THIRD QUARTER CONFERENCE CALL
NOVEMBER 4, 2010

YAMANAGOLD

Cautionary Statement

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: This presentation contains or incorporates by reference "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Except for statements of historical fact relating to the Company, information contained herein constitutes forward-looking statements, including any information as to the Company's strategy, plans or future financial or operating performance. Forward-looking statements are characterized by words such as "plan," "expect", "budget", "target", "project", "intend," "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the 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 and the Chilean Peso versus the United States Dollar), possible variations in ore grade or recovery rates, changes in the Company's hedging program, changes in accounting policies, changes in the Company's corporate resources, risk related to non-core mine dispositions, changes in project parameters as plans continue to be refined, changes in project development, construction, production and commissioning time frames, risk related to joint venture operations, the possibility of project cost overruns or unanticipated costs and expenses, higher prices for fuel, steel, power, labour and other consumables contributing to higher costs and general risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, unexpected changes in mine life, final pricing for concentrate sales, unanticipated results of future studies, seasonality and unanticipated weather changes, costs and timing of the development of new deposits, success of exploration activities, permitting time lines, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and timing and possible outcome of pending litigation and labour disputes, as well as those risk factors discussed or referred to in the Company's annual Management's Discussion and Analysis and Annual Information Form for the year ended December 31, 2009 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.

