

Extractive Sector Transparency Measures Act Report

Reporting Year	2016 (From: January 1, 2016 to December 31, 2016)
Reporting Entity Name	Yamana Gold Inc.
Reporting Entity ESTMA Identification Number	E314969
Subsidiary Reporting Entities	All wholly-owned subsidiaries, controlled entities and Brio Gold Inc. (ESTMA ID:E649914). Excludes Canadian Malartic General Partnership ("CMGP") (ESTMA ID: E702970) as the entity is reporting its payments independently. Please refer to notes for further detail.

Attestation: Please check one of the the boxes below and provide the required information

Attestation (by Reporting Entity)

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest I have reviewed the information contained in the ESTMA report for the entity(ies) listed above. Based on my knowledge, and having exercised reasonable diligence, the information in the ESTMA report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Attestation (through independent audit)

In accordance with the requirements of the ESTMA, and in particular section 9 thereof, I attest that I engaged an independent auditor to undertake an audit of the ESTMA report for the entity(ies) and reporting year listed above. Such an audit was conducted in accordance with the Technical Reporting Specifications issued by Natural Resources Canada for independent attestation of ESTMA reports.

The auditor expressed an unmodified opinion, dated 2017-05-24, on the ESTMA report for the entity(ies) and period listed above.

The independent auditor's report can be found in this report.

Director or Officer of Reporting Entity Full Name:

Jason LeBlanc

Position Title:

SVP, Finance and Chief Financial Officer

Date:

5/30/2017

Extractive Sector Transparency Measures Act - Annual Report - Payments by Payee

Reporting Year	2016 (From: January 1, 2016 to December 31, 2016)
Reporting Entity Name	Yamana Gold Inc.
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Subsidiary Reporting Entities	All wholly-owned subsidiaries, controlled entities and Brio Gold Inc (ESTMA ID:E649914). Excludes Canadian Malartic General Partnership ("CMGP") (ESTMA ID: E702970) as the entity is reporting its payments independently. Please refer to notes for further detail.

Payments by Payee										
Country	Payee Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Payee	Notes
Argentina	Tesoreria General De La Provincia De Catamarca			\$260,000					\$260,000	(1)
Argentina	Gobierno de la Provincia de San Juan	\$3,780,000	\$7,420,000	\$110,000					\$11,310,000	(1)
Argentina	Administración Federal de Ingresos Publicos	\$150,000							\$150,000	(1)
Argentina	Ministerio de Economía y Obras Públicas			\$120,000					\$120,000	(1)
Argentina	Municipalidad de Puerto Deseado							\$230,000	\$230,000	(1)
Barbados	Barbados Revenue Authority	\$750,000							\$750,000	(1)
Brazil	Departamento Nacional de Produção Mineral	\$13,010,000		\$1,300,000					\$14,310,000	(1)
Brazil	Secretaría da Receita Federal do Brasil	\$42,620,000							\$42,620,000	(1)
Canada	Canada Revenue Agency	\$1,040,000							\$1,040,000	(1)
Chile	Ilustre Municipalidad de Alhué			\$710,000					\$710,000	(1)
Chile	Tesorería de la Federación	\$4,540,000							\$4,540,000	(1)
Chile	Tesorería General de la República	\$71,930,000		\$1,810,000					\$73,740,000	(1)
Chile	Tesorería - Municipalidad de Antofagasta			\$700,000					\$700,000	(1)
Chile	Tesorería - Municipalidad de Las Condes			\$270,000					\$270,000	(1)
Mexico	Tesorería de la Federación	\$770,000	\$1,780,000						\$2,550,000	(1)
Mexico	Secretaría de Economía	\$210,000		\$410,000					\$620,000	(1)
Netherlands	Dutch tax authorities	\$500,000							\$500,000	(1)
	TOTAL	\$139,300,000	\$9,200,000	\$5,690,000	\$0	\$0	\$0	\$230,000	\$154,420,000	

(1) Please refer to the notes page for further clarification on the payments made

Extractive Sector Transparency Measures Act - Annual Report - Payments by Project

Reporting Year	2016 (From: January 1, 2016 to December 31, 2016)
Reporting Entity Name	Yamana Gold Inc.
Reporting Entity ESTMA Identification Number	E314969
Subsidiary Reporting Entities	All wholly-owned subsidiaries, controlled entities and Brio Gold Inc (ESTMA ID:E649914). Excludes Canadian Malartic General Partnership ("CMGP") (ESTMA ID: E702970) as the entity is reporting its payments independently. Please refer to notes for further detail.

