JAGUAR MINING INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Jaguar Mining Inc.

Opinion

We have audited the consolidated financial statements of Jaguar Mining Inc. (the Entity), which comprise:

- the consolidated statements of financial position as at December 31, 2023 and December 31, 2022
- the consolidated statements of operations and comprehensive income for the years then ended
- the consolidated statements of changes in shareholders' equity for the years then ended
- the consolidated statements of cash flows for the years then ended
- and notes to the consolidated financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Entity as at December 31, 2023 and December 31, 2022, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the Internal Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

Evaluation of the carrying value of property, plant and equipment

Description of the matter

We draw attention to Notes 3(c)(viii) and 9(d) to the financial statements. The carrying amount of the Entity's property, plant and equipment are reviewed at each reporting date to determine whether there is any indication of impairment or impairment reversal. If any such indicator exists, the Entity performs an impairment (reversal) test.

The impairment reversal test at the Turmalina cash generating unit resulted in an impairment reversal of $8.9 million. The impairment test at the Caete cash generating unit resulted in no impairment charges.

The Entity's estimate of the recoverable amount for each cash generating unit is determined using the fair value less costs of disposal approach which uses discounted cash flow models to determine the recoverable amount. The significant assumptions used in determining the recoverable amount were: future gold prices, mineral reserve and resource estimates including the portion of mineral resources deemed to hold a probable likelihood of recovery, discount rates, foreign exchange rates and operating and capital costs used to determine the future cash flows.

Why the matter is a key audit matter

We identified the evaluation of the carrying value of property, plant, and equipment as a key audit matter. This matter represented an area of significant risk of material misstatement as minor changes to certain significant assumptions had a significant effect on the estimated recoverable amount of the cash generating units. As a result, significant auditor judgment was required in evaluating the results of our audit procedures. Further, professionals with specialized skills and knowledge were required to evaluate certain significant assumptions.

How the matter was addressed in the audit

The following are the primary procedures we performed to address this key audit matter.

We compared the future costs in the discounted cash flow model to the latest technical reports and to certain actual historical costs incurred.

We evaluated the Company's mineral reserves and resources by analyzing changes from the prior year.

We evaluated the Company's estimate of the mineral resources deemed to hold a probable likelihood of recovery by comparing to historical mineral resources and reserves.

We assessed the competence, capabilities and objectivity of the Entity's personnel who prepared the reserve and resource statement including the industry and regulatory standards they applied.

We involved valuation professionals with specialized skills and knowledge who assisted in evaluating the appropriateness of the Entity's:

- Gold prices and foreign exchange rate assumptions by comparing to estimates that were independently developed using publicly available third-party sources.
- Discount rate assumption by comparing to estimates that were independently developed using publicly available third-party sources and data for comparable entities.

Other Information

Management is responsible for the other information. Other information comprises the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.
- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

The engagement partner on the audit resulting in this auditor's report is Todd Buchanan.

Toronto, Canada

March 25, 2024

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in thousands of US dollars)

		December 31, 2023	December 31, 2022
ASSETS			
Current assets			
Cash and cash equivalents		**$ 22,041**	$ 25,208
Restricted cash	*Note 5*	**897**	618
Inventory	*Note 6*	**15,639**	16,239
Recoverable taxes	*Note 7*	**5,584**	8,545
Other accounts receivable	*Note 8*	**310**	343
Prepaid expenses and advances		**1,556**	3,615
Total current assets		**46,027**	54,568
Non-current assets			
Property, plant and equipment	*Note 9*	**230,429**	197,302
Mineral exploration projects	*Note 10*	**20,436**	28,501
Deferred tax assets	*Note 14*	**5,800**	-
Recoverable taxes	*Note 7*	**1,768**	2,245
Other accounts receivable	*Note 8*	**4,000**	5,000
Restricted cash	*Note 5*	**659**	517
Total assets		**$ 309,119**	$ 288,133
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	*Note 11*	**$ 16,082**	$ 19,782
Notes payable	*Note 12*	**3,295**	3,040
Lease liabilities	*Note 13*	**1,953**	2,414
Current tax liability	*Note 14*	**1,381**	1,881
Other taxes payable		**1,334**	1,056
Reclamation provisions	*Note 15*	**4,298**	3,156
Legal and other provisions	*Note 16*	**5,068**	3,751
Total current liabilities		**33,411**	35,080
Non-current liabilities			
Lease liabilities	*Note 13*	**592**	1,550
Other taxes payable		**8,375**	9,293
Reclamation provision	*Note 15*	**23,186**	21,148
Legal and other provisions	*Note 16*	**3,282**	4,041
Total liabilities		**$ 68,846**	$ 71,112
SHAREHOLDERS' EQUITY			
Common shares	*Note 17*	**574,000**	$ 566,716
Stock options		**1,390**	1,460
Deferred share units		**2,776**	2,715
Contributed surplus		**23,883**	23,760
Deficit		**(361,776)**	(377,630)
Total shareholders' equity		**$ 240,273**	$ 217,021
Total liabilities and shareholders' equity		**$ 309,119**	$ 288,133

On behalf of the Board:
(signed) "Jeffrey Kennedy" *(signed) "Vernon Baker"*

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022

(Expressed in thousands of US dollars, except per share amounts and number of shares)

		Year Ended December 31,	
		2023	2022
Revenue		**$ 136,528**	$ 142,500
Operating costs	*Note 19*	**79,384**	84,229
Depreciation		**24,659**	20,175
Gross profit		**32,485**	38,096
Exploration and evaluation costs		**3,295**	6,037
Care and maintenance costs (Paciência and Roça Grande mines)		**734**	609
Stock-based compensation	*Note 17(b)(c)*	**884**	1,163
General and administrative expenses		**7,358**	6,925
Amortization		**88**	77
Legal, recoverable tax and other provisions expenses		**1,049**	1,188
Impairment (reversals)		**(3,917)**	(10,661)
Other operating expenses		**1,780**	1,472
Operating income		**21,214**	31,286
Foreign exchange loss		**3,031**	1,008
Finance costs		**3,368**	2,581
Other non-operating expenses	*Note 20*	**(44)**	831
Income before income taxes		**14,859**	26,866
Income tax expense	*Note 14*	**4,805**	5,426
Deferred income tax (recovery)	*Note 14*	**(5,800)**	-
Total income tax (recovery) expense		**(995)**	5,426
Net income		**$ 15,854**	$ 21,440
Total comprehensive income		**$ 15,854**	$ 21,440
Earnings per share	*Note 18*		
Earnings per share			
Basic		**$ 0.21**	$ 0.30
Diluted		**$ 0.21**	$ 0.29
Weighted average shares outstanding			
Basic		**74,596,125**	72,461,530
Diluted		**75,488,862**	73,499,932

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2023 and 2022

(Expressed in thousands of US dollars)

		Year Ended December 31, 2023	2022
OPERATING ACTIVITIES			
Net income for the period		**$ 15,854**	$ 21,440
Adjustments and non-cash items			
Depreciation and amortization		**24,747**	20,252
Accretion interest expense		**2,812**	2,090
Interest expense		**484**	513
Impairment (reversals)		**(3,917)**	(10,661)
Unrealized foreign exchange (gain) loss		**3,000**	3,433
Current income tax expense		**4,805**	5,426
Deferred income tax (recovery)		**(5,800)**	-
Reclamation provision expenses for sites on care and maintenance	*Note 20*	**1,257**	-
Change in provisions against other accounts receivable	*Note 8*	**1,000**	-
Legal and other provisions expense		**1,129**	1,153
Other operating activities expenses	*Note 21*	**(296)**	1,549
Changes in operating assets and liabilities	*Note 22*	**(3,655)**	(1,210)
Cash provided by operating activities before income taxes		**41,420**	43,985
Income taxes paid		**(5,381)**	(3,220)
Net cash provided by operating activities		**36,039**	40,765
INVESTING ACTIVITIES			
Investment in mineral exploration projects	*Note 10*	**(4,122)**	(4,662)
Purchase of property, plant and equipment		**(32,604)**	(39,502)
Proceeds from acquisition of IAMGOLD Brazil	*Note 4*	**124**	-
Proceeds from dispositions of property, plant and equipment		**818**	443
Net cash (used in) investing activities		**(35,784)**	(43,721)
FINANCING ACTIVITIES			
Cash received upon issuance of notes payable	*Note 25(g)*	**6,000**	6,000
Cash received upon issuance of shares via stock options	*Note 17(b)*	**133**	20
Repayment of notes payable	*Note 25(g)*	**(9,289)**	(8,621)
Cash paid for purchase and cancellation of shares		**-**	(75)
Interest paid		**(277)**	(287)
Share issuance costs	*Note 4*	**(20)**	-
Cash dividends paid		**-**	(6,821)
Net cash (used in) financing activities		**(3,453)**	(9,784)
Effect of exchange rate changes on cash and cash equivalents		**31**	(2,425)
Net (decrease) in cash and cash equivalents		**(3,167)**	(15,165)
Cash and cash equivalents at the beginning of the period		**25,208**	40,373
Cash and cash equivalents at the end of the period		**$ 22,041**	$ 25,208

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the years ended December 31, 2023 and 2022

(Expressed in thousands of US dollars)

	Common Shares		Stock Options		Deferred Share Units		Contributed Surplus	Deficit	Total Equity
	Shares	Amount	Options	Amount	Units	Amount			
	Note 17		*Note 17*		*Note 17*				
Balance as at January 1, 2022	72,444,870	$ 566,860	975,798	$ 1,268	494,485	$ 1,887	$ 23,528	$ (392,249)	201,294
Shares purchased and cancelled in normal course issuer bid	(31,700)	(248)	-	-	-	-	173	-	(75)
Stock options granted and outstanding	-	-	71,656	267	-	-	-	-	267
Stock options exercised	12,083	36	(12,083)	(16)	-	-	-	-	20
Stock options forfeited and expired	-	-	(23,289)	(59)	-	-	59	-	-
Deferred share units granted	-	-	-	-	264,527	896	-	-	896
Deferred share units redeemed	27,674	68	-	-	(27,674)	(68)	-	-	-
Dividends	-	-	-	-	-	-	-	(6,821)	(6,821)
Net loss	-	-	-	-	-	-	-	21,440	21,440
Balance as at December 31, 2022	72,452,927	$ 566,716	1,012,082	$ 1,460	731,338	$ 2,715	$ 23,760	$ (377,630)	$ 217,021
Balance as at January 1, 2023	72,452,927	$ 566,716	1,012,082	$ 1,460	731,338	$ 2,715	$ 23,760	$ (377,630)	$ 217,021
Shares issued on acquisition of IAMGOLD Brazil, net of issuance costs	6,331,713	6,381	-	-	-	-	-	-	6,381
Stock options granted and outstanding	-	-	118,329	132	-	-	-	-	132
Stock options exercised	84,370	212	(84,370)	(79)	-	-	-	-	133
Stock options forfeited	-	-	(52,249)	(123)	-	-	123	-	-
Deferred share units granted and outstanding	-	-	-	-	309,772	752	-	-	752
Deferred share units redeemed	197,655	691	-	-	(197,655)	(691)	-	-	-
Net income	-	-	-	-	-	-	-	15,854	15,854
Balance as at December 31, 2023	**79,066,665**	**$ 574,000**	**993,792**	**$ 1,390**	**843,455**	**$ 2,776**	**$ 23,883**	**$ (361,776)**	**$ 240,273**

The accompanying notes are an integral part of these consolidated financial statements.

1. Nature of business

Jaguar Mining Inc. (the "Company" or "Jaguar") is a corporation continued under the *Business Corporations Act* (Ontario) engaged in the acquisition, exploration, development, and operation of gold producing properties in Brazil. The address of the Company's registered and principal executive office is 25 Adelaide St. East, Suite 1400, Toronto, Ontario, Canada, M5C 3A1.

These consolidated financial statements of the Company as at for the years ended December 31, 2023 and 2022, include the accounts of the Company and its wholly-owned subsidiaries: (i) Mineração Serras do Oeste Ltda. ("MSOL") and (ii) IAMGOLD Brasil Prospecções Minerais Ltda. ("IAMGOLD Brazil"). All significant intercompany accounts and transactions have been eliminated on consolidation.

