YAMANAGOLD

Corporate Summary
January 2017



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, the outcome of the legal matters involving the damages assessment 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 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 Canadian Dollar 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, risk related to non-core asset dispositions, 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, 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 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.

The Company has included certain non-GAAP financial measures, which the Company believes that together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-GAAP financial measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The non-GAAP financial measures included in this presentation include: co-product cash costs per ounce of gold produced, co-product cash costs per ounce of silver produced, co-product cash costs per pound of copper produced, all-in sustaining co-product costs per ounce of gold produced, all-in sustaining co-product costs per ounce of silver produced, and all-in sustaining co-product costs per pound of copper produced.

Please refer to section 13 of the Company's third quarter MD&A filed on SEDAR for a detailed discussion of the usefulness of the non-GAAP measures.

The information presented herein was approved by management of Yamana on January 17, 2017.

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

William Wulftange, P.Geo., Senior Vice President, Exploration for Yamana has reviewed and confirmed the scientific and technical information related to the Chapada, El Peñón, Canadian Malartic, Gualcamayo, Minera Florida and Jacobina properties contained within this presentation and serves as the Qualified Person as defined in National Instrument 43-101. He has also reviewed and verified that the technical information related to these properties contained in this presentation is accurate.

Yamana's Vision and Corporate Strategy

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Our Mission: To Mine Precious Metals Profitably and Responsibly

Our Vision: To be the Recognized Leader in Precious Metals Mining

Corporate Strategy: A Recognized Americas Focused Growth Company

• Exposure to world-class mining jurisdictions, focused in the Americas with an expanding Canadian platform • Portfolio approach to asset management and operational execution
• Organic growth supplemented with strategic acquisitions
• Focus on cash flow optimization

Tactical Priorities:

• Operational execution • Quality management suited to asset portfolio
• Management of assets and balance sheet • Transparency

Streamlined Portfolio:

High Quality Assets in the Americas

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Chapada
- Low cost, long life, open pit gold / copper mine

El Peñón
- Underground gold and silver mine in production since 1999

Canadian Malartic *(50%)*
- Largest open pit gold mine in Canada



Gualcamayo
- Open pit and underground mine using heap leach processing

Jacobina
- Complex of underground mines demonstrating significant operational improvements

Minera Florida
- Underground gold and silver mine in operation for +20 years

Streamlined portfolio managed by a high quality operational management team in an enhanced management structure

Cerro Moro
- High grade gold and silver project expected to begin production in early 2018
- Expected average production ~130 koz Au and ~6.4 Moz Ag[1]

Yamana has a portfolio of large scale, high quality assets including 3, SOON TO BE 4, CORNERSTONE MINES located in 4 HIGH QUALITY MINING JURISDICTIONS, namely Canada, Chile, Brazil and Argentina

1. Refer to Yamana's July 28, 2016 press release.

Well Positioned for Operational Excellence

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- Portfolio of mines with a current or targeted production profile of at least 130,000 oz. of gold per year
- High relative contribution from world class mines expected to deliver bottom quartile consolidated costs with an attractive, diversified geographic balance
- Positioned with a strengthened balance sheet facilitating the advancement of growth opportunities
- Building on development pipeline and additional potential through exploration success
- Well positioned to pursue significant organic growth adding to Cerro Moro
  - Chapada:
    - Suruca
    - Chapada Optimizations
    - Sucupira
  - Jacobina:
    - Grade
    - Throughput Optimization
  - Minera Florida:
    - Production Increases
    - Exploration
  - Canadian Malartic:
    - Odyssey
  - Canadian Assets:
    - Kirkland Lake (Upper Beaver)
    - Monument Bay
  - Gualcamayo:
    - New oxide discoveries
    - Deep Carbonates
- Continued sponsorship of and upside exposure through residual stake in Brio Gold
- Strategic focus on expanding Canadian presence

2016 Operational Highlights

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ACHIEVED CONSOLIDATED PRODUCTION EXPECTATIONS
for FY 2016

Delivered **PRODUCTION AT COSTS IN LINE WITH EXPECTATIONS** for FY 2016

STREAMLINED OPERATING ASSET PORTFOLIO through the sale of Mercedes and Brio Gold becoming a standalone public company

ADVANCED CERRO MORO, THE NEXT CORNERSTONE ASSET,
towards production in early 2018

Operational Execution:

Delivered on Production and Cost Expectations

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	Gold (oz.)	Silver (oz.)	Copper (lbs.)
Production			
2016E	1.26M – 1.3M	6.9M – 7.2M	+110M
2016 Preliminary Results(1)	**1,268,274**	**7,034,876**	**116M**
Consolidated Total Cost of Sales per unit sold			
2016E	$980 - $1,020	$13.75 - $14.75	$1.80 - $2.00
2016 Preliminary Results	**$1,011**	**$13.98**	**$1.90**
Consolidated Co- Product Cash (2) Costs per unit produced			
2016E	$635 - $675	$8.50 - $9.00	$1.55 - $1.75
2016 Preliminary Results	**$666**	**$8.96**	**$1.58**
Consolidated Co-Product AISC(2) per unit produced			
2016E	$880 - $920	$12.00 - $12.50	$1.95 - $2.15
2016 Preliminary Results	**$914**	**$12.64**	**$2.03**

Costs are expected to DECREASE THROUGH OPTIMIZATIONS AT OPERATIONS and GRADE PROFILE IMPROVEMENTS

1. Includes Mercedes production through to September 30, 2016 and Brio Gold production on a 100% basis up to December 23, 2016 then on an 84.6% proportionate basis for the remainder of 2016.
2. A non-GAAP measure. A reconciliation of the IFRS measure to this non-GAAP measure can be found in the Company's January 11, 2017 press release which was filed on SEDAR.

Operational Execution:
Mine by Mine Breakdown

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	Preliminary Q4 2016	Preliminary FY 2016
Gold (oz.)		
Chapada	40,000	107,000
El Peñón	56,000	220,000
Canadian Malartic (50%)	70,000	293,000
Gualcamayo	45,000	164,000
Minera Florida	26,000	104,000
Jacobina	32,000	120,000
Brio Gold (1)	50,000	190,000
Mercedes (2)	-	70,274
Consolidated Total	**319,000**	**1,268,274**
Silver (oz.)		
Chapada	78,000	259,000
El Peñón	1,454,000	6,020,000
Minera Florida	95,000	429,000
Mercedes(2)	-	326,876
Consolidated Total	**1,627,000**	**7,034,876**
Copper (M lbs.)	**37**	**116**

- Achieved targeted production levels for most mines
- Strong performance at Canadian Malartic, Gualacamyo, Jacobina and Brio Gold
- Chapada demonstrated success of program implemented after Q2 2016
- Minera Florida impacted by, now resolved, CBA negotiations in December
- El Peñón continued to mine from narrower vein areas while evaluating longer term optimal production level

Excluding Brio Gold and Mercedes, Yamana exits 2016 with a **GOLD PRODUCTION BASE OF ~1M OZ.** plus significant silver and copper

1. Mercedes production through to September 30, 2016.
2. Brio Gold production on a 100% basis up to December 23, 2016 then on an 84.6% proportionate basis for the remainder of 2016.

Management of Balance Sheet and Financial Flexibility

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- Implemented a strategy to increase cash balances to provide greater financial flexibility to pursue organic growth
  - $122.5M in cash plus $26M in shares, warrants and NSR for sale of Mercedes
  - $22M in further cash proceeds resulting from the sale of Mercedes via income tax and VAT recoveries expected to be realized over the next 12 months
  - $33.6M for the sale of Sandstorm share-purchase warrants
- Continue to hold 6M common shares and 3M common share purchase warrants of Premier Gold
- Minimal debt repayments totalling only approximately $18.0M in 2017
- Increasing margin and cash flow: most significant into 2017 and 2018
- Ongoing monetization initiatives including Brio Gold interest to further enhance financial flexibility

Longer term target to REDUCE NET DEBT TO LESS THAN $1.25B

Continue to target **NET DEBT/EBITDA RATIO OF 1.5 OR BETTER**

Development Projects

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Cerro Moro

- Project is ahead of schedule in three main areas (underground development, detailed engineering and process plant construction)
- Development progress to the end of Q3 includes:
  - Underground mine development advanced to 86% complete (531 metres of the 617 metres of planned for 2016)
  - Detailed engineering 78% complete – advancing to a target of 85% by year-end
  - Bulk earthworks was completed ahead of schedule and the first concrete pour took place in August
  - Procurement progress is tracking well - the ball mall has landed in Argentina and passed through Argentinian customs in September

Cerro Moro is on track for first
PRODUCTION IN EARLY 2018

Cerro Moro – aerial view



Chapada - Suruca

- Project is advancing toward start up of production in 2019
- Updating prior Feasibility Study
- Expected to add between 45,000 – 60,000 oz. of gold production per year over an initial mine life of 4-5 year

