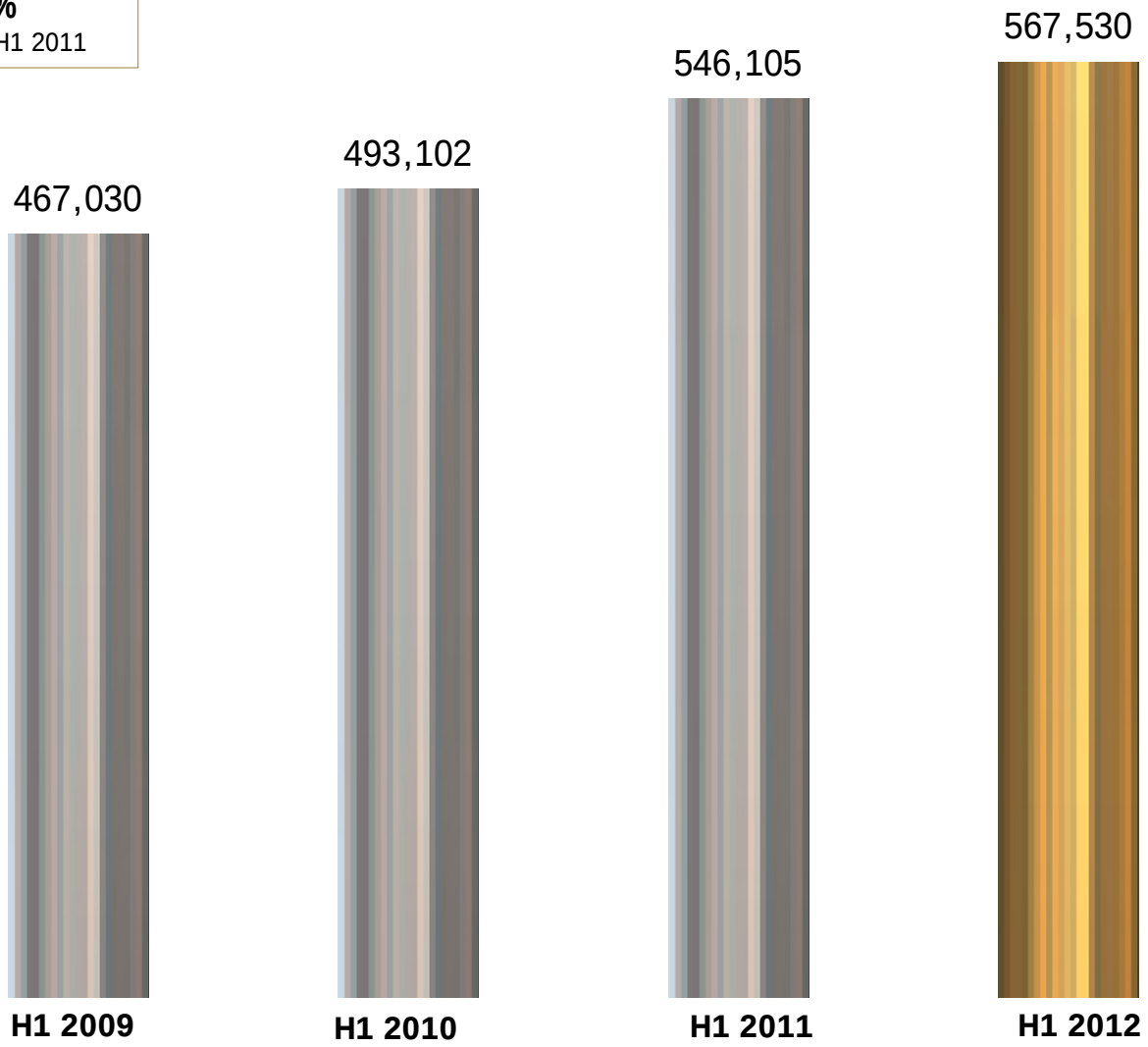
+4%
H1 2012/ H1 2011



Note: Silver production is treated as a gold equivalent and is based on an assumed silver to gold ratio of 50:1 in 2011and 2012, and 55:1 for 2009 & 2010 .

