


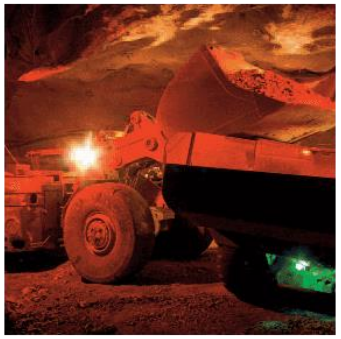
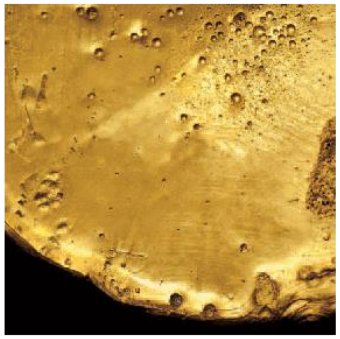

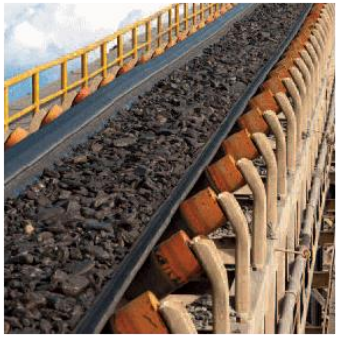





# 2017 Investor Day

May 5, 2017

YAMANAGOLD

# 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, 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, and the Argentine 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, 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.

CAUTIONARY NOTE TO UNITED STATES INVESTORS CONCERNING ESTIMATES OF MEASURED, INDICATED AND INFERRED MINERAL RESOURCES This presentation uses the terms "Mineral Resource", "Measured Mineral Resource", "Indicated Mineral Resource" and "Inferred Mineral Resource" are defined in and required to be disclosed by National Instrument 43-101. However, these terms are not defined terms under Industry Guide 7 and are not permitted to be used in reports and registration statements of United States companies filed with the Commission. Investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into Mineral Reserves. "Inferred Mineral Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or pre-feasibility studies, except in rare cases. Investors are cautioned not to assume that all or any part of an Inferred Mineral Resource exists or is economically or legally mineable. Disclosure of "contained ounces" in a Mineral Resource is permitted disclosure under Canadian regulations. In contrast, the Commission only permits U.S. companies to report mineralization that does not constitute "Mineral Reserves" by Commission standards as in place tonnage and grade without reference to unit measures. Accordingly, information contained in this news release may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations of the Commission thereunder.

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 management discussion and analysis 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, all-in sustaining co-product costs per pound of copper produced, adjusted earnings or loss, adjusted earnings or loss per share, adjusted operating cash flows, net debt, net free cash flow, and average realized price per ounce of gold sold, average realized price per ounce of silver sold, average realized price per pound of copper sold. Please refer to section 12~~4~~ of the Company's first ~~third~~ quarter MD&A filed on SEDAR for a detailed discussion of the usefulness of the non-GAAP measures. The terms "EBITDA" and "EBITDA Margin" do not have a standardized meaning prescribed by IFRS, and therefore the Company's definitions are unlikely to be comparable to similar measures presented by other companies. The Company believes that in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors and analysts use this information to evaluate the Company's performance. In particular, management uses these measures for internal valuation for the period and to assist with planning and forecasting of future operations. The presentation of EBITDA and EBITDA Margin is not meant to be a substitute for the information presented in accordance with IFRS.

The information presented herein was approved by management of Yamana on May 3, 2017.

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

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# Peter Marrone

Chairman and CEO

# Presentation Agenda

- **Strategy and Overview**
  - Peter Marrone
- **Operations and Projects and Exploration**
  - Daniel Racine
  - Yohann Bouchard
  - Gerardo Fernandez
  - William Wulftange
  - Barry Murphy
- **Finance**
  - Jason LeBlanc
- **Business Development**
  - Greg McKnight










## Six Pillars Approach

- Improve our operations
- Advance development stage projects
- Improve our balance sheet and demonstrate improving financial performance
- Make and advance important exploration discoveries at our existing operations leading to Mineral Reserve and Mineral Resource Growth
- Develop pipeline organically and through strategic initiatives
- Rationalize or create value from non-strategic assets




Simplified Yamana Gold

Improved Management and Management Construct

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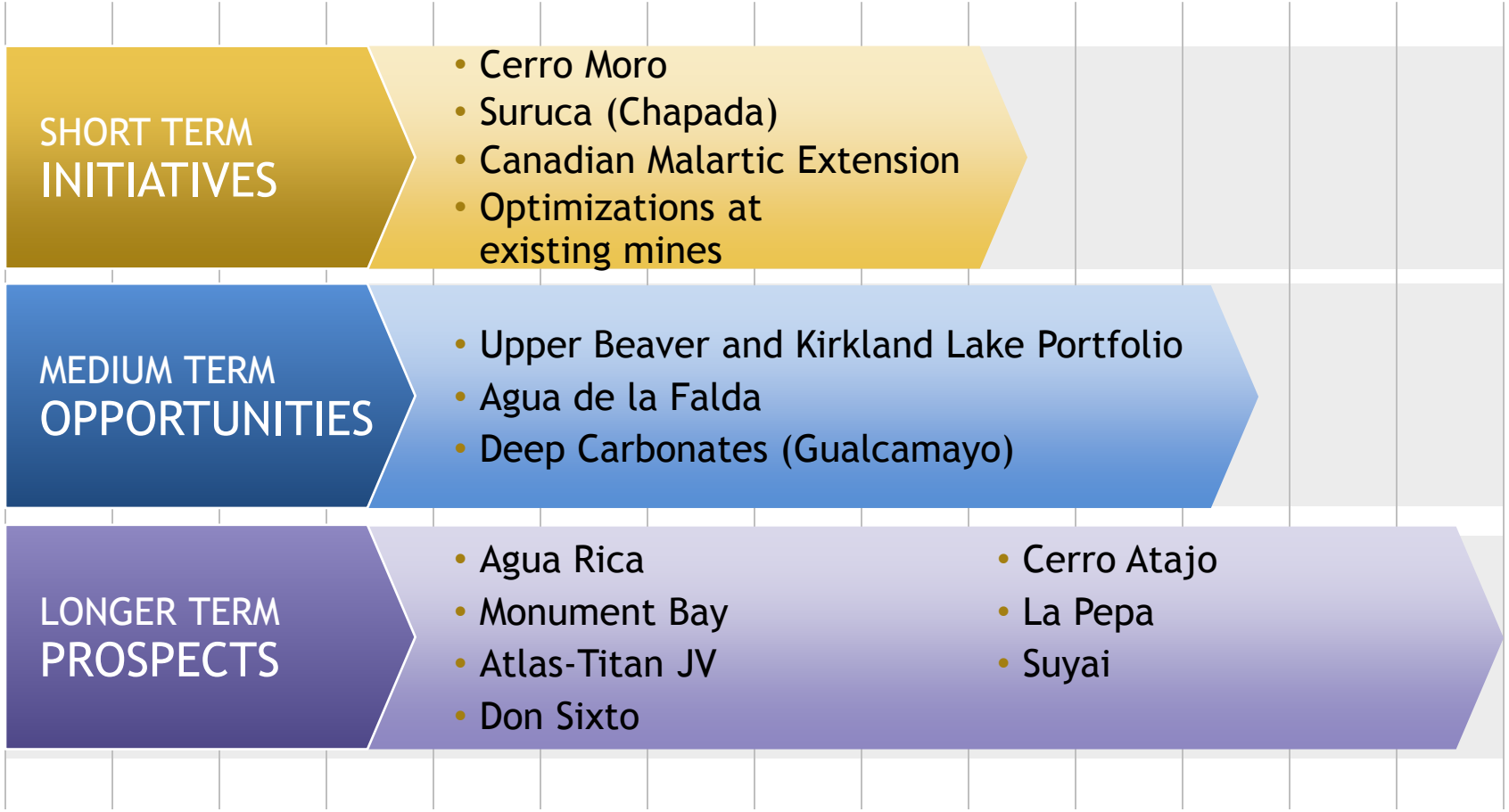
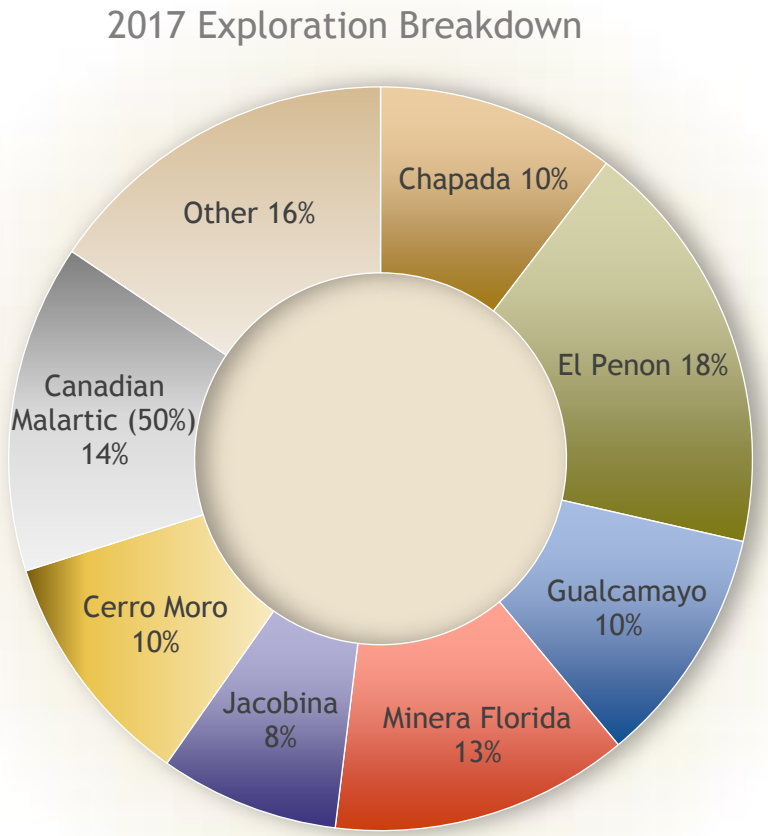
# Asset Pipeline
## Creating Value Through Organic Development




- Monetization opportunities may arise from time to time from medium and longer term portfolio

# Exploration Success
## Will Lead to Organic Growth

- Significant exploration focus at all operations and major projects
- 2017 exploration budget of $77M plus an unallocated $21M

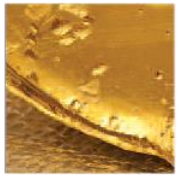
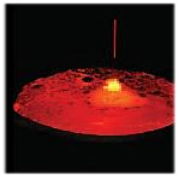



Exploration will be a key driver in 2017 as 2016
**Set the Stage for Mineral Reserve Growth**

# Ensure Quality Management Suited to Asset Portfolio

- Higher quality managers and better management construct was a pre-condition to delivering operational improvements
- Revamped KPIs to better align operational and corporate objectives
- Significantly strengthened protocols for the development of projects, including increased levels of detailed engineering and a more thorough peer review process










## What value would you place on a company with the following attributes?

- A streamlined portfolio of six, soon to be seven, mines in four quality jurisdictions ✓
- High quality management well suited to the asset portfolio ✓
- An attractive and increasing production platform ✓
- A reasonable and decreasing cost structure ✓
- Significant exploration potential across the portfolio ✓
- Strong cash flow and free cash flow with expected further increases ✓
- A substantial portfolio of other assets including a substantive investment in a standalone gold producer with a strong growth profile ✓

**A True Value Proposition**

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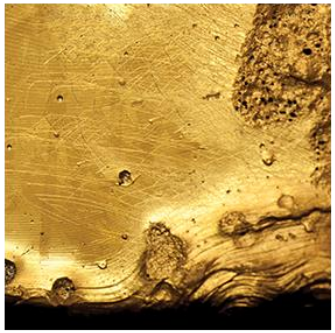
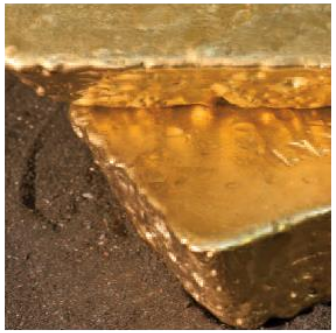

OPERATIONS

# Daniel Racine

EVP and Chief Operating Officer

# 2017 Production Guidance
## Start of Year Tracking to Expectations

| | Original 2017 Guidance | Q1 2017 |
|---|---|---|
| Gold Ounces | | |
| Chapada | 110,000 | 19,089 |
| El Peñón | 140,000 | 33,637 |
| Canadian Malartic (50%) | 300,000 | 71,382 |
| Gualcamayo | 145,000 | 37,728 |
| Minera Florida | 105,000 | 21,685 |
| Jacobina | 120,000 | 32,126 |
| **Yamana Gold Production** | **920,000** | 215,647 |
| Silver Ounces | | |
| Chapada | 260,000 | 55,926 |
| El Peñón | 4,150,000 | 960,820 |
| Minera Florida | 330,000 | 62,362 |
| **Yamana Silver Production** | **4,740,000** | 1,079,108 |
| Copper Pounds | | |
| **Chapada** | 120M | 26.5M |

**ON TRACK**

Q1 production in line with our plan

**940,000 oz**

Increased gold production guidance

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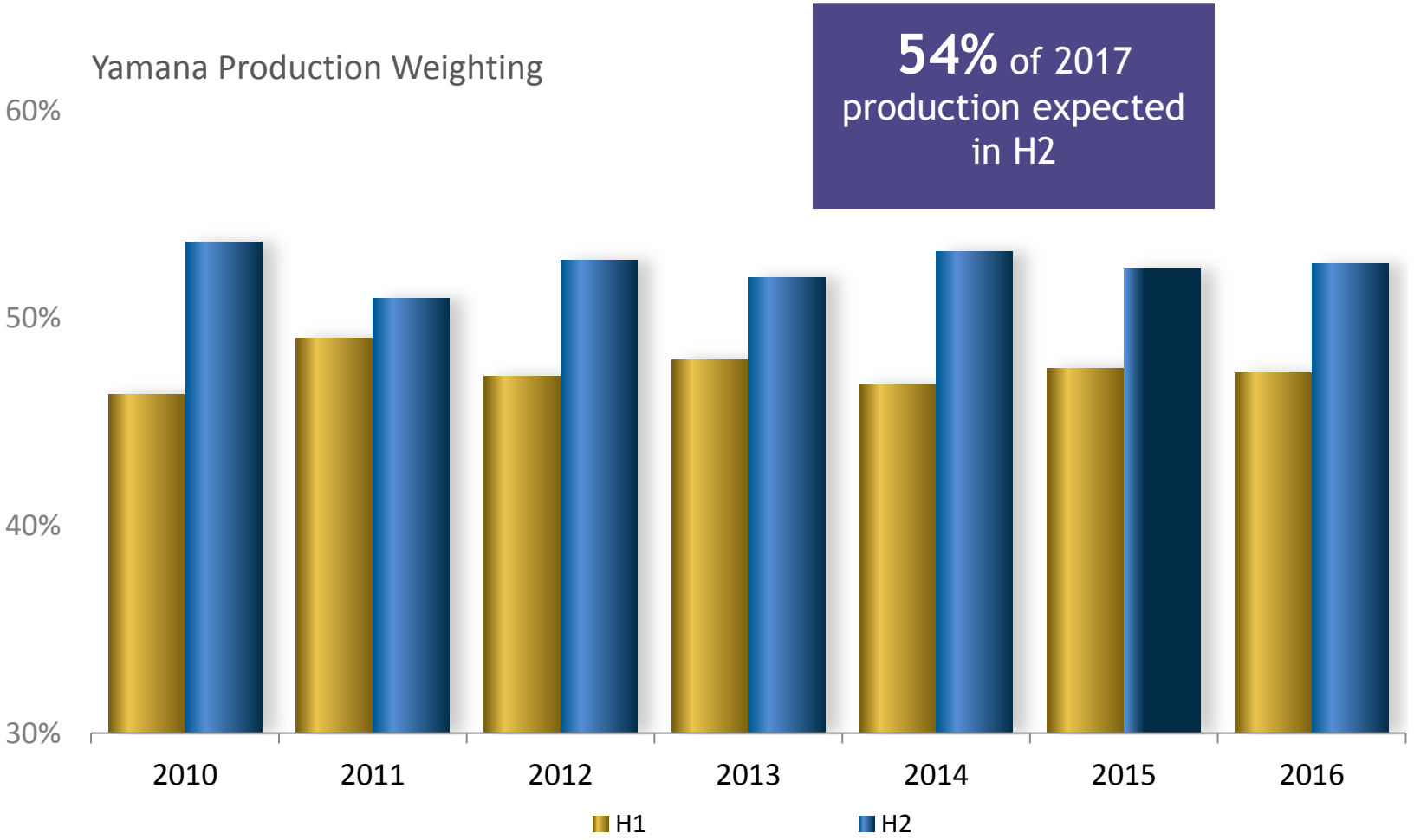
# Historical Seasonality
## Yamana Yields a Strong Second Half




- 2017 performance expected to be similar to trend seen since 2010

- Note: Represents total metal production with the silver and copper production converted to gold-equivalent based on average realized commodity prices. Excludes partial year production from Sao Vincente and Sao Francisco in 2010, Canadian Malartic in 2014, and Mercedes in 2016. Includes commissioning production from various mines over 2012-2014.

# Looking Forward
## 2017-2019 Production Guidance

| | 2017E | 2018E | 2019E |
|---|---|---|---|
| Yamana gold production (oz.) | 940,000 | 1,030,000 | 1,100,000 |
| Yamana silver production (oz.) | 4,740,000 | 10,000,000 | 14,500,000 |
| Chapada copper production (lbs.) | 120M | 120M | 120M |

**20%**
Gold Production Growth Over 2017-2019 Period

**200%**
Silver Production Growth Over 2017-2019 Period

For the coming years, this adds up to an

**Achievable and conservative growth plan to create value**

# 2017 Cost Guidance
## Cost of Sales and Co-Product Cash Costs Per Ounce/Pound

| | Q1 2017A | | | FY 2017E | | |
|---|---|---|---|---|---|---|
| Cost of Sales/Unit Sold | Gold | Silver | Copper | Gold | Silver | Copper |
| Chapada | $462 | $8.45 | $1.79 | $395 | $4.00 | $1.70 |
| El Peñón | $1,097 | $15.03 | | $985 | $14.60 | |
| Canadian Malartic | $1,027 | | | $945 | | |
| Gualcamayo | $1,152 | | | $1,240 | | |
| Minera Florida | $1,342 | $17.71 | | $1,040 | $15.45 | |
| Jacobina | $1,021 | | | $1,035 | | |
| **Total Cost of Sales*** | **$1,045** | **$15.14** | - | **$945-$965** | **$14.20** | - |
| Co-Product Cash Costs[1,2] | Gold | Silver | Copper | Gold | Silver | Copper |
| Chapada | $514 | $3.69 | $1.78 | $340 | $3.20 | $1.60 |
| El Peñón | $763 | $10.58 | | $740 | $11.00 | |
| Canadian Malartic | $556 | | | $560 | | |
| Gualcamayo | $810 | | | $960 | | |
| Minera Florida | $925 | $12.85 | | $705 | $10.60 | |
| Jacobina | $693 | | | $785 | | |
| **Total Cash Costs*** | **$687** | **$10.36** | - | **$665-$675** | **$10.55** | - |

* Excluding Brio Gold

# 2017 Cost Guidance
## AISC Per Ounce/Pound Produced

| | Q1 2017A | | | FY 2017E | | |
|---|---|---|---|---|---|---|
| AISC[1,2,3] | Gold | Silver | Copper | Gold | Silver | Copper |
| Chapada | $634 | $4.53 | $2.13 | $445 | $4.10 | $2.00 |
| El Peñón | $977 | $13.55 | | $915 | $13.60 | |
| Canadian Malartic | $716 | | | $730 | | |
| Gualcamayo | $841 | | | $1,010 | | |
| Minera Florida | $1,195 | $16.78 | | $935 | $13.90 | |
| Jacobina | $871 | | | $985 | | |
| **Total Yamana AISC*** | $912 | $14.24 | - | $890-$910 | $14.30 | - |

**WELL POSITIONED**

to meet 2017 cost guidance

* Excluding Brio Gold

# Yohann Bouchard

Senior Vice President, Operations

# Canadian Malartic
## Q1 2017 Operating Summary

| Production (50%) | Oz. | Tonnes Processed (50%) | Grade | Recovery Rate | Operating Strip Ratio |
|---|---|---|---|---|---|
| Gold | 71,382 | 2,432,579 | 1.03 g/t | 88.7% | 1.95 |

| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| Gold | $1,027/oz | $556/oz | $716/oz |

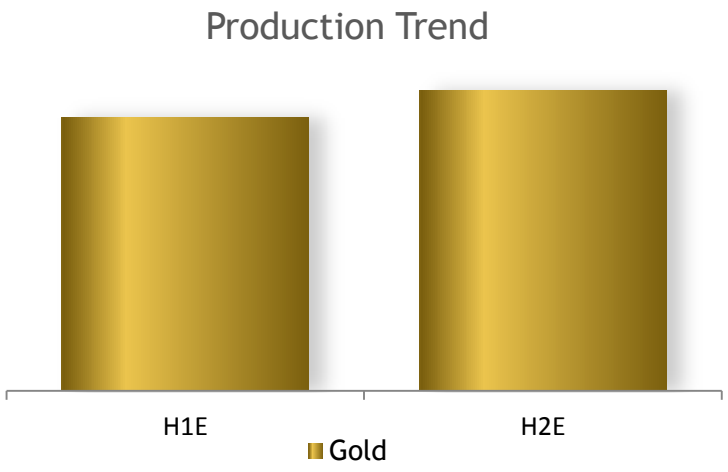
- Gold production on track to achieve 2017 production guidance
- Best Q1 throughput rate since the beginning of operations
- Continuing to pursue opportunities to further improve production:
  - ✓ Decrease scheduled and unscheduled maintenance shutdown periods
  - ✓ Increase productivity and efficiency of the mining fleet.
- Quebec government has authorized the Canadian Malartic Extension Project

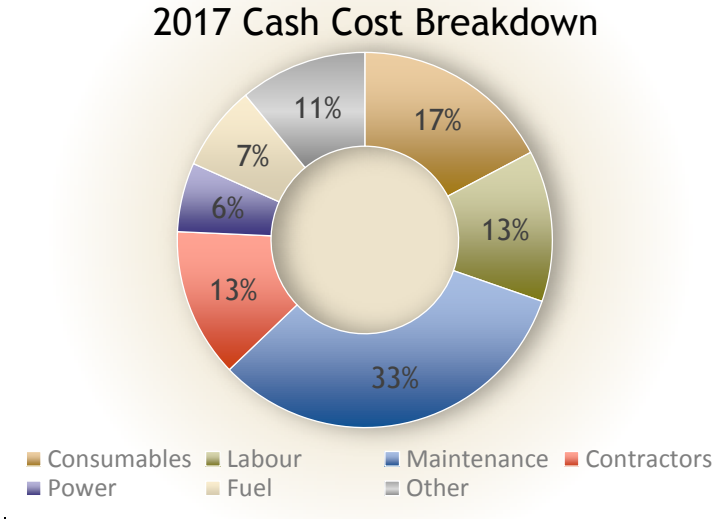
# Canadian Malartic
## 2017 Key Performance Metrics

| 2017 Production | |
|---|---|
| Tonnes Processed (000s - 50%) | 9,425 |
| Strip Ratio (operating) | 1.9 |
| Grade - gold (g/t) | 1.11 |
| Recovery - gold | 89% |
| Production - gold (000 oz - 50%) | 300 |

| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| 2017E | $945/oz Gold | $560/oz Gold | $730/oz Gold |

| 2017 Costs per Tonne Milled | |
|---|---|
| Mine | $6.90 |
| Plant | $8.05 |
| G&A & Other | $2.90 |
| Total | $17.85 |

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# Canadian Malartic
## Location



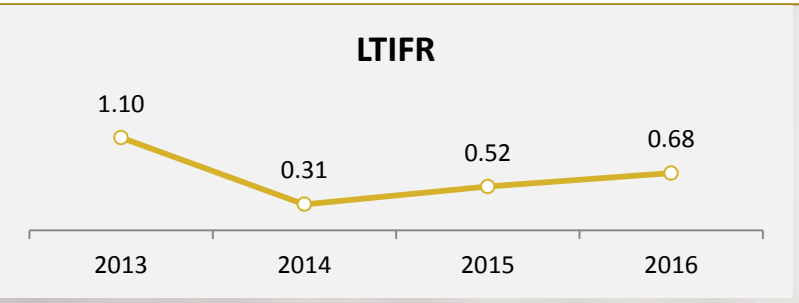
# Canadian Malartic
## Site Layout



# Canadian Malartic
## Infrastructure



# Canadian Malartic
## People




**Headcount**

| Employees | Contractor | **Total** |
|---|---|---|
| 700 | 550 | **1,250** |

# Canadian Malartic
## Mining



# Canadian Malartic
## Mining Operations



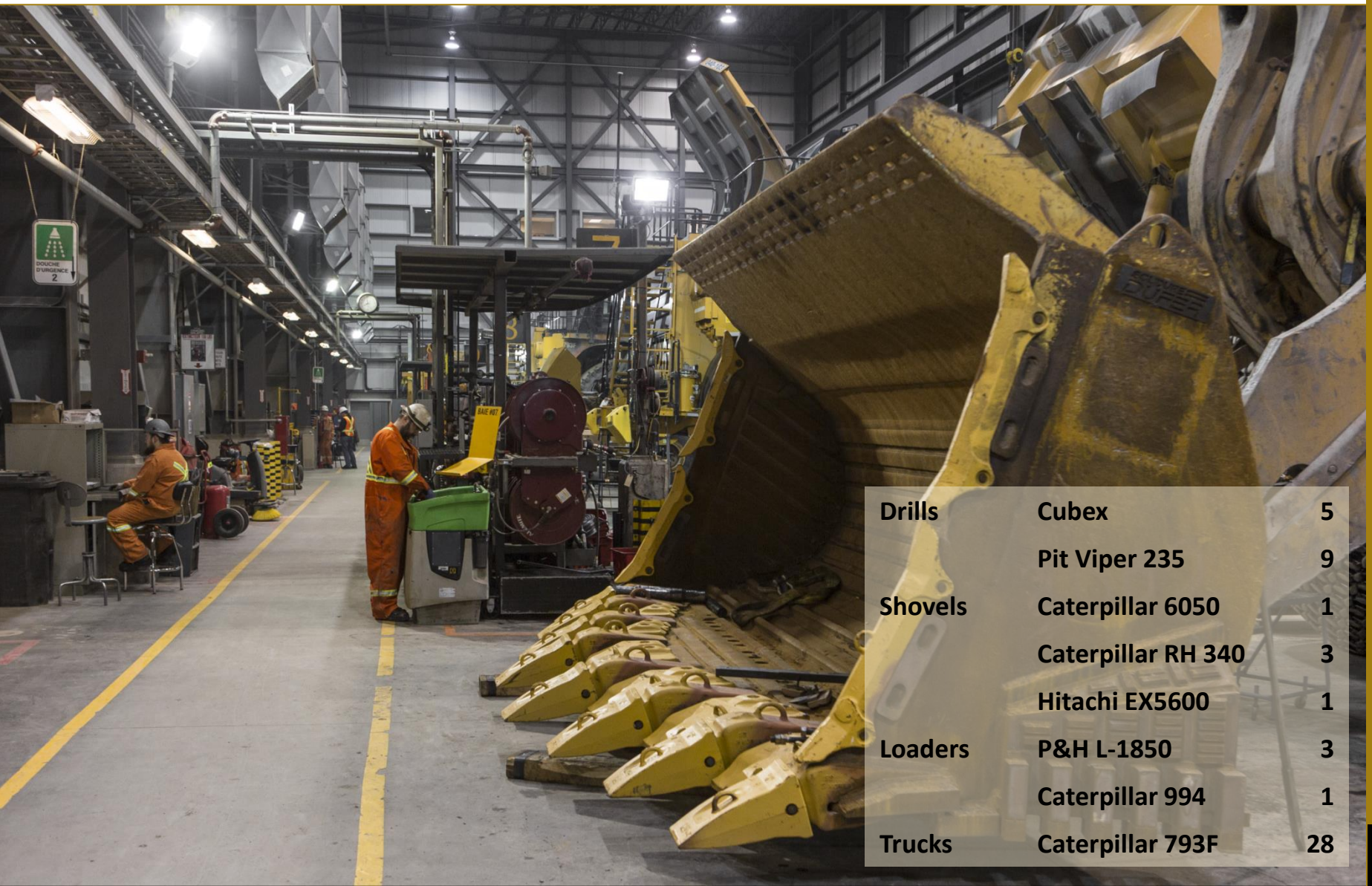








# Canadian Malartic
## Mining Equipment

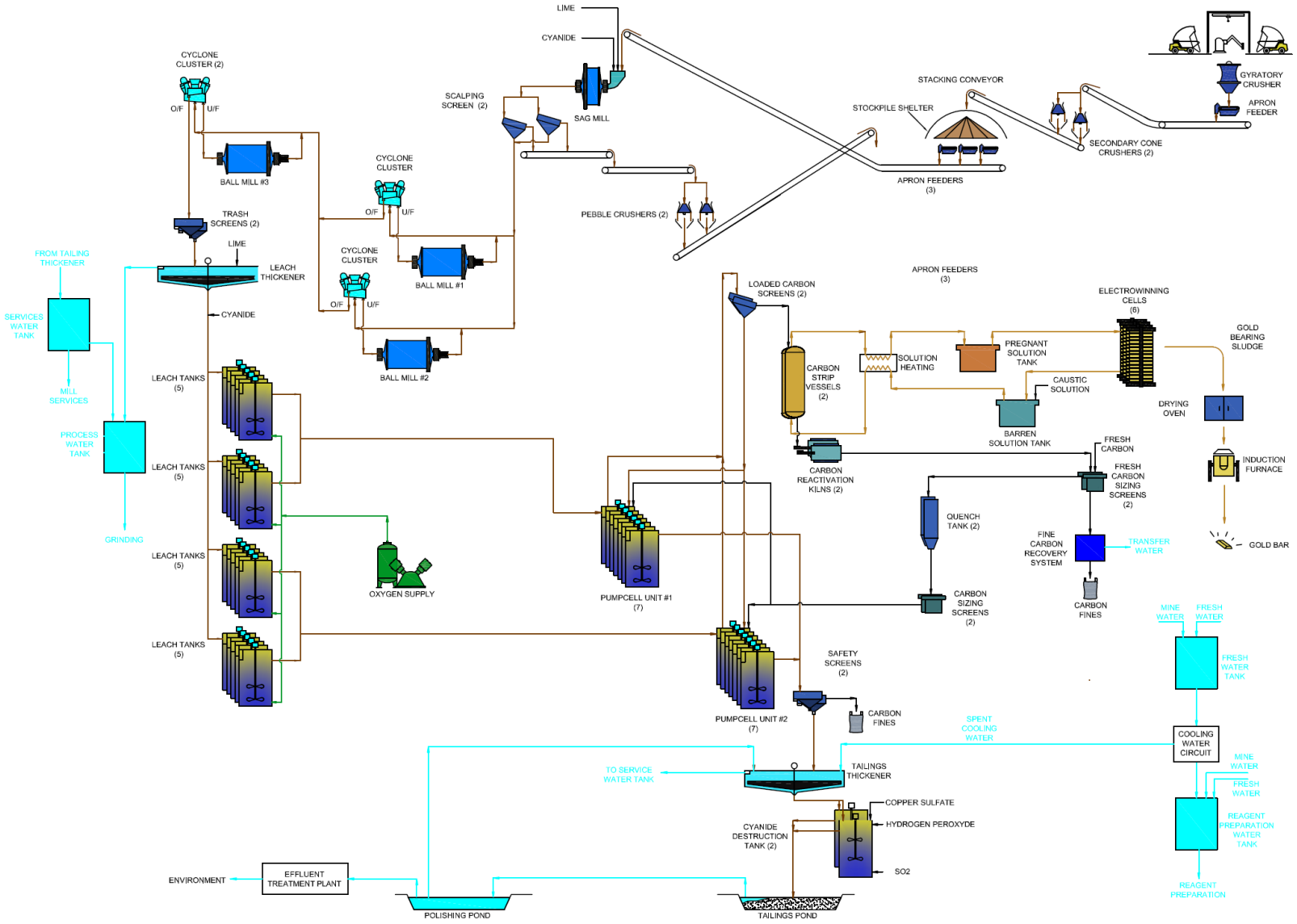


| | | |
|---|---|---|
| Drills | Cubex | 5 |
| | Pit Viper 235 | 9 |
| Shovels | Caterpillar 6050 | 1 |
| | Caterpillar RH 340 | 3 |
| | Hitachi EX5600 | 1 |
| Loaders | P&H L-1850 | 3 |
| | Caterpillar 994 | 1 |
| Trucks | Caterpillar 793F | 28 |

# Canadian Malartic
## Processing



# Canadian Malartic
## Processing Flow Sheet



# Canadian Malartic
## Grinding



# Canadian Malartic
## Leaching



# Canadian Malartic
## Tailings Storage



# Canadian Malartic
## Community and Social Responsibility



Canadian Malartic works collaboratively with all stakeholders to invest in projects to support the community's development, including:

- Working to minimize any potential impacts from the operation on the neighbouring community
- Supporting education and research
- Contributing to community projects that will have a lasting impact on economic, social and cultural development
- Partnering with the Malartic Mineralogical Museum, offering tours of the mine facilities





# Canadian Malartic
## Strategy and Initiatives




Canadian Malartic is a high quality operation with a track record of year-over-year improvement:

- Canadian Malartic Extension Project is expected to increase LOM to 2027
- Significant Mineral Resources and exploration potential
- Strong management team committed to operate with the community in harmony and respect
- Culture of continuous improvement

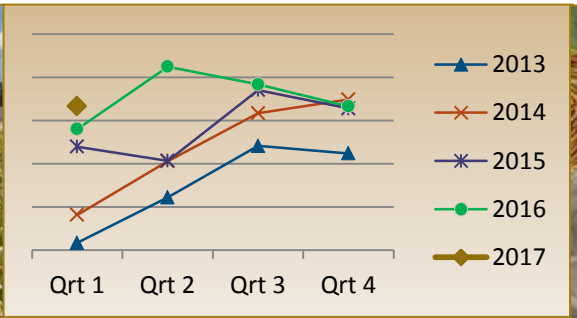
In the short term, Canadian Malartic is working on opportunities to:

- Stabilize mill throughput
- Increase recovery
- Increase SAG mill availability
- Advance the Odyssey Project

**Sustainable Development**



**Increasing Mill Throughput**




**Odyssey Project**



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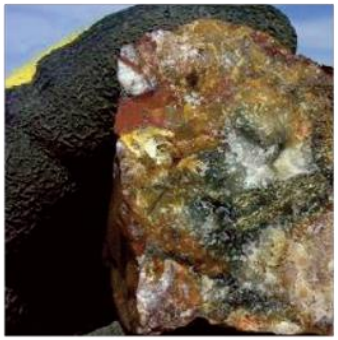
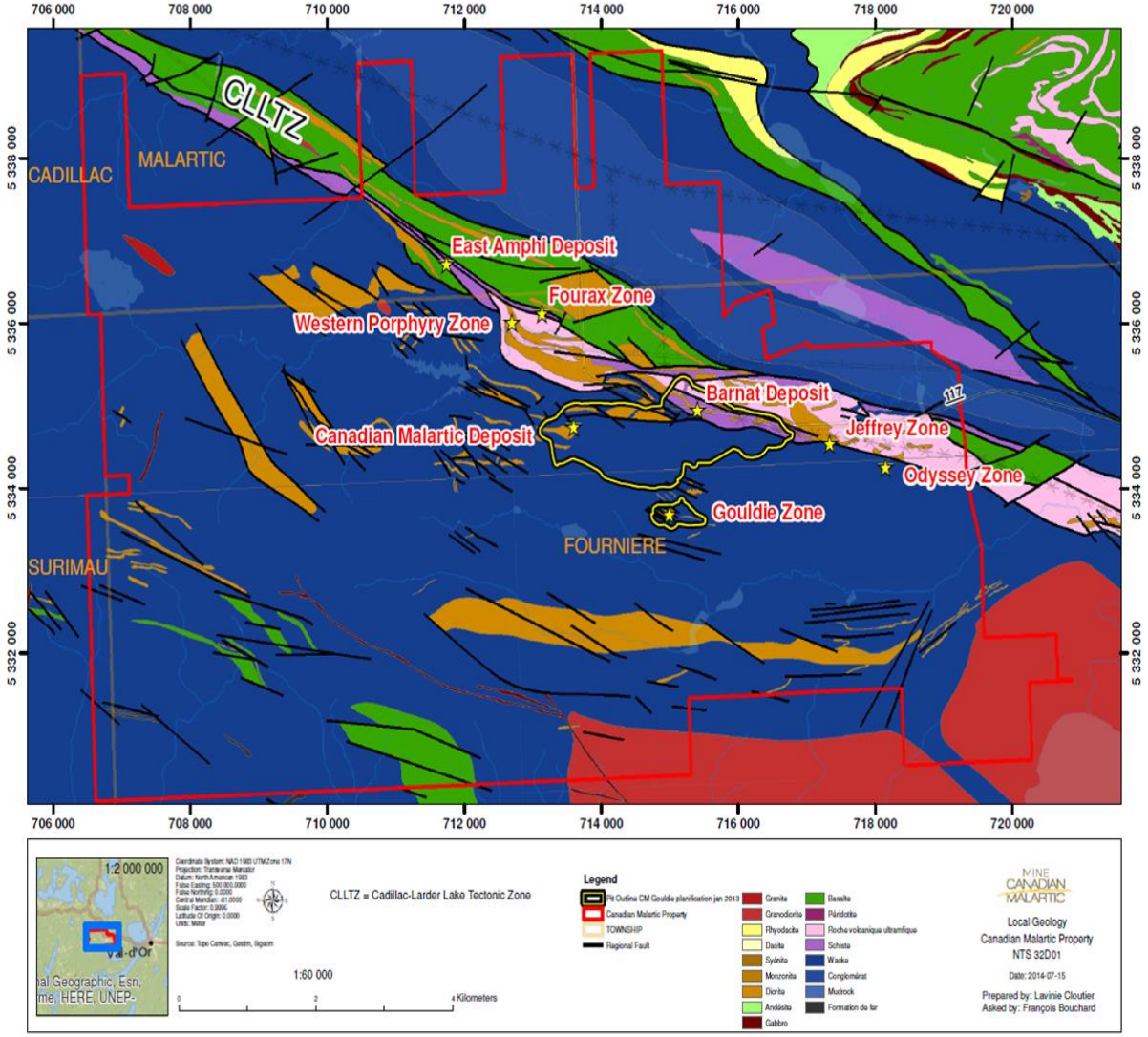
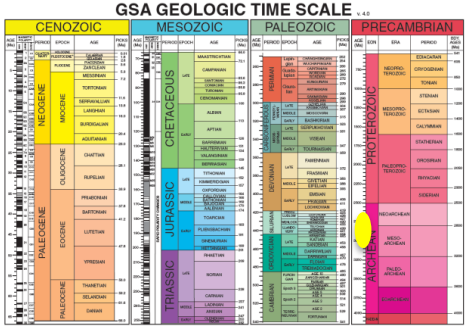


EXPLORATION

# Canadian Malartic
## Geology




- The Canadian Malartic property lies within the Abitibi Subprovince of the Archean Superior craton along the Cadillac–Larder Lake Fault Zone.
- The rocks in the Canadian Malartic property are predominantly composed of metavolcanic rocks, metasedimentary rocks, and porphyry intrusions.
- The deposit is described as a magmatic-hydrothermal system with exsolution of ore bearing fluids from a monzodioritic magma at mid-crustal levels.
- Gold is deposited along the Sladen fault and fold structures in the main pit and along intrusive contacts with the Pontiac greywacke and Piche mafic and ultramafic rocks at Odyssey.

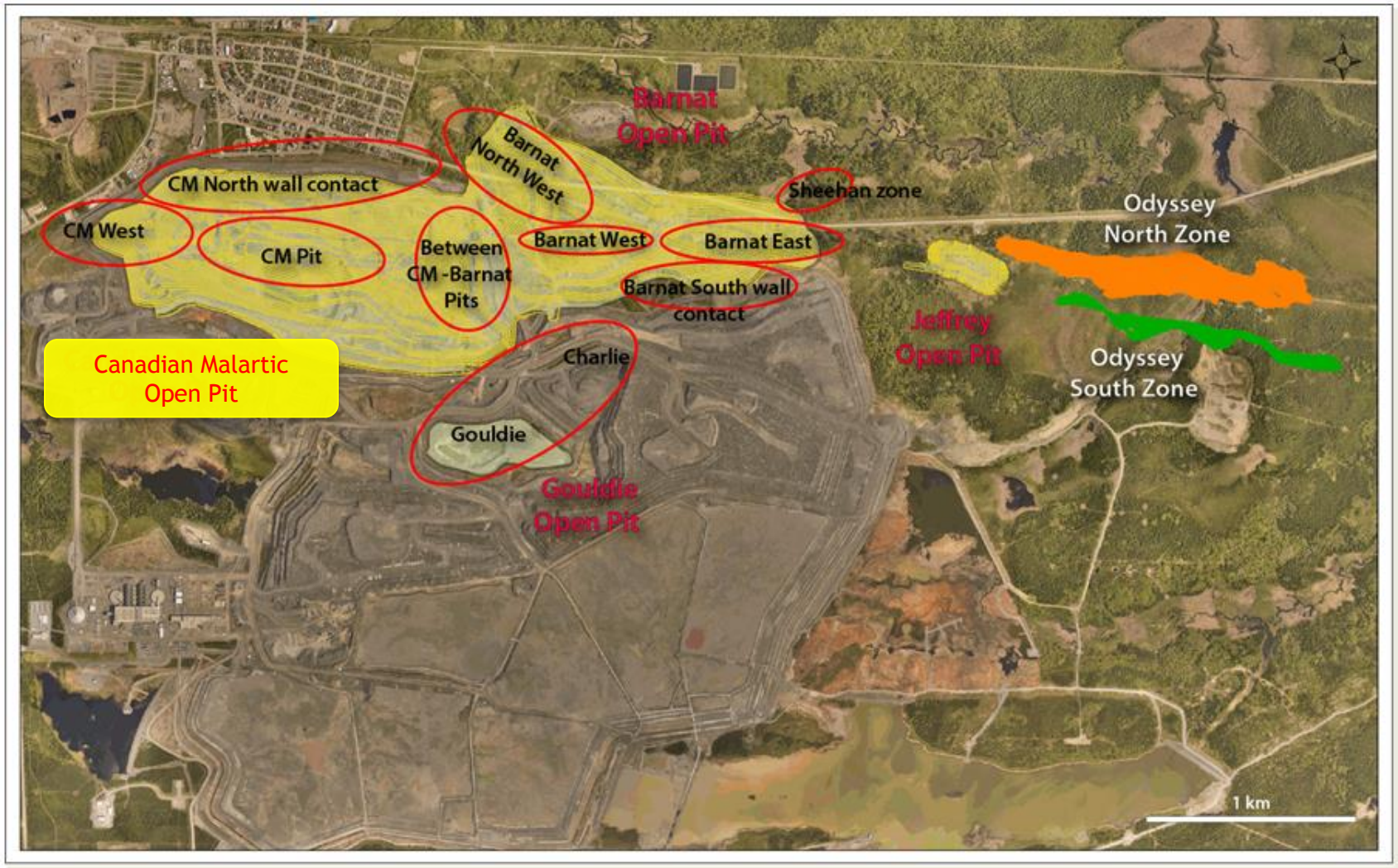



Note: Please see NI 43-101 Technical Report on the Canadian Malartic Property filed on SEDAR on August 14, 2014 for further details.

