



**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2023 AND 2022
(UNAUDITED)**

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in thousands of US dollars)

	September 30, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 19,991	\$ 25,208
Restricted cash	839	618
Inventory	Note 4 15,887	16,239
Recoverable taxes	Note 5 6,862	8,545
Other accounts receivable	1,378	343
Prepaid expenses and advances	2,665	3,615
Total current assets	47,622	54,568
Non-current assets		
Property, plant and equipment	Note 6 203,993	197,302
Mineral exploration projects	Note 7 37,611	28,501
Recoverable taxes	Note 5 1,909	2,245
Other accounts receivable	5,000	5,000
Restricted cash	605	517
Total assets	\$ 296,740	\$ 288,133
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 18,154	\$ 19,782
Notes payable	3,405	3,040
Lease liabilities	2,024	2,414
Current tax liability	-	1,881
Other taxes payable	1,403	1,056
Reclamation provisions	Note 8 975	3,156
Legal and other provisions	Note 9 4,721	3,751
Total current liabilities	30,682	35,080
Non-current liabilities		
Lease liabilities	601	1,550
Other taxes payable	8,450	9,293
Reclamation provision	Note 8 24,203	21,148
Legal and other provisions	Note 9 3,281	4,041
Total liabilities	\$ 67,217	\$ 71,112
SHAREHOLDERS' EQUITY		
Common shares	Note 10 574,000	\$ 566,716
Stock options	1,477	1,460
Deferred share units	2,762	2,715
Contributed surplus	23,760	23,760
Deficit	(372,476)	(377,630)
Total shareholders' equity	\$ 229,523	\$ 217,021
Total liabilities and shareholders' equity	\$ 296,740	\$ 288,133

Subsequent events

Note 10(b)

On behalf of the Board:

(signed) "Jeffrey Kennedy"

(signed) "Vernon Baker"

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, 2023 and 2022

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue	\$ 31,621	\$ 37,846	\$ 100,656	\$ 106,391
Operating costs <i>Note 12</i>	19,603	22,098	59,677	62,790
Depreciation	6,697	5,384	18,682	14,945
Gross profit	5,321	10,364	22,297	28,656
Exploration and evaluation costs	819	1,373	2,751	4,493
Care and maintenance costs (Paciência and Roça Grande mines)	195	137	538	448
Stock-based compensation <i>Note 10(b)(c)</i>	39	116	834	1,086
General and administrative expenses	1,786	1,658	5,475	5,286
Amortization	18	19	55	57
Legal, recoverable tax and other provisions expenses (recoveries)	536	(118)	964	(95)
Other operating expenses	147	331	430	1,086
Operating income	1,781	6,848	11,250	16,295
Foreign exchange (gain) loss	(1,742)	(1,432)	1,612	(15)
Finance costs	854	638	2,505	1,964
Other non-operating (income) expenses <i>Note 13</i>	(1,116)	168	(1,438)	884
Income before income taxes	3,785	7,474	8,571	13,462
Income tax expense	-	999	3,417	3,542
Net income	\$ 3,785	\$ 6,475	\$ 5,154	\$ 9,920
Total comprehensive income	\$ 3,785	\$ 6,475	\$ 5,154	\$ 9,920
Earnings per share <i>Note 11</i>				
Earnings per share				
Basic	\$ 0.05	\$ 0.09	\$ 0.07	\$ 0.14
Diluted	\$ 0.05	\$ 0.09	\$ 0.07	\$ 0.13
Weighted average shares outstanding				
Basic	73,973,766	72,465,915	73,089,569	72,464,429
Diluted	74,824,642	73,426,892	73,960,968	73,525,364