MSOL is the operating subsidiary for (i) the Turmalina Complex comprising the Turmalina mine and one processing facility, (ii) the Caeté Complex comprising the Pilar mine and one processing facility, and (iii) the Paciência Complex comprising the Santa Isabel mine which has been on care and maintenance since 2012. IAMGOLD Brazil is the subsidiary acquired on September 13, 2023 which owns the Pitangui and Acuruí gold mineral exploration projects located in proximity to the Turmalina Complex and Paciência Complex, as further disclosed in Note 4.

2. Basis of preparation

a) Statement of compliance

The Company's consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), effective as at December 31, 2023. The Company's material accounting policies and significant estimates and judgments are described in Note 3 of these consolidated financial statements for the year ended December 31, 2023.

These consolidated financial statements were authorized for issuance by the Board of Directors on March 25, 2024.

3. Material accounting policies and significant estimates and judgments

a) Basis of measurement

These consolidated financial statements have been prepared on a going concern and historical cost basis.

The consolidated financial statements include the accounts of Jaguar Mining Inc. and its subsidiaries. The Company consolidates its subsidiaries where it has the ability to exercise control. Subsidiaries are consolidated from the acquisition date, which is the date on which the Company obtains control of the acquired entity. All intercompany balances, transactions, income and expenses, and profits or losses have been eliminated on consolidation.

b) Functional and presentation currency

The functional currency of the Company and its subsidiaries is the currency of the primary economic environment in which the entities operate, which the Company has determined is the U.S. dollar. Determination of functional currency requires certain judgements to determine the primary economic environment. In line with the Company's functional currency, these consolidated financial statements are presented in U.S. dollars.

c) Material accounting policies

(i) Basis of consolidation

Subsidiaries are entities controlled by the Company. The financial statements of the Company's subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Business combinations

The Company determines whether a business is acquired when the integrated set of assets and activities includes at a minimum, an input and substantive process and whether the acquired set has the ability to contribute to the creation of outputs.

The Company also has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. If substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets, the concentration test is met, and the transaction is determined not to be a business combination. If the assets acquired are not a business, the transaction is accounted for as an asset acquisition.

(iii) Cash and cash equivalents

The Company considers deposits in banks, certificates of deposit and short-term investments with remaining maturities of three months or less at the time of acquisition to be cash and cash equivalents. Cash held on deposit as security is classified as restricted cash.

(iv) Inventory

Gold in process, unrefined gold doré and ore in stockpiles are stated at the lower of the weighted average total production cost or net realizable value. Production costs include direct labour, employee benefits, direct material and other direct product costs including depreciation and amortization. Net realizable value represents estimated selling price in the ordinary course of business, less any further costs expected to be incurred to completion.

Raw materials and mine operating supplies are stated at the lower of weighted average cost, and net realizable value.

(v) Mineral exploration projects

Exploration and evaluation costs incurred on sites without an existing mine and on areas outside the boundary of a known mineral resource are expensed as incurred.

The exploration and evaluation costs capitalized to Mineral exploration projects are those incurred to advance exploration projects with an established mineral resource. These expenditures are made to establish and expand upon a given project´s technical and commercial feasibility which will underpin the Company's decision to develop said project into a mine or not. The capitalized costs include: direct costs of acquiring exploration properties or other resource property interests, sample collection, drilling costs, geophysical survey expenses, assay expenses, and technical and administrative overheads directly attributable to the exploration activities.

Mineral exploration projects are carried at cost, less any impairment losses recognized. If the Company determines a given project is technically feasible and commercially viable and approves the mine development of said project, the capital asset associated with the project is reclassified from Mineral exploration projects to Mining properties in Property, plant and equipment. At the time of reclassification the capital asset is reviewed for impairment in accordance with the policy noted in item (viii) below. If no economically viable ore body is discovered, previously capitalized mineral exploration project costs are expensed in the period that the project is determined to be uneconomical or abandoned.

(vi) Property, plant and equipment ("PP&E")

Plant, vehicles and equipment

At acquisition, the Company records plant, vehicles and equipment at cost, including all expenditures incurred to prepare an asset for its intended use. These expenditures consist of: the purchase price, and installation costs including architectural, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation insurance costs, duties, testing and preparation charges. The Company capitalizes costs that meet the asset recognition criteria. Costs incurred that do not extend the productive capacity or useful economic life of an asset are accounted for as a cost of the inventory produced in the period.

Plant, vehicles and equipment are depreciated over their expected useful life, which commences when the assets are considered available for use. Once plant, vehicles and equipment are considered available for use they are measured at cost less accumulated depreciation and applicable impairment losses. Depreciation on equipment utilized in the development of assets, including underground mine development, is recapitalized as development costs attributable to the related asset.

Leasing arrangements

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to the statement of operations and comprehensive income on a straight-line basis over the lease term.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company then assesses (i) whether the contract involves the use of an identified asset, (ii) whether it has the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and (iii) if it has the right to direct the use of the asset. At inception or on reassessment of a contract that contains a lease component, the consideration in the contract is allocated to each lease component proportionally on the basis of their relative standalone prices.

As a lessee, the Company recognizes a right-of-use asset, which is included in property, plant and equipment, and a right-of-use lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Construction-in-progress

Assets under construction at operating mines are capitalized as construction-in-progress (“CIP”). The cost of CIP comprises its purchase price and any costs directly attributable to bringing it into working condition for its intended use. Construction-in-progress amounts related to development projects are included in the carrying amount of the development project.

Construction-in-progress amounts incurred at operating mines are presented as a separate asset within PP&E. Construction-in-progress also includes deposits on long lead items. Construction-in-progress is not depreciated. Depreciation commences once the asset is complete and available for use.

Depreciation and amortization

Depreciation and amortization methods and rates for significant categories of non-current assets are as follows:

Processing plants	- over plant life, straight-line basis
Vehicles	- 5 years, straight-line basis
Equipment	- 5-10 years, straight-line basis
Leasehold improvements	- over term of lease, straight-line basis
Mining properties	- unit-of-production method [1]

[1] Amortization of mining properties, pre-production and development costs are calculated and recorded on the unit-of-production basis over the mine’s estimated recoverable proven and probable mineral reserves and measured and indicated resources, as disclosed in Note 3(d).

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Depreciation or amortization is adjusted prospectively if there is a change in useful lives, reserve base or residual values.

(vii) Underground mine development costs

At the Company’s underground mines, development costs are incurred to build new drifts and ramps that enable the Company to physically access ore underground. The time over which the Company will continue to incur these costs depends on the mine life. These underground development costs are capitalized as incurred.

Capitalized underground development costs incurred to enable access to specific ore blocks or areas of the underground mine, and which only provide an economic benefit over the period of mining that ore block or area, are amortized on a units of production basis, whereby the denominator includes the ore block or area’s estimated recoverable proven and probable mineral reserves and measured and indicated resources.

(viii) Impairment and impairment reversals

The carrying amounts of the Company’s non-current assets, including property, plant and equipment and exploration and evaluation assets, are reviewed at each reporting date to determine whether there is any indication of impairment or reversal thereto.

Prior to carrying out impairment reviews, the significant cash generating units are assessed to determine whether they should be reviewed under the requirements of IFRS 6 – Exploration for and Evaluation of Mineral Resources or IAS 36 - Impairment of Assets. Such determination is by reference to the stage of development of the project and the level of reliability and surety of information used in calculating value in use or fair value less costs of disposal.

The Company´s cash-generating units (“CGUs”) include individual operating mines or development projects as follows:
- The Turmalina, Caeté, and Paciência projects are CGUs which include property, plant and equipment, mineral rights, deferred exploration costs, asset retirement obligations net of amortization, and mineral exploration project assets relating to advanced-stage properties not in production.
- The Onças de Pitangui project is a CGU which includes early-stage mineral exploration properties not in production.

Impairment reviews performed under IFRS 6 are carried out on a project by project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise; typically when one of the following circumstances applies:
- sufficient data exists that render the resource uneconomic and unlikely to be developed
- title to the asset is compromised
- budgeted or planned expenditure is not expected in the foreseeable future
- insufficient discovery of commercially viable resources leading to the discontinuation of activities

Impairment reviews performed under IAS 36 are carried out when there is an indication that the carrying value may be impaired. Such key indicators (though not exhaustive) to the industry include a significant deterioration in the spot price of gold, a significant increase in production costs, or a significant revision to, and reduction in, the life of mine plan.

If any such indicator exists, the Company performs an impairment test to compare the recoverable amount to the carrying amount. The recoverable amount is the greater of its value-in-use and its fair value less cost of disposal.

The Company’s estimate of the recoverable amounts is determined using the fair value less cost of disposal approach which uses discounted cash flow models to determine the recoverable amount.

Fair value less cost of disposal is the amount obtainable from the sale of an asset or cash generating unit in an arm’s length transaction between knowledgeable, willing parties, less the costs of disposal. Costs of disposal are incremental costs directly attributable to the disposal of an asset or CGU, excluding finance costs and income tax expense.

An impairment loss is recognized when the carrying value of an asset held for use exceeds its estimated recoverable amount. Impairment losses recognized in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the unit on a pro-rata basis. Impairment losses are recognized in operating expenses. Impairment losses are recorded in the reporting period in which determination of impairment is made by management.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(ix) Income taxes

Income tax expense comprises current and deferred income taxes. Income tax expense is recognized in the consolidated statements of operations and comprehensive income except to the extent that it relates to items recognized directly in equity.

Current income taxes

Current income taxes are the expected taxes payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to taxes payable in respect of previous years.

Deferred income taxes

The Company accounts for deferred income taxes under the asset and liability method. Under this method of tax allocation, deferred income and mining tax assets and liabilities are determined based on differences between the financial statement carrying values and their respective income tax bases (temporary differences).

Deferred income taxes are measured using the tax rates that are expected to be in effect when the temporary differences are likely to reverse, based on the laws that have been enacted or substantively enacted by the reporting date. The effect on deferred income tax assets and liabilities of a change in tax rates is included in earnings in the period in which the change is substantively enacted. The amount of deferred income tax assets recognized is limited to the amount that is probable to be realized.

(x) Reclamation provisions

Mining, extraction and processing activities normally give rise to obligations for environmental rehabilitation or reclamation. Reclamation work can include facility decommissioning and dismantling; removal or treatment of waste materials; site and land rehabilitation, including compliance with and monitoring of environmental regulations; security and other site-related costs required to perform the rehabilitation work; and operation of equipment designed to reduce or eliminate environmental effects. The extent of work required and the associated costs are dependent on the requirements of relevant authorities and our environmental policies. The timing of work is dependent upon factors such as the life and nature of the asset, the operating license conditions, the environment in which the mine operates, among others.

Reclamation provisions are normally recognized at the time that an environmental disturbance occurs or a constructive obligation is determined. When a reclamation provision is initially recognized, the corresponding cost is capitalized as an asset to PP&E and is depreciated over the expected economic life of the operation to which it relates.

Included in the provisions are cost estimates which (i) aim to encompass all closure and reclamation activity expected to occur in connection with the state of disturbances existent as at the reporting date and to be conducted progressively over the life of the operation, at the time of closure and post-closure, (ii) are made based on the cost of external contractors performing the work or the cost of performing the work internally depending on management's intention, and (iii) are measured at the expected value of future cash flows discounted to their present value using a pre-tax discount rate projected based on Brazilian real risk-free treasury bond rates with a maturity approximating the timing in which the reclamation activities are planned to occur. The unwinding of the discount, referred to as accretion expense, is included in finance costs and results in an increase in the amount of the provision.

Excluded from the reclamation provisions are routine operating costs that may impact the ultimate closure and reclamation activities, such as waste material handling conducted as an integral part of a mining or production process.

Reclamation provisions are adjusted each reporting period in consideration of the changes in the extent of disturbance made, estimates and assumptions. Adjustments to reclamation provisions for operating sites are accounted for as a change in the corresponding cost of the related assets, including the related mineral property, except where a reduction in the provision is greater than the remaining net book value of the related assets, in which case the value is reduced to nil and the remaining adjustment is recognized in the consolidated statements of operations and comprehensive income. Adjustments to reclamation provisions for closed sites or sites on care and maintenance are recognized immediately in the consolidated statements of operations and comprehensive income.