# Canadian Malartic
## Exploration

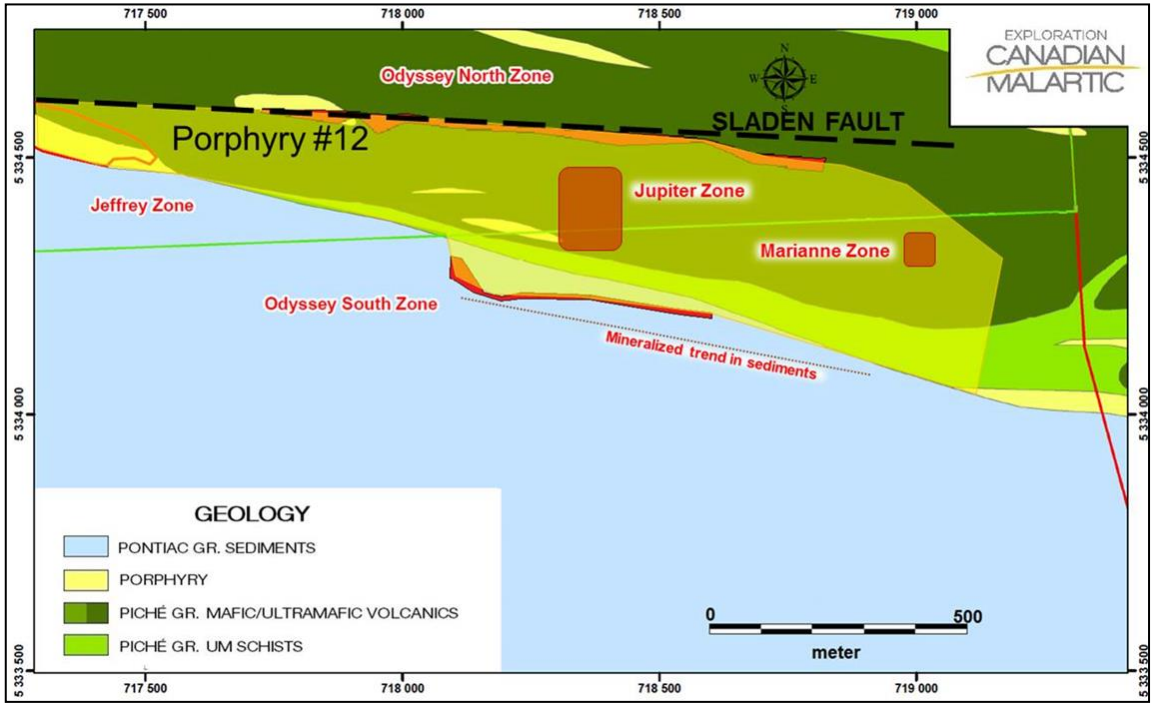
| | | |
|---|---|---|
| 2017 Malartic Budget | | C$8M (100%)<br>46,000 m DDH |
| Odyssey: | 1. | Continue definition drilling North, South, Internal zones for inventory to resource conversion and expansion. |
| | 2. | Discovery of new zones along Sladen Shear-Fault Trend and test gabbro-hosted gold mineralization north of Odyssey (Malartic Goldfields Mine - style mineralization). |
| Midway | 1. | Exploratory drilling of identified mineralized trends for resource potential within both gabbro intrusive (Malartic Goldfields Mine style) and porphyry intrusive (Malartic-Odyssey style). |

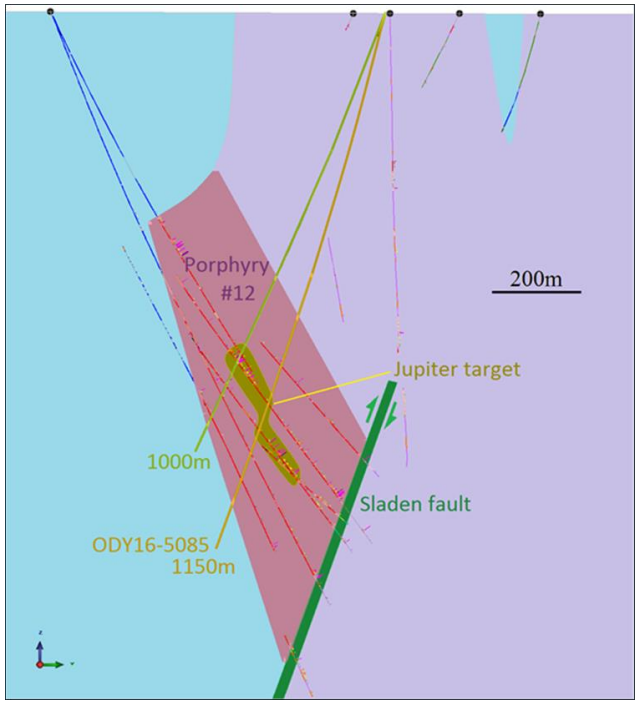
# Canadian Malartic
## Exploration Targets



# Canadian Malartic
## Exploration Odyssey

- The Odyssey target is mineralized along (1),the north fault contact between the #12 porphyry and the Piche mafic/ultramafic units, (2), along the south intrusive contact between the #12 porphyry and the Pontiac sediments and (3), along cross structures within the #12 porphyry.
- The 2017 program will test all 3 mineral occurrences, and develop new targets for future exploration.



# Chapada
## Q1 2017 Operating Summary

| Production | Oz./Mlbs | Tonnes Processed | Grade | Recovery Rate | Operating Strip Ratio |
|---|---|---|---|---|---|
| Gold | 19,089 | 5,614,753 | 0.21 g/t | 49.2% | 1.38 |
| Copper | 26.5 | | 0.29% | 73.0% | |

| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| Gold | $462/oz | $514/oz | $634/oz |
| Copper | $1.79/lb | $1.78/lb | $2.13/lb |

- Gold and copper production are on target to achieve 2017 production guidance
- Recoveries were lower in Q1 because of various ore types in the south pit. Recoveries are expected to increase throughout the year as the mining sequence progresses to access higher grades and with better ore blending
- The Advanced Control System in the processing plant was commissioned in Q1 and the cleaner circuit expansion is advancing for commissioning in Q4. These initiatives will improve processing stability and increase gold and copper recoveries to targeted annual guidance

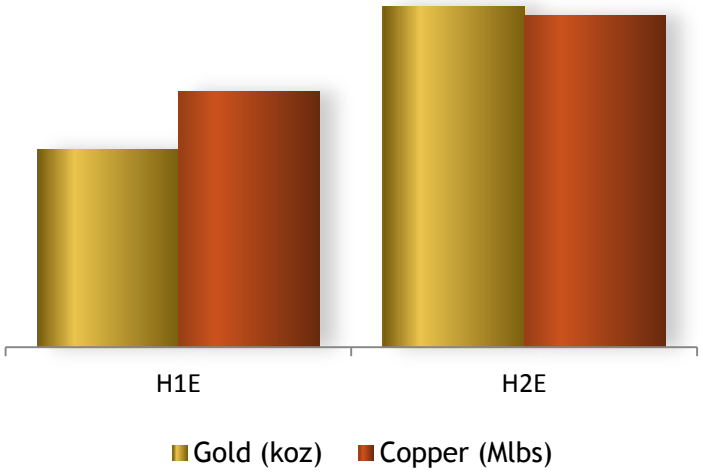
# Chapada
# 2017 Key Performance Metrics

| 2017 Production | |
|---|---|
| Tonnes Processed (000s) | 22,700 |
| Strip Ratio (operating) | 1.4 |
| Grade - gold (g/t)<br>copper (%) | 0.26<br>0.30 |
| Recovery - gold<br>copper | 58%<br>80% |
| Production - gold (000 oz)<br>copper (M lbs) | 110<br>120 |

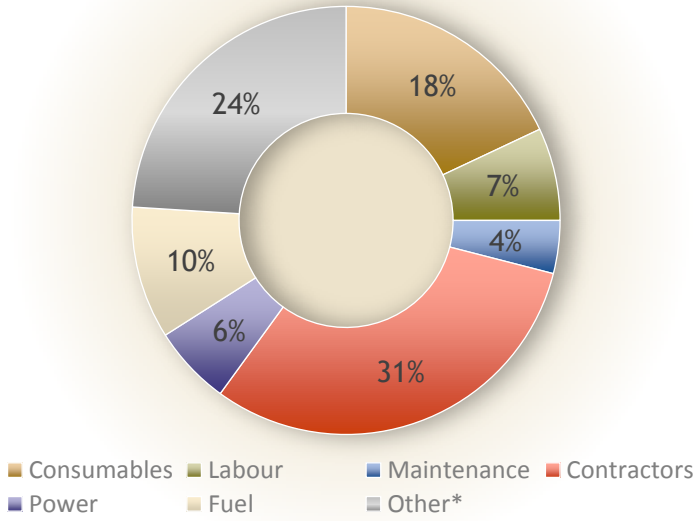
| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| 2017E | $395/oz Gold<br>$1.70/lb Copper | $340/oz Gold<br>$1.60/lb Copper | $445/oz Gold<br>$2.00/lb Copper |

| 2017 Costs per Tonne Milled | |
|---|---|
| Mine | $4.40 |
| Plant | $3.05 |
| G&A & Other[*] | $2.55 |
| Total | $10.00 |

Production Trend




2017 Cash Cost Breakdown




* Includes TC/RCs

# Chapada
## Site Layout



# Chapada
## People




**Headcount**

| Yamana | Contractor | **Total** |
|---|---|---|
| 490 | 1,040 | **1,530** |

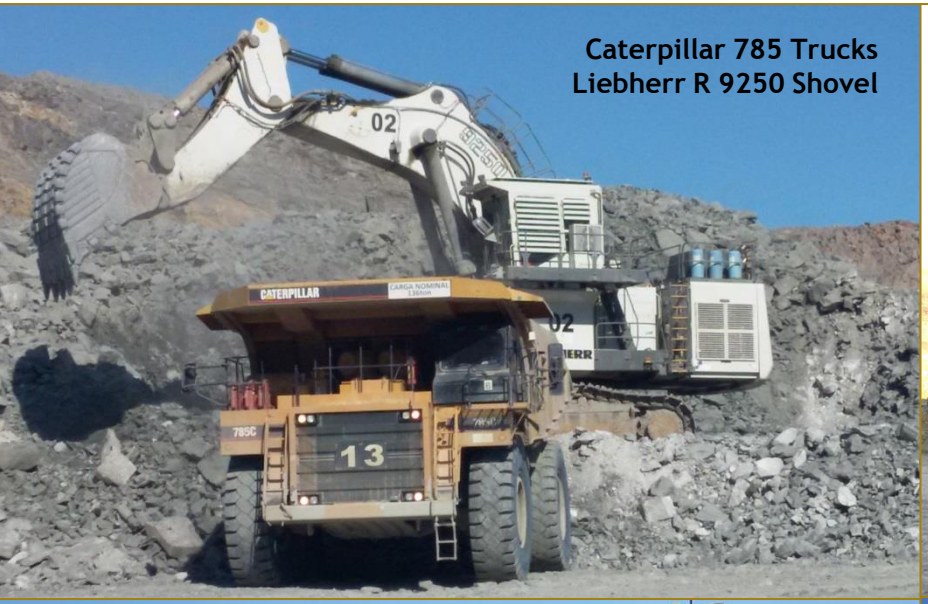
# Chapada
## Open Pits



# Chapada
## Truck and Shovel Mining Operation



# Chapada
## Mining Equipment




Caterpillar 785 Trucks
Liebherr R 9250 Shovel



Komatsu 830E Trucks
Hitachi EX5500 Shovel




Sandvik D45KS Drill

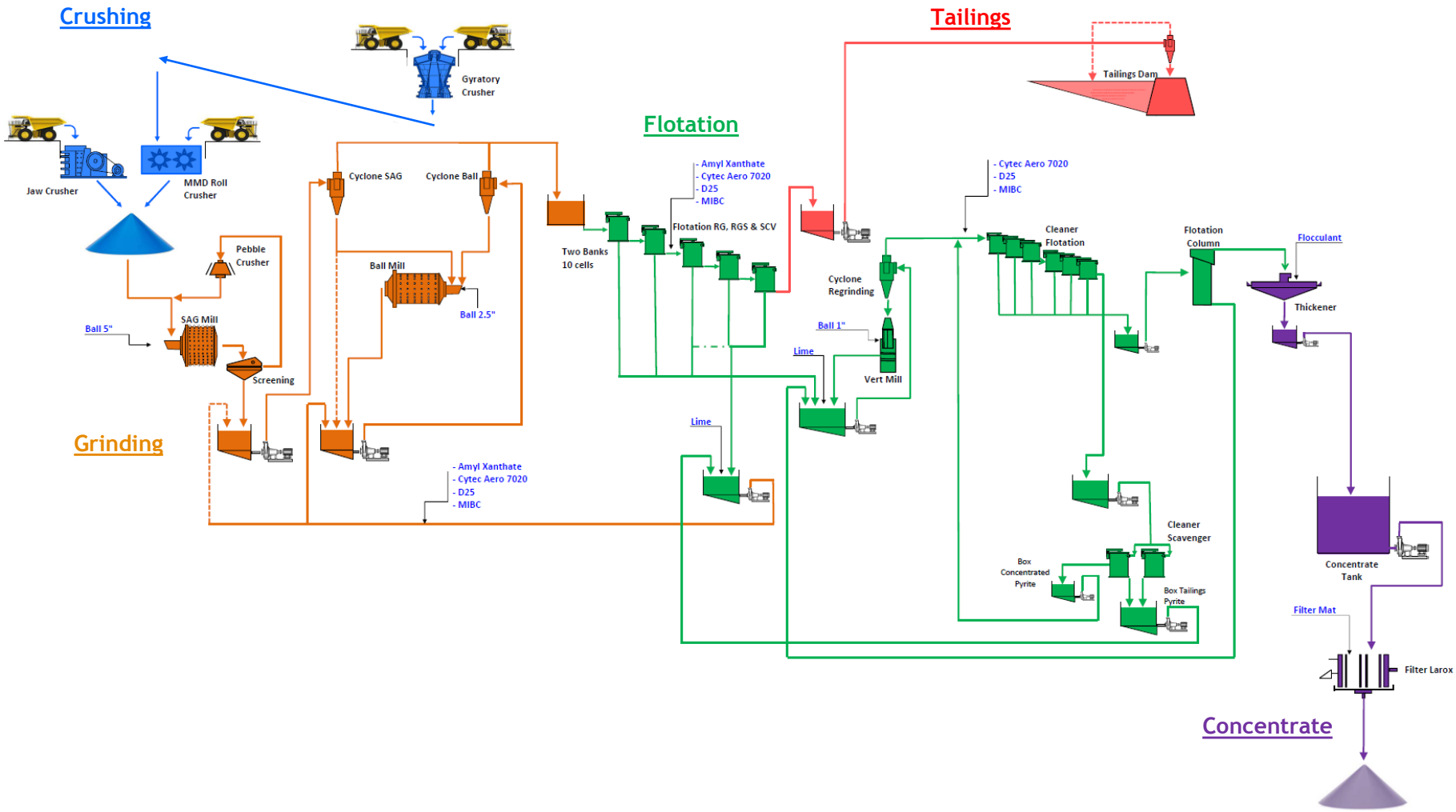


Atlas Copco ROC L8 Drills

# Chapada
## Processing



# Chapada
# Process Flowsheet

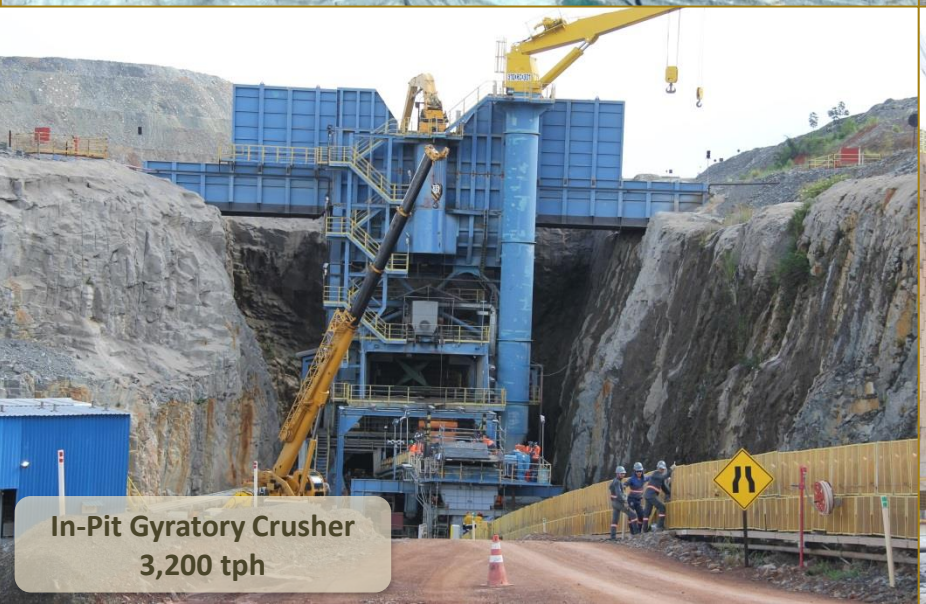


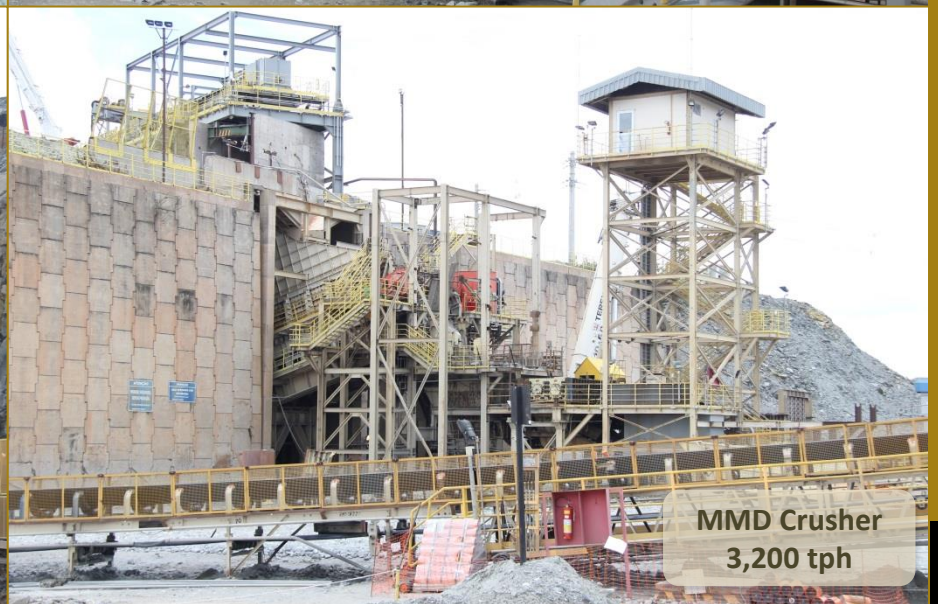
# Chapada
# Crushing









# Chapada
## Grinding





**SAG Mill**

| | |
|---|---|
| **Dimensions:** | **34 × 19 ft** |
| **Capacity:** | **3,400 t/h** |
| **Power:** | **12,500 kW** |

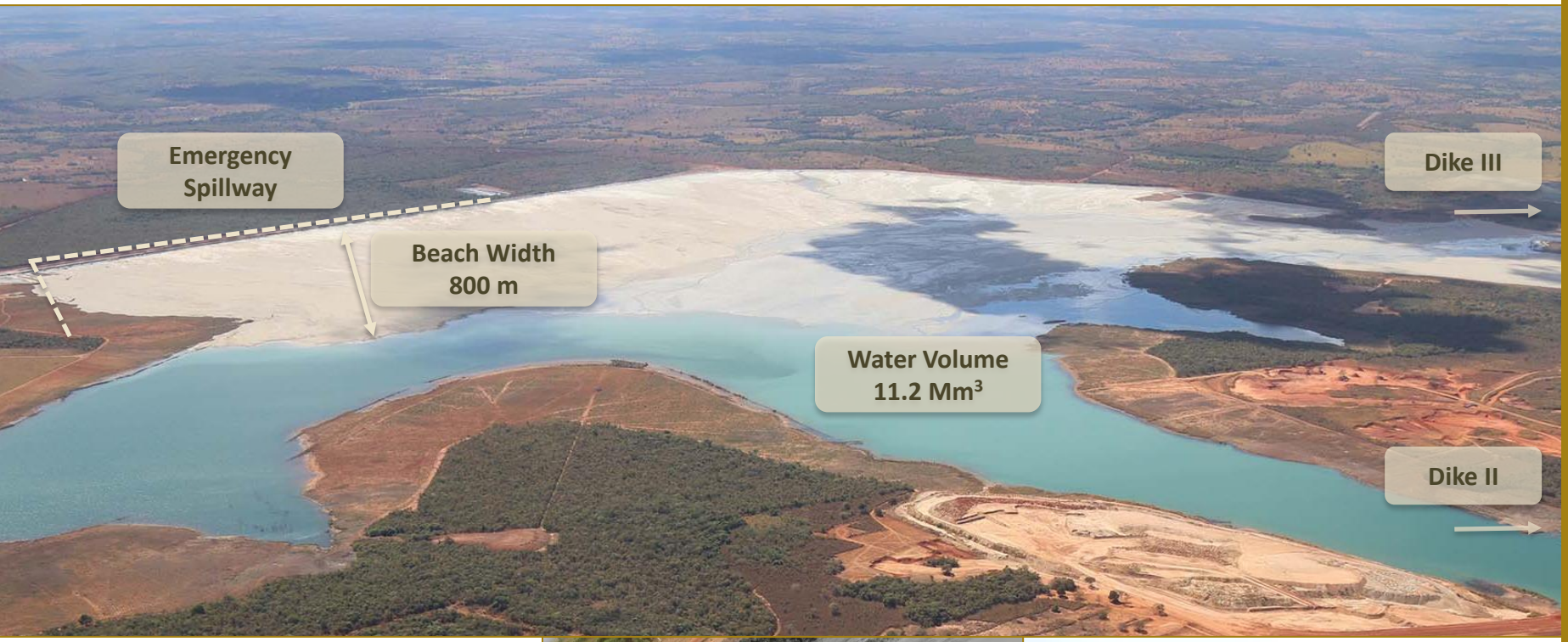
**Ball Mill**

| | |
|---|---|
| **Dimensions:** | **24 × 40 ft** |
| **Capacity:** | **4,880 t/h** |
| **Power:** | **12,500 kW** |

# Chapada
# Flotation



# Chapada
## Tailings Storage













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# Chapada
## Community and Social Responsibility



- Chapada has a good relationship with the local communities of Alto Horizonte and Nova Iguaçu
- Chapada is committed to open, honest, respectful dialogue with the surrounding communities through quarterly citizen meetings, open door tours, and reporting
- Community initiatives include:
  - Sponsorship of socio-economic programs including cultural, educational, and health initiatives
  - Technical training courses
  - School SafeStart presentations to promote home safety





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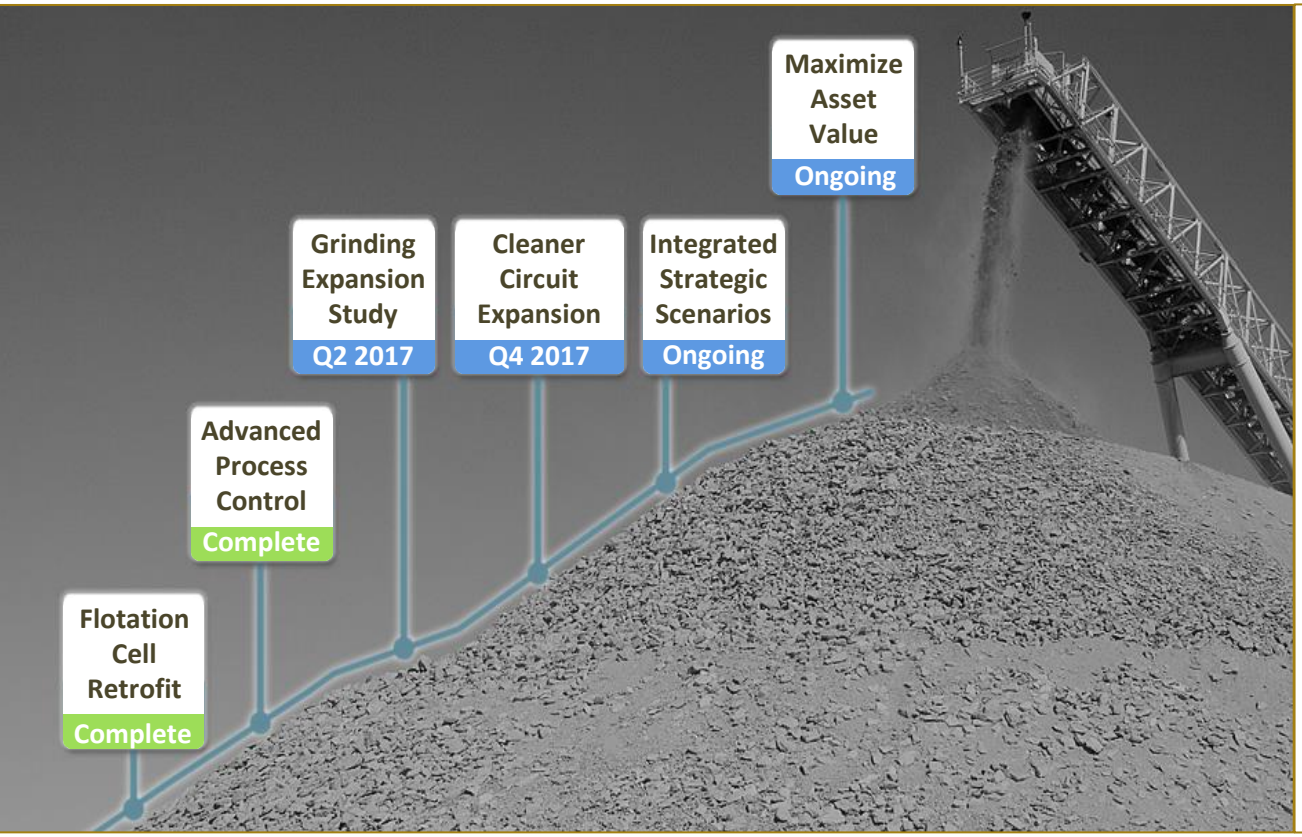
# Chapada
## Strategy and Initiatives




Chapada is a high quality, long life asset:

- ~20 years of Mineral Reserves
- Significant Mineral Resources and exploration potential
- Well established infrastructure
- Skilled workforce
- Good relationship with neighboring communities

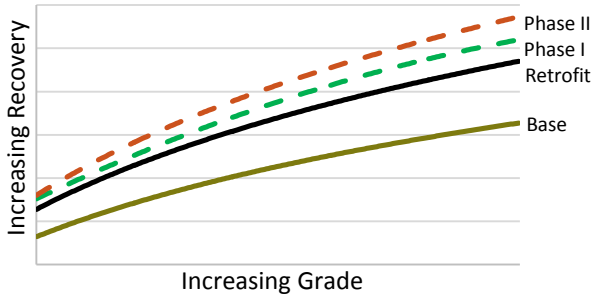
The strategy is to maximize value by:

- Implementing processing optimization/expansion
- Optimizing the mining sequence to prioritize higher value deposits
- Introducing Suruca as a stand-alone heap leach operation
- Explore optionality of alternative mining concepts

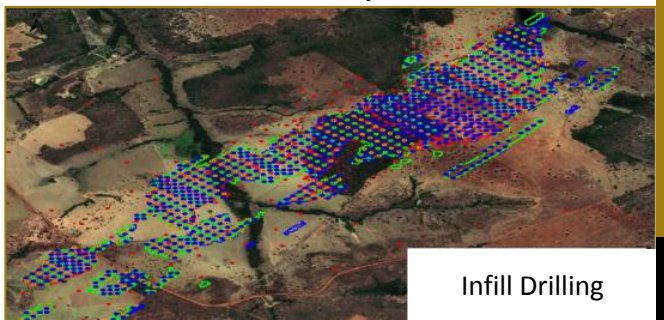
**Cleaner Circuit Expansion**



**Increasing Recoveries**




**Suruca Project**



Infill Drilling

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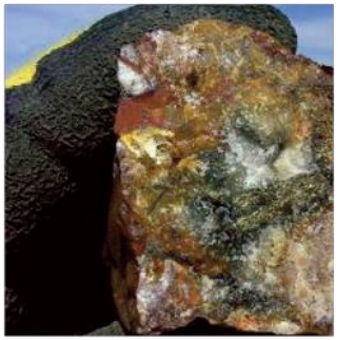
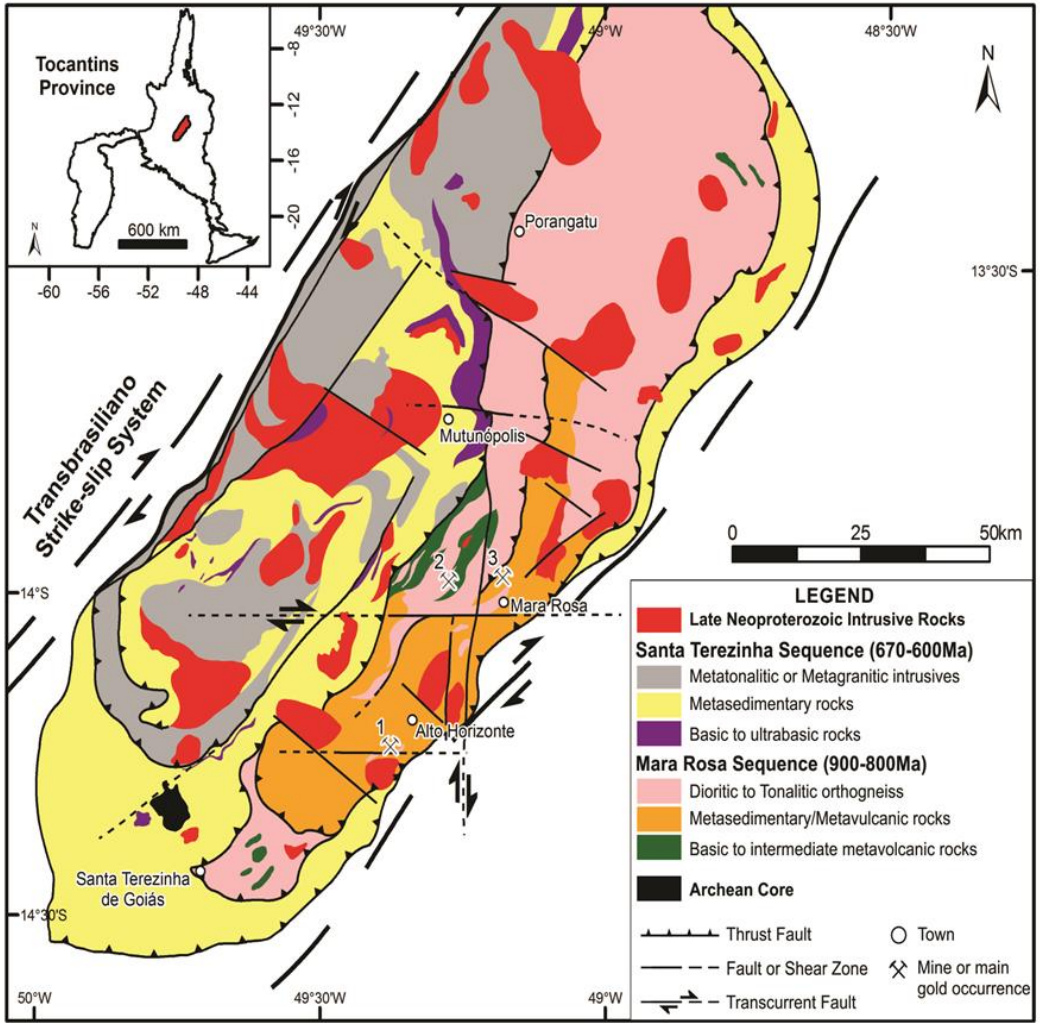
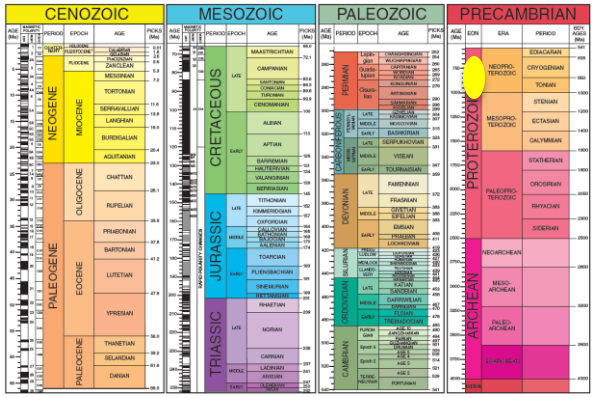


EXPLORATION

# Chapada
## Geology




- Chapada occurs within the Goias Magmatic Arc located between the Sao Francisco and Amazonian Cratons
- The Mara Rosa Sequence of orthogneiss, metavolcanic and metasedimentary rocks host the deposits
- Chapada is considered a *metamorphosed* porphyry copper-gold deposit of Precambrian age (900 to 800Ma and 670 to 600 Ma)

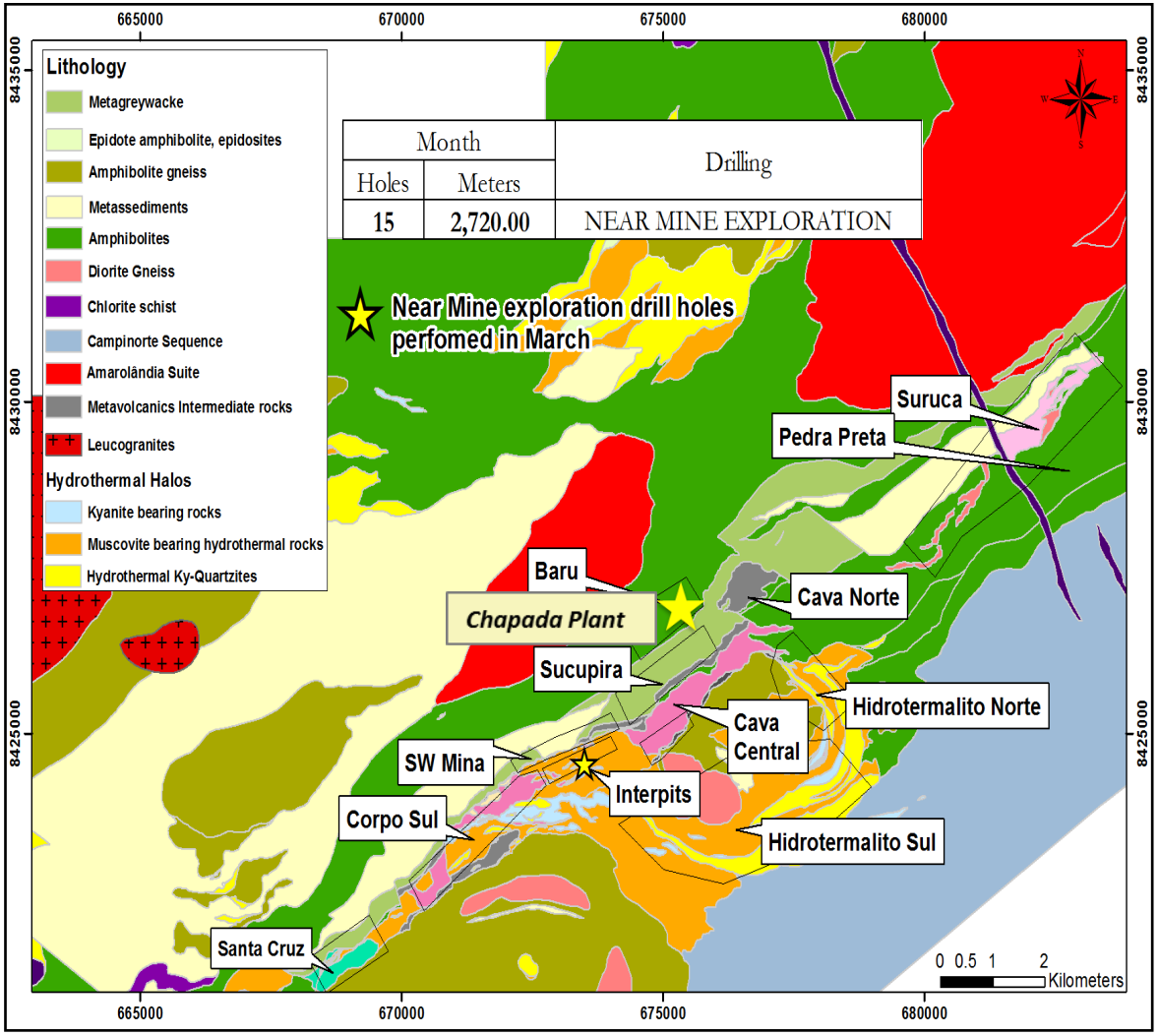



Note: Please see NI 43-101 Technical Report on the Chapada Mine filed on SEDAR on October 2, 2014 for further details.

# Chapada
## Near Mine Exploration

2017 Budget $5M
- 24,000 metres

2017 Strategy
- Complete Suruca infill
- Test near surface low grade
- Extend Sucupira to the SW
- Develop Interpits
- Explore for near surface oxide Au at Hidrothermalito and elsewhere
- Discover reserve grade (or higher) Au-Cu deposits

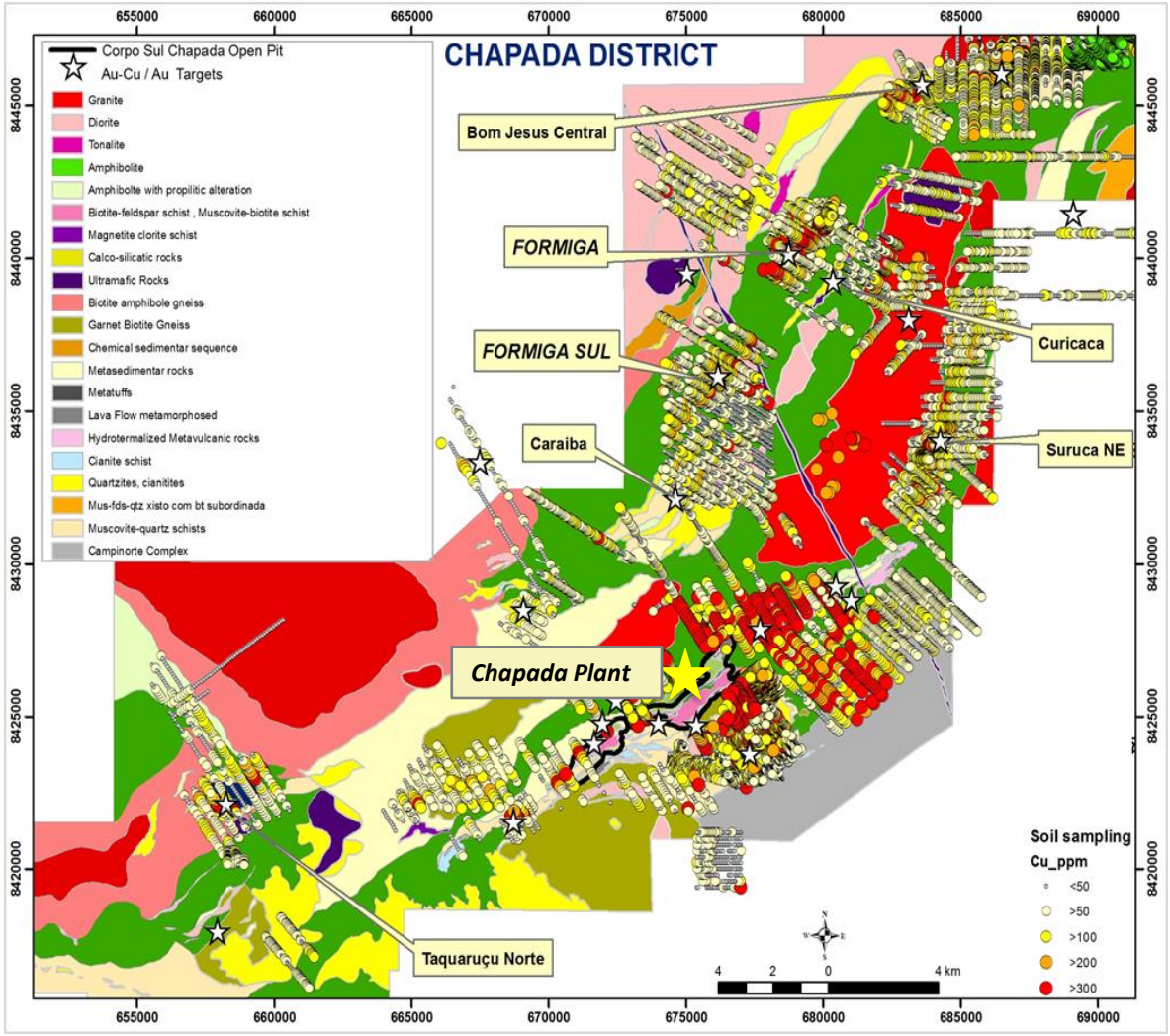


# Chapada
## District Exploration

### 2017 Budget $2M
- Drill 4,000 metres

### 2017 Strategy
- Continue Formiga discovery program
- Test extension of Suruca sulfide down dip
- Generate discovery through soil sampling
- Evaluate geophysical survey opportunities

### 2017 Goals
- Replace production with higher grade discoveries
- Expand the Chapada District



# Jacobina
## Q1 2017 Operating Summary

| Production | Oz. | Tonnes Processed | Grade | Recovery Rate |
|---|---|---|---|---|
| Gold | 32,126 | 477,953 | 2.17 g/t | 96.4% |

| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| Gold | $1,021/oz | $693/oz | $871/oz |

- Gold production 7% higher in Q1 vs. Q1 of last year. The mine is on track to achieve 2017 production guidance
- Mine benefited from higher throughput and recovery rates in the quarter compared to same quarter last year
- Strong Q1 gold production, together with a focus on cost control, has positioned Jacobina to achieve 2017 cost guidance
- Advancing plans to optimize current mining method to decrease amount of capital development per tonne of ore extracted

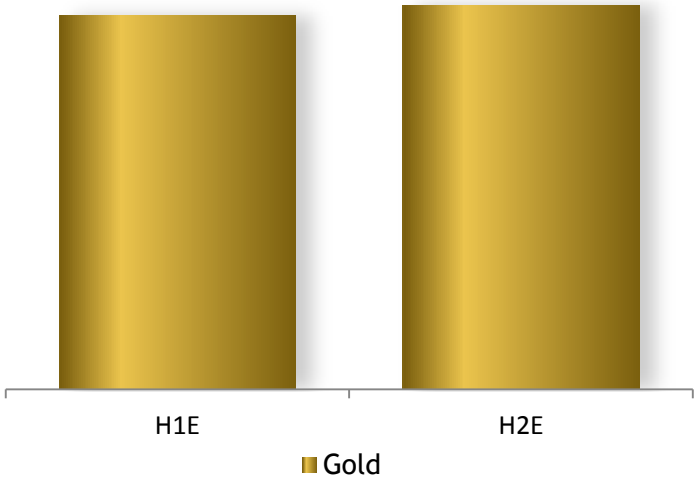
# Jacobina
## 2017 Key Performance Metrics

| 2017 Production | |
|---|---|
| Tonnes Processed (000s) | 1,700 |
| Grade - gold (g/t) | 2.30 |
| Recovery - gold | 96% |
| Production - gold (000 oz) | 120 |

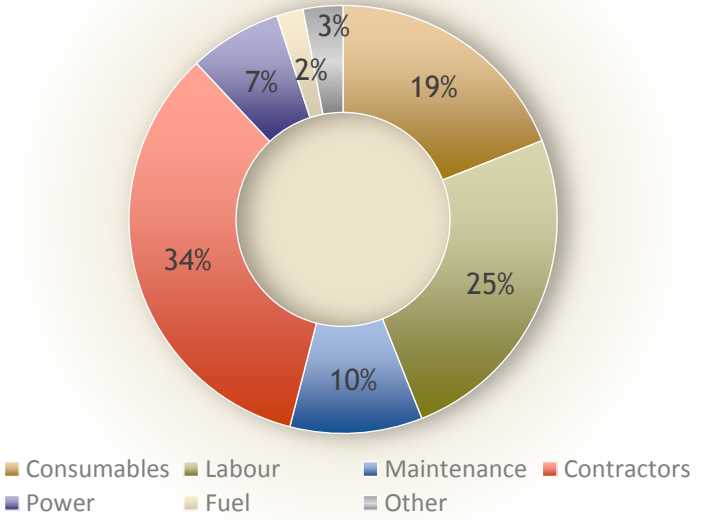
| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| 2017E | $1,035/oz Gold | $785/oz Gold | $985/oz Gold |

| 2017 Costs per Tonne Milled | |
|---|---|
| Mine | $34.10 |
| Plant | $13.30 |
| G&A & Other | $7.90 |
| Total | $55.30 |