OVERVIEW

Peter Marrone
Chairman and CEO

FOUR CORE THEMES

CASH FLOW PER SHARE GROWTH

PRODUCTION PER SHARE GROWTH

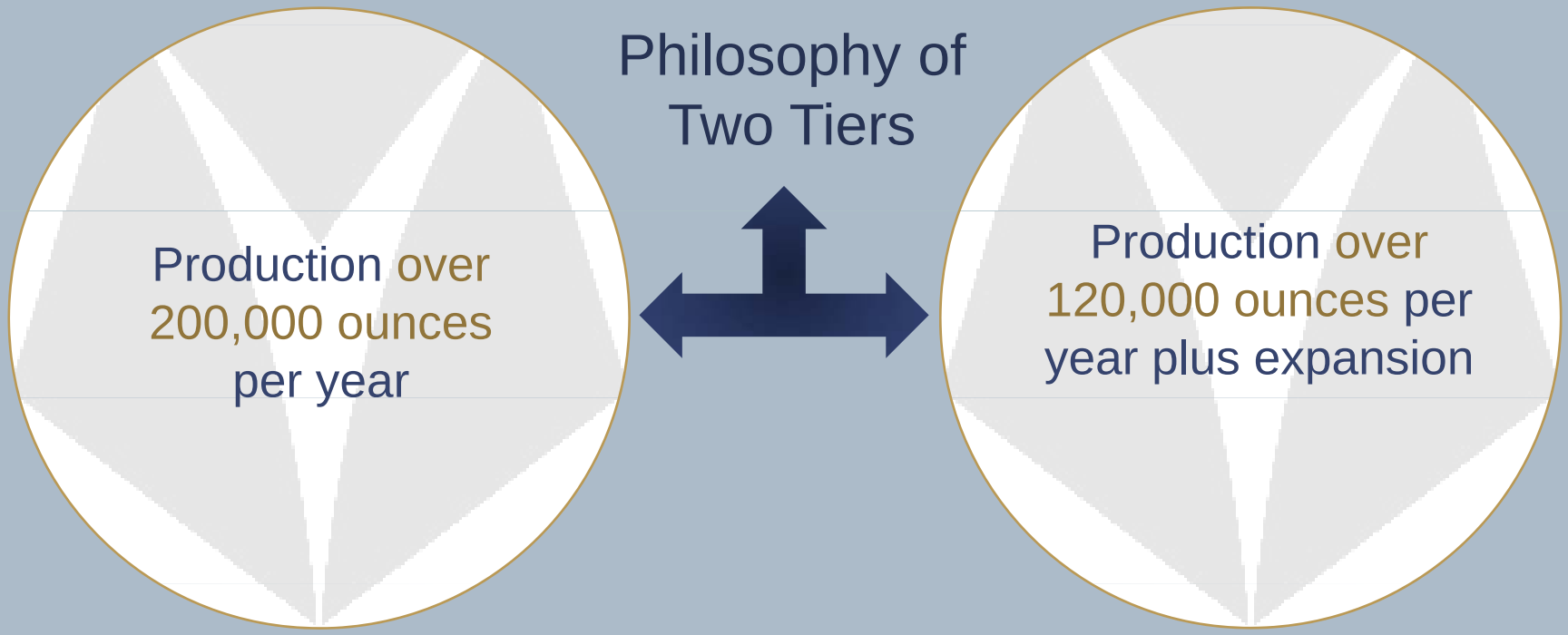
RESOURCE PER SHARE GROWTH

VALUE PER SHARE GROWTH

Our objective

To build on our base of significant gold production through existing optimization of operating mines, expansions, throughput increases, development of new mines, and advancement of our exploration properties.