Costs arising from unforeseen circumstances, such as the contamination caused by unplanned discharges, are recognized as an expense and liability when the event that gives rise to an obligation occurs and reliable estimates of the required reclamation costs can be made.

(xi) Legal and other provisions

Provisions are recorded when a legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation and is measured using the present value of cash flows estimated to settle the present obligation.

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. In assessing loss contingencies related to legal proceedings that are pending against us or un-asserted claims that may result in such proceedings, the Company with assistance from its legal counsel evaluate the perceived merits of any legal proceedings or un-asserted claims as well as the perceived merits of the amount of relief sought or expected to be sought. If the assessment of a contingency determines that a loss is probable, and the amount can be reliably estimated, then a provision is recorded. When a contingent loss is not probable but is reasonably possible, or is probable but the amount of loss cannot be reliably estimated, and then details of the contingent loss are disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the Company discloses the nature of the guarantee. Contingent gains are only recognized when the inflow of economic benefits is virtually certain.

(xii) Foreign currency translation

The U.S. dollar is considered to be the functional currency of the Company and of its subsidiaries. Monetary assets and liabilities of the Company's operations denominated in foreign currency are translated into U.S. dollars at the rate of exchange in effect at the balance sheet date, and non-monetary assets and liabilities are translated at the historical rate of exchange. Transactions in foreign currencies are translated at the actual rates of exchange. Foreign currency gains and losses are recognized in the consolidated statements of operations and comprehensive income.

(xiii) Stock-based compensation

The Company has stock-based compensation plans, which are described in Note 17(b) and (c). The Company accounts for all equity-settled stock-based payments based on the fair value of the award on grant date.

Under the fair value based method, compensation cost attributable to options granted is measured at fair value at the grant date and amortized over the vesting period. The amount recognized as an expense is adjusted to reflect any changes in the Company's estimate of the shares that will eventually vest and the effect of any non-market vesting conditions.

Share-based payment arrangements in which the Company receives goods or services as consideration are measured at the fair value of the good or service received, unless that fair value cannot be estimated reliably.

(xiv) Revenue recognition

Revenue is generated from the sale of refined gold. The Company considers each shipment to be a separate performance obligation and recognizes revenue at the point when the customer obtains control of the product. Control is transferred when title has passed to the customer, the customer has assumed the significant risks and rewards of ownership of the asset and the Company has the present right to payment for the delivery of its gold products.

(xv) Earnings per share

Basic earnings per share is computed by dividing the net income available to common shareholders by the weighted average number of common shares outstanding during the period. The dilutive effect of outstanding options and their equivalents are reflected in diluted earnings per share by the application of the treasury method. The computation of diluted earnings per share assumes conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on earnings per share.

(xvi) Financial instruments - recognition and measurement

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as fair value through profit and loss ("FVTPL"), directly attributable transaction costs. Measurement of financial assets in subsequent periods depends on whether the financial asset has been classified as amortized cost, FVTPL or fair value through other comprehensive income ("FVTOCI"). Measurement of financial liabilities subsequent to initial recognition depends on whether they are classified as amortized cost or FVTPL. Financial assets and financial liabilities classified as amortized cost are measured subsequent to initial recognition using the effective interest method.

On initial recognition, financial assets are classified as: amortized cost, FVTPL, or FVTOCI. Such classification is determined according to the assets' contractual cash flow characteristics and the business models under which they are held.

A financial asset is measured at amortized cost if meets the following criteria: (i) it is not designated as FVTPL, (ii) it is held with the objective of collecting contractual cash flows, and (iii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL financial instruments are carried at fair value with changes in fair value charged or credited to earnings in the period in which they arise.

Loss allowances for 'expected credit losses' are recognized on financial assets measured at amortized cost, and on contract assets measured at FVOCI.

Financial liabilities are initially measured at cost or amortized cost, net of transaction costs and any embedded derivatives that are not closely related to the financial liability, depending upon the nature of the instrument with any resulting premium or discount from the face value being amortized to earnings using the effective interest method.

The following is a summary of the financial instruments outstanding and classifications as at December 31, 2023:

Cash and cash equivalents	- Amortized cost
Restricted cash	- Amortized cost
Other accounts receivable	- Amortized cost
Accounts payable and accrued liabilities	- Amortized cost
Notes payable	- Amortized cost
Other provisions	- Amortized cost

d) Significant accounting estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS as issued by IASB requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Certain accounting estimates depend on subjective or complex judgments about matters that may be uncertain, and changes in said estimates could materially impact these consolidated financial statements. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The judgments that management has applied in the application of accounting policies and related estimates that have the most significant effect on the amounts recognized in these consolidated financial statements are discussed below:

(i) Mineral reserve and resource estimates

A mine reserve estimate is an estimate of the amount of product that can be economically and legally extracted from the Company's mining properties. In order to calculate reserve estimates, assumptions are required about a range of geological, technical and economic factors, including: quantities, grades, production techniques, recovery rates, production costs, transportation costs, commodity demand, commodity prices and exchange rates. The Company estimates its ore reserves and mineral resources based on information compiled by qualified persons as defined in accordance with the Canadian Securities Administrators' National Instrument 43-101 Standards of Disclosure for Mineral Projects requirements.

Estimates of mineral reserves and mineral resources may change as estimates and assumptions change and as additional geological data is generated during the course of operations. Changes in mineral reserve estimates or measured and indicated and inferred mineral resources estimates may affect depreciation rates and carrying values of the Company's inventory, property, plant and equipment, mineral exploration projects, reclamation provisions and deferred income taxes.

(ii) Units of production depreciation

The Company’s mining properties and mineral exploration projects are depreciated on a unit-of-production basis and calculates the depreciation rate for each project by dividing its volume extracted by the estimated amount of recoverable mineral resources. The estimated amount of recoverable mineral resources (a) includes proven and probable mineral reserves as well as measured and indicated resources, (b) reflects management’s best estimate of the useful life of the projects, and (c) is updated periodically in consideration of the results of complementary technical work performed. Periodic updates are treated as changes in accounting estimates and are accounted for on a prospective basis. It is impracticable to assess the impact of the change in estimate in future periods.

(iii) Reclamation provision

The Company’s mining and exploration activities are subject to various laws and regulations governing the protection of the environment. In general, these laws and regulations are continually changing and, over time, becoming more restrictive which impacts the cost of retiring assets at the end of their useful lives.

Significant judgments and estimates are involved in forming expectations of future activities and the amount and timing of the associated cash flows. Those expectations are formed based on existing environmental and regulatory requirements or, if more stringent, the Company’s environmental policies which give rise to a constructive obligation. The principal factors that can cause expected cash flows to change are: the construction of new processing facilities; changes in the quantities of material in reserves and resources with a corresponding change in the life of mine plan; changing ore characteristics that impact required environmental protection measures and related costs; changes in water quality that impact the extent of water treatment required; changes in discount rates; changes in foreign exchange rates and changes in laws and regulations governing the protection of the environment.

The actual future expenditures may differ from the amounts currently provided if the estimates made are significantly different than actual results or if there are future changes to environmental laws and regulations that could increase the extent of reclamation and remediation work required to be performed by the Company.

(iv) Identification of impairment charges and impairment reversals

At each reporting date, the Company applies significant judgment in assessing (a) whether events or circumstances (“impairment indicators”) indicate the recoverable amount may be greater than or less than the carrying amount and (b) whether or not there has been an impairment or reversal thereto of the capitalized mineral exploration projects and property, plant and equipment.

For non-producing properties, the recoverable amount is based on fair value less cost of disposal where fair value is typically determined based on market values, for companies with similar projects. For producing mining properties, the recoverable amount is determined based on the expected future cash flows to be generated from the asset.

Significant assumptions include life of mine future projection profiles, future gold prices, mineral reserves and resources estimates, discount rates, income taxes, foreign exchange rates, operating costs and capital expenditures used to determine future cash flows. Assumptions underlying the fair value estimates are subject to risks and uncertainties.

An impairment provision is reversed if there has been a change in the estimates used to determine the recoverable amount and only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

e) Changes in material accounting policies and recent accounting pronouncements

(i) Changes in material accounting policies

- IAS 1 'Presentation of Financial Statements' – On January 1, 2023, the Company adopted amendments to IAS 1 that requires companies to disclose material accounting policies instead of significant accounting policies. This adoption of these amendments resulted in certain changes to the Company's accounting policy disclosures. The Company's material accounting policies are disclosed in Note 3 – Material Accounting Policies and Critical Estimates herein.

- IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' – On January 1, 2023, the Company adopted amendments to IAS 8 which provide greater clarity in the definition of accounting estimates to distinguish changes in accounting estimates from changes in accounting policies. The adoption of the amendments did not have an immediate impact on the Company's consolidated financial statements.

- IAS 12 'Income Taxes' – On January 1, 2023, the Company adopted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations. The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. The amendments did not have a significant impact on the Company's consolidated financial statements.

(ii) Recent accounting pronouncements

The following are new pronouncements approved by the IASB. These new standards are not yet effective and have not been applied in preparing these financial statements, however, they may impact future periods:

- IAS 1 'Presentation of Financial Statements' – On January 23, 2020 and October 31, 2022, the IASB issued amendments to IAS 1 to clarify that the classification of liabilities as current or non-current should be based on rights that exist at the end of the reporting period and that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. For liabilities with covenants, the amendments clarify that only covenants with which an entity is required to comply on or before the reporting date affect the classification as current or non-current. The Company will adopt the amendments to IAS 1 effective January 1, 2024. These amendments are not expected to have a significant impact on the Company's statement of financial position on the date of adoption.

- IFRS 16 'Leases' – On September 22, 2022, the IASB issued amendments to IFRS 16 to add subsequent measurement requirements for sale and leaseback transactions, particularly those with variable lease payments. The amendments require the seller-lessee to subsequently measure lease liabilities in a way such that it does not recognize any gain or loss relating to the right of use it retains. The amendments are effective on January 1, 2024 and are not expected to have an impact on the Company's consolidated financial statements.

- IAS 7 'Statement of Cash Flows' – On May 25, 2023, the IASB issued amendments to IAS 7 requiring entities to provide qualitative and quantitative information about their supplier finance arrangements. In connection with the amendments to IAS 7, the IASB also issued amendments to IFRS 7 requiring entities to disclose whether they have accessed, or have access to, supplier finance arrangements that would provide the entity with extended payment terms or the suppliers with early payment terms. These amendments are effective on January 1, 2024, and are not expected to have a significant impact on the Company's consolidated financial statements.

- IAS 21 'The Effects of Changes in Foreign Exchange Rates' – On August 15, 2023, the IASB issued amendments to IAS 21 to specify how to assess whether a currency is exchangeable and how to determine the exchange rate when it is not exchangeable. The amendments specify that a currency is exchangeable when it can be exchanged through market or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and the specified purpose. For non-exchangeable currencies, an entity is required to estimate the spot exchange rate as the rate that would have applied to an orderly exchange transaction between market participants at the measurement date under prevailing economic conditions. The amendments are effective on January 1, 2025 and are not expected to have a significant impact on the Company's consolidated financial statements.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

4. IAMGOLD Brazil Acquisition

On September 13, 2023, the Company completed its acquisition ("the Acquisition") of IAMGOLD Brasil Prospecções Minerais Ltda. ("IAMGOLD Brazil") from AGEM Ltd. (the "Vendor") which is a subsidiary of IAMGOLD Corporation (NYSE: IAG) (TSX: IMG) ("IAMGOLD"). Through this transaction the Company acquired a 100% interest in the Pitangui Project and the remaining interest in the Acurui Project, two gold mineral exploration projects located in proximity to the Company's Turmalina Complex and Paciência Complex in Brazil. As consideration transferred to acquire IAMGOLD Brazil, the Company:

a) issued the Vendor 6,331,713 common shares in the capital of the Company;
b) granted the Vendor a net smelter returns royalty on gold sales from the Pitangui Project, as follows: (i) US$80 per gold ounce sold for the initial 250,000 ounces of gold sold and (ii) 1.5% multiplied by the net smelter returns realized, for gold sales in excess of 250,000 ounces; and
c) granted the Vendor a net smelter returns royalty on all gold sales from the Acurui Project, equivalent to 1.5% multiplied by the net smelter returns realized.