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, 2023 and 2022

(Expressed in thousands of US dollars)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
OPERATING ACTIVITIES				
Net income for the period	\$ 3,785	\$ 6,475	\$ 5,154	\$ 9,920
Adjustments and non-cash items				
Depreciation and amortization	6,715	5,403	18,737	15,002
Accretion interest expense	732	502	2,131	1,562
Interest expense	122	127	374	383
Unrealized foreign exchange (gain) loss	(1,524)	(960)	2,450	1,945
Current income tax expense	-	999	3,417	3,542
Legal and other provisions expense (recovery)	643	(144)	787	178
Other operating activities (recoveries) expenses	Note 14 (356)	268	662	1,461
Changes in operating assets and liabilities	Note 15 (2,223)	740	(1,647)	(1,112)
Cash provided by operating activities before income taxes	7,894	13,410	32,065	32,881
Income taxes paid	(1,548)	(144)	(5,381)	(2,468)
Net cash provided by operating activities	6,346	13,266	26,684	30,413
INVESTING ACTIVITIES				
Investment in mineral exploration projects	Note 7 (926)	(956)	(2,665)	(3,790)
Purchase of property, plant and equipment	(8,244)	(9,259)	(26,248)	(26,131)
Proceeds from acquisition of IAMGOLD Brazil	Note 3 124	-	124	-
Proceeds from dispositions of property, plant and equipment	Note 6 151	15	407	159
Net cash (used in) investing activities	(8,895)	(10,200)	(28,382)	(29,762)
FINANCING ACTIVITIES				
Cash received upon issuance of debt	Note 18(e) 1,650	1,650	4,650	4,650
Cash received upon issuance of shares via stock options exercised	Note 10(b) -	18	133	20
Repayment of debt	Note 18(e) (2,608)	(2,363)	(7,094)	(6,685)
Cash paid for purchase and cancellation of shares	-	(75)	-	(75)
Interest paid	(122)	(130)	(343)	(207)
Share issuance costs	Note 3 (20)	-	(20)	-
Cash dividends paid	-	(2,242)	-	(6,821)
Net cash (used in) financing activities	(1,100)	(3,142)	(2,674)	(9,118)
Effect of exchange rate changes on cash and cash equivalents	(225)	(472)	(845)	(1,959)
Net (decrease) in cash and cash equivalents	(3,874)	(548)	(5,217)	(10,426)
Cash and cash equivalents at the beginning of the period	23,865	30,495	25,208	40,373
Cash and cash equivalents at the end of the period	\$ 19,991	\$ 29,947	\$ 19,991	\$ 29,947

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 nine months ended September 30, 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			
			<i>Note 10</i>		<i>Note 10</i>				
Balance as at January 1, 2022	\$ 72,444,870	\$ 566,860	975,798	\$ 1,268	494,485	\$ 1,887	\$ 23,528	\$ (382,114)	211,429
Shares purchased and cancelled in normal course issuer bid	(31,700)	(248)	-	-	-	-	173	-	(75)
Stock options granted and outstanding	-	-	71,656	214	-	-	-	-	214
Stock options exercised	12,083	36	(12,083)	(16)	-	-	-	-	20
Stock options forfeited and expired	-	-	(15,789)	(45)	-	-	45	-	-
Deferred share units granted	-	-	-	-	264,527	872	-	-	872
Deferred share units redeemed	27,674	68	-	-	(27,674)	(68)	-	-	-
Dividends	-	-	-	-	-	-	-	(6,821)	(6,821)
Net loss	-	-	-	-	-	-	-	9,920	9,920
Balance as at September 30, 2022	72,452,927	\$ 566,716	1,019,582	\$ 1,421	731,338	\$ 2,691	\$ 23,746	\$ (379,015)	\$ 215,559
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	-	-	28,329	96	-	-	-	-	96
Stock options exercised	84,370	212	(84,370)	(79)	-	-	-	-	133
Deferred share units granted and outstanding	-	-	-	-	309,772	738	-	-	738
Deferred share units redeemed	197,655	691	-	-	(197,655)	(691)	-	-	-
Net income	-	-	-	-	-	-	-	5,154	5,154
Balance as at September 30, 2023	79,066,665	\$ 574,000	956,041	\$ 1,477	843,455	\$ 2,762	\$ 23,760	\$ (372,476)	\$ 229,523

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, 2023 and 2022

(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.

These condensed interim consolidated financial statements of the Company as at and for the three and nine months ended September 30, 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”).

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 3.

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 IFRS Accounting Standards as issued by the IASB, and should be read in connection with the Company’s December 31, 2022 audited annual consolidated financial statements.

The condensed interim consolidated financial statements were authorized for issuance by the Board of Directors on November 8, 2023.

These condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business as they become due.

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, 2022, except for the adoption of the following which were effective and adopted as of January 1, 2023:

- **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.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022

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

- **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.

- **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.