Two Tiers for Core Mines

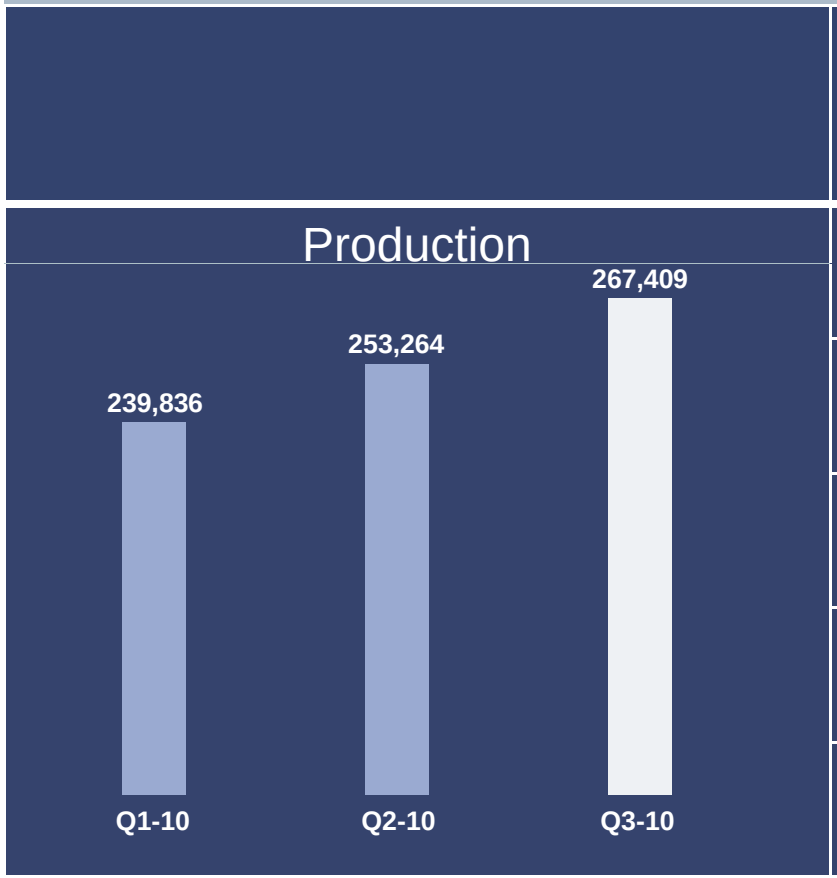


Stable jurisdictions



Third quarter highlights

Financial and operational highlights

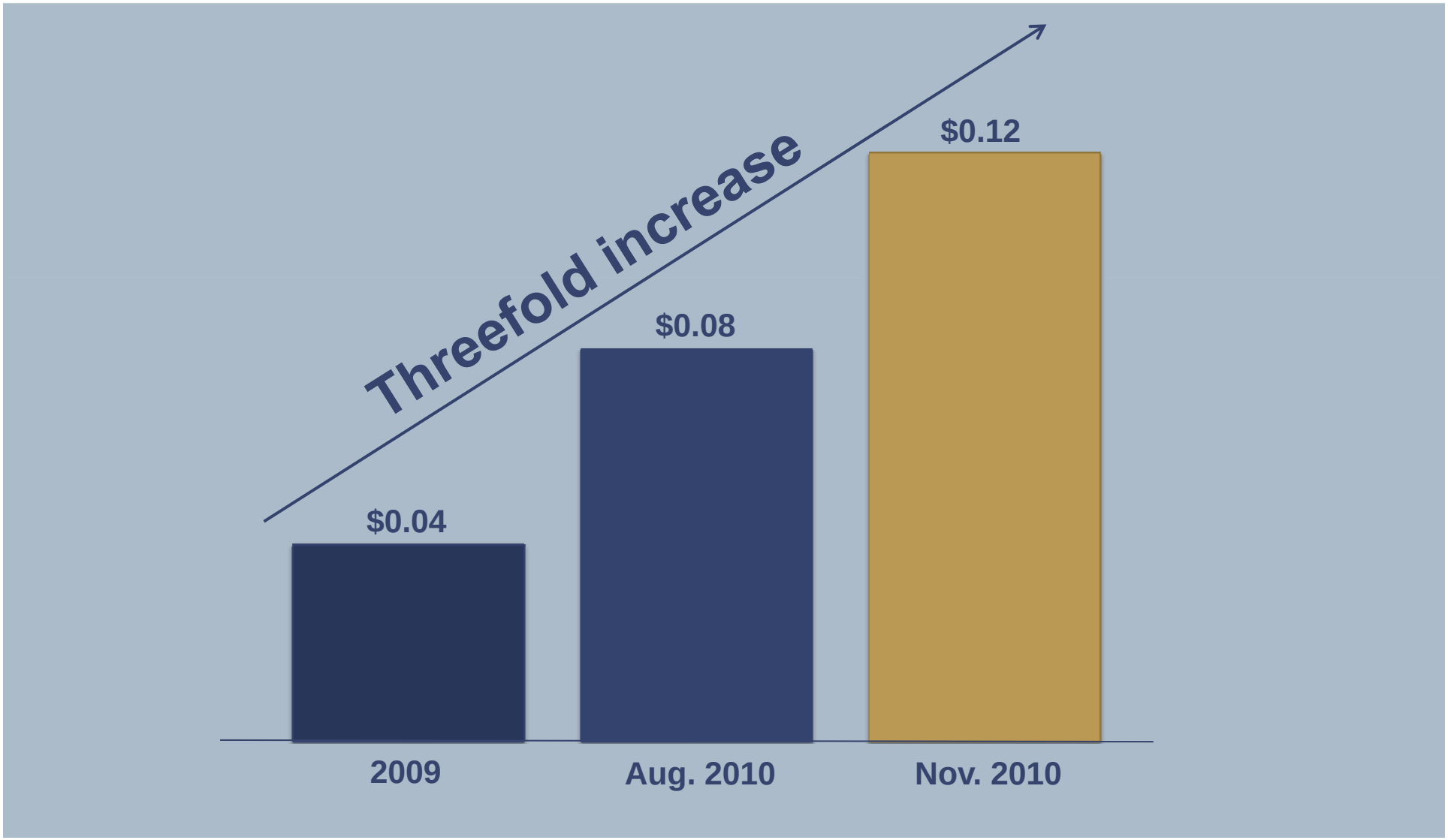


	(In millions)
Revenue	$454
Mine Operating Earnings	$201
Net Earnings	$121
Adjusted Earnings(1)	$119
Cash Flow(1)	$209

By-product cash costs $104/GEO

1. Cash costs per GEO, adjusted earnings and cash flows from operations before changes in non-cash working capital are non-GAAP measures. Reconciliations of non-GAAP measures are located at the end of this presentation. Cash costs are shown on a by-product basis