The Company determined that IAMGOLD Brazil did not qualify as a business at the time of Acquisition; therefore, the transaction was considered an acquisition of the net assets of IAMGOLD Brazil and accounted for according to the acquisition method with an allocation of the purchase consideration to the estimated fair values of the identifiable assets and liabilities acquired at the date of the Acquisition.

The total purchase price was allocated based on the estimated fair value of the assets and the liabilities acquired as set out in the following table:

Consideration paid		**Total**
Fair value of 6,331,713 common shares issued by Jaguar [a]	**$**	**6,401**
Direct acquisition costs		**80**
Fair value of royalties granted **[b]**		**-**
Total consideration paid	**$**	**6,481**

a) The fair value of the common shares as part of the consideration issued was determined using the Company's closing share price of $1.011 on September 13, 2023. The Company's issuance of equity instruments to the Vendor in exchange for net assets received was recognized as an increase to common shares in the consolidated statement of changes in shareholders' equity, in accordance with IFRS 2 Share-based Payment.

b) The royalties granted to the Vendor represent contingent consideration which shall be owed to the Vendor only if the Company is successful in developing the Pitangui and Acurui projects into operating mines. Given the status of the Pitangui and Acurui projects at the date of acquisition where the technical and commercial feasibility of these projects has not yet been determined, the fair value of the royalties granted was assessed as $nil as at the date of acquisition.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

Assets acquired and liabilities assumed have been recorded at their preliminary estimates of fair value at the date of acquisition as follows:

Estimated fair value of IAMGOLD Brazil assets and liabilities at the acquisition date of September 13, 2023	**Total**
Cash and cash equivalents	**$ 124**
Recoverable taxes	**6**
Prepaid expenses and advances	**2**
Property, plant and equipment	**6**
Mineral exploration projects	**6,445**
Accounts payable and accrued liabilities	**(102)**
Assets acquired and liabilities assumed	**$ 6,481**

During the year ended December 31, 2023, the Company incurred $20,000 in share issuance costs recorded as a decrease to common shares in the consolidated statements of changes in shareholder's equity and $80,000 in direct acquisition costs capitalized to Mineral exploration projects in the consolidated statement of financial position.

5. Restricted cash

	December 31, 2023	December 31, 2022
Escrow judicial deposits[(a)]	**1,556**	1,135
Total restricted cash	**$ 1,556**	$ 1,135
Less: current portion	**897**	618
Non-current portion	**$ 659**	$ 517

(a) Escrow judicial deposits paid in relation to the Company's ongoing labour, civil and tax litigations (Note 16).

6. Inventory

Inventory is comprised of the following:

	December 31, 2023	December 31, 2022
Raw material and mine operating supplies	**$ 10,000**	$ 10,207
Ore in stockpiles	**699**	1,179
Gold in process	**765**	1,455
Unrefined gold doré	**4,175**	3,398
Total inventory	**$ 15,639**	$ 16,239

The inventory amount recognized in direct mining and processing costs for the year ended December 31, 2023 was $75.3 million ($80.1 million during the year ended December 31, 2022). During the year ended December 31, 2023, there were no inventory write downs to net realizable value ($nil during the year ended December 31, 2022).

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

7. Recoverable taxes

	December 31, 2022	Additions/ reversals	Write-offs	Sales of credits	Applied to taxes payable	Foreign exchange	December 31, 2023
Value added taxes and other[a]	$ 6,714	$ 4,893	$ -	$ -	$ (7,330)	$ 340	**$ 4,617**
Provision for VAT and other[b]	(750)	-	-	-	-	(58)	**(808)**
Net VAT and other taxes	$ 5,964	$ 4,893	$ -	$ -	$ (7,330)	$ 282	**$ 3,809**
ICMS[c]	$ 7,105	$ 3,434	$ (465)	$ (4,943)	$ (20)	$ 399	**$ 5,510**
Provision for ICMS	(2,279)	342	-	-	112	(142)	**(1,967)**
Net ICMS	$ 4,826	$ 3,776	$ (465)	$ (4,943)	$ 92	$ 257	**$ 3,543**
Total recoverable taxes	**$ 10,790**	**$ 8,669**	**$ (465)**	**$ (4,943)**	**$ (7,238)**	**$ 539**	**$ 7,352**
Less: current portion	8,545						**5,584**
Non-current portion	$ 2,245						**$ 1,768**

a) The Company is required to pay certain federal value added taxes in Brazil that are based on purchases of consumables and property, plant and equipment. These taxes are recoverable from the Brazilian tax authorities through various methods, including via cash refund or as a credit against payroll, supplier withholding taxes, or other taxes payable.

During the year ended December 31, 2023, the Company (i) recognized R$1.8 million ($0.3 million) interest income to Other non-operating expenses and (ii) collected R$12.2 million ($2.5 million) in tax refunds from a court judgment received with respect to its litigation over Brazil Federal VAT input tax credit claims from past years (R$ 12.0 million, $2.3 million, in interest income recognized and R$9.8 million, or $1.9 million, collected during the year ended December 31, 2022). As at December 31, 2023, the Company had a receivable outstanding in the amount of R$8.5 million ($1.8 million) in its consolidated statement of financial position (December 31, 2022: R$ 19.5 million, or $3.7 million).

In the year ended December 31, 2023, the Company applied (i) R$26.2 million ($5.5 million) in federal value added taxes and other tax credits to pay INSS tax obligations and (ii) R$8.6 million ($1.8 million) to pay goods and service withholding tax obligations. In the year ended December 31, 2022, the Company applied (i) R$27.6 million ($5.3 million) in federal value added taxes and other tax credits to pay INSS tax obligations and (ii) R$11.8 million ($2.3 million) to pay goods and service withholding tax obligations.

b) The Company has recorded a provision against its recoverable taxes in Brazil given the limited methods available to recover such taxes and the length of time it will take to recover such taxes. The provision reduces the net carrying amount of value added taxes and other taxes to their estimated recoverable value. In the year ended December 31, 2023, the Company's provision recorded is valued at 17.5% of its VAT and other federal recoverable tax assets (December 31, 2022 – 11.2%).

c) *ICMS – Imposto sobre circulação de mercadorias e prestação de serviços* is a type of value added tax which can either be sold to other companies, usually at a weighted average discount rate of 20% - 35%, be used to satisfy ICMS tax settlement instalments due, or be used to purchase specified machinery and equipment, as subject to approval by government authority. The ICMS credits can only be realized in the state where they were generated; in the case of Jaguar, in the State of Minas Gerais, Brazil.

As at December 31, 2023, the Company applied a provision valued at 35.7% of its ICMS tax assets, which was based on the Company's historical discount rates required to sell ICMS tax credits to third party buyers (December 31, 2022 – 32.1%).

In the year ended December 31, 2023, the Company started the period with R$5.2 million (approximately $1.0 million) in ICMS export and deferred tax credits authorized and available for sale. The Company received approval from the state tax authority to sell an additional R$23.4 million (approximately $4.9 million), and the Company sold R$25.2 million (approximately $5.2 million) in credits. As at December 31, 2023, the Company held R$3.4 million (approximately $0.7 million) in ICMS export and deferred tax credits authorized for sale but not yet sold (December 31, 2022 – R$5.2 million, approximately $1.0 million).

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

8. Other accounts receivable

	December 31, 2023	December 31, 2022
Due from BHP Ltd. - CentroGold Project sale	4,000	5,000
Other accounts receivable	310	343
Total other accounts receivable	**$ 4,310**	$ 5,343
Less: current portion	310	343
Non-current portion	$ 4,000	$ 5,000

The Company completed the sale of its 100% ownership in the CentroGold Project to BHP Group Limited ("BHP Ltd.", formerly Oz Minerals Ltd.) in July 2019 and completed the sale of a net smelter return royalty interest on the CentroGold Project to Metalla Royalty & Streaming Ltd. ("Metalla") in March 2021.

a) Receivable due from BHP Ltd.

Pursuant to the agreement which underpinned the Company's sale of the CentroGold Project to BHP Ltd., the Company is entitled to receive $5 million due from BHP Ltd. in 10 equal instalments starting in the month in which BHP Ltd. receives "clear title and access" to the project, and BHP Ltd. holds a first right of refusal to acquire the Company's Paciência Processing Plant.

In the year ended December 31, 2023, the Company recorded a $1.0 million provision expense to Other non-operating expenses in the consolidated statement of operations and comprehensive income, reducing the carrying amount of its balance receivable from BHP Ltd. from $5.0 million to $4.0 million in its consolidated statement of financial position. As the collection timing for this receivable remains uncertain and dependent on "clear title and access", the $4.0 million receivable balance is classified as non-current.

b) Contingent consideration from Metalla

Pursuant to the agreement which underpinned the Company's sale of a net smelter royalty interest on the CentroGold Project to Metalla, the following remaining elements of consideration remain outstanding:
(i) $7.0 million in Metalla common shares to be issued to Jaguar if and when the following three events have occurred: all CentroGold project licenses are granted, the injunction is lifted or extinguished with no pending appeals, and all required community relocations are completed; and
(ii) $4.0 million in cash due from Metalla if and when the CentroGold Project achieves commercial production.

As at December 31, 2023, the conditions to the remaining elements of contingent consideration due from Metalla remain unfulfilled and no income has been recognized to date.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

9. Property, plant and equipment ("PP&E")

	Plant	Vehicles	Equipment[1]	Leasehold[2]	CIP[3]	Mining properties	Total
Cost							
Balance as at January 1, 2023	$ 19,114	$ 5,685	$ 205,197	$ 8,161	$ 11,088	$ 550,213	$ 799,458
Acquisition of IAMGOLD Brazil	-	434	-	-	-	-	434
Additions	81	114	2,079	527	3,411	29,965	36,177
Disposals	-	(322)	(1,170)	-	(117)	(319)	(1,928)
Transfers within PP&E	7,629	1,283	1,223	-	(10,135)	-	-
Transfer from Mineral Exploration	-	-	-	-	-	19,632	19,632
Balance as at December 31, 2023	**$ 26,824**	**$ 7,194**	**$ 207,329**	**$ 8,688**	**$ 4,247**	**$ 599,491**	**$ 853,773**
Accumulated depreciation and impairment							
Balance as at January 1, 2023	$ 16,826	$ 2,094	$ 180,931	$ 6,298	$ -	$ 396,007	$ 602,156
Acquisition of IAMGOLD Brazil	$ -	$ 434	$ -	$ -	$ -	$ -	434
Depreciation for the period	1,361	504	4,452	1,649	-	16,973	24,939
Impairment charges (reversals)	(349)	(177)	(929)	(30)	(172)	(7,278)	(8,935)
Disposals	-	(213)	(1,055)	-	-	-	(1,268)
Transfer from Mineral Exploration	-	-	-	-	-	6,018	6,018
Balance as at December 31, 2023	**$ 17,838**	**$ 2,642**	**$ 183,399**	**$ 7,917**	**$ (172)**	**$ 411,720**	**$ 623,344**
Carrying amount							
As at December 31, 2023	**$ 8,986**	**$ 4,552**	**$ 23,930**	**$ 771**	**$ 4,419**	**$ 187,771**	**$ 230,429**
Cost							
Balance as at January 1, 2022	$ 17,525	$ 5,666	$ 205,596	$ 5,601	$ 8,754	$ 515,536	$ 758,678
Additions	66	-	3,243	2,619	5,412	34,688	46,028
Disposals	-	-	(5,007)	(59)	(171)	(11)	(5,248)
Transfers within PP&E	1,523	19	1,365	-	(2,907)	-	-
Balance as at December 31, 2022	$ 19,114	$ 5,685	$ 205,197	$ 8,161	$ 11,088	$ 550,213	$ 799,458
Accumulated depreciation and impairment							
Balance as at January 1, 2022	$ 15,735	$ 1,884	$ 181,941	$ 4,692	$ -	$ 391,632	$ 595,884
Depreciation for the period	1,547	278	4,635	1,669	-	12,526	20,655
Impairment charges (reversals)	(456)	(68)	(1,481)	(63)	-	(8,140)	(10,208)
Disposals	-	-	(4,164)	-	-	(11)	(4,175)
Balance as at December 31, 2022	$ 16,826	$ 2,094	$ 180,931	$ 6,298	$ -	$ 396,007	$ 602,156
Carrying amount							
As at December 31, 2022	$ 2,288	$ 3,591	$ 24,266	$ 1,863	$ 11,088	$ 154,206	$ 197,302

[1] As at December 31, 2023, the Company had equipment under right-of-use leases at a cost and net book value of $18.1 million and $7.3 million, respectively (December 31, 2022 - $16.7 million and $8.7 million, respectively).

