



**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2018 AND 2017
(UNAUDITED)**

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited and expressed in thousands of US dollars)

		September 30, 2018	December 31, 2017
ASSETS			
Current assets			
Cash and cash equivalents		\$ 6,672	\$ 18,628
Restricted cash	Note 3	5,152	2,926
Inventory	Note 4	11,867	12,257
Recoverable taxes	Note 5	8,044	10,848
Other accounts receivable	Note 6	5,427	3,576
Prepaid expenses and advances		906	1,241
Total current assets		38,068	49,476
Non-current assets			
Royalty interests	Note 6	8,476	8,476
Property, plant and equipment	Note 7	118,054	110,177
Mineral exploration projects	Note 8	6,968	6,968
Recoverable taxes	Note 5	3,877	4,388
Other accounts receivable	Note 6	500	1,500
Restricted cash	Note 3	2,617	2,694
Total assets		\$ 178,560	\$ 183,679
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	Note 9	\$ 16,567	\$ 17,896
Notes payable	Note 10	7,444	12,385
Customer advances	Note 11	7,000	-
Current tax liability		-	466
Other taxes payable	Note 12	460	-
Reclamation provisions	Note 13	336	528
Other provisions and liabilities	Note 14	4,533	4,069
Derivatives payable	Note 28	138	-
Total current liabilities		36,478	35,344
Non-current liabilities			
Notes payable	Note 10	626	5,140
Other taxes payable	Note 12	1,865	-
Reclamation provision	Note 13	15,214	17,513
Other provisions and liabilities	Note 14	5,962	7,296
Total liabilities		\$ 60,145	\$ 65,293
SHAREHOLDERS' EQUITY			
Common shares	Note 15	\$ 545,842	\$ 545,693
Warrants	Note 15	94	94
Stock options	Note 15	1,046	922
Deferred share units	Note 15	1,472	1,018
Contributed surplus		20,537	20,332
Deficit		(450,576)	(449,673)
Total shareholders' equity		\$ 118,415	\$ 118,386
Total liabilities and shareholders' equity		\$ 178,560	\$ 183,679

On behalf of the Board:

(signed) "Richard Falconer"

(signed) "Benjamin Guenther"

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)

For the three and nine months ended September 30, 2018 and 2017

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Revenue	\$ 25,426	\$ 26,062	\$ 73,541	\$ 78,606
Operating costs	12,809	16,116	40,564	53,614
Depreciation	4,919	5,898	14,211	17,271
Gross profit	7,698	4,048	18,766	7,721
Exploration and evaluation costs	125	107	591	686
Care and maintenance costs (Paciência and Roça Grande mines)	417	310	1,824	995
Stock-based compensation	417	148	932	850
General and administrative expenses	2,258	2,522	7,125	7,736
Amortization	32	51	117	197
Change in legal and VAT provisions	509	617	1,990	2,813
Impairment charges	-	5,178	-	5,178
Other operating expenses	840	1,165	3,388	2,412
Operating (loss) income	3,100	(6,050)	2,799	(13,146)
Foreign exchange (gain)	(318)	638	(1,604)	628
Financial instruments loss (gain)	412	20	2,178	(327)
Finance costs	718	1,034	2,850	4,053
Other non-operating expenses	68	(252)	244	72
Income (loss) before income taxes	2,220	(7,490)	(869)	(17,572)
Current income tax expense	12	174	35	1,289
Total income tax expense	12	174	35	1,289
Net income (loss)	\$ 2,208	\$ (7,664)	\$ (904)	\$ (18,861)
Total comprehensive income (loss)	\$ 2,208	\$ (7,664)	\$ (904)	\$ (18,861)
Earnings per share	Note 16			
Loss per share				
Basic	\$ 0.01	\$ (0.02)	\$ (0.00)	\$ (0.06)
Diluted	\$ 0.01	\$ (0.02)	\$ (0.00)	\$ (0.06)
Weighted average shares outstanding				
Basic	325,237,298	325,115,403	325,156,481	314,178,755
Diluted	331,806,784	325,115,403	325,156,481	314,178,755

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three and nine months ended September 30, 2018 and 2017

(Unaudited and expressed in thousands of US dollars)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
OPERATING ACTIVITIES				
Net income (loss) for the period	\$ 2,208	\$ (7,664)	\$ (904)	\$ (18,861)
Adjustments and non-cash items				
Depreciation and amortization	4,950	5,949	14,328	17,467
Write-down of inventory	-	-	-	929
Accretion of interest expense	Note 22 272	339	1,215	985
Interest expense	Note 22 446	696	1,969	3,069
Impairment charges	Note 6 -	5,178	-	5,178
Unrealized foreign exchange (gain) loss	Note 20 (455)	857	(2,419)	1,096
Current income tax expense (recovery)	12	174	35	1,289
Other tax expense	Note 12 (57)	-	2,325	-
Change in unrealized derivatives	Note 28 (619)	-	138	-
Change in legal provisions	Note 18 2,416	580	4,021	1,282
Other operating activities (recovery) expense	Note 24 (1,632)	9	(942)	2,824
Changes in working capital	Note 25 (975)	1,391	(3,762)	(5,675)
Net cash provided by operating activities	6,566	7,509	16,004	9,583
INVESTING ACTIVITIES				
Mineral exploration projects	(38)	(175)	(196)	(193)
Purchase of property, plant and equipment	(7,931)	(5,185)	(22,501)	(18,681)
Proceeds from disposition of property, plant and equipment	36	-	168	306
Proceeds from disposition of mineral exploration projects	-	2,000	-	2,200
Net cash (used in) investing activities	(7,933)	(3,360)	(22,529)	(16,368)
FINANCING ACTIVITIES				
Cash received upon issuance of shares via private placement	-	-	-	5,775
Cash received upon issuance of debt	-	-	2,475	8,391
Cash received upon issuance of customer advances	-	-	7,000	-
Repayment of debt	(1,278)	(5,006)	(13,182)	(12,481)
Restricted cash margin deposits paid	-	-	(2,000)	-
Interest paid	(64)	(378)	(539)	(1,481)
Net cash (used in) financing activities	(1,342)	(5,384)	(6,246)	204
Effect of exchange rate changes on cash and cash equivalents	Note 20 137	(228)	815	(480)
Net (decrease) in cash and cash equivalents	(2,572)	(1,463)	(11,956)	(7,061)
Cash and cash equivalents at the beginning of the period	9,244	20,706	18,628	26,304
Cash and cash equivalents at the end of the period	\$ 6,672	\$ 19,243	\$ 6,672	\$ 19,243

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

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the three and nine months ended September 30, 2018 and 2017

(Unaudited and expressed in thousands of US dollars)

	Common Shares		Warrants		Stock Options		Deferred Share Units		Contributed Surplus	Deficit	Total Equity
	Shares	Amount	Units	Amount	Options	Amount	Units	Amount			
Balance as at January 1, 2017	307,115,675	\$ 539,802	3,073,411	\$ 94	8,311,841	\$ 464	1,583,805	\$ 485	\$ 20,332	\$ (446,843)	\$ 114,334
Shares issued from private placement	17,624,728	5,775	-	-	-	-	-	-	-	-	5,775
Shares issued to Sprott Lending	375,000	116	-	-	-	-	-	-	-	-	116
Stock options granted	-	-	-	-	1,133,740	351	-	-	-	-	351
Deferred share units granted	-	-	-	-	-	-	1,177,160	500	-	-	500
Net loss	-	-	-	-	-	-	-	-	-	(18,861)	(18,861)
Balance as at September 30, 2017	325,115,403	\$ 545,693	3,073,411	\$ 94	9,445,581	\$ 815	2,760,965	\$ 985	\$ 20,332	\$ (465,704)	\$ 102,215
Balance as at January 1, 2018	325,115,403	\$ 545,693	3,073,411	\$ 94	9,445,581	\$ 922	2,793,964	\$ 1,018	\$ 20,332	\$ (449,673)	\$ 118,386
Stock options granted	-	-	-	-	2,717,000	246	-	-	-	-	246
Stock options forfeited	-	-	-	-	(3,094,665)	(122)	-	-	122	-	-
Deferred share units granted	-	-	-	-	-	-	4,476,000	686	-	-	686
Deferred share units forfeited	-	-	-	-	-	-	(1,065,228)	(83)	83	-	-
Deferred share units redeemed	456,050	149	-	-	-	-	(456,050)	(149)	-	-	-
Net loss	-	-	-	-	-	-	-	-	-	(904)	(904)
Balance as at September 30, 2018	325,571,453	\$ 545,842	3,073,411	\$ 94	9,067,916	\$ 1,046	5,748,686	\$ 1,472	\$ 20,537	\$ (450,577)	\$ 118,414

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

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2018 and 2017

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

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 100 King Street West, Suite 5600, Toronto, Ontario, Canada, M5X 1C9.