Production Trend




2017 Cash Cost Breakdown

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# Jacobina
## Location

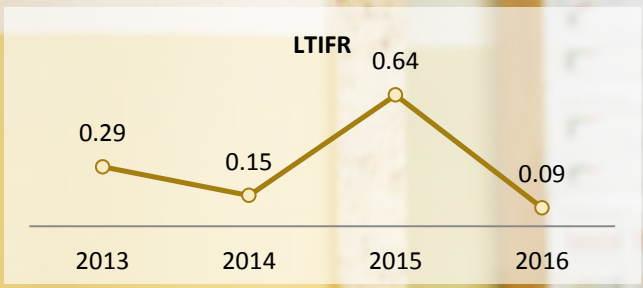


# Jacobina
## Site Layout




- The Jacobina office and processing plant are accessed by 10 km of paved roads from the City of Jacobina.
- Employees are transported to the mine by bus.
- 24/7 security

# Jacobina
## People




**Headcount**

| Yamana | Contractor | **Total** |
|---|---|---|
| 750 | 1,110 | **1,860** |

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# Jacobina
## Mining

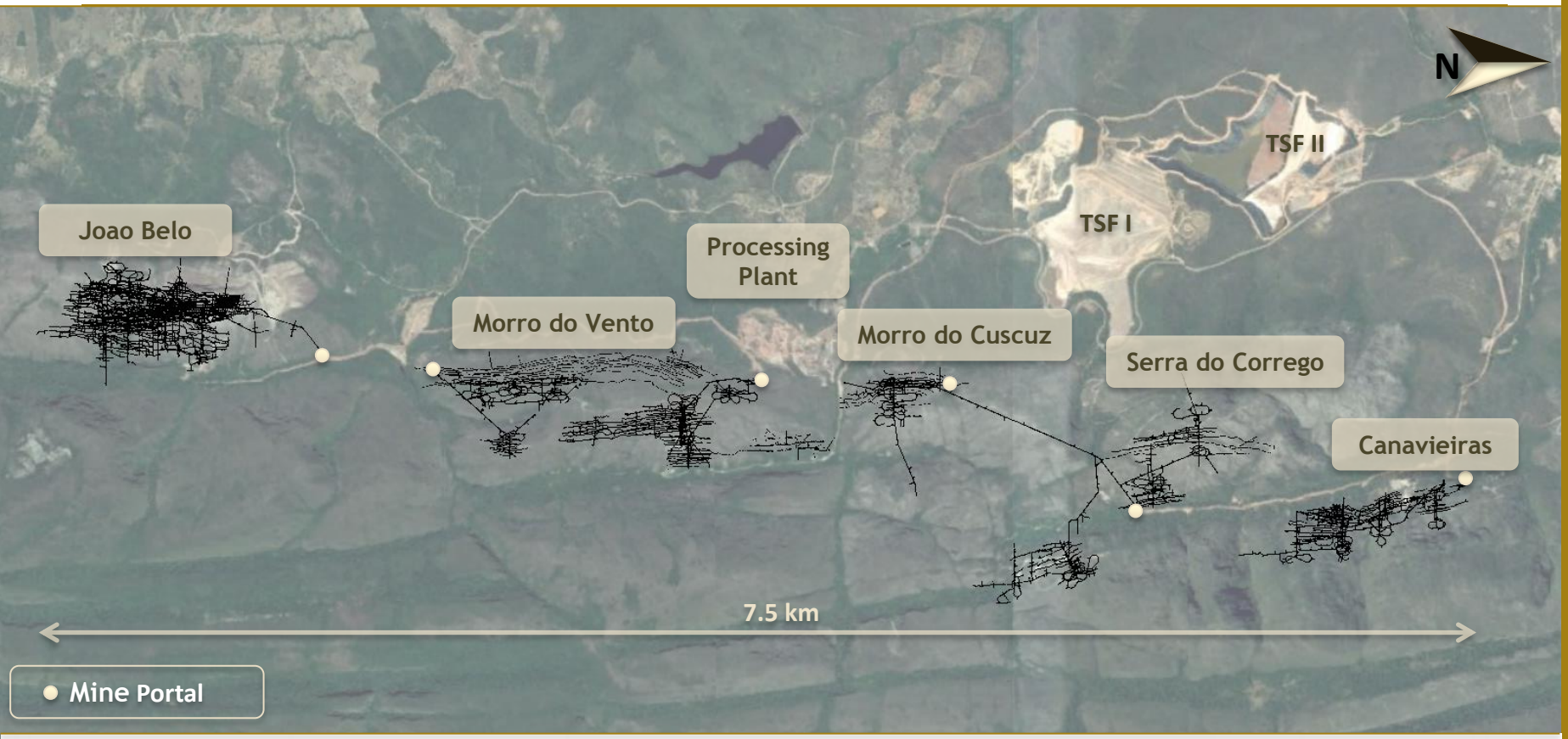


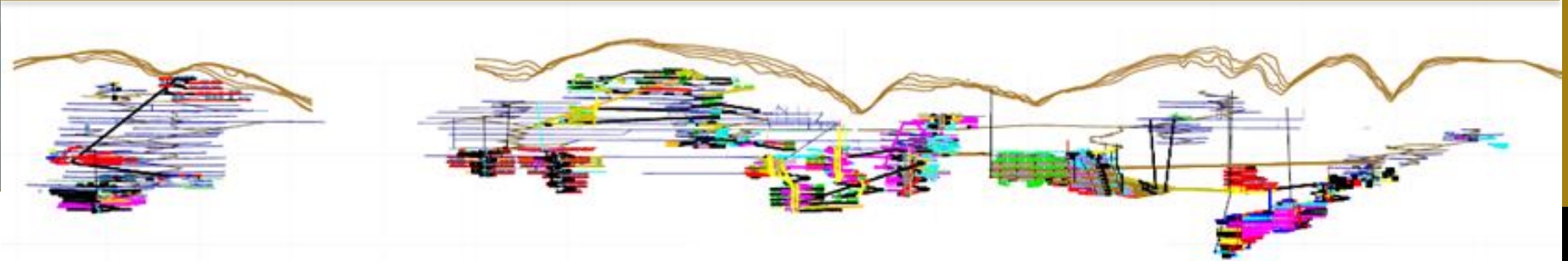
# Jacobina
## Underground Portals

- Jacobina underground mines are accessed through six portals.
- Ore is hauled to the primary crusher by truck.

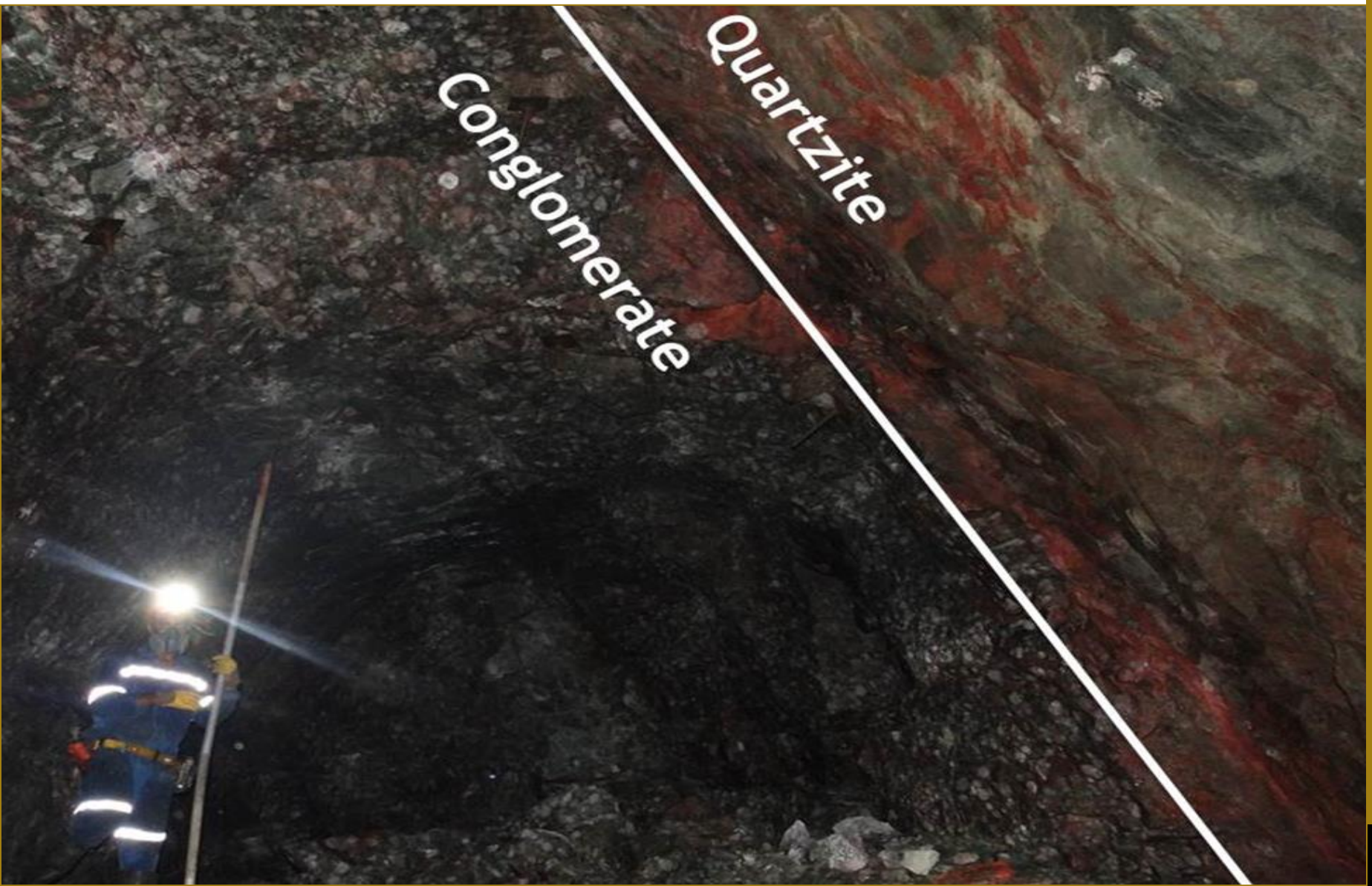


# Jacobina
## Underground Mines

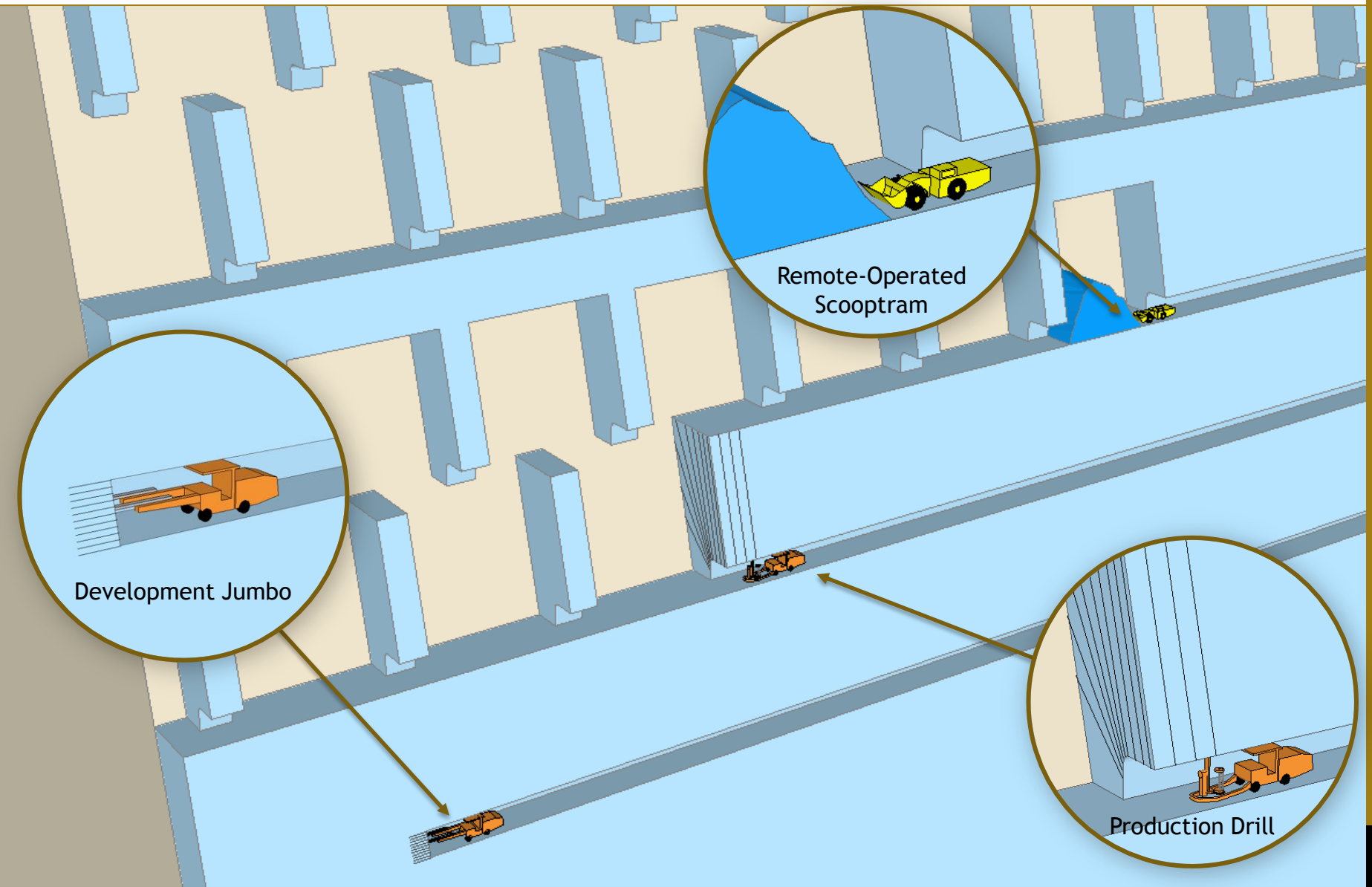


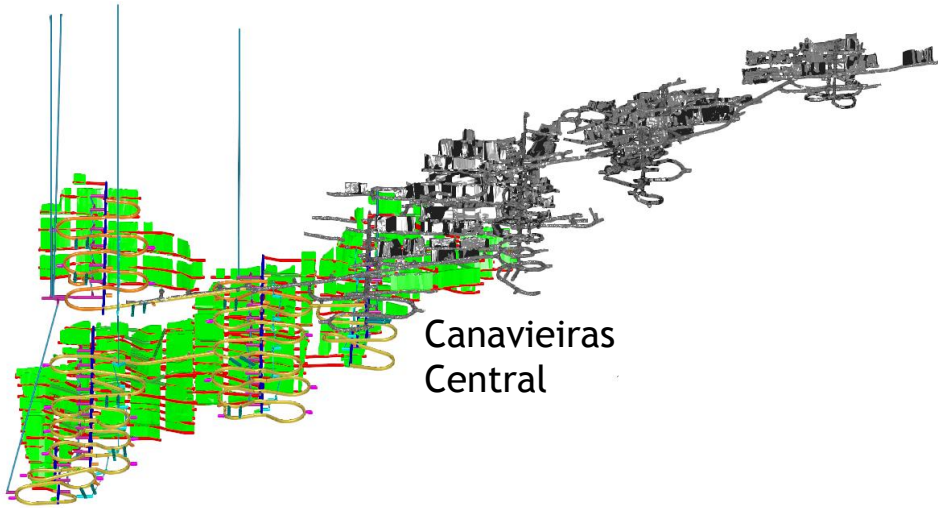
# Jacobina
## Geology

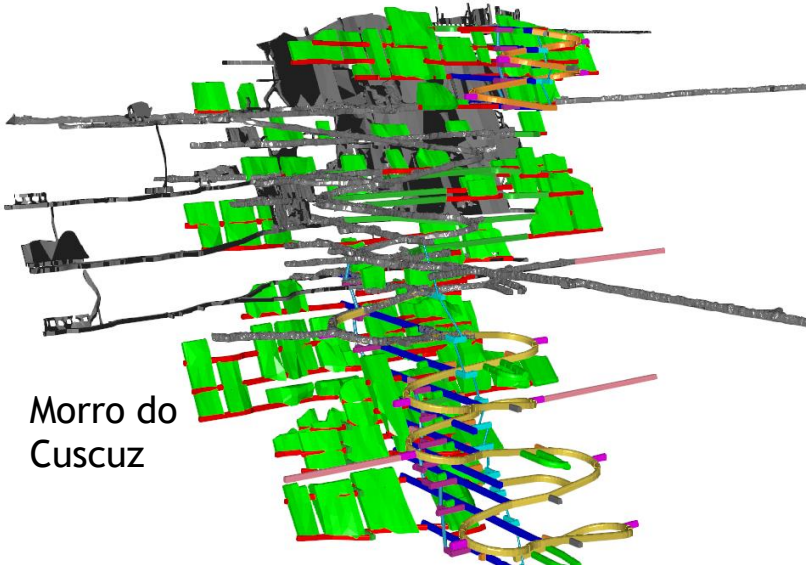


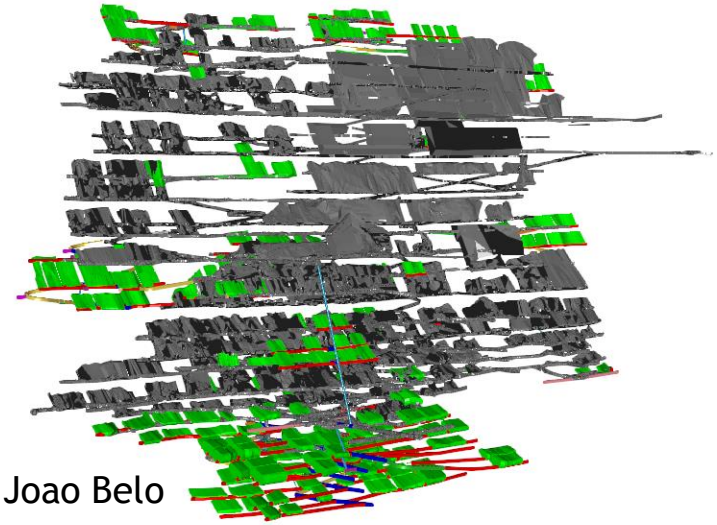
# Jacobina
## Longhole Open Stope Mining Method

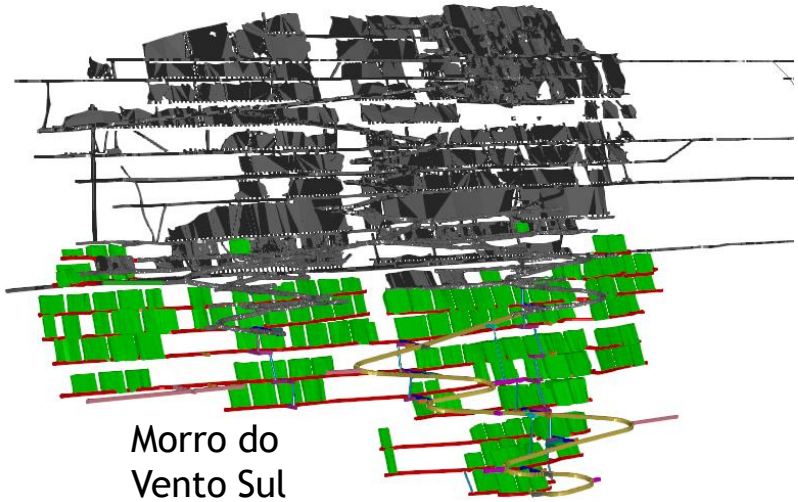


# Jacobina
## Mine Planning Overview

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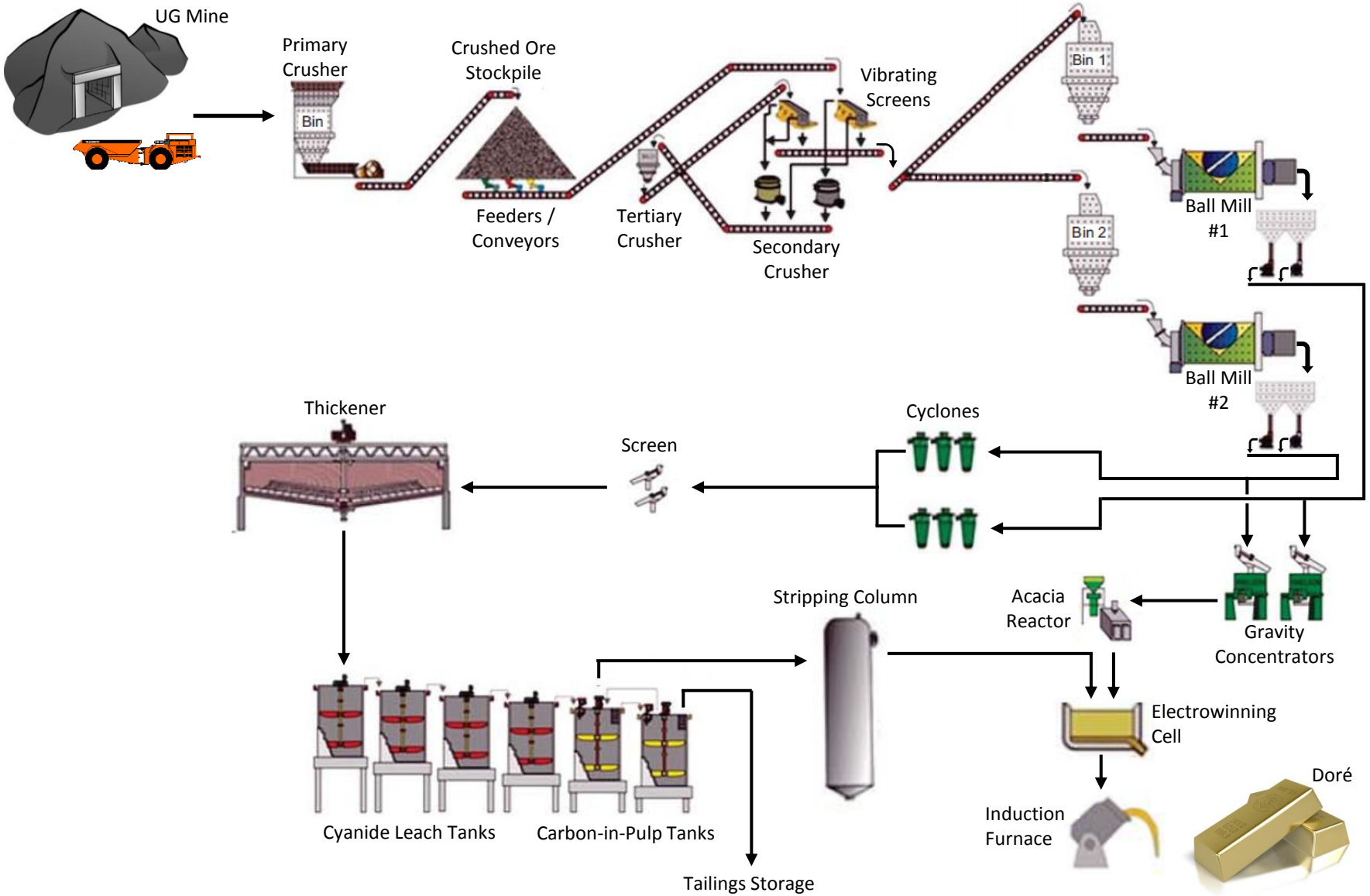
# Jacobina
## Processing



# Jacobina
## Processing Flow Sheet

| | |
|---|---|
| **Current Throughput Rate** | **5,300 tpd** |
| **Average Gold Recovery** | **96.4%** |

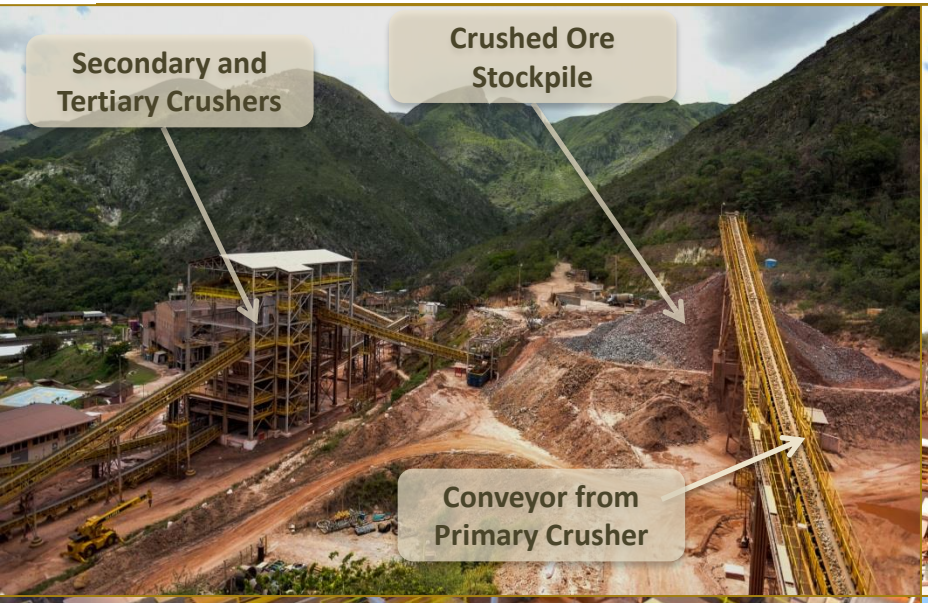


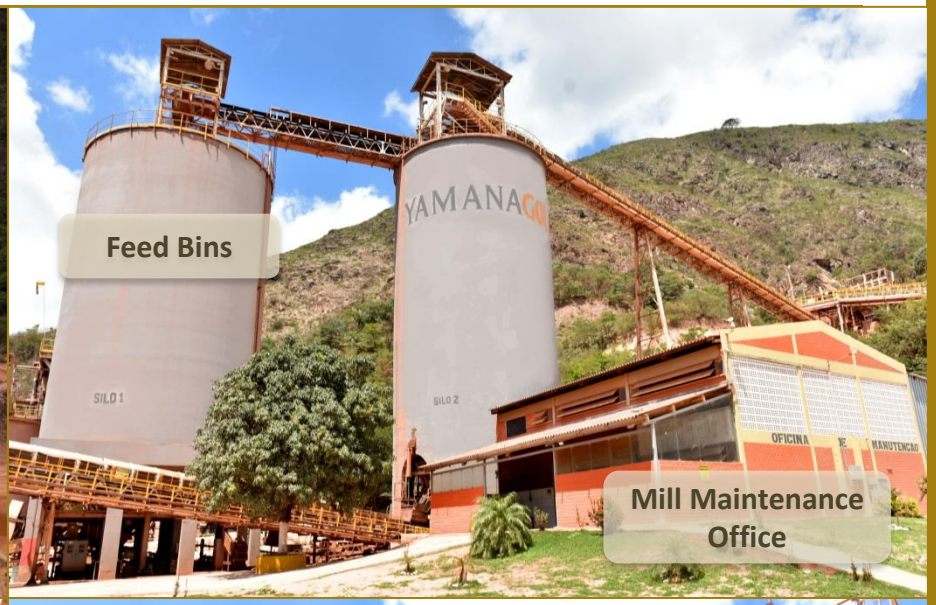
# Jacobina
## Hauling and Crushing

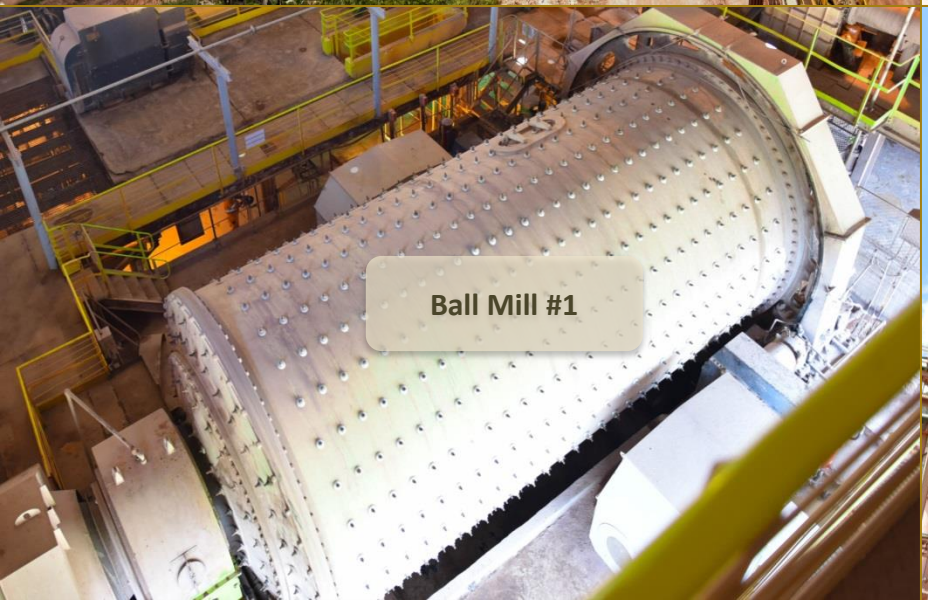



- Trucks dump ore on the run-of-mine stockpiles adjacent to the primary crusher
- Ore is segregated by grade and geometallury characteristics
- Ore is tipped into the crusher by front-end loader to achieve the required blend

# Jacobina
## Processing Plant



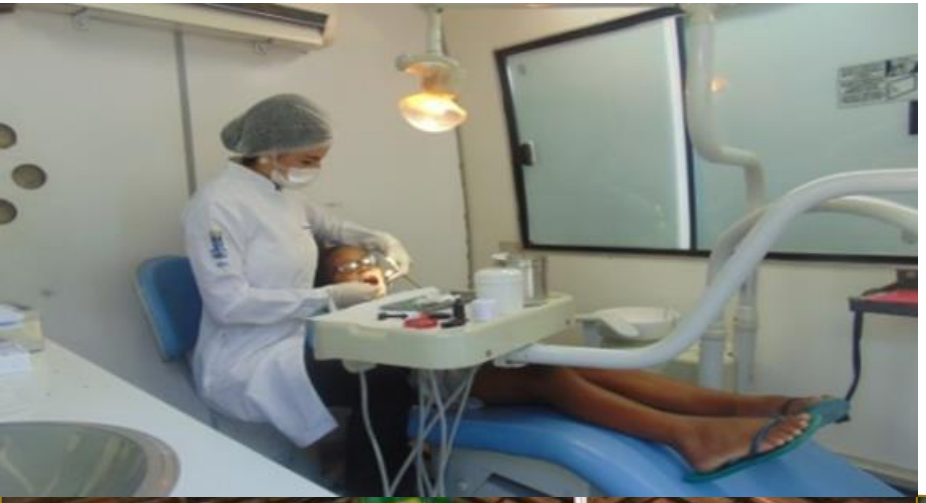






# Jacobina
## Tailings Storage



# Jacobina
## Community and Social Responsibility



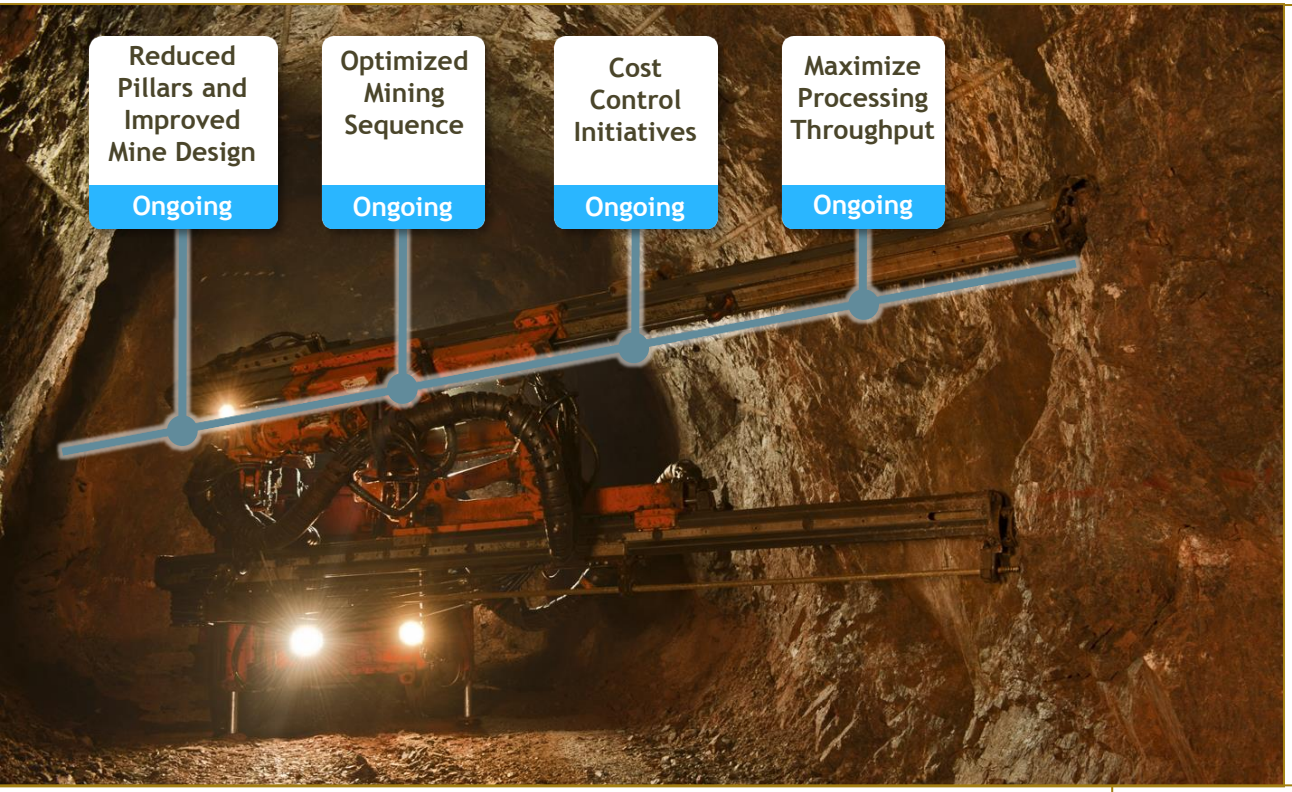
**Community Initiatives:**

- Annual Health Week to provide medical and dental services in the neighboring communities
- Opening of the new Cultural Center in Itapicuru
- Education programs in local schools, computer classes and training programs for local university students
- Social events including Cinema on Wheels, dance classes, boxing lessons, and theatre performances
- Charity events including the Santa Claus Family Project, Winter Clothes Program and Campaign for Food Donation



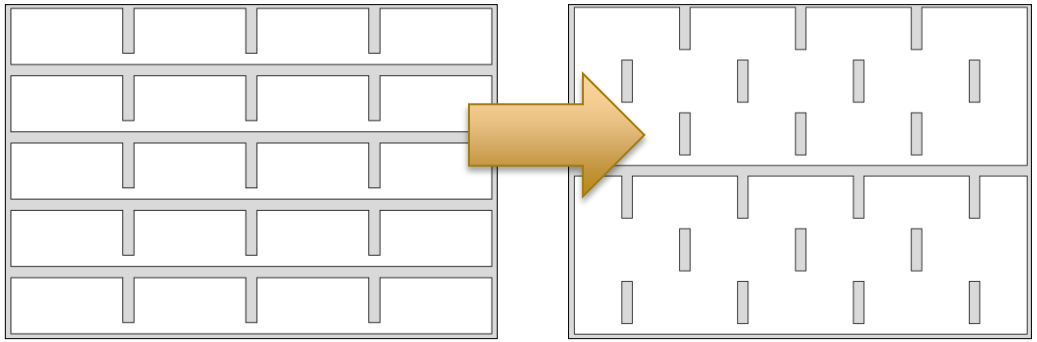


# Jacobina
## Strategy and Initiatives

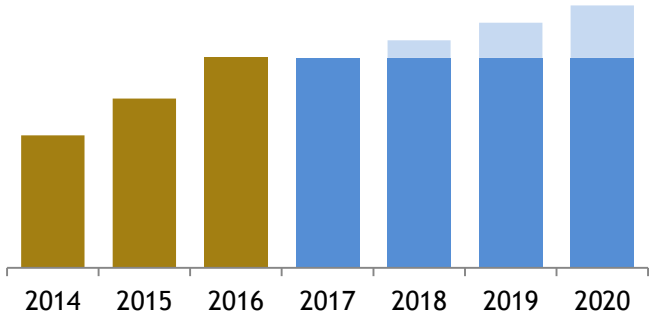



- Investment in the underground mine and the processing plant in recent years has established Jacobina as a significant contributor to Yamana's production.
- Initiatives are currently being implemented to further increase production in future years and reduce unit operating costs with minimal additional investment.
- Strategic target to reach upwards of 150 koz per year within three years.

**Modified Mining Layout**



Strategic Production Profile

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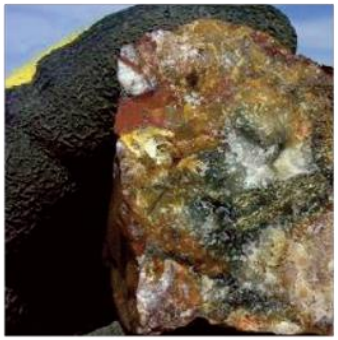
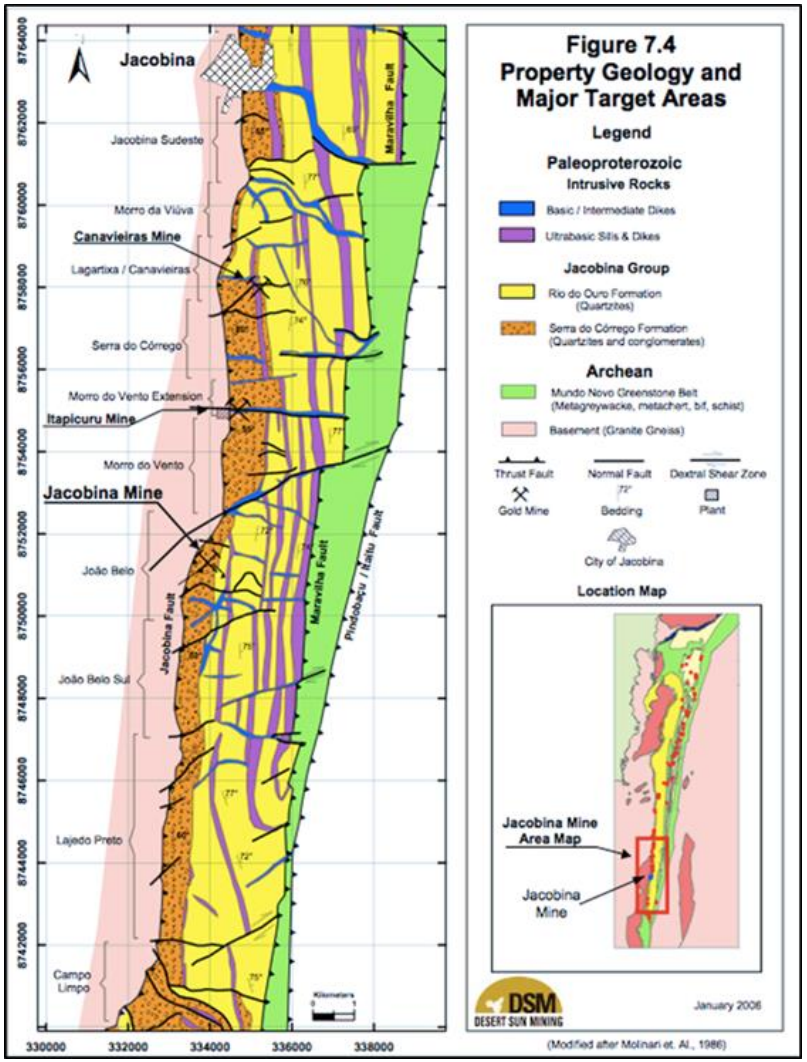
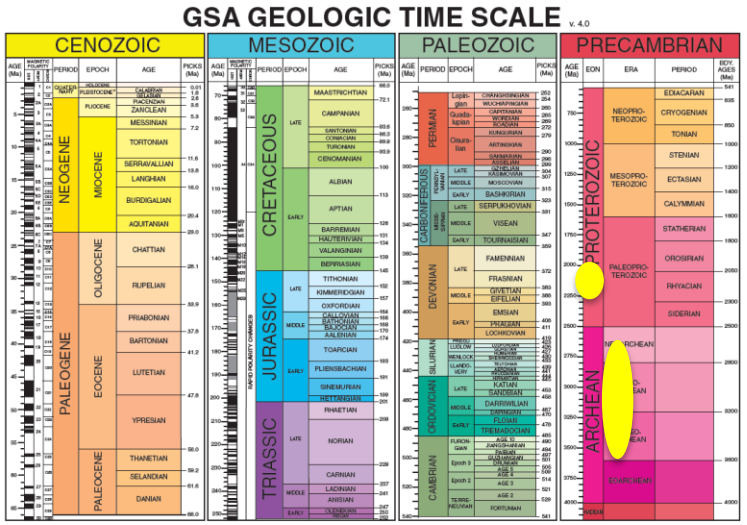


EXPLORATION

# Jacobina
## Geology

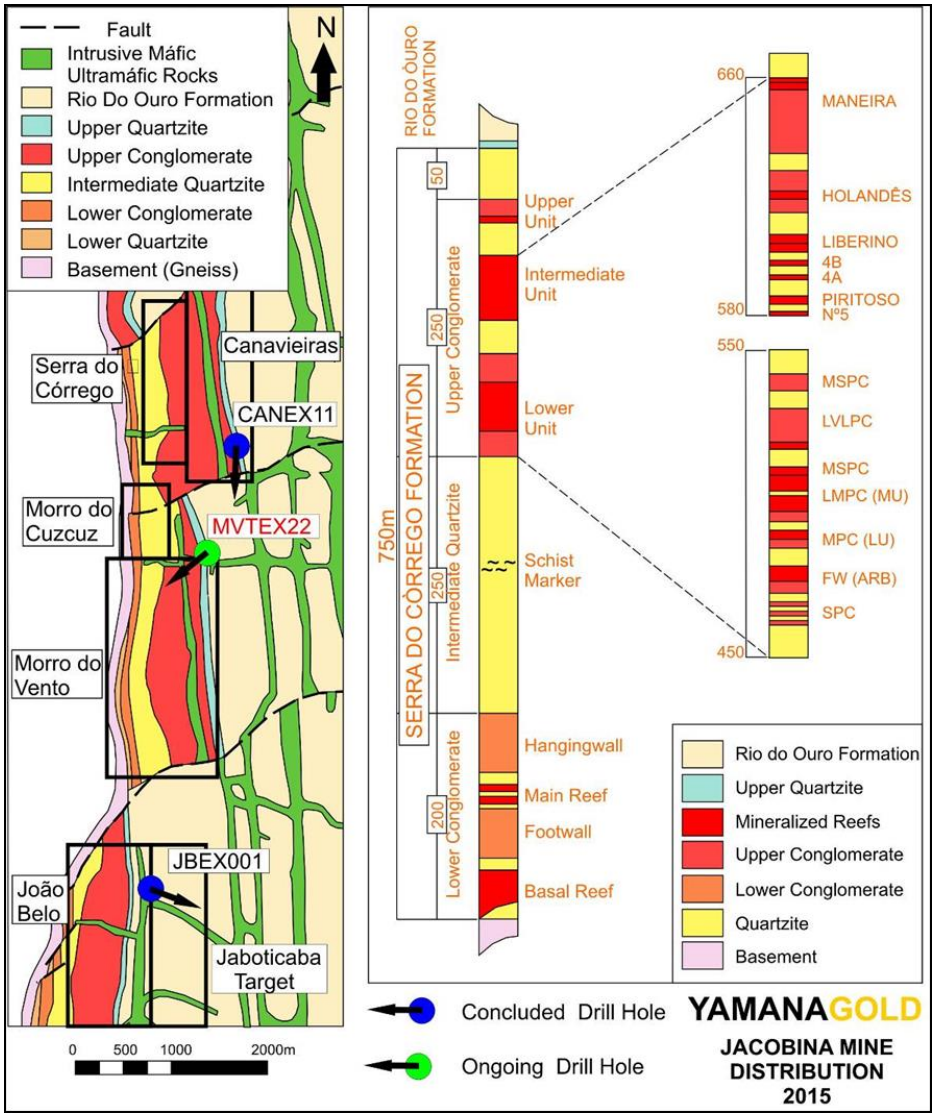



- The deposit is located with NE portion of the Archean Sao Francisco Craton (3.4-2.4 Ga.)
- During the Paleoproterozoic (2.1 Ga.), rifting (extension) formed a depositional basin that allowed siliciclastic sediments to accumulate
- Witwatersrand style gold mineralization occurred during this depositional cycle




Note: Please see NI 43-101 Technical Report on the Jacobina Mine Complex filed on SEDAR on March 28, 2014 for further details.