Third quarter highlights
Annualized dividend

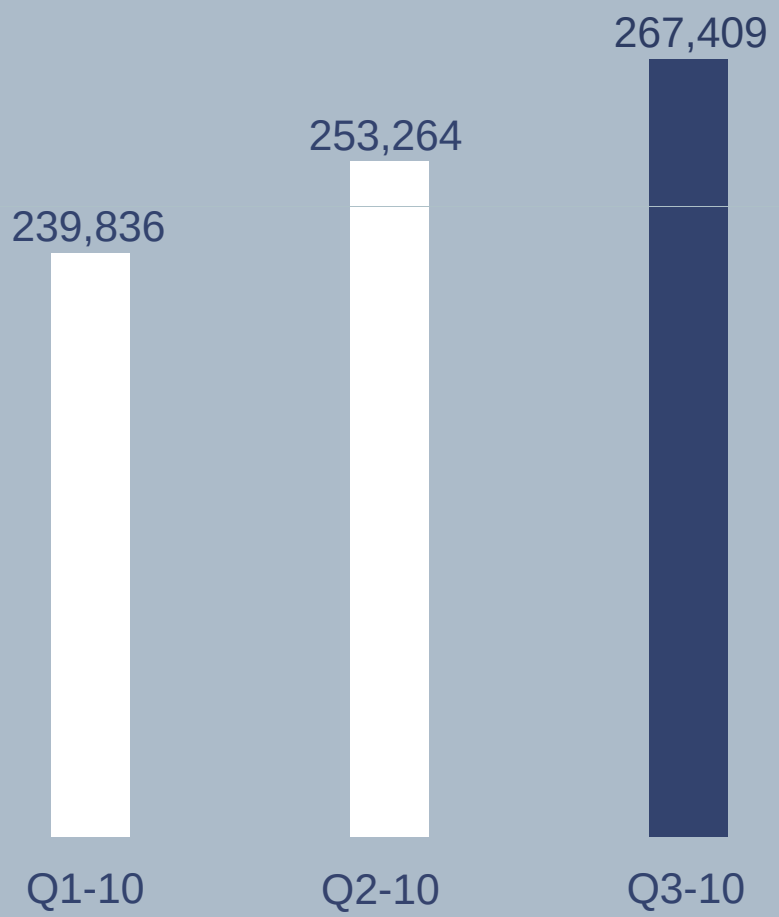


OPERATIONS REVIEW

Ludovico Costa
President and Chief Operating Officer

Production

2010 Production (GEO)



Change Q3/Q2

↑5.6%

Operations

	Q3 2010	YTD 2010
Chapada		
Gold production (ounces)	40,405	98,648
Copper production (M lbs)	42.8	109.5
Gold cash costs	$301	$329
Copper cash costs	$1.14	$1.16
Ore mined	6,539,658	16,254,468
Gold grade (g/t)	0.38	0.35
Copper grade (%)	0.43	0.40
El Penon		
Production (GEO)	105,212	314,134
Cash costs (GEO)	$461	$431
Ore mined	329,435	968,634
Gold grade (g/t)	5.48	5.36
Silver grade (g/t)	216.76	228.23

Operations

	Q3 2010	YTD 2010
Gualcamayo		
Production (ounces)	31,972	98,901
Cash costs	$480	$449
Ore mined	2,485,386	6,562,415
Gold grade (g/t)	0.87	0.80
Jacobina		
Production (ounces)	33,637	88,443
Cash costs	$463	$550
Ore mined	570,800	1,616,041
Gold grade (g/t)	1.95	1.83

Operations

	Q3 2010	YTD 2010
Minera Florida		
Production (GEO)	27,652	73,556
Cash costs (GEO)	$425	$389
Ore mined	214,171	561,280
Gold grade (g/t)	4.30	4.31
Silver grade (g/t)	39.17	28.90
Fazenda Brasileiro		
Production (ounces)	17,161	50,232
Cash costs	$620	$598
Ore mined	280,181	845,508
Gold grade (g/t)	2.14	2.11

