

CORPORATE PRESENTATION
SEPTEMBER 2010



YAMANAGOLD



Cautionary Statement

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: This news release 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.

EXECUTIVE SUMMARY



YAMANAGOLD



FOUR CORE PRINCIPLES

CASH FLOW PER SHARE GROWTH

PRODUCTION PER SHARE GROWTH

RESOURCE PER SHARE GROWTH

VALUE PER SHARE GROWTH

Our strategy



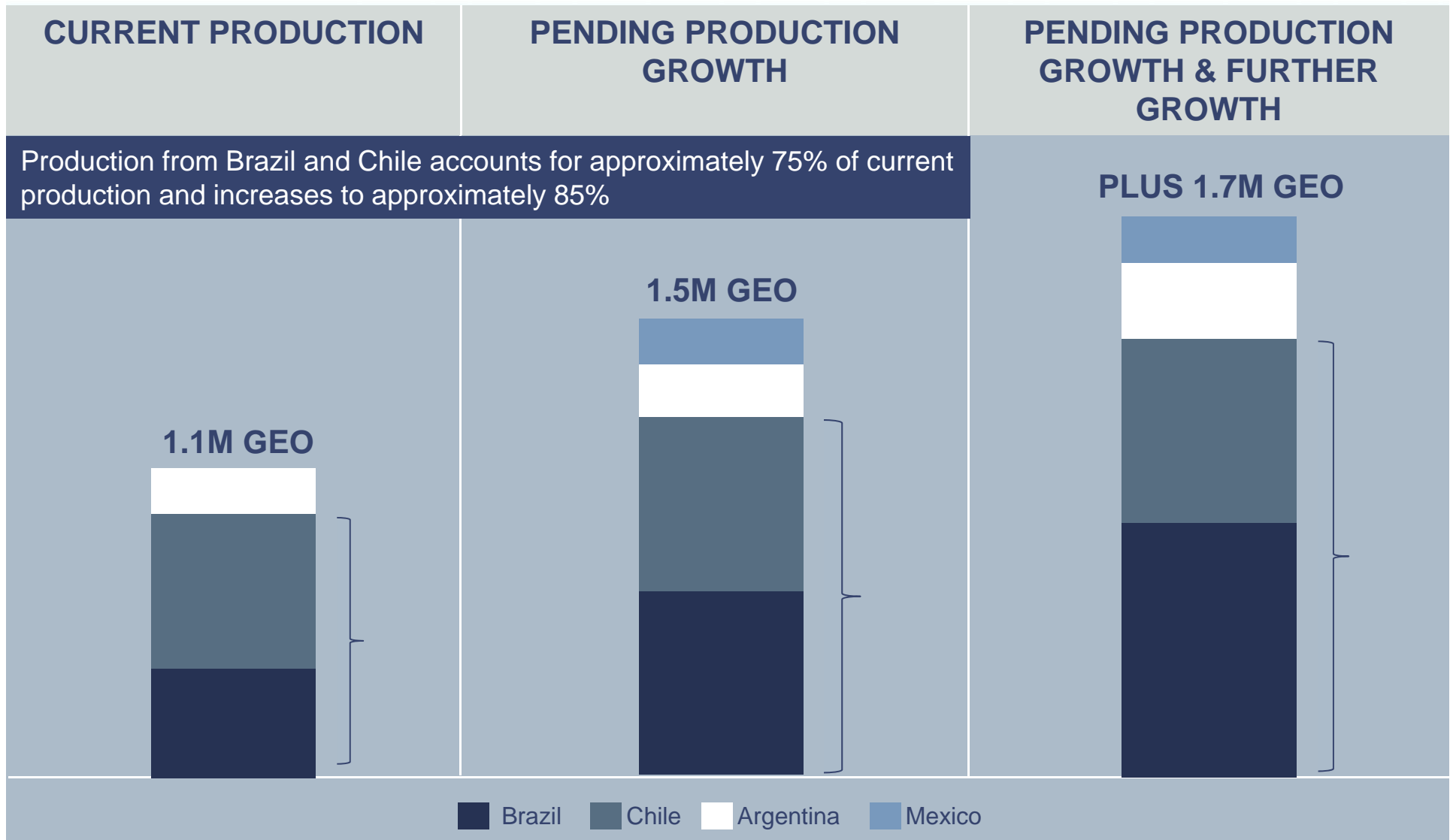
To build on our base of significant gold production through the optimization and expansion of our existing operating mines, the development of new mines, and the advancement of our exploration properties.



Stable jurisdictions



Production contribution By country

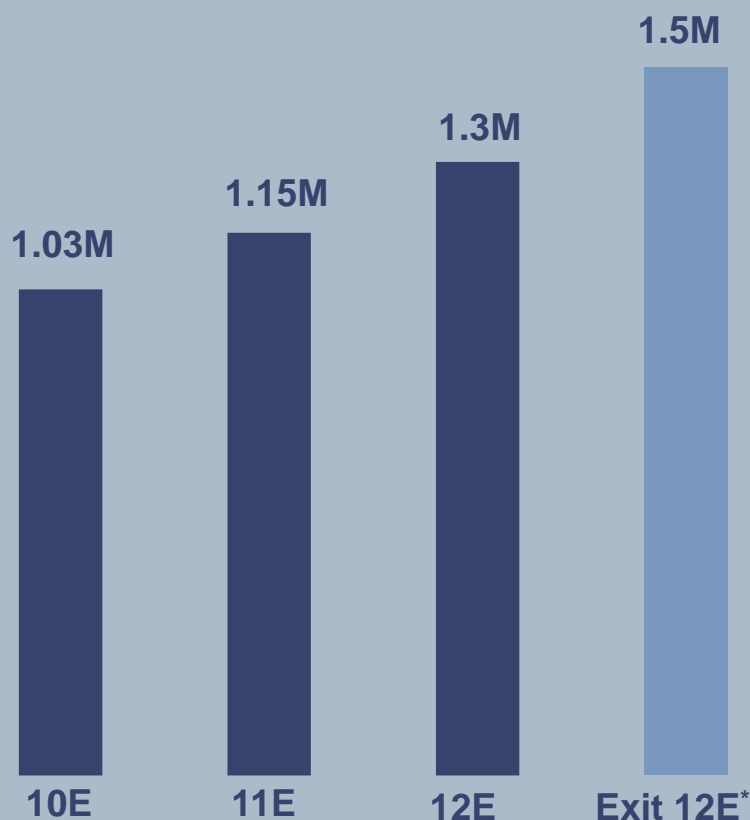




Production growth – 100% organic

Established growth profile

Production (GEO)



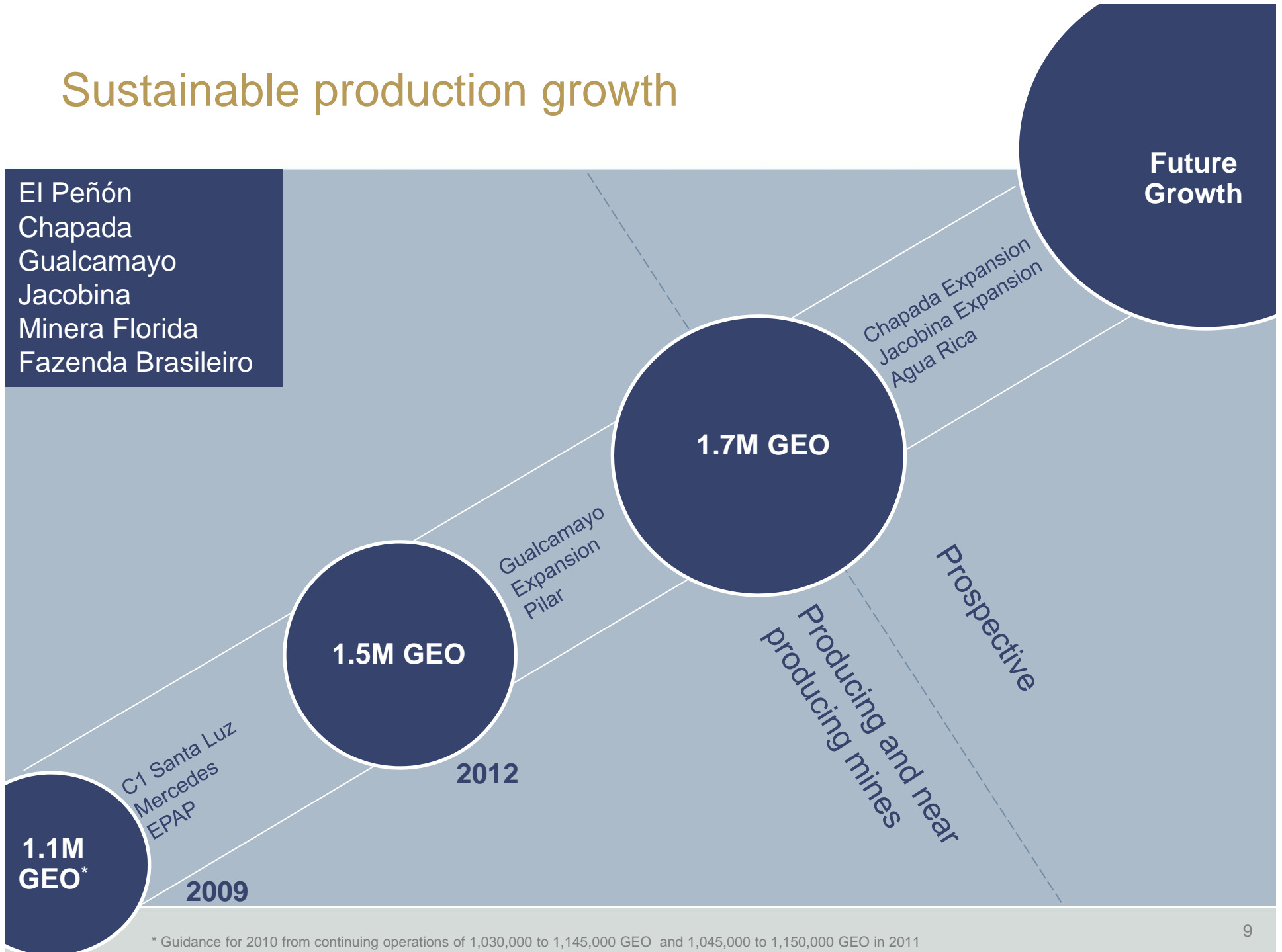
Production expected to be at an annual rate of **1.5 million** GEO at the end of 2012 then increasing to 1.7 million GEO