- **IAS 12 'Income Taxes'** – On May 7, 2021, IASB issued amendments to IAS 12 which 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 are effective for annual reporting periods beginning on or after 1 January 2023. The adoption of the amendments to IAS 12 did not affect the financial results or disclosures in the Company's condensed interim consolidated financial statements.
- **IAS 1 'Presentation of Financial Statements'** – On February 12, 2021, IASB issued amendments to IAS 1 which include (i) requiring companies to disclose their material accounting policies rather than their significant accounting policies, (ii) clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed, and (iii) clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. The adoption of the amendments to IAS 1 did not affect the financial results or disclosures in the Company's condensed interim consolidated financial statements.
- **IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'** – On February 12, 2021, IASB issued amendments to IAS 8 which clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023. The adoption of the amendments to IAS 8 did not affect the financial results or disclosures in the Company's condensed interim consolidated financial statements.

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

- **IAS 1 'Presentation of Financial Statements'** – On November 19, 2021, IASB issued amendments to IAS 1 which require companies to reassess the current or non-current classification of certain liabilities based on updated

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022

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guidance promulgated and provide new disclosures for liabilities subject to covenants. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024.

The impacts of the above amendments to IAS 1 on the Company's consolidated financial statements have not yet been evaluated, but an assessment will be performed prior to the effective date of January 1, 2024.

3. 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:

Purchase 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 condensed interim 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.

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022

(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 nine months ended September 30, 2023, the Company incurred \$20,000 in share issuance costs recorded as a decrease to common shares in the condensed interim consolidated statements of changes in shareholder's equity and \$80,000 in direct acquisition costs capitalized to Mineral exploration projects in the condensed interim consolidated statement of financial position.

4. Inventory

Inventory is comprised of the following:

	September 30, 2023	December 31, 2022
Raw material and mine operating supplies	\$ 10,386	\$ 10,207
Ore in stockpiles	529	1,179
Gold in process	976	1,455
Unrefined gold doré	3,996	3,398
Total inventory	\$ 15,887	\$ 16,239

The inventory amount recognized in direct mining and processing costs for the three and nine months ended September 30, 2023 was \$18.7 million and \$56.7 million, respectively (\$21.0 million and \$59.7 million, respectively, during the three and nine months ended September 30, 2022).

5. Recoverable taxes

	December 31, 2022	Additions/ reversals	Write- offs	Sales of credits	Applied to taxes payable	Foreign exchange	September 30, 2023
Value added taxes and other ^(a)	\$ 6,714	\$ 3,199	\$ -	\$ -	\$ (5,491)	\$ 195	\$ 4,617
Provision for VAT and other	(750)	-	-	-	-	(31)	(781)
Net VAT and other taxes	\$ 5,964	\$ 3,199	\$ -	\$ -	\$ (5,491)	\$ 164	\$ 3,836
ICMS ^(b)	\$ 7,105	\$ 2,649	\$ (340)	\$ (2,247)	\$ (15)	\$ 269	\$ 7,421
Provision for ICMS	(2,279)	(231)	-	-	112	(88)	(2,486)
Net ICMS	\$ 4,826	\$ 2,418	\$ (340)	\$ (2,247)	\$ 97	\$ 181	\$ 4,935
Total recoverable taxes	\$ 10,790	\$ 5,617	\$ (340)	\$ (2,247)	\$ (5,394)	\$ 345	\$ 8,771
Less: current portion	8,545						6,862
Non-current portion	\$ 2,245						\$ 1,909

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022

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

- a) In the nine months ended September 30, 2023, the Company applied R\$19.4 million (\$3.8 million) in federal value added taxes and other tax credits to pay INSS tax obligations and R\$7.6 million (\$1.6 million) to pay goods and service withholding tax obligations. In the nine months ended September 30, 2022, the Company applied R\$20.4 million (\$4.0 million) in federal value added taxes and other tax credits to pay INSS tax obligations and R\$8.4 million (\$1.6 million) to pay goods and service withholding tax obligations.

As at December 31, 2022, the Company had a tax refund receivable outstanding in the amount of R\$19.5 million (\$3.7 million) in its statement of financial position from a court judgment received with respect to its litigation over Brazil Federal VAT input tax credit claims from past years. During the nine months ended September 30, 2023, the Company (i) recognized R\$1.2 million (\$0.2 million) interest income to Other non-operating expenses and (ii) collected R\$ 12.2 million (\$2.3 million) in tax refunds. As at September 30, 2023, the Company had a receivable outstanding in the amount of R\$8.5 million (\$1.6 million) in its condensed interim consolidated statement of financial position.

- b) In the nine months ended September 30, 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 \$ 4.7 million), and the Company sold R\$ 11.4 million (approximately \$ 2.3 million) in credits. As at September 30, 2023, the Company held R\$ 17.2 million (approximately \$ 3.4 million) in ICMS deferred and export tax credits authorized for sale but not yet sold (December 31, 2022 – R\$5.2 million, approximately \$1.0 million).

