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Third Quarter Results

October 30, 2013

YAMANA GOLD



Cautionary Note Regarding Forward-looking Statements

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, 2012 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, 2012 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.



Peter Marrone

Chief Executive Officer



Agenda

Overview

- Peter Marrone – Chief Executive Officer

Operational highlights

- Gerardo Fernandez – VP, Country Manager, Chile and Mexico
- Evandro Cintra – SVP, Technical Services

Financial highlights

- Charles Main - Chief Financial Officer

Exploration

- Darcy Marud – SVP, Exploration
- William Wulftange – VP, Resources & Reserves and Technical Compliance

In Summary

- Peter Marrone – Chief Executive Officer



Business Philosophy – *Focus on Margins and Cash Flow*

Rising gold price environment – minimal risk of margin compression

OBJECTIVE: maintain and increase cash flows, maximize production

Marginal ounces most likely to contribute positively to cash flow

Volatile gold price environment – high risk of margin erosion

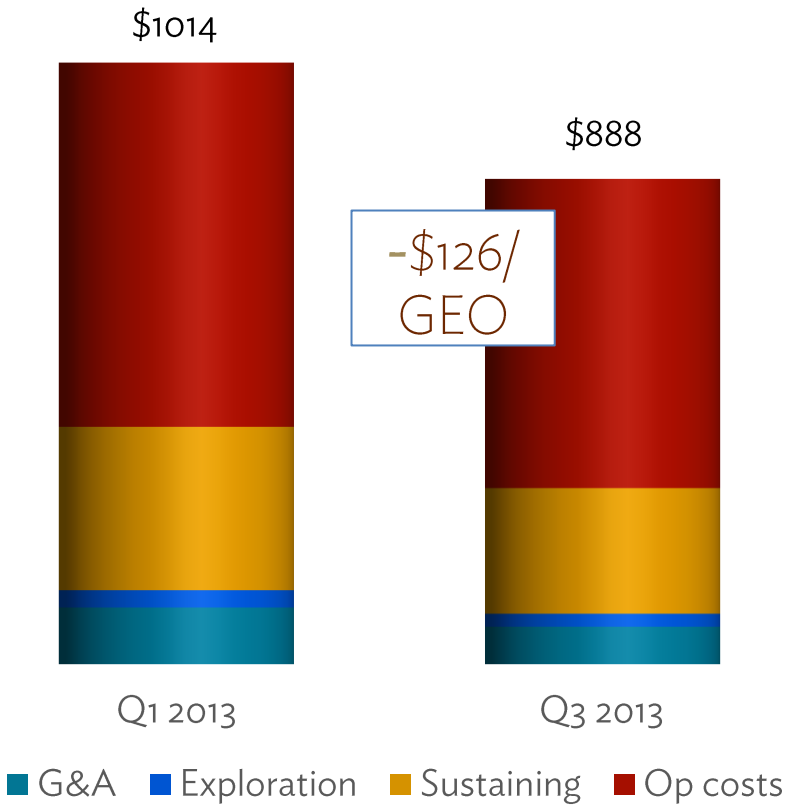
OBJECTIVE: contain costs and protect margins, focus on ensuring certainty and sustainability in generating cash flow before pursuing additional growth

Marginal ounces most at risk of eroding margins and cash flow

Production growth is important but not at the expense of cash flow

Actively Driving Down Costs

All-in Sustaining Co-product Cash Costs[1,2]



Focus on growth with cost optimization at the foreground

Components of cost savings:

- Operating costs
- Capital expenditures
- Exploration costs
- G&A costs

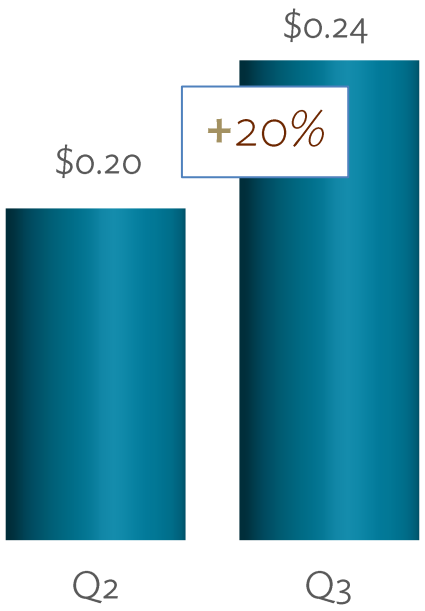
Successfully containing costs – 12% decline from Q1

1. A non-GAAP measure. A reconciliation of non-GAAP measures can be found at www.yamana.com/Q32013 in accordance with previous Canadian GAAP for public entities. 2. Includes co-product cash costs, sustaining capital, corporate general and administrative expense, and exploration expense.

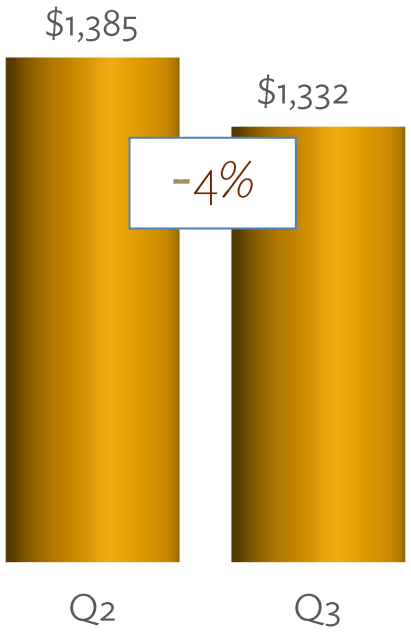
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Cash Flow Generation

2013 Cash flow[1,2] per share



2013 Avg. Realized Gold Price



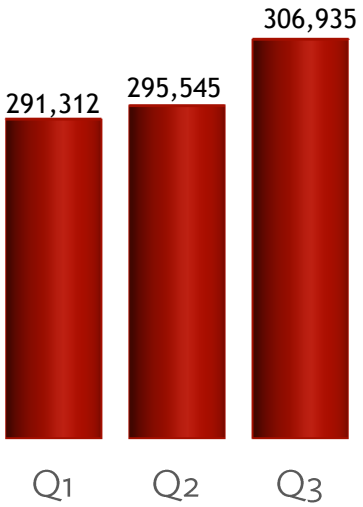
Generating cash flow in lower price environment

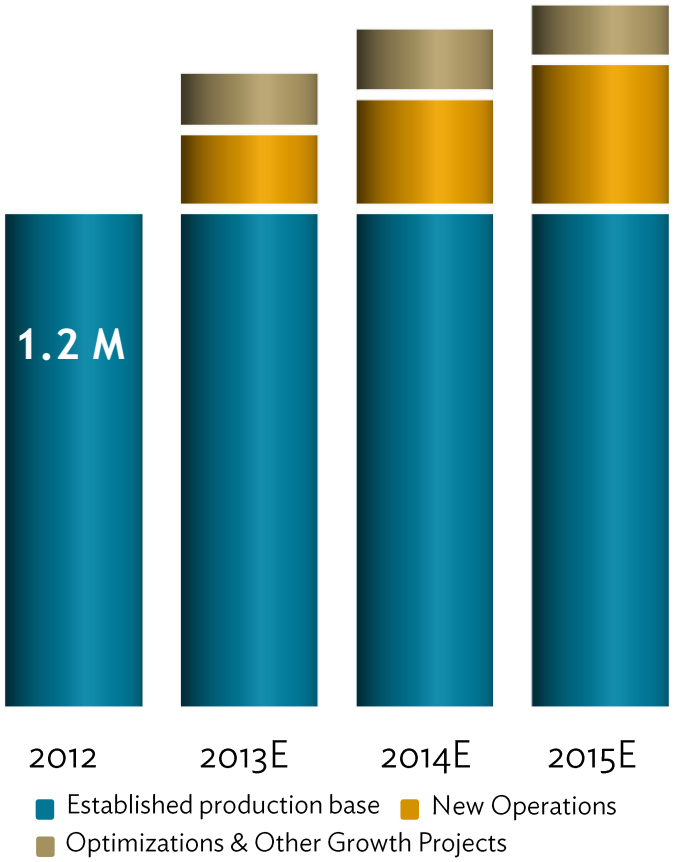
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Delivering Sustainable Volume Growth