Creating Value

Delivering Organic Growth

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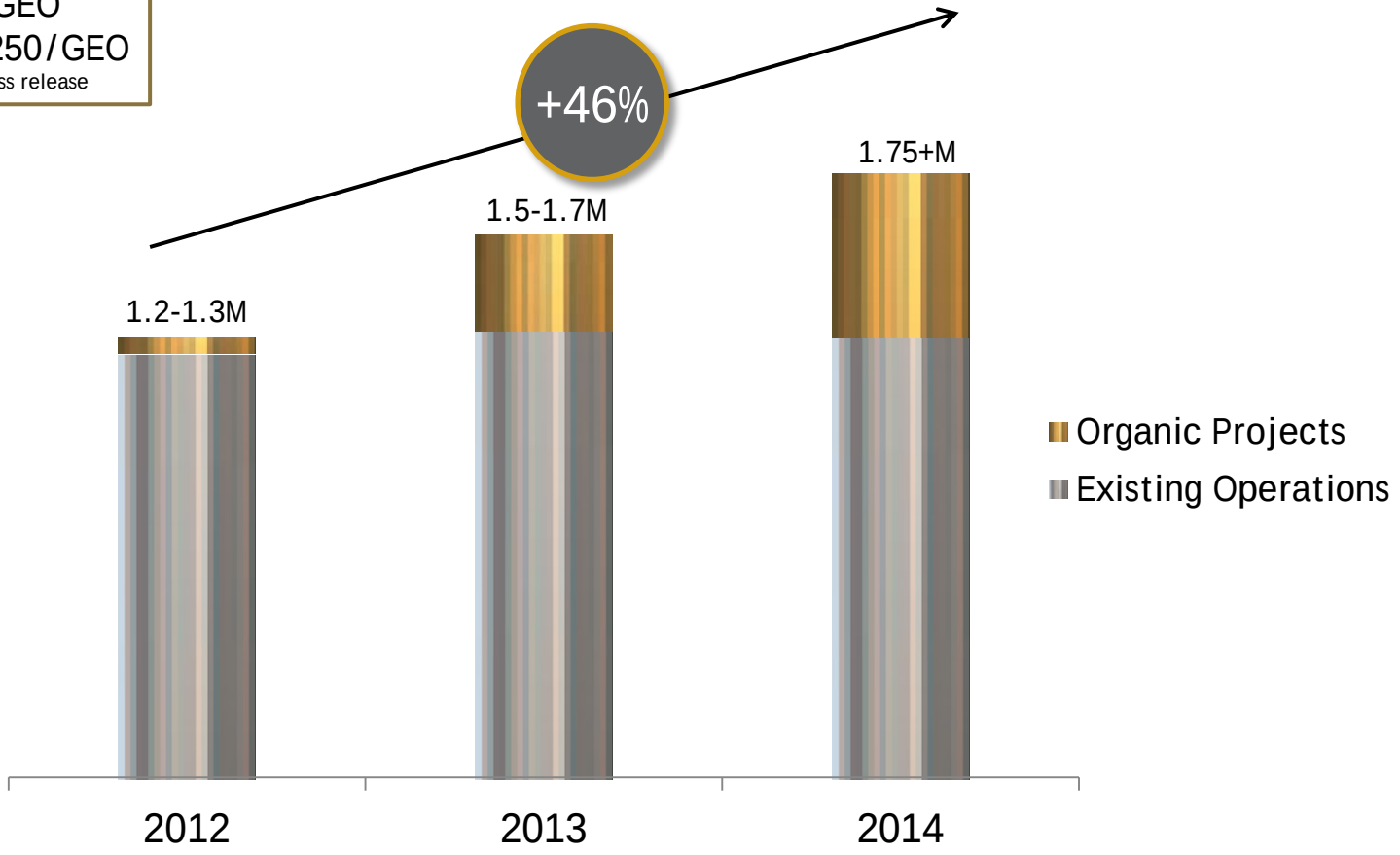
2012 Guidance