In February 2017, the Company completed a merger between two of its subsidiaries, Mineração Serras do Oeste Ltda. (“MSOL”) and Mineração Turmalina Ltda. (“MTL”), with MSOL being the surviving legal entity. In September 2017, the Company and Avanco Resources Limited (“Avanco”) entered into an Accelerated Earn-In Agreement, pursuant to which Avanco established terms to acquire a 100% ownership of MCT Mineração Ltda. (“MCT”) and the Gurupi mineral exploration asset held therein. In October 2017, the Company completed the sale of its Gurupi Project (“Gurupi”) to Avanco Resources Limited (“Avanco”) by transferring the quotas (i.e. equity shares) in MCT Mineração Ltda. that were currently held directly or indirectly by the Company, to Avanco, pursuant to the Accelerated Earn-In Agreement (Note 6).

The Company’s condensed interim consolidated financial statements of the Company as at and for the three and nine months ended September 30, 2018 and 2017, include the accounts of the Company and its wholly-owned subsidiaries Mineração Serras do Oeste Ltda. (“MSOL”), Mineração Turmalina Ltda. (“MTL”), and MCT Mineração Ltda. (“MCT”), and in 2017 contemplate the result of the above-mentioned transactions completed. All significant intercompany accounts and transactions have been eliminated on consolidation.

The Company’s condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim consolidated financial statements do not include all annual disclosures as required by International Financial Reporting Standards (“IFRS”), and should be read in connection with the Company’s December 31, 2017 audited annual consolidated financial statements.

The condensed interim consolidated financial statements were authorized for issuance by the Board of Directors on November 12, 2018.

2. Significant accounting policies and estimates

The accounting policies and estimates applied in these condensed interim consolidated financial statements are consistent with those used in the Company’s audited annual consolidated financial statements for the year ended December 31, 2017, except for a change in the units of production depreciation, a definition of the accounting treatment for customer advances, and the adoption of the following standards amended by the IASB that were effective and adopted as of January 1, 2018:

- Customer advances – Significant judgment was required in determining the appropriate accounting treatment for interest-bearing customer advances. The upfront cash deposit received from the customer is accounted for as deferred revenue, as the Company has determined that such will be recognized through the delivery of non-financial products (gold concentrate) rather than cash or financial assets. It is the Company’s intentions to settle the advance obligations through its own production and if this is not possible, this would lead to the advance arrangement becoming a derivative since a cash settlement payment may be required. This would cause a change to the accounting treatment, resulting in the revaluation of the fair value of the agreement through the income statement on a recurring basis.
- Units of production depreciation – As of January 1, 2018, the Company changed the accounting estimates used to depreciate the Caete’s mining properties and mineral exploration projects on a unit-of-production basis from using the expected amount of recoverable reserves to the use of the expected amount of recoverable mineral resources. The change in accounting estimate was made to ensure depreciation reflects

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management's best estimate of the useful life of the Caeté project and has been accounted for on a prospective basis. Due to the annual updating of recoverable mineral resources, it is impracticable to estimate the impact of the change in estimate in future periods.

- IFRS 2 Share-based Payment ("IFRS 2") – In June 2016, the IASB issued amendments to IFRS 2 Share-based Payment, covering the measurement of cash-settled share-based payments, classification of share-based payments settled net of tax withholdings, and accounting for a modification of a share-based payment from cash-settled to equity-settled. The new requirements could affect the classification and/or measurement of these arrangements, and potentially the timing and amount of expense recognized for new and outstanding awards. There was no material impact on the Company's condensed interim consolidated financial statements upon adoption of this standard.
- IFRS 9 Financial Instruments ("IFRS 9") – In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments, bringing together the classification and measurement, impairment and hedge accounting phases of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9's key changes include but are not limited to eliminating the previous IAS 39 categories for financial assets of held to maturity, loans and receivables, and available for sale and (ii) replacing IAS 39's incurred loss model with the expected credit loss model in evaluating certain financial assets for impairment. In implementing IFRS 9, the Company updated the financial instrument classifications within its accounting policy as follows:

Asset or Liability	Classification at December 31, 2017 under IAS 39	Classification Effective January 1, 2018 Under IFRS 9
Cash and cash equivalents	Loans and receivables	Amortized cost
Other accounts receivable	Loans and receivables	Amortized cost
Derivative assets and liabilities	FVTPL (Fair value through profit and loss)	FVTPL (Fair value through profit and loss)
Accounts payable and accrued liabilities	Other financial liabilities	Other financial liabilities
Notes payable (excluding the Sprott Facility)	Other financial liabilities	Other financial liabilities
Other provisions	Other financial liabilities	Other financial liabilities
Sprott Facility	Amortized cost	Amortized cost

There was no material impact on the Company's condensed interim consolidated financial statements upon adoption of this standard.

- IFRS 15 Revenue from Contracts with Customers ("IFRS 15") – In May 2014, the IASB issued IFRS 15, which covers principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of revenue and cash flows arising from a contract with a customer. In implementing IFRS 15, the Company converted its revenue recognition policy into a five step

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model to recognize revenue upon satisfying performance obligations and transferring control of its inventory to its customers. The following is the new accounting policy for revenue recognition under IFRS 15:

The five step model is summarized as follows:

1. Identify the contract with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognize revenue when (or as) the entity satisfies a performance obligation

The Company produces gold doré which is generally refined by a third party and delivered to its customers, sold at a sales price based on prevailing spot market gold prices. The Company recognizes revenue when it transfers control of the gold doré to the customer, which generally occurs upon delivery. Payment is received on the date or within a few days of transfer of control.

There was no material impact on the Company's condensed interim consolidated financial statements upon adoption of this standard.

- IFRIC 22 Foreign Currency Transactions and Advance Consideration ("IFRIC 22") – In December 2016 the IASB issued IFRIC 22. IFRIC 22 clarifies the date that should be used for translation when a foreign currency transaction involves an advance payment or receipt. There was no material impact on the Company's condensed interim consolidated financial statements upon adoption of this standard.

The following are recent pronouncements approved by the IASB that are pending adoption:

- IFRS 16 Leases ("IFRS 16") – In January 2016, the IASB issued IFRS 16, which requires lessees to recognize assets and liabilities for most leases. Application of the standard is mandatory for annual reporting periods beginning on or after January 1, 2019, with earlier application permitted, provided the new revenue standard, IFRS 15, has been applied or is applied at the same date as IFRS 16.

In the three months ended September 30, 2018, the Company progressed its assessment, planning and implementation of IFRS 16, substantially completing the initial identification and assessment of arrangements that may contain leases which qualify for recognition under IFRS 16. These include land access, drilling, excavation, and other contracts which contain embedded leases for property, plant and equipment.

At this time, it is not possible for the Company to make reasonable quantitative estimates for the effects of the new standard on the Company's consolidated financial statements. The Company expects the time frame to develop and implement the accounting policies, estimates and processes will continue through the remainder of the fiscal year ending December 31, 2018.

- IFRIC 23 Uncertainty over Income Tax Treatments ("IFRIC 23") On June 2017, the IASB issued IFRIC 23 Uncertainty over Income Tax Treatments. The interpretation seeks to bring clarity to the accounting for income tax that have yet to be accepted by tax authorities and provides requirements, in addition to the requirements in IAS 12 Income Taxes, by specifying how to reflect the effects of uncertainty in accounting for income taxes. IFRIC 23 is effective for annual reporting periods beginning on or after January 1, 2019, with earlier adoption permitted. The impact of IFRIC 23 on the Company's consolidated financial statements has not yet been determined.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

3. Restricted cash

Restricted cash consists of escrow judicial deposits related to the Company's labour and civil litigation (Note 14) and the \$2 million margin deposit to Auramet International LLC, pursuant to the customer advance agreement with Auramet (Note 11).