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 growth





2010 mineral reserve and resource growth

	Mineral Reserve Growth Expected	Mineral Resource Growth Expected
Chapada	✓	✓
El Penon	✓	✓
Gualcamayo	✓	✓
Jacobina	✓	✓
Minera Florida	-	✓
Fazenda Brasileiro	✓	✓
Mercedes	✓	✓
Pilar	✓	✓
Caiamar	n/a	✓
Agua Rica	✓	✓
Solferino	n/a	pending

Objective of finding near mine resources for rapid development and contribution to production

2010 exploration budget of \$80 million

UNDERGROUND MINES & PROJECTS (EPITHERMAL VEIN SYSTEMS)



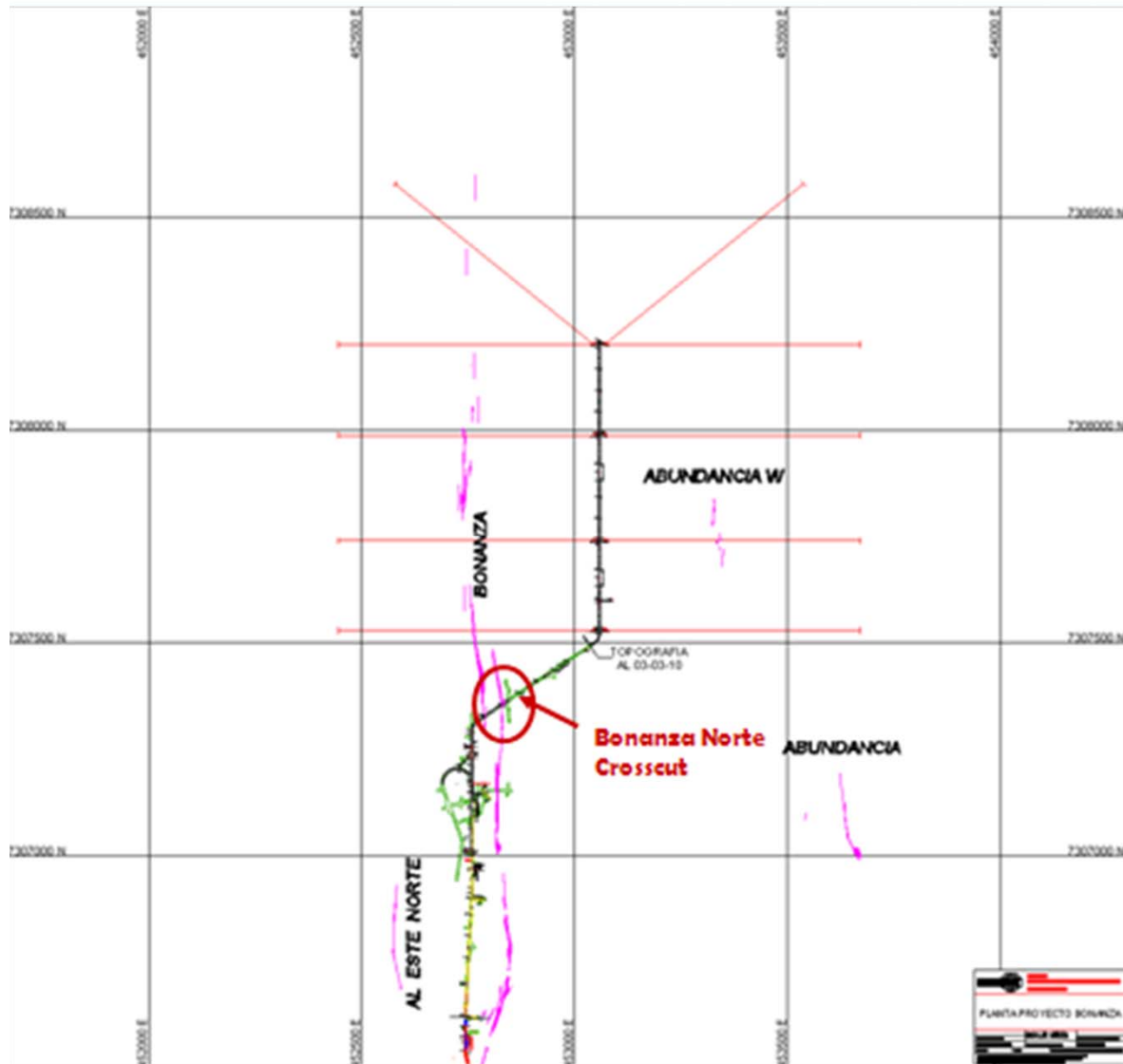
YAMANA GOLD

El Peñón Operations



Current operations:		History of growth:
2009A	\$353 per GEO	<p>2007</p> <ul style="list-style-type: none"> Acquired El Peñón Plant capacity up to 2,700 tpd Discovered Bonanza <p>2008</p> <ul style="list-style-type: none"> Plant modification to 3,600 tpd <p>2009</p> <ul style="list-style-type: none"> Increased plant capacity to 4,300 tpd Achieved sustainable production levels over 400,000 GEO <p>2010</p> <ul style="list-style-type: none"> New discovery Pampa Augusta Victoria Further optimizations under evaluation
2009A	394,400 GEO	
2010E	400-420,000 GEO	
2011E	410-430,000 GEO	
<p>Strategic mine life:</p> <p style="font-size: 2em; font-weight: bold;">10+</p> <p>years</p>		
<p>Project Highlights:</p> <ul style="list-style-type: none"> One of the highest grade, lowest cost mines in the world Exceptional record of resource growth Continued exploration potential on other major El Peñón veins to deliver future growth 		
<p>2010 Exploration Budget of \$18.4M</p>		
<p>New resource contribution advancing</p>		

El Peñón North Block



- Major exploration focus on potential in North Block and El Peñón Blocks
- 700 metres of additional drifting
- 5,000 metres of diamond drilling
- Underground drill stations for infill and exploration on the Bonanza, Bonanza Norte, Abundancia and Al Este veins
- Bonanza cross cut in exploration tunnel showing higher grades and wider widths than model

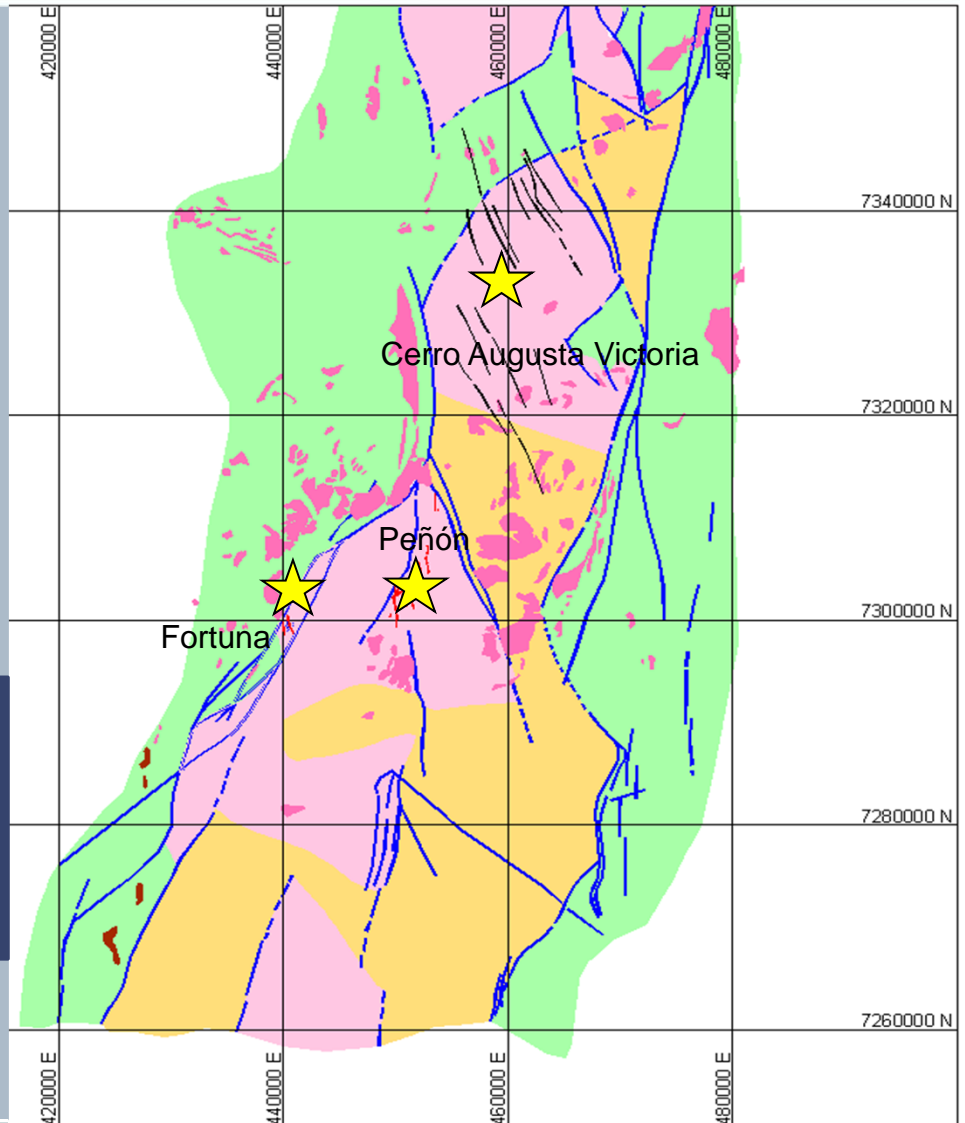
El Peñón



New discovery,
Pampa Augusta Victoria,
resulted from grassroots regional
exploration effort