[2] Refers to corporate office leasehold improvements and leased vehicles in Brazil.

[3] Refers to construction in progress.

As at December 31, 2023, mining properties include the following properties which are in production, under development, or in care and maintenance:

a) Turmalina Project

The Turmalina project terms include a royalty payable by the Company to an unrelated third party. The royalty due is calculated across two components each calendar year: (i) 5% of net revenue up to $10.0 million and (ii) 3% of the net revenue amount which exceeds $10.0 million. Pursuant to an agreement made with the Turmalina mining right royalty beneficiaries in March 2020 and subsequently amended, Turmalina´s royalty charge was temporarily reduced to 2.5% of net revenue for the period until December 31, 2024.

b) Paciência Project - Santa Isabel, Marzagão, Rio de Peixe Oxide, Chamé, and Bahú mines

The Company's Santa Isabel, Morro do Adão, Bahú, and Marzagão properties are subject to a sliding scale net smelter royalty ("NSR") due to the previous owner on gold and other precious metals produced from the properties, ranging from 1.5% to 4.5% of gross revenue based on precious metal prices at the time of production.

If the Company discovers, on a concession basis, in excess of 750,000 ounces of gold over the measured and indicated resources used in the agreement, AngloGold has the right to buy-in up to 70% of that concession for a predetermined price. If this were to occur, the Company would retain a 30% interest and would receive the same sliding scale NSR payment from AngloGold as the one mentioned above.

As at December 31, 2023 the carrying amount for the Paciência project is $nil, due to past impairment charges (December 31, 2022 - $nil) as the project is currently in care and maintenance.

c) Caeté Project - Roça Grande and Pilar mines

The Company´s Pilar mine property is subject to a royalty of 0.5% of revenue due to the landowners of the property.

d) Impairment charges (reversal)

The Company´s cash-generating units ("CGUs") include individual operating mines or development projects as follows:
- The Turmalina, Caeté, and Paciência projects are CGUs which include property, plant and equipment, mineral rights, deferred exploration costs, asset retirement obligations net of amortization, and neighboring mineral exploration project assets.
- The Onças de Pitangui project is a CGU which includes early-stage mineral exploration properties not in production.

As at December 31, 2023 and December 31, 2022, the Company reviewed the mineral exploration properties within each CGU to determine (i) which properties should be assessed for impairment under IFRS 6 – Exploration for and Evaluation of Mineral Resources and (ii) which should be assessed for impairment under IAS 36 – Impairment of Assets. The Company assessed each CGU for indicators of potential impairment or potential reversal to impairment. In the event such indicators were identified, the Company proceeded to compare the CGU's carrying value to the recoverable amount determined. The recoverable amount was determined to be the fair value less costs to dispose ("FVLCD") and the Company's estimate of the FVLCD is classified as Level 3 in the fair value hierarchy based on the inputs used in the valuation technique.

The significant assumptions used in determining the recoverable amount of the project were life of mine (LOM) future production profiles, future gold prices, proven and probable reserves and estimated amount of resources, discount rates, foreign exchange rates, operating costs and capital expenditures used to determine future cash flows. LOM plans are typically developed annually and are based on management's current best estimates of optimized mine and processing plans, future operating expenditures and capital costs, and income taxes. The Company bases its future gold price estimate with reference to forward prices and industry analyst consensus.

As at December 31, 2023 and December 31, 2022, the following were the indicators for potential impairment or potential reversal to impairment identified:

Turmalina CGU

As at December 31, 2023, the Company determined that all of the Turmalina CGU's mineral exploration properties shall be assessed for impairment under IAS 36 – Impairment of Assets. The Company identified the following indicators for potential changes to impairment at the Turmalina CGU: (i) operating results less favorable than those forecasted offset by (ii) replenished mineral resource and reserve estimates and (iii) an improved gold price outlook.

The Company compared the Turmalina CGU's carrying value to its recoverable amount. The Company used the following key assumptions in determining the recoverable amount: gold prices, foreign exchange rates, quantities of recoverable reserves and resources and future mineral production, discount rate, operating costs and capital expenditures used to determine the future cash flows.

The life-of-mine gold price per ounce estimates used to calculate recoverable amounts as at December 31, 2023 were $1,950 for 2024, $1,900 for 2025, $1,850 for 2026, $1,800 for 2027, and $1,750 from 2028 to 2033. The foreign exchange rates used were based on Brazil Central Bank projections as at December 31, 2023 and ranged between R$4.90/USD and R$5.10/USD. Quantities of recoverable reserves and resources and future mineral production were included in projected cash flows based on mineral reserve and resources estimates including all proven and probable reserves and the portion of inferred and indicated resources deemed to hold a probable likelihood of recovery, as undertaken by qualified persons. A post-tax discount rate of 9.1% was used to calculate the present value of the estimated future cash flows from the operation. The assessment indicated that the discounted cash flows exceeded its carrying value of the Turmalina project as at December 31, 2023, and consequently an impairment reversal of $8.9 million was recorded. The impairment reversal for the year ended December 31, 2023 was fully allocated to property, plant and equipment.

As at December 31, 2022, the Company recorded a $10.7 million impairment reversal with $10.2 million allocated to property, plant and equipment and $0.5 million to mineral exploration projects. The life-of-mine gold price per ounce estimates used to calculate recoverable amounts as at December 31, 2022 were $1,788 for 2023 and $1,700 for 2024 through 2032. The foreign exchange rates used were based on Brazil Central Bank projections as at December 31, 2022 and ranged between R$5.20/USD and R$5.00/USD. Quantities of recoverable reserves and resources and future mineral production were included in projected cash flows based on mineral reserve and resources estimates including all proven and probable reserves and the portion of inferred and indicated resources deemed to hold a probable likelihood of recovery, as undertaken by qualified persons. A post-tax discount rate of 9.7% was used to calculate the present value of the estimated future cash flows from the operation.

Caeté CGU

As at December 31, 2023, the Company determined that the Catita, Boa Vista, Camara, Trindade and Serra Paraíso properties shall be assessed for impairment under IFRS 6 – Exploration for and Evaluation of Mineral Resources, and the Pilar and Roça Grande properties shall be assessed for impairment under IAS 36 – Impairment of Assets.

Under its IFRS 6 impairment assessment at December 31, 2023, the Company determined the Camara, Trindade and Serra Paraíso properties do not have any budgeted or planned future exploration expenditures. As such, the Company recorded a $5.0 million impairment provision expense (Note 10), reducing the carrying amount for these properties to $nil.

Under its IAS 36 impairment assessment at December 31, 2023, the Company identified the following indicators for potential changes to impairment at the Caeté CGU: (i) operating results less favorable than those forecasted offset by (ii) replenished mineral resource and reserve estimates and (iii) an improved gold price outlook.

The Company compared the Caeté CGU's carrying value to its recoverable amount. The Company used the following key assumptions in determining the recoverable amount: gold prices, foreign exchange rates, quantities of recoverable reserves and resources and future mineral production, discount rate, operating costs and capital expenditures used to determine future cash flows.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

The life-of-mine gold price per ounce estimates used to calculate recoverable amounts as at December 31, 2023 were $1,950 for 2024, $1,900 for 2025, $1,850 for 2026, $1,800 for 2027, and $1,750 from 2028 to 2030. The foreign exchange rates used were based on Brazil Central Bank projections as at December 31, 2023 and ranged between R$4.90/USD and R$5.10/USD. Quantities of recoverable reserves and resources and future mineral production were included in projected cash flows based on mineral reserve and resources estimates including all proven and probable reserves and the portion of inferred and indicated resources deemed to hold a probable likelihood of recovery, as undertaken by qualified persons. A post-tax discount rate of 9.7% was used to calculate the present value of the estimated future cash flows from the operation.

Based on the results of its assessment as at December 31, 2023, the Company concluded no impairment charges were considered necessary.

As at December 31, 2022, the Company performed an impairment assessment over the Caeté CGU and concluded no impairment charges were considered necessary. The life-of-mine gold price per ounce estimates used to calculate recoverable amounts as at December 31, 2022 were $1,788 for 2023 and $1,700 for 2024 through 2029. The foreign exchange rates used were based on Brazil Central Bank projections as at December 31, 2022 and ranged between R$5.20/USD and R$5.00/USD. Quantities of recoverable reserves and resources and future mineral production were included in projected cash flows based on mineral reserve and resources estimates including all proven and probable reserves and the portion of inferred and indicated resources deemed to hold a probable likelihood of recovery, as undertaken by qualified persons. A post-tax discount rate of 9.7% was used to calculate the present value of the estimated future cash flows from the operation.

10. Mineral exploration projects

		Turmalina	Caeté	Onças de Pitangui	Total
Balance as at January 1, 2023		$ 9,022	$ 19,479	$ -	$ 28,501
Acquisition of IAMGOLD Brazil	Note 4	-	-	6,445	6,445
Additions		4,122	-	-	4,122
Reclass to PPE		(13,144)	(470)	-	(13,614)
Impairment (charges)	Note 9	-	(5,018)		(5,018)
Balance as at December 31, 2023		**$ -**	**$ 13,991**	**$ 6,445**	**$ 20,436**
Balance as at January 1, 2022		$ 3,907	$ 19,479	$ -	$ 23,386
Additions		4,662	-	-	4,662
Impairment reversals		453	-	-	453
Balance as at December 31, 2022		$ 9,022	$ 19,479	$ -	$ 28,501

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

a) Turmalina

In the year ended December 31, 2023, the Company determined that the Faina properties were technically feasible and commercially viable at the Turmalina complex and initiated the mine development of these properties. As a result, the Company reclassified the mineral exploration project balances associated with these properties at December 31, 2023 to mining properties in Property, plant and equipment (Note 9). The carrying amount reclassified was $13,144, including $19,162 in capital asset costs and $6,018 in accumulated impairment charges allocated from Turmalina. These balances were subject to impairment testing over the Turmalina CGU at the time of their transfer to property, plant, and equipment on December 31, 2023, as further disclosed in Note 9(d).

b) Caeté

The Caeté mineral exploration project includes the following exploration properties: Pilar-sulphide, Catita-sulphide, Boa Vista, Camara, Trindade, Serra Paraíso–sulphide, and Roça Grande.

The Company's Catita and Camará properties are subject to a sliding scale net smelter royalty ("NSR") due to the previous owner on gold and other precious metals produced, ranging from 1.5% to 4.5% of gross revenue, based on precious metal prices at the time of production.

11. Accounts payable and accrued liabilities

	December 31, 2023	December 31, 2022
Accounts payable	**$ 10,635**	$ 14,219
Accrued payroll	**5,415**	5,530
Other	**32**	33
Total accounts payable and accrued liabilities	**$ 16,082**	$ 19,782

12. Notes payable

	December 31, 2023	December 31, 2022
Total notes payable	**$ 3,295**	$ 3,040

As at December 31, 2023, notes payable included $3.3 million in unsecured promissory notes, holding maturities from February 2024 to May 2024 and bearing interest rates ranging from 6.7% to 6.9% per annum. As at December 31, 2022, notes payable included $3.0 million in unsecured promissory notes, holding maturities from March 2023 through June 2023 and bearing interest rates ranging from 5.2% to 6.6% per annum.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

13. Right-of-use assets and lease liabilities

a) Right-of-use assets

The Company's significant lease arrangements include contracts for leasing mining equipment. As at December 31, 2023, $7.3 million of right-of-use assets are recorded as property, plant and equipment (Note 9).