4. Inventory

Inventory is comprised of the following:

	September 30, 2018	December 31, 2017
Raw material	\$ 2,488	\$ 2,392
Mine operating supplies	4,799	4,472
Ore in stockpiles	140	363
Gold in process	1,094	2,160
Unrefined gold doré	3,346	2,870
Total inventory	\$ 11,867	\$ 12,257

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Depreciation included in cost of sales	\$ 4,919	\$ 5,898	\$ 14,211	\$ 17,271

The inventory amounts recognized in direct mining and processing costs for the three and nine months ended September 30, 2018 were \$12.1 million and \$38.1 million, respectively (\$15.5 million and \$50.5 million, respectively, during the three and nine months ended September 30, 2017). During the three and nine months ended September 30, 2018, there were no inventory write downs to net realizable value (\$nil and \$929,000, respectively, during the three and nine months ended September 30, 2017).

5. Recoverable taxes

	December 31, 2017	Additions/ reversals	Tax refunded	Write-off & sales of credits	Applied to taxes payable	Foreign exchange	September 30, 2018
Value added taxes and other ¹	\$ 7,912	3,199	\$ (1,723)	\$ (225)	\$ (2,920)	\$ (2,432)	\$ 3,811
Provision for VAT and other ²	(2,331)	635	-	45	-	377	(1,274)
Net VAT and other taxes	\$ 5,581	\$ 3,834	\$ (1,723)	\$ (180)	\$ (2,920)	\$ (2,055)	\$ 2,537
ICMS ³	\$ 14,604	\$ 1,661	\$ (481)	\$ (583)	\$ (230)	\$ (2,784)	\$ 12,187
Provision for ICMS ³	(4,949)	1,351	-	-	-	795	(2,803)
Net ICMS	\$ 9,655	\$ 3,012	\$ (481)	\$ (583)	\$ (230)	\$ (1,989)	\$ 9,384
Total recoverable taxes	\$ 15,236	\$ 6,846	\$ (2,204)	\$ (763)	\$ (3,150)	\$ (4,044)	\$ 11,921
Less: current portion	10,848						8,044
Non-current portion	\$ 4,388						\$ 3,877

- The Company is required to pay certain 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 as cash refund or as a credit against current taxes payable.

The Company continues to pursue approval of Federal VAT input tax credits with respect to the years 2008 through 2011 for its MSOL operating subsidiary. MSOL is the operating subsidiary for the Turmalina complex

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

comprising the Turmlina mine and the Caeté complex comprising the Pilar and Roça Grande mines. The Company received a cash refund in the amount of R\$3.5 million (approximately \$1.0 million) in March 2016, related to MSOL. In July 2016, the Company initiated a lawsuit to obtain a court order to force the tax authority to review the Company's remaining tax credits for MSOL with respect to the years 2008 to 2011, amounting to R\$36.0 million (approximately \$9.0 million). A court order was granted and by November 2016, the Tax Authority reviewed the claim and granted a favourable decision to partially recognize the amount claimed, deeming R\$1.5 million (approximately \$0.5 million) due to the Company. The Company collected this amount and proceeded to appeal the Tax Authority's review result in pursuit of further tax credit refund recognition on this claim.

In Q1 2018, Jaguar resolved a dispute with the Canada Revenue Agency ("CRA") with respect to its recoverable harmonized sales taxes (HST). On February 5, 2018, Jaguar received a favourable judgement from the tax court of Canada relating to HST refunds claimed for the period October 1, 2013 to December 31, 2015. As at December 31, 2017, the Company had \$1.7 million in recoverable HST taxes on its balance sheet, \$1.3 million derived from the period October 1, 2013 to December 31, 2015 and \$0.4 million derived from the period January 1, 2016 to December 31, 2017. In March 2018, the Company received the \$1.7 million HST tax refund in its entirety from the CRA and, as such, converted the recoverable tax balance to cash.

- 2) 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 nine month period ended September 30, 2018, the Company received the final tax assessments issued by the Brazilian Federal Tax Authority following the conclusion of its audit over the Company's historical Federal VAT input tax credits recognized in fiscal year 2013. Based on the results confirmed, the Company made a change in accounting estimate and reduced its provision criteria for tax credits recognized after January 1, 2012 from 20% as at December 31, 2017 to 5% as at September 30, 2018.
- 3) *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 discount rate of 15% - 30%), be used to satisfy ICMS tax settlement installments 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.

In the three and nine months ended September 30, 2018, the Company sold R\$3.1 million and R\$5.9 million (approximately \$0.9 million and \$1.6 million), respectively, in ICMS export tax credits. The Company received approval from the state tax authority to sell an additional R\$8.6 million (approximately \$2.4 million) in ICMS export tax credits. As at September 30, 2018, the Company held R\$7.8 million (approximately \$2.2 million) in ICMS export tax credits authorized for sale but not yet sold (December 31, 2017 – R\$ 5 million, approximately \$1.5 million).

In June 2018, the Company decided to enter into an Administrative Agreement with the Minas Gerais State Tax authority in order to pay R\$8.3 million (approximately \$2.2 million) in historical ICMS taxes due, as further detailed in Note 12. In accordance with the agreement, the Company will pay its ICMS debt due in 60 (sixty) monthly installments using ICMS tax credits (non-cash).

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

6. Other accounts receivable and Royalty interests

	September 30, 2018	December 31, 2017
Due from Avanco Resources Limited - Gurupi Sale	5,000	5,000
Other accounts receivable	927	76
Total other accounts receivable	\$ 5,927	\$ 5,076
Less: current portion	5,427	3,576
Non-current portion	\$ 500	\$ 1,500

Effective September 17, 2017, the Company entered into an accelerated earn-in agreement (“the Accelerated Earn-In Agreement”) to sell to Avanco Resources Limited (“Avanco”) its Gurupi mineral exploration properties and the Brazilian subsidiary in which they were held. In October 2017, the Company completed the sale of its Gurupi Project (“Gurupi”) to Avanco Resources Limited (“Avanco”) by transferring the quotas (i.e. equity shares) in MCT Mineração Ltda. that were held directly or indirectly by the Company, to Avanco, pursuant to the Accelerated Earn-In Agreement.

Under the terms of the Accelerated Earn-In Agreement, and following the satisfactory completion of certain closing conditions, Avanco earned 100% of Jaguar’s equity interest in Gurupi by committing (i) to pay to Jaguar \$9 million in aggregate cash payments and (ii) to pay Jaguar a net smelter royalty valued at 1% on the first 0.5 million gold ounces sold, 2% on gold ounces sold in excess of 0.5 million oz and up to 1.5 million oz, and 1% NSR on gold ounces sold in excess of 1.5 million oz. Avanco also holds a first right of refusal to acquire the Paciência Processing Plant should the Company seek to divest such an asset at a future time.

Within 24 months as from October 2017 (the date in which Avanco received ownership), Avanco will arrange to have published an Australian Joint Ore Reserve Committee (JORC) code compliant technical report completed regarding the Project with mineral reserves in excess of 500,000 ounces of gold. Any delay in this milestone will result in a project delay fee payable to Jaguar of \$250,000 per six months of delayed period. Within 60 months of the initial \$4 million payment, Avanco will aim to commission the Gurupi mine and plant. Any delay in this commissioning milestone will result in a separate project delay fee payable to Jaguar of \$250,000 per six months of delayed period.

Jaguar received an initial aggregate cash payment of \$4 million, in two installments of \$2 million each in September and October 2017. The Company will collect the additional \$5 million from Avanco in a series of 10 instalments of \$500,000, which the Company expects to occur in 2019, starting in the month in which Avanco receives “clear title and access” to the project. The net smelter royalties will be received throughout the life of mine of the Gurupi Project.

	September 30, 2018	December 31, 2017
Avanco - Gurupi	\$ 8,476	\$ 8,476
Total royalty interests	\$ 8,476	\$ 8,476

As at September 30, 2018, there were no indicators of impairment on Royalty interests (December 31, 2017 – \$nil).

