

Development Pipeline - Minas Argentinas

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YAMANA
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Delivering value to shareholders

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2007 Achievements/ Highlights

Highlights:

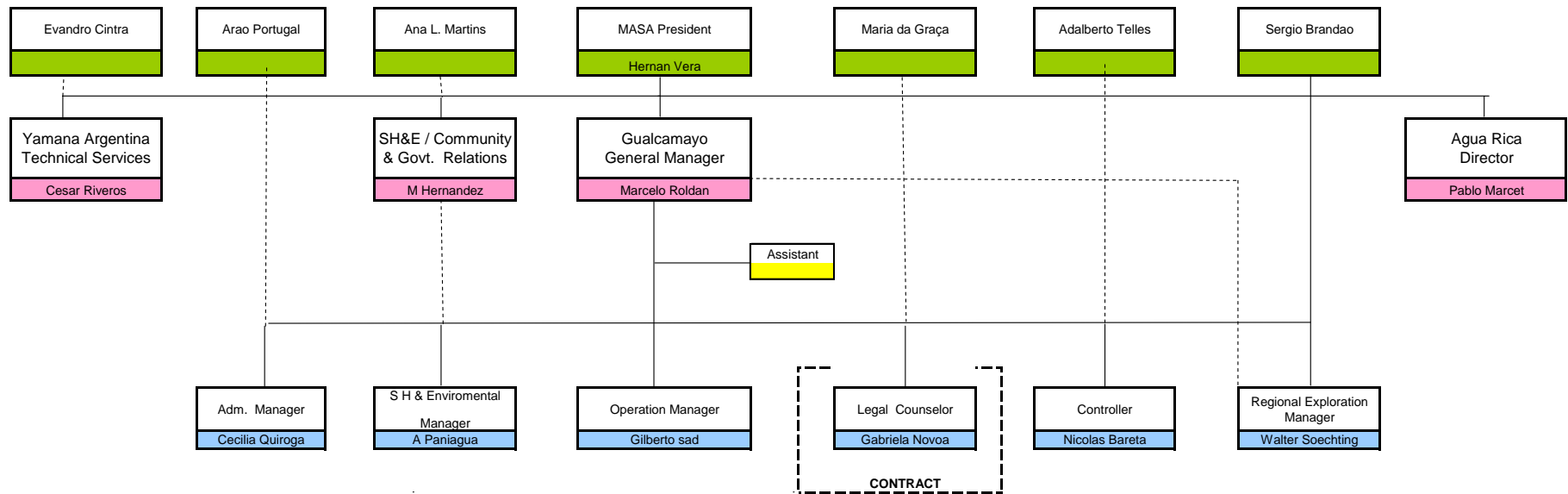
- Obtention of EIS Approval/Commencement of construction in Mid June 2007
- Implementation of Yamana corporate policies (Datasul System, Safety System, Ethic Code)
- Management team completed
- Mine operators recruitment and training program on development. Local employment strategy.
- Presentation of FS at Mining Secretariat (16 November '07)
- Advanced study for AMI
- Approach with union for labor agreement
- Critical contracts for operation signed
- MASA/MDG/NNO integration in Argentina on process

Future opportunity:

- Accelerate ounces profile by developing AMI
- Optimize schedule and costs

Minas Argentinas Strategic Planning

300 koz target

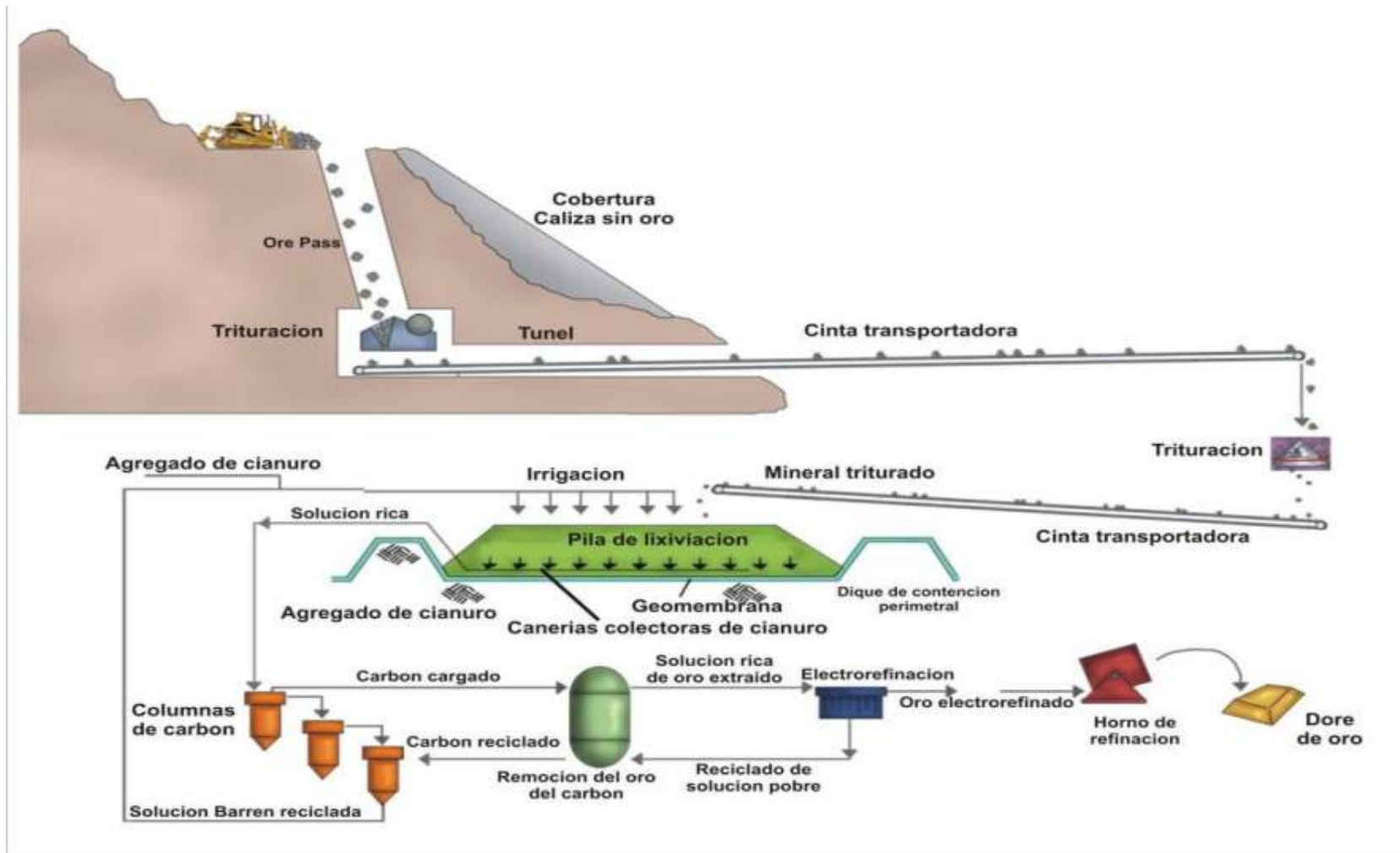


Minas Argentinas Strategic Planning 300 koz target

MASA STRATEGY:

- Assure the goal of 97koz for 2008
- AIM resource conversion by a FS ending at 31/12 2007
- Begin AIM production by mining first oxide upper ore.
- Early production starting on QDD lower by underground operation. Begin with oxides.
- Deep metallurgical test works and FS for sulphides ore considering reserves of both AIM and QDD lower
- Achieve a sustainable operation at 300koz Au production from 2010 on

Process flow description



QDD Open Pit Fleet

<u>Descripción</u>	<u>Quantity</u>
<i>Wheel Loaders Komatsu WA600-6</i>	<i>2</i>
<i>Wheel Loaders Komatsu WA600-6 LC</i>	<i>2</i>
<i>Wheel Loaders Komatsu WA470-6</i>	<i>1</i>
<i>Hydraulic Excavators Komatsu PC800-8</i>	<i>2</i>
<i>Hidraulic Excavators Komatsu PC450-7</i>	<i>1</i>
<i>Bulldozers Komatsu D375A-5</i>	<i>3</i>
<i>Bulldozers Komatsu D155AX-6</i>	<i>3</i>
<i>Articulated Dump Trucks CAT 740</i>	<i>6</i>
<i>Backhoe Loaders Komatsu WB145-5</i>	<i>2</i>
<i>Vibratory Rollers</i>	<i>2</i>

QDD Long-Term Contractor

Rock Movement

- Contractor (now Minera Brig) 800k t/month QDD. Until mid 2007

Support Activities

- Tyres Repair
- Hydraulic hoses
- Welding

Blasting (Orica)