	2023	2022
Right-of-use assets, net book value at January 1	**$ 8,686**	$ 8,675
Additions	**1,400**	2,619
Amortization	**(2,769)**	(2,608)
Right-of-use assets, net book value at December 31	**$ 7,317**	$ 8,686

b) Lease liabilities

The Company has acquired certain equipment through the assumption of lease obligations. These obligations are secured by promissory notes. When measuring the value of the lease liabilities, the Company discounted lease payments using its 5.55% weighted average incremental borrowing rate at December 31, 2023 (December 31, 2022 – 5.3%). The following table outlines the total minimum loan payments due for lease obligations over their remaining terms as at December 31, 2023 and December 31, 2022:

	December 31, 2023	December 31, 2022
Less than 1 year	**$ 2,112**	$ 2,612
1 - 3 years	**747**	1,679
3 - 5 years	**82**	8
Total minimum loan payments	**2,941**	4,299
Less: Future finance charges	**(396)**	(335)
Present value of minimum loan payments	**$ 2,545**	$ 3,964
Less: current portion	**1,953**	2,414
Non-current portion	**$ 592**	$ 1,550

For the year ended December 31, 2023, the Company recognized $211,000 in accretion expense and $163,000 in foreign exchange losses on its lease liabilities ($219,000 in accretion expense and $27,000 in foreign exchange gains, for the year ended December 31, 2022). The Company presented $3.0 million in lease liability debt repayments in its statement of cash flows, as further detailed in Note 25(g) ($2.6 million in lease repayments for the year ended December 31, 2022).

14. Income taxes

a) Income tax (recovery) expense

The following table shows the components of current and deferred tax expense:

	December 31, 2023	December 31, 2022
Current income tax expense	**$ 4,805**	$ 5,426
Deferred income tax (recovery)	**(5,800)**	-
Total income tax (recovery) expense	**$ (995)**	$ 5,426

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

Tax rate reconciliation

The provision for income taxes differs from that which would be expected by applying the combined Canadian federal and provincial statutory income tax rate to income (loss) before income taxes. A reconciliation of the difference is as follows:

	December 31, 2023	December 31, 2022
Income before income taxes	**$ 14,859**	$ 26,866
Combined Canadian federal and provincial income tax rate	**26.50%**	26.50%
Expected income tax expense	**$ 3,937**	$ 7,119
Increase (decrease) in tax expense resulting from:		
Acquisition of non capital losses	**$ (14,310)**	$ -
Foreign exchange on deferred taxes	**(9,139)**	(3,728)
Change in benefit of non-capital losses not recognized	**15,732**	(1,773)
Change in benefit of other temporary differences not recognized	**1,047**	2,779
Difference in foreign tax rate and Canadian tax rate	**1,035**	1,855
Non-deductible (taxable) expense	**703**	(826)
Income tax (recovery) expense	**$ (995)**	$ 5,426

b) Deferred tax assets

Deferred tax assets have not been recognized in respect of the following items:

	December 31, 2023	December 31, 2022
Deductible temporary differences	**$ 49,917**	$ 46,719
Tax losses	**198,435**	157,160

In addition to the deductible temporary differences disclosed above, there is $385.2 million (2022 - $393.1 million) of deductible temporary differences associated with investment in subsidiaries for which deferred tax assets have not been recognized.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilize the benefits.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

c) Tax losses

As at December 31, 2023, the Company's Canadian non-capital losses, that can be applied against future taxable profit amount to $43.3 million (December 31, 2022 - $44.9 million), and will expire as follows:

Expiry year	December 31, 2023
2034	$ 2,889
2035	6,616
2036	5,495
2037	6,961
2038	9,149
2039	5,896
2040	3,416
2041	2,840
Total	$ 43,262

The Company has Canadian capital losses of $17.0 million (December 31, 2022 - $16.6 million) which can be carried forward indefinitely. These losses can only be applied against capital gains.

The Company has Brazilian non-capital losses of $171.9 million (equivalent to R$832.2 million) which can be carried forward indefinitely, however only 30% of the taxable income in one year can be applied against the loss carry-forward balance (December 31, 2022 – $124.3 million (equivalent to R$648.4 million).

d) Recognized deferred tax assets and liabilities

The following table summarizes the types of recognized deferred tax assets and liabilities:

	December 31, 2023	December 31, 2022
Deferred tax assets		
Non-capital losses	$ 9,330	$ 9,235
Financing fees	22	50
Total deferred tax assets	$ 9,352	$ 9,285
Deferred tax liabilities		
Unrealized foreign exchange gain	$ (1,526)	$ (1,726)
Inventory	(654)	(1,028)
Mineral properties	(1,372)	(6,531)
Property, plant and equipment	-	-
Total deferred tax liabilities	$ (3,552)	$ (9,285)
Deferred tax assets - net	$ 5,800	$ -

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

15. Reclamation provisions

	December 31, 2022	Additions (reversals)	Accretion	Payments	Foreign exchange	December 31, 2023
Reclamation provision	$ 24,304	$ 2,926	$ 2,685	$ (4,332)	$ 1,901	**$ 27,484**
Less: current portion	3,156					**4,298**
Non-current portion	$ 21,148					**$ 23,186**

	December 31, 2021	Additions (reversals)	Accretion	Payments	Foreign exchange	December 31, 2022
Reclamation provision	$ 18,029	$ 6,684	$ 1,936	$ (3,588)	$ 1,243	**$ 24,304**
Less: current portion	6,847					**3,156**
Non-current portion	$ 11,182					**$ 21,148**

The reclamation provisions relate to the cost to decommission the operating facilities and reclaim land that has been disturbed as a result of mining activity.

In the year ended December 31, 2023, the Company recorded a change in estimate to include $3.0 million (approximately R$14.1 million) in additional cost estimates in its reclamation provision, with the counterpart recorded as follows: (i) $1.7 million (approximately R$8.3 million) capitalized to Property, plant and equipment mining properties in its consolidated statement of financial position for additional cost estimates at operating sites and (ii) $1.3 million (approximately R$5.8 million) expensed to Other non-operating expenses in its consolidated statement of operations and comprehensive income for additional cost estimates at sites on care and maintenance.

In the year ended December 31, 2022, as a result of legislative changes, the Company recorded a change in estimate to include $6.7 million (approximately R$34.9 million) in additional cost estimates in its reclamation provision, with the counterpart recorded as follows: (i) $3.9 million (approximately R$20.3 million) capitalized to Property, plant and equipment mining properties in its consolidated statement of financial position for additional cost estimates at operating sites and (ii) $2.8 million (approximately R$14.6 million) expensed to Other non-operating expenses in its consolidated statement of operations and comprehensive income for additional cost estimates at sites on care and maintenance.
The Company expects to spend approximately $40.2 million (amount not discounted) on reclamation activities between 2024 and 2034 (December 31, 2022 – $38.3 million between 2023 and 2033). The Company's reclamation provision at December 31, 2023 was calculated as the present value of the expected future cash flows estimated using inflation rates ranging from 4.5% to 3.5% (2022 – 5.5% to 3.5%) and discount rates ranging from 9.6% to 9.2% (2022 – 12.2% to 10.0%).

16. Legal and other provisions

Various legal, environmental, tax and regulatory matters are outstanding from time to time due to the nature of the Company's operations. For its matters outstanding, management, in conjunction with its internal and external legal counsel, assesses the estimated value at risk and the Company's probability of loss. A provision is recorded for cases in which the Company has determined the probability of loss as more likely than not and the amount can be reasonably estimated. In the event that management's estimate of the future resolution of these matters changes, the Company will recognize the effects of the changes in its consolidated financial statements on the date such changes occur.

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As at December 31, 2023, the Company has recognized a provision of $8.4 million (December 31, 2022 – $7.8 million, representing management's best estimate of expenditures required to settle present obligations, as noted in the table below. The ultimate outcome or actual cost of settlement may vary materially from management estimates due to the inherent uncertainty regarding the outcome of the resolution of these matters.

	December 31, 2022	Additions	Reversals/ Transfers	Reclasses	Payments	Foreign exchange	December 31, 2023
Labour litigation	$ 5,866	$ 2,263	$ (1,083)	$ 43	$ (1,172)	$ 479	$ 6,396
Tax litigation	48	129	(4)	1,074	(16)	48	1,279
Civil litigation	1,793	45	(238)	(1,375)	-	62	287
Other provisions	85	17	-	258	-	28	388
Total legal and other provisions	$ 7,792	$ 2,454	$ (1,325)	$ -	$ (1,188)	$ 617	$ 8,350
Less: current portion	3,751						5,068
Non-current portion	$ 4,041						$ 3,282

	December 31, 2021	Additions	Reversals/ Transfers	Reclasses	Payments	Foreign exchange	December 31, 2022
Labour litigation	$ 5,615	$ 1,837	$ (911)	$ -	$ (1,054)	$ 379	$ 5,866
Tax litigation	87	29	(96)	-	-	28	48
Civil litigation	1,173	595	(94)	-	-	119	1,793
Other provisions	300	20	(227)	-	-	(8)	85
Total legal and other provisions	$ 7,175	$ 2,481	$ (1,328)	$ -	$ (1,054)	$ 518	$ 7,792
Less: current portion	2,941						3,751
Non-current portion	$ 4,234						$ 4,041

17. Capital stock

a) Common shares

The Company is authorized to issue an unlimited number of common shares. All issued shares are fully paid and have no par value. Changes in common shares for the years ended December 31, 2023 and 2022 are as follows:

		Number of shares	Amount
Balance as at December 31, 2022		72,452,927	$ 566,716
Shares issued on IAMGOLD Brazil acquisition, net of issuance costs	Note 4	6,331,713	6,381
Shares issued upon exercise of stock options	Note 17(b)	84,370	212
Shares issued upon redemption of deferred share units	Note 17(c)	197,655	691
Balance as at December 31, 2023		**79,066,665**	**$ 574,000**
Balance as at December 31, 2021		72,444,870	$ 566,860
Shares purchased and cancelled in normal course issuer bid[1]		(31,700)	(248)
Shares issued upon exercise of stock options	Note 17(b)	12,083	36
Shares issued upon redemption of deferred share units	Note 17(c)	27,674	68
Balance as at December 31, 2022		**72,452,927**	**$ 566,716**

1) On June 10, 2022, the Toronto Stock Exchange ("TSX") accepted Jaguar's notice to make a normal course issuer bid (the "Bid") to purchase for cancellation up to 3,623,640 common shares in the capital of the Company ("Common Shares") in total, being 5% of the issued and outstanding Common Shares as at the date of Jaguar's notice to the TSX. According to the terms of the Bid, the Company's daily purchases are subject to a daily limit, the Company reserves the right to not purchase shares and may elect to suspend or discontinue the Bid at any time. The Bid commenced on June 15, 2022 and terminated on June 14, 2023.

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During the year ended December 31, 2023, the Company did not purchase or cancel any shares under the NCIB (31,700 shares for the year ended December 31, 2022), and the NCIB was terminated on June 14, 2023.

The total amount paid to purchase the shares is allocated to Common shares and Contributed surplus in the Company's consolidated financial statements. The amount allocated to Common shares is based on the average cost carrying amount per common share and amounts paid above or below the average cost carrying amount are allocated to Contributed surplus.

b) Stock options

The Stock Option Plan ("SOP") provides for the issuance of options to employees, directors, or officers of the Company, its subsidiary, or any of its affiliates, consultants, and management employees.

The aggregate number of shares available at all times for issuance under the SOP shall not exceed 10% of the total issued and outstanding common shares of the Company (calculated on a non-diluted basis). Any option, which has been exercised, cancelled or forfeited, will again be available for grant under the SOP. The Board of Directors has the power to determine terms of any options and units granted under the Company's incentive plans, including setting exercise prices, vesting terms and expiry dates.

The following table shows the movement of stock options for the years ended December 31, 2023 and 2022:

	Number of options		Weighted average exercise price (C$)
Balance as at December 31, 2022	1,012,082	$	2.77
Options granted[1]	118,329		1.69
Options exercised[2]	(84,370)		1.89
Options forfeited[5]	(52,249)		5.20
Balance as at December 31, 2023	**993,792**	**$**	**2.59**
Balance as at December 31, 2021	975,798	$	2.91
Options granted[3]	71,656		4.33
Options exercised[4]	(12,083)		2.24
Options expired[6]	(23,289)		13.50
Balance as at December 31, 2022	**1,012,082**	**$**	**2.77**

1) In the year ended December 31, 2023, the Company granted 118,329 stock options to executives of the Company at a weighted average exercise price of C$1.69 and expiry occurring eight years from the grant date.