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7. Property, plant and equipment (“PP&E”)

	Plant	Vehicles	Equipment ¹	Leasehold ²	CIP ³	Mining properties	Total
Cost							
Balance as at January 1, 2018	\$ 13,578	\$ 10,662	\$ 238,782	\$ 2,380	\$ 3,532	\$ 406,973	\$ 675,907
Additions	-	71	1,781	-	751	20,019	22,622
Disposals	-	(487)	(1,044)	-	-	-	(1,531)
Reclassify within PP&E	-	-	1,230	-	(1,230)	-	-
Balance as at September 30, 2018	\$ 13,578	\$ 10,246	\$ 240,749	\$ 2,380	\$ 3,053	\$ 426,992	\$ 696,998
Balance as at January 1, 2017	\$ 13,569	\$ 10,839	\$ 234,635	\$ 2,380	\$ 5,244	\$ 391,450	\$ 658,117
Additions	-	97	1,732	-	2,773	15,523	20,125
Disposals	-	(381)	(1,927)	-	(27)	-	(2,335)
Reclassify within PP&E	9	107	4,342	-	(4,458)	-	-
Balance as at December 31, 2017	\$ 13,578	\$ 10,662	\$ 238,782	\$ 2,380	\$ 3,532	\$ 406,973	\$ 675,907
Accumulated amortization and impairment							
Balance as at January 1, 2018	\$ 11,903	\$ 8,238	\$ 200,759	\$ 2,230	\$ 685	\$ 341,915	\$ 565,730
Amortization for the period	294	214	8,014	6	-	5,891	14,419
Disposals	-	(376)	(829)	-	-	-	(1,205)
Balance as at September 30, 2018	\$ 12,197	\$ 8,076	\$ 207,944	\$ 2,236	\$ 685	\$ 347,806	\$ 578,944
Balance as at January 1, 2017	\$ 11,573	\$ 8,513	\$ 199,416	\$ 2,233	\$ 800	\$ 335,880	\$ 558,415
Amortization for the period	694	114	7,197	30	-	14,180	22,215
Impairment reversal	(364)	(119)	(4,701)	(33)	(115)	(8,145)	(13,477)
Disposals	-	(270)	(1,153)	-	-	-	(1,423)
Balance as at December 31, 2017	\$ 11,903	\$ 8,238	\$ 200,759	\$ 2,230	\$ 685	\$ 341,915	\$ 565,730
Carrying amounts							
As at September 30, 2018	\$ 1,381	\$ 2,170	\$ 32,805	\$ 144	\$ 2,368	\$ 79,186	\$ 118,054
As at December 31, 2017	\$ 1,675	\$ 2,424	\$ 38,023	\$ 150	\$ 2,847	\$ 65,058	\$ 110,177

¹ As at September 30, 2018, the Company had equipment under capital leases at a cost and net book value of \$4.5 million and \$3.9 million, respectively (December 31, 2017 - \$3.5 million and \$3.2 million, respectively).

² Refers to leasehold improvements in corporate office in Brazil.

³ Refers to construction in progress.

As at September 30, 2018, mining properties include the following properties which are in production, or are under development:

a) Turmalina Complex

The terms of the acquisition by MSOL (as incorporated via “MTL”) included a royalty payable by the Company to an unrelated third party. The royalty is a net revenue interest of 5% of annual net revenue up to \$10.0 million and 3% thereafter.

b) Paciência Complex

In November 2003, the Company closed a property acquisition agreement dated April 17, 2003 whereby the Company acquired certain mineral rights from AngloGold for \$818,000. The mineral rights acquired relate to the following properties in the Paciência Complex: Santa Isabel, Morro do Adão, Bahu, and Marzagão, and the following properties in the Caeté Complex: Catita and Camará. The Company will also pay a sliding scale net

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smelter royalty (“NSR”), from 1.5% to 4.5% of gross revenue, on gold and other precious metals produced from the properties, 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 September 30, 2018 the carrying amount for the Paciência project is \$nil, due to past impairment charges (December 31, 2017 - \$nil).

c) Caeté Complex

The Company is required to pay royalties of 0.5% of revenue to the landowners of the Pilar mine site.

In Q1 2018, as part of refocusing its attention, resources and efforts on Turmalina and Pilar mines, and exploration growth activities, the Company made a strategic decision to temporarily suspend its Roça Grande mine operations. This temporary suspension will continue for an unspecified future period. In the three and nine months ended September 30, 2018, the Company recognized \$181,000 and \$932,000, respectively, in care and maintenance costs associated with the Roça Grande mine.

d) Impairment and impairment reversal

The Turmalina, Caeté, and Paciência projects are each cash generating units (“CGUs”) which include property, plant and equipment, mineral rights, deferred exploration costs, and asset retirement obligations net of amortization. The CGUs also include mineral exploration project assets relating to properties not in production such as mineral rights and deferred exploration costs. A CGU is generally an individual operating mine or development project.

For the three and nine months ended September 30, 2018, there were no indicators of impairment or reversal of past impairment charges (\$nil and \$nil, respectively, during the three and nine months ended September 30, 2017).

8. Mineral exploration projects

	Gurupi	Turmalina	Caeté	Pedra Branca	Total
Balance as at January 1, 2018	\$ -	\$ 1,215	\$ 5,348	\$ 405	\$ 6,968
Balance as at September 30, 2018	\$ -	\$ 1,215	\$ 5,348	\$ 405	\$ 6,968
Balance as at January 1, 2017	\$ 21,213	\$ 719	\$ 4,077	\$ 405	\$ 26,414
Additions	293	496	-	-	789
Disposals	(21,506)	-	(82)	-	(21,588)
Impairment reversal	-	-	1,353	-	1,353
Balance as at December 31, 2017	\$ -	\$ 1,215	\$ 5,348	\$ 405	\$ 6,968

a) Gurupi

On September 17, 2017, the Company entered into an Accelerated Earn-In Agreement (“the Accelerated Earn-In Agreement”) with Avanco, pursuant to which Avanco established terms to earn up to a 100% interest in the Gurupi

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Project. In October 2017, the Company completed its sale of Gurupi to Avanco and transferred 100% of its quotas in MCT to Avanco, as described in Note 6.

b) Caeté

The Caeté mineral exploration project includes the following exploration properties: Morro de Mina, Pilar-sulphide, Catita-sulphide, Camará, Roça Grande, Serra Paraíso-sulphide, and Trindade.

c) Pedra Branca

The Company is engaged in gold exploration at its 100% owned greenfield site, the Pedra Branca Project (the "Project"), in the State of Ceará in northeastern Brazil, covering 38,000 hectares. Previously a joint venture with Glencore Canada Corporation (formerly known as Xstrata plc.), in April 2012 MSOL acquired the remaining 40% ownership of the Project via an earn-in agreement as follows: (i) a cash consideration in the amount of \$400,000; (b) a net smelter royalty ("NSR") of 1% payable to Glencore Canada Corporation on future gold production; and (c) a first option to Glencore Canada Corporation upon discovery of any Base Metal Dominant Deposit. Upon such discovery, Glencore Canada Corporation may elect to form a new company owned 30% by MSOL and 70% by Glencore Canada Corporation, by paying 300% of MSOL's exploration expenditures incurred exclusively on the relevant Base Metal Dominant Area of the property. The Company executed its US\$400,000 payment to Glencore Canada Corporation in April 2012 to establish its 100% ownership of the Project with the aforementioned NSR and first option commitments.

9. Accounts payable and accrued liabilities

	September 30, 2018	December 31, 2017
Accounts payable (suppliers)	\$ 10,652	\$ 11,099
Accrued payroll	5,519	6,492
Interest payable	259	77
Other	137	228
Total accounts payable and accrued liabilities	\$ 16,567	\$ 17,896

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10. Notes payable

	September 30, 2018	December 31, 2017
Notes payable - current portion		
Bank indebtedness ^(a)	\$ 5,149	\$ 5,176
Capital leasing obligations ^(b)	1,688	1,083
Vale note ^(c)	607	726
Sprott Facility ^(d)	-	5,400
	7,444	12,385
Notes payable - non-current portion		
Capital leasing obligations ^(b)	175	861
Vale note ^(c)	451	654
Sprott Facility ^(d)	-	3,625
	626	5,140
Total notes payable	\$ 8,070	\$ 17,525
	September 30, 2018	December 31, 2017
Fair value of notes payable	\$ 8,070	\$ 17,525

a) Bank indebtedness

As at September 30, 2018, bank indebtedness included \$5.1 million in unsecured promissory notes, holding maturities from October 2018 through November 2018 and bearing interest rates ranging from 4.1% to 7.9%. As at December 31, 2017, bank indebtedness included \$5.2 million in unsecured promissory notes, holding maturities from March 2018 through December 2018 and bearing interest rates ranging from 4.5% to 9.6%.

b) Capital leasing obligations

The Company has financed the acquisition of certain equipment through the assumption of capital lease obligations. These obligations are secured by promissory notes. The capital lease obligations bear interest between 6.0% and 22.9% per annum and hold maturity dates between September 2019 and February 2020.