Payments by Project

Country	Project Name	Taxes	Royalties	Fees	Production Entitlements	Bonuses	Dividends	Infrastructure Improvement Payments	Total Amount paid by Project	Notes
Argentina	Regional Office Argentina (Yamana Argentina de Servicios S.A)	\$150,000							\$150,000	(1)
Argentina	Gualcamayo Mine (Minas Argentina S.A.)	\$3,800,000	\$7,420,000	\$370,000					\$11,590,000	(1)
Argentina	Agua Rica Project (Minera Agua Rica LLC)			\$260,000					\$260,000	(1)
Argentina	Cerro Moro Construction Project (Estelar Resources Ltda.)			\$230,000				\$230,000	\$460,000	(1)
Barbados	Regional Office Barbados (Yamana Gold (Barbados) Inc.)	\$750,000							\$750,000	(1)
Brazil	Riacho Dos Machados Mine (Mineração Riacho Dos Machados Ltda.)			\$560,000					\$560,000	(1)
Brazil	Regional Office Brazil (Yamana Desenvolvimento Mineral S.A.)	\$160,000							\$160,000	(1)
Brazil	Chapada Mine (Mineração Maraca Indústria e Comércio S.A.)	\$36,260,000		\$940,000					\$37,200,000	(1)
Brazil	Jacobina Mine (Jacobina Mineração e Comércio Ltda.)	\$6,740,000							\$6,740,000	(1)
Brazil	Fazenda Brasileiro Mine (Fazenda Brasileiro Desenvolvimento Mineral Ltda.)	\$4,830,000							\$4,830,000	(1)
Brazil	Pilar De Goiás Mine (Pilar De Goiás Desenvolvimento Mineral)	\$7,670,000							\$7,670,000	(1)
Canada	Corporate Office (Minera Yamana Inc.)	\$1,040,000							\$1,040,000	(1)
Chile	El Péñon Mine (Minera Meridian Ltda.)	\$59,900,000		\$2,170,000					\$62,070,000	(1)
Chile	Minera Florida Mine (Minera Florida Ltda., Agrícola Y Forestal El Asiento Ltda.)	\$2,260,000		\$830,000					\$3,090,000	(1)
Chile	Jerónimo Project (Agua de la Falda SA)			\$300,000					\$300,000	(1)
Chile	Regional Office Chile (Yamana Chile Servicios SpA)	\$14,310,000		\$240,000					\$14,550,000	(1)
Mexico	Mercedes Mine (Minera Meridian Minerales S. de R.L. de C.V.)	\$520,000	\$1,780,000	\$410,000					\$2,710,000	(1)
Mexico	Regional Office Mexico (Minera Meridian Mexico S. de R.L. de C.V.)	\$460,000							\$460,000	(1)
Netherlands	Regional Office Netherland (Yamana International Holding Cooperative U.A.)	\$500,000							\$500,000	(1)
	TOTAL	\$139,350,000	\$9,200,000	\$6,310,000	\$0	\$0	\$0	\$230,000	\$155,090,000	

(1) Please refer to the notes page for further clarification on the payments made

Extractive Sector Transparency Measures Act - Annual Report - Notes

Reporting Year	2016 (From: January 1, 2016 to December 31, 2016)
Reporting Entity Name	Yamana Gold Inc.
Reporting Entity ESTMA Identification Number	E314969

Notes regarding Subsidiary Reporting Entities:

- Yamana Gold Inc. is reporting Brio Gold Inc. (TSE:BRIO) payments (ESTMA ID:E649914), as it was a wholly owned subsidiary of Yamana until December 23, 2016, at which point Yamana Gold Inc. disposed of 15% of its ownership interest, thereby holding 85% of the issued and outstanding Brio Gold shares as at December 31, 2016, retaining control.
- Yamana Gold Inc. is not reporting payments made by the Canadian Malartic General Partnership ("CMGP") (ESTMA ID: E702970) as the entity is reporting its payments independently. CMGP is owned 50% by Yamana and operates the Canadian Malartic mine.
- Payments associated with Mineração Riacho dos Machados are reported from the date of acquisition of the mine on April 29, 2016.
- Payments associated with Mexican projects, entities and governments occurred until September 30, 2016, the date when Yamana Gold Inc. sold the interest in all of its Mexican operations.