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022

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

6. 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	-	6	-	-	-	-	6
Additions	74	114	1,298	-	3,003	21,793	26,282
Disposals	-	-	(933)	-	(53)	(319)	(1,305)
Transfers within PP&E	7,421	1,283	1,223	-	(9,927)	-	-
Balance as at September 30, 2023	\$ 26,609	\$ 7,088	\$ 206,785	\$ 8,161	\$ 4,111	\$ 571,687	\$ 824,441

Accumulated depreciation and impairment							
Balance as at January 1, 2023	\$ 16,826	\$ 2,094	\$ 180,931	\$ 6,298	\$ -	\$ 396,007	\$ 602,156
Depreciation for the period	910	364	3,469	1,347	-	13,035	19,125
Disposals	-	-	(833)	-	-	-	(833)
Balance as at September 30, 2023	\$ 17,736	\$ 2,458	\$ 183,567	\$ 7,645	\$ -	\$ 409,042	\$ 620,448

Carrying amount							
As at September 30, 2023	\$ 8,873	\$ 4,630	\$ 23,218	\$ 516	\$ 4,111	\$ 162,645	\$ 203,993

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 September 30, 2023, the Company had equipment under right-of-use leases at a cost and net book value of \$17.5 million and \$7.4 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.

7. Mineral exploration projects

	Turmalina	Caeté	Pitangui	Total
Balance as at January 1, 2023	\$ 9,022	\$ 19,479	\$ -	\$ 28,501
Acquisition of IAMGOLD Brazil	Note 3	-	6,445	6,445
Additions	2,665	-	-	2,665
Balance as at September 30, 2023	\$ 11,687	\$ 19,479	\$ 6,445	\$ 37,611

Balance as at January 1, 2022	\$ 3,907	\$ 19,479	\$ -	\$ 23,386
Additions	4,662	-	-	4,662
Disposals	-	-	-	-
Impairment reversals (charges)	453	-	-	453
Balance as at December 31, 2022	\$ 9,022	\$ 19,479	\$ -	\$ 28,501

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2023 and 2022

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

8. Reclamation provisions

	December 31, 2022	Additions (reversals)	Accretion	Payments	Foreign exchange	September 30, 2023
Reclamation provision	\$ 24,304	\$ 548	\$ 2,036	\$ (2,774)	\$ 1,064	\$ 25,178
Less: current portion		3,156				975
Non-current portion	\$ 21,148					\$ 24,203

9. Legal and other provisions

As at September 30, 2023, the Company has recognized a provision of \$8.0 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	Payments	Foreign exchange	September 30, 2023
Labour litigation	\$ 5,866	\$ 1,703	\$ (808)	\$ (900)	\$ 264	\$ 6,125
Civil litigation	1,793	43	(232)	-	33	1,637
Tax litigation	48	71	(4)	(16)	27	126
Other provisions	85	14	-	-	15	114
Total legal and other provisions	\$ 7,792	\$ 1,831	\$ (1,044)	\$ (916)	\$ 339	\$ 8,002
Less: current portion		3,751				4,721
Non-current portion	\$ 4,041					\$ 3,281

10. 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 nine months ended September 30, 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 3 6,331,713	6,381
Shares issued upon exercise of stock options	Note 10(b) 84,370	212
Shares issued upon redemption of deferred share units	Note 10(c) 197,655	691
Balance as at September 30, 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 10(b) 12,083	36
Shares issued upon redemption of deferred share units	Note 10(c) 27,674	68
Balance as at September 30, 2022	72,452,927	\$ 566,716

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

1) On June 10, 2022, the Toronto Stock Exchange ("TSX") accepted Jaguar's notice to make a normal course issuer bid (the "NCIB") 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 NCIB, 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 NCIB at any time. The NCIB commenced on June 15, 2022 and terminated on June 14, 2023.

During the nine months ended September 30, 2023, the Company did not purchase or cancel any shares under the NCIB (31,700 shares for the nine months ended September 30, 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 condensed interim 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 nine months ended September 30, 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	28,329	2.85
Options exercised ²	(84,370)	1.89
Balance as at September 30, 2023	956,041	\$ 2.85
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 ⁵	(15,789)	13.50
Balance as at September 30, 2022	1,019,582	\$ 2.85

1) In the nine months ended September 30, 2023, the Company granted 28,329 stock options to executives of the Company at a weighted average exercise price of C\$2.85 and expiry occurring eight years from the grant date.