The following table outlines the total minimum loan payments due for capital leasing obligations over their remaining terms as at September 30, 2018 and December 31, 2017:

	September 30, 2018	December 31, 2017
2018	\$ 517	\$ 1,193
2019	1,406	956
2020	31	47
Total minimum loan payments	1,954	2,196
Less: Future finance charges	(91)	(252)
Present value of minimum loan payments	\$ 1,863	\$ 1,944
Less: current portion	1,688	1,083
Non-current portion	\$ 175	\$ 861

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c) Vale note

The Vale note was generated in 2008, by the purchase of mineral rights regarding the Caeté Project for \$13.3 million ("Vale Purchase Agreement"). Payment under the Vale Purchase Agreement was subject to satisfaction of certain conditions including perfection of the transfer of the mineral rights before the *Departamento Nacional de Produção Mineral* ("DNPM"). During 2010, the Company paid \$3.2 million. In November 2014, the agreement was amended whereby the Company agreed to waive certain mineral rights expected to be transferred under the purchase agreement as they had not been duly conveyed. Accordingly, the outstanding indebtedness amount was reduced from \$9.0 million to \$3.0 million, payable in twelve installments of \$250,000, maturing December and July of every year, until fully paid in 2020. The first installment was paid in December 2014. The balance outstanding as at September 30, 2018 was \$1.1 million (\$1.5 million as at December 31, 2017).

The note payable is recognized at its amortized cost of \$1.1 million, and the discount of \$66,000 is being accreted monthly using the effective interest method and applying Brazil's risk-free interest rate (SELIC), which was 6.50% at September 30, 2018 (December 31, 2017 – 6.90%).

d) Sprott Facility

On November 7, 2016, the Company entered into an agreement with Sprott Private Resource Lending (Collector) LP ("Sprott Lending") for a secured loan facility (the "Sprott Facility") totaling \$10.0 million ("Tranche 1") to fund accelerated growth exploration initiatives. Tranche 1 of the Sprott Facility is payable over a term of 30 months, in equal monthly repayments of principal, plus interest, with an interest rate of 6.5% per annum, plus the greater of US dollar LIBOR or 1.25% per annum. In consideration for the structuring and syndication of Tranche 1, the Company has made a cash payment to Sprott Lending for structuring and legal fees. In consideration for and providing the financing commitment, the Company has issued an aggregate of 650,000 common shares of Jaguar to Sprott Lending and to Natural Resource Income Investing Limited Partnership.

The Company incurred transaction costs, totaling \$584,000, to obtain Tranche 1 of the Sprott Facility, which includes legal fees, transaction fees, listing fees, and common share issuance (valued at \$366,000). All transaction costs, other than the common shares, were measured and recorded at the amount paid as it represents fair value.

On June 9, 2017, the Company entered into an agreement with Sprott Lending for an additional tranche of the Sprott Facility totaling \$5.0 million ("Tranche 2"). Tranche 2 of the Sprott Facility is payable over a term of 36 months, in equal monthly repayments of principal, plus interest, with an interest rate of 6.5% per annum, plus the greater of US dollar LIBOR or 1.25% per annum. In consideration for the structuring and syndication of Tranche 2, the Company has made a cash payment to Sprott Lending for legal fees. In consideration for and providing the financing commitment, the Company has issued an aggregate of 375,000 common shares of Jaguar to Sprott Lending and to Natural Resource Income Investing Limited Partnership.

The Company incurred transaction costs, totaling \$246,000, to obtain Tranche 2 of the Sprott Facility, which includes legal fees, transaction fees, listing fees, and common share issuance (valued at \$116,000). All transaction costs, other than the common shares, were measured and recorded at the amount paid as it represents fair value.

In May 2018, the Company reached an agreement for a new \$7 million, unsecured customer advance agreement with Auramet (the "Auramet advance") which was used in conjunction with a new Brazil debt facility of \$2.4 million to fully repay the Company's Secured Loan facility with Sprott Resource Lending, effective June 30, 2018. During the three and nine months ended September 30, 2018, the Company made principal repayments of \$nil million and \$9.4 million, respectively, (\$1.4 million and \$3.6 million, respectively, during the three and nine months ended September 30, 2017), and interest payments of \$nil and \$324,000, respectively (\$244,000 and \$614,000, respectively, during the three and nine months ended September 30, 2017).

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The Sprott Facility was a financial liability and was initially measured at fair value and subsequently measured at amortized cost using the effective interest method. During the three and nine months ended September 30, 2018, \$nil and \$336,000, respectively, was recorded as finance costs in the interim condensed consolidated statements of operations and comprehensive income (loss) related to the remaining accretion of the transaction costs (\$120,000 and \$323,000, respectively, for the three and nine months ended September 30, 2017).

The Sprott Facility was provided by security agreements comprising the Company's and MSOL's present and future assets, the shares of MSOL, and a loan guarantee by MSOL. The Sprott Facility was fully repaid on June 28, 2018.

e) Changes in liabilities arising from financing activities

	Changes from financing cash flows				Other changes				Balance as at September 30, 2018
	Balance as at January 1, 2018	Proceeds from debt issuance	Debt repayments	Interest paid	Interest expense	Capital lease obligations	Foreign exchange (gain) loss	Other non- cash changes	
Notes payable	\$ 17,525	\$ 2,475	\$ (13,182)	\$ -	\$ -	\$ 1,046	\$ (184)	\$ 390	\$ 8,070
Accrued interest payable ¹	77	-	-	(539)	721	-	-	-	259
Customer advances	-	7,000	-	-	-	-	-	-	7,000
	\$ 17,602	\$ 9,475	\$ (13,182)	\$ (539)	\$ 721	\$ 1,046	\$ (184)	\$ 390	\$ 15,329

	Changes from financing cash flows				Other changes				Balance as at December 31, 2017
	Balance as at January 1, 2017	Proceeds from debt issuance	Debt repayments	Interest paid	Interest expense	Capital lease obligations	Foreign exchange (gain) loss	Other non- cash changes	
Notes payable	\$ 22,590	\$ 4,870	\$ (11,710)	\$ -	\$ -	\$ 1,091	\$ 263	\$ 421	\$ 17,525
Accrued interest payable ¹	154	-	-	(1,571)	1,494	-	-	-	77
	\$ 22,744	\$ 4,870	\$ (11,710)	\$ (1,571)	\$ 1,494	\$ 1,091	\$ 263	\$ 421	\$ 17,602

1) Included in Accounts payable and accrued liabilities

11. Customer advances

	September 30, 2018	December 31, 2017
Auramet International LLC	\$ 7,000	\$ -
Total customer advances	\$ 7,000	\$ -

a) Auramet advance

On May 9th, 2018, the Company entered into an agreement with Auramet International LLC for an unsecured customer advance ("Auramet advance") in the form of a gold purchase and sale agreement whereby Auramet extended up to \$7 million in minimum prepayment amounts each of \$1 million to Jaguar. As part of the agreement, the Company is required to maintain a \$2 million margin deposit with Auramet. Funds advanced under the Auramet advance are subject to interest at 1-month LIBOR + 7.5%, and hold a covenant to maintain a minimum net cash balance of \$5 million, including a margin deposit. The Auramet advance matures, requiring settlement in full, by May 31, 2019. On November 9th, 2018, the Company restructured its customer advance contract with Auramet International LLC to extend its maturity from May 31, 2019 to October 31, 2019.

On May 9th, 2018, the Company also agreed to a European style gold call options agreement with Auramet whereby Auramet holds an option to purchase up to 7,000 ounces of gold (1,000 ounces per month) at a strike price of US\$1,450 per ounce on expiration dates maturing monthly between May 2019 and November 2019. As at and for the three and nine months ended September 30, 2018, the call options remained outstanding, spot gold

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prices remained below the call option's strike price, and the Company recorded no gain or loss to the condensed interim statements of operations and comprehensive income (loss) (\$nil and \$nil, respectively, for the three and nine months ended September 30, 2017).

12. Other taxes payable

	December 31,		Additions			Foreign	September 30,
	2017	(reversals)	Accretion	Payments	exchange	2018	
ICMS Settlement Due ¹	\$ -	\$ 2,178	\$ -	\$ (181)	\$ (75)	\$ 1,922	
INSS ²	\$ -	\$ 403	\$ -	\$ -	\$ -	\$ 403	
Total contingent liabilities	\$ -	\$ 2,581	\$ -	\$ (181)	\$ (75)	\$ 2,325	
Less: current portion		-				460	
Non-current portion	\$ -					\$ 1,865	

1) In June 2018, the Company decided to enter into an Administrative Agreement with the Minas Gerais State Tax Authority in order to pay an historical debt (2008 – 2014) of R\$8.3 million (approximately \$2.2 million) in ICMS taxes. The agreement was ratified by the parties in July 2018.