2) In the year ended December 31, 2023, officers and directors of the Company exercised a total 84,370 options with a weighted average exercise price of C$1.89. The exercises were paid for with $133,000 in cash proceeds to the Company, and as a result of the options exercised, the Company issued 84,370 common shares. The weighted average share price at the date of exercise of stock options during the year ended December 31, 2023 was C$2.68.

3) In the year ended December 31, 2022, the Company granted 71,656 stock options to executives of the Company at a weighted average exercise price of C$4.33 and expiry occurring eight years from the grant date.

4) In the year ended December 31, 2022, officers and directors of the Company exercised a total 12,083 options with a weighted average exercise price of C$2.24. The exercises were paid for with $20,000 in cash proceeds to

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

the Company, and as a result of the options exercised, the Company issued 12,083 common shares. The weighted average share price at the date of exercise of stock options during the year ended December 31, 2022 was C$3.44.

5) Relates to forfeitures of options upon resignation of one former executive

6) Relates to cancellations of options upon expiry.

The following table sets out the details of the valuation of stock option grants for the year ended December 31, 2023 and 2022, measured using the Black-Scholes option pricing formula:

Grant date	Weighted average exercise price (C$)	Number of options	Risk-fee interest rate	Expected Life (number of years)	Volatility Factor	Weighted average grant date fair value per option (C$)
January 27 ,2023[1]	2.85	28,329	3.74%	4.00	64%	1.47
November 8 ,2023[2]	1.32	90,000	3.88%	4.00	55%	0.62
January 25 ,2022[3]	4.33	71,656	1.20%	4.00	79%	2.51

[1] 28,329 options are exercisable upon vesting and vest if and when the 15 day VWAP of the Company's shares reaches C$4.28 per share.

[2] 90,000 options are exercisable upon vesting and vest on an annual basis, in three equal instalments, starting on September 17, 2024.

[3] 67,562 options are exercisable upon vesting and vest on a quarterly basis, in twelve equal instalments, starting on April 1, 2022.
4,094 options are also exercisable upon vesting and vest if and when the 20 day VWAP of the Company's shares reaches C$5.20 per share.

The expected volatility was estimated using the Company's historical data from the date of grant and for a period corresponding to the expected life of the options.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

The table below shows the outstanding stock options as at December 31, 2023 and 2022:

		Outstanding		Vested	
December 31,	Exercise price (C$)	Number of options	Weighted average remaining contractual life	Number of options	Weighted average remaining contractual life
2023	**$8.70**	**8,500**	**4.64**	**8,500**	**4.64**
2023	**$8.25**	**41,132**	**5.06**	**34,693**	**5.06**
2023	**$4.33**	**50,389**	**7.08**	**31,099**	**7.08**
2023	**$3.70**	**15,000**	**2.07**	**15,000**	**2.07**
2023	**$3.30**	**20,000**	**1.73**	**20,000**	**1.73**
2023	**$2.85**	**14,271**	**7.08**	**-**	**7.08**
2023	**$2.50**	**112,000**	**4.08**	**112,000**	**4.08**
2023	**$2.20**	**600,000**	**3.60**	**600,000**	**3.60**
2023	**$1.90**	**22,500**	**3.76**	**22,500**	**3.76**
2023	**$1.32**	**90,000**	**7.72**	**-**	**3.76**
2023	**$1.00**	**20,000**	**3.42**	**20,000**	**3.42**
2022	$8.70	8,500	5.64	8,500	5.64
2022	$8.25	58,056	6.06	31,949	6.06
2022	$4.33	71,656	7.06	20,986	7.06
2022	$3.70	15,000	3.07	15,000	3.07
2022	$3.30	20,000	2.73	20,000	2.73
2022	$2.50	158,664	5.08	144,082	5.08
2022	$2.20	600,000	4.60	600,000	4.60
2022	$2.10	4,374	3.67	4,374	3.67
2022	$1.90	22,500	4.76	22,500	4.76
2022	$1.00	53,332	4.42	53,332	4.42

The following table is a summary of stock options outstanding during the years ended December 31, 2023 and 2022, the fair values and the weighted average assumptions used in the Black-Scholes option pricing formula:

	Number of options	Exercise Price (C$)	Dividend yield	Risk-free interest rate	Forfeiture rate	Expected life (years)	Volatility factor	Fair value (US$)
Stock options 2023	**993,792**	**$ 2.59**	**-**	**1.00%**	**0%**	**6.91**	**79%**	**$ 1.22**
Stock options 2022	1,012,082	$ 2.77	-	1.00%	0%	7.04	82%	$ 1.33

The expected volatility was estimated using the Company's historical data from the date of grant and for a period corresponding to the expected life of the options. For the year ended December 31, 2023, the Company recognized $132,000 in stock based compensation expense for stock options in the consolidated statements of operations and comprehensive income (2022 – $267,000).

c) Deferred share units – "DSUs"

The deferred share unit plan ("DSU Plan") provides awards to employees, directors, or officers of the Company. DSU means a right to receive, on a deferred basis, previously unissued shares in accordance with the terms of the DSU Plan. DSUs granted to officers, executives, and employees are redeemable upon vesting. DSUs granted to directors are redeemable upon retirement and up to three to twelve months following retirement. Vested DSUs shall be redeemed in whole or in part for shares issued from treasury or, subject to the approval of the Company, cash. The Company accounts for these awards as equity awards. The maximum number of shares reserved for issuance under the DSU Plan, at any time, shall be 3,623,269.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

The following table shows the movement of DSUs for the year ended December 31, 2023 and 2022:

	Number of units		Weighted average grant date fair value (US$)
Balance as at December 31, 2022	731,338	$	3.74
Units granted[1]	309,772		2.25
Units redeemed[2]	(197,655)		3.42
Balance as at December 31, 2023	**843,455**	**$**	**3.27**
Balance as at December 31, 2021	494,485	$	3.90
Units granted[3]	264,527		3.31
Units redeemed[4]	(27,674)		2.44
Balance as at December 31, 2022	**731,338**	**$**	**3.74**

1) On January 27, 2023, the Company granted a total 309,772 DSUs to directors and executives of the Company holding a total grant date fair value of $698,000, measured at US$2.25/share, as follows:

i. 12,195 performance-vested DSUs to executives of the Company, that shall vest if the Company's stock price reaches C$4.28 measured on a 15-day VWAP basis.
ii. 148,789 immediately-vested DSUs were granted to the Company's non-executive directors, all of which vested immediately.
iii. 148,788 time-vested DSUs to non-executive directors, that vested on June 30, 2023.

2) In the year ended December 31, 2023, officers and directors redeemed a total of 197,655 DSUs. The DSU redemptions were settled via issuance of 197,655 common shares, and the corresponding grant date fair value of $691,000 was reclassified within Shareholders' equity accounts from DSUs to Common shares.

3) On January 25, 2022, the Company granted a total of 230,141 DSUs to directors and executives of the Company, holding a total grant date fair value of $780,000, measured at US$3.39/share, as follows:

i. 21,106 time-vested DSUs to executives of the Company, that vest on a quarterly basis, in twelve equal instalments, starting on April 1, 2022.
ii. 21,106 performance-vested DSUs to executives of the Company, that shall vest if the Company's stock price reaches C$5.20 measured on a 20-day VWAP basis, and is maintained at that level for at least 20 consecutive trading days.
iii. 93,965 immediately-vested DSUs were granted to the Company's non-executive directors, all of which vested immediately.
iv. 93,964 time-vested DSUs to non-executive directors, that shall vest on the earlier of the date of the 2022 Annual General Meeting or June 30, 2022.

As a result of dividends paid to shareholders during the year ended December 31, 2022, the Company granted a total of 34,386 DSUs to officers and directors of the Company, holding a total grant date fair value of $96,000 measured at a weighted average US$2.79/share.

4) In the year ended December 31, 2022, officers and directors redeemed a total of 27,674 DSUs. The DSU redemptions were settled via issuance of 27,674 common shares, and the corresponding grant date fair value of $68,000 was reclassified within Shareholders' equity accounts from DSUs to Common shares.

For the year ended December 31, 2023, the Company recognized $752,000 in stock-based compensation expense for DSUs in the consolidated statements of operations and comprehensive income (2022 – $896,000).

18. Basic and diluted earnings per share

Dollar amounts and share amounts in thousands, except per share amounts.

	Year Ended December 31, 2023	2022
Numerator		
Net income for the purpose of basic and diluted income per share	**$ 15,854**	$ 21,440
Denominator		
Weighted average number of common shares outstanding - basic	**74,596,125**	72,461,530
Stock Options	**20,240**	307,064
Deferred share units	**872,497**	731,338
Weighted average number of common shares outstanding - diluted	**75,488,862**	73,499,932
Basic income per share	**$ 0.21**	$ 0.30
Diluted income per share	**$ 0.21**	$ 0.29

The determination of the weighted average number of common shares outstanding for the calculation of diluted earnings per share does not include the following effect of options and deferred shares units which were anti-dilutive to earnings per share in the period:

	Year Ended December 31, 2023	2022
Stock options	**973,552**	705,018
Anti-dilutive instruments	**973,552**	705,018

19. Operating costs

		Year Ended December 31, 2023	2022
Direct mining and processing costs	*Note 6*	**$ 75,299**	$ 80,061
Royalty expense and CFEM taxes[1]		**4,007**	4,143
Other costs		**78**	25
Operating costs		**$ 79,384**	$ 84,229

[1] CFEM - Compensação Financeira pela Exploração Mineral taxes are Brazil mining royalty fees levied by the Federal government as financial compensation for mineral exploitation.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

20. Other non-operating expenses

		Year Ended December 31, 2023	2022
Interest income[(a)]		**$ (1,079)**	$ (2,758)
(Gain) loss on disposition of property, plant and equipment	*Note 21*	**(838)**	586
Loss on sales of ICMS and other recoverable taxes		**465**	-
Changes in provisions against other accounts receivable	*Note 8*	**1,000**	-
Changes in reclamation provisions for sites on care and maintenance[(b)]	*Note 15*	**1,257**	2,765
Other non-operating (income) expenses		**(849)**	238
Total other non-operating expenses		**$ (44)**	$ 831

a) Includes $0.3 million (R$1.7 million) in interest income recognized in the year ended December 31, 2023 on the tax refund awarded to the Company as further described in Note 7 ($2.3 million, or R$12.0 million, in interest income recognized in the year ended December 31, 2022).

b) Refers to changes in reclamation provisions for sites on care and maintenance as described in Note 15.

21. Cash flow – other operating activities – non-cash adjustments

		Year Ended December 31, 2023	2022
Stock-based compensation		**$ 884**	$ 1,163
(Gain) loss on disposition of property, plant and equipment	*Note 20*	**(838)**	586
Additions (recoveries) to provision against recoverability of VAT and other taxes	*Note 7*	**(342)**	(200)
Other operating activities (recoveries) expenses		**$ (296)**	$ 1,549

22. Cash flow – changes in operating assets and liabilities

		Year Ended December 31, 2023	2022
Restricted cash		**$ (421)**	$ (48)
Inventory		**792**	(1,289)
Recoverable taxes		**4,325**	547
Other accounts receivable		**33**	(251)
Prepaid expenses and other assets		**2,061**	(1,439)
Accounts payable and accrued liabilities		**(3,923)**	6,755
Other taxes payable		**(1,002)**	(843)
Reclamation provisions	*Note 15*	**(4,332)**	(3,588)
Legal and other provisions	*Note 16*	**(1,188)**	(1,054)
Changes in operating assets and liabilties		**$ (3,655)**	$ (1,210)

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

23. Financial liabilities and other commitments

In the normal course of business, the Company enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the remaining undiscounted contractual maturities of the Company's financial liabilities and other commitments:

As at December 31, 2023	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Financial Liabilities					
Accounts payable and accrued liabilities	$ 16,082	$ -	$ -	$ -	**$ 16,082**
Other Taxes Payable[(a)]					
ICMS Settlement Due	48	192	-	-	**240**
INSS	697	158	-	-	**855**
IRPJ & CSLL Settlement Due	253	191	-	-	**444**
Notes payable[(b)]					
Principal	3,295	-	-	-	**3,295**
Interest	111	15	-	-	**126**
Lease liabilities	2,112	747	82	-	**2,941**
Reclamation provisions[(c)]	4,682	10,390	5,833	20,586	**41,491**
Current tax liability	1,381	-	-	-	**1,381**
Total financial liabilities	$ 28,661	$ 11,693	$ 5,915	$ 20,586	**$ 66,855**
Other Commitments					
Suppliers' agreements[(d)]	7,088	236	-	-	**7,324**
Insurance agreements[(e)]	90	90	-	-	**180**
Total other commitments	$ 7,178	$ 326	$ -	$ -	**$ 7,504**
Total	**$ 35,839**	**$ 12,019**	**$ 5,915**	**$ 20,586**	**$ 74,359**

[(a)] Financial liabilities within Other taxes payable include state value-add taxes payable (*ICMS – Imposto sobre circulação de mercadorias e prestação de serviços*), payroll taxes payable (*INSS - Instituto Nacional do Seguro Social*), and federal income taxes payable (*iRPJ - Imposto de renda pessoa jurídica and CSLL - Contribuição social*).