2013 Production [1]





Established production base
+
New operations
+
Optimizations & Other

Sustainable volume growth

Opportunities for further growth

Growth will not come at the expense of cash flow certainty

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1. Represents GEO production and includes commissioning production.



Gerardo Fernandez

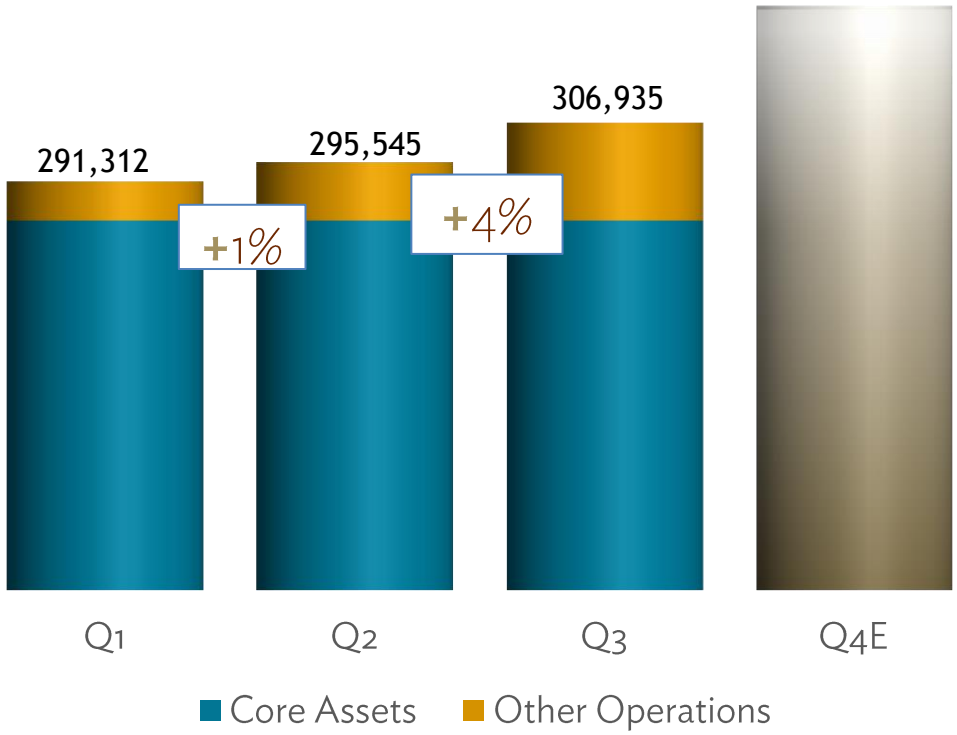
VP, Country Manager,
Chile and Mexico

Evandro Cintra

SVP, Technical Services

Production Summary

2013 Production[1]



Growth in Q4 expected as new operations ramp-up and with Gualcamayo expansion

Portfolio of core assets continue to deliver stable production

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1. Represents GEO production and includes commissioning production.