This debt has its origin in ICMS levied on electricity ("Demanda Contratada") in which the Superior Courts have been ruled in the taxpayer's favour. The Company had filed an appeal against the levy of the ICMS and the likelihood of the Company losing the appeal was assessed as remote. Although the Company would likely win the judicial lawsuit, the Company took the decision to pay the mentioned debt in instalments, using its tax credits (non-cash), in order to facilitate and accelerate its ICMS tax credits recovery as cash.

2) In September 2018, the Company received a social security tax (INSS – *Instituto Nacional do Seguro Social*) assessment from Brazil's Federal Tax Authority with respect to fiscal years 2014 and 2015, challenging the social security tax rate basis applied by the Company, which as per Brazilian tax legislation is variable based on the Company's historical work accident rate. The tax assessment claimed entitlement to a total additional R\$1.9 million (approximately \$0.5 million) due from the Company. Upon review, the Company and its legal counsel assessed its probability of loss as more likely than not and entered a settlement agreement with the Federal Tax Authority to reduce its exposure to fines and interest and extend its cash flow impact, agreeing to pay a total of R\$1.5 million (approximately \$0.4 million), in cash, over 60 (sixty) equal monthly installments starting in October 2018

13. Reclamation provisions

	December 31,		Additions			Foreign	September 30,
	2017	(reversals)	Accretion	Payments	exchange	2018	
Reclamation provision	\$ 18,041	\$ -	\$ 826	\$ (115)	\$ (3,202)	\$ 15,550	
Less: current portion		528				336	
Non-current portion	\$ 17,513					\$ 15,214	

The reclamation provisions relate to the cost to reclaim land that has been disturbed as a result of mining activity. The estimated future cash flows have been discounted using a rate of 6.50% and the inflation rate used to determine future expected cost ranges from 3.8% to 4.0% per annum (December 31, 2017 – 6.50% discount rate and inflation rate ranging from 3.8% to 4.0% per annum).

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The Company expects to spend approximately \$18.3 million (amount not discounted or adjusted for inflation) which will be incurred between 2018 and 2029 to reclaim the areas explored (December 31, 2017 – \$22.2 million).

14. Other provisions and liabilities

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.

As at September 30, 2018, the Company has recognized a provision of \$10.5 million (December 31, 2017 - \$11.4 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 Company's estimates.

	December 31, 2017	Additions (reversals)	Payments	Foreign exchange	September 30, 2018
Labour litigation	\$ 9,430	\$ 3,631	\$ (2,713)	\$ (1,657)	\$ 8,691
Civil litigation	1,659	176	(152)	(315)	1,368
Other provisions	276	214	-	(54)	436
Total contingent liabilities	\$ 11,365	\$ 4,021	\$ (2,865)	\$ (2,026)	\$ 10,495
Less: current portion	4,069				4,533
Non-current portion	\$ 7,296				\$ 5,962

15. 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 nine months ended September 30, 2018 and 2017 are as follows:

	Number of shares	Amount
Balance as at December 31, 2017	325,115,403	\$ 545,693
Shares issued upon redemption of deferred share units	Note 15(d) 456,050	149
Balance as at September 30, 2018	325,571,453	\$ 545,842
Balance as at December 31, 2016	307,115,675	\$ 539,802
Shares issued from private placement ¹	17,624,728	5,775
Shares issued to Sprott Lending	Note 10(d) 375,000	116
Balance as at September 30, 2017	325,115,403	\$ 545,693

1) On June 15, 2017, the Company closed a non-brokered private placement facility whereby it issued 17,624,728 common shares of the Company at a price of C\$0.44 per common share for gross proceeds of \$5.8 million, net of transaction costs of \$51,000.

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b) Warrants

As part of the 2015 Senior Secured Convertible Debentures financing, the Company issued finder warrants ("Finder Warrants"). The Finder Warrants have an exercise price of C\$0.15 per common share and an expiration date of October 27, 2018. An aggregate of 6,607,833 Finder Warrants were issued in connection with the Debentures Financing, valued at \$202,000. As at September 30, 2018, 3,073,411 Finder Warrants remained outstanding (December 31, 2017 – 3,073,411 warrants outstanding).

On October 26, 2018, 3,073,411 Finder Warrants were exercised at C\$0.15 per common share and 3,073,411 common shares were issued by the Company, resulting in C\$461,000 (approximately \$351,000) share issuance proceeds to the Company.

c) Stock options

The Stock Option Plan ("SOP") provides for the issuance of options to employees, directors, or officers of the Company or any of its subsidiaries or 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 nine months ended September 30, 2018 and 2017:

	Number of options	Weighted average exercise price (C\$)
Balance as at December 31, 2017	9,445,581	\$ 0.36
Options granted ¹	2,717,000	0.27
Options forfeited ³	(3,094,665)	0.29
Balance as at September 30, 2018	9,067,916	\$ 0.36
Balance as at December 31, 2016	8,311,841	\$ 0.33
Options granted ²	1,133,740	0.57
Balance as at September 30, 2017	9,445,581	\$ 0.36

1) On January 23, 2018, 1,574,000 stock options were granted to executives of the Company. The options are exercisable at a price of C\$0.37 and expire on January 23, 2026. The options vest on a quarterly basis, in twelve equal instalments, starting on April 23, 2018 and are exercisable upon vesting. These options had a grant date fair value of C\$0.23 per option, measured using the Black-Scholes option pricing formula with inputs as follows: an exercise price of C\$0.37, a risk free rate of 1.88%, a volatility factor of 110%, and an expected life of 3.0 years.

On August 31, 2018, 1,143,000 stock options were granted to executives of the Company. The options are exercisable at a price of C\$0.21 and expire on August 31, 2026. The options vest on a quarterly basis, in twelve equal instalments, starting on November 30, 2018 and are exercisable upon vesting. These options had a grant date fair value of C\$0.14 per option, measured using the Black-Scholes option pricing formula with inputs as follows: an exercise price of C\$0.21, a risk free rate of 1.02%, a volatility factor of 98%, and an expected life of 4.0 years.

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2) On January 27, 2017, 733,740 stock options were granted to executives of the Company. The options are exercisable at a price of C\$0.70 and expire on January 27, 2025. The options vest on a quarterly basis, in twelve equal instalments, starting on April 27, 2017 and are exercisable upon vesting. These options had a grant date fair value of C\$0.48 per option, measured using the Black-Scholes option pricing formula with inputs as follows: an exercise price of C\$0.70, a risk-free rate of 1%, a volatility factor of 125%, and an expected life of 2.5 years.

On September 21, 2017, an additional 400,000 stock options were granted to executives of the Company, exercisable at a price of C\$0.33 and expiring on September 21, 2022. The options vest on a quarterly basis, in twelve equal instalments, starting on December 21, 2017 and are exercisable upon vesting. These options had a grant date fair value of C\$0.27 per option, measured using the Black-Scholes option pricing formula with inputs as follows: an exercise price of C\$0.33, a risk-free rate of 1.58%, a volatility factor of 119%, and an expected life of 5.0 years.

3) Relates to the forfeiture of the options of former executives upon contract termination.

The table below shows the outstanding stock options as at September 30, 2018:

Weighted average exercise price (C\$)	Grant date	Number of options outstanding	Number of options exercisable	Estimated fair value at grant date (US\$ per option)	Expiry date
\$ 0.22	December 16, 2015	5,833,333	5,833,333	\$ 0.05	December 16, 2020
0.21	August 31, 2018	1,143,000	-	0.11	August 31, 2026
0.37	January 23, 2018	686,667	231,112	0.20	January 23, 2026
0.70	January 27, 2017	393,075	288,255	0.36	January 27, 2025
0.76	November 7, 2016	322,637	188,205	0.37	November 7, 2021
1.35	May 12, 2014	236,841	236,841	0.38	May 12, 2022
0.33	September 21, 2017	200,000	66,667	0.22	September 21, 2022
0.74	August 8, 2016	177,363	118,242	0.34	August 8, 2021
1.35	October 8, 2014	75,000	75,000	0.19	October 8, 2019
\$ 0.32		9,067,916	7,037,655	\$ 0.11	

The following table is a summary of stock options outstanding during the nine months ended September 30, 2018 and 2017, 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 2018	9,067,916	\$ 0.32	-	1.00%	0%	3.80	77%	\$ 0.11
Stock options 2017	9,045,581	\$ 0.36	-	1.00%	0%	3.71	74%	\$ 0.12

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 three and nine months ended September 30, 2018, the Company recognized \$155,000 and \$246,000, respectively, in stock-based compensation expense for stock options in the interim condensed consolidated statements of operations and comprehensive income (loss) (\$87,000 and \$351,000, respectively, for the three and nine months ended September 30, 2017).

d) 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. Vested DSUs shall be redeemed in whole or in part for shares issued from treasury or, subject to the

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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 11,111,111.