FINANCIAL REVIEW

Chuck Main
Executive Vice President, Finance and CFO

Financial Performance

(in millions of US dollars except where noted)	Q3 2010	YTD 2010
Revenue	$454	$1.2B
Mine Operating Earnings	$201	$477
Net Earnings	$121	$291
Adjusted Earnings	$119	$278
Cash Flow *	$209	$485

* From continuing operations before changes in non-cash working capital

Financial status

Robust balance sheet

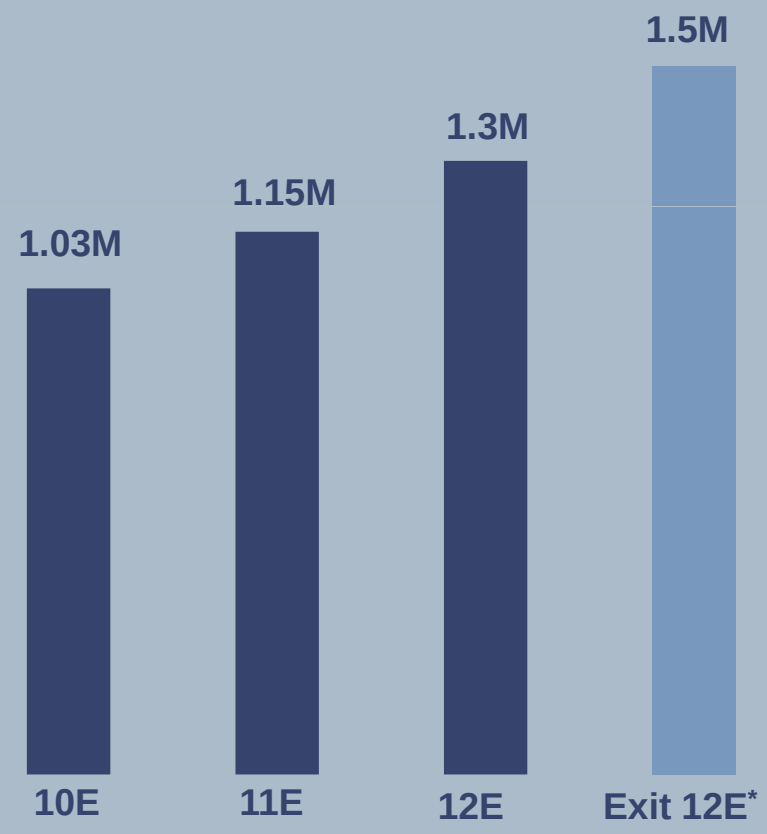
(In millions)	
Cash and cash equivalents	$280
Net debt*	$233
Total cash and undrawn credit available	$716

Strong balance sheet and fully funded growth

* Note: Net Debt defined as total debt less cash and cash equivalents

Production growth – 100% organic
Established growth profile

Production (GEO)



Production expected to be at an annual rate of ***1.5 million*** GEO at the end of 2012 then increasing to 1.7 million GEO

Change 2009/Exit 2013

↑**66%**

* Targeted production of 1.5 million does not include contributions from QDD Lower West and Pilar or longer term projects

Sustainable production → Cash flow growth

Established growth profile

- Production and low cash costs delivering higher cash flow
- Margins continuing to expand
- Early adopter of paying dividends with track record of increasing – threefold in 2010
- Growth plans for new mines fully funded

QUESTIONS & ANSWERS

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YAMANAGOLD

RECONCILIATION OF NON-GAAP MEASURES

Non-GAAP measures Reconciliation

NON-GAAP MEASURES

The Company has included certain non-GAAP measures including *"Co-product cash costs per gold equivalent ounce", "Co-product cash costs per pound of copper," "By-product cash costs per gold equivalent ounce," "Adjusted Earnings or Loss and Adjusted Earnings or Loss per share," "Cash flows from operations before changes in non-cash working capital" or "Cash flows from operating activities before changes in non-cash working capital" and "Gross margin"* to supplement its financial statements, which are presented in accordance with Canadian GAAP.

