



YAMANAGOLD

# *Financing a Mid-tier Producer*

*Peter Marrone  
Chairman and CEO*

*January 30, 2008*



YAMANA  
**VISION**

# *Yamana Snapshot*

- Stock exchange listings  
TSX:YRI  
NYSE:AUY  
LSE:YAU
- Market capitalization  
(as at Jan 15, 2008) ~C\$12.0 B (fully diluted)
- Shares outstanding: 732 M (fully diluted)
- Ownership Broadly held
- Current price (as at Jan 15, 2008) C\$16.36
- Net debt position (as at Dec 31, 2007) US\$330 M

# *Strategic Direction*

- Finance strategically and opportunistically
- Minimize dilution until value recognized
- Be sensitive to market conditions - leave some upside for investors
- Maintain a continuous two-way flow of information with market participants
- Build the right team to execute consistently
- When value sufficiently recognized, use shares as currency for growth
- Develop a strategic vision and communicate it to investors

# Growth...

June 2003



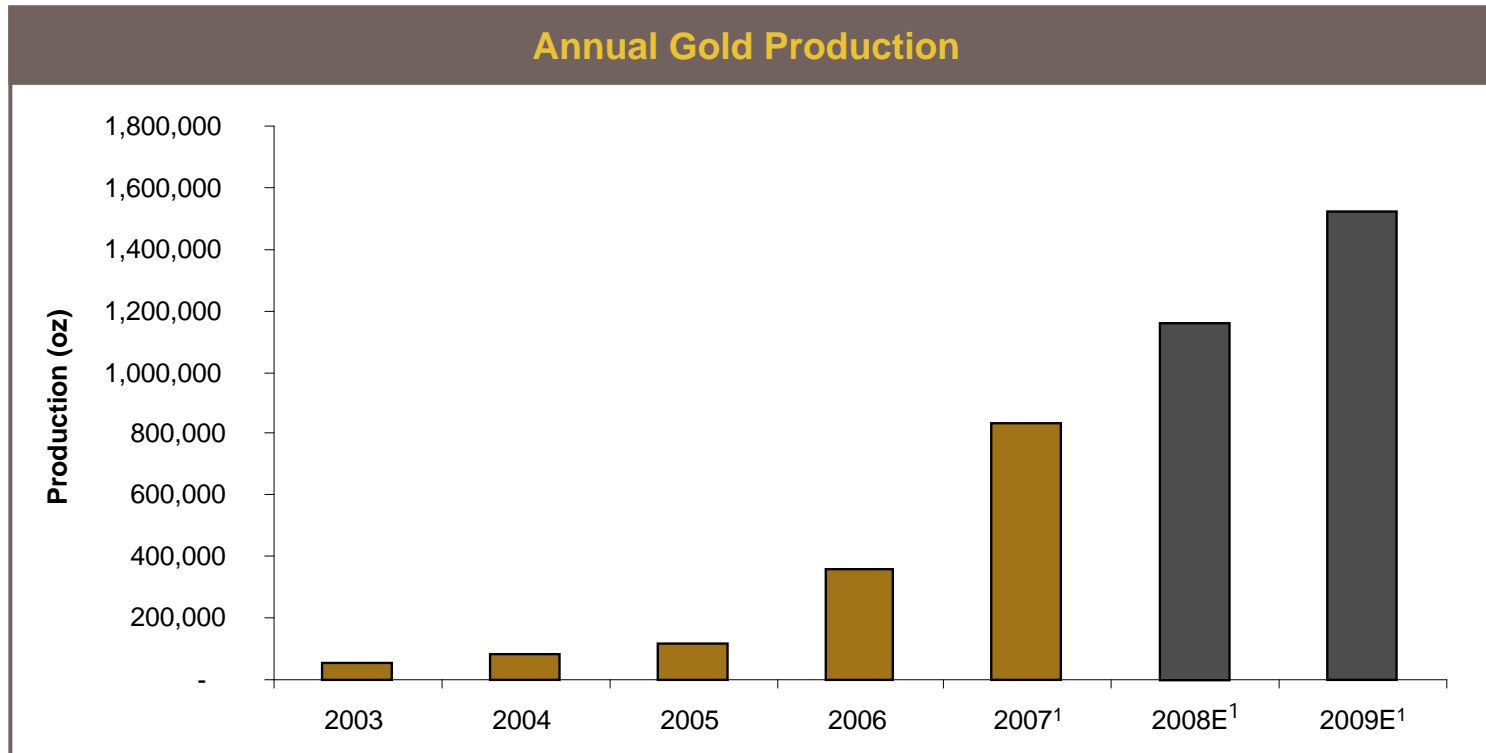
Today



- Production
- Development

# Production

- Yamana has become a premier gold producer
- Advancement to this level could not have happened without an effective financing strategy



<sup>1</sup>In Gold Equivalent Ounces. 2008 and 2009 figures are midpoints of estimate range.