- Technical assistance
- Explosive Supply
- Accessories, etc

Maintenance Heavy Equipment

- Komatsu - Caterpillar - Sandvik
- 2 years Technical Support and Know how
- Spare parts supplies



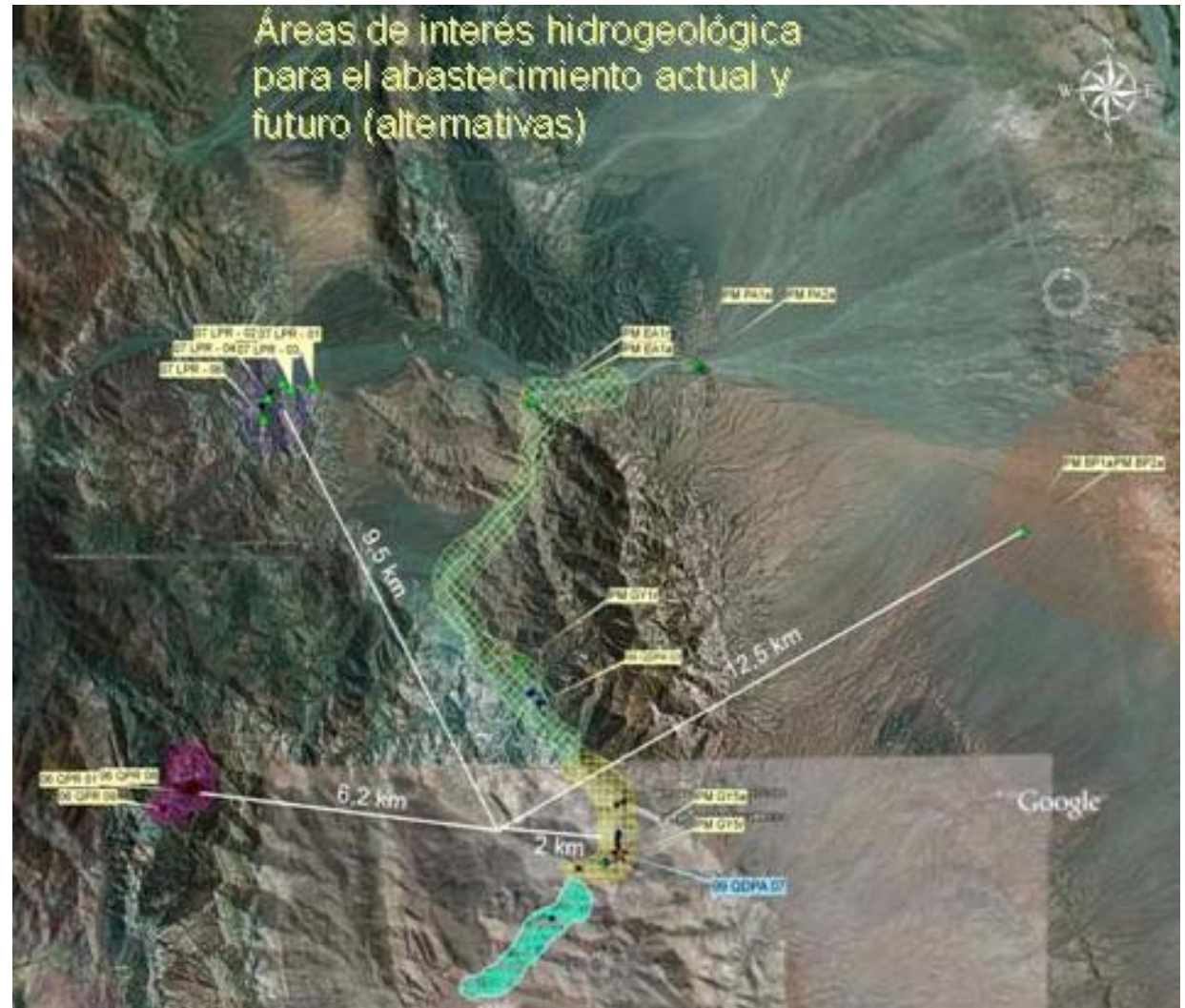
Water Resources

Historical Information

- Average rainfall less than 138mm
- The flow of the river is highly irregular depending on the time of year and the intensity of rainfall
- Rainfall season in Summer (3 month)
- Information about water table is being updated

Requirement

- Plant 160 m³/ h + Additional 240 m³ / h for dust control



Mining Training Program

(Performed by MASA with assistance of UNSJ, Performance Associates, On Field Training Companies, OEM trainers and Psychologist team)

✓ Experienced operators:

First step - 48h

Yamana safety standards, mine and operational procedures , ore control , equipment operation manual and mine tour .