[(b)] Notes payable represents the principal on Brazilian short-term bank loans which are renewed in 180 day periods.

[(c)] Reclamation provisions - amounts presented in the table represent the undiscounted uninflated future payments for the expected cost of reclamation.

[(d)] Purchase obligations for supplies and consumables - includes commitments related to new purchase obligations to secure a supply of cyanide, reagents, mill balls and other spares. The Company has the contractual right to cancel the mine operation contracts with 30 to 90 days advance notice. The amount included in the commitments table represents the contractual amount due within 30 to 90 days.

[(e)] Insurance premium commitments in accordance with the Company's liability and property insurance policies.

24. Capital disclosures

The Company manages its capital structure in order to support the acquisition, exploration and development of mineral properties, and to maximize return to stakeholders through a flexible capital structure which optimizes the costs of capital and the debt and equity balance. The Company sets the amount of capital in proportion to risk by managing the capital structure and making adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. To adjust or maintain its capital structure, the Company may adjust the amount of long-term debt, enter into new credit facilities, issue new equity, or enter into new customer advance arrangements.

As at December 31, 2023, the Company's capital structure is composed of $3.3 million in notes payable (Note 12) and $240.3 million in shareholders' equity (December 31, 2022: $3.0 million in notes payable and $217.0 million in shareholders' equity). As at December 31, 2023 and December 31, 2022, the Company was not subject to externally imposed capital requirements.

25. Financial risk management and financial instruments

The Company's activities expose it to a variety of financial instrument risks, including but not limited to: credit risk, liquidity risk, currency risk, interest rate risk, and price risk.

a) Credit risk

Credit risk associated with financial assets arises from cash and cash equivalents held with banks, recoverable taxes refundable from tax authorities, and other accounts receivable due to credit exposure to customers and counterparties to sales agreements. The credit risk is limited to the carrying amount on the statement of financial position.

The Company is exposed to credit-related losses in the event of non-performance by counterparties to recoverable tax claims and sales agreements, but does not expect any counterparties to fail to meet their obligations. The Company's cash and cash equivalents are held through large financial institutions in Brazil, Canada, and the United States of America. The Company manages its credit risk by entering into transactions with high-credit quality counterparties, limiting the amount of exposure to each counterparty where possible, and monitoring the financial condition of the counterparties.

In the year ended December 31, 2023, the Company recorded a $1.0 million provision against its other accounts receivable balance due from BPH Ltd., as further disclosed in Note 8 ($nil, in the year ended December 31, 2022).

b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing this risk is to ensure sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage.

To manage its liquidity risk, the Company conducts an in-depth budgeting process each year which is supplemented by a continuous detailed cash forecasting process. Future financing requirements, if any, will depend on a number of factors that are difficult to predict and are often beyond the control of the Company. The main factors are the realized price of gold received for gold produced from the Company's operating mines and the operating and capital costs of those mines. The Company's financial liabilities and other commitments are listed in Note 23.

c) Derivative financial instruments

The Company assesses its financial instruments and non-financial contracts on a regular basis to determine the existence of any embedded derivatives which would be required to be accounted for separately at fair value and to ensure that any embedded derivatives are accounted for in accordance with the Company's policy. On an ongoing basis, the Company evaluates its price risk and currency risk and, when envisioned to be beneficial, engages in derivative financial instruments to manage these risks, including gold forward contracts, gold price collar contracts, gold call option contracts, and foreign exchange call and put option contracts. As at December 31, 2023, the Company did not have any derivative positions outstanding (December 31, 2022 – nil positions outstanding).

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

1) Price risk

The Company is exposed to price risk with respect to gold prices on gold sales. The Company evaluates price risk and, when envisioned to be beneficial, may enter into hedge contracts to manage this risk and to secure future sales terms with customers. The Company does not use hedge accounting for these instruments and gain and losses are recorded in earnings as fair value changes occur as a component of revenue. In the year ended December 31, 2023, the Company did not enter into any price hedge contracts (nil price derivative contracts in the year ended December 31, 2022).

2) Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. Financial instruments that impact the Company's net earnings due to currency fluctuations include:
- Brazilian reais denominated cash and cash equivalents, other accounts receivable, recoverable taxes, restricted cash, accounts payable and accrued liabilities, lease liabilities, income taxes payable, reclamation provisions, and legal and other provisions;
- Canadian dollar denominated cash and cash equivalents, recoverable taxes and accounts payable and accrued liabilities, and
- Euro denominated lease obligations.

i. Assets and liabilities with foreign exchange ('FX') exposure

The exposure of the Company's financial assets and liabilities (and certain other assets and liabilities) to currency risk is as follows, as at December 31, 2023:

	Denominated in Brazilian reais	Denominated in Canadian dollars	Denominated in European euros
Assets with FX exposure			
Cash and cash equivalents	$ 10,295	$ 130	$ -
Recoverable taxes	7,282	70	-
Other accounts receivable	310	-	-
Restricted cash	1,556	-	-
Total assets with FX exposure	$ 19,443	200	-
Liabilities with FX exposure			
Accounts payable and accrued liabilities	$ 15,230	$ 167	$ -
Lease liabilities	1,230	-	349
Current tax liability	1,381	-	-
Reclamation provision	27,484	-	-
Legal and other provisions	8,350	-	-
Total liabilities with FX exposure	53,675	167	349
Net assets/(liabilities) with FX exposure	$ (34,232)	$ 33	$ (349)

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

The table below summarizes a sensitivity analysis for significant unsettled currency risk exposure with respect to the Company's financial instruments (and certain other assets and liabilities) as at December 31, 2023 with all other variables held constant. It shows how income before taxes would have been affected by 10% changes in the foreign exchange rate.

Exchange Rates	Change for Sensitivity Analysis	Gain/(loss) of change to 2023 Foreign Exchange
USD per Brazilian real	10% increase	**$ 3,112**
USD per Brazilian real	10% decrease	**(3,112)**
USD per Canadian dollar	10% increase	**(3)**
USD per Canadian dollar	10% decrease	**3**
USD per European euro	10% increase	**(32)**
USD per European euro	10% decrease	**32**

d) Interest rate risk

The Company is potentially exposed to interest rate risk on its outstanding borrowings and short-term investments. The Company managed its risk by entering into agreements with fixed interest rates on all of its notes payable with interest rates ranging from 6.7% to 6.9% per annum.

e) Inflation risk

The Company is exposed to risk with respect to inflation. Inflation risk refers to the potential for rising prices in an economy to erode the value of the purchasing power of the Company's cash over time. Brazil had inflation of 4.62% in 2023 and 5.79% in 2022. In Canada, the annual inflation rate was 4.19% in 2023 and 6.80% in 2022.

f) Financial instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In assessing the fair value of a particular contract, the market participant would consider the credit risk of the counterparty to the contract. Consequently, when it is appropriate to do so, the Company adjusts its valuation models to incorporate a measure of credit risk. The fair value of the following financial assets and liabilities approximate their carrying amount due to the limited term of these instruments:

a. Cash and cash equivalents
b. Restricted cash
c. Other accounts receivable
d. Accounts payable and accrued liabilities
e. Notes payable
f. Other provisions

Fair value estimation:

The Company categorizes each of its fair value measurements in accordance with a fair value hierarchy. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value.

a. Level 1 – quoted prices (unadjusted) of identical instruments in active markets that the reporting entity has the ability to access at the measurement date.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

b. Level 2 – inputs are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

c. Level 3 – one or more significant inputs used in a valuation technique that are unobservable for the instruments.

Determination of fair value and the resulting hierarchy requires the use of observable market data whenever available. The classification of a financial instrument in the hierarchy is based upon the lowest level of input that is significant to the measurement of fair value.

The fair value of the Company's financial assets and liabilities approximate their carrying values at December 31, 2023 and 2022.

g) Changes in liabilities arising from financing activities

		Changes from financing cash flows			Other changes				
	Balance as at January 1, 2023	Proceeds from debt issuance	Debt repayments	Interest paid	Interest expense	Lease liability additions	Foreign exchange (gain) loss	Other non-cash changes	**Balance as at December 31, 2023**
Notes payable	$ 3,040	$ 6,000	$ (6,254)	$ (186)	$ 208	$ -	$ 24	$ 463	**$ 3,295**
Lease liabilities	3,964	-	(3,035)	(91)	211	1,400	96	-	**2,545**
	$ 7,004	$ 6,000	$ (9,289)	$ (277)	$ 419	$ 1,400	$ 120	$ 463	**$ 5,840**

		Changes from financing cash flows			Other changes				
	Balance as at January 1, 2022	Proceeds from debt issuance	Debt repayments	Interest paid	Interest expense	Lease liability additions	Foreign exchange (gain) loss	Other non-cash changes	**Balance as at December 31, 2022**
Notes payable	$ 3,027	$ 6,000	$ (6,000)	$ (118)	$ 131	$ -	$ -	$ -	**$ 3,040**
Lease liabilities	3,865	-	$ (2,621)	(80)	-	2,619	$ 27	154	**3,964**
	$ 6,892	$ 6,000	$ (8,621)	$ (198)	$ 131	$ 2,619	$ 27	$ 154	**$ 7,004**

26. Related party transactions

a) Transactions with directors and key management

The Company transacts with key individuals from management and with its directors who have authority and responsibility to plan, direct and control the activities of the Company. The nature of these dealings were in the form of payments for services rendered in their capacity as director (director fees, including share-based payments) and as employees of the Company (salaries, benefits, and share-based payments).

Key management personnel are defined as the executive officers of the Company including the President and Chief Executive Officer, Chief Financial Officer, Vice President of Operations, Vice President of Exploration, and Vice President of New Projects.

(Tabular dollar amounts expressed in thousands of US dollars, except per share amounts and number of shares)

During the years ended December 31, 2023 and 2022, remuneration to directors and key management personnel were as follows:

	Year Ended December 31,	
	2023	2022
Fees earned and other compensation[1]	**$ 1,695**	$ 1,526
Share based compensation	**880**	1,163
Total compensation of directors and key management	**$ 2,575**	$ 2,689

(1) Fees earned and other compensation includes fees paid to the non-executive chairman and the non-executive directors during the financial year.

b) Other related party transactions

The Company incurred legal fees from Azevedo Sette Advogados (“ASA”), a law firm where Luis Miraglia, a director of Jaguar is a partner. Fees paid to ASA are recorded at the exchange amount, representing the amount agreed to by the parties and included in general and administrative expenses in the consolidated statements of operations and comprehensive income. Legal fees paid to ASA were $57,000 for the year ended December 31, 2023 ($18,000 for the year ended December 31, 2022).

On October 20, 2023, the Company entered into a sublease agreement with Orix Geoscience 2018 Inc. (“Orix”), a mineral exploration service firm where Shastri Ramnath, a director of Jaguar is the chief executive officer. Through this sublease agreement, Orix will rent office space to Jaguar from March 1, 2024, to February 28, 2025, on market conditions at the following location: 25 Adelaide St. East, Suite 1400, Toronto, Ontario, Canada, M5C 3A.