# Jacobina
## Geology

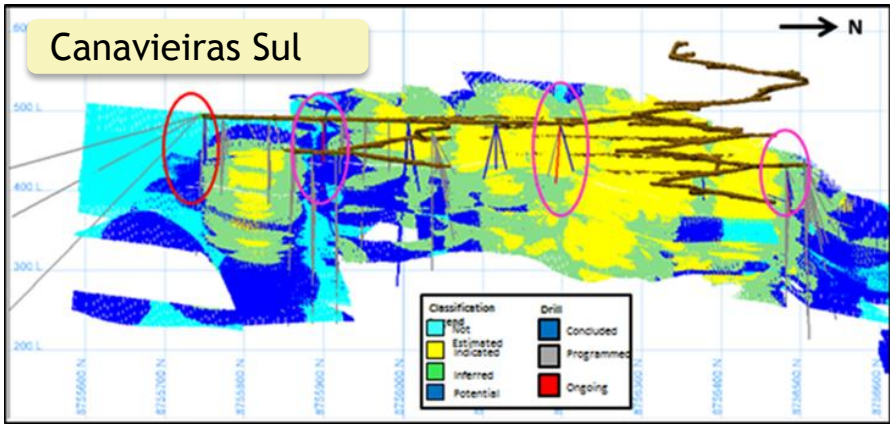


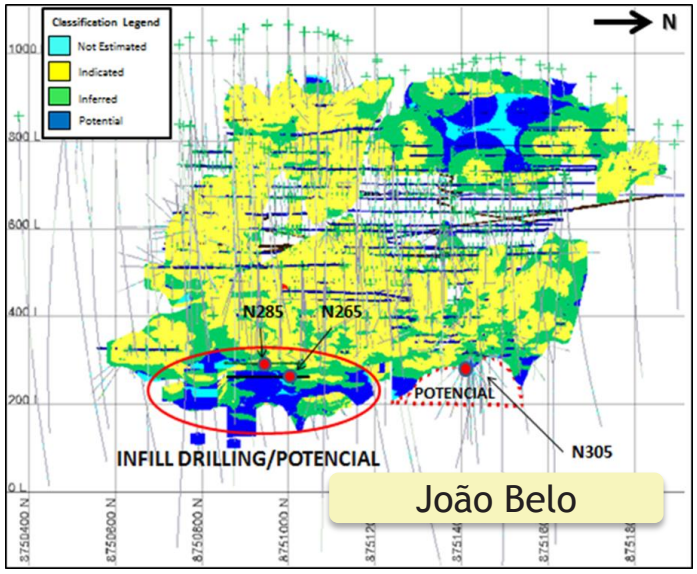


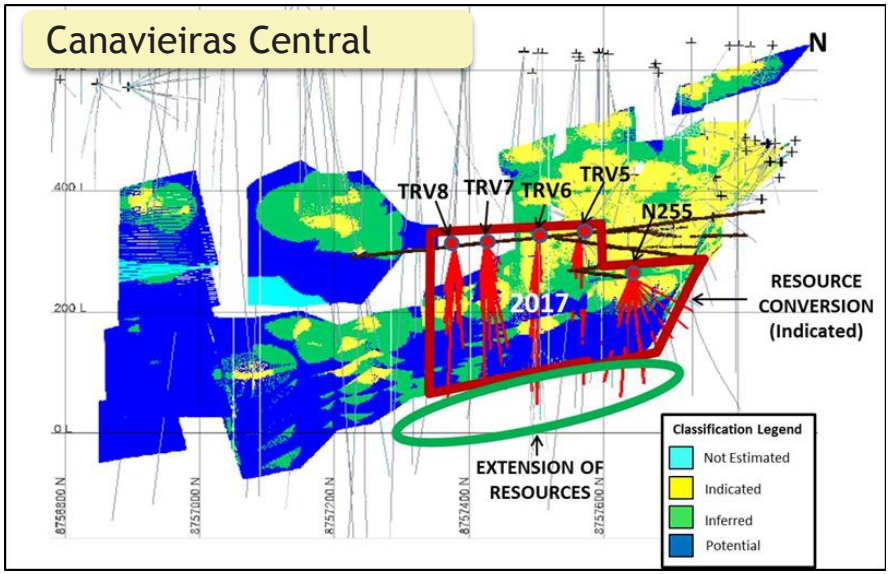

# Jacobina
## Exploration Discovery and Delineation

### 2017 Budget $6M
- 20,400 metres Infill
- 11,100 metres Exploration

### 2017 Strategy and Goals
- Delineate ore reefs for extraction
- Extend productive shoots to depth and along strike
- Discover new mineral resources that may be convertible to reserves

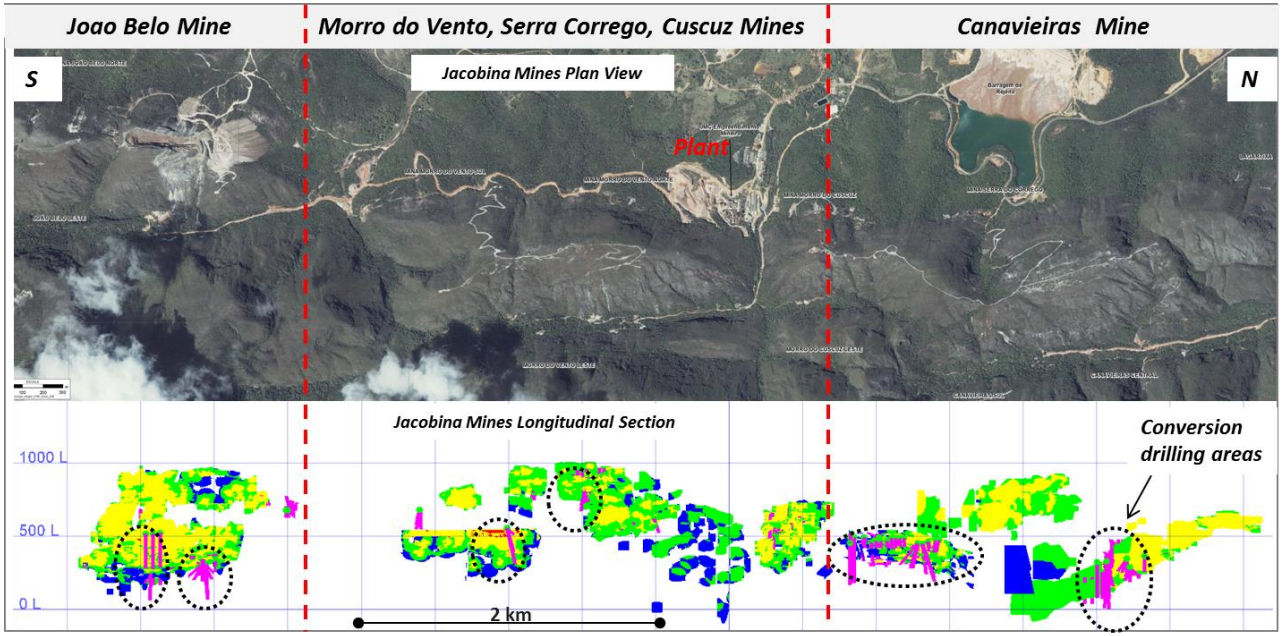


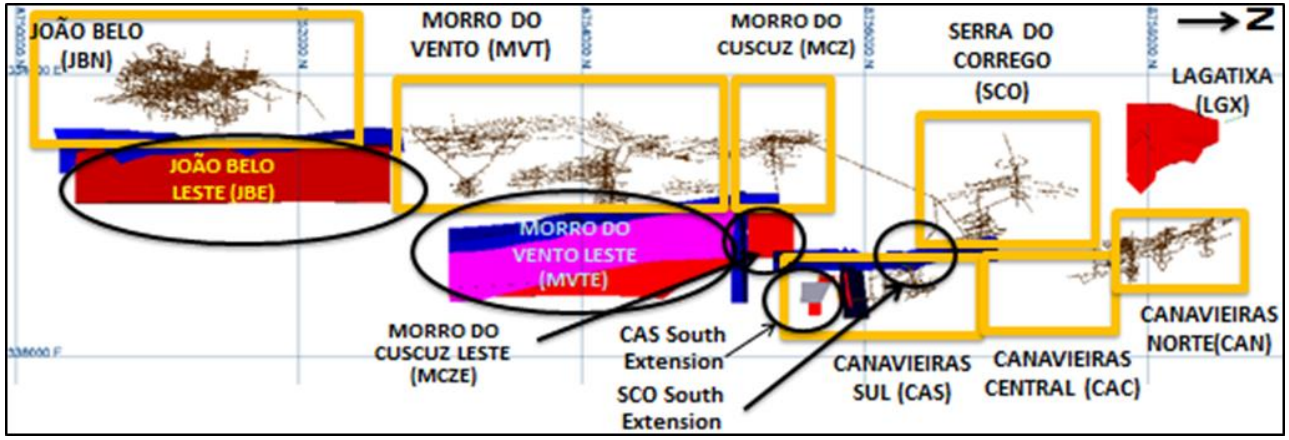



# Jacobina
## Exploration Discovery and Delineation

### Upgrade Goal
- 300k to 400k ounces Au




### Discovery Goal
- 250k ounces plus



# Gerardo Fernandez

Senior Vice President, Operations

# El Peñón
# Q1 2017 Operating Summary

| Production | Oz. | Tonnes Processed | Grade | Recovery Rate |
|---|---|---|---|---|
| Gold | 33,367 | 228,923 | 4.80 g/t | 95.1% |
| Silver | 960,820 | | 152.61 g/t | 85.0% |

| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| Gold | $1,097/oz | $763/oz | $997/oz |
| Silver | $15.03/oz | $10.58/oz | $13.55/oz |

- Strong ramp-up after CBA negotiations in January
- Production and costs performing according to 2017 Plan
- Well positioned to meet Guidance
- Rightsizing of operations completed, focus on continuing the improvement in productivity and costs

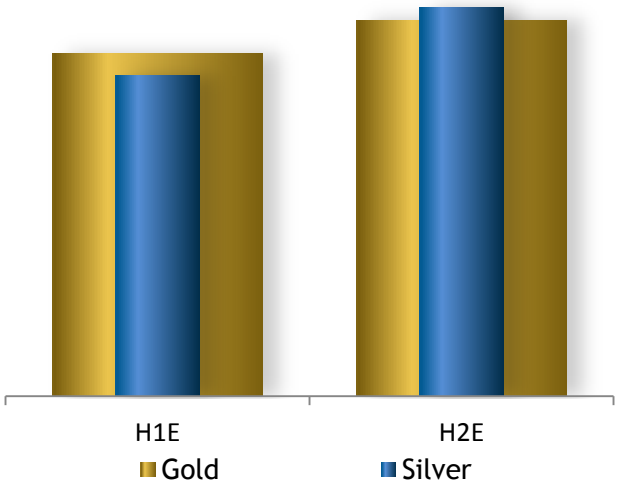
# El Peñón
## 2017 Key Performance Metrics

| 2017 Production | |
|---|---|
| Tonnes Processed (000s) | 995 |
| Grade - gold (g/t)<br>silver (g/t) | 4.66<br>147.5 |
| Recovery - gold<br>silver | 94%<br>88% |
| Production - gold (000 oz)<br>silver (000 oz) | 140<br>4,150 |

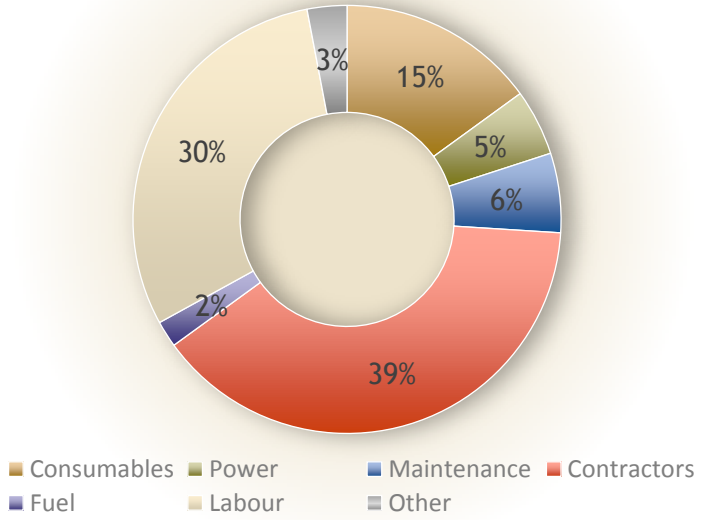
| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| 2017E | $985/oz Gold<br>$14.60/oz Silver | $740/oz Gold<br>$11.00/oz Silver | $915/oz Gold<br>$13.60/oz Silver |

| 2017 Costs per Tonne Milled | |
|---|---|
| Mine | $102.00 |
| Plant | $27.00 |
| G&A & Other | $21.00 |
| Total | $150.00 |

Quarterly Production Trend




2017 Cash Cost Breakdown

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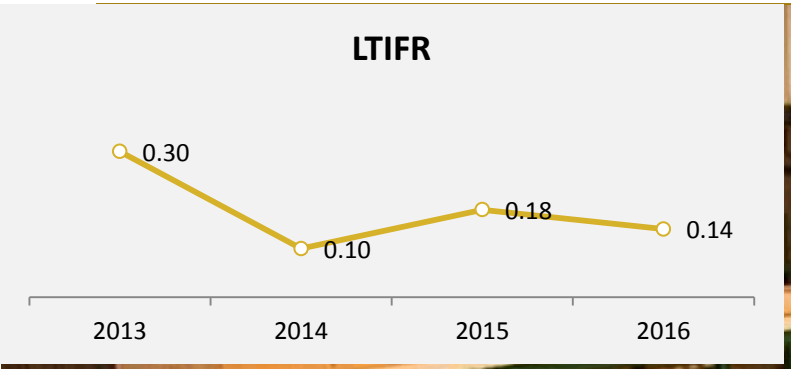
# El Peñón
## Facilities

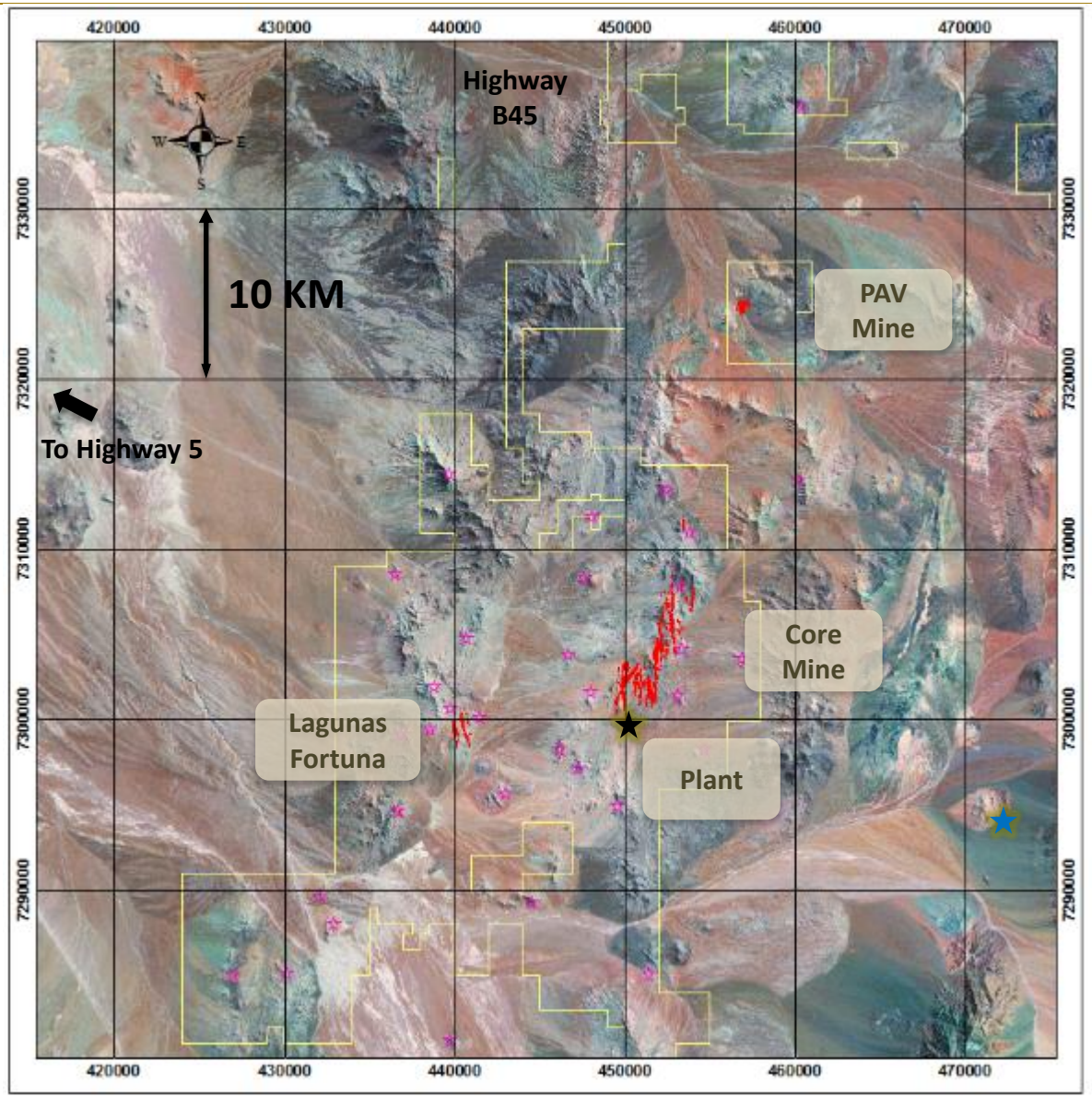


# El Peñón
## People

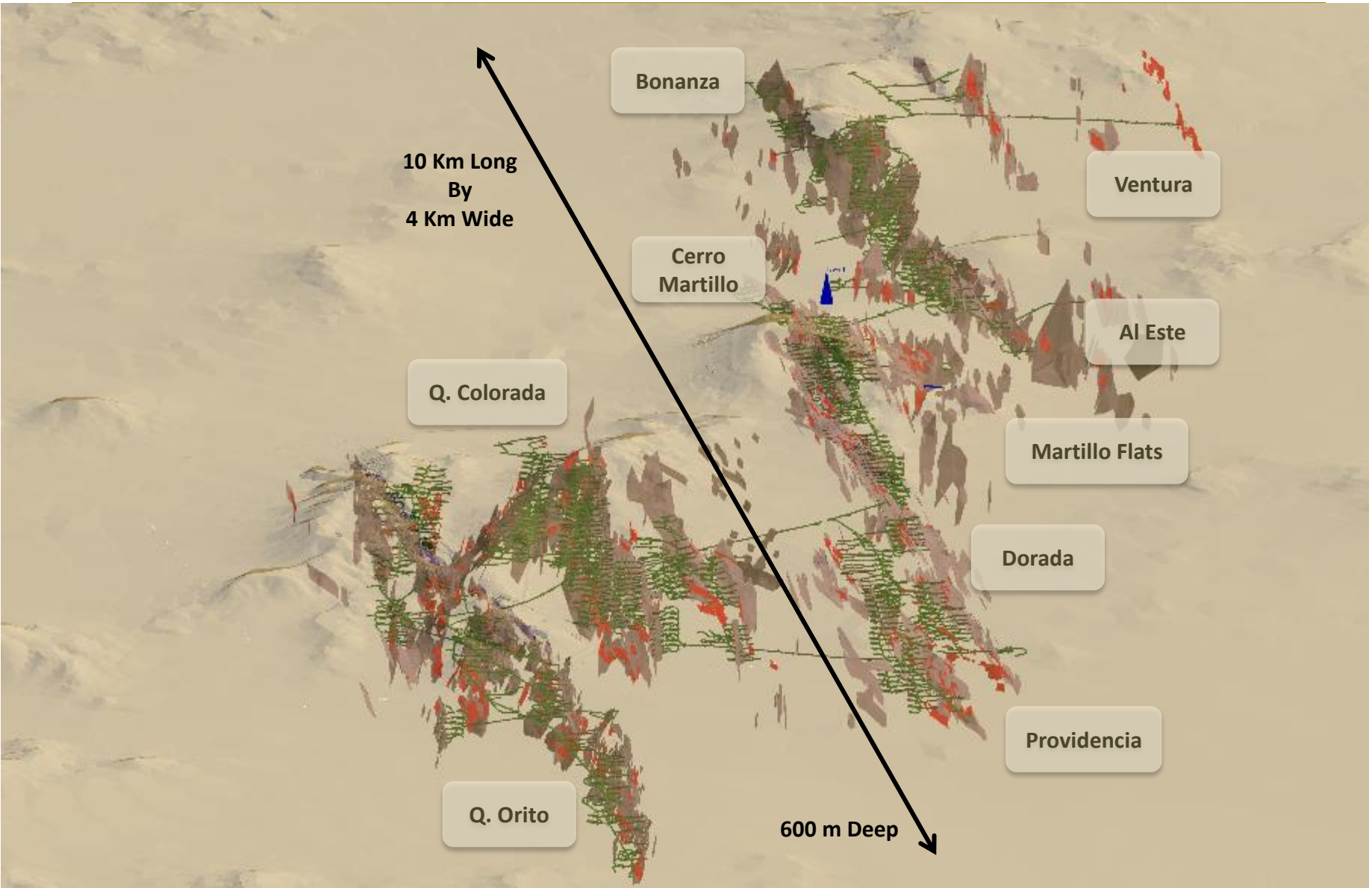



| Headcount | | |
|---|---|---|
| Yamana | Contractor | Total |
| 1,090 | 1,350 | 2,440 |

# El Peñón
## Mines Layout

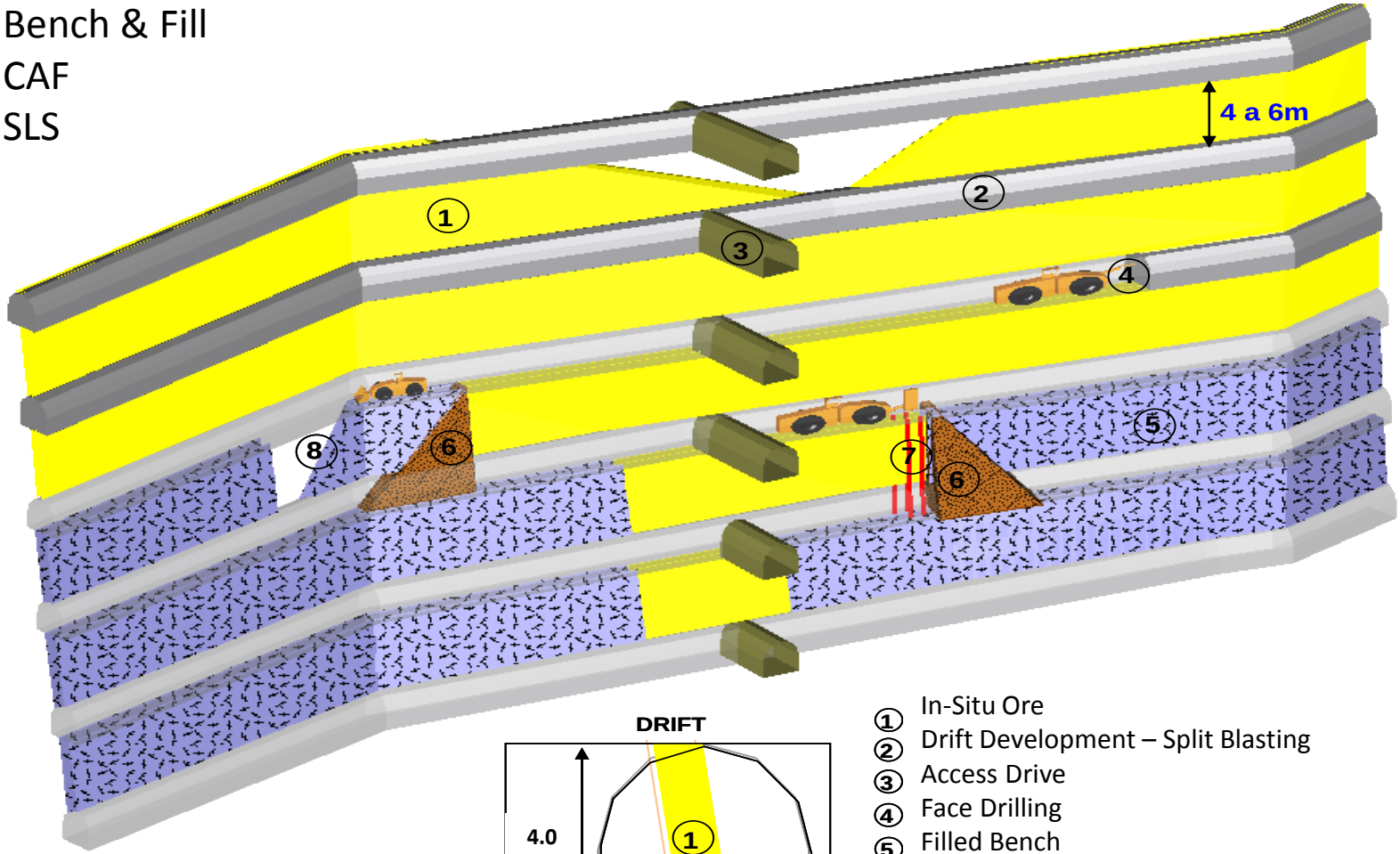


# El Peñón
## Core Mine 3D



# El Peñón
## Mining Method

Bench & Fill
CAF
SLS

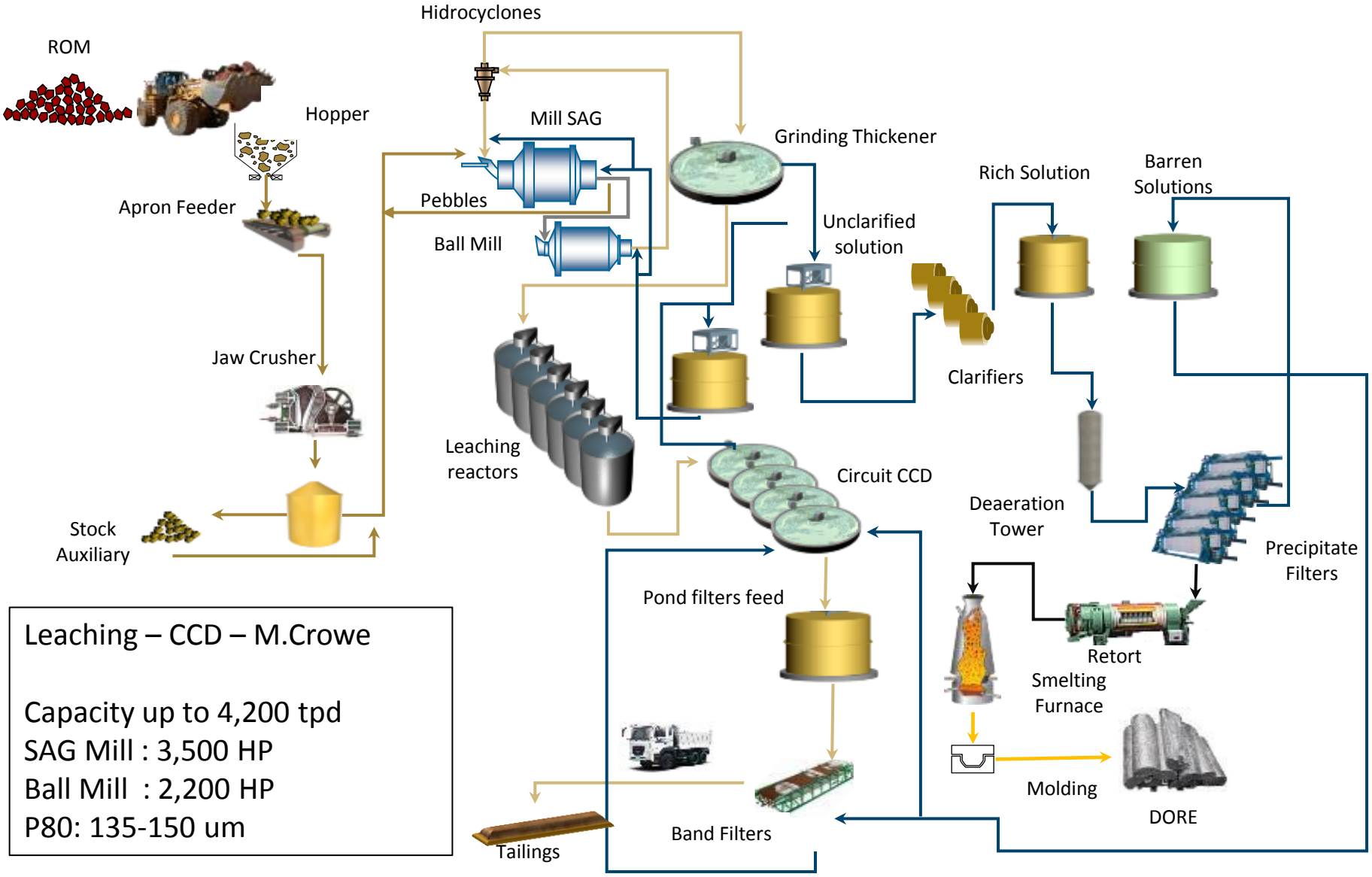






1. In-Situ Ore
2. Drift Development – Split Blasting
3. Access Drive
4. Face Drilling
5. Filled Bench
6. Cemented Rock Fill
7. Stope Drilling
8. Rock Backfill

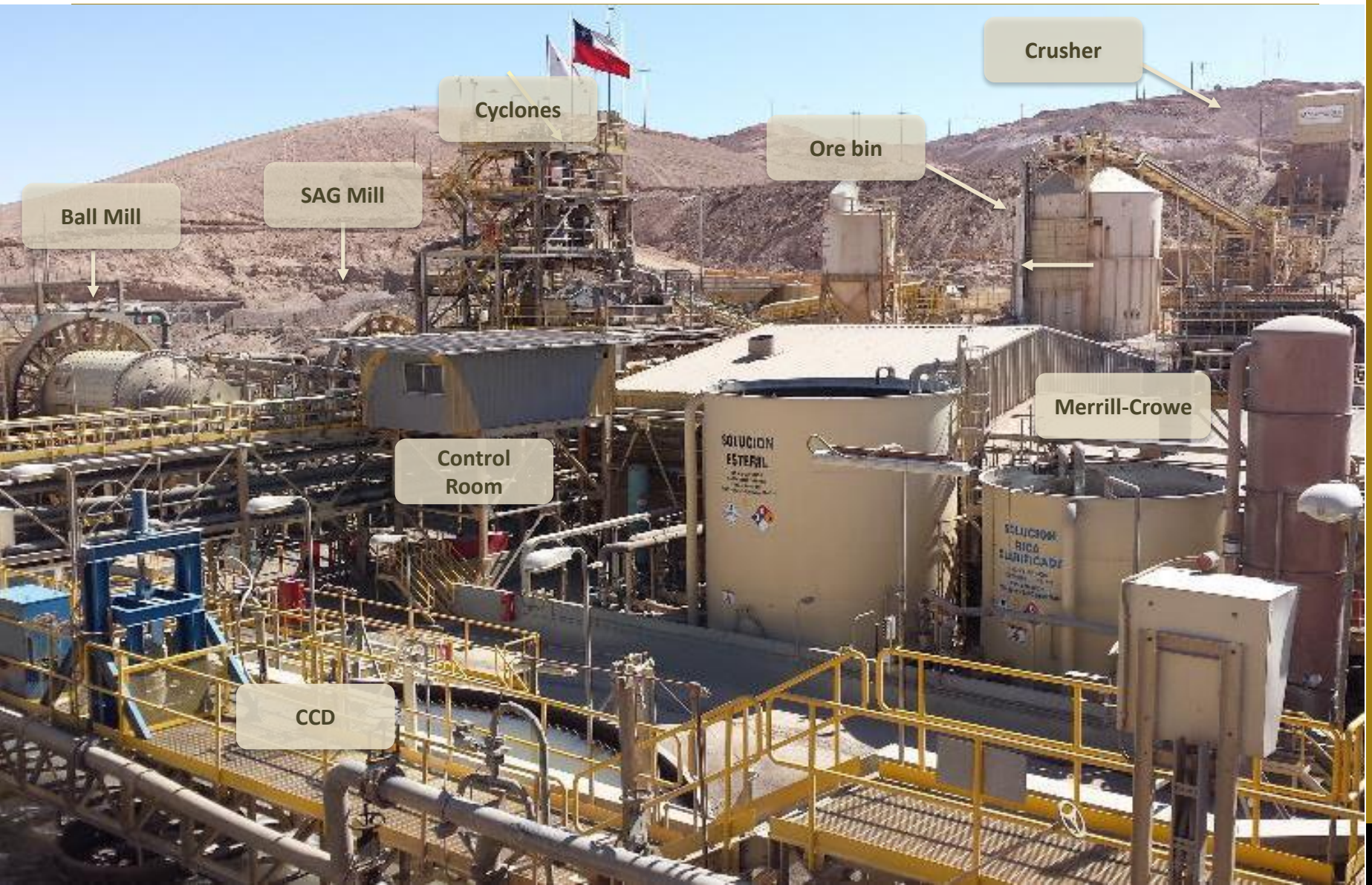
# El Peñón
## Process Flowsheet




Leaching – CCD – M.Crowe

Capacity up to 4,200 tpd
SAG Mill : 3,500 HP
Ball Mill : 2,200 HP
P80: 135-150 um

# El Peñón
## Process Facilities



# El Peñón
## Tailings









**Filtered Tailings**

**NaCN destruction via UV radiation - patented**

**100 ppm to 2 ppm**

# El Peñón
## Community and Social Responsibility




- Excellent community and stakeholder relations
- Open door policy
- Support of medical services in Taltal
- High school and college scholarships
- Donations in infrastructure and services
- Partnerships with local groups to provide economical development





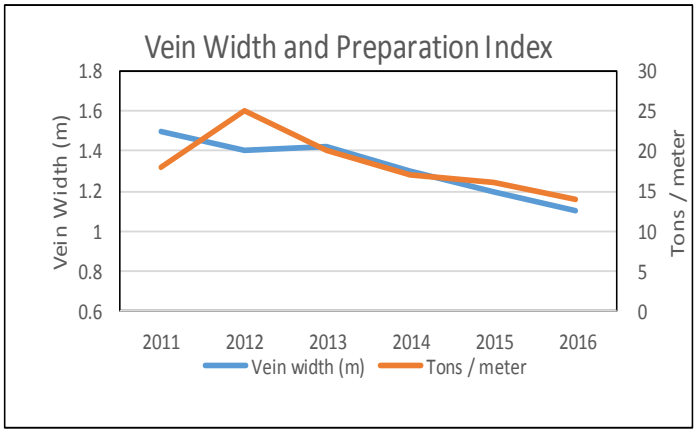
# El Peñón
# Strategy and Initiatives

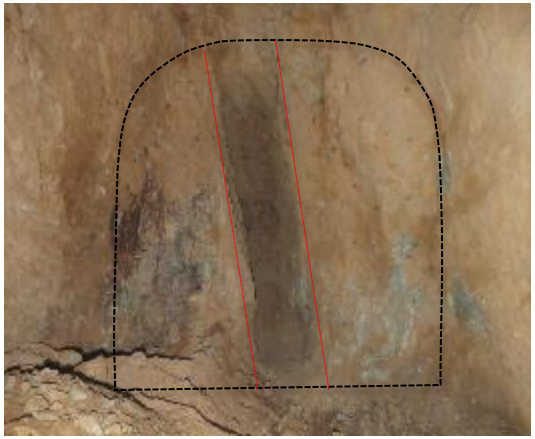
## Mining Method and Productivity Optimization

- Productivity increase program (LEAN) focused on development metres achieving over 20% increase in metres developed by own fleet – Wave 1
- Improvement in vertical drilling in Q1 – Wave 2
- Successfully completed Phase 1 of optimizing mining for ultra-narrow veins, reducing mining widths from 2.0 m to 1.1 m in drift development
- Continue right-sizing and reducing external expenses
- Increased average grade and increased mineral resource conversion into mineral reserves

## Strategic Development

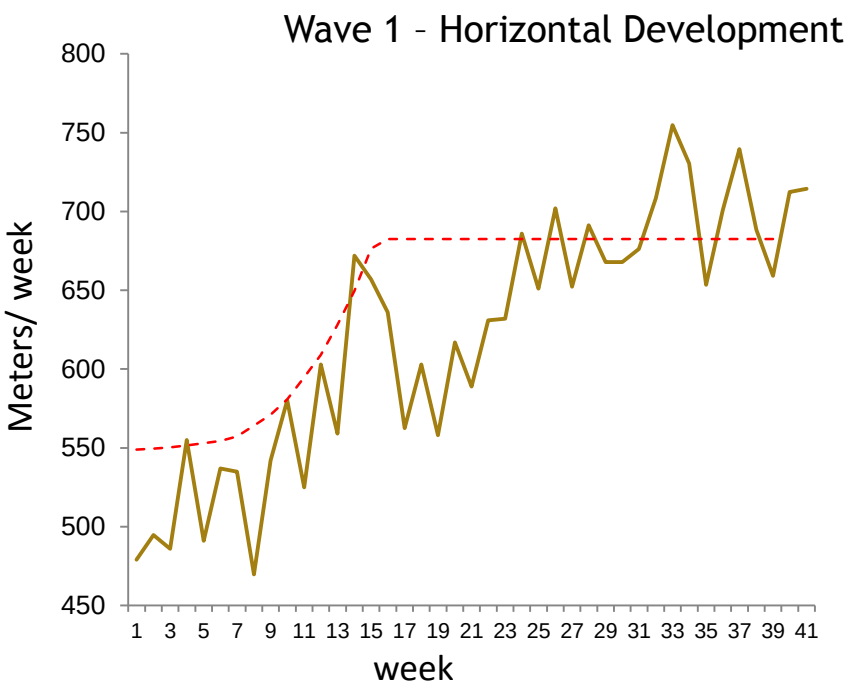
- El Peñón has significant upside potential in exploration, both near mine and in the District to sustain current level of production
- Combined strategy:
  - Short term focus on known veins extensions and secondary veins, close to mine infrastructure
  - District exploration for near surface targets and main veins within trucking distance

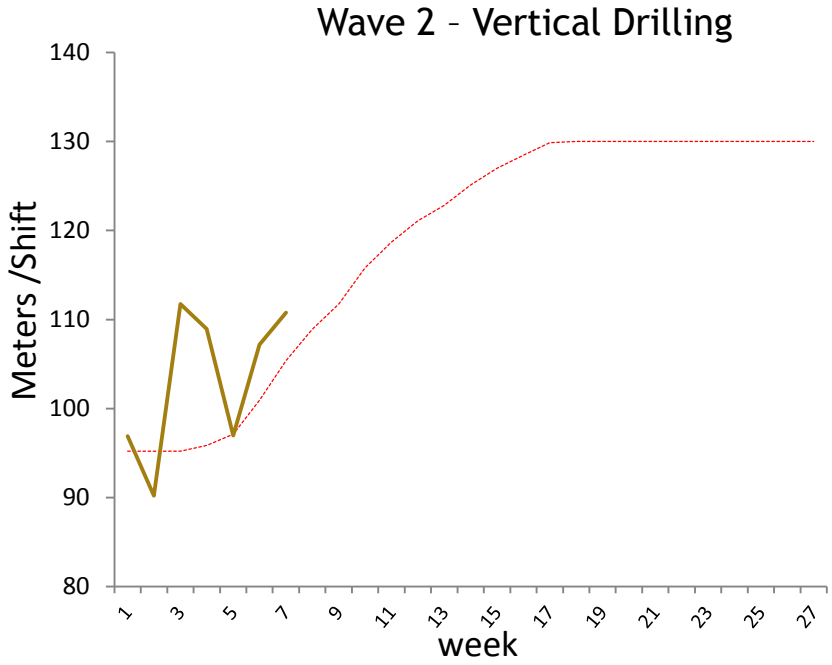




# El Peñón
# Continuous Improvement : Mine Development (LEAN)




**Wave 1**

- Increased development capacity from 2200 m/month to 3050 m/month
- Main triggers:
  - Reliability: Recurrent minor equipment breakdowns
  - Standardize Key Mine and Maintenance Tasks
  - Drilling time reduction
  - Shift effective time increased 30 minutes per day

**Wave 2**

- Increasing drilling productivity to 130m/shift
- Main triggers:
  - Services optimization
  - Design optimization
  - Improved visible performance

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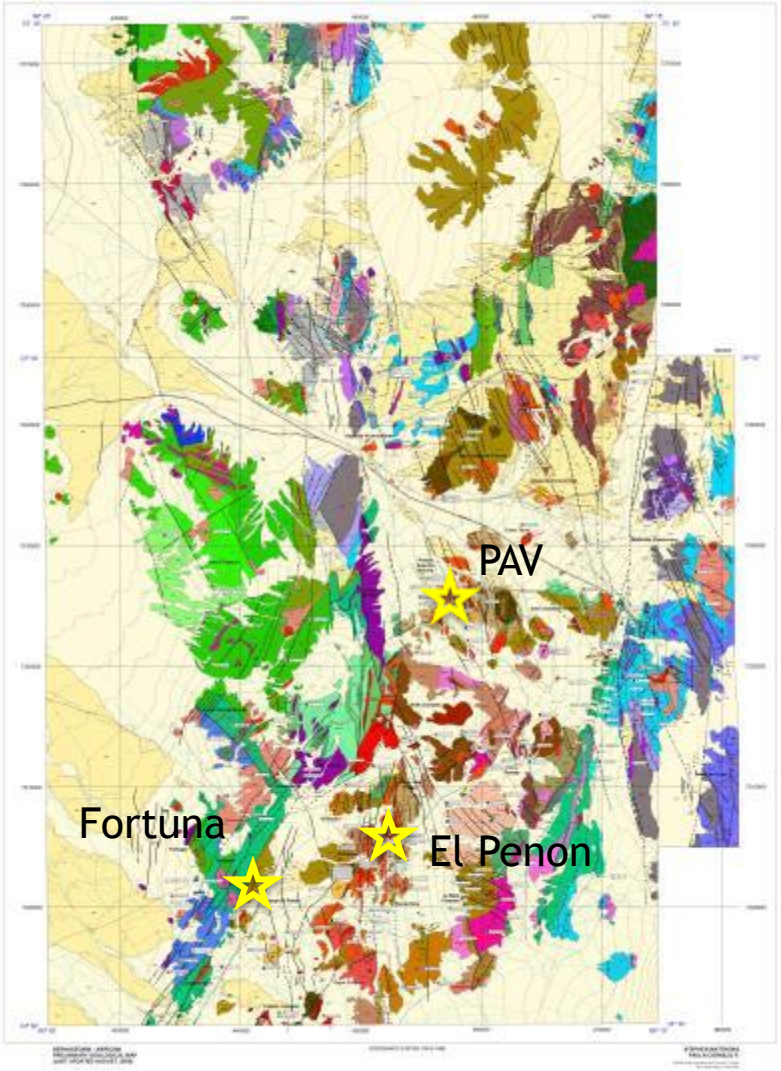
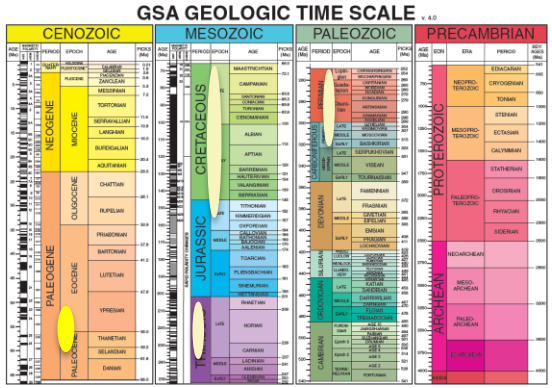
EXPLORATION