Demonstrates exploration potential --
only 35% of ground has been explored to
date

First regional exploration effort
New resource estimate expected early
2011



Minera Florida

Growing Operations



Minera Florida	
2009A	\$373 per GEO
2009A	91,877 GEO
2010E	100-125,000 GEO
2011E	110-130,000 GEO
Strategic mine life:	8+ years
Continue efforts at newly discovered Polvorin and Centenario and focus on expanding footprint at Chancon-Membrillo	
Tailings reprocessing project expected to bring total annual production at Minera Florida to more than 150,000 GEO	



Mercedes

Near-term operations



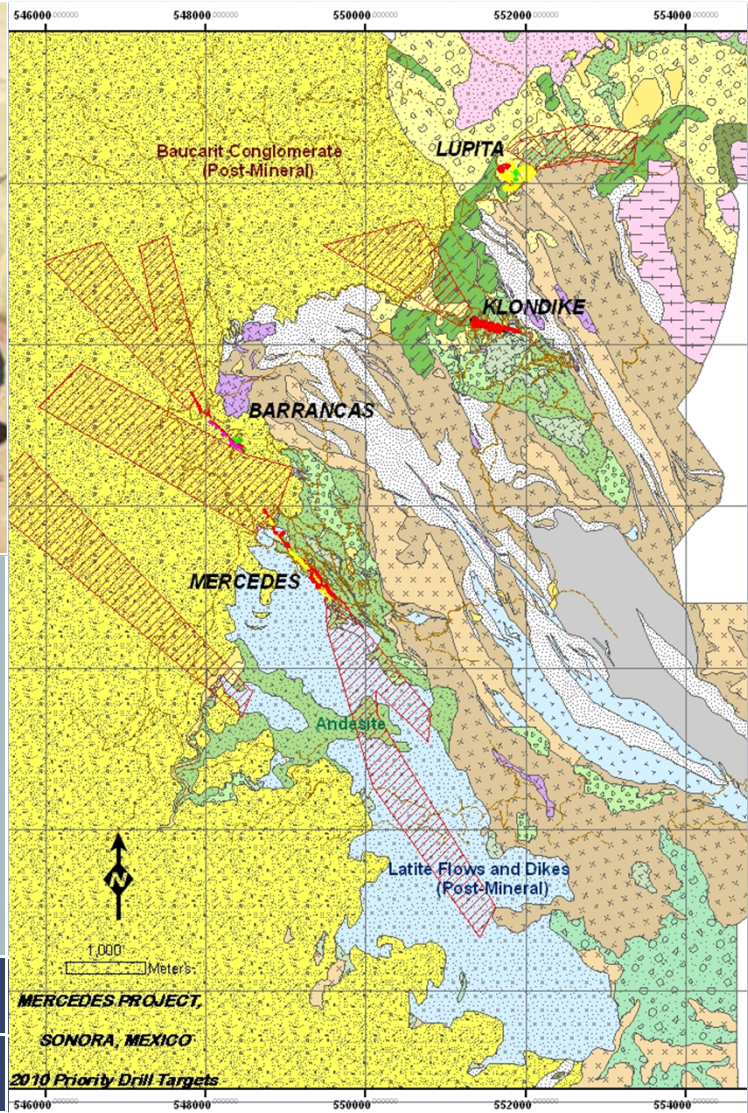
Mercedes	
Expected Annual Production:	Approx. 120,000 _{GEO}
Strategic Mine Life :	10+ years
Expected Production Start-up	2012



- Increased gold mineral resource in 2009 by 50%
- Focus on extension of Las Barrancas and Lupita vein
- Begin initial drilling on south east extension of Mercedes
- Drilling to date confirms potential to extend mine life and increase expected annual production

2010 Exploration Budget of \$4.3 million

Advancing to production in 2012





Other projects

Jeronimo, Chile

- Continuing with metallurgical test work
- Increasing mineral resource estimate
- Advancing to feasibility study expected in 2011

Suyai, Argentina

- Mineral resource estimate complete
- High grade underground mine plan open along strike and at depth
- Awaiting changes to Chubut mining law

One of the highest grade gold projects in the world



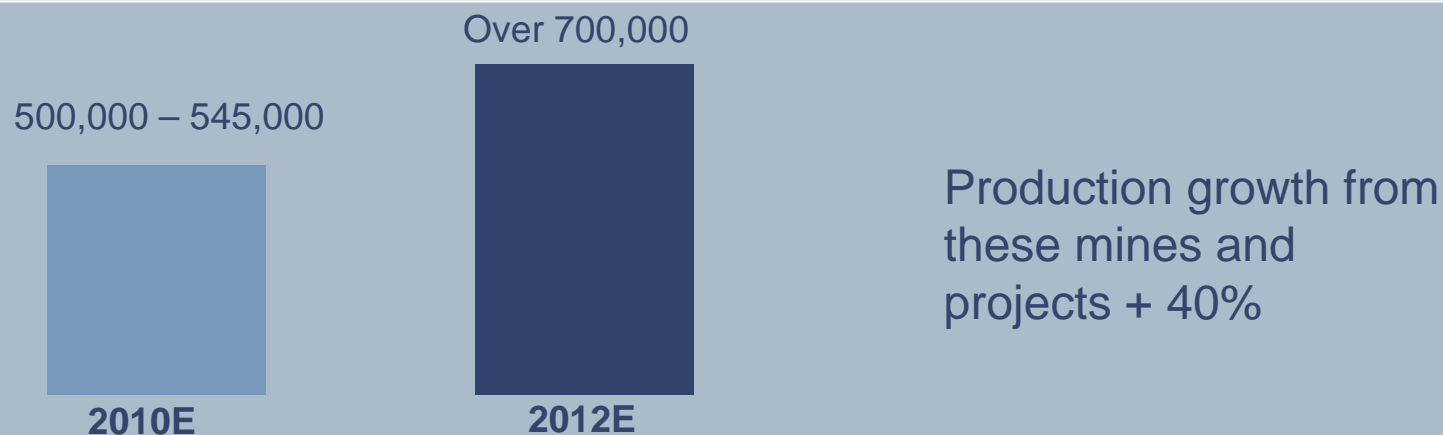
Resource & Production Summary*

Mineral Reserves & Mineral Resources (1,2)

	Proven & Probable	Measured & Indicated	Total Ounces
Gold	3.2M	3.9M	7.1M
Silver	69.1M	33.0M	102.1M
Total GEO	4.5M	4.5M	9.0M

Significant resources and potential for resource growth with proven track record

Production Growth (GEO)⁽²⁾



Significant production and production growth

1. See Yamana's mineral reserve and mineral resource table at the end of this presentation for further detail.
2. *Production from El Penon, Minera Florida and Mercedes. M & I mineral resources also include those at Jeronimo and Suyai

OTHER PRODUCING AND NEAR
PRODUCING MINES



YAMANA GOLD



Chapada – a core asset

- A world class copper gold mine
- Repositioning to gold-copper mine with increase in future gold production from Suruca
- Large contributor to cash flow
- Significant gold upside
- Low cost mine

Chapada Operations



Current operations:

2009A	\$258 per ounce
2009A	156,251 ounces
2010E	140-155,000 ounces
2011E	135-145,000 ounces

Strategic
mine life:

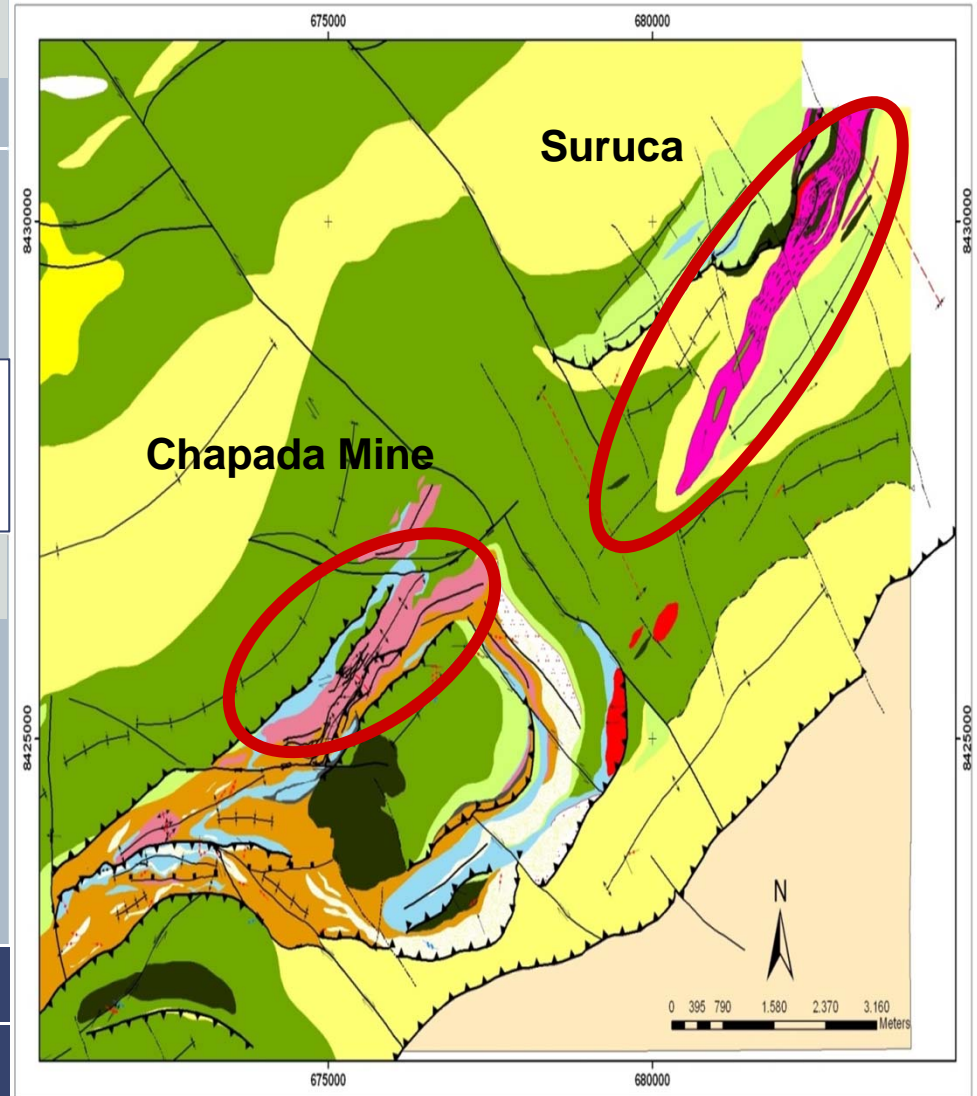
13+ years

Future growth:

- Extension of Chapada pit (20 to 40 million additional tonnes at current reserve grades)
- Gold discovery – Suruca (strategic objective: approx. 1 million ounces): feasibility-level study in late 2010
- Oxide gold potential (strategic objective: 500,000 to 1 million ounces)

2010 Exploration Budget of \$3.5 million

Suruca feasibility-level study advancing



Gualcamayo – a core asset

Operations

Current operations:

2009A	\$301 per ounce
2009A	143,471 ounces
2010E	165-180,000 ounces
2011E	165-185,000 ounces

Strategic mine life:

9+ years

Future growth:

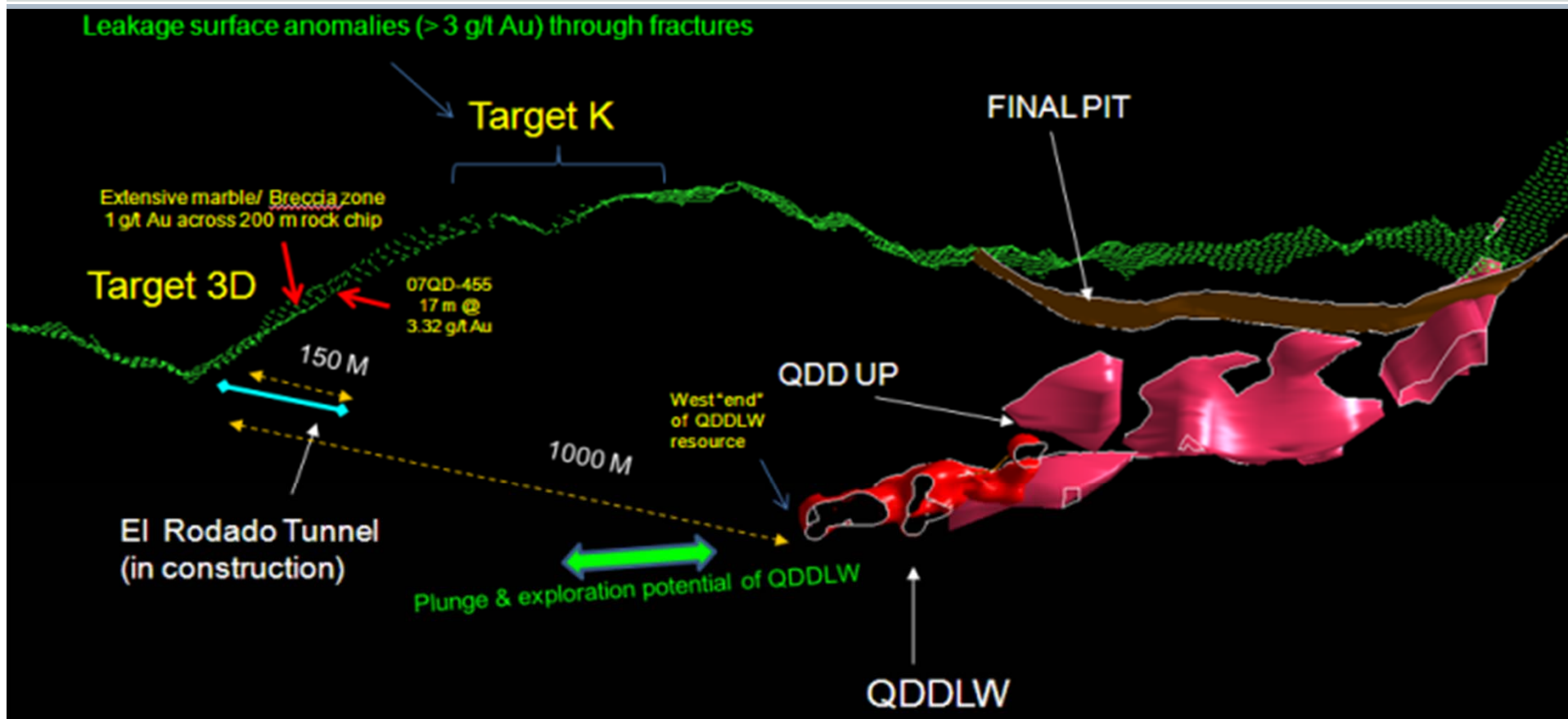
- Updated production plan to include results of recently completed feasibility study update for QDD Lower West
- Increased mineral reserves by 6% and mineral resources by 29% from end of 2009
- Planned sustainable production plan targeted at more than 190,000 ounces per year

2010 Exploration Budget of \$7 million



Gualcamayo – significant upside remains

Exploration



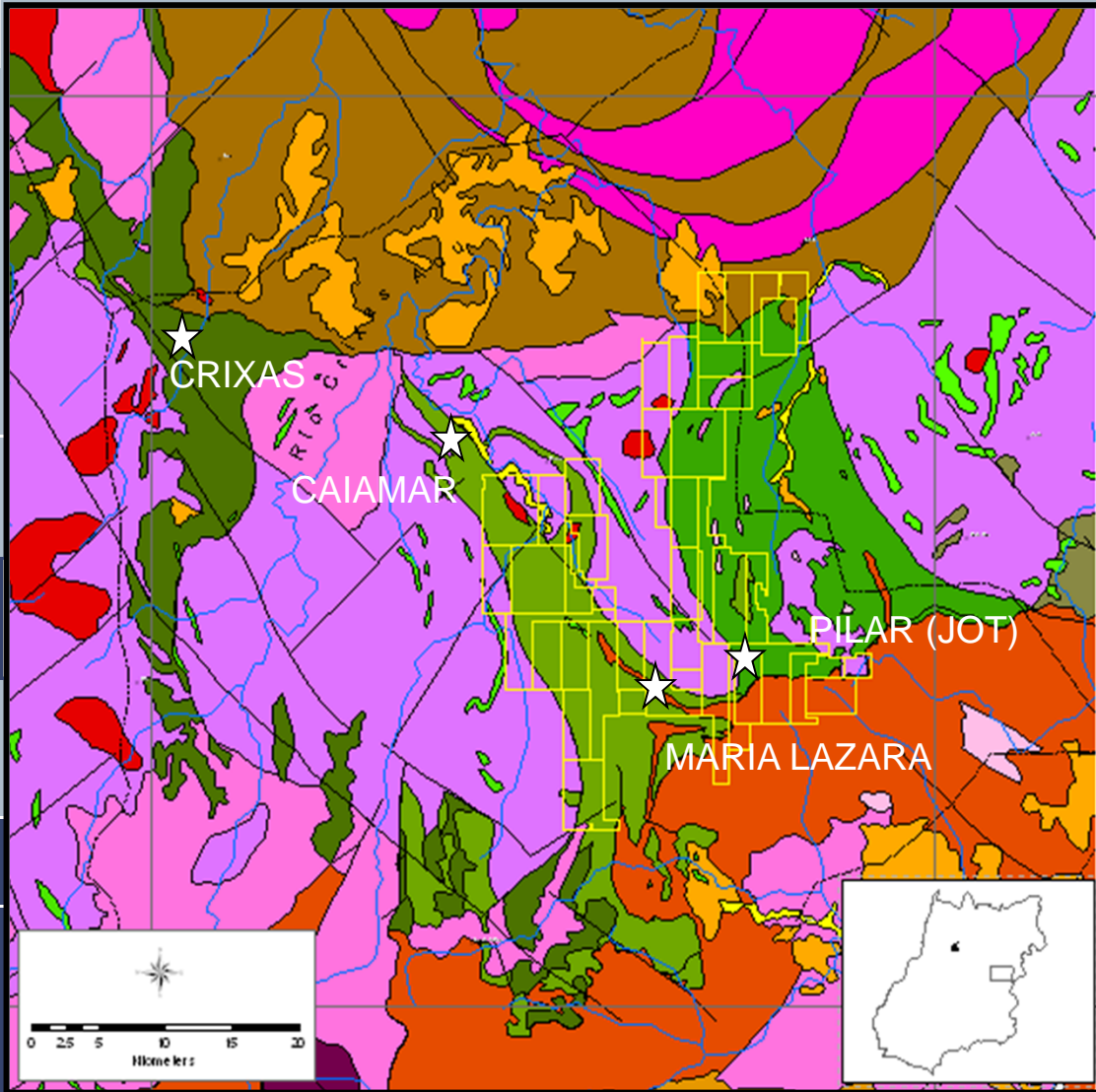
QDD Lower West remains open to the west – strike length has potential to double to more than 2 km