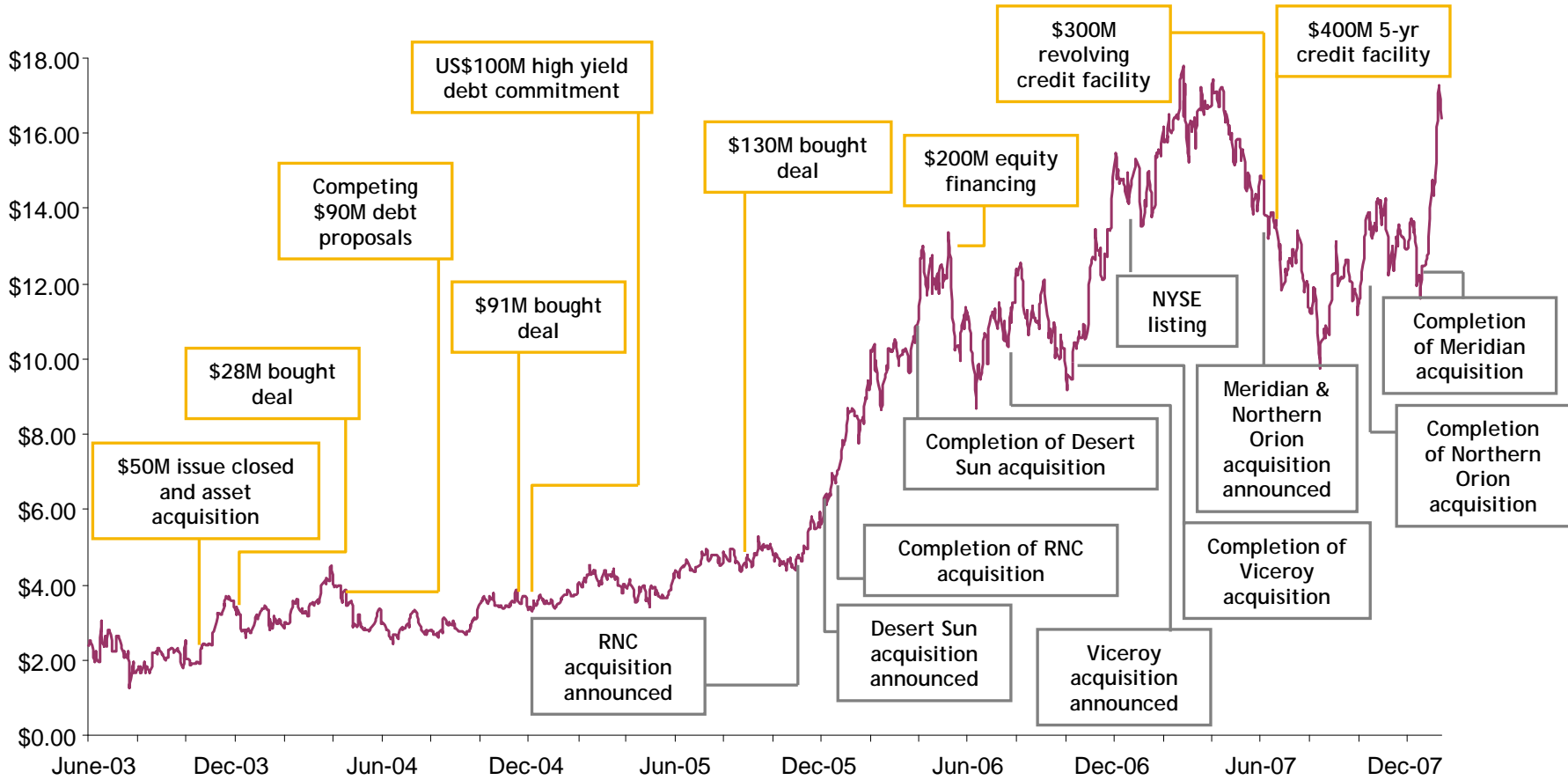
# *Key Learnings*

- Keep it competitive
- Need to have flexibility and options
- Continually monitor shareholder interests
- Maintain the relationship
- Be opportunistic - finance when you can!

