

**YAMANA GOLD INC.
CHARTER OF THE BOARD OF DIRECTORS**

DATED AS OF FEBRUARY 10, 2005

I. GENERAL

The Board of Directors of Yamana Gold Inc. (the “Company”) is responsible for the stewardship and the general supervision of the management of the business and for acting in the best interests of the Company and its shareholders. The Board will discharge its responsibilities directly and through its committees, currently consisting of the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee and the Sustainability Committee. In addition, the Board may from time to time, appoint such additional committees as it deems necessary and appropriate in order to discharge its duties. Each committee shall have its own charter. The Board shall meet regularly, but not less than once each quarter, to review the business operations, corporate governance and financial results of the Company. Meetings of the Board of Directors will also include regular meetings (not less than once annually) of the independent members of the Board without management being present.

II. COMPOSITION

The Board of Directors shall be constituted at all times of a majority of “independent directors” within the meaning of National Policy 58-201 *Corporate Governance Guidelines*. Pursuant to Canadian corporate governance guidelines (except in respect of British Columbia), in order to be considered “independent”, directors shall have no direct or indirect material relationship with the Company. In British Columbia, a director shall be considered independent unless a reasonable person with knowledge of all relevant circumstances would conclude that the director is in fact not independent of management or of any significant shareholder.

III. RESPONSIBILITIES

The Board of Directors' mandate is the stewardship of the Company and its responsibilities include, without limitation to its general mandate, the following specific responsibilities:

- The assignment to the various committees of directors the general responsibility for developing the Company’s approach to: (i) corporate governance and nomination of directors; (ii) financial reporting and internal controls; and (iii) compensation of officers and senior employees.
- With the assistance of the Corporate Governance Committee:
 - Reviewing the composition of the Board and ensuring it respects its independence criteria.
 - Satisfying itself as to the integrity of the Chief Executive Officer and other senior officers and that such officers create a culture of integrity throughout the organization.

- The assessment, at least annually, of the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors, including, consideration of the appropriate size of the Board.
- Ensuring that an appropriate review selection process for new nominees to the Board is in place.
- Ensuring that an appropriate orientation and education program for new members of the Board is in place.
- Approving and revising from time to time as circumstances warrant a corporate disclosure and communications policy to address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and communities in which the business of the Company is conducted.
- With the assistance of the Audit Committee:
 - Ensuring the integrity of the Company's internal controls and management information systems.
 - Ensuring the Company's ethical behaviour and compliance with laws and regulations, audit and accounting principles and the Company's own governing documents.
 - Identifying the principal risks of the Company's business and ensuring that appropriate systems are in place to manage these risks.
 - Reviewing and approving significant operational and financial matters and the provision of direction to management on these matters.
 - As required and agreed upon, providing assistance to shareholders concerning the integrity of the Company's reported financial performance.
- With the assistance of the Compensation Committee and the Chief Executive Officer, the approval of the compensation of the senior management team.
- Succession planning including the selection, training, appointment, monitoring evaluation and, if necessary, the replacement of the senior management to ensure management succession.
- The adoption of a strategic planning process, approval at least annually of a strategic plan that takes into account business opportunities and business risks identified by the Board and/or the Audit Committee and monitoring performance against such plans.
- The review and approval of corporate objectives and goals applicable to the Company's senior management.
- Enhancing congruence between shareholder expectations, Company plans and management performance.

- Reviewing with senior management material transactions outside the ordinary course of business and such other major corporate matters which require Board approval including the payment of dividends, the issue, purchase and redemption of securities, acquisitions and dispositions of material assets and material capital expenditures and approving such decisions as they arise.
- Performing such other functions as prescribed by law or assigned to the Board in the Company's constituting documents and by-laws.
- With the assistance of the Sustainability Committee:
 - Establishing objectives relating to exploration, development, operations and mining of the Company's properties, including determining the budgets required, the allocation of resources, the steps to be implemented and the timing for reaching such steps.
 - Monitoring matters relating to exploration, development, operations and mining and assessing the performance of the Company against its objectives.
 - Developing a corporate culture of environmental responsibilities and awareness as to the importance of health and safety.

Dated: February 10, 2005.