Pilar

In the development pipeline

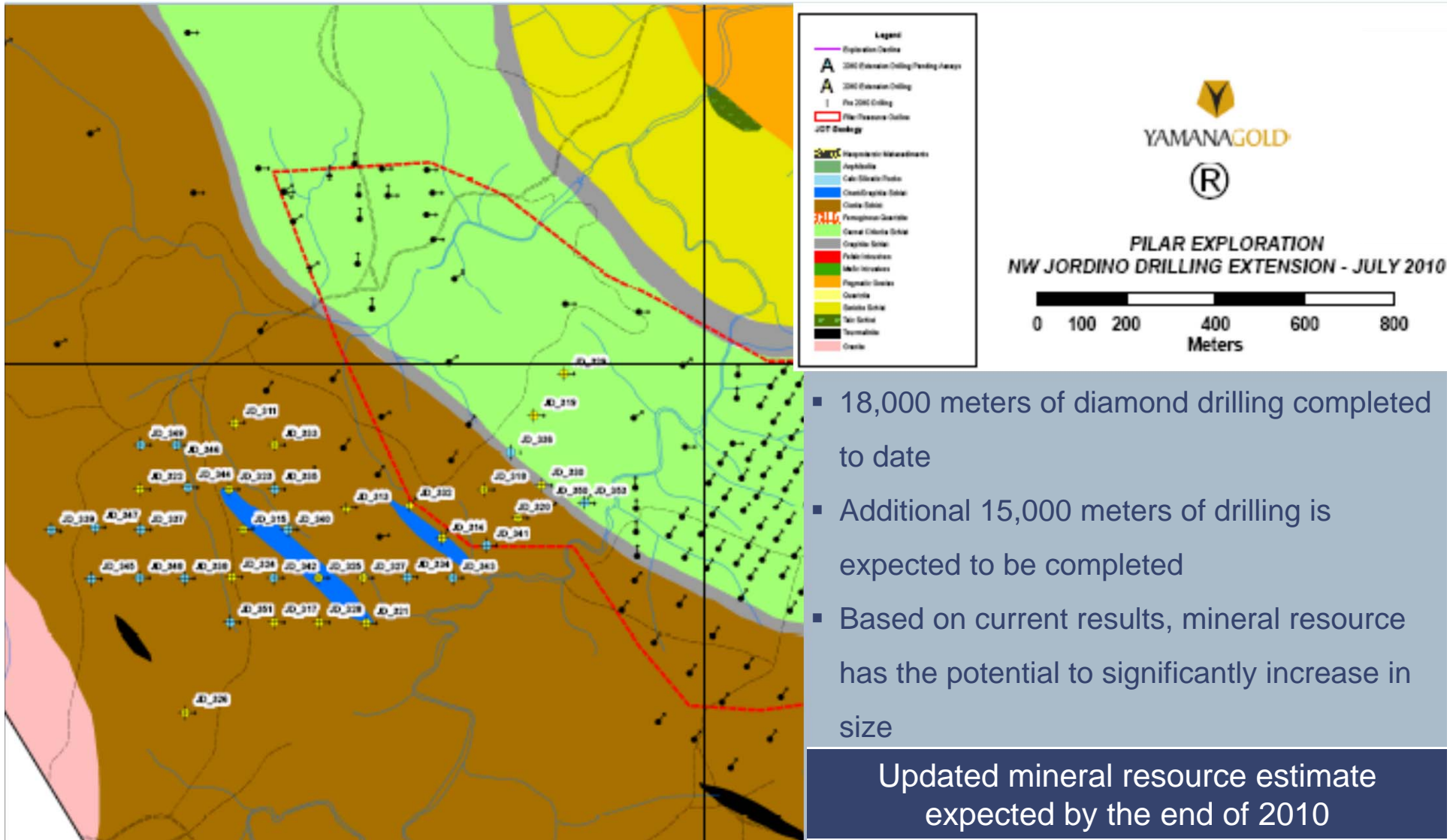


Pilar	
<ul style="list-style-type: none"> ▪ Made construction decision based on positive feasibility study results ▪ Delivered first mineral reserve estimate ▪ Total resource base currently more than 1.2M gold oz 	
Expected Annual Production:	Approx. 120,000_{oz}
Strategic Mine Life :	9+ years
Expected Production Start-up	Mid 2013
Advancing to production mid-2013	
Significant potential for resource growth, increasing production and mine life	



Pilar

Exploration potential



- 18,000 meters of diamond drilling completed to date
- Additional 15,000 meters of drilling is expected to be completed
- Based on current results, mineral resource has the potential to significantly increase in size

Updated mineral resource estimate expected by the end of 2010

OTHER BRAZILIAN MINES & PROJECTS



YAMANA**GOLD**

Jacobina – a core asset

Operations



Current operations:	
2009A	\$476 per ounce
2009A	110,515 ounces
2010E	105-125,000 ounces
2011E	110-130,000 ounces
Strategic mine life:	15+ years
Future growth:	
<ul style="list-style-type: none"> ▪ Lagartixa - Newest discovery at Jacobina, exhibits higher grade than current mineral reserve grade ▪ Canaveiras - Highest grade deposit with significant growth potential ▪ Morro do Vento - above average grades, focus on expanding high grade ore body 	
2010 Exploration Budget of \$7.3 million	
Advancing high grade Canaveiras and Morro do Vento complex	



Fazenda Brasileiro and C1 Santa Luz – a core asset

Operations and near-term operations



Fazenda Brasileiro		C1 Santa Luz	
2009A	\$453 per ounce	Expected Annual Production:*	Approx. 130,000 oz
2009A	76,413 ounces	Strategic Mine Life:	10 years
2010E	70-85,000 ounces	Expected Production Start-up	2012
2011E	70-85,000 ounces	Total Resource (incl. P&P)	2.3 M oz
Continue efforts at newly discovered mineralized zones, Lagoa do Gato and CLX2		Proves excellent potential for increasing mine life	
		Advancing to production in 2012	
Cumulative regional production of $\pm 200,000$ ounces (>300,000 ounces including Jacobina)			



* Expected annual production for the first two years of production at C1 Santa Luz 130,000 oz., with average annual production expected to be 104,000 oz.

Ernesto/Pau-a-Pique – a core asset

Near-term operations



Ernesto/Pau-a-Pique



Expected Annual Production:*

Approx.
120,000 oz

Strategic Mine Life :

7 years

Expected Production Start-up

2012

Advancing to production in 2012



* Expected annual production for the first two years of production at Ernesto/Pau-a-Pique is 120,000 oz, with average annual production expected to be 100,000 oz.

VALUE ENHANCING
PROJECTS



YAMANA GOLD

Value Enhancing



Agua Rica

- Continuing with further optimizations including increasing gold recovery
- Continuing with analysis of strategic partnership potential

Advancing a full update to the feasibility study

Solferino, Colombia

- Initial exploration efforts in Colombia advancing quickly

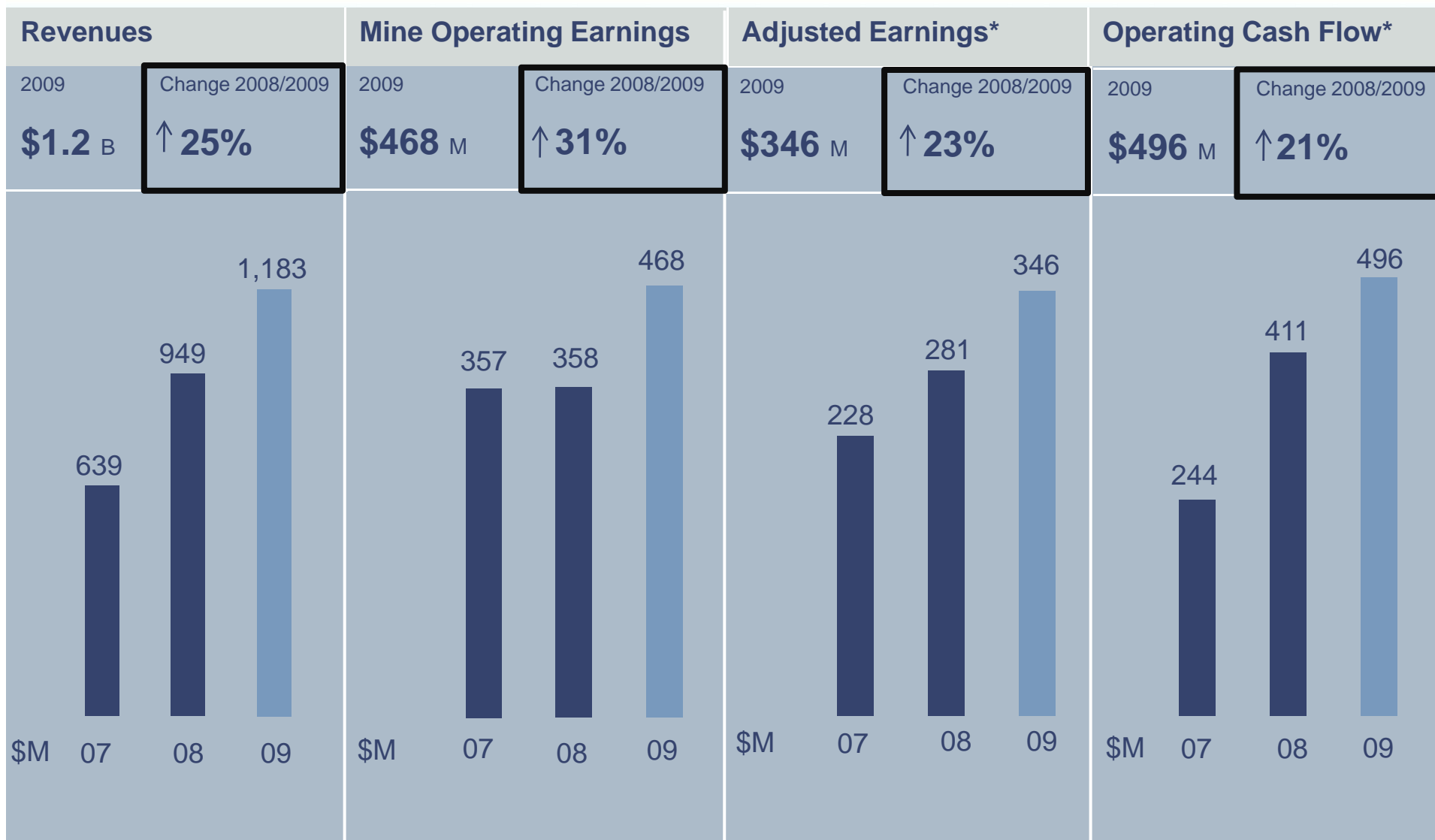
FINANCIAL PERFORMANCE



YAMANAGOLD



2009 financial growth



* Adjusted earnings and operating cash flow before changes in non-cash working capital are non-GAAP measures. Reconciliations of non-GAAP measures are located at the end of this presentation.