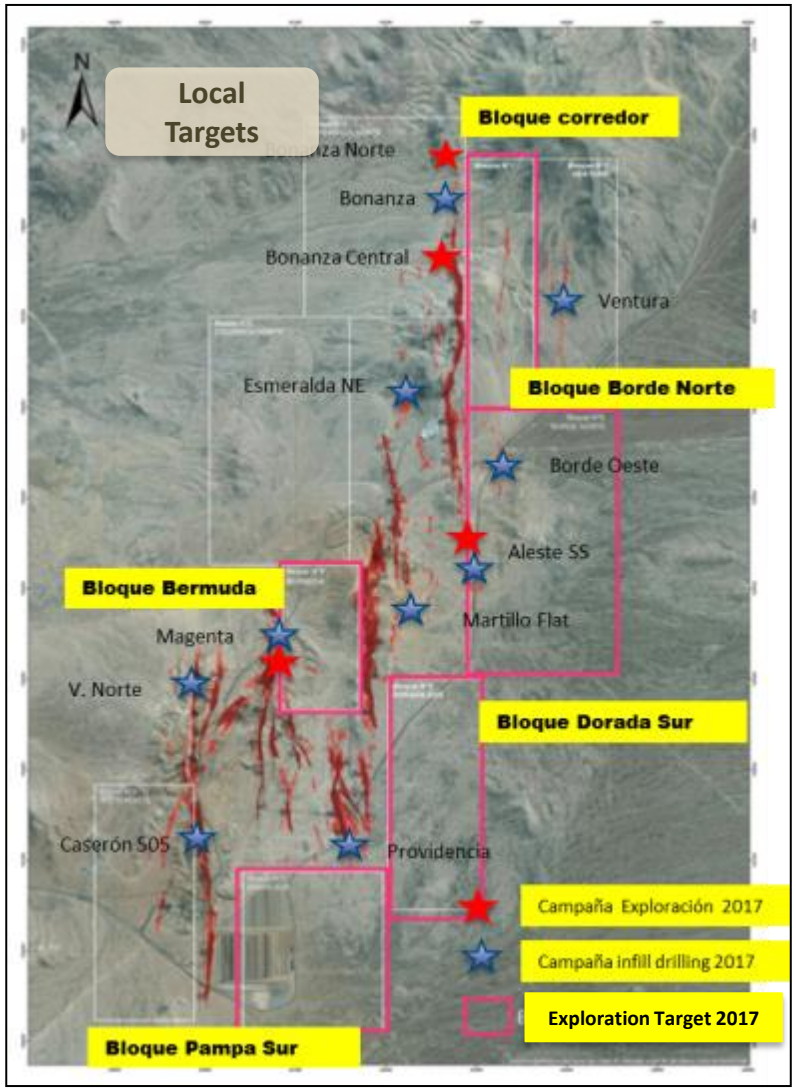
# El Peñón
## Geology

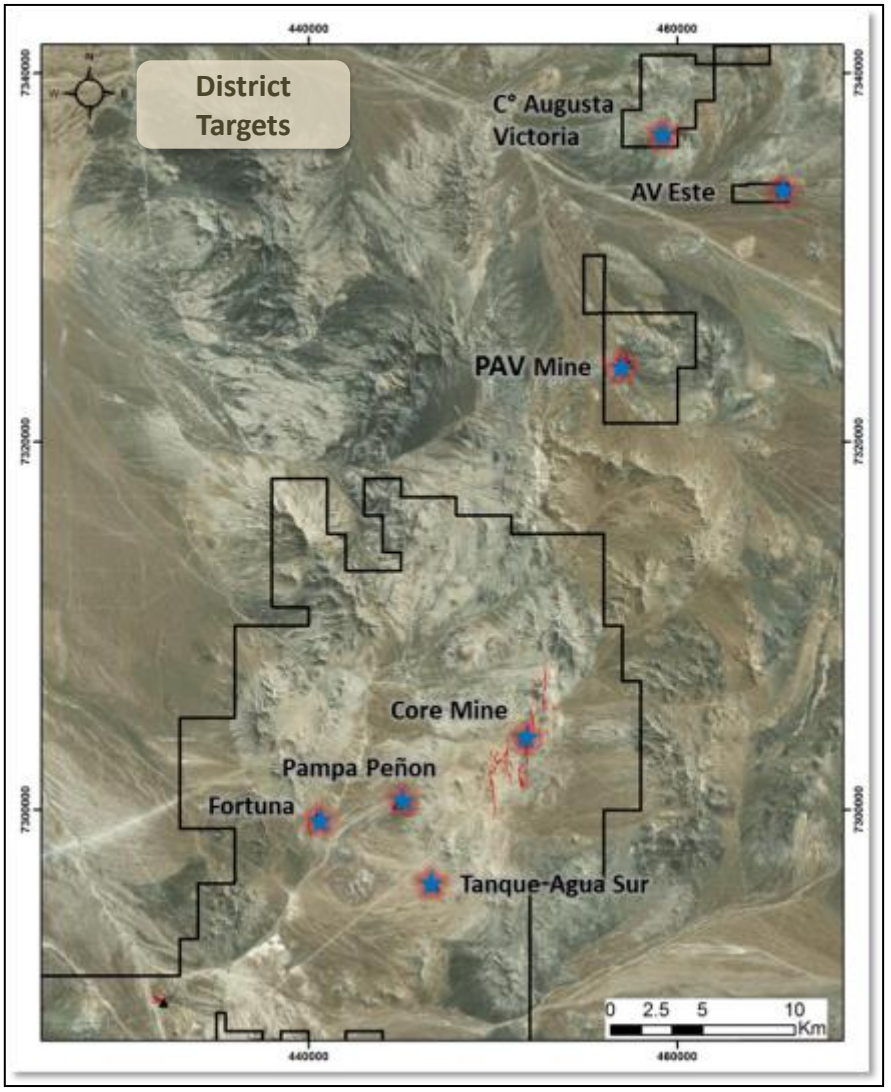



- El Peñón occurs within the Paleocene Basin of Northern Chile comprised of volcanic sediments, tuffs, rhyolitic to dacitic domes
- The basin is flanked by Precordillera Jurassic and Cretaceous lithologies to the east and to the west by upper Paleozoic sediments
- El Peñón is considered a low to intermediate sulfidation Au-Ag deposit
- Core mines include El Peñón, Pampa Augusta Victoria and Fortuna



# El Peñón
## Near Mine Exploration – District Exploration



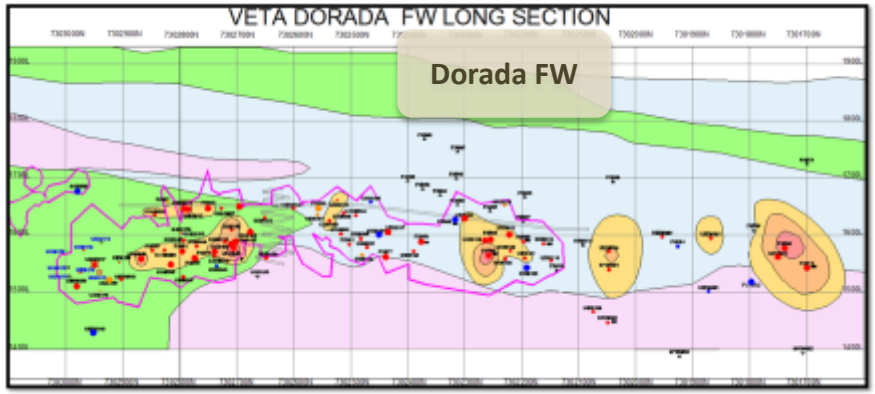



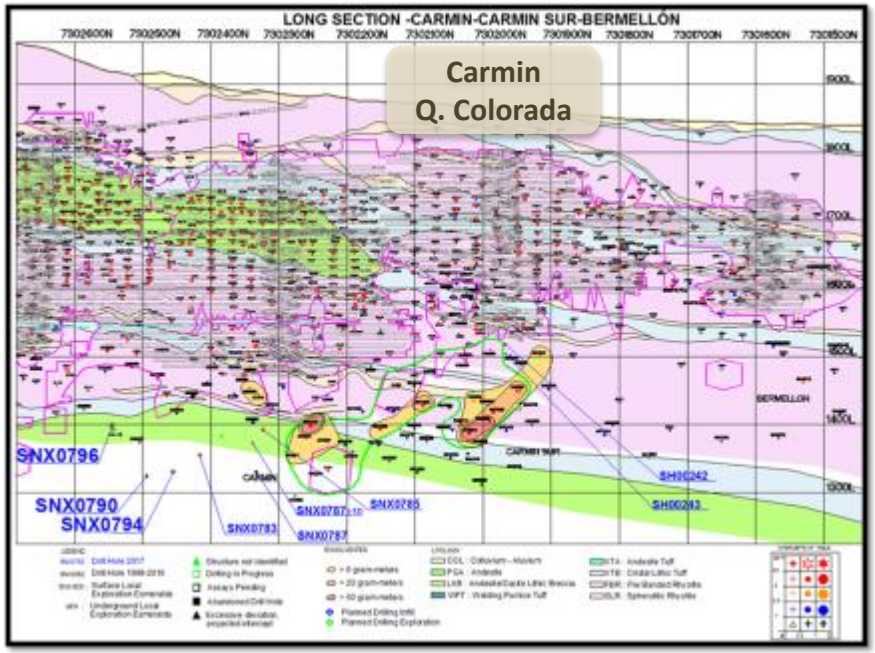
# El Peñón
## Near Mine Exploration and Infill

2017 Budget $11M
- 66,850 meters RC/DDH drilling

2017 Strategy
- Test margins of primary structures for new orebodies close to existing development
- Test for vein continuity along strike and to depth (Providencia, Dorada)
- Test basal rhyolite/andesite rheologic contrast

2017 Goals
- Replace production and increase mineral reserves
- Grow mineral resources



# El Peñón
## District Exploration

2017 Budget $2M
- 19,500 metres RC drilling

2017 Strategy
- Test rheologic contrasts
- Test deep extensions to the south of known deposits

2017 Goals
- Extend known veins
- Develop new areas to the north and south
- Make a significant discovery

Ground work underway, drilling to resume mid Q2





# Minera Florida
## Q1 2017 Operating Summary

| Production | Oz. | Tonnes Processed | Grade | Recovery Rate |
|---|---|---|---|---|
| Gold | 21,685 | 391,101 | 2.08 g/t | 82.9% |
| Silver | 62,362 | | 10.02 g/t | 49.5% |

| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| Gold | $1,342/oz | $925/oz | $1,195/oz |
| Silver | $17.71/oz | $12.85/oz | $16.78/oz |

- Ramp-up quarter after CBA process in December and transition to new mine haulage contractor
- Completed short term process optimization to be realized during Q2
- Completed historic tailings reprocessing
- Continue advancement of Las Pataguas and other near mine exploration

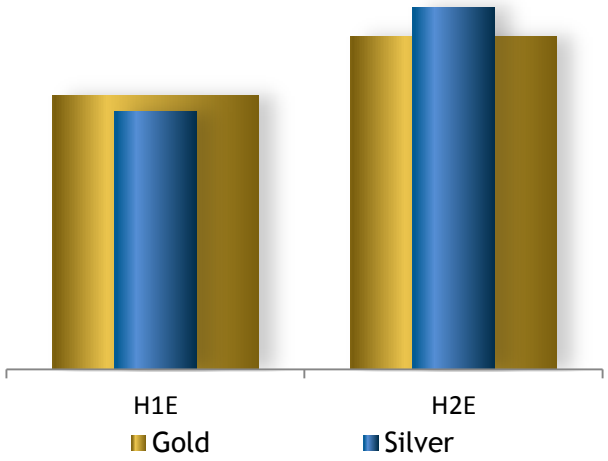
# Minera Florida
## 2017 Key Performance Metrics

| 2017 Production | |
|---|---|
| Tonnes Processed (000s) | 1,400 |
| Grade - gold (g/t)<br>silver (g/t) | 2.81<br>12.8 |
| Recovery - gold<br>silver | 83%<br>57% |
| Production - gold (000 oz)<br>silver (000 oz) | 105<br>330 |

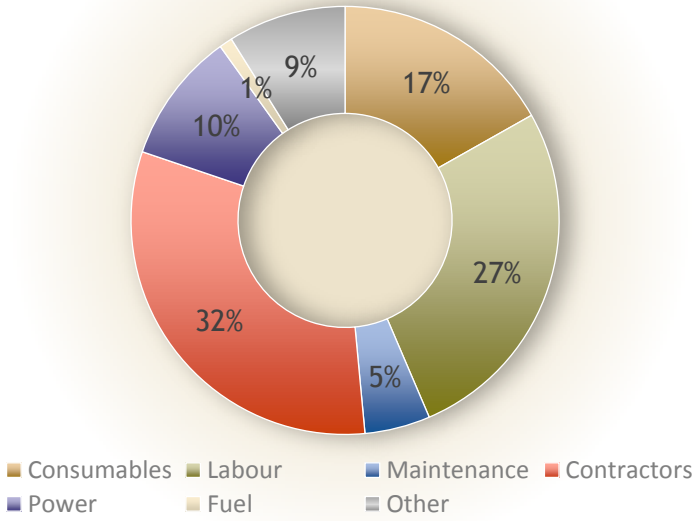
| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| 2017E | $1,040/oz Gold<br>$15.45/oz Silver | $705/oz Gold<br>$10.60/oz Silver | $935/oz Gold<br>$13.90/oz Silver |

| 2017 Costs per Tonne Milled | |
|---|---|
| Mine | $26.40 |
| Plant | $26.70 |
| G&A & Other | $2.20 |
| Total | $55.30 |

Quarterly Production Trend




2017 Cash Cost Breakdown*




* Excluding any contribution from zinc by-product credits

# Minera Florida
## Site Layout

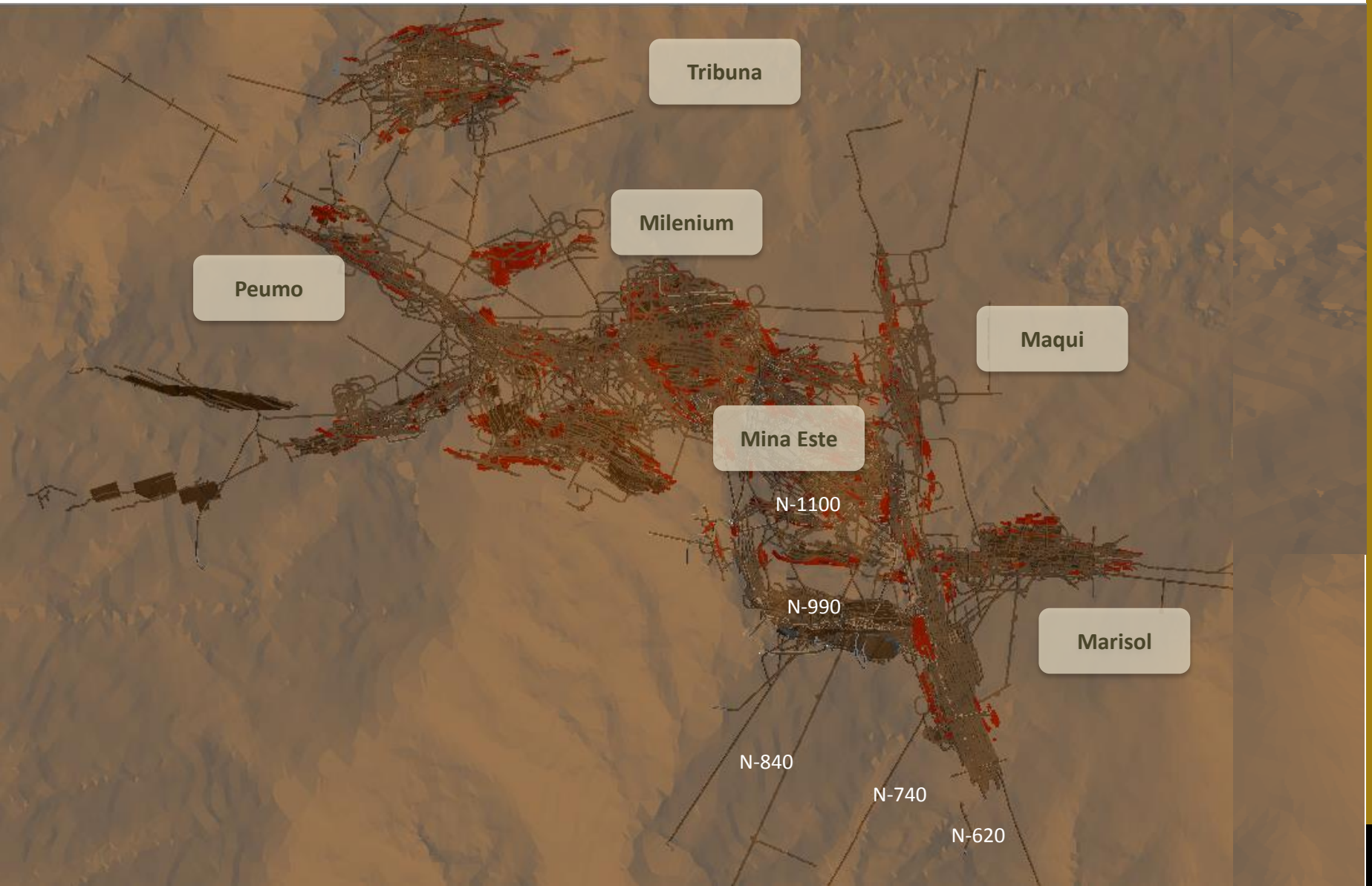


# Minera Florida
## People

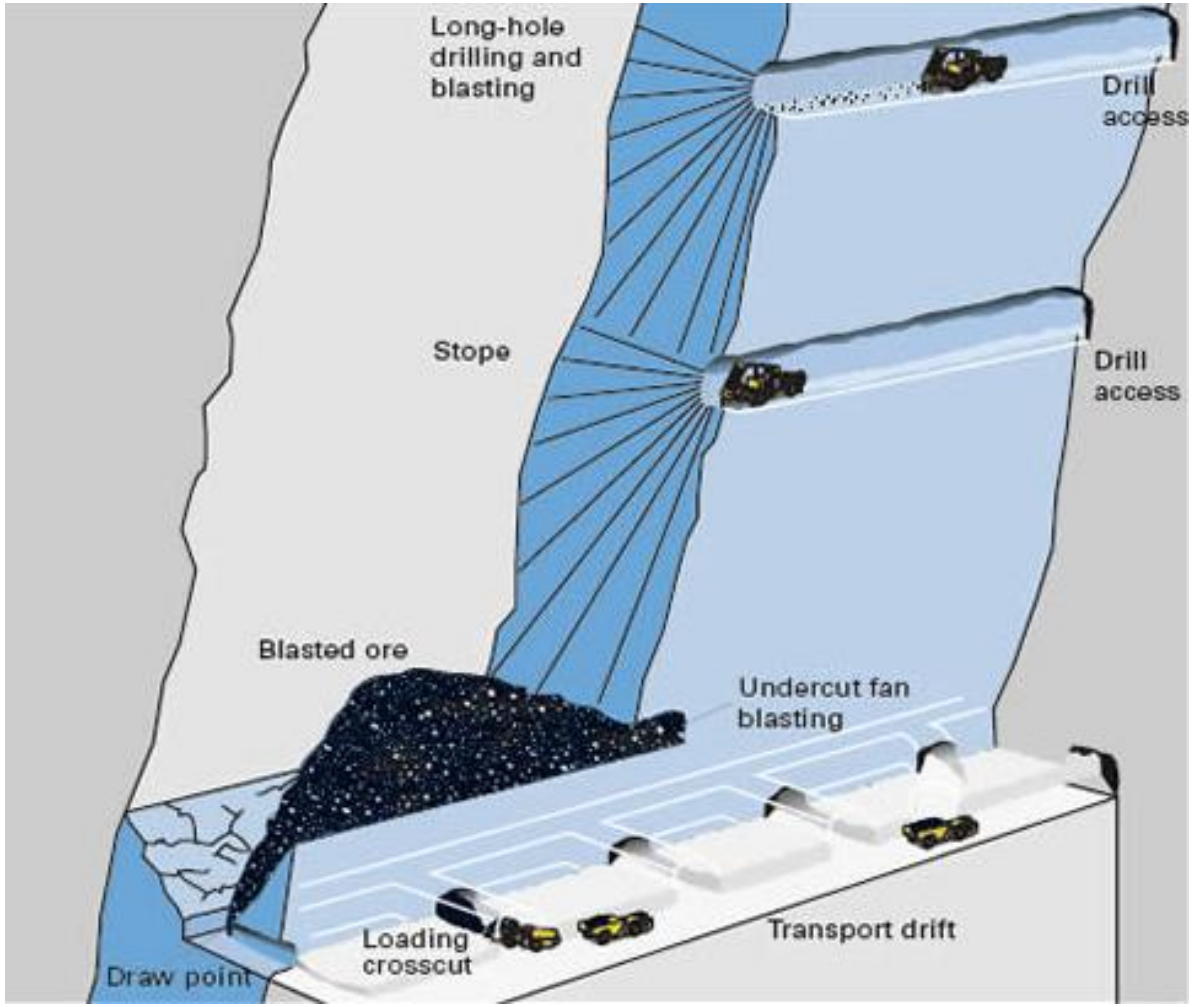



| Headcount | | |
|---|---|---|
| Yamana | Contractor | Total |
| 640 | 985 | 1,625 |

# Minera Florida
## Mine



# Minera Florida
## Mining Method – Sub Level Stoping

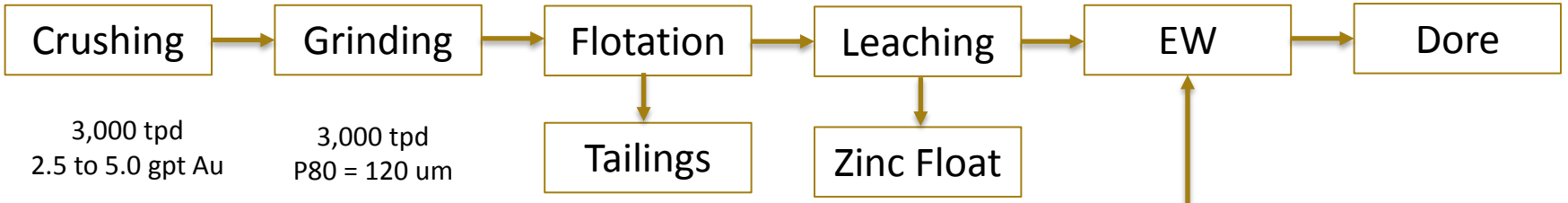


# Minera Florida
## Facilities

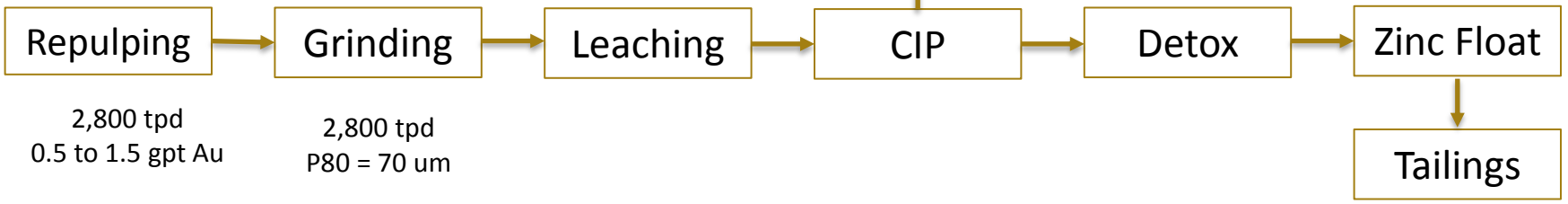


# Minera Florida
## Process Flowsheets Q1 2017

**PLC - Ore Feed - 82% to 84% Au Recovery**




**PTR – Tailings Feed - 50% to 60% Recovery**

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# Minera Florida
## Processing Facilities (PLC-PTR)

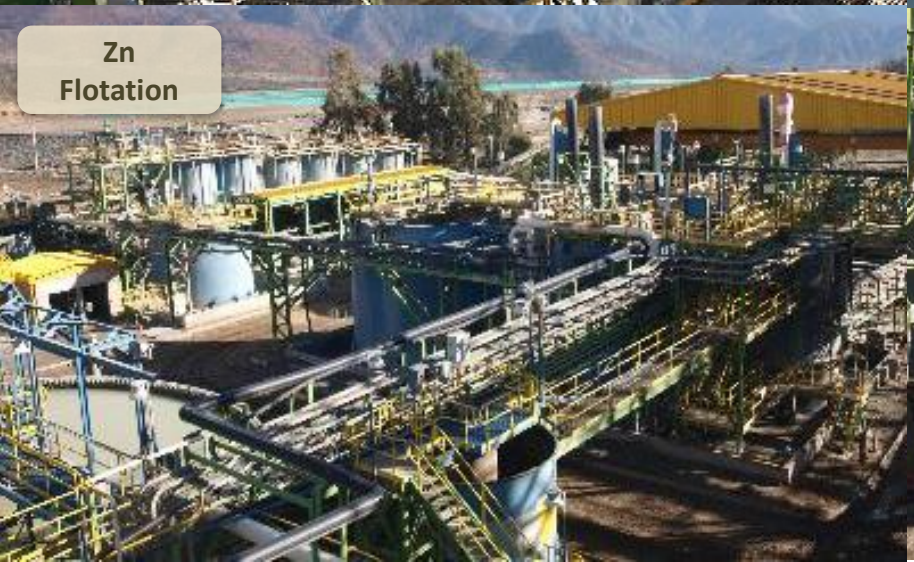


# Minera Florida
## Processing Facilities





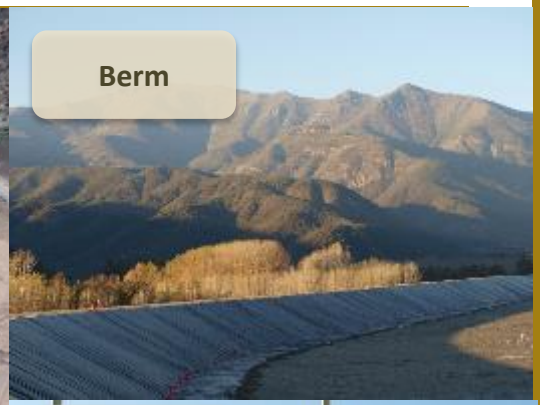







# Minera Florida
## Tailings : New Paste TSF







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# Minera Florida
## Community and Social Responsibility



- Excellent community and stakeholders relations
- Open door policy
- Joint monitoring of environmental variables
- Support of sports and culture in Alhue
- College Scholarships
- Infrastructure contributions with lasting impact in the community
- Partnerships with local groups to provide economical development : honey production, biodiversity





# Minera Florida
## Strategy and Initiatives

**Mining Method and Productivity Optimization**

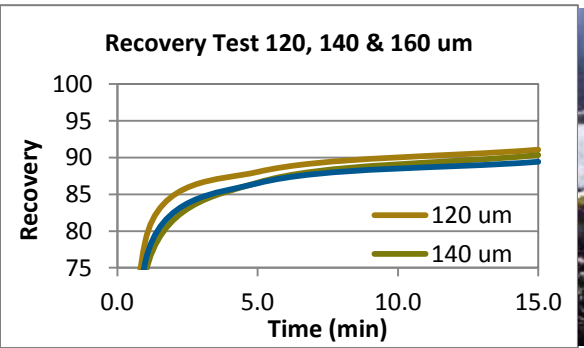
- Improve selectivity and reduce waste output
- Increase efficiency with owner fleet
- Debottleneck Mine : Alternate access and zones

**Processing Optimization and Expansion**

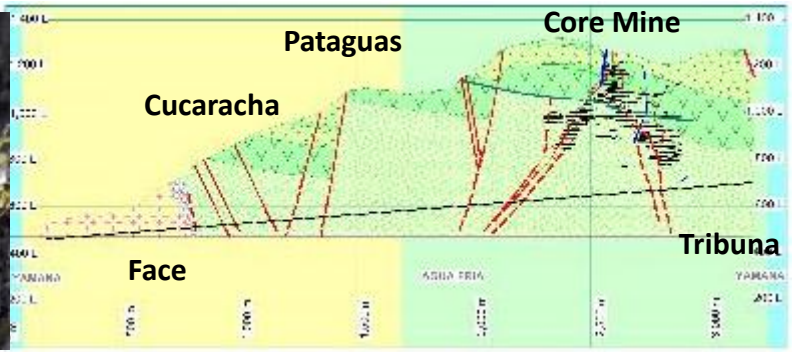
- Short term recovery improvement project to increase overall from 82-84% to 88-90%, leaching fresh tails - **Ongoing**
- Medium term process improvement to further increase recovery to 92-94% through whole ore leaching and capacity increase to 4,000 tpd revamping crushing, grinding and tailings circuits and adding a Merrill-Crowe plant – **Basic Engineering**

**Strategic Development**

- Significant upside potential in exploration, both in the historic claims and the recently acquired land
- The current vision to maximize value considers:
  - Exploration on the Hornitos trend
  - Development of the production ready tunnel Hornitos, to access new veins on its path with better infrastructure and lower mining costs
  - Build on the process improvements to maximize the installed capacity and value recovery from the new zones at lower operating costs

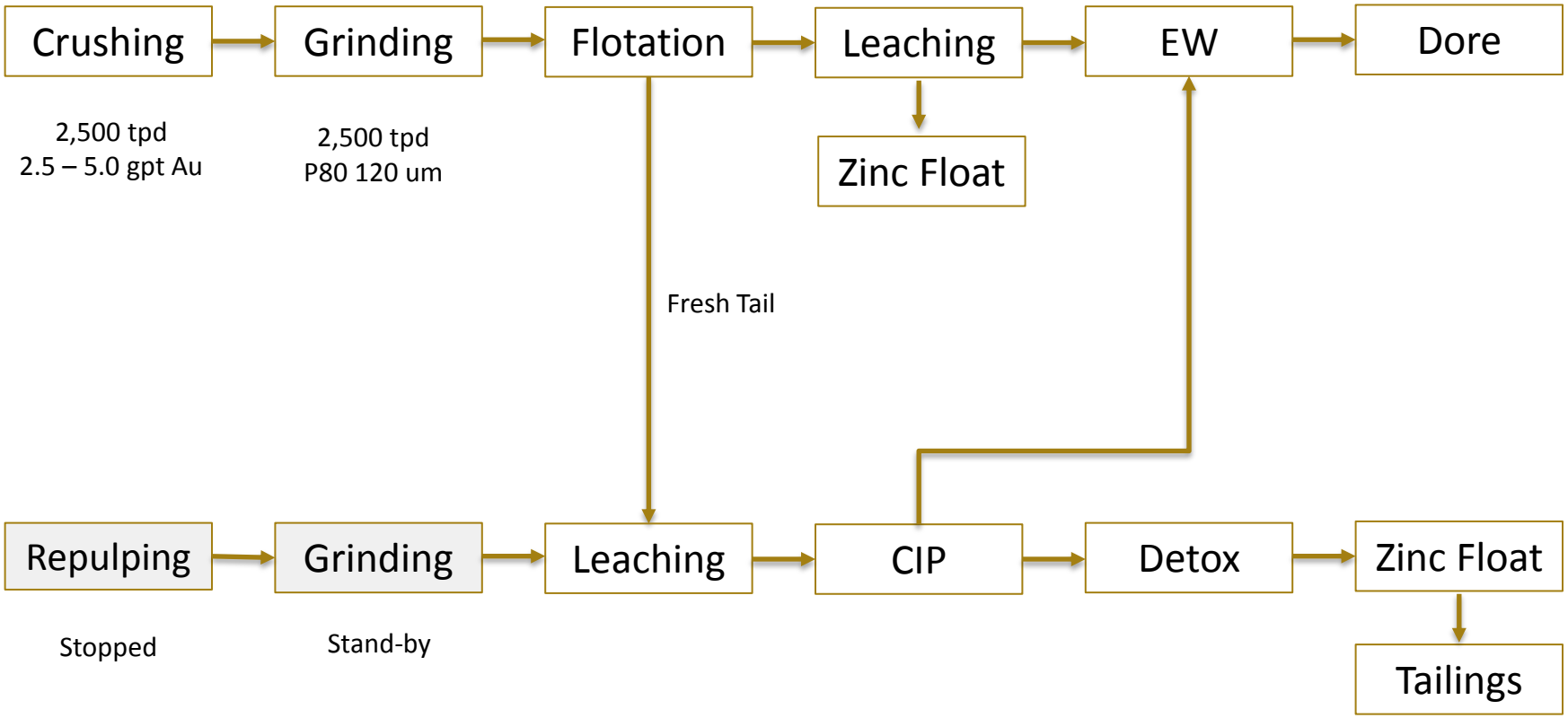




# Minera Florida
## Process Flowsheets – Short term Opportunity

**Combined Plant – 88% to 90% Recovery:**

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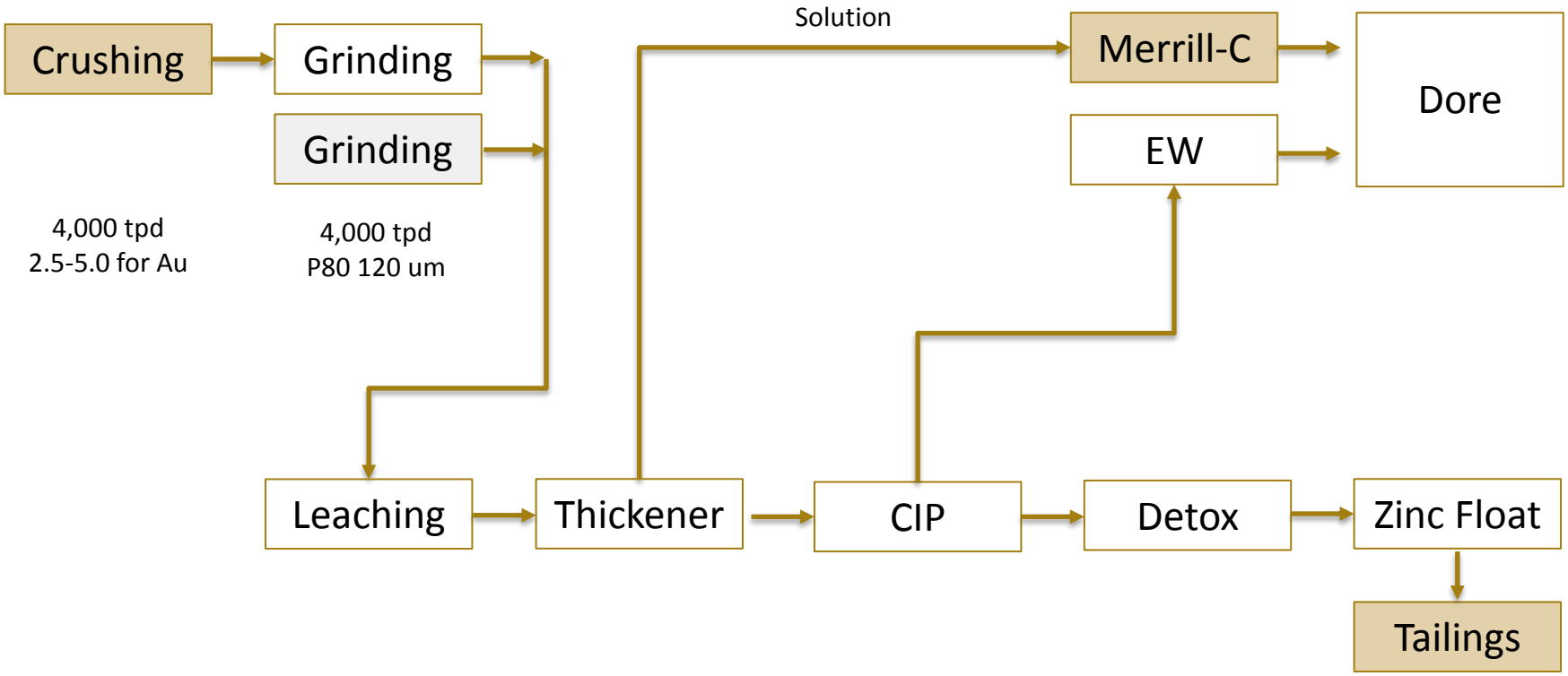
# Minera Florida
## Process Flowsheets – Medium Term Opportunity

**Combined Plant – 92% to 94% Recovery:**



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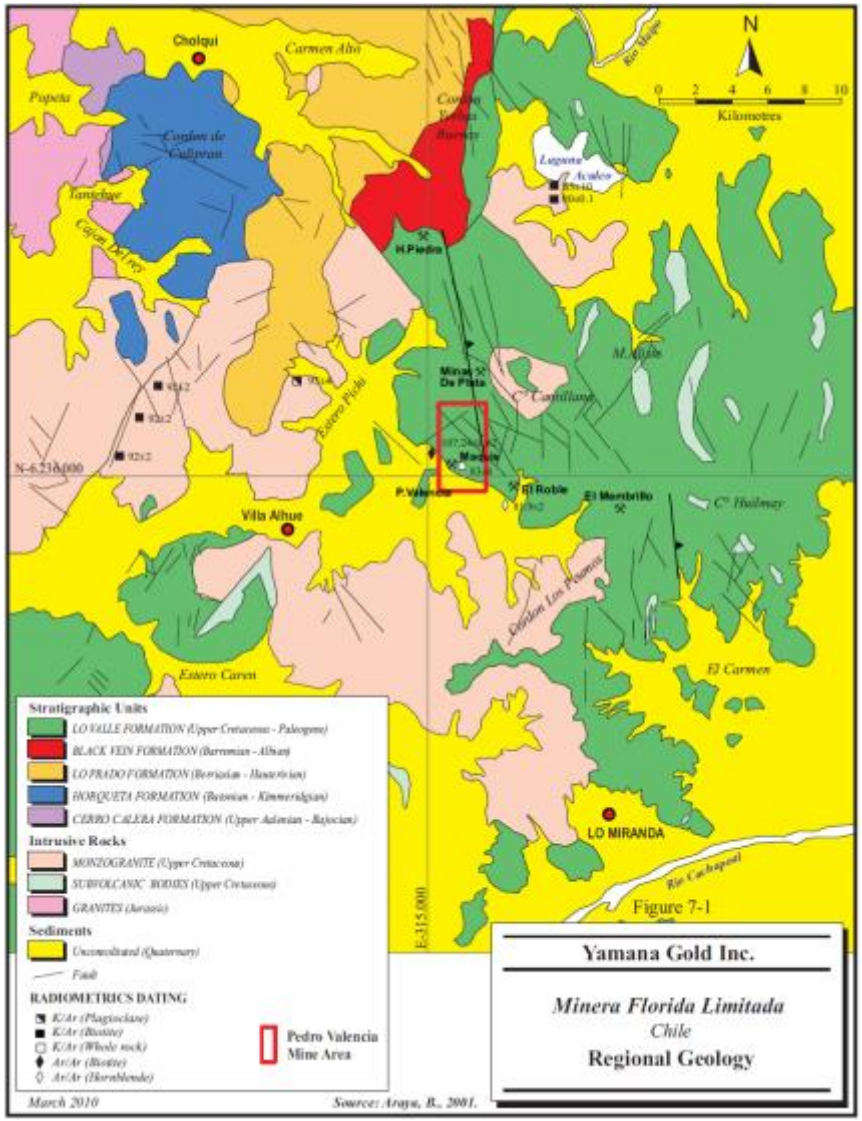
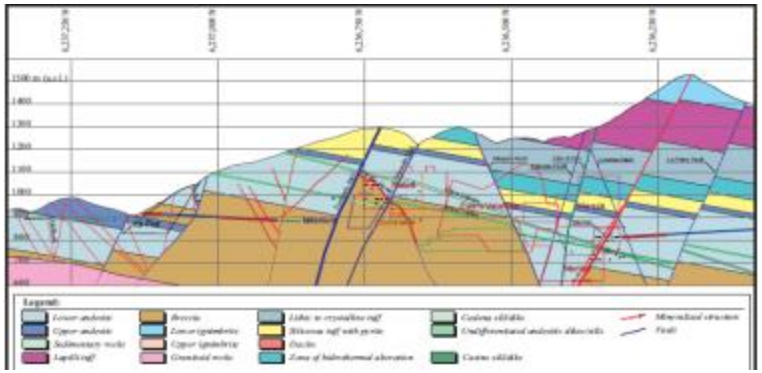
EXPLORATION

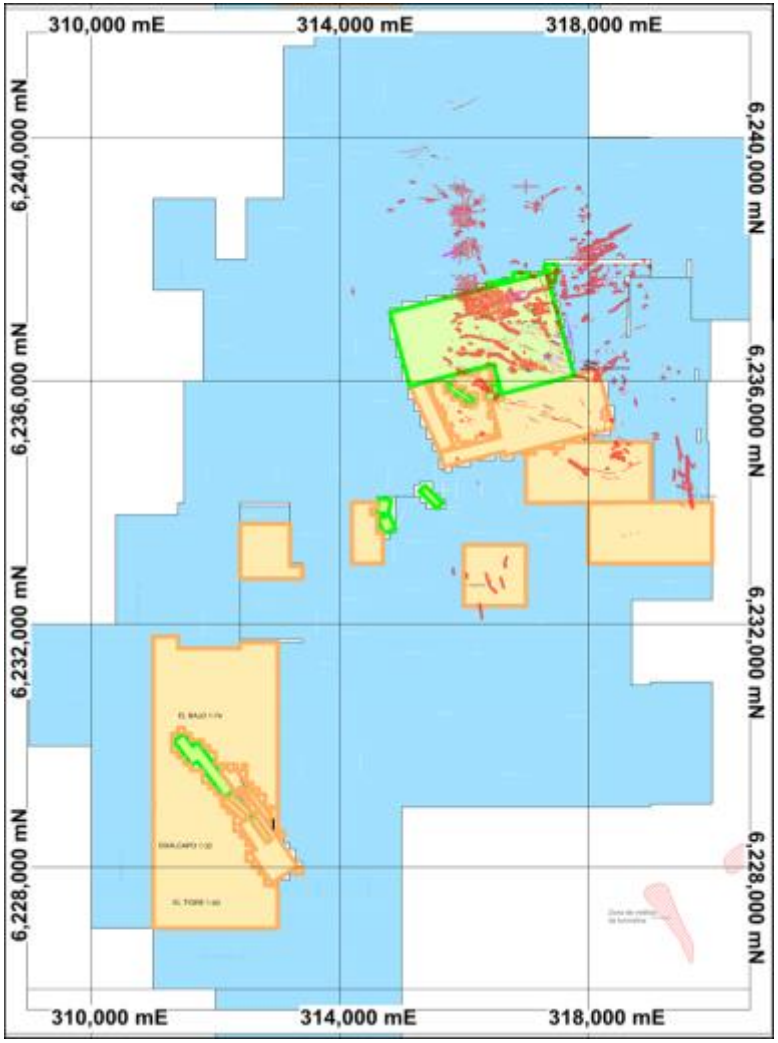
# Minera Florida
## Geology

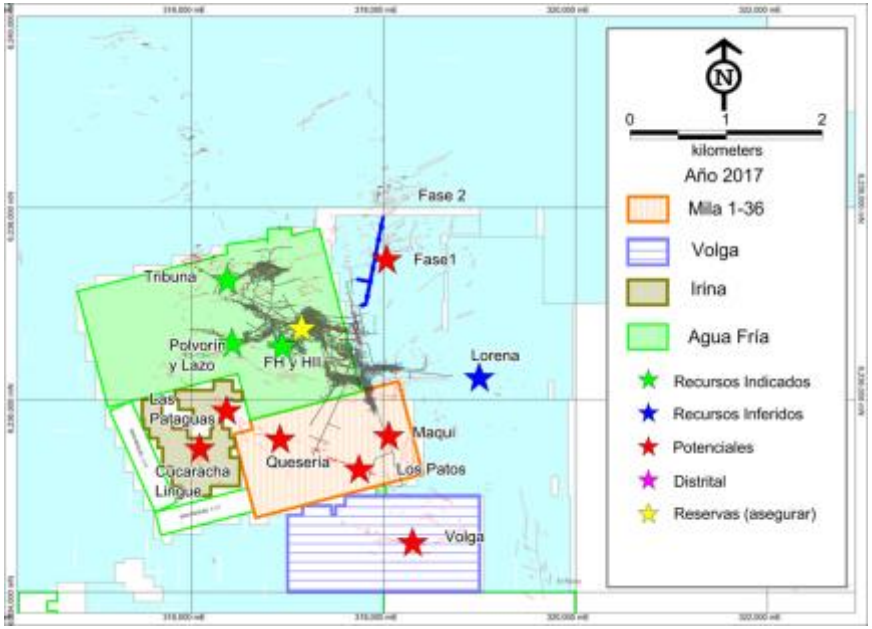



- Minera Florida is situated within the Coastal Cordillera in the Metropolitan Region of central Chile.
- The area of the mine is underlain by Upper Cretaceous volcanic and intrusive rocks.
- Gold and Ag-Zn-Pb mineralization is found within quartz veins and stockwork within gently east dipping andesitic tuffs and other volcaniclastic rocks
- Gold mineralization occurs as native gold and electrum associated with sulphide minerals, such as pyrite, chalcopyrite, sphalerite and galena, as well as magnetite.
- Based on exploration and mining observations, the gold deposits in the mine area are classified as stockwork and vein gold deposits.