The Company believes that these measures, together with measures determined in accordance with Canadian GAAP, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-GAAP measures do not have any standardized meaning prescribed under Canadian GAAP, 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 Canadian GAAP.

Non-GAAP measures Reconciliation

CO-PRODUCT AND BY-PRODUCT CASH COSTS

The Company has included cash costs per GEO and cash costs per pound of copper information because it understands that certain investors use this information to determine the Company's ability to generate earnings and cash flows for use in investing and other activities. The Company believes that conventional measures of performance prepared in accordance with Canadian GAAP do not fully illustrate the ability of its operating mines to generate cash flows. The measures are not necessarily indicative of operating profit or cash flows from operations as determined under Canadian GAAP. Cash costs per GEO are calculated on a co-product and by-product basis. Cash costs on a co-product basis are computed by allocating operating cash costs separately to metals (gold and copper) based on an estimated or assumed ratio. Cash costs on a by-product basis are computed by deducting copper by-product revenues from the calculation of cash costs of production per GEO. Cash costs per GEO and per pound of copper are calculated on a weighted average basis.

Co-product Cash Costs

Reconciliation of cost of sales per the financial statements to co-product cash costs per GEO produced from continuing operations.

GEO	In thousands of United States Dollars		United States Dollars per gold equivalent ounce	
For the three months ended September 30,	**2010**	**2009**	**2010**	**2009**
Cost of sales (i) (iii)	**$ 171,913**	$ 131,357	**$ 671**	$ 506
Adjustments:				
Costs attributable to copper contained in concentrate-related cash costs (excluding related TCRCs) (ii)	**(41,414)**	(32,278)	**(162)**	(124)
Treatment and refining costs ("TCRC") related to Chapada gold	**1,575**	1,452	**6**	6
Inventory movements and adjustments	**(11,908)**	(528)	**(47)**	(2)
Overseas freight and other commercial selling costs	**(6,231)**	(9,599)	**(24)**	(37)
Total GEO co-product cash costs (excluding Alumbrera)	**$ 113,935**	$ 90,404	**$ 444**	$ 349
Minera Alumbrera (12.5% interest) GEO cash costs	**3,517**	3,745	**309**	381
Total GEO co-product cash costs (iii)	**$ 117,452**	$ 94,149	**$ 439**	$ 350
GEO produced excluding Alumbrera	**256,039**	259,359		
Commercial GEO produced including Alumbrera	**267,409**	269,191		

(i) Cost of sales includes non-cash items including the impact of the movement in inventory.
(ii) Costs directly attributed to a specific metal are allocated to that metal. Costs not directly attributed to a specific metal are allocated based on relative value. As a rule of thumb, the relative value has been 70-75% copper and 25-30% gold. TCRCs are defined as treatment and refining charges.
(iii) Depletion, depreciation and amortization are excluded from both total cash costs and cost of sales from continuing operations.

Non-GAAP measures Reconciliation

By-product Cash Costs

The Company has included cash costs per GEO because it understands that certain investors use this information to determine the Company's ability to generate earnings and cash flows for use in investing and other activities. The Company believes that conventional measures of performance prepared in accordance with Canadian GAAP do not fully illustrate the ability of its operating mines to generate cash flows. The measures are not necessarily indicative of operating profit or cash flows from operations as determined under Canadian GAAP. Cash costs per GEO are calculated on a co-product and by-product basis. Cash costs on a co-product basis are computed by allocating operating cash costs separately to metals (gold and copper) based on an estimated or assumed ratio. Cash costs on a by-product basis are computed by deducting copper by-product revenues from the calculation of cash costs of production per GEO.