- 1.175-1.310M GEO
- Costs below $250/GEO

*As per Jan 11, 2012 press release



Growth through existing asset base

Note: Gold equivalent ounces (GEO). Silver production is treated as a gold equivalent and is based on an assumed silver to gold ratio of 50:1

Dividends

Returning Value to Shareholder

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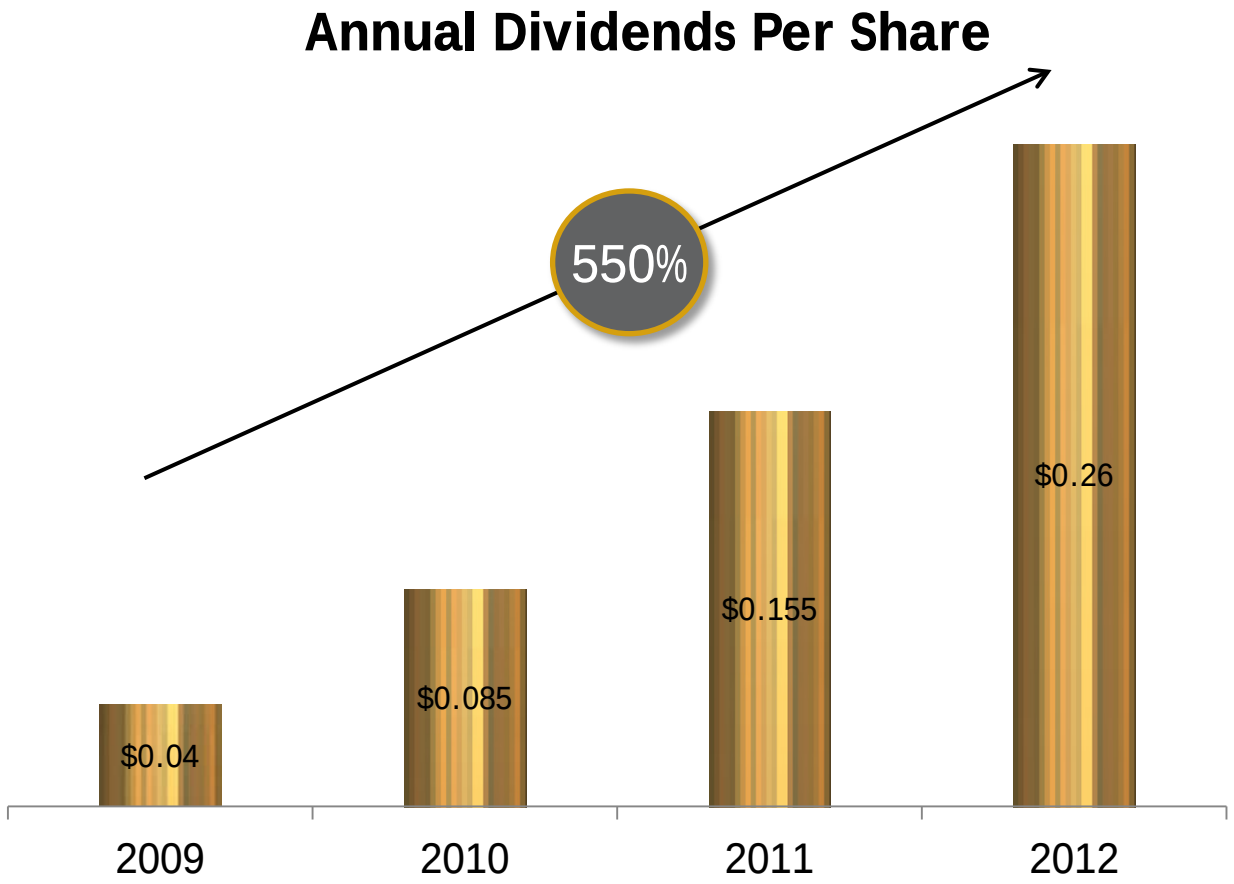