2) In the nine months ended September 30, 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 nine months ended September 30, 2023 was C\$2.67.

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3) In the nine months ended September 30, 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 nine months ended September 30, 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 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 nine months ended September 30, 2022 was C\$3.44.

5) Relates to cancellations of options upon expiry.

The following table sets out the details of the valuation of stock option grants for the nine months ended September 30, 2023 and 2022, measured using the Black-Scholes option pricing formula:

Grant date	Weighted average exercise price (C\$)	Number of options	Risk-free 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
January 25 ,2022 ²	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 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.

The table below shows the outstanding stock options as at September 30, 2023:

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
3.30	September 21, 2017	20,000	20,000	2.20	September 21, 2025
3.70	January 23, 2018	15,000	15,000	1.99	January 23, 2026
2.10	August 31, 2018	-	-	1.10	August 31, 2026
1.00	May 31, 2019	20,000	20,000	0.33	May 31, 2027
2.20	August 5, 2019	600,000	600,000	0.99	August 5, 2027
1.90	October 4, 2019	22,500	22,500	1.13	October 4, 2027
2.50	January 15 ,2020	112,000	112,000	1.36	January 15, 2028
8.70	August 19, 2020	8,500	8,500	5.11	August 19, 2028
8.25	January 19, 2021	58,056	48,463	3.87	January 19, 2029
4.33	January 25, 2022	71,656	48,507	1.99	January 25, 2030
2.85	January 27, 2023	28,329	14,058	1.10	January 27, 2031
\$ 2.85		956,041	909,028	\$ 1.35	

For the three and nine months ended September 30, 2023, the Company recognized \$25,000 and \$96,000, respectively, in stock-based compensation expense for stock options in the condensed interim consolidated statements of operations and comprehensive income (\$64,000 and \$214,000, respectively, for the three and nine months ended September 30, 2022).

Subsequent to September 30, 2023, on November 8, 2023, the Company granted 90,000 stock options to an officer of the Company. The options are exercisable upon vesting at a price of C\$1.32 and expire on November 8, 2031. The options will vest one third each year annually over three years as from the grant date.

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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.

The following table shows the movement of DSUs for the nine months ended September 30, 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)	3.49
Balance as at September 30, 2023	843,455	\$ 3.25
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 September 30, 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 nine months ended September 30, 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 vested on June 30, 2022.

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As a result of dividends paid to shareholders during the nine months ended September 30, 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 nine months ended September 30, 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 three and nine months ended September 30, 2023, the Company recognized \$14,000 and \$738,000, respectively, in stock-based compensation expense for DSUs in the condensed interim consolidated statements of operations and comprehensive income (\$52,000 and \$872,000, respectively, for the three and nine months ended September 30, 2022).

11. 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,	
	2023	2022	2023	2022
Numerator				
Net income for the purpose of basic and diluted income per share	\$ 3,785	\$ 6,475	\$ 5,154	\$ 9,920
Denominator				
Weighted average number of common shares outstanding - basic	73,973,766	72,465,915	73,089,569	72,464,429
Stock Options	7,421	229,639	27,944	329,597
Deferred share units	843,455	731,338	843,455	731,338
Weighted average number of common shares outstanding - diluted	74,824,642	73,426,892	73,960,968	73,525,364
Basic income per share	\$ 0.05	\$ 0.09	\$ 0.07	\$ 0.14
Diluted income per share	\$ 0.05	\$ 0.09	\$ 0.07	\$ 0.13

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 stock options and deferred shares units which were anti-dilutive to earnings per share in the period:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Stock options	948,620	789,943	928,097	689,985
Anti-dilutive instruments	948,620	789,943	928,097	689,985

12. Operating costs

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Direct mining and processing costs	\$ 18,659	\$ 20,970	\$ 56,721	\$ 59,680
Royalty expense and CFEM taxes ¹	944	1,115	2,955	3,096
Other costs	-	13	1	14
Operating costs	\$ 19,603	\$ 22,098	\$ 59,677	\$ 62,790

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

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13. Other non-operating (income) expenses

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Interest income	\$ (272)	\$ (130)	\$ (869)	\$ (214)
(Gain) loss on disposition of property, plant and equipment	(295)	(13)	(403)	698
Loss on sales of ICMS and other recoverable taxes	115	-	340	-
Other non-operating (income) expenses	(664)	311	(506)	400
Total other non-operating (income) expenses	\$ (1,116)	\$ 168	\$ (1,438)	\$ 884