Reconciliation of cost of sales per the financial statements to by-product cash costs per GEO produced from continuing operations:

	In thousands of United States Dollars		United States Dollars per GEO	
For the period ended Sept 30, 2010	**Three months ended**	**Nine months ended**	**Three months ended**	**Nine months ended**
Cost of sales (i)	**$ 171,913**	**452,722**	**671**	**625**
Adjustments:				
Chapada treatment and refining costs related to gold and copper	**8,898**	**22,213**	**35**	**31**
Inventory movements and adjustments	**(11,908)**	**(11,123)**	**(47)**	**(15)**
Overseas freight and other commercial selling costs	**(6,231)**	**(17,039)**	**(24)**	**(24)**
Chapada copper revenue including copper pricing adjustment	**(135,876)**	**(335,172)**	**(531)**	**(463)**
Total GEO by-product cash costs (excluding Alumbrera)	**$ 26,796**	**111,601**	**104**	**154**
Minera Alumbrera (12.5% interest) by-product cash costs	**(11,295)**	**(49,224)**	**(993)**	**(1,345)**
Total GEO by-product cash costs (i)	**$ 15,501**	**62,377**	**58**	**82**
Commercial GEO produced excluding Alumbrera	**256,039**	**723,914**		
Commercial GEO produced including Alumbrera	**267,409**	**760,509**		

(i) Depletion, depreciation and amortization are excluded from both total cash costs and cost of sales from continuing operations.

Non-GAAP measures Reconciliation

Adjusted Earnings or Loss and Adjusted Earnings or Loss per share

The Company uses the financial measures “Adjusted Earnings or Loss” and “Adjusted Earnings or Loss per share” to supplement information in its consolidated financial statements. The Company believes that in addition to conventional measures prepared in accordance with Canadian GAAP, the Company and certain investors and analysts use this information to evaluate the Company’s performance. The presentation of adjusted measures are not meant to be a substitute for net earnings or loss or net earnings or loss per share presented in accordance with Canadian GAAP, but rather should be evaluated in conjunction with such GAAP measures.

Adjusted Earnings or Loss and Adjusted Earnings or Loss per share are defined as Canadian GAAP net earnings adjusted for items that are non-recurring, one-time occurrences or anomalies whereby management believes that the exclusion of the item is more representative of the underlying performance of the Company including profitability and its ability to generate cash flows. Management uses judgment in the determination of what items should be included or excluded in calculating adjusted earnings by looking at the nature of the occurrence, materiality, probability of re-occurrence, historical information on the occurrence and their future predictive value.

Adjusted Earnings or Loss and Adjusted Earnings or Loss per share are calculated as net earnings excluding (a) stock-based compensation, (b) foreign exchange (gains) losses, (c) unrealized (gains) losses on commodity derivatives, (d) impairment losses, (e) future income tax expense (recovery) on the translation of foreign currency inter-corporate debt, (f) write-down of investments and other assets and (g) any other non-recurring adjustments. Non-recurring adjustments from unusual and extraordinary events or circumstances, such as the unprecedented volatility of copper prices in the fourth quarter of 2008, are reviewed from time to time based on materiality and the nature of the event or circumstance. Earnings adjustments reflect both continuing and discontinued operations.

The terms “Adjusted Earnings (Loss)” and “Adjusted Earnings (Loss) per share” do not have a standardized meaning prescribed by Canadian GAAP, and therefore the Company’s definitions are unlikely to be comparable to similar measures presented by other companies. Management believes that the presentation of Adjusted Earnings or Loss and Adjusted Earnings or Loss per share provide useful information to investors because they exclude non-recurring items and are a better indication of the Company’s profitability from operations. The items excluded from the computation of Adjusted Earnings or Loss and Adjusted Earnings or Loss per share, which are otherwise included in the determination of net earnings or loss and net earnings or loss per share prepared in accordance with Canadian GAAP, are items that the Company does not consider to be meaningful in evaluating the Company’s past financial performance or future prospects and may hinder a comparison of its period-to-period profitability. A reconciliation of Adjusted Earnings to net earnings as well as a discussion of the adjusting items is provided in Section 4 Overview of Financial Results for both the yearly and quarterly reconciliations.