The following table shows the movement of DSUs for the nine months ended September 30, 2018 and 2017:

	Number of units	Weighted average fair value
Balance as at December 31, 2017	2,793,964	\$ 0.42
Units granted ¹	4,476,000	0.23
Units redeemed ³	(456,050)	0.46
Units forfeited ⁴	(1,065,228)	0.40
Balance as at September 30, 2018	5,748,686	\$ 0.27
Balance as at December 31, 2016	1,583,805	\$ 0.37
Units granted ²	1,177,160	0.48
Balance as at September 30, 2017	2,760,965	\$ 0.42

1) On January 23, 2018, the Company granted 191,000 deferred shared units ('DSUs') to each of the non-executive directors, totalling a grant of 1,337,000 DSUs, 50% of which vested immediately, with the remaining 50% vesting July 28, 2018. The DSUs are exercisable upon the retirement of such directors. In addition, the Company granted executives of the Company 563,000 time-vested DSUs, that vest on a quarterly basis, in twelve equal instalments, starting on April 23, 2018, and 563,000 performance-vested DSUs, that shall vest if the Company's stock price reaches C\$1.00 measured on a 5-day VWAP basis, and is maintained at that level for at least 20 consecutive trading days. The DSUs granted to executives of the Company are exercisable upon vesting. The DSUs granted in January 2018 had a total grant date fair value of \$714,000, measured at US\$0.29/share.

On August 31, 2018 the Company granted a total of 2,013,000 DSUs to directors and executives of the Company in four forms, holding a total grant date fair value of \$186,000, measured at US\$0.16/share.

- i. 858,000 DSUs were granted to the Company's non-executive directors, attributing 143,000 to each, 50% of which vested immediately, with the remaining 50% vesting February 28, 2019. The DSUs are exercisable upon the retirement of such directors.
- ii. 360,000 time-vested DSUs were granted to officers of the Company, 50% of which vest monthly in six equal instalments starting on September 30, 2018, with the remaining 50% vesting monthly in twelve equal instalments, also starting on September 30, 2018. These DSUs granted are exercisable upon vesting.
- iii. 415,000 time-vested DSUs were granted to officers and executives of the Company, vesting on a quarterly basis, in twelve equal instalments, starting on November 30, 2018. These DSUs granted are exercisable upon vesting.
- iv. 380,000 DSUs in-lieu-of-compensation to officers of the Company, vesting on a monthly basis in six equal instalments starting on September 30, 2018. These DSUs granted are exercisable upon vesting.

2) On January 27, 2017, the Company granted 103,400 deferred shared units ('DSUs') to each of the non-executive directors, totalling a grant of 620,400 DSUs, 50% of which vested immediately, with the remaining 50% vested July 27, 2017. The DSUs are exercisable upon the retirement of such directors. In addition, the Company granted executives of the Company 278,380 time-vested DSUs, that vest on a quarterly basis, in twelve equal instalments, starting on April 27, 2017, and 278,380 performance-vested DSUs, that shall vest if the Company's stock price reaches C\$1.00 measured on a 5-day VWAP basis, and is maintained at that level for at least 20 consecutive trading days. The DSUs granted to executives of the Company are exercisable upon vesting. The DSUs granted in January 2017 had a total grant date fair value of \$565,000, measured at US\$0.48/share.

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3) On August 15, 2018, an officer and director redeemed 456,050 DSUs. The DSUs were settled via issuance of 456,050 shares, representing a settlement date fair value of \$149,000.

4) Relates to the forfeiture of the DSUs of former executives upon contract termination.

For three and nine months ended September 30, 2018, the Company recognized \$262,000 and \$686,000, respectively, in stock-based compensation expense for DSUs in the condensed interim consolidated statements of operations and comprehensive income (loss) (\$61,000 and \$500,000, respectively, for the three and nine months ended September 30, 2017).

16. Basic and diluted earnings per share

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Numerator				
Net income (loss) - basic and diluted	\$ 2,208	\$ (7,664)	\$ (904)	\$ (18,861)
Adjustment				
Convertible option Rinvest Credit Facility	-	-	-	-
Net income (loss) for the purpose of diluted income (loss) per share	\$ 2,208	\$ (7,664)	\$ (904)	\$ (18,861)
Denominator				
Weighted average number of common shares outstanding - basic	325,237,298	325,115,403	325,156,481	314,178,755
Stock Options	2,501,735	-	-	-
Deferred share units	994,340	-	-	-
Warrants	3,073,411	-	-	-
Weighted average number of common shares outstanding - diluted	331,806,784	325,115,403	325,156,481	314,178,755
Basic income (loss) per share	\$ 0.01	\$ (0.02)	\$ (0.00)	\$ (0.06)
Diluted income (loss) per share	\$ 0.01	\$ (0.02)	\$ (0.00)	\$ (0.06)

The determination of the weighted average number of common shares outstanding for the calculation of diluted earnings per share for the three months ended September 30, 2018 does not include the following effect of options, deferred shares units, since they are anti-dilutive:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Stock options	7,026,975	9,445,581	10,098,852	8,987,665
Deferred share units	4,754,346	2,760,965	5,039,731	2,644,543
Warrants	-	3,073,411	3,073,411	3,073,411
Anti-dilutive instruments	11,781,321	15,279,957	18,211,993	14,705,619

17. Operating costs

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2018	2017	2018	2017
Direct mining and processing costs	Note 4	\$ 12,123	\$ 15,457	\$ 38,088	\$ 50,456
Royalty expense and CFEM taxes		774	688	2,412	2,275
Inventory write-down	Note 4	-	-	-	929
Other		(88)	(29)	64	(46)
Operating costs		\$ 12,809	\$ 16,116	\$ 40,564	\$ 53,614

18. Change in other provisions and VAT taxes

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		Three Months Ended September 30,		Nine Months Ended September 30,	
		2018	2017	2018	2017
Change in legal provisions	Note 14	\$ 2,416	\$ 759	\$ 4,021	\$ 1,820
Changes in provision against recoverability of VAT and other taxes	Note 5	(1,907)	(142)	(2,031)	993
Total change in legal provisions and VAT taxes		\$ 509	\$ 617	\$ 1,990	\$ 2,813

19. Other operating expenses

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Other expenses (recoveries)	139	203	981	(230)
Other taxes ¹	701	962	1,852	2,642
Restructuring costs ²	-	-	555	-
Total other operating expenses	\$ 840	\$ 1,165	\$ 3,388	\$ 2,412

¹ Includes \$1.1 million in ICMS principal and associated costs due on the ICMS tax historical debt due, as further explained in Note 12.

² Refers to restructuring costs, including relocation costs, personnel costs, and other costs, incurred in association with the Company's suspension of the Roça Grande mine.

20. Foreign exchange (gain) loss

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2018	2017	2018	2017
Loss on recoverable taxes	Note 5	\$ 827	\$ (1,105)	\$ 4,044	\$ (718)
(Gain) on reclamation provision	Note 13	(603)	898	(3,202)	607
(Gain) on contingent liabilities and other provisions	Note 14	(422)	524	(2,026)	344
(Gain) loss on other foreign exchange		(120)	321	(420)	395
Total foreign exchange (gain) loss		\$ (318)	\$ 638	\$ (1,604)	\$ 628

21. Financial instruments loss (gain)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Changes in fair value of derivatives	\$ (619)	\$ 20	\$ 138	\$ (327)
Realized loss on derivatives	1,031	-	2,040	-
Total financial instruments loss (gain)	\$ 412	\$ 20	\$ 2,178	\$ (327)

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22. Finance costs

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Interest expense	\$ 446	\$ 696	\$ 1,969	\$ 3,069
Accretion expense ¹	272	338	881	984
Total finance costs	\$ 718	\$ 1,034	\$ 2,850	\$ 4,053

¹ Refers to accretion of interest expense on reclamation provisions and bank indebtedness.