# Minera Florida
## Property




- Yamana purchased all concessions within the blue polygon in Q3 2016
- Yamana geologists have mapped, sampled and developed many targets on the newly acquired ground that await drill testing
- Yamana announced the discovery of the Las Pataguas vein system in October, 2016

# Minera Florida
## Near Mine Exploration

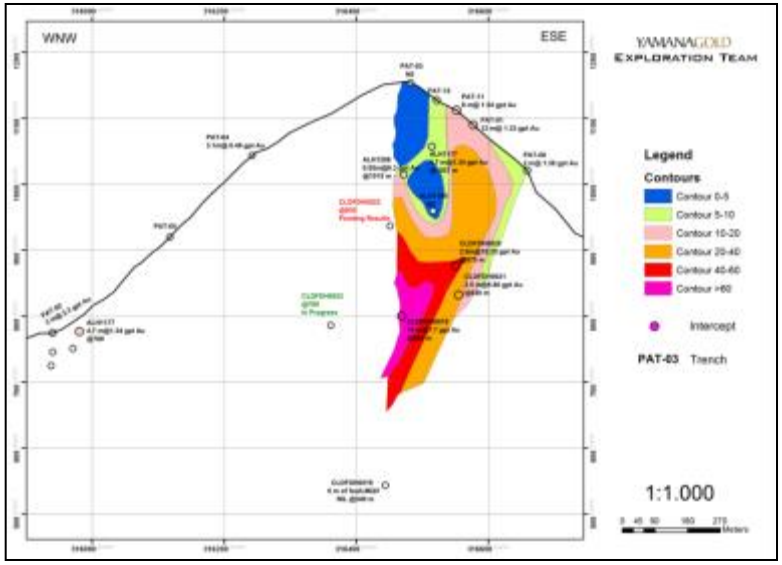
2017 Budget $8M
- 40,000 metres

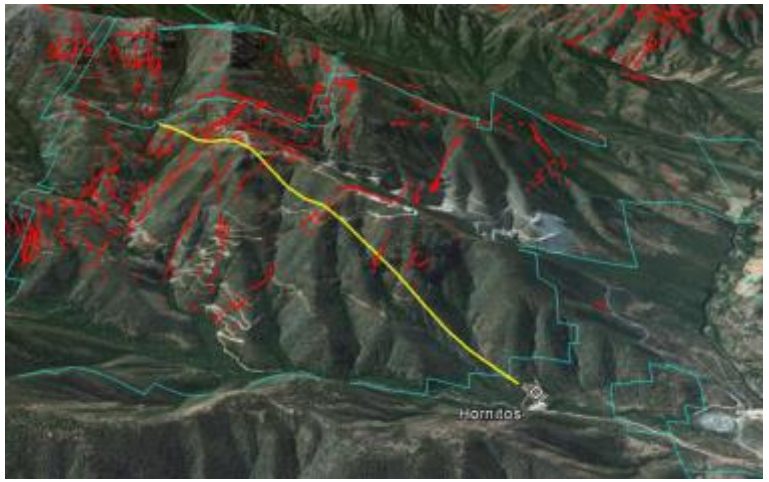
2017 Strategy
- Drill test new surface targets to generate new mineral resources that can be quickly converted to mineral reserves, developed and placed in the LOM plan for production in 2020

2017 Goal
- Discover ~450k new Indicated and Inferred Mineral Resources by YE2017
- Mineral reserve replacement and growth

2016 Results*

| | |
|---|---|
| ALH1177 | 4.7m of 1.34 g/t Au |
| ALH1206 | 0.85m of 6.3 g/t Au |
| CLDFDH0018 | 16m of 7.7 g/t Au |
| CLDFDH0020 | 2.9m of 18.25 g/t Au |
| CLDFDH0021 | 3.5m of 8.86 g/t Au |




* Please see Yamana press release from February 14, 2017 for more details

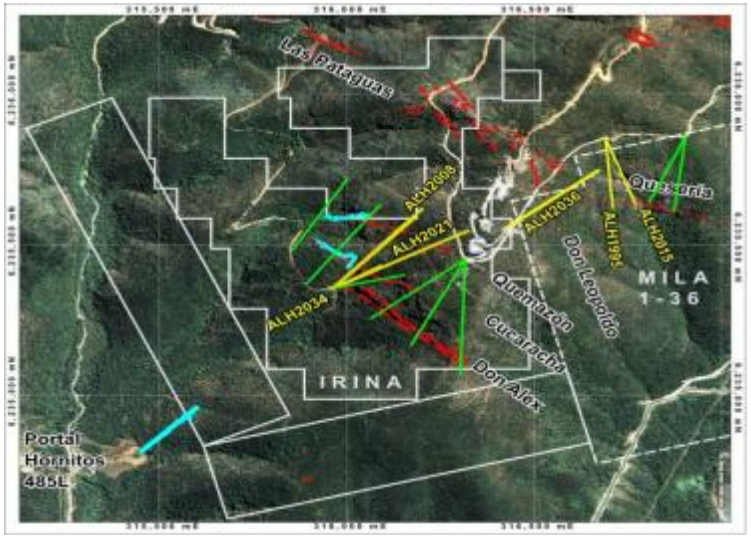
# Minera Florida
## District Exploration

2017 Budget $2M
- 6,000 metres

2017 Strategy
- Work with mine exploration to define the Las Pataguas zone
- Develop and drill test Queseria, Volga and Tribuna targets

2017 Goals
- Discover a new mineral body that can be developed to mineral resources and mineral reserves
- Continue target generation on newly acquired ground and the greater Yamana concession area





# Gualcamayo
## Q1 2017 Operating Summary

| Production | Oz. | Tonnes Processed | Grade | Recovery Rate | Operating Strip Ratio |
|---|---|---|---|---|---|
| Gold | 37,728 | 1,619,544 | 1.14 g/t | 57.4% | 1.95 |

| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| Gold | $1,152/oz | $810/oz | $841/oz |

- Strong first quarter delivering on expectations
- Production and costs according to 2017 Plan
- Advanced drilling at near mine deposits and Las Vacas-Pirrotina
- Advance projects to improve metallurgical performance

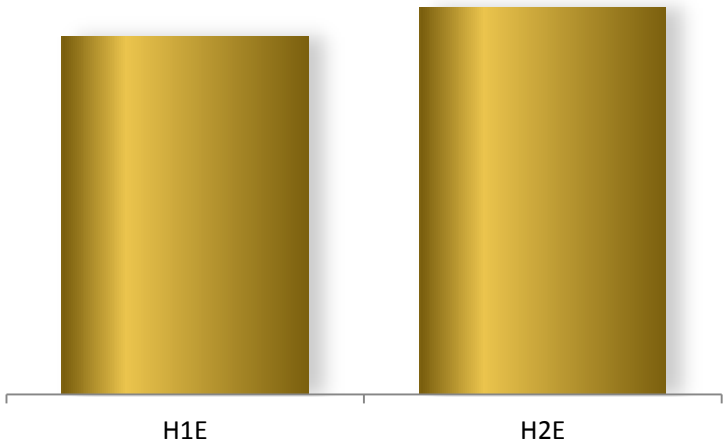
# Gualcamayo
## 2017 Key Performance Metrics

| 2017 Production | |
|---|---|
| Tonnes Processed (000s) | 7,300 |
| Strip Ratio (operating) | 1.6 |
| Grade - gold (g/t) | 1.04 |
| Recovery - gold | 53% |
| Production* - gold (000 oz) | 145 |

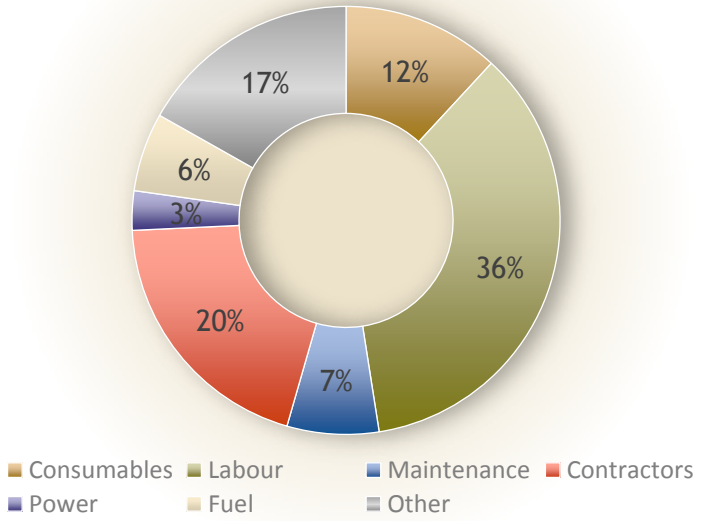
| Costs | Cost of Sales[2] | Cash Cost[1,2] | AISC[3] |
|---|---|---|---|
| 2017E | $1,240/oz Gold | $960/oz Gold | $1,010/oz Gold |

| 2017 Costs per Tonne Milled | |
|---|---|
| Mine | $11.50 |
| Plant | $4.50 |
| G&A & Other | $3.10 |
| Total | $19.10 |

Quarterly Production Trend




2017 Cash Cost Breakdown




* Production includes approximately 14,000 ounces from reduction of in-circuit inventory

# Gualcamayo
## Site General Layout

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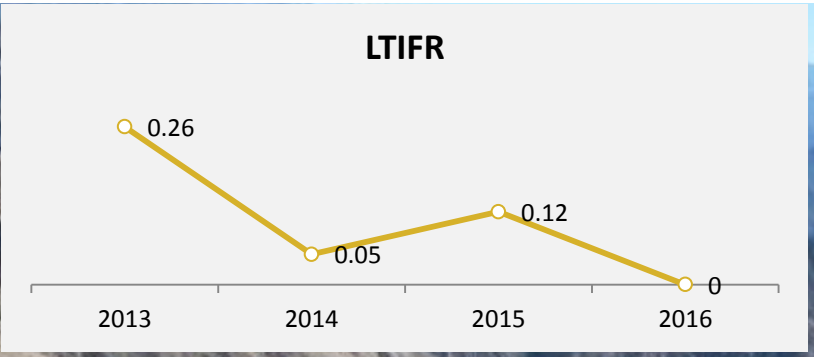
# Gualcamayo
## People



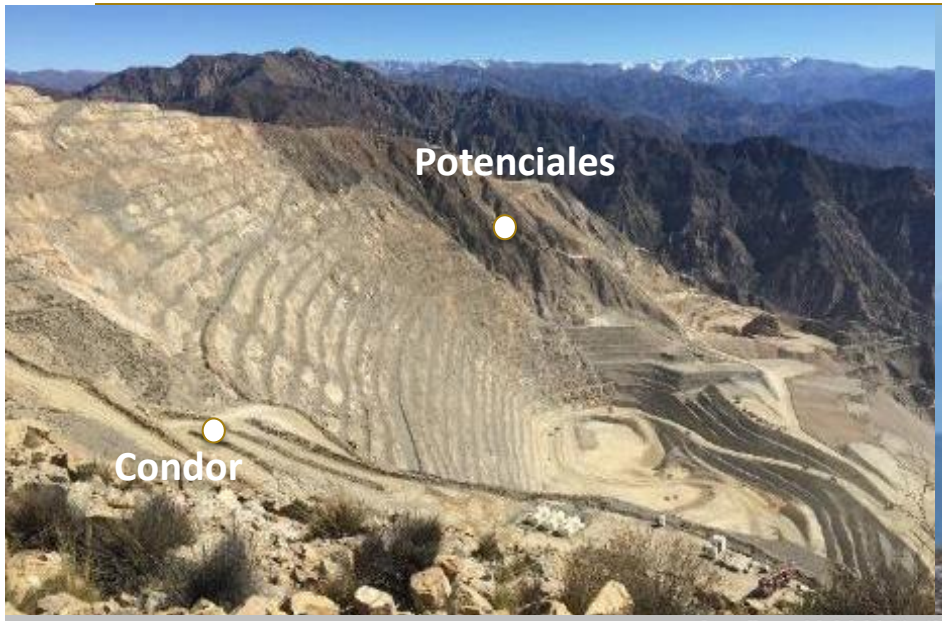

| Headcount | | |
|---|---|---|
| Yamana | Contractor | Total |
| 925 | 225 | 1,150 |

# Gualcamayo
## Open Pit Mine

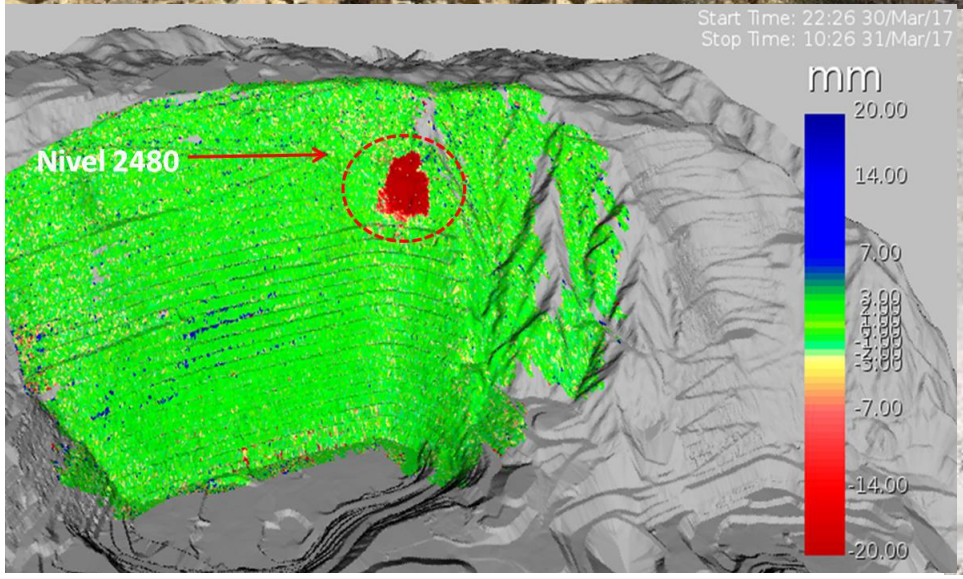


- Conventional Open Pit Mine
- 660 m high wall
- Overall Slope Angle 48 deg
- 20 m Bench Height
- Real Time Monitoring radar
- In pit Ore Pass to UG Crusher
- 40 Tons Trucks

# Gualcamayo
## Open Pit Mine

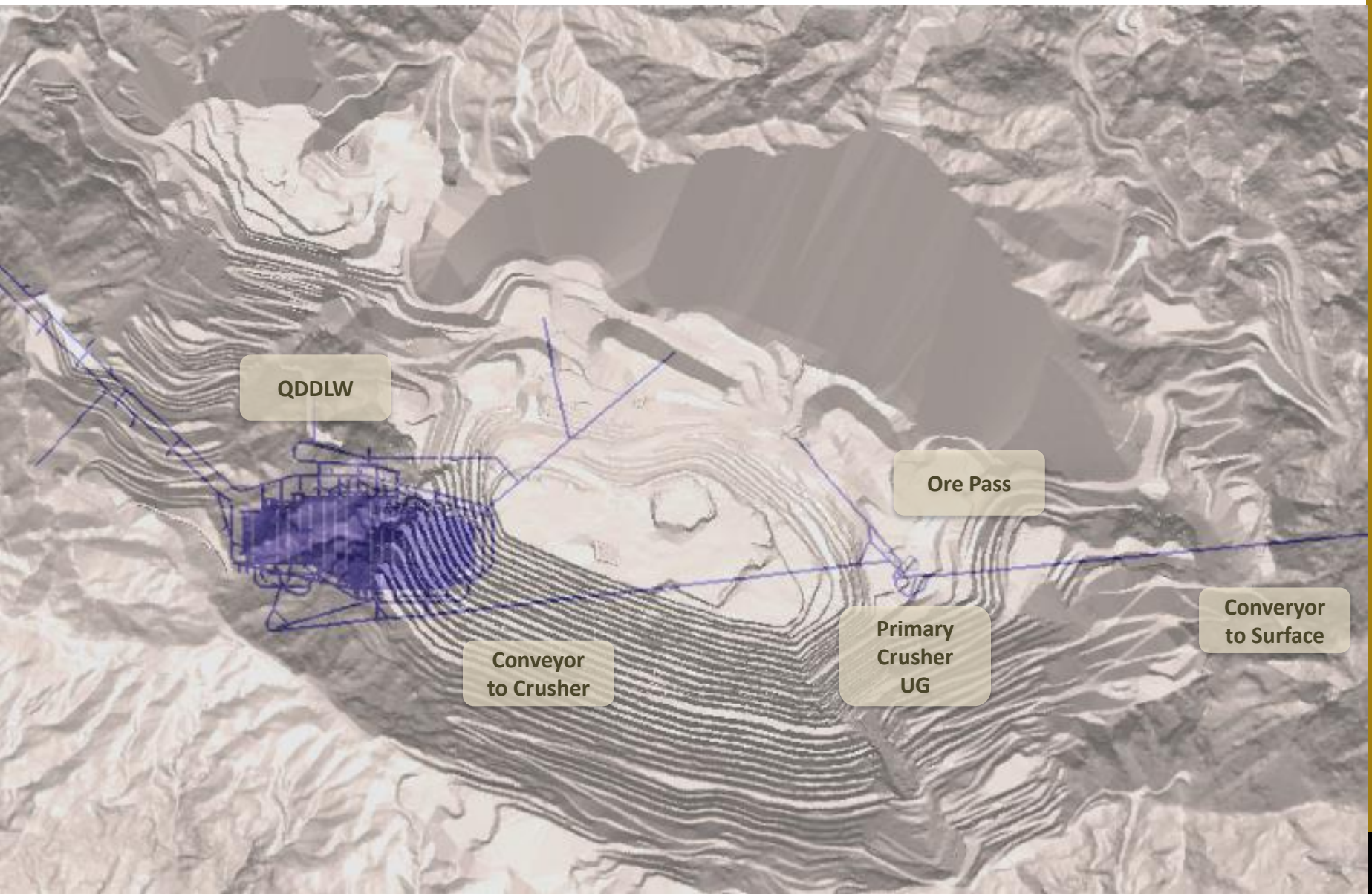




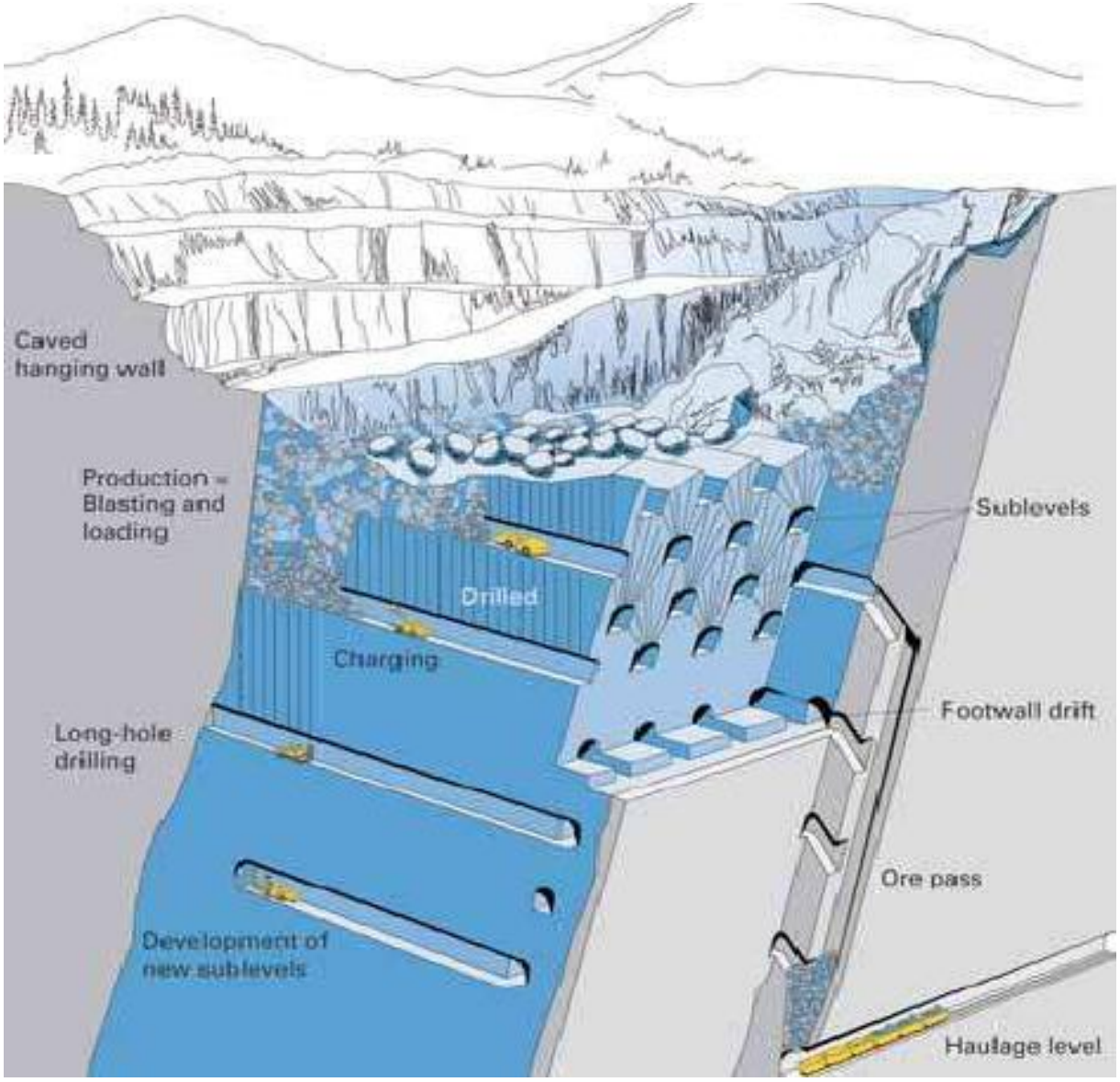





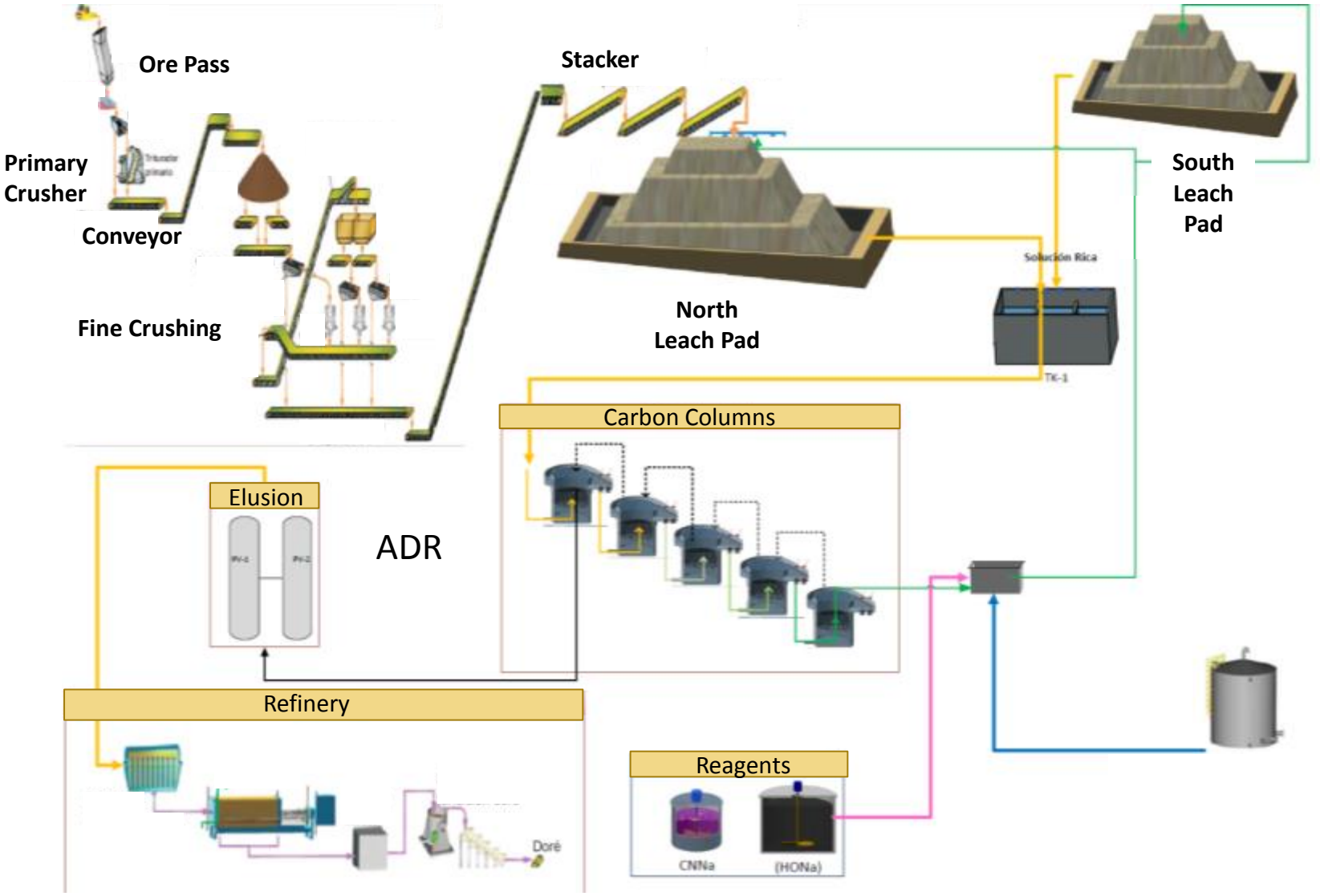

# Gualcamayo
## Open Pit and UG Mines Infrastructure



# Gualcamayo
## UG Mining Method - SLC



# Gualcamayo
## Process Flowsheet



# Gualcamayo
## Facilities

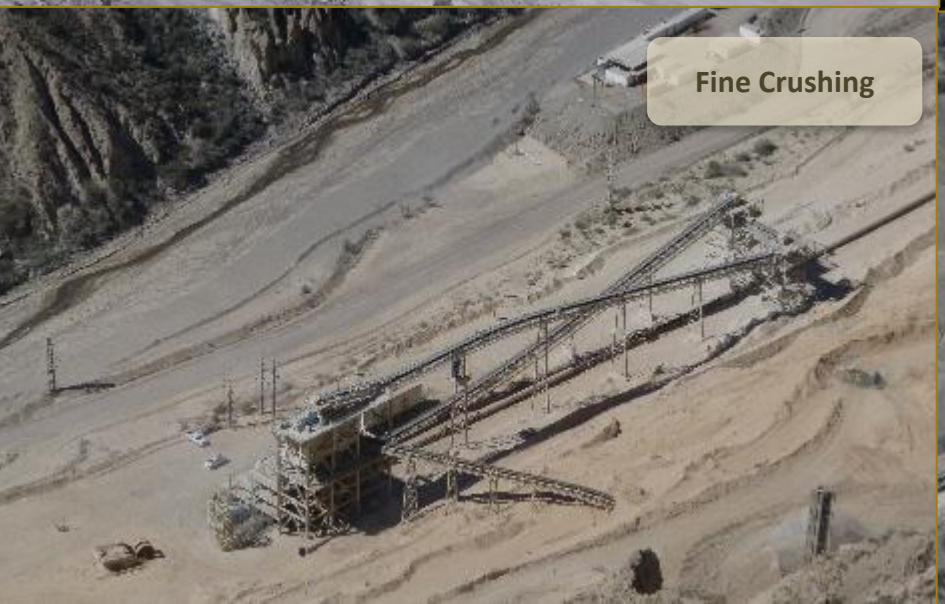


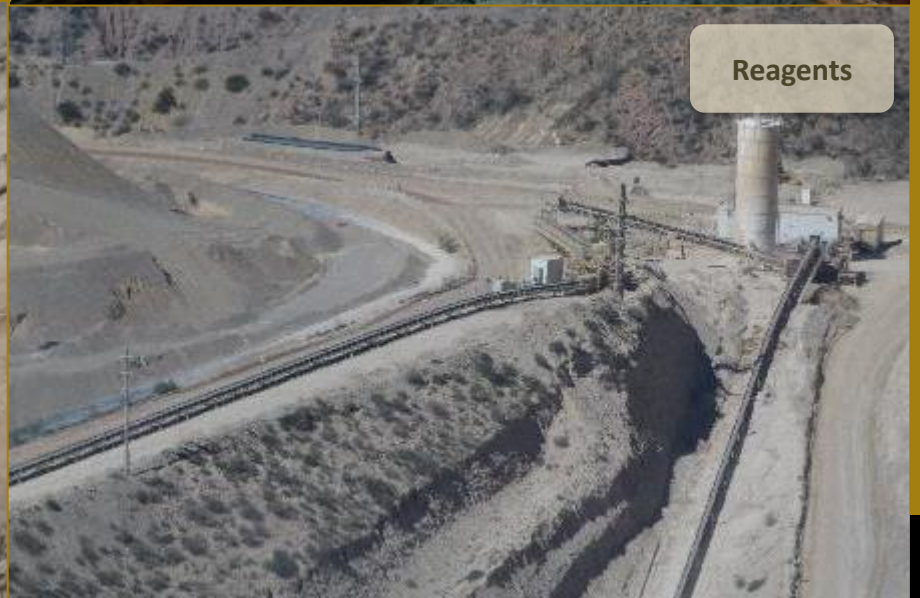
# Gualcamayo
## Process









# Gualcamayo
## Process












# Gualcamayo
## Community and Social Responsibility



- Excellent community and stakeholders relations locally and Province
- Open door policy
- Support of community services
- Donations in infrastructure with lasting impact in the community
- Partnerships with local groups to provide economical development





# Gualcamayo
## Strategy and Initiatives

**Productivity and Costs Optimization**

- Maintenance practices
- Development performance
- Contain cost escalation via consolidation of demand and improving contract terms

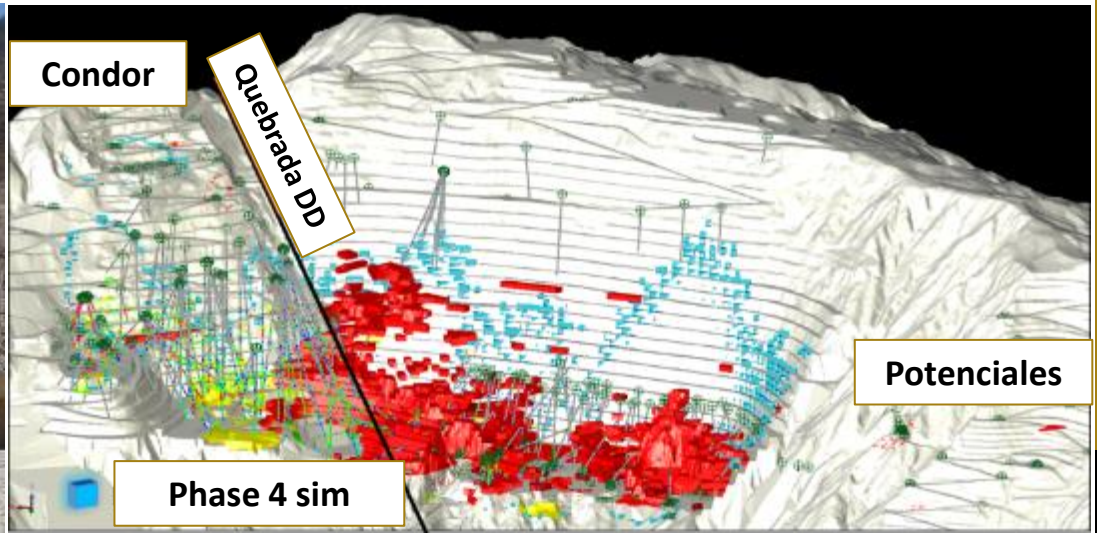
**Process Optimization**

- Studies on finer crushing and agglomeration
- Recovery of gold in fine carbon

**Strategic Development**

- Proven upside potential in Oxides both at near mine as well as the surrounding areas
- Combined strategy:
  - Short term focus on Condor and Potenciales aiming to unlock Phase 4.
  - Medium term to grow Las Vacas - Pirrotinas
  - District exploration for Oxides targets
- Deep Carbonates Project: drilling aimed to prove the extensions of the ore body will re-start in 2018





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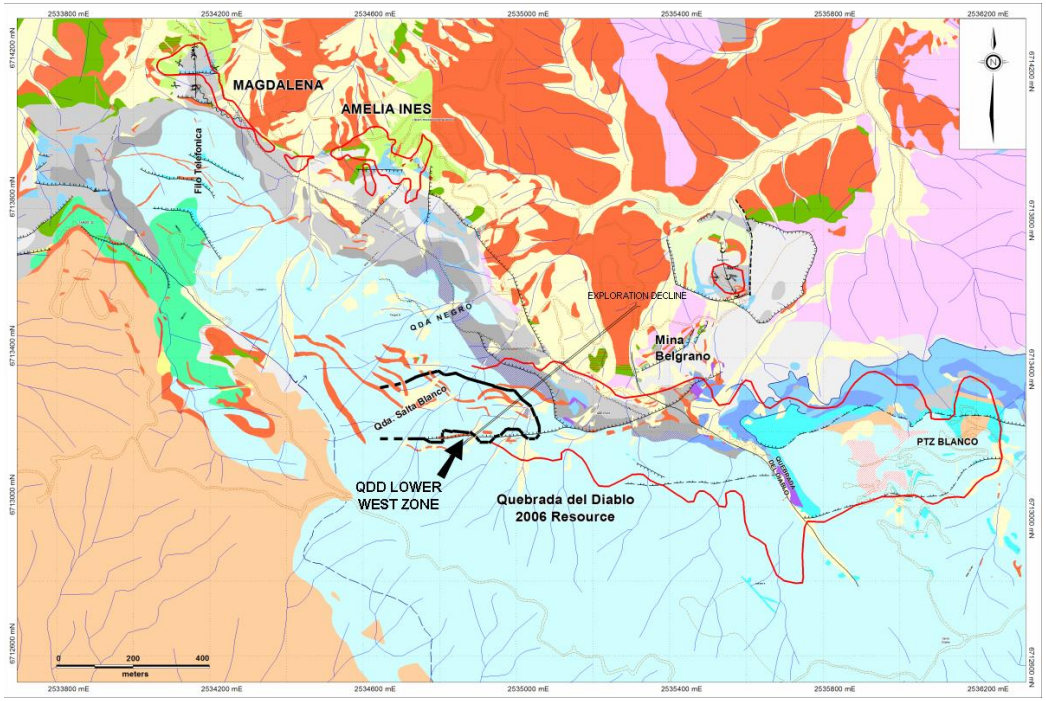
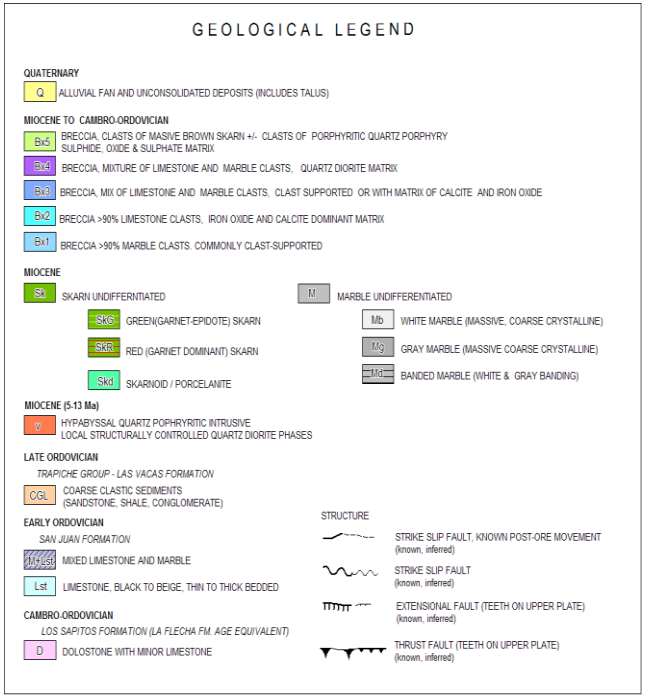
EXPLORATION

# Gualcamayo
## Geology

- Gualcamayo is located along the Precordillera of west central Argentina
- The Precordillera is a narrow N-S trending belt of tectonically deformed clastic and carbonate rocks overlain by marine and continental sediments, volcanic units and continental redbeds
- Granodiorite and diorite stocks intrude the sedimentary section and are considered to be related to at least two, Paleozoic orogenic events.
- Tertiary intrusive activity from 16 to 5.6 Ma, was focused on the intersection of NNW trending regional structures and created extensive hydrothermal alteration. **Gualcamayo formed during and immediately following the Tertiary intrusive cycle.**




Note: Please see NI 43-101 Technical Report on the Gualcamayo Project filed on SEDAR on March 31, 2011 for further details.