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Stock-based compensation	\$ 39	\$ 116	\$ 834	\$ 1,086
(Gain) loss on disposition of property, plant and equipment	(295)	(13)	(403)	698
Additions (recoveries) to provision against recoverability of VAT and other taxes	Note 5 (100)	165	231	(323)
Other operating activities (recoveries) expenses	\$ (356)	\$ 268	\$ 662	\$ 1,461

15. Cash flow – changes in operating assets and liabilities

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Restricted cash	\$ 94	\$ 46	\$ (309)	\$ 34
Inventory	(938)	1,518	740	(579)
Recoverable taxes	308	(847)	2,139	1,570
Other accounts receivable	(948)	2,741	(1,035)	(80)
Prepaid expenses and other assets	649	(589)	952	(882)
Accounts payable and accrued liabilities	1,101	(852)	186	2,501
Other taxes payable	(204)	(171)	(630)	(630)
Reclamation provisions	Note 8 (1,868)	(680)	(2,774)	(2,144)
Legal and other provisions	Note 9 (417)	(426)	(916)	(902)
Changes in operating assets and liabilities	\$ (2,223)	\$ 740	\$ (1,647)	\$ (1,112)

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16. 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, 2023	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Financial Liabilities					
Accounts payable and accrued liabilities	\$ 18,154	\$ -	\$ -	\$ -	\$ 18,154
Other Taxes Payable ^(a)					
ICMS Settlement Due	227	-	-	-	227
INSS	660	315	-	-	975
IRPJ & CSLL Settlement Due	240	241	-	-	481
Notes payable					
Principal					
Bank indebtedness ^(b)	3,405	-	-	-	3,405
Interest	62	22	-	-	84
Lease liabilities	1,461	1,376	51	-	2,888
Reclamation provisions ^(c)	1,359	10,558	5,988	21,280	39,185
Total financial liabilities	\$ 25,568	\$ 12,512	\$ 6,039	\$ 21,280	\$ 65,399
Other Commitments					
Suppliers' agreements ^(d)	721	-	-	-	721
Insurance agreements ^(e)	123	-	-	-	123
Total other commitments	\$ 844	\$ -	\$ -	\$ -	\$ 844
Total	\$ 26,412	\$ 12,512	\$ 6,039	\$ 21,280	\$ 66,243

^(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) Bank indebtedness 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 days advance notice. The amount included in the commitments table represents the contractual amount due within 30 days.

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

17. 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 September 30, 2023, the Company's capital structure is comprised of \$3.4 million in notes payable and \$230.0 million in shareholders' equity (December 31, 2022: \$3.0 million in notes payable and \$217.0 million in shareholders' equity). As at September 30, 2023, the Company is not subject to externally imposed capital requirements.

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18. 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

The Company is exposed to credit-related losses in the event of non-performance by counterparties to derivative financial instruments, 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.

b) Liquidity risk

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 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 16.

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 September 30, 2023, the Company did not have any derivative positions outstanding (December 31, 2022 – nil positions outstanding).

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 nine months ended September 30, 2023, the Company did not enter into any price hedge contracts (nil price derivative contracts in the nine months ended September 30, 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 and Canadian dollar denominated cash and cash equivalents, recoverable taxes, accounts payable and accrued liabilities, income taxes payable, reclamation and other provisions and Euro denominated capital lease obligations. The Company may, at its discretion, use forward or derivative contracts to manage its exposure to foreign currencies. In the nine months ended September 30, 2023, the Company did not enter into any foreign exchange

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forward or derivative contracts (nil foreign exchange derivative contracts in the nine months ended September 30, 2022).

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 5.0% to 6.8% per annum.

e) Changes in liabilities arising from financing activities

	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 September 30, 2023
Notes payable	\$ 3,040	\$ 4,650	\$ (4,778)	\$ (141)	\$ 176	\$ -	\$ (5)	\$ 463	\$ 3,405
Lease liabilities	3,964	-	(2,316)	(72)	-	796	119	134	2,625
	\$ 7,004	\$ 4,650	\$ (7,094)	\$ (213)	\$ 176	\$ 796	\$ 114	\$ 597	\$ 6,030

19. 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 \$16,000 and \$22,000 for the three and nine months ended September 30, 2023 (\$6,000 and \$9,000, respectively, for the three and nine months ended September 30, 2022).