23. Other non-operating expenses (recoveries)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Interest income	\$ (123)	\$ (278)	\$ (436)	\$ (678)
Loss on disposition of property	(36)	3	157	666
Other non-operating expenses	227	23	523	84
Total other non-operating expenses	\$ 68	\$ (252)	\$ 244	\$ 72

24. Cash flow – other operating activities (recovery) expense

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Stock-based compensation	Note 15 (c)(d) \$ 412	\$ 148	\$ 932	\$ 850
Non-cash other operating expense	-	-	-	722
Loss on disposition of PP&E	(36)	3	157	259
Provision (recovery) for VAT and other taxes	Note 18 (2,008)	(142)	(2,031)	993
Other operating activities (recovery) expense	\$ (1,632)	\$ 9	\$ (942)	\$ 2,824

25. Cash flow – changes in working capital

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Restricted cash	\$ 35	\$ -	\$ (149)	\$ -
Inventory	284	145	456	(770)
Recoverable taxes	321	522	801	(785)
Other accounts receivable	(876)	(350)	(851)	(199)
Prepaid expenses and other assets	117	(1,800)	335	(1,628)
Derivatives receivable	659	-	48	-
Accounts payable and accrued liabilities	2,359	2,782	59	(177)
Taxes payable	4	12	-	12
Reclamation provisions	Note 13 (20)	(42)	(115)	(256)
Derivatives payable	(2,411)	-	(1,481)	-
Other provisions	Note 14 (1,447)	122	(2,865)	(1,872)
Changes in working capital	\$ (975)	\$ 1,391	\$ (3,762)	\$ (5,675)

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26. 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 September 30, 2018	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Financial Liabilities					
Accounts payable and accrued liabilities ¹	\$ 16,567	\$ -	\$ -	\$ -	\$ 16,567
Notes payable					
Principal					
Bank indebtedness ²	5,149	-	-	-	5,149
Capital leasing obligations	1,792	162	-	-	1,954
Vale note	625	500	-	-	1,125
Interest	325	3	-	-	328
Customer advances					
Principal					
Auramet advance	7,000	-	-	-	7,000
Interest	395	-	-	-	395
Total financial liabilities	\$ 31,853	\$ 665	\$ -	\$ -	\$ 32,518
Other Commitments					
Operating lease agreements	\$ 43	\$ -	\$ -	\$ -	\$ 43
Suppliers' agreements ³	471	-	-	-	471
Derivatives payable	138	-	-	-	138
Other provisions and liabilities	4,533	5,962	-	-	10,495
Reclamation provisions ⁴	382	4,224	5,264	8,405	18,275
Total other commitments	\$ 5,567	\$ 10,186	\$ 5,264	\$ 8,405	\$ 29,422
Total	\$ 37,420	\$ 10,851	\$ 5,264	\$ 8,405	\$ 61,940

¹ Amounts payable as at September 30, 2018.

² Bank indebtedness represents the principal on Brazilian short-term bank loans which are renewed in 180 day periods.

³ 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 days advance notice. The amount included in the commitments table represents the contractual amount due within 30 days.

⁴ Reclamation provisions - amounts presented in the table represent the undiscounted uninflated future payments for the expected cost of reclamation.

27. 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 or issue new equity.

As at September 30, 2018, the Company's capital structure is comprised of \$8.1 million in notes payable (Note 10), \$7.0 million in customer advances, and \$118.4 million in shareholders' equity (December 31, 2017: \$17.5 million, \$nil, and \$118.4 million, respectively).

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At September 30, 2018, the Company is not subject to externally imposed capital requirements other than those stipulated by the Auramet advance (Note 11).

28. Financial risk management and financial instruments

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

a) Liquidity risk

As at September 30, 2018, the Company had a net working capital of \$1.6 million and an accumulated deficit of \$450.6 million. The Company realized a net income for the three months ended September 30, 2018 amounting to \$2.2 million and a net loss for the nine month period then ended amounting to \$0.9 million. The Company's financial liabilities and other commitments are listed in Note 26.

To manage its liquidity risk, the Company undergoes 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 factor is the realized price of gold received for gold produced from the Company's operating mines and the operating and capital costs of those mines. Other key factors include the Company's ability to continue to renew its Brazilian facilities and manage the payment process relating to its Brazilian labour provisions (refer to Note 14).

b) 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.

The Company entered into gold forward contracts to economically hedge against the risk of declining gold prices for a portion of its forecasted gold sales and recognized the income and losses of such in the condensed interim statements of operations and comprehensive income (loss) as detailed in Note 21. The contracts have expiry dates ranging from 30 to 90 days and orders unfulfilled prior to expiry are renewed automatically for a period equal to that contracted. The changes in the fair value of these contracts are recognized in the interim condensed consolidated statement of operations. The Company does not apply hedge accounting for these hedge instruments.

As at September 30, 2018, the Company held no outstanding gold forward contracts (September 30, 2017 – 3,724 ounces hedged at an average price of US\$ 1,280 per ounce).

The Company also entered into a European style gold call options agreement with Auramet providing Auramet an option to purchase up to 7,000 ounces of gold (1,000 ounces per month) at a strike price of US\$1,450 per ounce on expiration dates maturing monthly between May 2019 and November 2019, as further detailed in Note 11.

Subsequent to September 30, 2018, the Company engaged 4,000 ounces in gold forward contracts at a weighted average price of US\$1,259/oz with expiry dates in November 2018 and December 2018.

c) 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 and Canadian dollar denominated cash and cash equivalents, recoverable taxes, accounts payable and accrued

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liabilities, income taxes payable, reclamation and other provisions, deferred compensation liabilities, Euro denominated capital lease obligations, and foreign exchange call and put option contracts.

The Company entered into European style foreign exchange call and put option contracts with Western Union, holding expiration periods between 30 days and 180 days, to economically hedge against the risk of the US dollar depreciating against the Brazilian real. The changes in the fair value of these contracts are recognized in the interim condensed consolidated statement of operations. The Company does not apply hedge accounting for these hedge instruments.

As at September 30, 2018, the Company's outstanding foreign exchange hedge contracts hosted \$7.7 million in total options outstanding, and the Company held a \$138,000 open loss position due to Western Union. The call options outstanding held strike prices between R\$3.900/USD and R\$4.1500/USD and expiry dates from October 2018 through December 2018. The put options outstanding held strike prices between R\$3.600/USD and R\$3.850/USD and expiry dates from October 2018 through December 2018.

Subsequent to September 30, 2018, the Company engaged an additional \$5.5 million in foreign exchange hedge contracts, including \$5.5 million in put options with a strike price at R\$3.65/USD and expiry dates between January 2019 and May 2019, and \$5.5 million in call options with strike prices ranging between R\$3.71/USD and R\$3.76/USD also holding expiry dates from January 2019 to May 2019.

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 debt with interest rates ranging from 0% to 9.6% per annum, with the exceptions being (i) one capital lease obligation bearing interest at a fixed rate of 22.85% per annum and (ii) the customer advance with Auramet at a rate of 7.5% plus the 12-month US dollar LIBOR rate.

e) Price risk

The Company is exposed to price risk with respect to gold prices on gold production. The Company periodically enters into hedge contracts to manage this risk and to secure future sales terms with customers. As at September 30, 2018, the Company had no outstanding gold forward hedge contracts (September 30, 2017 – 3,724 ounces hedged).

29. 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 interim condensed consolidated statements of operations and comprehensive income (loss). Legal fees paid to ASA for the three and nine months ended September 30, 2018 were \$nil and \$42,000, respectively (\$43,000 and \$100,000, respectively, for the three and nine months ended September 30, 2017).

On November 7, 2016 and on June 9, 2017, the Company entered into two secured loan facilities with Sprott Private Resource Lending (Collector) LP, which is an indirectly wholly-owned subsidiary of Sprott Inc., of which the Chairman is Mr. Eric Sprott. Mr. Sprott was a shareholder, holding approximately 21.9% of the common shares as at September 30, 2018. On June 28, 2018, the Company fully repaid both secured loan facilities, and the Company had no amount payable to Sprott Private Resource Lending (Collector) LP at September 30, 2018. Refer to Note 10(d) for further information regarding the facilities.