Increased dividend by 55% over the past year

Note: 2012 annualized dividend rate at $0.065 per share per quarter

Production Growth Continues with Proposed Acquisition of Extorre

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- Announced June 2012
- Most significant asset:
  - Cerro Moro located in the province of Santa Cruz in Argentina
- Current resource base of approximately 1.36M GEO of indicated mineral resources and 1.05M GEO of inferred mineral resources with significant potential to grow
- High grade vein deposits similar to El Peñón & Mercedes – exploration team expanded mineral reserves by 20% & 22% in 2011
- Numerous targets to be drilled at Cerro Moro – Zoe discovery (27.2 g/t gold indicated mineral resource)
- Evaluation of plan for 2015 production targeting 200,000 GEO/year is pending

Advancement of Other Projects

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Jeronimo:

- Feasibility study components completed
  - Capex ~ $425M, including ~$50M contingency; ~$650/oz cash costs
  - Over 86% gold recovery
  - Production of ~175,000 ozs for the first 4 years
- Initiated discussions with joint venture partner
- Completing additional studies to provide further optimizations

Suyai:

- Framework for a new mining law in province of Chubut introduced
- Expected to be passed by the provinces' legislature
- Advanced timetable for Suyai possible

Ludovico Costa
Chief Operating Officer

Delivering on Production Growth

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Production	Q2 2012	H1 2012
GEO	**288,700**	567,530
Gold (ozs)	**242,692**	477,223
Silver (ozs)	**2.3M**	4.5M
Copper (lbs)(Chapada)	**40.4M**	70.7M

Costs[1]	Q2 2012	H1 2012
GEO	**$244**	$265

Production	2012E
GEO	1.2-1.3M
Copper (lbs)	140-155M

1. Cash cost is a non GAAP measure. Reconciliation of non-GAAP measures can be found at www.yamana.com/q22012

Chapada

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Production	Q2 2012	H1 2012
Tonnes (mined)	**5,988,329**	10,176,451
Tonnes (processed)	**5,802,649**	10,290,146
Gold grade (g/t)	**0.30**	0.29
Gold recovery (%)	**59.8**	59.7
Gold produced (GEO)	**35,697**	62,063
Cash cost/GEO (co-product)	**$302**	$322
Cash cost/GEO (by-product)	**$(2,207)**	$(1,895)
Copper recovery (%)	83.3	83.6
Copper produced (M lbs)	40.4	70.7
Copper cost / lb	$1.34	$1.41
Copper grade (%)	0.38	0.37

New discovery Corpo Sul is higher grade

El Peñón

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Production	Q2 2012	H1 2012
Tonnes (mined)	**352,273**	693,335
Tonnes (processed)	**355,132**	690,874
Gold grade (g/t)	**6.32**	6.74
Gold recovery (%)	**94.1**	93.8
Gold produced (GEO)	**105,245**	215,920
Gold produced (ozs)	**68,275**	141,018
Silver produced (ozs)	**1,848,501**	3,745,105
Cash cost/GEO	**$491**	$466

Access to higher grade zones for H2'12

Gualcamayo

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Production	Q2 2012	H1 2012
Tonnes (mined)	**2,431,294**	4,501,390
Tonnes (processed)	**1,977,398**	4,075,402
Gold grade (g/t)	**0.90**	0.88
Gold recovery (%)	**71.6**	69.8
Gold produced (ozs)	**38,297**	77,559
Cash cost/oz	**$547**	$491

Production & recovery to increase in Q4

Jacobina

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Production	Q2 2012	H1 2012
Tonnes (mined)	**528,969**	1,053,507
Tonnes (processed)	**523,603**	1,050,368
Gold grade (g/t)	**1.75**	1.84
Gold recovery (%)	**95.1**	94.1
Gold produced (ozs)	**28,005**	58,498
Cash cost/oz	**$735**	$699

Higher grades expected in Q4

Minera Florida

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Production	Q2 2012	H1 2012
Tonnes (mined)	**210,154**	444,936
Tonnes (processed)	**224,107**	453,101
Gold grade (g/t)	**3.15**	3.43
Gold recovery (%)	**80.8**	81.1
Gold produced (GEO)	**23,978**	48,682
Gold (ozs)	**19,179**	41,280
Silver (ozs)	**239,931**	370,123
Cash cost/GEO	**$811**	$779