Operations Snapshot – Chile and Mexico

	Q3		YTD	
	Production (GEO)	Cash Costs[1,2] (per GEO)	Production (GEO)	Cash Costs[1,2] (per GEO)
El Peñón – Chile ▪ 4% increase in production over Q3 2012	123,333	$458	366,159	$455
Minera Florida – Chile ▪ 14% increase in production over Q3 2012 ▪ Decrease in cash costs of ~ 8% vs. Q3 2012	27,471	$762	88,077	$801
Mercedes – Mexico ▪ 1% increase in production over Q3 2012 ▪ Decrease in cash costs of ~ 2% vs. Q3 2012	34,102	$478	109,902	$450

1. Cash costs on a by-product basis
2. Cash cost is a non GAAP measure. Reconciliation of non-GAAP measures can be found at www.yamana.com/Q32013.

Operations Snapshot – Argentina

	Q3		YTD	
	Production (oz.)	Cash Costs[1] (per oz.)	Production (oz.)	Cash Costs[1,2] (per oz.)
Gualcamayo – Argentina ▪ Transition work to Phase III completed ▪ Underground development of QDDLW completed ▪ Production expected to increase in Q4	27,678	$919	85,408	$750

Alumbrera – Argentina
- Dividend of $8.8M in Q3
- Q3 production 9,634 oz.
- YTD production 27,839 oz.

Cerro Moro– Argentina
- Work continues on production ready decline with feasibility study expected 2014

1. Cash costs on a by-product basis
2. Cash cost is a non GAAP measure. Reconciliation of non-GAAP measures can be found at www.yamana.com/Q32013.

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Operations Snapshot – Brazil – Core Assets

	Q3		YTD	
	Production GEO	Cash Costs[1,2] (per GEO)	Production GEO	Cash Costs[1,2] (per GEO)
Chapada ▪ Co-product cash costs 23% and 15% lower than Q1 and Q2 2013 respectively ▪ Evaluating optimization initiatives to increase future production levels	30,917 36.8M lbs Cu	($1,367) $1.48 lb	80,800 94.3M lbs Cu	($1,203)
Fazenda Brasileiro ▪ Cash costs 21% and 7% lower than Q1 and Q2 2013 respectively	16, 717	$724	51,809	$808

1. Cash costs on a by-product basis.
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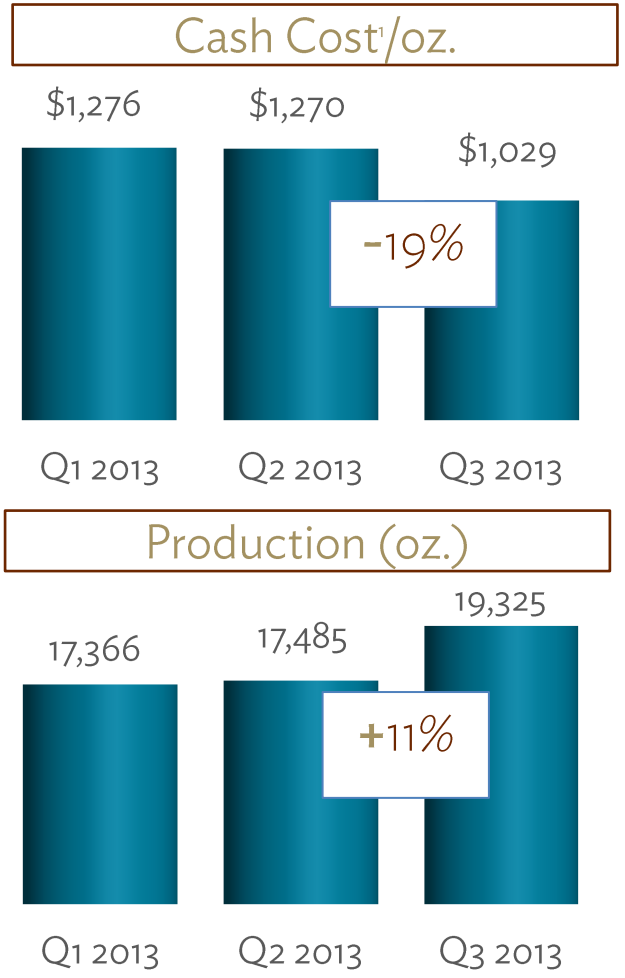
Operations Snapshot – Jacobina - Improving