Financial Performance



	Q2 2010	H1 2010
Revenues	\$351M	\$698M
Mine Operating Earnings	\$146M	\$275M
Net Earnings	\$91M	\$170M
Adjusted Earnings	\$86M	\$159M
Cash Flows *	\$135M	\$272M

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

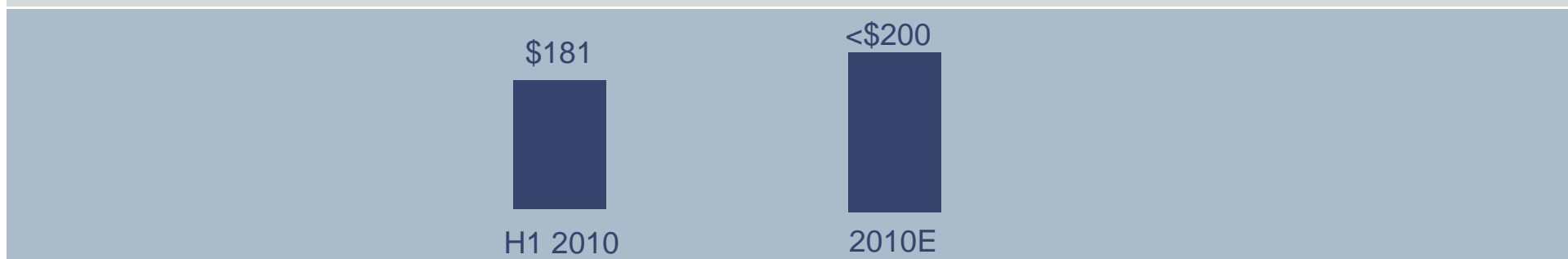


Financial status

Strong balance sheet and fully funded

Cash and cash equivalents	approx. \$262M
Net debt	approx. \$250M
Total cash and undrawn credit available	approx. \$700M

Cash costs* (\$ per GEO)



Gross margin* (\$ per GEO sold)

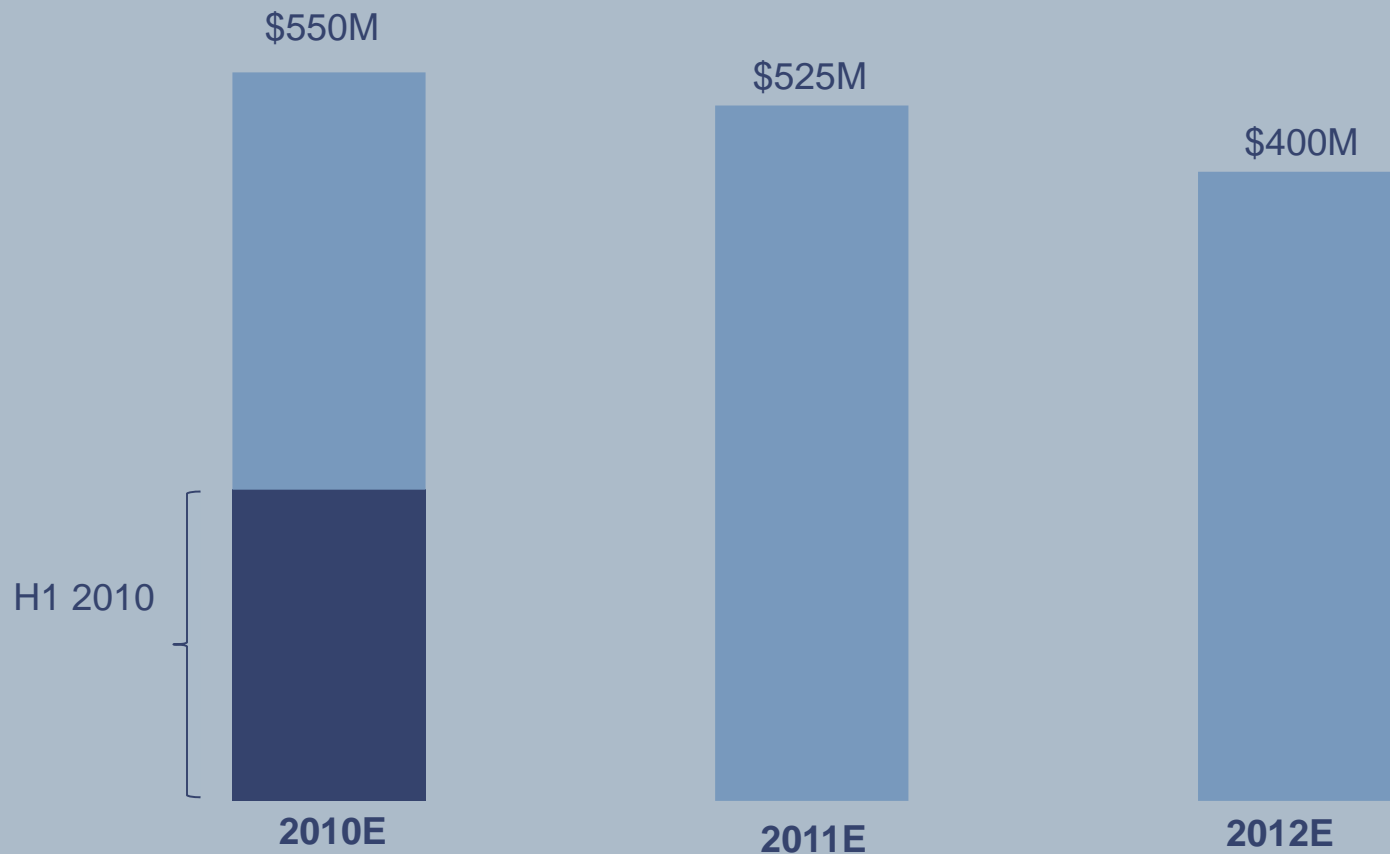


* Cash costs and gross margin are non-GAAP measures. Reconciliations are located at the end of this presentation. Cash costs are shown on a by-product basis.

Capital expenditures



Capital expenditures^(1,2)



1. Capex estimates do not include estimates for projects for which a construction decision has not yet been made.
2. Includes sustaining capex and capitalized portion of exploration.



MINERAL RESERVES AND MINERAL RESOURCES

Mineral reserves and mineral resources



Mineral reserves (proven and probable)

GOLD	Proven Reserves			Probable Reserves			Total Proven & Probable		
	Tonnes	Grade	Contained	Tonnes	Grade	Contained	Tonnes	Grade	Contained
	(000's)	(g/t)	oz. (000's)	(000's)	(g/t)	oz. (000's)	(000's)	(g/t)	oz. (000's)
Alhue/Minera Florida	1,504	4.27	207	2,148	5.97	412	3,652	5.27	619
Alumbrera (12.5%)	38,750	0.40	498	1,250	0.29	12	40,000	0.40	510
Chapada	166,312	0.22	1,166	153,102	0.20	992	319,414	0.21	2,158
C1-Santa Luz	13,452	1.63	706	10,336	1.44	479	23,788	1.55	1,184
El Peñón	1,142	5.60	206	7,374	7.27	1,724	8,516	7.07	1,930
Ernesto/Pau a Pique	2,279	3.86	283	4,827	2.75	427	7,106	3.11	710
Fazenda Brasileiro	1,864	2.64	158	291	2.87	27	2,155	2.67	185
Gualcamayo*	16,792	0.86	464	51,155	1.14	1,868	67,947	1.07	2,332
Jacobina	12,695	1.99	811	9,733	2.33	731	22,428	2.14	1,542
Mercedes	-	-	-	3,445	5.63	624	3,445	5.63	624
Sub Total Gold Mineral Reserves	254,790	0.55	4,498	243,661	0.93	7,296	498,451	0.74	11,794
Agua Rica	347,831	0.25	2,818	449,892	0.21	2,965	797,723	0.23	5,783
Total Gold Mineral Reserves**	602,621	0.38	7,316	693,553	0.46	10,261	1,296,174	0.42	17,577

* Gualcamayo mineral reserves estimate updated August 4, 2010 to proven mineral reserves of 17,091,074 tonnes grading 0.95 g/t gold containing 522,934 oz gold and probable mineral reserves of 58,575,156 tonnes grading 1.04 g/t gold containing 1,957,370 oz gold, for total proven and probable mineral reserves of 75,666,229 tonnes grading 1.02 g/t gold containing 2,479,498 oz gold.

** Pilar first probable mineral reserves estimate provided on August 4, 2010 of 8,871,089 tonnes grading 4.01 g/t gold containing 1,144,894 g/t gold.