Result: Successful and fully financed company

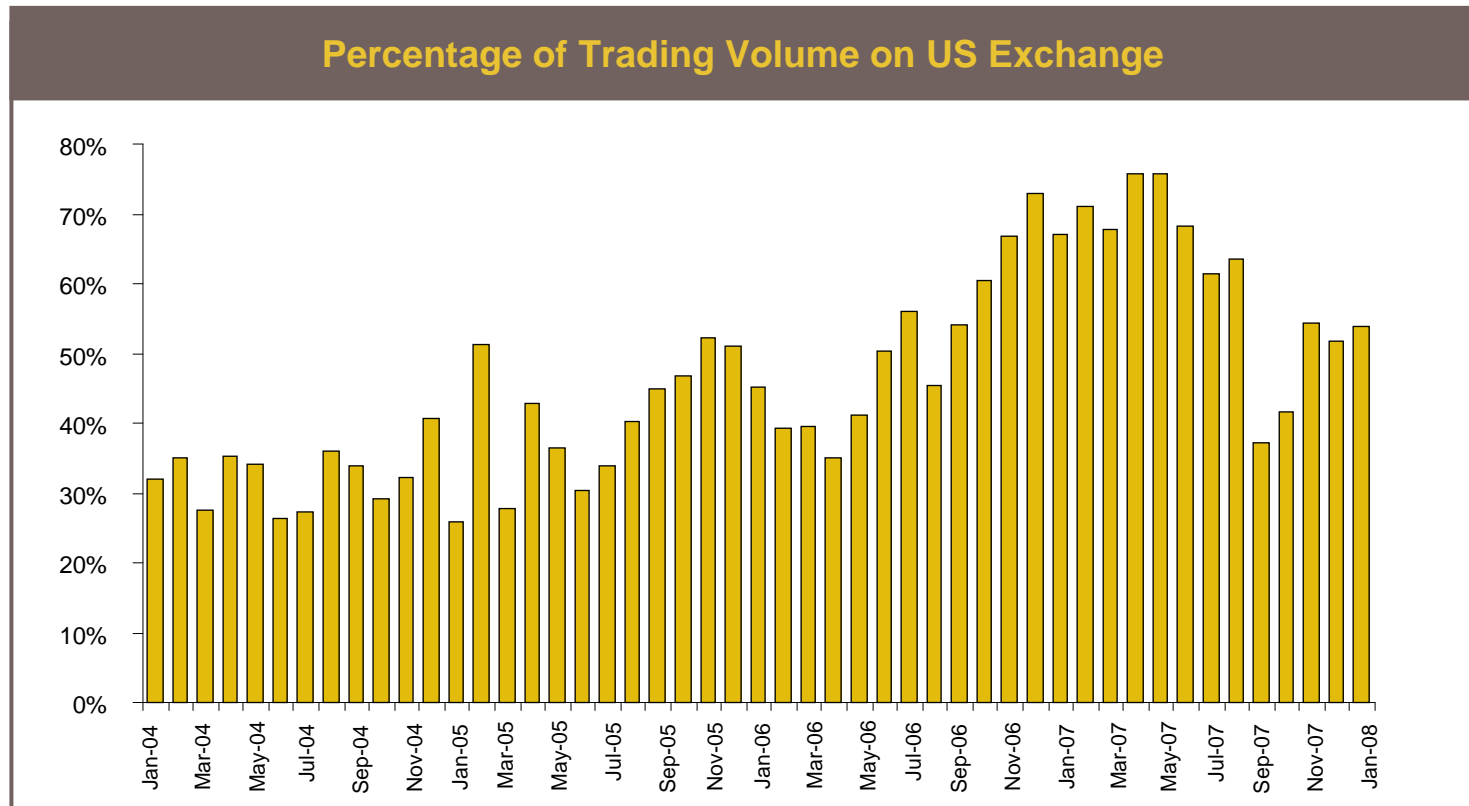
# Key Value Drivers

## Yamana Share Performance Since June 2003



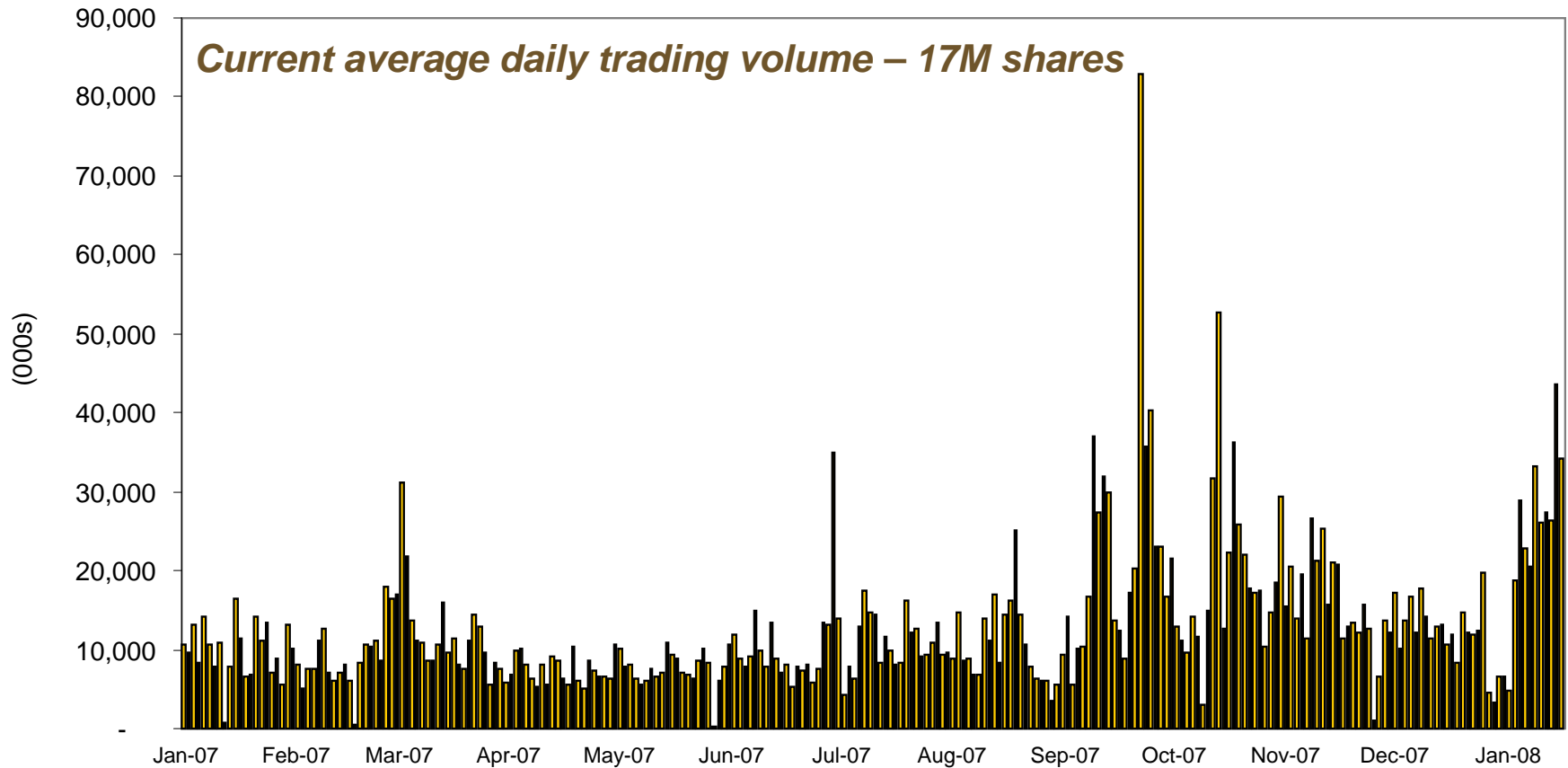
# Trading on US Exchange

- Strategic objective of Yamana from outset was to increase US trading
- Active marketing program to US retail and institutional investors
- Yamana now trades on 3 main exchanges - Jan 07 NYSE listed, June 07 LSE listed