Other Notes:

- All payments made in a foreign currency are reported into Canadian dollars using the average rate for the year. The average rates for the year used for the preparation of the report were as follows, in relation to \$1 Canadian: Argentinian Peso 11.1:1, Brazilian Real 2.63:1, Chilean Peso 511:1, Mexican Peso 14.08:1, Euro 0.68:1, United States Dollar 0.74:1.
- The totals on both ESTMA reports may not reconcile due to the fact that not all payees have payments that aggregate over the threshold of CAD\$100,000 and consequently are excluded from the 'Payment by Payee' report. However, those payments may be included in the 'Payment by Project' report because they may aggregate to the CAD\$100,000 threshold for the same payment category paid by the same entity/project.

Notes on expenses reported:

Taxes	Taxes represent payments to government based on taxable profits under legislated income tax rules. Values also include payments made to revenue authorities based on a percentage of metal sales. In certain jurisdictions, the Company has the ability to use tax credits to offset income tax cash payments. The tax credits used in lieu of cash have been included in this reporting.
Royalties	Royalties include cash payments made to governments in relation to revenue or production generated under royalty agreements. No payments are made in the form of production.
Fees	Fees represent payments to provincial and federal governments in the form of fees, typically levied on the initial or ongoing right to use a geographical area for exploration, development and/or production. The fees reported include license fees, rental fees, entry fees and other payments for licenses and/or concessions.
Production Entitlements	Yamana Gold Inc. has no reportable Production Entitlements for the period.
Bonus	Yamana Gold Inc. has no reportable Bonus payments for the period.
Dividends	Yamana Gold Inc. has no reportable Dividend payments for the period.
Infrastructure payments	Infrastructure payments represent payments made to local municipalities for the construction of public infrastructure including roads, sewage and sidewalks. The infrastructure is used by the general public in the town of Puerto Deseado. These payments are made in relation to the Cerro Moro construction project in Argentina.

Independent Auditor's Report

To the Directors of Yamana Gold Inc., and

The Minister of Natural Resources Canada

We have audited the accompanying Schedule of Payments by Payee totaling \$154,420,000 and the Schedule of Payments by Project totaling \$155,090,000, including related notes, of Yamana Gold Inc. (the "Company") for the year ended December 31, 2016 (together "the Schedules"). The Schedules have been prepared by management in accordance with the financial reporting provisions in Section 9 of the Extractive Sector Transparency Measures Act ("ESTMA"), Section 2.3 of the ESTMA – Technical Reporting Specifications and Sections 3.1 to 3.6 of the ESTMA – Guidance (collectively, the "Financial Reporting Framework").

Management's Responsibility for the Schedules

Management is responsible for the preparation of the Schedules in accordance with the Financial Reporting Framework referred to above, and for such internal control as management determines is necessary to enable the preparation of the Schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Schedules based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedules. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the Schedules, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation of the Schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Schedule of Payments by Payee amounting to \$154,420,000 and the Schedule of Payments by Project amounting to \$155,090,000 of the Company for the year ended December 31, 2016 are prepared, in all material respects, in accordance with the financial reporting framework referred to above.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we note that the Schedules are prepared to provide information to the Directors of Yamana Gold Inc. and the Minister of Natural Resources Canada for the purposes of satisfying requirements for the Company to provide an annual report in compliance with the Extractive Sector Transparency Measures Act. As a result, the Schedules may not be suitable for another purpose.

Our report is intended solely for the Directors of Yamana Gold Inc. and the Minister of Natural Resources Canada and should not be used by parties other than the Directors of the Company and the Minister of Natural Resources Canada.

/s/ Deloitte LLP

Chartered Professional Accountants
May 24, 2017
Vancouver, British Columbia