Mineral reserves and mineral resources



Mineral reserves (proven and probable)

SILVER	Proven Reserves			Probable Reserves			Total Proven & Probable		
	Tonnes (000's)	Grade (g/t)	Contained (000's) oz.	Tonnes (000's)	Grade (g/t)	Contained (000's) oz.	Tonnes (000's)	Grade (g/t)	Contained (000's) oz.
Alhue/Minera Florida	1,504	22.69	1,097	2,148	50.22	3,467	3,652	38.88	4,564
El Peñón	1,142	273.79	10,053	7,374	200.50	47,530	8,516	210.33	57,583
Mercedes	-	-	-	3,445	62.36	6,908	3,445	62.36	6,908
Sub Total Silver Mineral Reserves	2,646	131.07	11,150	12,967	138.90	57,905	15,613	137.57	69,055
Agua Rica	347,831	3.83	42,775	449,892	3.46	49,989	797,723	3.62	92,767
Total Silver Mineral Reserves	350,477	4.79	53,925	462,859	7.25	107,894	813,336	6.19	161,822
COPPER	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)
	Alumbrera (12.5%)	38,750	0.39	333	1,250	0.32%	9	40,000	0.39
Chapada	166,312	0.33	1,192	153,102	0.30%	1,014	319,414	0.31	2,206
Sub Total Copper Mineral Reserves	205,062	0.33	1,525	154,352	0.30%	1,023	359,414	0.32	2,547
Agua Rica	347,831	0.57	4,386	449,892	0.43%	4,285	797,723	0.49	8,670
Total Copper Mineral Reserves	552,893	0.48	5,911	604,244	0.40%	5,308	1,157,137	0.44	11,217
ZINC	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)
	Alhue/Minera Florida	1,504	1.39	46	2,148	1.62%	77	3,652	1.52
Total Zinc Mineral Reserves	1,504	1.39	46	2,148	1.62%	77	3,652	1.52	123
MOLYBDENUM	Tonnes (000's)	Grade	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)
	Alumbrera (12.5%)	38,750	0.013	11	1,250	0.015	0.4	40,000	0.013
Sub Total Moly Mineral Reserves	38,750	0.013	11	1,250	0.015	0	40,000	0.013	11
Agua Rica	347,831	0.035	268	449,892	0.033	327	797,723	0.034	596
Total Moly Mineral Reserves	386,581	0.033	279	451,142	0.033	328	837,723	0.033	607



Mineral reserves and mineral resources

Mineral resources (measured, indicated and inferred)

GOLD	Measured Resources			Indicated Resources			Total Measured & Indicated			Inferred Resources		
	Tonnes	Grade	Contained	Tonnes	Grade	Contained	Tonnes	Grade	Contained	Tonnes	Grade	Contained
	(000's)	(g/t)	(000's) oz.	(000's)	(g/t)	(000's) oz.	(000's)	(g/t)	(000's) oz.	(000's)	(g/t)	(000's) oz.
Alhue/Minera Florida	882	5.48	155	1,247	5.28	212	2,129	5.37	367	2,746	6.12	541
Amancaya	-	-	-	-	-	-	-	-	-	1,390	7.90	351
C1-Santa Luz	10,498	1.65	557	11,534	1.50	555	22,032	1.57	1,112	4,830	1.40	217
Chapada	45,710	0.14	206	139,672	0.12	539	185,382	0.13	745	186,801	0.11	661
El Peñón	613	12.23	241	3,046	7.73	757	3,659	8.48	998	3,846	8.42	1,040
Ernesto/Pau a Pique	204	6.28	41	1,793	1.44	83	1,997	1.93	124	4,459	1.79	257
Esquel	-	-	-	4,700	15.00	2,286	4,700	15.00	2,286	900	9.90	274
Fazenda Brasileiro	481	2.31	36	1,303	2.94	123	1,784	2.77	159	1,862	3.48	208
Gualcamayo*	5,967	1.30	249	14,630	1.18	553	20,597	1.21	802	20,826	0.92	615
Jacobina	7,995	2.20	565	8,259	3.27	867	16,254	2.74	1,433	16,480	2.36	1,252
Jeronimo (57.3%)	-	-	-	636	7.97	163	636	7.97	163	1,776	7.10	401
La Pepa	15,750	0.61	308	133,682	0.57	2,452	149,432	0.57	2,760	37,900	0.50	620
Mercedes	-	-	-	1,056	3.77	128	1,056	3.77	128	1,827	6.11	359
Pilar de Goias (Jordino) **	-	-	-	1,782	4.95	284	1,782	4.95	284	5,475	5.56	979
Pilar de Goias (Ogo, Tres Buracas)	-	-	-	-	-	-	-	-	-	4,900	1.38	219
Sub Total Gold Mineral Resources	88,100	0.83	2,358	323,340	0.87	9,002	411,440	0.86	11,361	296,018	0.84	7,994
Agua Rica	64,169	0.17	361	248,108	0.16	1,299	312,277	0.17	1,660	651,000	0.12	2,512
Total Gold Mineral Resources	152,269	0.56	2,719	571,448	0.56	10,300	723,717	0.56	13,021	947,018	0.35	10,506

NOTE: Mineral resources are exclusive of mineral reserves

* Gualcamayo mineral resource estimate (inclusive of reserves) updated August 4, 2010 to measured mineral resource of 22,659,160 tonnes grading 1.07 g/t gold, containing 778,953 oz gold and indicated mineral resource of 77,438,468 tonnes, grading 1.09 g/t gold containing 2,731,465 oz gold, for total mineral measured and indicated mineral resources of 100,097,627 tonnes grading 1.09 g/t gold containing 3,510,418 ounces of gold.

** Pilar indicated mineral resources estimate (inclusive of reserves) updated on August 4, 2010 to 7,658,576 tonnes grading 4.94 g/t gold containing 1,215,846 oz gold.

Mineral reserves and mineral resources



Mineral resources (measured, indicated and inferred)

Silver	Measured Resources			Indicated Resources			Total Measured and Indicated			Inferred Resources		
	Tonnes (000's)	Grade (g/t)	Contained oz. (000's)	Tonnes (000's)	Grade (g/t)	Contained oz. (000's)	Tonnes (000's)	Grade (g/t)	Contained oz. (000's)	Tonnes (000's)	Grade (g/t)	Contained oz. (000's)
Alhue/Minera Florida	882	18.17	515	1,247	28.24	1,132	2,129	24.07	1,647	2,746	55.11	4,865
Amancaya	-	-	-	-	-	-	-	-	-	1,390	73.00	3,270
El Peñón	613	300.96	5,928	3,046	205.99	20,172	3,659	221.89	26,100	3,846	257.84	31,880
Esquel	-	-	-	4,700	23.00	3,523	4,700	23.00	3,523	900	21.00	575
Mercedes	-	-	-	1,056	49.80	1,690	1,056	49.80	1,690	1,827	58.46	3,435
Sub Total Silver Mineral Resources	1,495	134.05	6,443	10,049	82.07	26,517	11,554	88.81	32,960	10,709	127.87	44,025
Agua Rica	64,169	2.38	4,911	248,108	2.74	21,823	312,277	2.66	26,734	651,000	2.30	48,139
Total Silver Mineral Resources	65,664	5.38	11,354	258,157	5.82	48,340	323,821	5.73	59,694	661,709	4.33	92,164
Copper	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)
	Chapada	45,710	0.18	181	139,672	0.20	616	185,383	0.20	797	186,801	0.20
Sub Total Copper Mineral Resources	45,710	0.18	181	139,672	0.20	616	185,383	0.20	797	186,801	0.20	823
Agua Rica	64,169	0.49	700	248,108	0.40	2,178	312,277	0.42	2,878	651,000	0.34	4,880
Total Copper Mineral Resources	109,879	0.36	881	387,780	0.33	2,794	497,660	0.34	3,675	837,801	0.31	5,703
Zinc	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)
	Alhue/Minera Florida	882	1.3	27	1,247	1.50	41	2,129	1.45	68	2,745	1.51
Total Zinc Mineral Resources	882	1.3	27	1,247	1.50	41	2,129	1.45	68	2,745	1.51	92
Molybdenum	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)	Tonnes (000's)	Grade (%)	Contained lbs (mm)
	Agua Rica	64,169	0.01	40	248,108	0.01	165	312,277	0.01	206	651,000	0.03
Total Moly Mineral Resources	64,169	0.01	40	248,108	0.01	165	312,277	0.01	206	651,000	0.03	488

NOTE: Mineral resources are exclusive of mineral reserves

Mineral reserves and mineral resources

Metal prices, Cut-off grade



Mine	Mineral Reserves	Mineral Resources
Alhue/Minera Florida	\$825 Au, \$14.00 Ag, \$0.75 lb Zn	2.5 g/t Au cut-off
Alumbraera (12.5%)	\$919 Au, \$1.80 Cu, \$12.00 Mo, 0.22% Cu EQ cut-off	N/A
Amancaya	N/A	1.0 g/t Au EQ OP, 3.4 g/t Au EQ UG
Chapada	\$825 Au, \$2.25 Cu, \$3.62 NSR cut-off	0.17% Cu EQ cut-off
C1-Santa Luz	\$750 Au, 0.5 g/t Au cut-off	0.5 g/t Au cut-off
El Peñón	\$825 Au, \$14.00 Ag, variable cut-off	3.9 or 5.0 g/t Au EQ
Ernesto/Pau-a-Pique	\$825 Au, 1.0 g/t UG, 0.3 g/t Au OP cut-off	0.3 g/t OP, 1.0 g/t IG
Fazenda Brasileiro	\$776 Au, 1.5 g/t Au cut-off	1.5 g/t cut-off
Gualcamayo*	\$825 Au, QDD 0.15 g/t Au, AIM 0.5 g/t Au QDDLW 1.0 g/t Au cut-off	QDD 0.15 g/t Au, AIM 0.5 g/t Au, 1.0 g/t Au QDD LW
Jacobina	\$825 Au; 1.1 g/t Au cut-off	0.5 g/t Au cut-off
Jeronimo (57.3%)	N/A	5.0 g/t Au cut-off
La Pepa	N/A	0.3 g/t Au cut-off
Mercedes	\$825 Au, \$14.00 Ag; 3.0 g/t Au EQ cut-off	2.0 g/t Au EQ cut-off
Pilar **	N/A	2.0 g/t Au cut-off
Agua Rica	\$425 Au, \$1.10 Cu; 0.2% Cu and \$3.74 cut-off	0.2% Cu cut-off

* Gualcamayo mineral reserves updated August 4, 2010 use a gold price of \$900 per ounce. Mineral resource cut-off grades used remain unchanged.

