



| | |
|-------------------|---|
| B #: | 4695-16 |
| Date: | 11/29/2016 |
| To: | All Clients |
| Category: | Dividends |
| From: | Supervisor, Stock Dividend Department |
| Attention: | Dividend Managers, Cashiers, and Reorganization Managers |
| Subject: | Rights Offering: Yamana Gold Inc. CUSIP: 98462Y100 Rights CUSIP: 98462Y175 Rights Contra CUSIP: 984995399 Record Date: 11/25/2016 Rate: 0.0625 transferable rights for each common share held DTC Certification Deadline: December 9, 2016 8:00 P.M. EST Rights Expire: December 21, 2016 at 5:00 P.M. EST CA Web Foreign Tax Relief Instruction Deadline: December 1 st , 2016 8:00 P.M. EST |

*****WARNING TIME CRITICAL*****

Rights are being distributed as a dividend-in-kind. As such DTC has created a CA Web Instruction window under CAID 101764895 to facilitate Foreign Tax Relief election processing. The CA Web Instruction deadline is December 1st, 2016 8:00 P.M. EST.

Note: Participants will be debited in cash based on elections made at the 25% unfavorable rate and 15% favorable rate. The Fair Market Value provided by the agent or issuer will be used to calculate the taxes. Any questions can be directed to Sean Bollers @ 212-855-4706 or Daniel Rico @ 813-470-1607.

Yamana Gold Inc. is issuing to the holders of its outstanding shares of record at the close of business on November 25, 2016 (the “Record Date”), as a dividend-in-kind, Purchase Rights to subscribe for additional common shares of Brio Gold Inc. Each registered holder of common shares on the record date will receive 0.0625 Rights for each common share held. The Rights expire at 5:00 p.m. (EST) on December 21, 2016 (The “Rights Expiry Date”), after which time unexercised Rights will be void and of no value.

The Offering is only being made to Shareholders (Eligible Holders) resident in the provinces and territories of Canada and the United States (the Eligible Jurisdictions). The purchase rights may only be exercised in the United States by "Qualified Institutional Buyers" within the meaning of rule 144A under the U.S. Securities Act. Holders in the United States that are not Qualified Institutional Buyers may not exercise their rights and, in order to receive any value for their rights, must arrange to sell the rights outside of the United States in accordance with the requirements of Regulation S under the U.S. Securities Act. The common shares of Brio Gold Inc. have not been, or will be, registered under the United States Securities Act of 1933, as amended (the U.S. Securities Act), or any state securities laws. Accordingly, the Common Shares may not be offered or sold in the United States unless an exemption from the registration requirements of the U.S. Securities Act is available.

DTCC offers enhanced access to all important notices via a Web-based subscription service The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

B#: 4695-16

Processing for Participants who reside within eligible jurisdictions (United States and Canada)

DTC will not be moving forward with the subscription or eligibility of Brio Gold Inc. shares as it relates to the purchase rights offer. As such, DTC has allocated rights to contra CUSIP 984995399 irrespective of Participants' jurisdiction eligibility. Participants who reside within the United States and Canada will have their rights exited shortly after 11/29/2016.

The Purchase Rights distributed to registered holders of Yamana Shares will be evidenced by certificates in registered form (the "**Purchase Rights Certificates**"). In order to exercise the Purchase Rights represented by a Purchase Rights Certificate, a completed Purchase Rights Certificate, together with payment in full of the Exercise Price for each whole Common Share, must be received by CST Trust Company (the "**Purchase Rights Agent**") by mail at **P.O. Box 1036, Adelaide Street Postal Station, Toronto, Ontario, M5C 2K4, Attention: Corporate Actions** or by hand, courier or registered mail at **320 Bay Street, Basement Level (B1), Toronto, Ontario, M5H 4A6, Attention: Corporate Actions** (the "**Applicable Purchase Rights Agent, Office**") by the Expiry Time on the Expiry Date.

Processing for Participants who reside outside the eligible jurisdictions

DTC has allocated rights to contra CUSIP 984995399 irrespective of Participants' jurisdiction eligibility. However, DTC will not be certificating rights on behalf of Participants who reside outside of the eligible jurisdictions. Shareholders wishing to have the rights released to them must send written instructions to the attention of Lori Byers of DTC's Stock Dividend Section.