# Gualcamayo
## Near Mine Exploration

2017 Budget $8M
- 36,000 metres

2017 Strategy
- Drill pit wall targets to add new oxide ounces
- Drill Las Vacas to connect near surface mineral bodies
- Drill test Pirrotina to discover new mineral bodies

2017 Goals
- Build critical mass for a phase 4 push back of QDD Main pit
- Discover new oxide mineral resources close to infrastructure







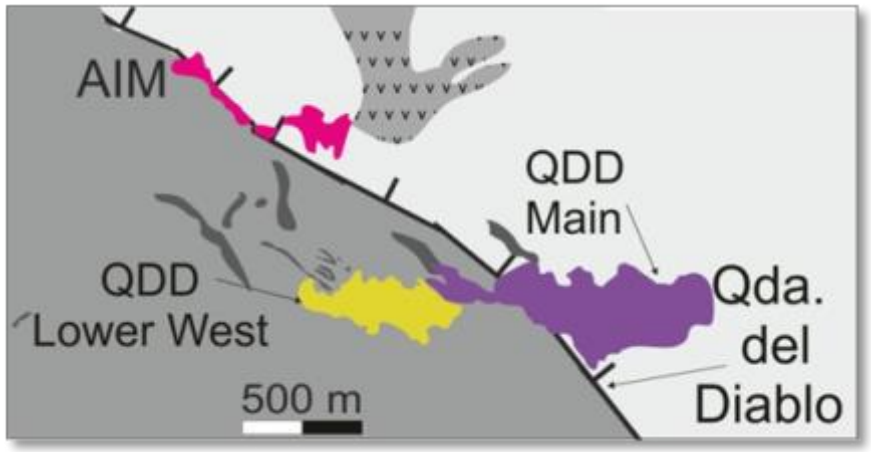
# Gualcamayo
## Near Mine Exploration Targets



# Gualcamayo
## District Exploration

- ‘Regional Program’ to discover and develop oxide mineral resources amenable to Heap Leach
- Initial focus to examine anomalous Carbonate Breccia lithologies.
- Also explore in siliciclastic rock for brecciated/mineralized sandstone or stockwork zones.
- Once targets are generated and approved for drill testing, they will be internally prioritized and tested
- Additional funding will be sourced from the global exploration budget





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PROJECTS

# Barry Murphy

Senior Vice President, Technical Services

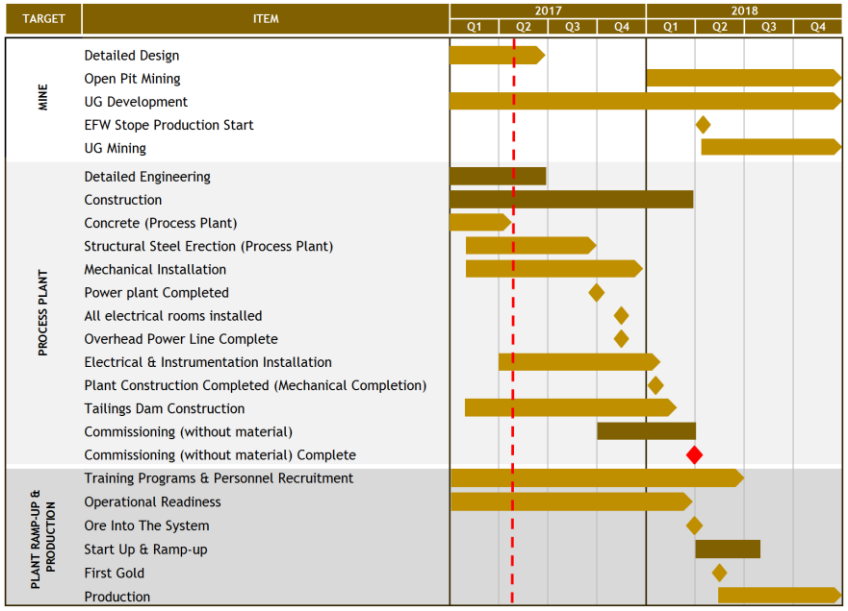
# Cerro Moro



# Cerro Moro
## Project Progress Update

| Cerro Moro Project Construction | |
|---|---|
| Start of Ramp-up | Q2 2018 |
| Engineering Consultant | M3 Engineering |

| | 2016A | 2017E | 2018E |
|---|---|---|---|
| Capex | $55M | $178M | $55M |




- Final Hazard & Operability Study completed in February 2017
- Ramp-up of construction staff progressing according to plan
- Construction progress slightly ahead of schedule
- Bulk earthworks and concrete structures complete
- Structural steel and mechanical erection contractors on site
- Underground mining works advancing
- Approximately $200M of total project budget already committed and on budget
- Operational readiness planning and operational staff recruitment underway

# Cerro Moro
## Key Performance Metrics

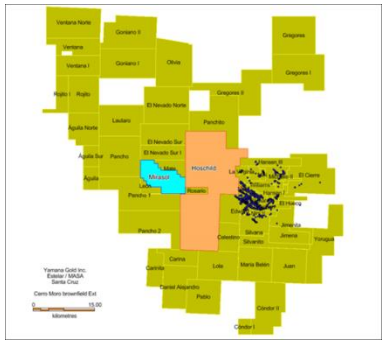
| Production Forecast | | |
|---|---|---|
| | 2018 | 2019 |
| Tonnes Processed | 1,000 tpd capacity | |
| Grade - gold (g/t)<br>silver (g/t) | 11.3<br>650 | 11.7<br>920 |
| Recovery - gold<br>silver | 95%<br>93% | 95%<br>93% |
| Production - gold (koz)<br>silver (moz) | 80<br>4.5 | 130<br>9.9 |

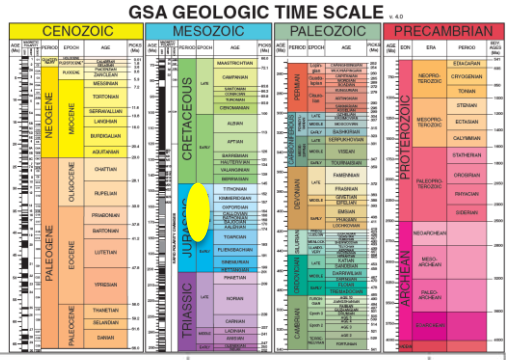
| Costs | Cash Cost[1,2] | AISC[3] |
|---|---|---|
| 2018-2019 Avg. | <$500/oz Gold<br><$7.50/oz Silver | <$600/oz Gold<br><9.00/oz Silver |

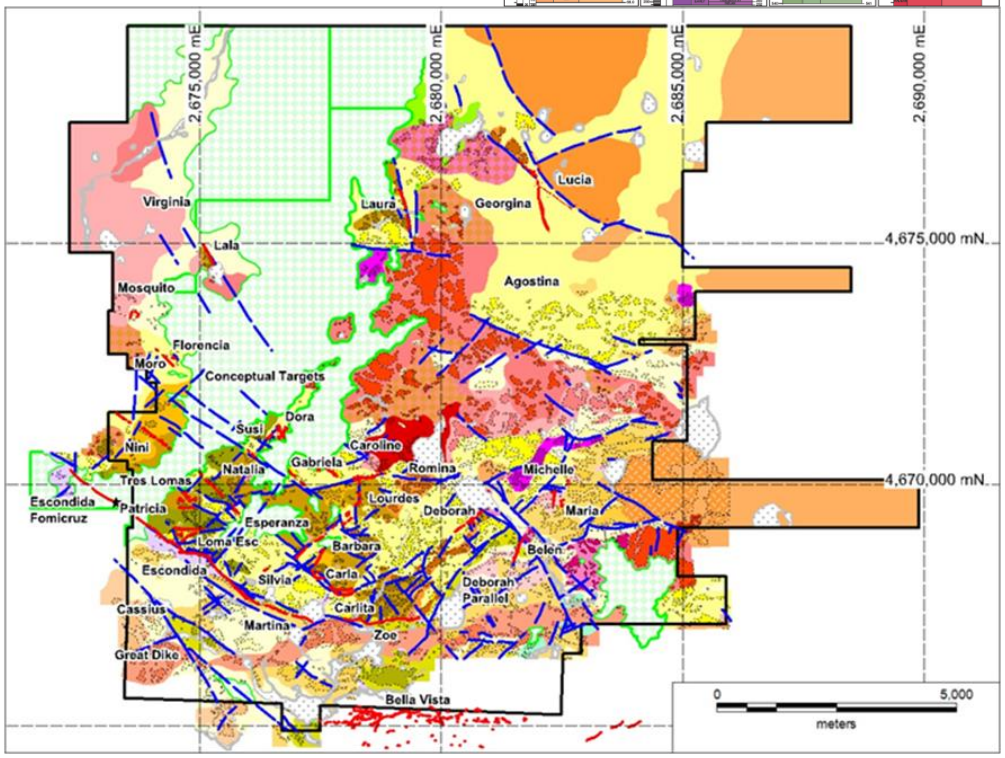




# Cerro Moro
## Geology






- Cerro Moro is located within the Deseado Massif of southern Argentina
- Jurassic and Cretaceous Periods, extensional tectonics result in the deposition of the Roca Blanco and Bajo Pobre Fms., followed by deposition of the Chon Aike and La Matilde Formations
- The Chon Aike Formation is host the gold mineralization at Cerro Moro
- Cerro Moro is a polymetallic Ag-Au deposit found along near vertical structures that trend NW, EW and NE

# Cerro Moro
## Near Mine and District Exploration

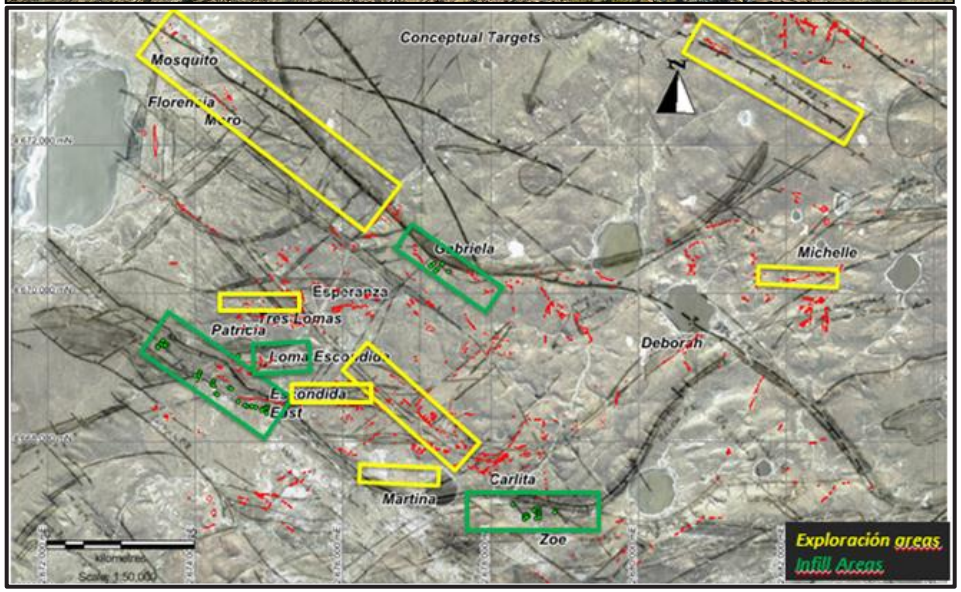
- 2017 Budget $8M
  - 35,000 metres DDH
- 2017 Strategy
  - Initiate year 1 plan of 4 year program to discover 1 million ounces of gold equivalent resources
  - Extend mineral bodies down dip
  - Develop and test new structures
  - Map and sample newly acquired concessions
- 2017-2020 Goal
  - Find sufficient mineral resources to extend mine life beyond 10 years





# Cerro Moro
## Near Mine and District Exploration






### Four Year Exploration Plan

2017
- Infill drill core Escondida Block (12,000m)
- Map and Sample
- Scout drilling core mine (7,000m)
- Scout drilling non-core (7,000)

2018
- Deep drilling on known zones to expand inferred
- Map and Sample
- Scout drilling (7,000m)
- Follow up drilling (17,000m)

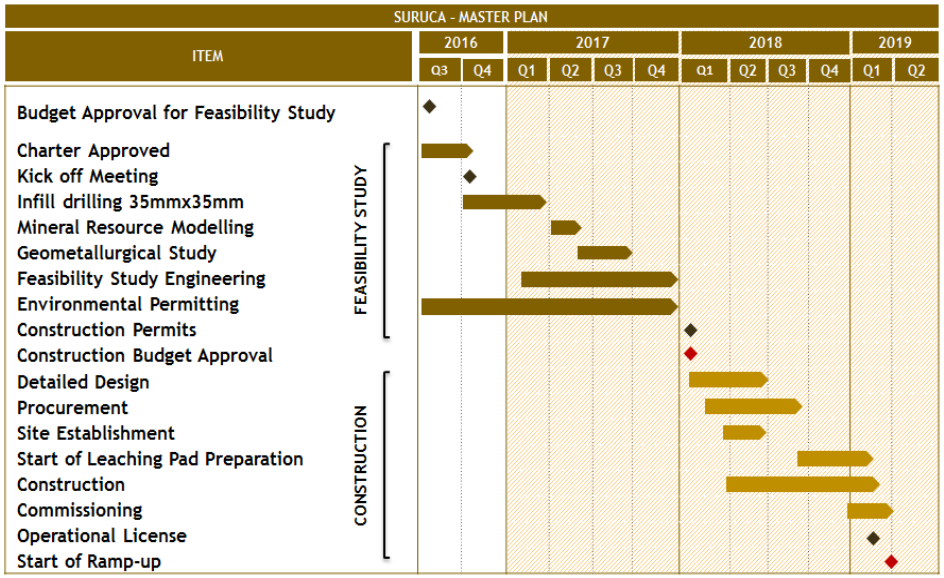
2019
- Deep drilling on inferred in known areas (7,000m)
- Scout drilling (5,000m)
- Follow up drilling (23,000m)

2020
- Define new deep drilling targets beneath known zones
- Scout drilling (5,000m)
- Definition drilling of final resources (30,000m)
- Start new cycle of scout drilling (4,000m)

# Suruca
## Advancing Through the Development Process

| Suruca Project Study | |
|---|---|
| Targeted Completion | Q1 2018 |
| Engineering Consultant | SNC-Lavalin |

### Master Schedule




- Approximately 210koz of recoverable gold
- Near surface oxide deposit, 7km from Chapada
- To be exploited over ~5 year period at approx. 40koz per year
- Open-pit mine with heap leach recovery process
- Estimated initial capital cost: US$51M (@ BRL 3.25)
- Capital estimate to be confirmed during 2017
- Formal Construction decision to be made in Q1 2018
- First production expected in Q2 2019

# Non-Strategic Assets
## Opportunities to Surface Value

- In 2016, Yamana initiated a process of re-evaluating its Non-Strategic Assets to determine their value in the context of current market conditions
- These assets all share the following attractive attributes:
  - Location in high profile districts (i.e. Maricunga)
  - Large and high quality mineral resource bases
  - Positive historical engineering studies
  - Situated in countries where Yamana has operating experience
- Each asset is being evaluated using a multi-disciplinary approach with the goal of delivering plans on how to maximize value during the course of 2017

# Non-Strategic Assets
## Pipeline Projects

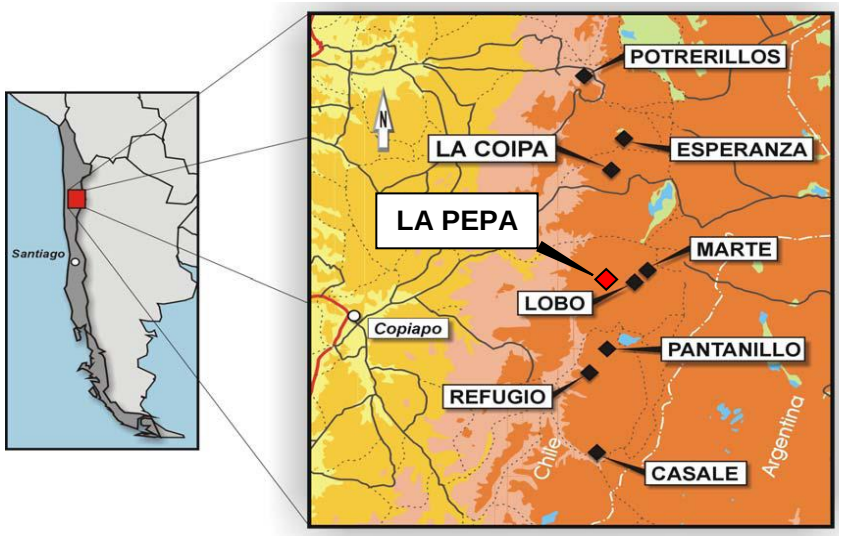
**Agua De La Falda, Chile (57.3% )**

- Installed processing capacity
- Existing oxide resource base
- Evaluating potential to develop a low initial capital mine
- Ongoing exploration initiative to expand current oxide resources
- Potential to re-evaluate the sulphide Jeronimo project, with a smaller scale, higher grade operation



**La Pepa, Chile (100% )**

- Historical work focused on Marucunga style large scale, bulk tonnage porphyry mineralization
- Known high grade high sulphidation mineralization exists adjacent to porphyry
- Currently assessing whether high-grade material hangs together to form potential for low tonnage, high-grade opportunity
- Evaluating geophysical targets to identify opportunities to potentially expand porphyry resources



# Non-Strategic Assets
## Pipeline Projects

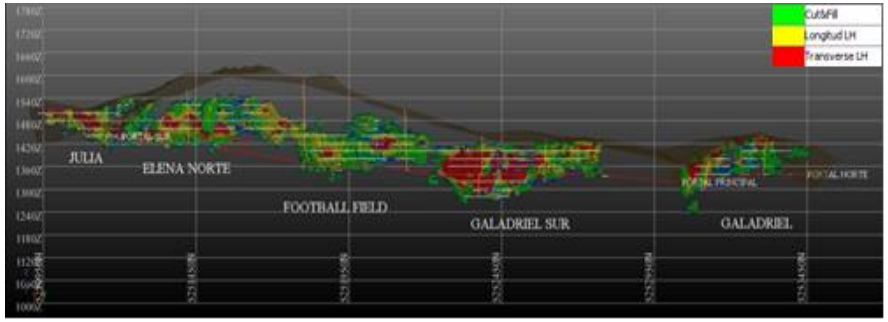
**Don Sixto, Argentina (100% )**

- Last resource update completed in 2007 by Exeter Resource Corporation (subsequently spun out Don Sixto and Cerro Moro assets to form Extorre Gold Mines)
- Currently updating the resource estimate
- Plan to update project development study completed in 2006 by Exeter (not public) with 2017 costs and capital estimates




**Suyai, Argentina (100% )**

- High grade, epithermal deposit similar to Cerro Moro and El Peñón
- M3 Engineering was retained to complete a scoping study on the project
- Developing a plan for a 2,000 tpd operation that has two options for processing:
  - On-site CIL
  - On-site development of a concentrate to be shipped off-site (potentially to Cerro Moro's processing facilities)



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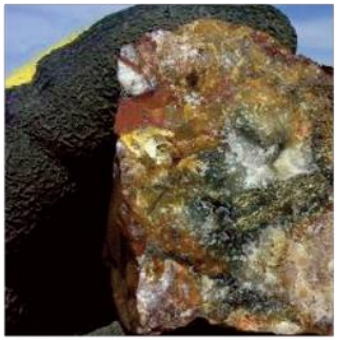


EXPLORATION

# William Wulftange

Senior Vice President, Exploration

# Yamana Exploration
## Pipeline Projects

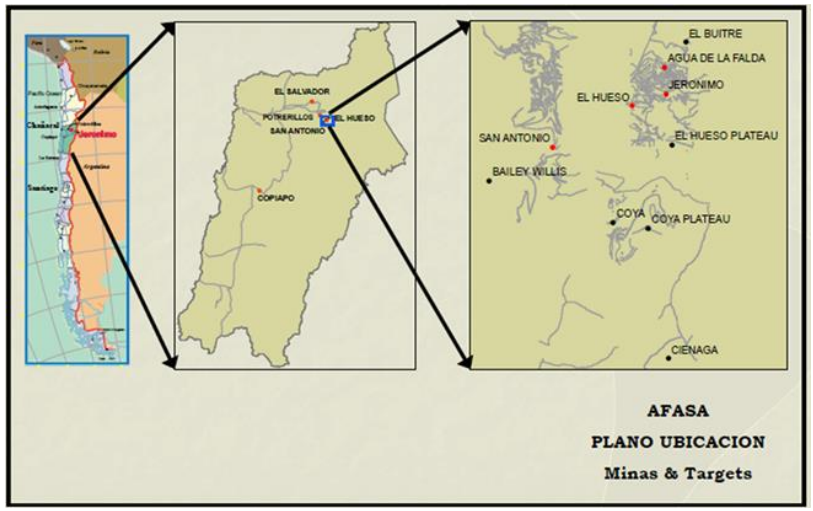
- New opportunities outside mine operations and within current jurisdictional focus
  - Focus on areas of good mineral endowment and prospectivity
  - Building a pipeline of early stage grassroots prospects
  - Currently ~12% of total exploration budget is focused on opportunities outside of our operating assets

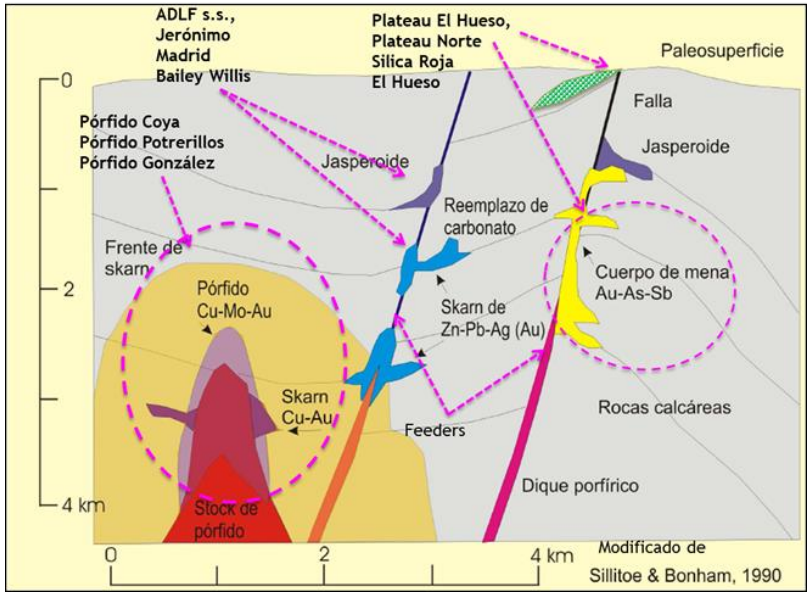




# Yamana Exploration
## Agua de la Falda, Chile – Oxide Project

- **Agua de la Falda is an existing Yamana project located at the north end of the prolific Maricunga belt of Chile**
  - Past producer in the 90's with ~400k gold ounces from Carlin-type sediment hosted and high sulphidation epithermal deposits
  - Expansive zone of alteration and mineralization that hosts high sulphidation style gold, sediment hosted gold-silver and porphyry copper-gold style mineralization
  - Strong local partnership: long standing JV agreement with CODELCO



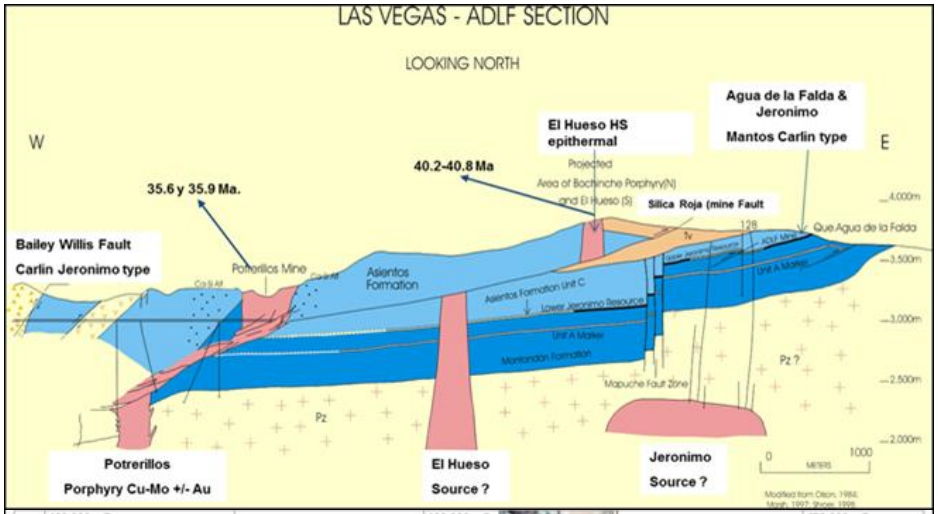



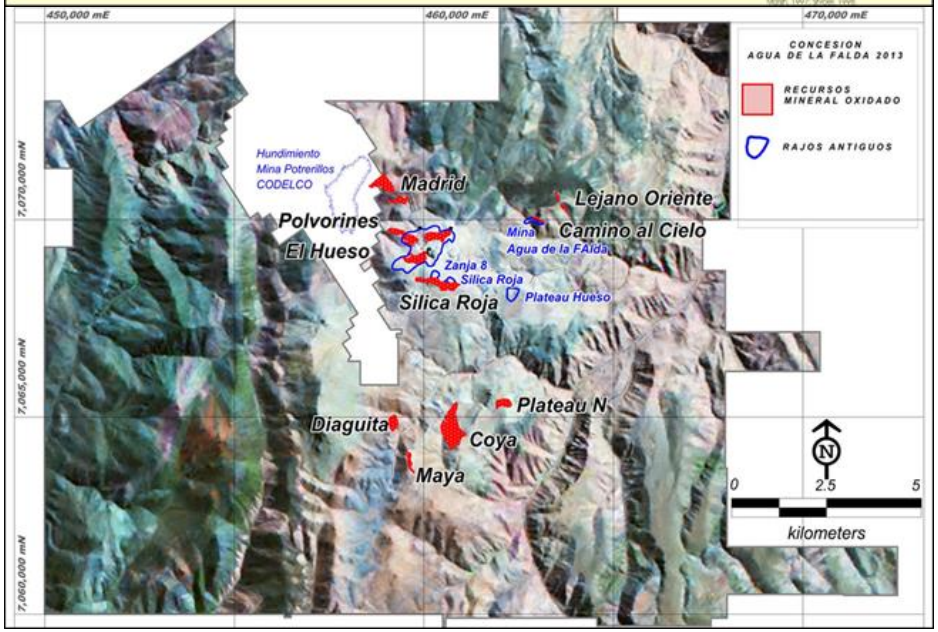
# Yamana Exploration
## Agua de la Falda, Chile – Oxide Project

**The project contains potential for significant near surface oxide gold deposits amenable to heap leaching**

- A 2016 study by Yamana outlines the potential in 17 separate known deposits; many of which are open to expansion
- In addition, a re-evaluation of property data has identified nine new targets, many of which contain oxide mineralization, including 40 drill holes with at least 10m >1.0 g/t Au within 150 meters of the surface

**2017 Work will include ground work and a minimum of 3,000-5,000 metres of drilling**



# Yamana Exploration
## Agua de la Falda, Chile – Oxide Project





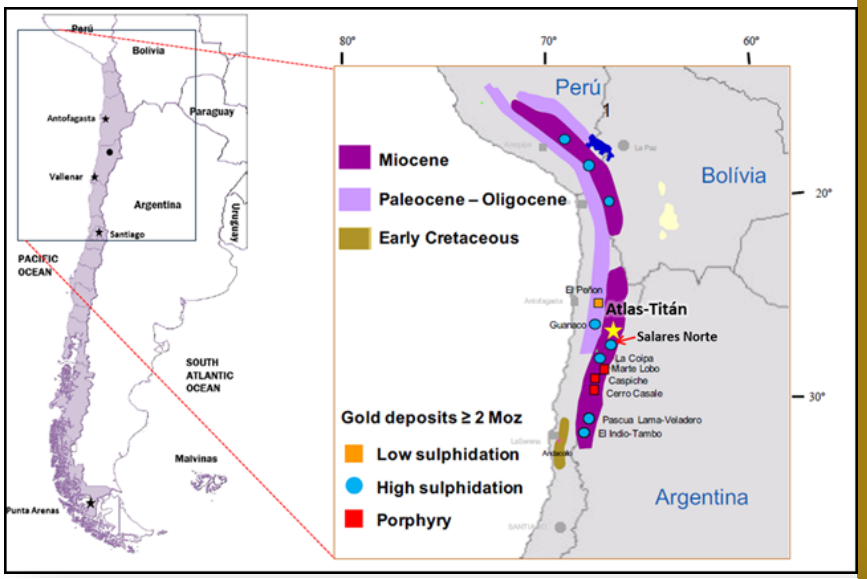


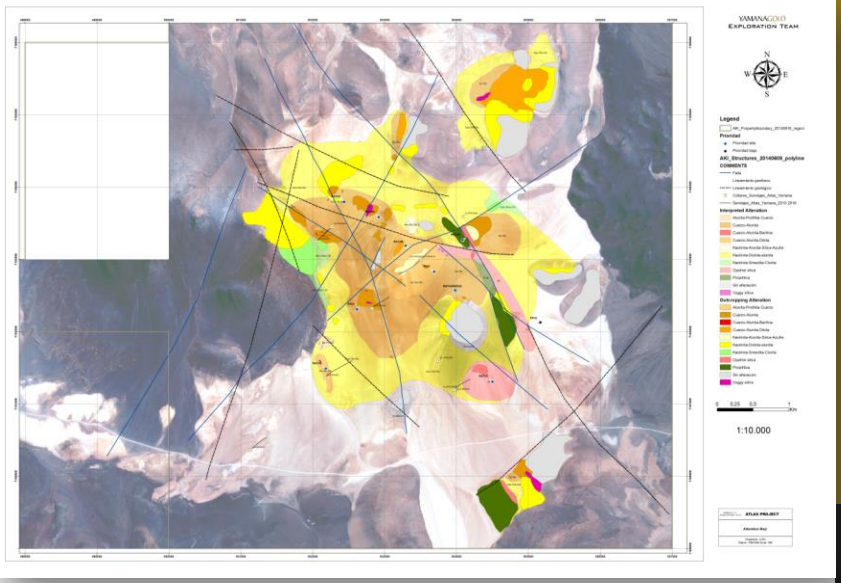





# Yamana Exploration
## Atlas Titan, Region III, Chile

- Located in the prolific Maricunga belt of Chile – JV with Mirasol Resources
  - Expansive zones of classic Maricunga high sulphidation epithermal alteration that is not deeply eroded
  - 2015-16 drilling focused on down dip extension of surface geochemistry and prior drill program anomalies
    - Best results: 556 – 596 m: 40 m @ 1.38 g/t Au - 18 g/t Ag; including 556 – 584 m: 28 m @ 1.82 g/t Au, 22 g/t Ag*
  - 2017 program to test conceptual targets based on geochemistry, geophysics, surface mapping and comparison work to Alturas and Salares Norte deposits



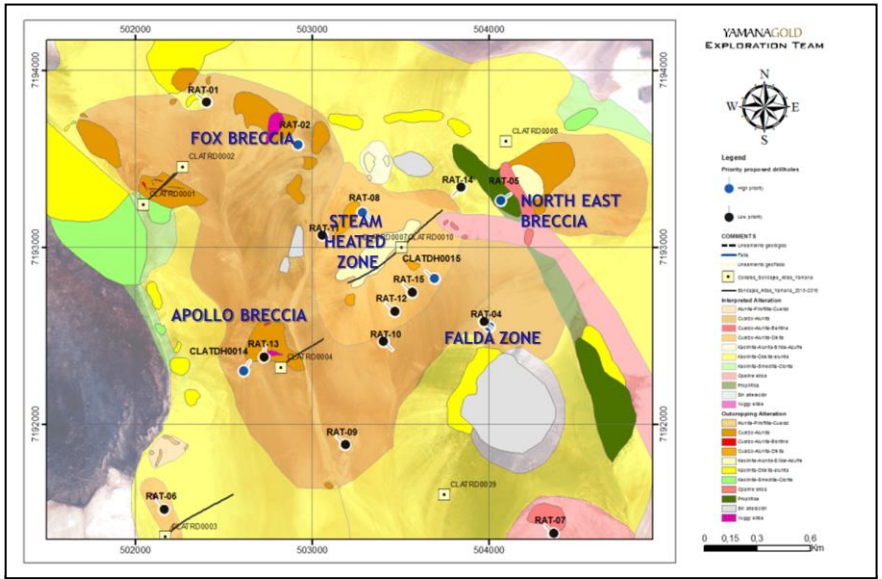

* Please see Mirasol Resources Ltd. press release from April 25, 2016 for more information

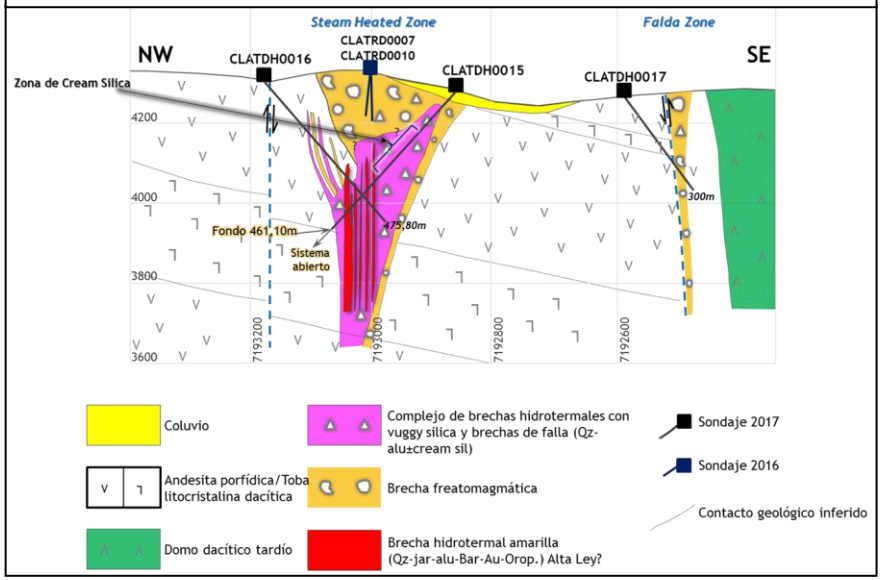
# Yamana Exploration
## Atlas Titan, Region III, Chile

- **2017 Budget $1M - 6,400m in 10 diamond drill holes**

  Targets:

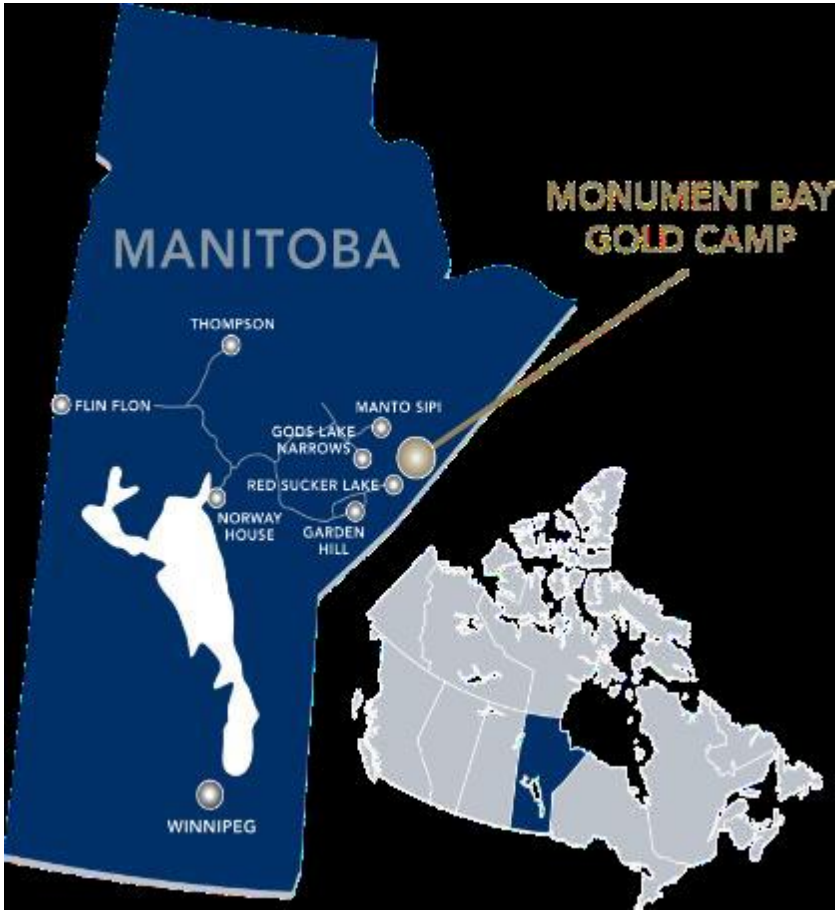
  - Hydrothermal breccia horizons beneath steam heated alteration
  - Offsets to prior drill intercepts
  - Magnetic lows
  - Geophysical targets in the NW corridor/structure, passing through the center of the resistive halo
  - Falda target, undrilled zone within the resistive halo that corresponds to the border of a dacite dome with phreatomagmatic breccia, siliceous alteration and quartz alunite in surface



# Yamana Exploration
## Monument Bay, Manitoba

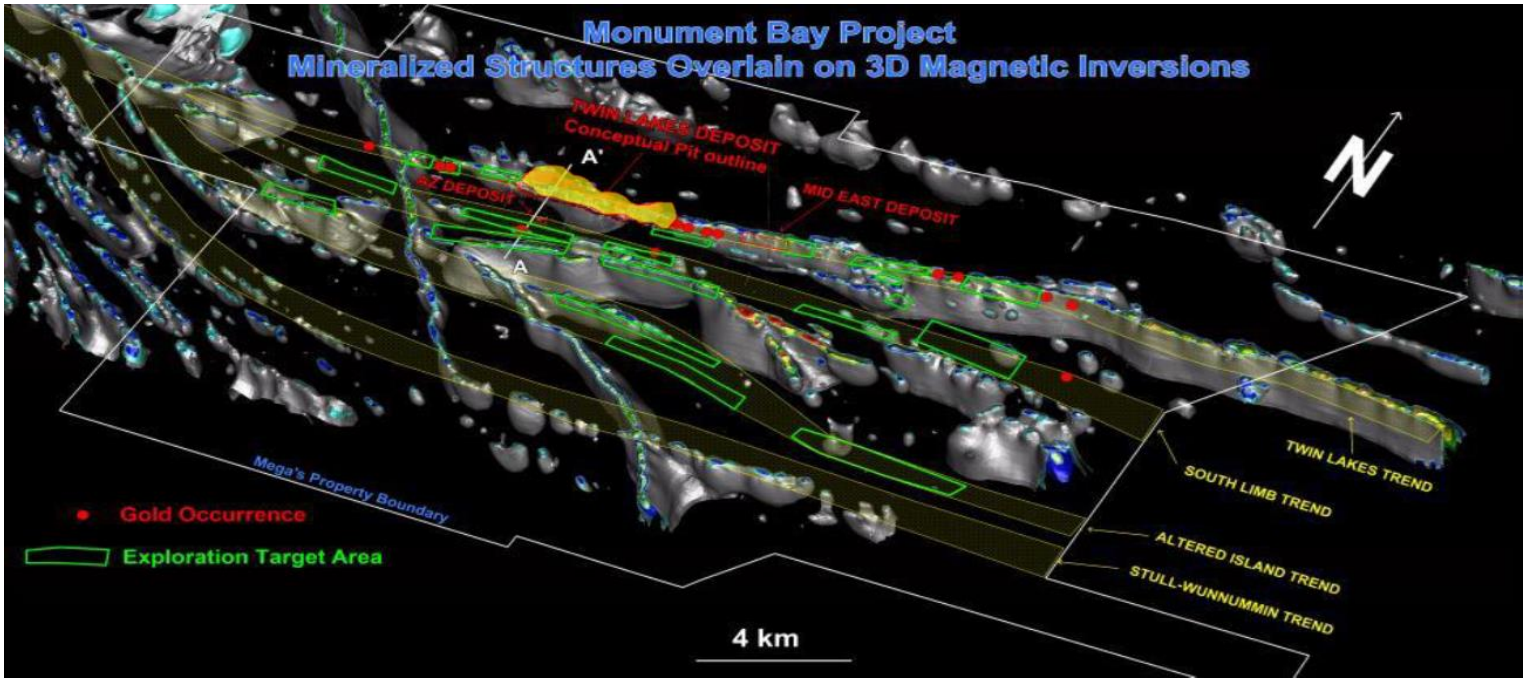
- Acquired by Yamana in 2015
  - Orogenic gold deposit located within Superior province
- Work Completed by Yamana
  - Core drilling: 41 holes, 11,460 meters (west end of Twin Lakes Deposit)
  - Old Core Assay Sample Program: 33 holes reviewed, 1448 samples assayed for Au and 1,859 samples assed for W
  - Airborne EM survey over core of property area
  - Re-model of geology and definition of “high grade” and “low grade” Au domains and W domains
  - Updated geologic model and mineral resource estimate:




| | KTonnes | Au g/t | Au Kozs |
|---|---|---|---|
| **INDICATED** | 36,581 | 1.52 | 1,787 |
| **INFERRED** | 41,946 | 1.32 | 1,781 |

# Yamana Exploration
## Monument Bay, Manitoba

- **2017 Budget US$2M – 5,000 metres diamond drilling**
  - All significant districts in the Superior Province associated with “Timiskaming Basin targets” contain multiple deposits
  - Over 90% of the Monument Bay district work between the 1989 discovery and 2016 has been focused on a 4.0 km length of the Twin Lakes Deposit (yellow)
  - Multiple targets on strike and in parallel shears (geophysical +/- geochemical anomalies) remain untested
  - These will be the main H1 2017 drilling focus (16 holes; 5,203m)
  - Concurrently, Technical Services is completing a trade off study of open pit and UG mine scenarios as well as processing reviews



# Yamana Exploration
# Kirkland Lake, Ontario

**2017 Budget C$7M (100%)**
**25,750 metres DDH**

## 2017 Strategy

Increase mineral reserves and resources to justify development of a central mill complex

District has multiple targets with resource expansion potential and these are being evaluated systematically by priority:

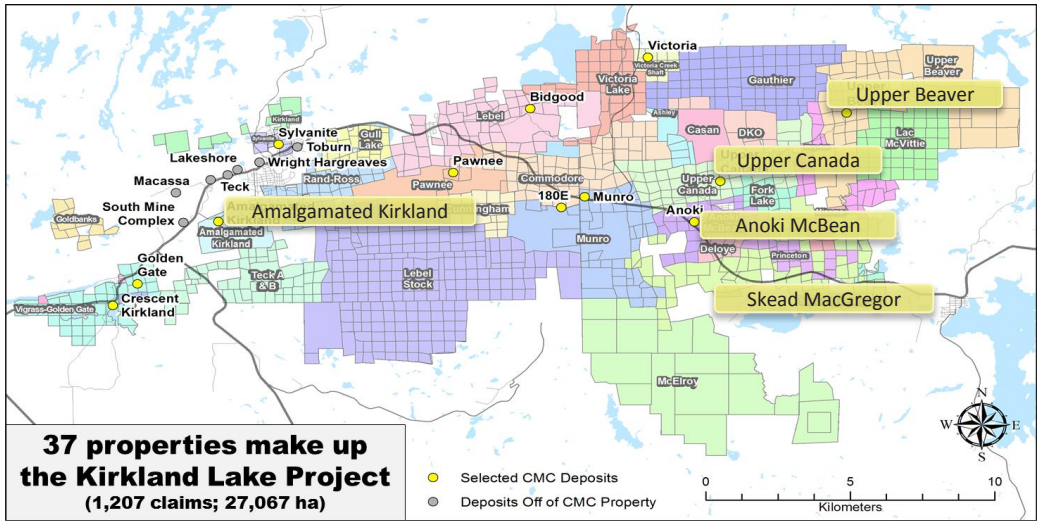
- Q1-Q2 - Drill UB near surface and AK depth/strike extensions
- Q1-Q2 - Internal economic evaluation of current UB, AK and Anoki- McBean resources feeding a common mill facility
- Q1-Q3 - Upper Canada geologic model and updated NI 43-101 Resource
- Q3-Q4 - Exploration drilling on priority resource expansion targets at Anoki-McBean and Upper Canada
- Q3-Q4 - Required exploration spending on valid targets to maintain claim package agreements

**Upper Beaver Mineral Reserves (100%)**
- 7,992Mt., 5.43 g/t Au, 1.396M ounces Probable

**Upper Beaver Mineral Resources (100%)**
- 3,636Mt., 3.45 g/t Au, 404k ounces Indicated
- 8,688Mt., 5.07 g/t Au, 1,416M ounces Inferred

**Amalgamated Kirkland Mineral Resources (100%)**
- 1,268Mt., 6.51 g/t Au, 266k ounces Indicated
- 2,374Mt., 5.32 g/t Au, 406k ounces Inferred

**Anoki McBean Mineral Resources (100%)**
- 1,868Mt., 5.33 g/t Au, 320k ounces Indicated
- 2,526Mt., 4.70 g/t Au, 382k ounces Inferred



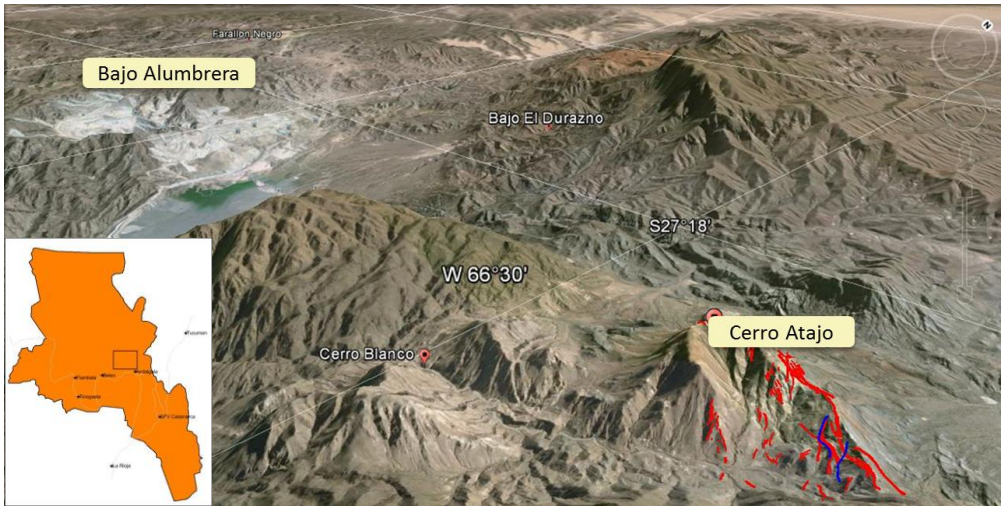
# Yamana Exploration
## Cerro Atajo, Catamarca, Argentina

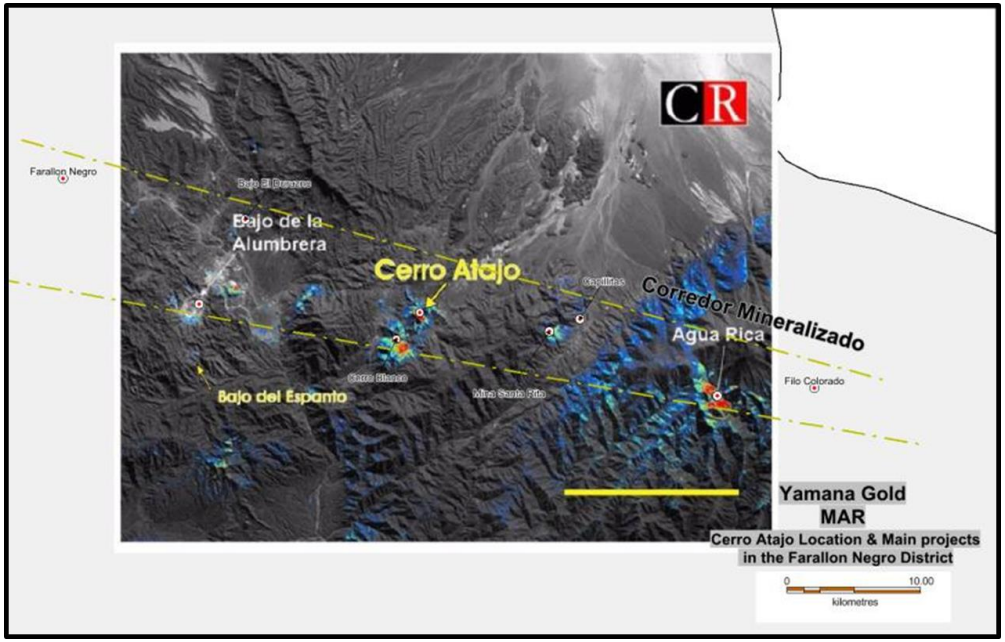
**Porphyry copper-gold target located midway between the Bajo de la Alumbrera Mine and Agua Rica mineral deposits**

- Strong alteration and mineralization of Miocene age related to the Farallon Negro volcanic complex
- Good infrastructure and access with mining infrastructure nearby
- Held in JV with provincial government
- Surface mapping and geochemistry carried out in 2015 and 2016

**2017 Budget $2M – 5,000 metres DDH**

- Environmental Permit received in April to access and perform surface work
- Develop 1:10,000 scale geologic map
- Collect Aeromag data
- 2 stage drill program



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# Jason LeBlanc

SVP, Finance and Chief Financial Officer

# Sensitivity Analysis
## 2017 Guidance

| | Base Assumption | Change | 2017 Impact | |
|---|---|---|---|---|
| | | | EBITDA[(1)] | AISC/oz Au[(1)] |
| Gold (US$/oz) | $1250 | $50 | $46M | n/a |
| Silver (US$/oz) | $19.00 | $1.00 | $5M | n/a |
| Copper (US$/lb) | $2.75 | $0.25 | $28M | n/a |
| C$/US$ | 1.32 | 5% | $8M | $10 |
| BRL/US$* | 3.25 | +/-5% | -$6M/+$14M | +$5/-$8 |
| CLP/US$ | 675 | 5% | $10M | $9 |
| ARS/US$ | 16.50 | 5% | $3M | $3 |

Brazilian Real Exposure Managed in Part Through

**Zero-Cost Collar Contracts**

Note: Sensitivities exclude any contribution from Brio Gold

* Reflects impact of zero-cost collar contracts outstanding as of December 31, 2016 of 170 million Reais covering January 2017 to April 2017 at average call and put strike prices of 3.40 and 4.13 and 400 million Reais covering May 2017 to December 2017 at average call and put strike prices of 3.25 and 3.79.