** Pilar mineral reserves provided August 4, 2010 use a gold price of \$900 per ounce and include dilution of 1.83 million tonnes of waste grading 0.41 g/t gold. Mineral reserves and mineral resources are estimated at a 2.0 g/t gold cut-off grade.

Mineral reserves and mineral resources

Qualified persons



Property	Qualified Persons for Mineral Reserves	Qualified Persons for Mineral Resources
Alhué/ Minera Florida	Stuart Collins, P.E., Scott Wilson Roscoe Postle Associates Inc.	Chester M. Moore, P.Eng., Scott Wilson Roscoe Postle Associates Inc.
Alumbrera	Julio Bruna Novillo, AusIMM, Xstrata Plc	Julio Bruna Novillo, AusIMM, Xstrata Plc
Amancaya	Not applicable	Chester M. Moore, P.Eng., Scott Wilson Roscoe Postle Associates Inc.
Chapada	Marco Antonio Alfaro Sironvalle, MAusIMM, Corporate Manager, Reserves, Yamana Gold Inc.	Marco Antonio Alfaro Sironvalle, MAusIMM, Corporate Manager, Reserves, Yamana Gold Inc.
C-1 Santa Luz	Enrique Munoz Gonzalez, MAusIMM, Metalica Consultores S.A.	Marco Antonio Alfaro Sironvalle, MAusIMM, Corporate Manager, Reserves, Yamana Gold Inc.
El Peñón	Stuart Collins, P.E., Scott Wilson Roscoe Postle Associates Inc.	Chester M. Moore, P.Eng., Scott Wilson Roscoe Postle Associates Inc.
Ernesto/ Pau-a -Pique	Renato Petter, P. Eng., Technical Services Director, Yamana Gold Inc.	Rogério Moreno, MAusIMM, Principal Geologist, MCB Servicos e Mineracao Ltda.
Esquel	Not applicable	Robin J. Young, P. Geo., Western Services Engineering, Inc.
Fazenda Brasileiro	Renato Petter, P. Eng., Technical Services Director, Yamana Gold Inc.	Rogério Moreno, MAusIMM, Principal Geologist, MCB Servicos e Mineracao Ltda.
Gualcamayo	Renato Petter, P. Eng., Director of Technical Services, Yamana Gold Inc.	Ronald G. Simpson, P. Geo., GeoSim Services Inc. and Marco Antonio Alfaro Sironvalle, MAusIMM, Corporate Manager, Reserves, Yamana Gold Inc.
Jacobina	Renato Petter, P. Eng., Technical Services Director, Yamana Gold Inc.	Rogério Moreno, MAusIMM, Principal Geologist, MCB Servicos e Mineracao Ltda.
Jeronimo	Not applicable	Chester M. Moore, P. Eng., Scott Wilson Roscoe Postle Associates Inc.
La Pepa	Not applicable	Chester M. Moore, P. Eng., Scott Wilson Roscoe Postle Associates Inc.
Mercedes	David Sprott, B.Sc, M.Sc., P.Eng., Associate and Senior Mine Engineer, Golder Associates Ltd.	Greg Walker, P.Geo., Senior Manager, Resources Estimation, Yamana Gold Inc.
Pilar	Not applicable	Greg Walker, P.Geo., Senior Manager, Resources Estimation, Yamana Gold Inc. and Pamela L. De Mark, P.Geo., Senior Consultant, Snowden Mining Industry Consultants Inc.
Agua Rica	Renato Petter, P. Eng., Director of Technical Services, Yamana Gold Inc.	Evandro Cintra, Ph.D., P. Geo., Senior Vice President, Technical Services, Yamana Gold Inc.



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”, “Cash flows from operations before changes in non-cash working capital per share”, and “Gross margin per GEO sold”* 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 and 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	
	Three months ended	Six months ended	Three months ended	Six months ended
For the period ended June 30				
Cost of sales (i) (iii)	\$ 135,667	\$ 280,809	\$ 561	\$ 600
Adjustments:				
Costs attributable to copper contained in concentrate related cash costs (excluding related TCRCs) (ii)	(35,644)	(67,676)	(148)	(145)
Treatment and refining costs ("TCRC") related to Chapada gold	1,294	2,326	5	5
Inventory movements and adjustments	11,543	(786)	48	2
Overseas freight and other commercial selling costs	(5,626)	(10,809)	(23)	(23)
Total GEO co-product cash costs (excluding Alumbreira)	\$ 107,234	\$ 205,436	\$ 443	\$ 439
Minera Alumbreira (12.5% interest) GEO cash costs	2,730	6,095	238	242
Total GEO co-product cash costs (iii)	\$ 109,964	\$ 211,531	\$ 434	\$ 429
GEO produced excluding Alumbreira	241,794	467,875		
Commercial GEO produced including Alumbreira	253,264	493,100		

(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	
	Three months ended	Six months ended	Three months ended	Six months ended
For the period ended June 30,				
Cost of sales (i) (ii)	\$135,667	\$280,809	\$561	\$600
Adjustments:				
Chapada treatment and refining costs related to gold and copper	7,452	13,315	31	28
Inventory movements and adjustments	11,543	786	48	2
Commercial selling costs	(5,626)	(10,808)	(23)	(23)
Chapada copper revenue including copper pricing adjustment	(100,646)	(199,296)	(416)	(426)
Total GEO by-product cash costs (excluding Alumbreira)	\$48,390	\$84,806	\$201	\$181
Minera Alumbreira (12.5% interest) by-product cash costs	(22,223)	(37,929)	(1,938)	(1,504)
Total GEO by-product cash costs (ii)	\$26,167	\$46,877	\$103	\$95
Commercial GEO produced excluding Alumbreira	241,794	467,875		
Commercial GEO produced including Alumbreira	253,264	493,100		

(i) Cost of sales includes non-cash items including the impact of the movement in inventory.

(ii) 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 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 GAAP, but rather should be evaluated in conjunction with such GAAP measures. 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, and (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-cash and other charges 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 the 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 the table below:

(In millions of United States Dollars except per share amounts)	Three months ended June 30, 2010	Six months ended June 30, 2010
Net earnings	\$ 90.8	170.3
Non-cash foreign exchange gains	(14.9)	(20.7)
Non-cash unrealized losses/(gains) on derivatives	0.6	(4.0)
Write-off of mineral interests and other assets	3.2	3.3
Future income tax recovery on translation of intercompany debt	(1.2)	(5.0)
Other non-recurring losses and adjustments	8.2	15.8
Adjusted Earnings before income tax effects	86.7	159.7
Income tax effect of adjustments	(0.9)	(0.7)
Adjusted Earnings	\$ 85.8	159.0
Adjusted Earnings per share	\$ 0.12	0.22

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		Six months ended	
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Cash flows from operating activities of continuing operations	\$ 100,915	\$ 112,967	\$ 226,588	\$ 172,571
Adjustments:				
Net change in non-cash working capital	33,641	(11,189)	45,800	83
Cash flows from operating activities of continuing operations before changes in non-cash working capital	\$ 134,556	\$ 101,778	\$ 272,388	\$ 172,654

Non-GAAP measures Reconciliation



Cash flow per share

The Company uses the financial measure “cash flow per share” The presentation of cash flow per share 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 flow per share” is calculated as “cash flows from operations after changes in non-cash working capital” divided by the weighted average number of shares outstanding and/or as “cash flows from operating activities before changes in non-cash working capital” (Non-GAAP measure) divided by the weighted average number of shares outstanding for the period.

The term “cash flow per share” 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 cash flow per share provides useful information to investors because it presents cash flows from operations on a per share basis and is useful information to investors in evaluating the Company’s past financial performance or future prospects in its ability to generate cash flows.

The table below presents the calculation of cash flow per share:

For the period ended June 30,	Three months ended	Six months ended
Cash flows from operating activities of continuing operations	\$ 100,915	\$ 226,588
Cash flows from operating activities of continuing operations before changes in non-cash working capital	\$ 134,556	\$ 272,388
Weighted average number of shares outstanding	741,643	739,594
Cash flows from operating activities of continuing operations per share	\$ 0.14	\$ 0.31
Cash flows from operating activities of continuing operations before changes in non-cash working capital per share	\$ 0.18	\$ 0.37

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 terms “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 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 gross margin:

	Three months ended		Six months ended	
	June 30, 2010	June 30, 2009	June 30, 2010	June 30, 2009
Revenues	\$ 351,374	\$ 236,710	\$ 697,716	\$ 450,310
Cost of sales excluding depletion, depreciation and amortization	(135,667)	(104,764)	(280,809)	(206,795)
Gross margin	\$ 215,707	\$ 131,946	\$ 416,907	\$ 243,515
Gross margin as % of revenues from continuing operations	61%	56%	60%	54%
GEO sold (excluding Alumbraera)	233,418	189,743	470,197	378,655
Gross margin per GEO Sold	\$ 924	\$ 695	\$ 887	\$ 643