New plant and low cost tailings improve overall cash costs

Mercedes

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Production	Q2 2012	H1 2012
Tonnes (mined)	**138,577**	238,771
Tonnes (processed)	**151,425**	287,488
Gold grade (g/t)	**5.53**	5.70
Gold recovery (%)	**94.9**	94.4
Gold produced (GEO)	**28,900**	52,854
Gold (ozs)	**26,646**	48,661
Silver (ozs)	**112,729**	209,616
Cash cost/GEO	**$499**	$515

Gold production increases 21% & silver 16%(1)

(1) Compared to Q1, 2012

Chuck Main
Chief Financial Officer

Financial Results

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Revenue	$536M
Production (GEO)	288,700
Copper Production (Mlbs)	40.4
Adjusted Earnings[1]	$135M
per share:	$0.18
Operating cash flow[1,2]	$241M
per share:	$0.32
Cash Margin per ounce[3]	$1,361

:1. A non-GAAP measure. A reconciliation of non-GAAP measures can be found at www.yamana.com/Q22012 2007-2009 in accordance with previous Canadian GAAP for public entities. 2. Operating cash flow generated from operations before changes in non-cash working capital 2007-2009 in accordance with Canadian GAAP for public entities. 3.Cash margin is the difference between the average realized gold price received less by-product cash costs per GEO.

Financial status
Robust balance sheet

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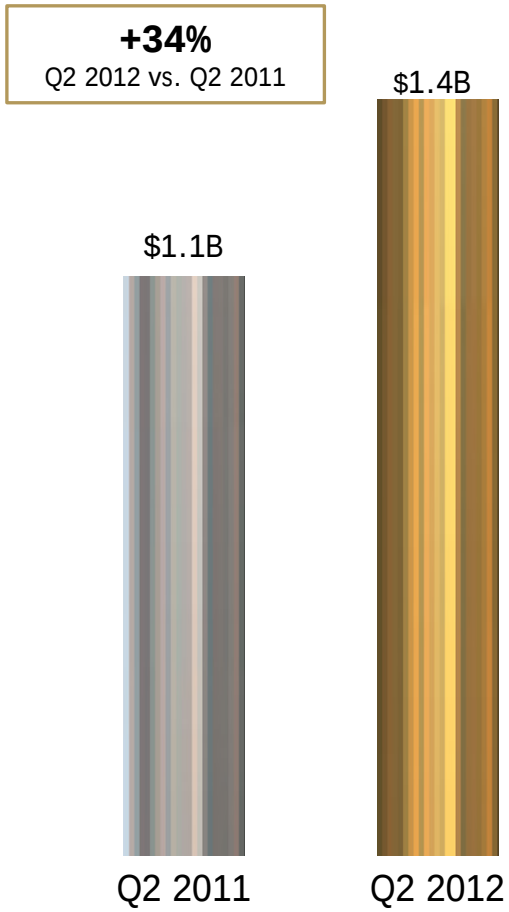
Total Cash & Available Credit



	Q2 2012
Capital Expenditures	$263M
Exploration	$14M
Corporate G&A	$36M
Net Finance Expense	$21M
DD&A	$95M
Cash & Cash Equivalents	$699M
Debt	$766M
Available Cash & Credit	$1.4B

Evandro Cintra
SVP, Technical Services

Advanced Development Projects – All On Track

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	Est. Annual GEO Production	Strategic Life / Est. Production Start	Status
Ernesto/ Pau-a-Pique	100,000 oz	7+ yrs / Late 2012	• On schedule • Mine development & electromechanical works continue as planned • Physical advancement ~92% complete
C1 Santa Luz	100,000 oz	10+ yrs / Late 2012	• On schedule • Civil works & electromechanical works continue as planned • Physical advancement ~89% complete
Pilar	140,000-150,000 oz	9+ yrs / mid 2013	• On schedule • Civil works & electromechanical works continue as planned • Developing Caiamar, high grade satellite deposit • Physical advancement ~53% complete







All projects on track and on budget

Delivering Production Growth

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Chapada

- Development plan for Suruca & Corpo Sul
  - Suruca – 49,000 ozs for 5 years – 2013 start
  - Corpo Sul – enhancing throughput with higher grade ore