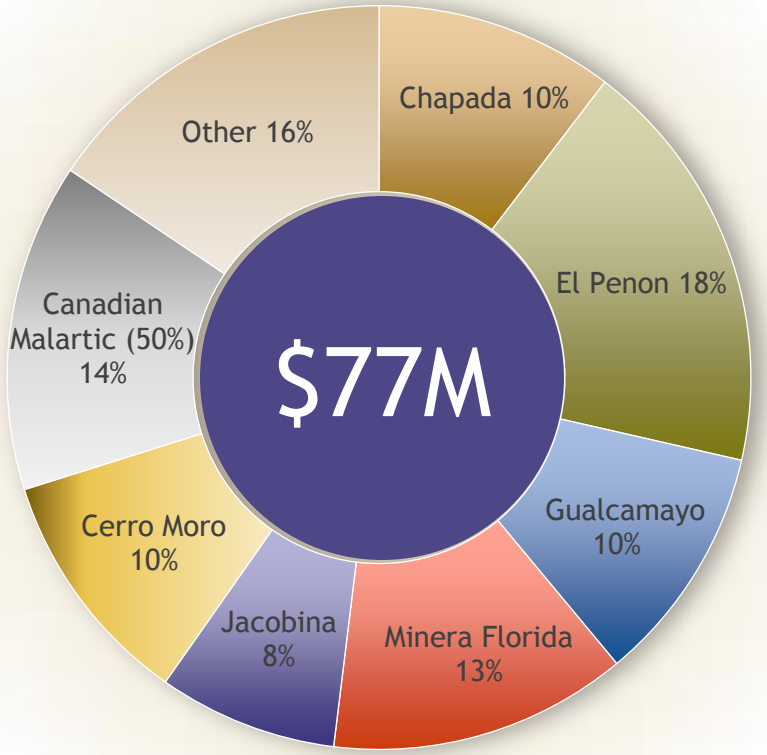
# 2017 Capital Spending and Other Guidance

| Capital Spending | Q1 2017A | FY 2017E |
|---|---|---|
| Sustaining Capital | | |
| Chapada | $11M | $58M |
| El Peñón | $10M | $35M |
| Canadian Malartic (50%) | $10M | $51M |
| Gualcamayo | $1M | $7M |
| Minera Florida | $6M | $24M |
| Jacobina | $6M | $23M |
| Other | $0M | $6M |
| **Total Yamana Sustaining** | $44M | $204M |
| **Total Yamana Expansionary** | $51M | $270M |

| Other Guidance | Q1 2017A | FY 2017E |
|---|---|---|
| Cash based G&A | $18M | $82M |
| Depreciation, Depletion, & Amortization | $92M | $339M |

Note: All figures exclude any attribution from Brio Gold

# 2017 Exploration Spending
## Base Budget set at $77M




+$21M

Additional discretionary spending to be allocated based on results

- Q1 exploration spending totaled $19M

* Approximately 75% of exploration spending for 2017 will be capitalized
Note: All figures exclude any attribution from Brio Gold

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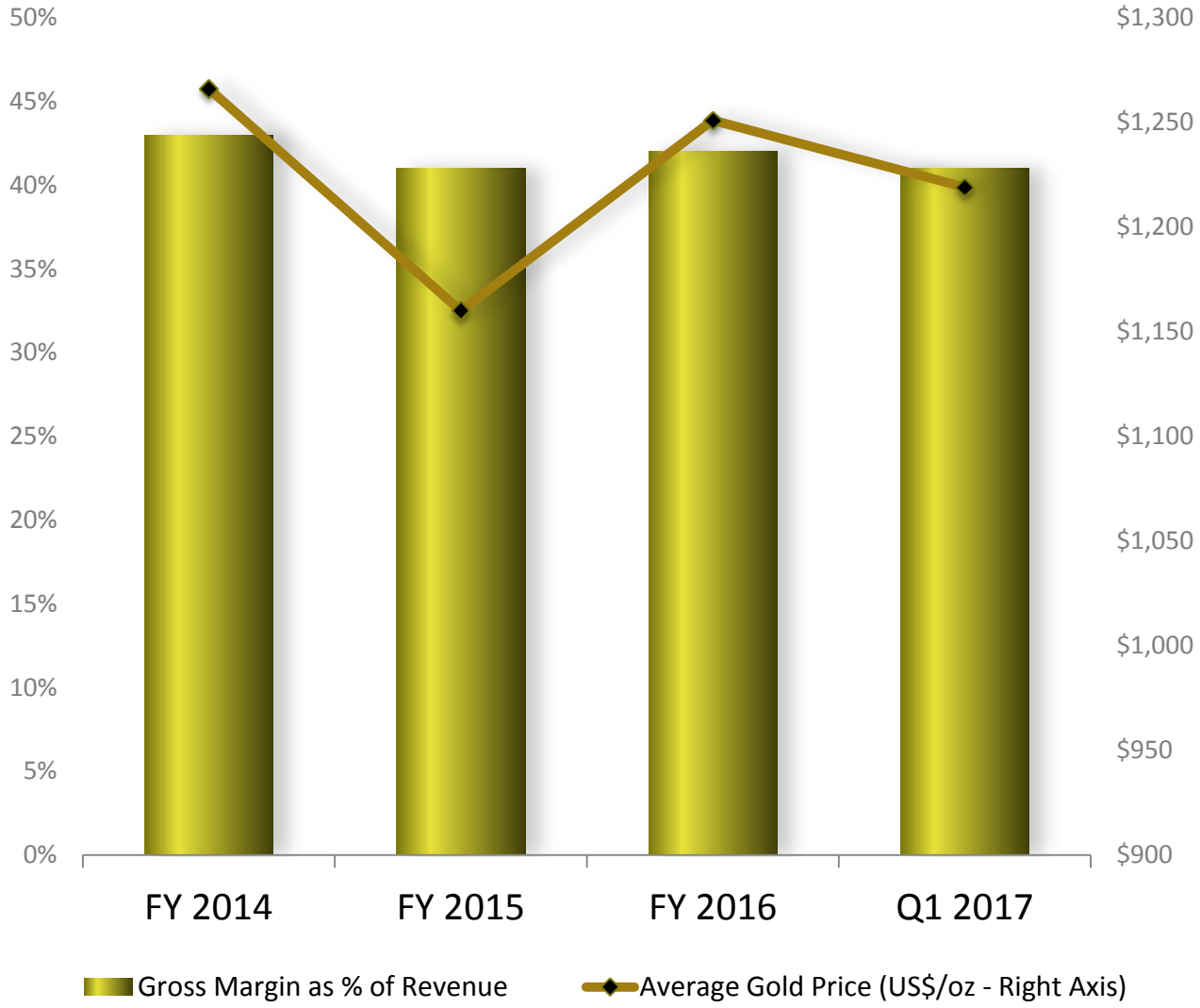
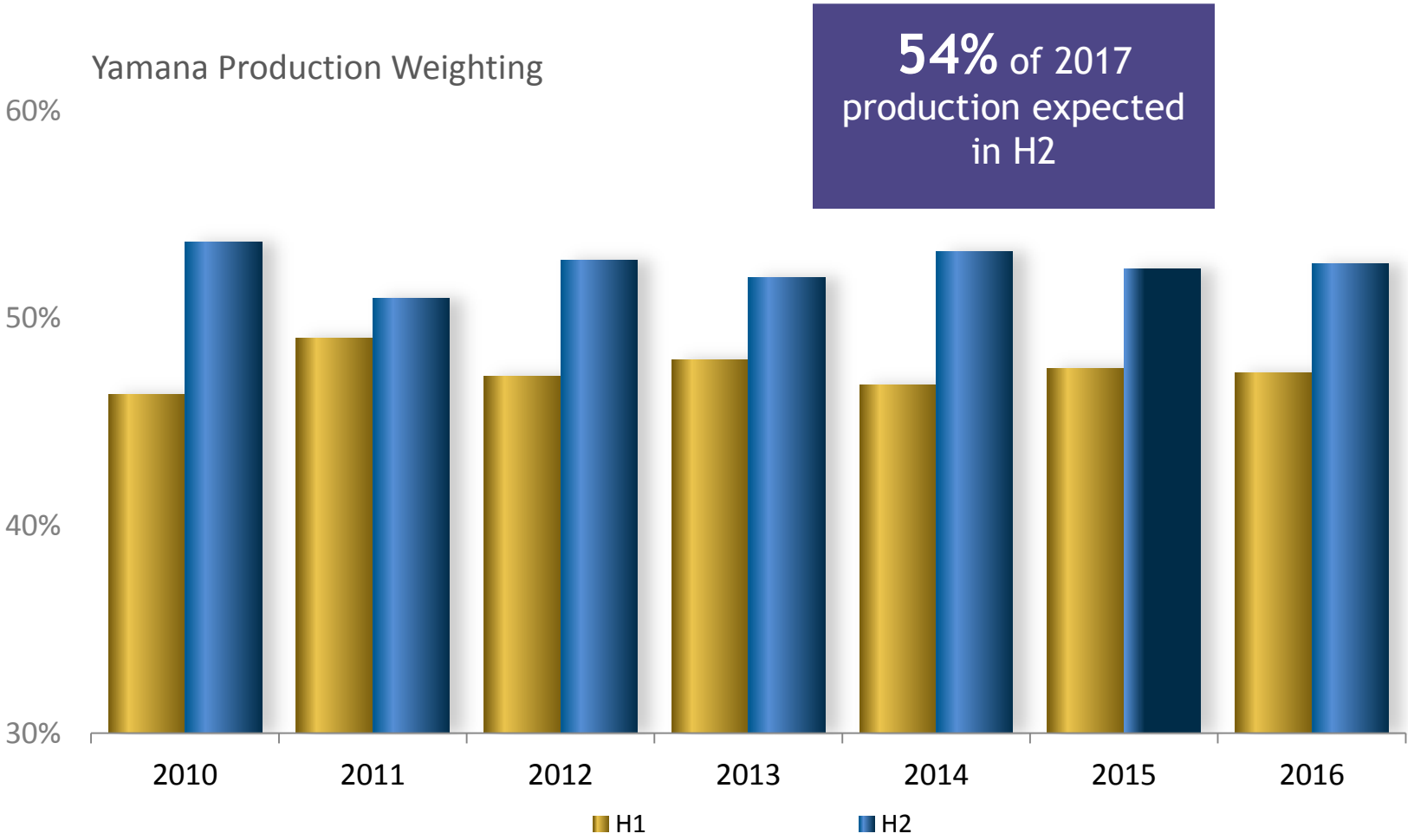
# Gross Margin
## Stable Irrespective of Volatility in Gold Prices




**Production from other metals** contribute to sustained margins

* Gross margin excluding depletion, depreciation and amortization

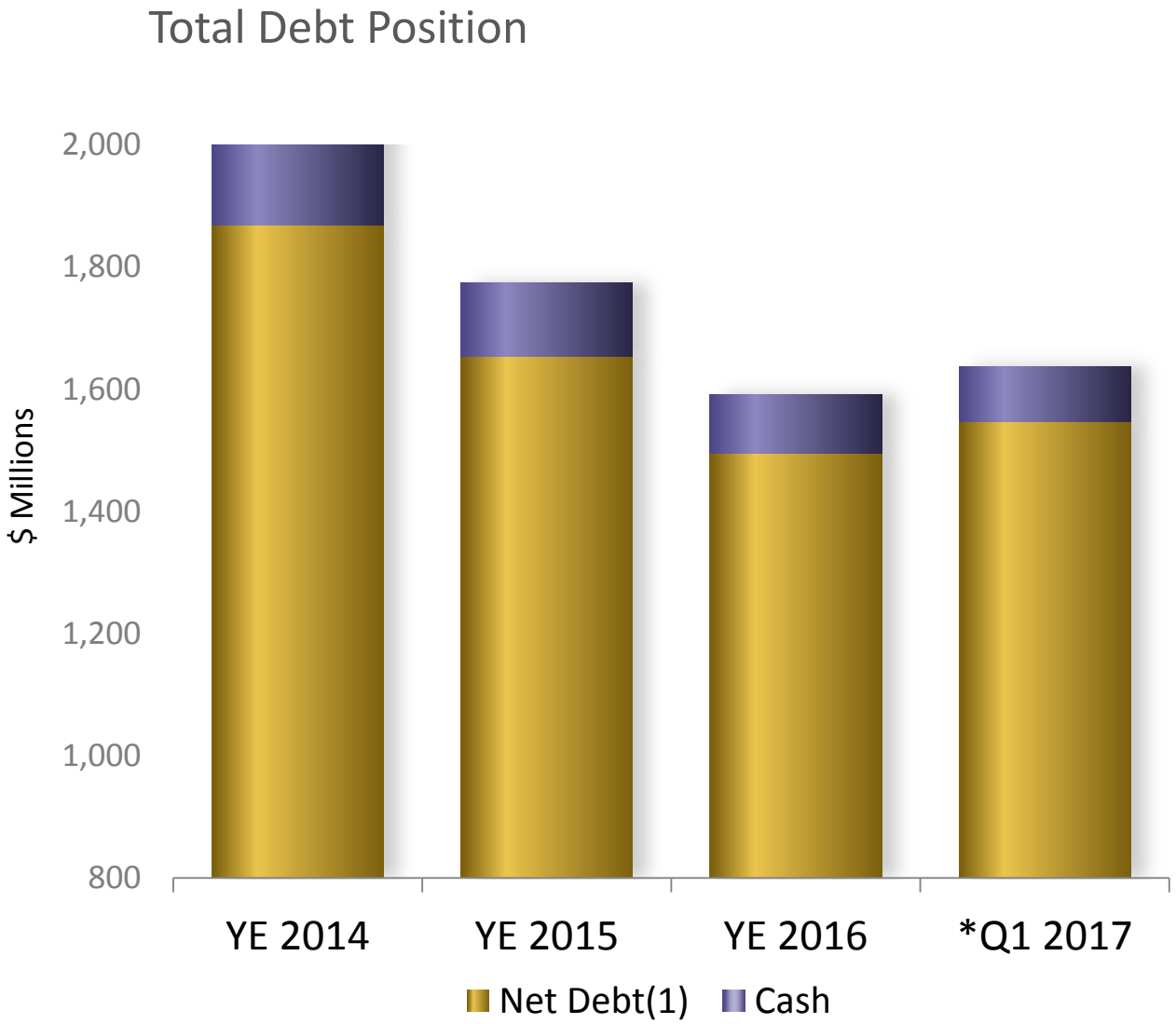
# Historical Seasonality
## Yamana Yields a Strong Second Half




- 2017 performance expected to be similar to trend seen since 2010

- Note: Represents total metal production with the silver and copper production converted to gold-equivalent based on average realized commodity prices. Excludes partial year production from Sao Vincente and Sao Francisco in 2010, Canadian Malartic in 2014, and Mercedes in 2016. Includes commissioning production from various mines over 2012-2014.

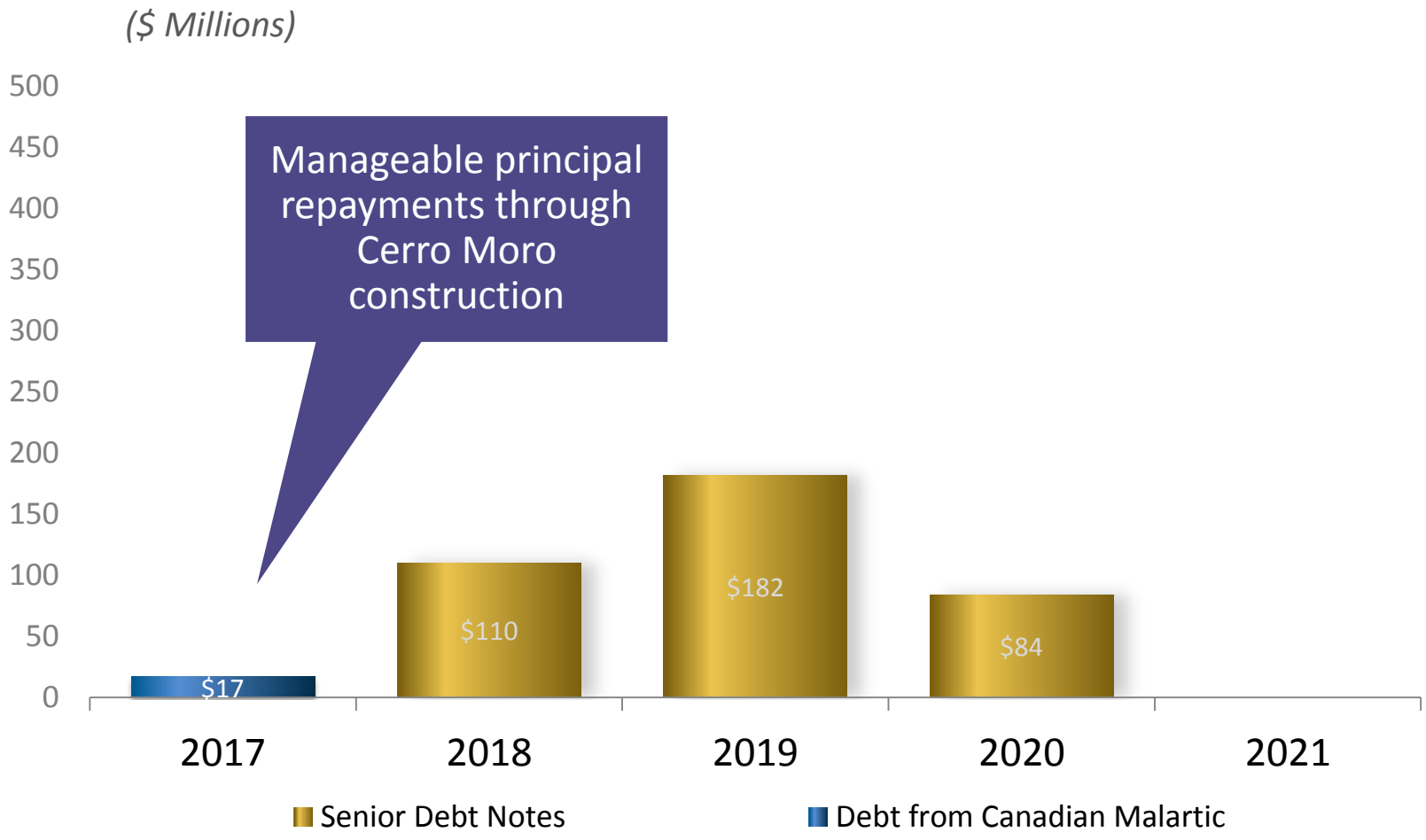
# Significant Debt Reduction Efforts




$300M
Targeted Improvement in Net Debt(1) 2016-2017

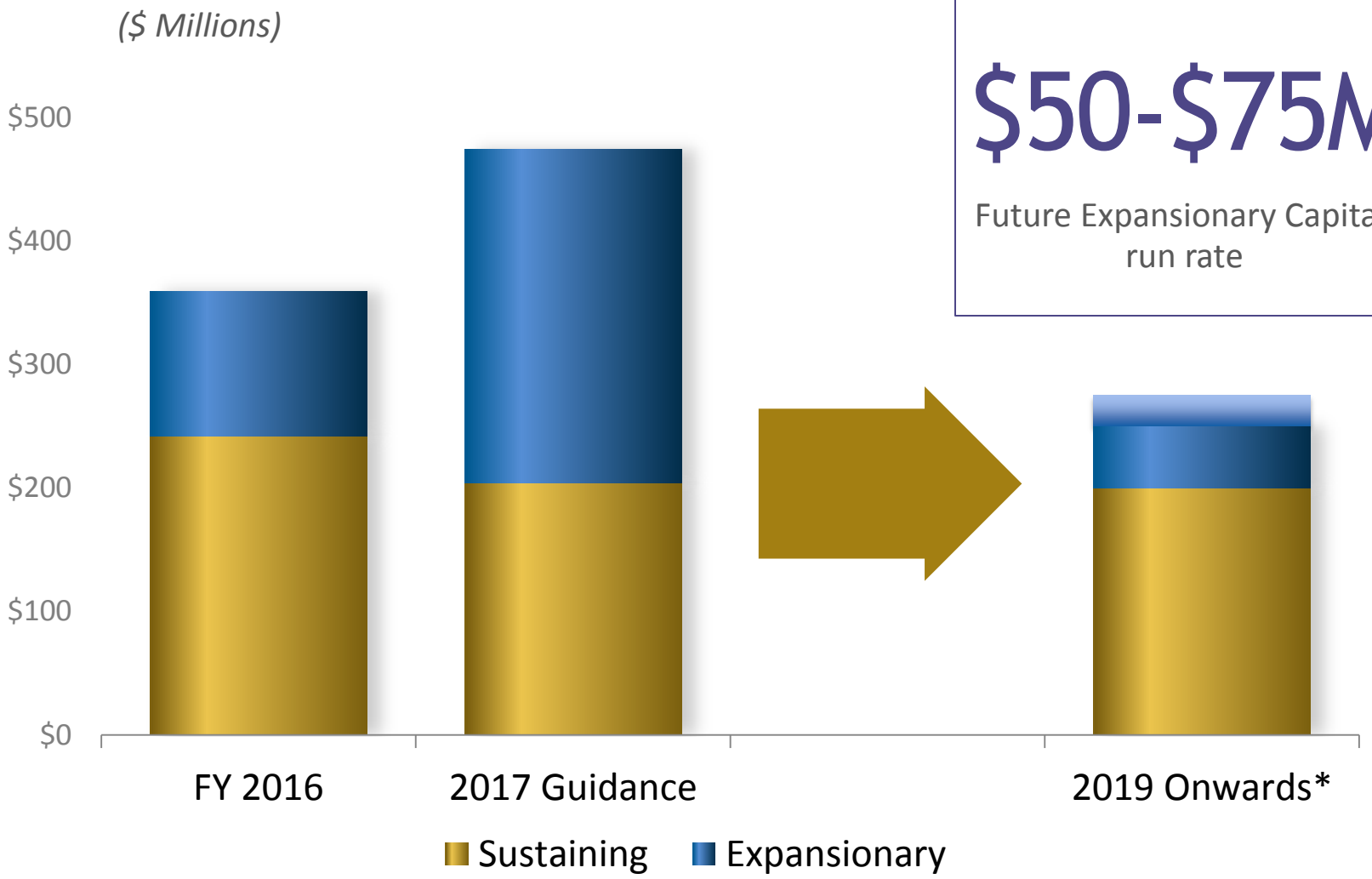
* Q1 2017 excludes cash and debt attributable to Brio Gold

# Upcoming Scheduled Debt Repayments




As of March 31st, 2017. Excludes revolving credit facility.

# Sustaining and Expansionary Trend
## Projected to drop post-2018

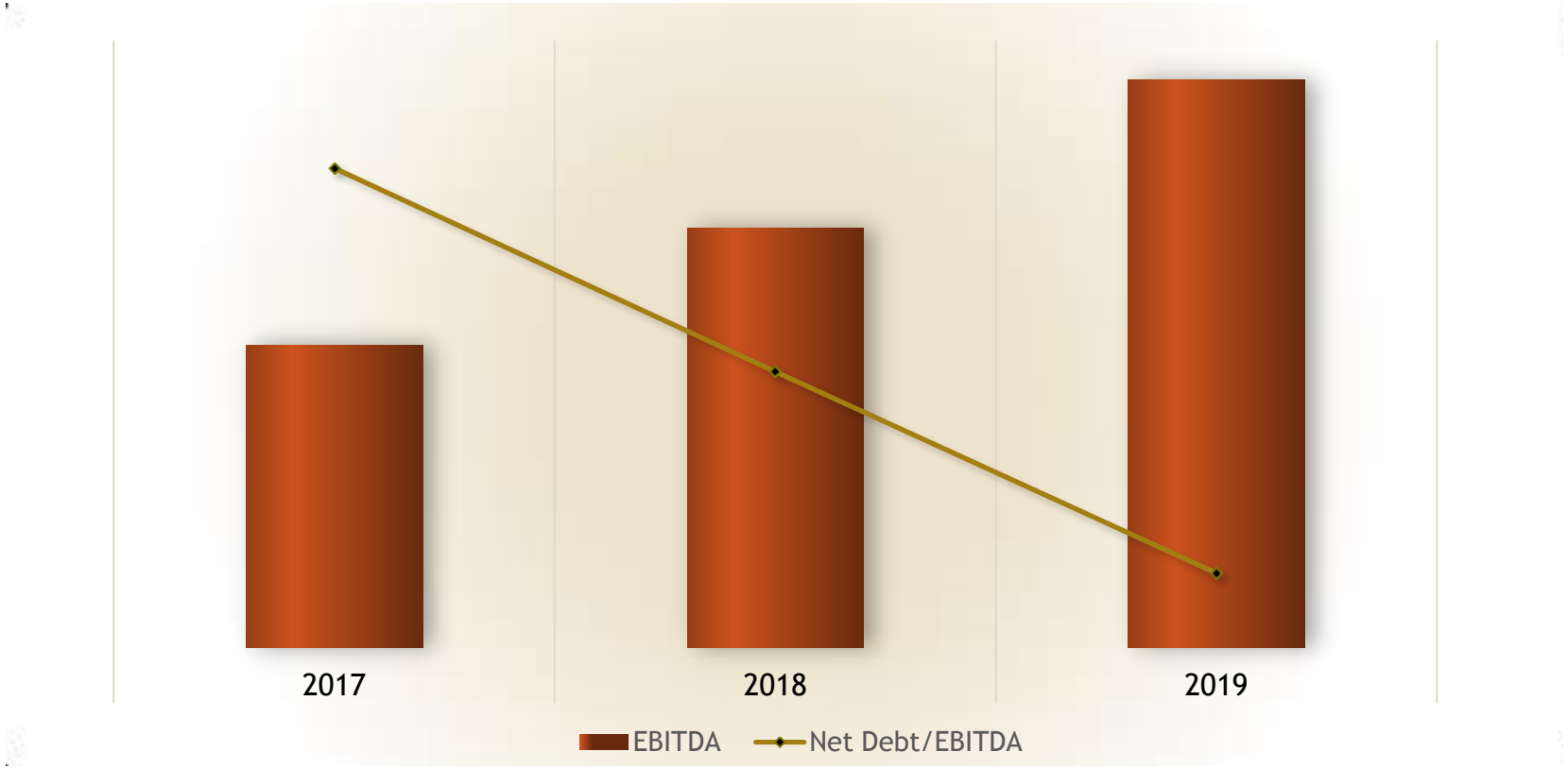



**$50-$75M**

Future Expansionary Capital run rate

* Absent any new projects moving into the development stage

# Balance Sheet
## Continues to Strengthen




**INCREASING EBITDA[(1)]**

expected as Cerro Moro comes online

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STRATEGY

# Greg McKnight

Executive Vice President, Business Development

# Business Development
## Approach and Objectives

**Business Development Approach**

- Locate, evaluate, and as appropriate acquire mineral assets or companies that improve upon some or all existing portfolio metrics
- Identify top-ranked opportunities and conduct more focused due diligence review
- Consolidate findings and present high-priority opportunities to senior management
- Periodic evaluation of project portfolio to determine fit and if appropriate consider monetization opportunities

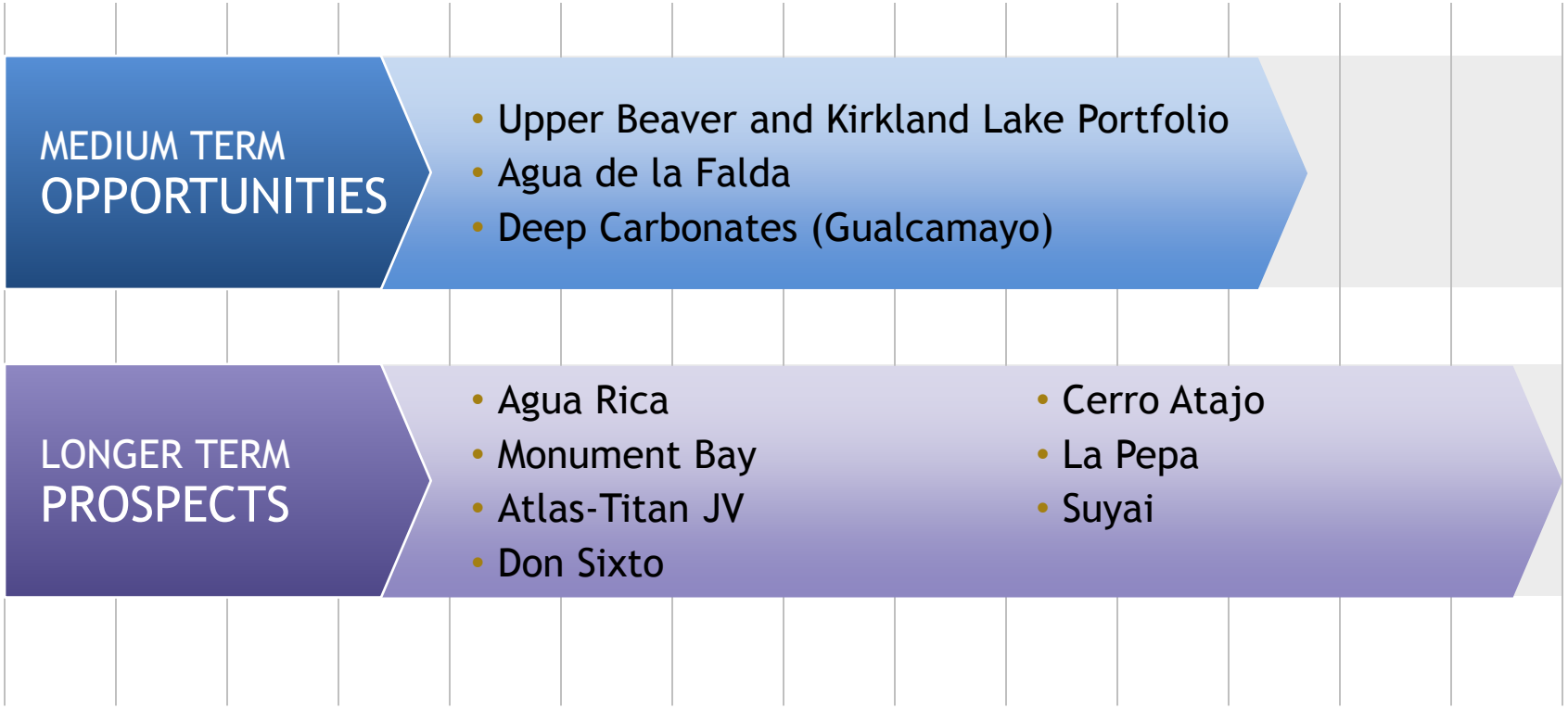
**Project Evaluation Criteria**

- +130k gold-equivalent ounces/year over 10+ year LOM with AISC <$900/oz
- Attractive valuation and accretion metrics
- Operating-to-advanced exploration stage, Americas, gold/silver
- Since the acquisition of Canadian Malartic, more focus on North American opportunities

**Current Focus**

- First and foremost, to maximize production growth and value from the existing portfolio
- Advance technical understanding of existing non-strategic projects to better position for possible monetization opportunities

# Asset Pipeline:
## Creating Value Through Organic Development




- Monetization opportunities may arise from time to time from medium and longer term portfolio, in particular: Agua Rica , Suyai, Don Sixto, La Pepa and perhaps, the Kirkland Lake Portfolio

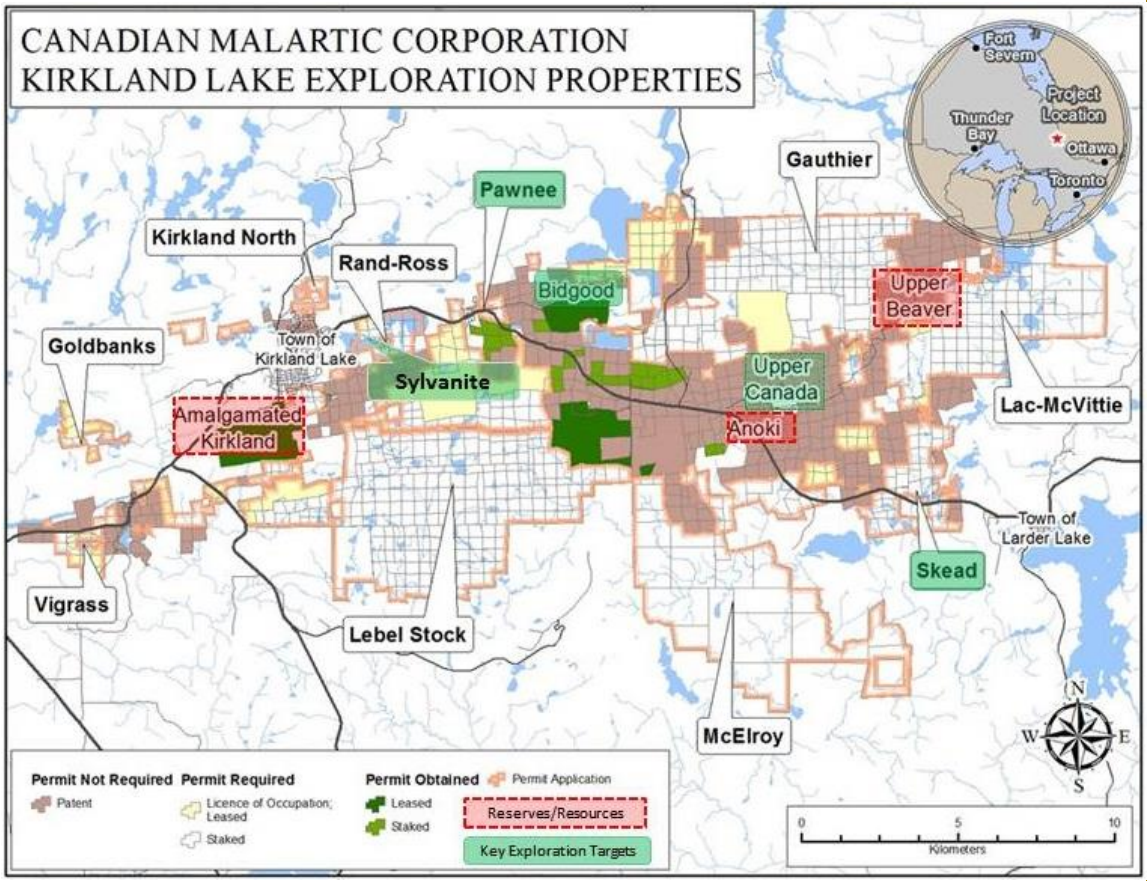
# Brio Gold
## Further Value to be Realized

| Production Guidance | Q1 2017A | FY 2017E | FY 2018E | FY 2019E |
|---|---|---|---|---|
| Total Gold Production (000 ozs) | 50,540 | 223-243 | 355-380 | 397-417 |
| **Cost Guidance[2]** | **Q1 2017A** | **FY 2017E** | **FY 2018E** | **FY 2019E** |
| Total Cost of Sales per oz | $1085 | $995-$1015 | $910-$930 | $945-$965 |
| Cash Costs per oz[1] | $842 | $800-$820 | $650-$670 | $680-$700 |
| AISC[1] | $1056 | $1080-$1100 | $805-$825 | $855-$875 |

- Currently hold 89.2M shares, representing 79.3% basic shares outstanding and 75.3% on a fully diluted basis
- Current market value of ~US$225M (Yamana's interest) – a significant discount to Net Asset Value estimates
- Monetization opportunities through either:
  - Block sale of shares
  - Potential M&A consolidation transaction

# Kirkland Lake Asset Portfolio
## Taking Strategic Action in 2017

- Strategic ground in a highly prospective historic camp
- 3 advanced targets currently hosting ~1.4Moz gold Mineral Reserves, ~1.0Moz Indicated and ~2.2Moz Inferred gold Mineral Resources* (100%)
- Significant upside potential in multiple key exploration target areas, including Upper Canada
- Upper Beaver technical review ongoing – potential production of more than 150,000 oz per year over at least 8 years (100%)




**STRATEGIC DECISION**

to be made this year on Kirkland Lake portfolio

* For further details including tonnes and grade of these assets refer to the Company's press release issued on February 16, 2017 or the Mineral Resource tables in the Appendix.

# Agua Rica
## Looking at Alternative Scenarios



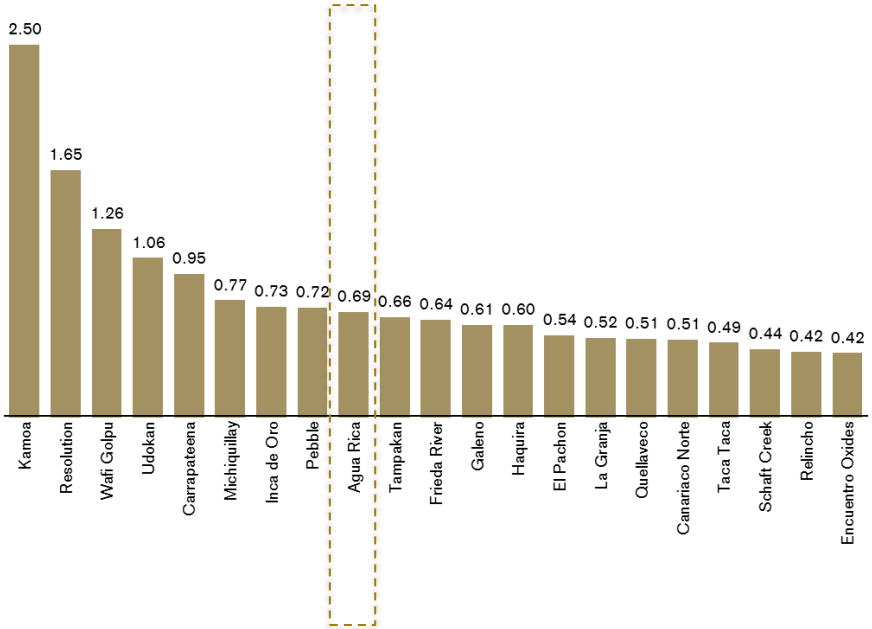

- Base Case Project Parameters from December 2014 Technical Review by RPM:
  - Proven & Probable reserves of ~10B lbs copper and 6.5M ozs gold contained in 910 MT at grades of 0.49% copper and 0.22 g/t gold
  - Initial capex estimated at $2.2B
  - Average annual production of 354M lbs copper and 107koz gold over 24+ year mine life
  - Project after-tax NPV of US$1.15B at $3.10/lb Cu, $1,300/oz Au, 10% discount rate
- Recently completed analysis on optimized mining to minimize smelting penalties:
  - Demonstrates the potential of a low penalty production alternative
- Currently working on alternative smaller scale underground development scenario that would minimize upfront capex to <$1B
- Committed to advancing the project with the right partner – remain flexible with respect to Yamana's ultimate ownership interest in the project

* See Press Release from December 10, 2014 entitled "Yamana Gold Provides an Update on Strategic Initiatives Relating to Non-Core Assets"

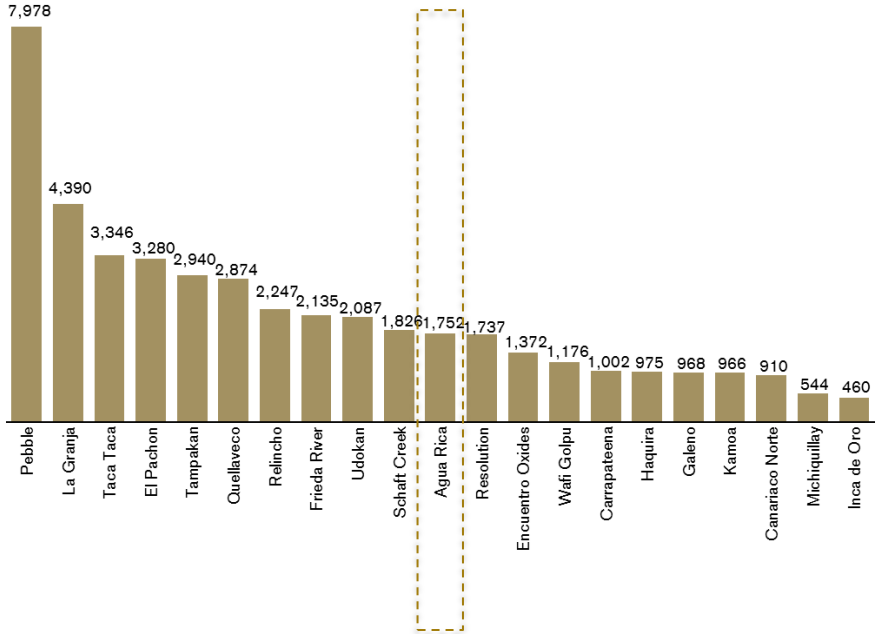
# Agua Rica

## Amongst the Highest Quality Undeveloped Copper Projects Globally

### Copper Equivalent Grade (%)




### Mineral Reserve Tonnage




**UNIQUE ASSET**

One of the highest CuEq grade feasibility stage assets around the world

Source: SNL Financial, as of November 2014

# Other Non-Strategic Assets
## Potential Monetization Opportunities

- Suyai
  - One of the highest grade undeveloped assets in the world
  - Updated mine plan expected to produce a high return opportunity
  - Potential to partner with local groups to help with permitting
- La Pepa
  - Classic Maricunga style porphyry with existing Mineral Resources of 149MT @ 0.57 g/t (2.8Moz)
  - High grade vein system identified in the area, low capex start-up opportunity
  - 30M ozs of mineral resources within 35 km present partnership opportunities
- Don Sixto
  - Historical publications (Exeter) estimated up to 100k ozs of annual gold production potential
  - Updated study in progress

| *Suyai Mineral Resources* | | | | | |
|---|---|---|---|---|---|
| *Category* | *Tonnage (tonnes)* | *Gold* | | *Silver* | |
| | | *Grade (g/t)* | *Contained (oz)* | *Grade (g/t)* | *Contained (oz)* |
| Total Measured & Indicated | 4,700,000 | 15.00 | 2,286,000 | 23.0 | 3,523,000 |
| Total Inferred | 900,000 | 9.90 | 274,000 | 21.0 | 575,000 |

| *La Pepa Mineral Resources* | | | |
|---|---|---|---|
| *Category* | *Tonnage (tonnes)* | *Gold* | |
| | | *Grade (g/t)* | *Contained (oz)* |
| Total Measured & Indicated | 149,432,000 | 0.57 | 2,760,000 |
| Total Inferred | 37,900,000 | 0.50 | 620,000 |