- Production and costs below expectation YTD
  - Insufficient development work leads to lower mined grades and recoveries

The Plan:

- Reduced production expectation for near term allowing for:
  - renewed focus on cost structure
  - enhanced focus on development work
  - reducing reliance on lower grade areas and stockpiles
  - revising mineplan to ensure access higher grade areas more quickly
  - focus on previously discovered higher grade mineral resources

- Near term expected production in 2013/2014 - over 70,000 oz.
- Longer term strategy – over 130,000 oz.



Proactive strategy aimed at mitigating risks

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1. A non-GAAP measure. A reconciliation of non-GAAP measures can be found at www.yamana.com/Q22013 in accordance with previous Canadian GAAP for public entities.



Operations Snapshot – New Operations

C1 Santa Luz

- Commissioning continued in the quarter
- Ramp-up progressing
- Commissioning production: Q3 – 6,221 oz., YTD – 6,877 oz.
- Expected annual production of 90 – 120,000 ounces

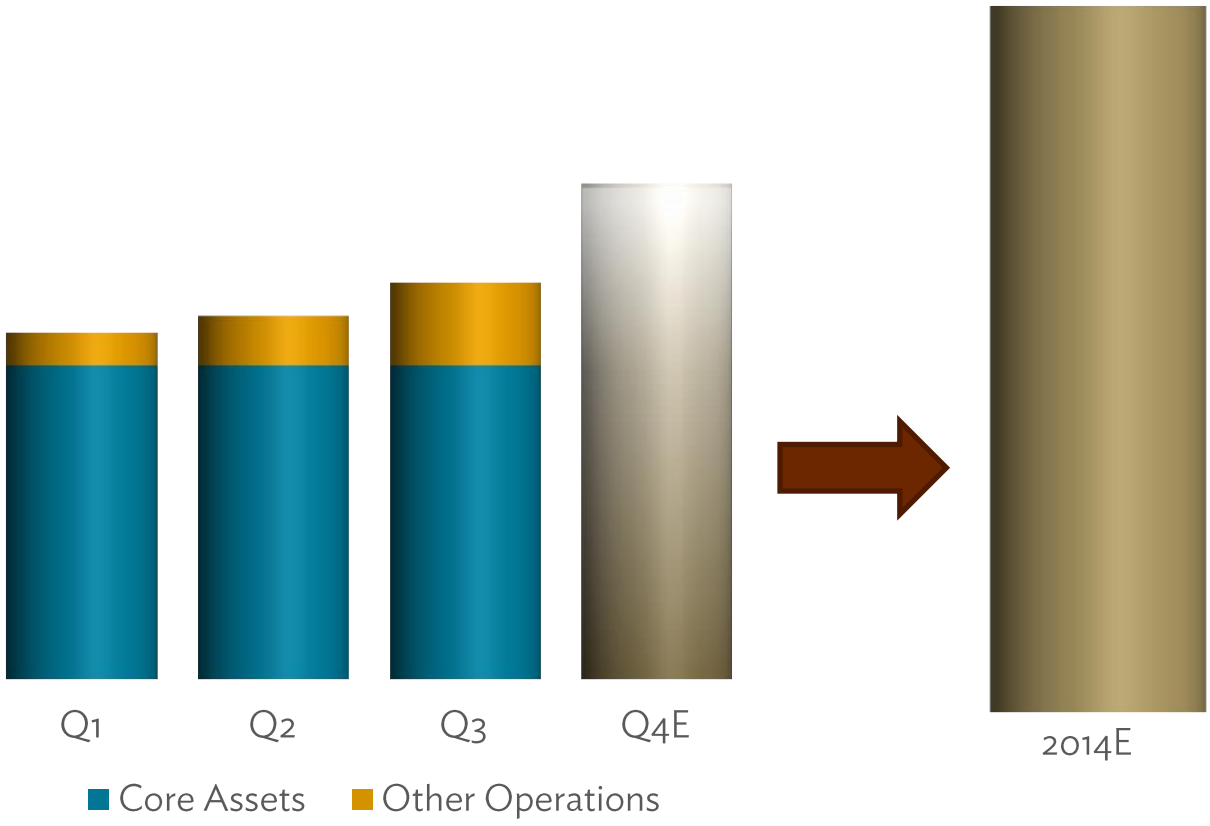
Pilar

- Commissioning began in the quarter
- Ramp-up progressing
- Caiamar and Maria Lazarus satellite deposits provide potential for sustainable production growth
- Commissioning production: Q3 – 4,880 oz.
- Expected annual production of 90 – 120,000 ounces

Ernesto/Pau-a-Pique

- Commissioning continued in the quarter
- Developing a new plan