Minera Florida

- Tailings retreatment plant ramp up delayed for installation of zinc recovery plant
- Improvement in costs and additional by-product credits
- Management team strengthened
  - New VP Operations & VP Country Manager

Gualcamayo – QDD Lower West

- Development continues on schedule– completion expected mid-2013
  - 200,000 ozs sustainable production to begin in 2014

Pipeline – Future Development Projects

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Jeronimo

- Feasibility study components completed
  - Capex ~ $425M, including ~$50M contingency; ~$650/oz cash costs
  - Over 86% gold recovery
  - Production of ~175,000 ozs for the first 4 years
  - Complete the advanced engineering studies and working towards a construction decision

Suyai

- Positive advancements with the introduction of the framework for the new mining law
- Potential to quickly advance project upon resolution of the law

Cerro Moro

- Evaluation of plan for 2015 production start-up with 200,000 GEO annual production

Darcy Marud
SVP, Exploration

Building Value Through Exploration

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El Peñón

- Fortuna Este – continuous vein zone: ~1 km strike length
- Providencia – two sub parallel veins discovered in hanging wall
- Dorada West 1 & Dorada West 2 – new veins
- Elizabeth – new high grade deposit is being delineated

Mercedes

- Marianas – extension of Barrancas NW
- Drilling at Lupita increasing confidence in upgrading mineral resources from inferred category

Chapada

- Corpo Sul strike length 4.5 kms, open along strike & down dip
- Economic gold & copper identified for 16 kms

Pilar

- Maria Lazarus has returned drill results similar to Jordino in both grade and width
- The system is open in a southeast direction
- Jordino and Maria Lazarus continue to confirm mineralized zones and represent possible ore sources for production

Conclusion

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Peter Marrone
Chief Executive Officer

Q2 in Retrospect

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What we liked in Q2

What we didn't like in Q2

Where we are enthusiastic






Deliverables for the second half

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- ☐ Meeting guidance
  - Production of 1.175 – 1.310 million GEO
  - Costs below $250/ounce
- ☐ Start up of EPAP and C1 Santa Luz by the end of 2012
- ☐ Continue discussions with joint venture partner and the advancement of Jeronimo
- ☐ Continue work on Pilar for start up in 2013
- ☐ Advance Cerro Moro after completion of Extorre acquisition
- ☐ Advance Suyai
- ☐ Exploration update – expected shortly

Note: Gold equivalent ounces (GEO). Silver production is treated as a gold equivalent and is based on an assumed silver to gold ratio of 50:1

In Summary..

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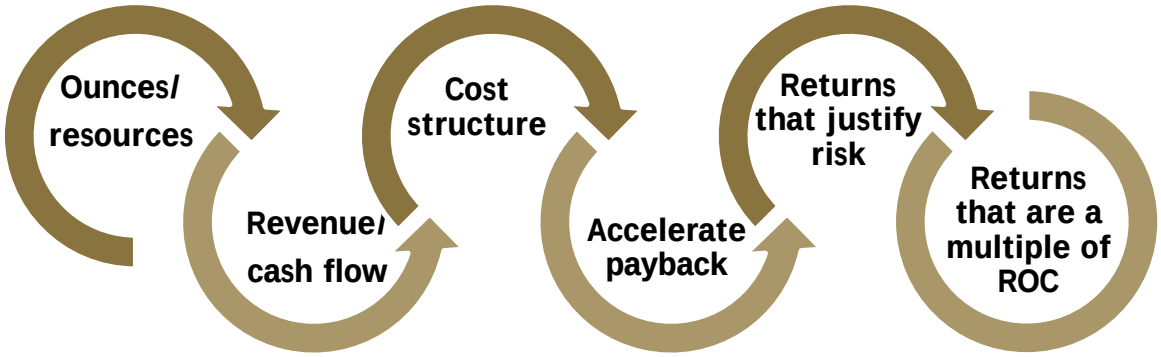
- Growth Company
  - Growth across all measures



- Geographic Focus
  - "What we know and where we know it"
- Technical Competence
  - Type/size of operation
- Organic Growth
  - Best value delivery for shareholders

Questions & Answers

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