Non-GAAP measures Reconciliation

Cash Flows From Continuing Operations Before Changes in Non-Cash Working Capital:

The Company uses the financial measure “cash flows from operations before changes in non-cash working capital” or “cash flows from operating activities before changes in non-cash working capital” to supplement its consolidated financial statements. The presentation of cash flows from operations before changes in non-cash working capital is not meant to be a substitute for cash flows from operations or cash flows from operating activities presented in accordance with Canadian GAAP, but rather should be evaluated in conjunction with such Canadian GAAP measures. Cash flows from operations before changes in non-cash working capital excludes the non-cash movement from period to period in working capital items including accounts receivable, advances and deposits, inventory, accounts payable and accrued liabilities.

The terms “cash flows from operations before changes in non-cash working capital” or “cash flows from operating activities before changes in non-cash working capital” do not have a standardized meaning prescribed by Canadian GAAP, and therefore the Company’s definitions are unlikely to be comparable to similar measures presented by other companies. The Company’s management believes that the presentation of cash flows from operations before changes in non-cash working capital provides useful information to investors because it excludes the non-cash movement in working capital items and is a better indication of the Company’s cash flows from operations and considered to be meaningful in evaluating the Company’s past financial performance or the future prospects. The Company believes that a conventional measure of performance prepared in accordance with Canadian GAAP does not fully illustrate the ability of its operating mines to generate cash flows.

The following table provides a reconciliation of cash flows from operating activities of continuing operations before changes in non-cash working capital:

		Three months ended		Nine months ended	
		Sept 30, 2010	**Sept 30, 2009**	**Sept 30, 2010**	**Sept 30, 2009**
Cash flows from operating activities of continuing operations	$	**153,320**	144,439	**380,231**	317,009
Adjustments:					
Net change in non-cash working capital		**55,495**	23,491	**105,035**	23,574
Cash flows from operating activities of continuing operations before changes in non-cash working capital	$	**208,815**	167,930	**485,266**	340,583

Non-GAAP measures Reconciliation

Gross Margin

The Company uses the financial measure “gross margin” to supplement its consolidated financial statements. The presentation of gross margin is not meant to be a substitute for net earnings presented in accordance with Canadian GAAP, but rather should be evaluated in conjunction with such Canadian GAAP measures. Gross margin represents the amount of revenues in excess of cost of sales excluding depletion, depreciation and amortization. It may be expressed in terms of percentage of revenues, both in total amount or on a per-GEO basis.

The term “gross margin” does not have a standardized meaning prescribed by Canadian GAAP, and therefore the Company’s definition is unlikely to be comparable to similar measures presented by other companies. The Company’s management believes that the presentation of gross margin provides useful information to investors because it excludes the non-cash operating cost items such as depreciation, depletion and amortization and accretion for asset retirement obligations, and considers this non-GAAP measure meaningful in evaluating the Company’s past financial performance or future prospects. The Company believes that a conventional measure of performance prepared in accordance with Canadian GAAP does not fully illustrate the ability of its operating mines to generate cash flows.

The following table provides a reconciliation of gross margin:

	Three months ended			
	September 30, 2010	September 30, 2009	**September 30, 2010**	September 30, 2009
Revenues	**$ 453,965**	$ 333,179	**$ 1,151,681**	$ 783,489
Cost of sales excluding depletion, depreciation and amortization	**(171,913)**	(131,357)	**(452,722)**	(338,152)
Gross margin	**$ 282,052**	$ 201,822	**$ 698,959**	$ 445,337
Gross margin as % of revenues from continuing operations	**62%**	61%	**61%**	57%
GEO sold (excluding Alumbrera)	**261,847**	254,853	**732,044**	633,508
Gross margin per GEO Sold	**$ 1,077**	$ 792	**$ 955**	$ 703