  - Continues to include underground at Pau-a-Pique
  - Contemplating near-to-surface underground operation at Ernesto
- Commissioning production: Q3 – 6,657 oz., YTD – 17,864 oz.
- Expected annual near-term production of 60 – 70,000 ounces

Future Production Profile



Significant success with cost containment

+

Core operations inline and others coming inline

Execute growth in Q4 and year to come

Establishing lower cost structure as part of delivery of further growth

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Chuck Main

Chief Financial Officer

Delivering Financial Performance

	Q3 2013	YTD
Revenue	$456.7M	$1.4 B
Production (GEO)[1]	306,935	893,791
Production Copper - Chapada (Mlbs)	36.8M	94.3M
Adjusted Earnings[2]	$69.5M	$236.6
per share:	$0.09	$0.31
Operating cash flow[2,3]	$177.4M	$542.5
per share:	$0.24	$0.72

1. Production includes commissioning. 2. A non-GAAP measure. A reconciliation of non-GAAP measures can be found at www.yamana.com/Q32013 in accordance with previous Canadian GAAP for public entities. 3. Operating cash flow generated from operations before changes in non-cash working capital in accordance with Canadian GAAP for public entities.

Robust Balance Sheet

Cash & Available Credit	$1.0B
Cash & Cash Equivalents	$232M
DD&A	$99M
Corporate G&A	$30M
Exploration Expense	$7M
Capital Expenditure	$218M

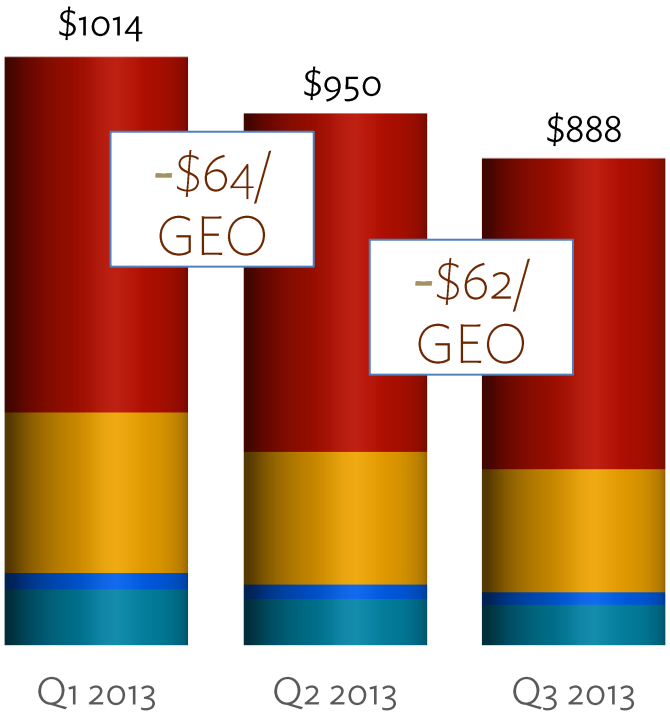
Corporate G&A decreased by 20% from Q3 2012