The rights will be held until December 12th, 2016 either by the subscription agent or by the relevant securities broker or dealer, bank or trust company or other clients (including a Client) through which they hold securities. After such time there will be no market sought to sell the rights by the Subscription agent or the relevant CDS clients, as the case may be.

Clients who reside outside the eligible jurisdictions may submit instructions using the following methods by no later than 8:00 P.M. N.Y. time on December 9th, 2016.

- **Fax:** 212-855-4937
- **Email:** stockdividendprocessing@dtcc.com and labyers@dtcc.com
 - **Subject Line:** Rights Instructions for Yamana Gold Inc. CUSIP: 98462Y100

Clients must contact Lori Byers at 212-855-5283 to confirm receipt of the instructions.

The following **MUST** be included in the written instructions

- Instructions must be on company letterhead
- Include company brick and mortar address
- DTC authorized indemnity clause
- Medallion stamp
- DTC Client number

DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

B#: 4695-16

The address stated in the instructions must be in an eligible jurisdiction. Instructions must include an indemnity clause and medallion stamp.

Be advised that a sample indemnification letter is accompanying this Important Notice.

The instructions will be processed only after acceptance by the subscription agent. **Clients will be responsible for receiving their Rights from the subscription agent.**

If Clients have any questions regarding this Important Notice, they may contact DTC's Customer Help Center at (888) 382-2721.

Inquiries relating to this offering should be directed to the Information Agent, Laurel Hill Advisory Group at 1-877-452-7184 toll-free (1-416-304-0211 for collect calls) or by e-mail at assistance@laurelhill.com.

SAMPLE INDEMNITY LETTER

YOUR COMPANY LETTERHEAD
Brick and Mortar Address

Date: _____

Depository Trust & Clearing Corp.
55 Water Street
New York, NY 10041
Attn: _____

Re: _____ CUSIP#: _____

Sir/Madam: _____

On record date _____, we held _____ shares at DTC on behalf of beneficial owners, entitling us to receive _____ Rights.

We hereby certify that all shares are beneficially owned by shareholders residing in the qualifying jurisdictions. These holders are therefore entitled to receive the Rights, please accept this letter as authorization to have Rights released to us in the name of _____.

[INSERT INDEMNITOR’S NAME] hereby agrees to jointly and severally indemnify and defend DTC and Cede & Co., and each of their respective subsidiaries and affiliates, officers, directors, employees, agents and attorneys, (the "Indemnitees") against, and hold the Indemnitees harmless from, any Losses¹ and Legal Actions² suffered or incurred by the Indemnitees resulting from, relating to, arising out of or in connection with [INSERT THE NATURE OF THE REQUEST](the “Request”), except as a result of the Indemnitees willful misconduct or gross negligence or fraud. By way of example but not by way of limitation, this indemnity applies to Legal Actions between and/or among [INSERT INDEMNITOR’S NAME] and/or Indemnitees.

[INSERT INDEMNITOR’S NAME] represent and warrant that we are duly authorized to execute this indemnity.

Sincerely,

Name: _____

Title: _____

Company Name: _____

Clients Number: _____

Phone #: _____

E-mail: _____

Place Medallion Signature Guarantee Stamp Here

¹ “Losses” means and includes all losses, liabilities, damages, judgments, liabilities, payments, obligations, costs and expenses (including, without limitation, any costs of investigation and legal fees and expenses incurred in connection with, resulting from, relating to, arising out of or in connection with the Request), regardless of whether or not any liability, payment, obligation or judgment is ultimately imposed against the Indemnitees.

² “Legal Action” means and includes any claim, counterclaim, demand, action, suit, countersuit, arbitration, inquiry, proceeding or investigation before any federal, state or foreign court or other tribunal, or any investigative or regulatory agency or self regulatory organization.

DTCC offers enhanced access to all important notices via a Web-based subscription service The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.

B#: 4695-16

Important Legal Information: *The Depository Trust Company (“DTC”) does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in this communication, which is based in part on information obtained from third parties and not independently verified by DTC and which is provided as is. The information contained in this communication is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this communication, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such communication, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages. To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that maybe imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.*

DTCC offers enhanced access to all important notices via a Web-based subscription service. The notification system leverages RSS Newsfeeds, providing significant benefits including real-time updates and customizable delivery. To learn more and to set up your own DTCC RSS alerts, visit http://www.dtcc.com/subscription_form.php.