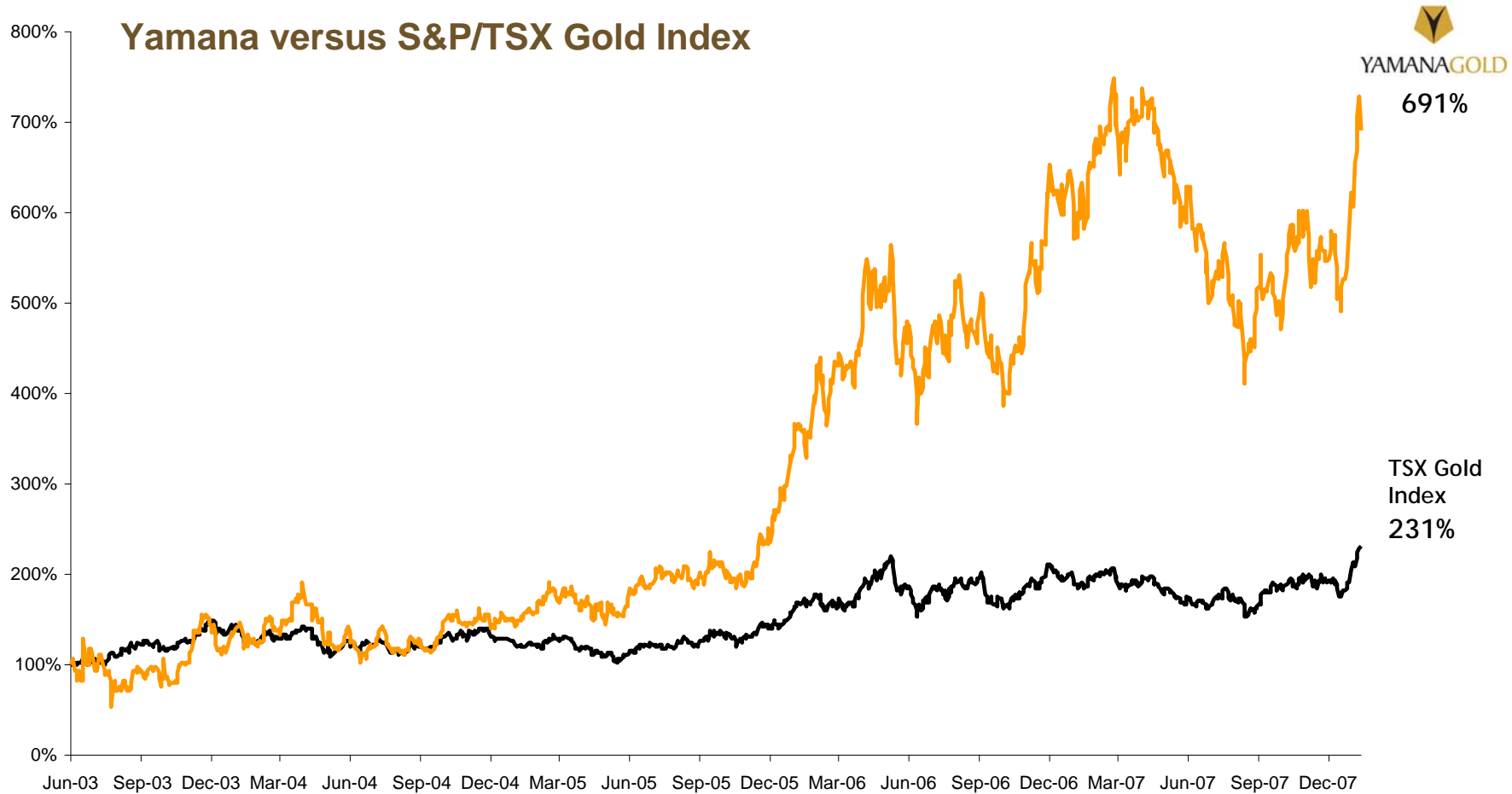


# Increased Liquidity

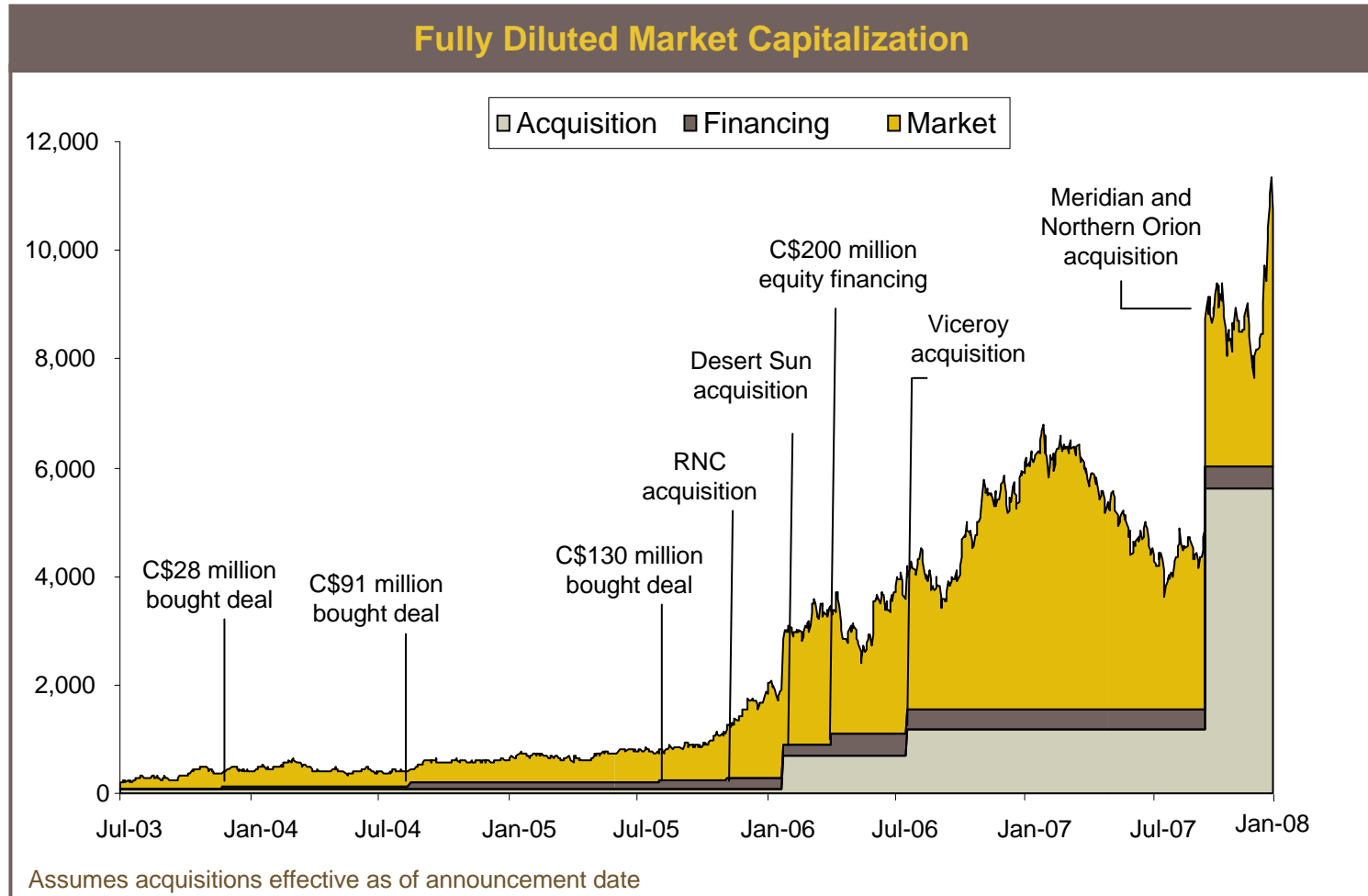
## Yamana Combined Daily Trading Volume TSX and NYSE



# Relative share price outperformance



# Market Valuation



# *Northern Orion / Meridian Transaction*

- Yamana, Meridian, Northern Orion assets a strategic fit
- Meridian historically trading at high NAV multiple
- Leveraged Northern Orion's balance sheet & future cash flow to help finance the deal
- Oversubscribed US\$700M credit facility during weak credit market
- Three-way combination provides growth in production, resources, cash flow and earnings, sustainability and longevity
- Creates a better company, stronger than the sum of its parts
- Worthy of a higher valuation based on the strength of its operations and resource base

# *Our Strategic Plan*

- Focus on organic growth
  - Development of properties
  - Exploration opportunities
- Results driven management style
- Develop strategic targets with concurrence of groups
- Deliver results according to expectations of strategic plan
- Entrepreneurial mining company approach in the context of larger company
- Targeted Americas focus
- Geographical friendliness to industry and mining, and where we can make a difference
- Developed infrastructure with manageable and modest capital costs
- Sustainability, community, environmental, health and safety priorities

# *Our Strategic Plan*

- Sustainable 2.2M oz of gold production by 2012
- Low cost production before and after by-products
- Growth in resources, production, cash flow and earnings
- Delivering value to shareholders



YAMANAGOLD

Q&A



YAMANA  
**VISION**