Exploration expense decreased by 53% from Q3 2012

Continued balance sheet strength as costs stabilize

Cost Containment Initiative

All-in Sustaining Co-product Cash Costs[1,2]



Total Expected Cost Savings

- Operating costs - $30M
- Capital expenditures - $77M
- Exploration costs - $10M
- G&A costs - $24M

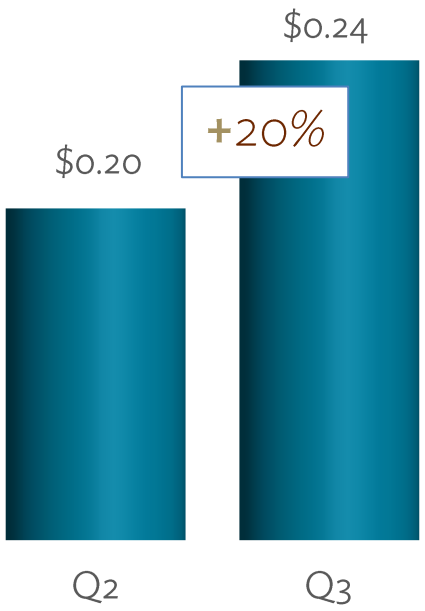
Realizing over $140M in cost savings

Execution of program has resulted in AISC decreasing by 12% since Q1

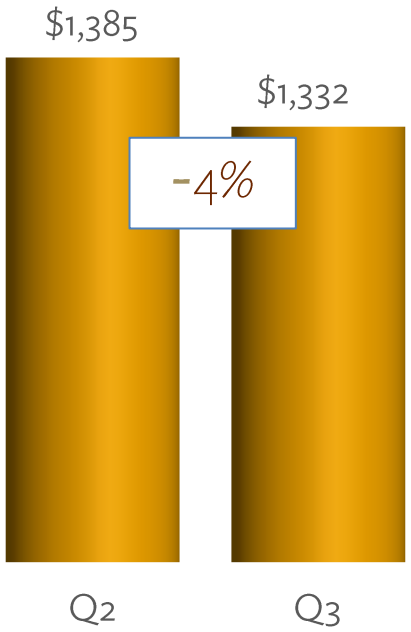
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Cash Flow Generation

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2013 Avg. Realized Gold Price



Generating cash flow in lower price environment

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Continued Focus and Strategy

- Continue to execute previously announced cost containment initiatives
- Ensure stability of new, lower cost structure
  - Look for additional opportunities for cost containment
- Protect margins to continue generating robust cash flow and free cash flow
- Continue a disciplined approach in capital spending



Darcy Marud

SVP, Exploration

2013 Exploration Objectives

- Continued focus on enhancing value at existing operations
- Exploration success completes the road map to 1.7 million GEO
- Prioritized projects to meet cost containment reduction
  - Funds reallocated to most encouraging projects
- Exploration spending to decline in 2014 - longer term objectives have been met







Building Value Through Exploration



William Wulftange

VP, Resources & Reserves and Technical Compliance



2013 Exploration Update

Chapada	• Corpo Sul high grade core continues to be confirmed and infill drilling supports previous assumptions of above grade avg. grades and thicknesses
El Peńon	• New narrow high grade structure from Borde Este trend; drilling to continue in Q4
Gualcamayo	• The Rodado SW extension is still open, continues to return positive results
Minera Florida	• Drilling indicates wide intercepts of high grades at the new Lisset Vein
Cerro Moro	• Drilling continued to test strike and dip extent of Margarita

Exploration success expected to increase reserves and resources

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Peter Marrone

Chief Executive Officer



Strategic Direction

Providing growth through production and cash flow

Reflecting a balance of contained costs, prudent spending and ounces of production