

NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR FOR DISSEMINATION TO UNITED STATES

[Yamana Gold Inc.](#) (TSX:YRI) (NYSE:AUY) ("Yamana" or the "Company") is pleased to announce that it has, along with [Brio Gold Inc.](#) ("Brio Gold"), entered into an agreement with a syndicate of underwriters (the "Underwriters") co-led by Canaccord Genuity Corp., CIBC Capital Markets and National Bank Financial Ltd. pursuant to which the Underwriters have agreed to purchase 26,667,000 common shares of Brio Gold currently held by Yamana on a bought deal basis at an offering price of C\$3.00 per Brio Gold common share ("the Offering").

The Underwriters will have the option, but not the obligation, exercisable in whole or in part at any time until 30 days following the Closing of the Offering, to increase the size of the Offering by up to an additional 2,667,000 Brio Gold common shares to cover over-allotments, if any, at the issue price "the Over-Allotment Option". If the Over-Allotment Option is exercised in full, the total gross proceeds to Yamana will be C\$88,002,000.

Prior to the Offering Yamana owned 89,202,922 common shares of Brio Gold representing in the aggregate 79.3% of the issued and outstanding common shares of Brio Gold on a basic basis and 75.3% on a fully diluted basis. After giving effect to this offering, and assuming the full exercise of the Over Allotment Offering, Yamana will own 59,868,922 common shares of Brio Gold representing in the aggregate 53.2% of the issued and outstanding common shares of Brio Gold on a basic basis and 50.5% on a fully diluted basis. Brio Gold will not receive any proceeds from the Offering and all of the expenses of the offering will be paid by Yamana.

Peter Marrone, Chairman and Chief Executive Officer of Yamana, commented as follows: "We are pleased to announce this sale of Brio Gold shares which is consistent with the plan we have implemented to realize value from our Brio Gold holdings. The sale of over 26 million shares of Brio reduces our investment significantly and is expected to meaningfully increase liquidity for the shares. The proceeds from the sale advance our stated goals of increasing our cash balances and decreasing our net debt. Further, we believe that reducing our interest in Brio Gold and creating liquidity will lead to additional opportunities with our remaining holdings in Brio Gold."

A preliminary short form prospectus relating to the offering will be filed by no later than May 16, 2017 with securities regulatory authorities in each province and territory of Canada. Closing of the offering is expected to occur on or about June 1, 2017 and is subject to certain conditions, including the approval of Canadian securities regulatory authorities.

The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction in which such offer, sale or solicitation would be unlawful.

About Yamana

Yamana is a Canadian-based gold producer with significant gold production, gold development stage properties, exploration properties, and land positions throughout the Americas including Canada, Brazil, Chile, and Argentina. Yamana plans to continue to build on this base through existing operating mine expansions, throughput increases, development of new mines, the advancement of its exploration properties and, at times, by targeting other gold consolidation opportunities with a primary focus in the Americas.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: This news release contains or incorporates by reference "forward-looking statements" and "forward-looking information" under applicable Canadian securities legislation within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking information includes, but is not limited to information with respect 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 Company's expectations in connection with the value of the consideration received on completion of the Transaction, the expected use of proceeds discussed herein, the reduction of the Company's net debt position and delivering value creation over the long term, and the Company's expectations on meeting its financial objectives as well as those risk factors discussed or referred to herein and in the Company's Annual Information Form 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 plans and objectives in connection with the Transaction and may not be appropriate for other purposes.

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