Second step - 280h

In field training with instructor.

Third step - 840h

Follow up to evaluated and certify operators.

✓ Non experienced operators coming from vicinities:

Introduction - 360h - General information about the mining industry.

First step - 48h - The same steps with more hours

Second step - 420h

Third step - 840h

Process & Maintenance Training Program

✓ *Awarded to Performance Associates*

First step - performed by MASA

Searching personnel nearby the mine site . On going.

Second step - performed by Performance Associates.

“Hard Copy” Operation and Maintenance Manuals and Pocket Manual. Training Manuals and Training delivery in the field for operators and maintenance people.

Budget Snapshot

Gualcamayo mining cost per tonne processed

Area	Budget 2008	Feasibility St	Variance 2008	
Haul Costs	US\$/t 0,40	0,41	(0,01)	Increase of 50% in fuel price offset by increase of ore processed
Loader Trammig Costs	US\$/t 0,02	0,26	(0,24)	Transfer to Dozing Costs
Dozer Costs	US\$/t 0,71	0,48	0,23	Transfer from loading costs
Drill/Blast Costs	US\$/t 0,16	1,79	(1,63)	Optimization of blasting design offset by increase in tonnes
Aux. Equipment Costs	US\$/t 0,73	0,80	(0,07)	Increase in fuel and hourly rates
Mine Labour Costs	US\$/t 0,87	0,74	0,13	New labour rates scales offset by increase in tonnes
Other Mine Costs	US\$/t 0,15	0,05	0,10	Water permits and training costs
Contingencies	US\$/t 0,29	0,45	(0,16)	
Total	US\$/t 3,33	4,98	(1,65)	

Gualcamayo Process costs per tonne

	Budget 2008	Feasibility	Variance 2008	
Crushing	US\$/t 0,16	0,13	0,02	Increase in steel price offset by increase in tonnes proc.
Leaching/Cyanidation	US\$/t 0,53	0,62	(0,09)	Increase in tonnes processed
A & D and Eletrolises	US\$/t 0,07	0,08	(0,01)	
Bullion Smelt/Gold Shed	US\$/t 0,20	0,22	(0,01)	Adjustment in reagent consumption rates
Utilities and Auxiliar Equipments	US\$/t 0,20	0,09	0,11	Increase in cost of energy
Maintenance	US\$/t 0,04	0,07	(0,03)	
Plant Administration	US\$/t 0,31	0,13	0,18	Increases in labour costs and supervisory costs
	US\$/t 1,51	1,35	0,16	

Guacalmayo G&A costs per tonne

	Budget 2008	Feasibility	Variance 2008	
Total G&A Costs	US\$/t 1,42	0,92	0,50	Increase in catering and other camp costs Higher H&S compliance costs and increase in labor

	Budget 2008	Feasibility	Variance 2008	
Total Operating Cost	US\$/t \$ 6,27	\$ 7,25	\$ -0,98	

Budget Manpower

BUDGET MASA 2008	2.008	FS	Difference
Mine Operations	179	192	-13
Mine & Plant Maintenance	67	78	-11
Technical Services	18	18	0
Process	53	59	-6
Management	8	5	3
Finance	11	8	3
IT	5	3	2
Purchasing, Logistics & Contracts	20	18	2
HHRR	5	2	3
Environmental, Safety & Risk Prevention	14	17	-3
General Services	14	0	14
TOTAL	394	400	-6

Minas Argentinas - Gualcamayo

- Targeting sustainable 300,000 oz per annum starting in 2010
- Includes QDD Lower West - high-grade underground zone target
- Updated resource estimate for AIM and QDD Lower West by year-end

Benefits of Mining Investment Law (L24196)

Highlights:

- MASA is registered under Mining Investment number 122 since 1995
- In November 14th has presented the Feasibility Study on National Mining Secretariat, requesting for Gualcamayo, among others, the following investment incentives:
 1. Fiscal stability for 30 years since the date of presentation, which includes also custom duties stability and maintenance of foreign exchange market (except exchange rate);
 2. Tax incentives for double deduction of the exploration costs;
 3. Accelerated depreciation of infra structure investment in the first three years (60%-20%-20%)

Q & A



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