Cerro Moro Progress

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Plant site construction



Flotation cell foundations



Ball Mill building





Access to Tunnel



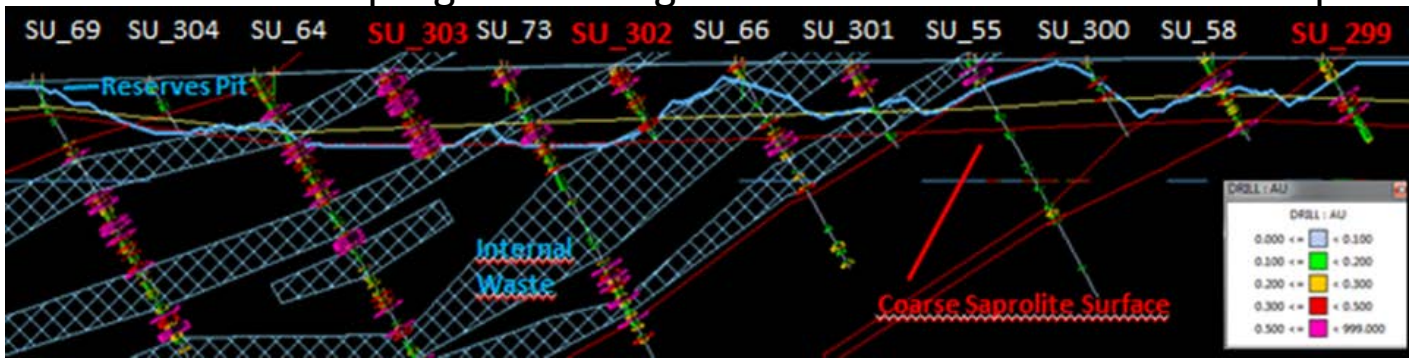
Underground

Exploration Program: Most Significant Results

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	Exploration Target	Significance
Chapada	Sucupira Suruca Formiga	▪ District potential significantly larger than originally thought ▪ Gold and copper mineralization identified along a 15km trend ▪ Potential Mineral Resource growth and path towards production for Suruca (oxide, gold only)
El Peñón	Quebrada Colorada Providencia Quebrada Orito	▪ Targeting surface and underground extensions of principle orebodies ▪ Discovering high grade narrow structures
Canadian Malartic	Odyssey	▪ Inferred Mineral Resource expected in early 2017 ▪ Optionality for enhanced production and mine life
	Kirkland Lake	▪ New Mineral Resource estimate at Upper Beaver expected in early 2017 that facilitates moving to a Pre-feasibility study

Suruca definition program adding new mineral zones beneath the pit



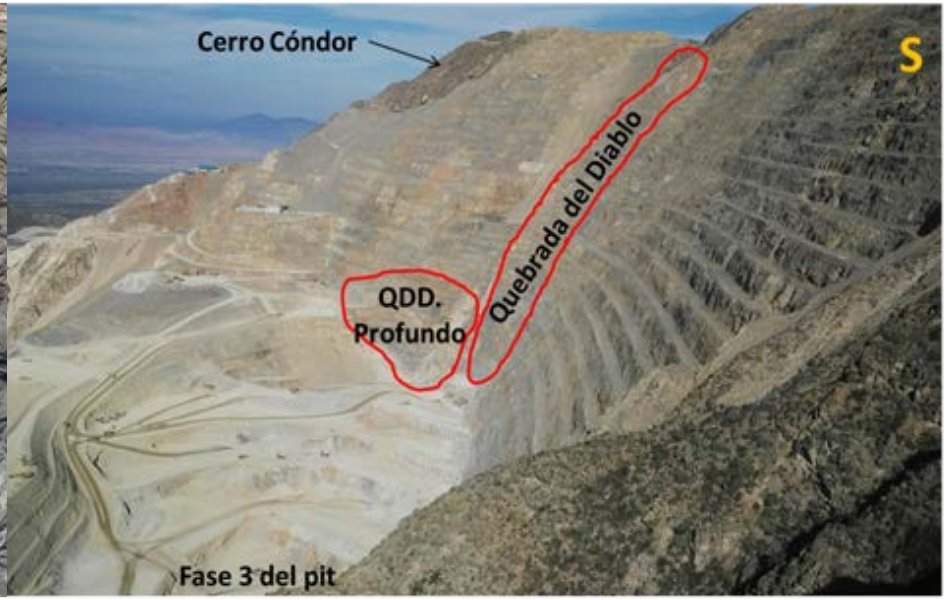
MEANINGFUL AND POTENTIALLY LARGE SCALE DISCOVERIES being made at existing operations

Exploration Program: Most Significant Results

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	Exploration Target	Significance
Gualcamayo	Potenciales Cerro Condor	▪ New oxide discoveries immediately adjacent to the QDD Main pit suggest potential increases in Mineral Resources and to mine life
	Las Vacas	▪ Deposit 2km NW of QDD Main pit remains open along strike
Minera Florida	Core mine concessions	▪ Consolidation of regional and near mine concessions ▪ Potential for Mineral Resource growth and mine life extension
Jacobina	João Belo, Canavieiras Norte Canavieiras Sul Moro do Vento	▪ Results showing multiple intercepts of above average grade over potentially mineable widths ▪ Focus shifting to Mineral Resource growth





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