JAGUAR MINING INC.

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE YEAR ENDED**
**DECEMBER 31, 2024**

## TABLE OF CONTENTS

# MANAGEMENT'S DISCUSSION AND ANALYSIS
# FOR THE YEAR ENDED DECEMBER 31, 2024

*This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the annual audited financial statements for the year ended December 31, 2024, and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") as issued by the International Accounting Standards Board (IASB). For further information on Jaguar Mining Inc., reference should be made to its public filings (including its most recently filed annual information form ("AIF") which is available on SEDAR+ at www.sedarplus.ca). Information on risks associated with investing in the Company's securities and technical and scientific information under National Instrument 43-101 concerning the Company's material properties, including information about mineral resources and reserves, are contained in the Company's most recently filed AIF and technical reports.*

*All amounts included in this MD&A are in United States dollars ("$"), unless otherwise specified. The use of C$ refers to Canadian dollars and the use of R$ refers to Brazilian Reais. This report is dated as of March 31, 2025.*

*The Company included certain non-GAAP financial measures, which the Company believes that, together with measures determined in accordance with IFRS Accounting Standards "IFRS", provide investors with an improved ability to evaluate the underlying performance of the Company. Non-GAAP financial measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The non-GAAP financial measures in this MD&A include:*

- *Net cash and cash equivalents;*
- *Cash operating costs (per ounce sold);*
- *Cash operating costs (per tonne of ore processed);*
- *All-in sustaining costs (per ounce sold);*
- *All-in costs (per ounce sold);*
- *Average realized gold price (per ounce sold);*
- *Cash operating margin (per ounce sold);*
- *Adjusted net income;*
- *Adjusted earnings per share;*
- *All-in sustaining margin (per ounce sold);*
- *Earnings before interest, taxes, depreciation, and amortization ("EBITDA"), Adjusted EBITDA and Adjusted EBITDA per share;*
- *Free cash flow (per ounce sold);*
- *Working capital;*
- *Sustaining capital expenditures; and*
- *Non-sustaining capital expenditures.*

*Definitions and reconciliations associated with the above metrics can be found in the Non-GAAP Performance Measures section of this MD&A.*

*Where we say "we," "us," "our," the "Company" or "Jaguar," we mean Jaguar Mining Inc. or Jaguar Mining Inc. and/or one or more or all of its subsidiaries, as it may apply. The following abbreviations are used to describe the periods under review throughout this MD&A:*

| Abbreviation | Period | Abbreviation | Period |
|---|---|---|---|
| **FY 2024** | January 1, 2024 – December 31, 2024 | **FY 2023** | January 1, 2023 – December 31, 2023 |
| **Q1 2024** | January 1, 2024 – March 31, 2024 | **Q1 2023** | January 1, 2023 – March 31, 2023 |
| **Q2 2024** | April 1, 2024 – June 30, 2024 | **Q2 2023** | April 1, 2023 – June 30, 2023 |
| **Q3 2024** | July 1, 2024 – September 30, 2024 | **Q3 2023** | July 1, 2023 – September 30, 2023 |
| **Q4 2024** | October 1, 2024 – December 31, 2024 | **Q4 2023** | October 1, 2023 – December 31, 2023 |

# BUSINESS & STRATEGIC PRIORITIES

Jaguar Mining Inc. ("Jaguar" or the "Company") is a Toronto Stock Exchange (the "TSX") listed junior gold mining, development and exploration company operating in Brazil with three gold mining complexes and a large land package with significant prospectivity. The Company's principal operating assets are in the iron quadrangle, a prolific greenstone belt in the Brazilian state of Minas Gerais and include the Turmalina Gold Mine Complex (Turmalina Gold Mine and plant), which operations were suspended in December 2024 due to a tailings pile incident, and Caeté Gold Mine Complex (Pilar Gold Mine, Roça Grande Gold Mine and Caeté plant). The Company also owns the Paciência Gold Mine complex ("Paciência"), which has been on care and maintenance since 2012. Jaguar's Brazilian exploration projects and operating assets are held by Jaguar's wholly owned subsidiary Mineração Serras dos Oeste LTDA ("MSOL"), and its exploration projects and assets acquired from IAMGOLD are held by Jaguar's wholly-owned subsidiary IAMGOLD Brasil Prospecção Mineral Ltda. The Company's latest NI- 43-101 technical report was filed on SEDAR+ on March 31, 2025.

# FY 2024 AND FOURTH QUARTER HIGHLIGHTS

**Satinoco tailings pile and suspension of operations at Turmalina mine**

On December 7, 2024, the Company experienced a slump (the "Incident") in the north wall of the Satinoco dry tailings pile which belongs to the Turmalina Complex and consists of dry-stacked filtered tailings and waste rock. As a result of the Incident, the Company's operating license for the Turmalina mine was suspended until further notice. The mine's personnel and nearby community members were evacuated before the slump occurred, and no injuries were reported.

Material from the slump impacted minor infrastructure at the mine including a maintenance shed, piping that feeds the filter plant, outdoor storage areas and an emergency escape exit from the mine was covered. The lateral extension of the slumped material was approximately 200 metres; however, the slump pushed native soil ahead of it which directly affected five houses in the adjacent Casquilho community, all of which had been evacuated before the Incident occurred. As a result of the slump, over 100 families were ultimately relocated. The Company has been providing crisis management and support personnel on the ground, engaging with the displaced families. The waterways in the area were not impacted by the Incident.

A 400-metre-long containment barrier and a sump system were constructed within 7 days of the Incident to prevent further movement towards the Casquilho community and control and monitoring of all water coming off the pile. Ground monitoring radars were installed to continuously monitor the pile, with no significant movement detected despite heavy rainfall experienced through January 2025.

After the Incident, the Company received the following notices of infraction:

a. On January 7, 2025, the Company has received a notice of infraction and a civil liability fine of approximately R$320.0 million (US$51.7 million) from the State Secretariat for the Environment and Sustainable Development (SEMAD) of Minas Gerais.

   The Company has filed the administrative impugnation to this infraction as it considers it to be excessive and lacking in any proportionality as to the magnitude of the Incident and the limited environmental impact that it appears to have had. The administrative impugnation filed by the Company has not yet been analysed by the environmental State agency. The Company has taken advantage of an administrative instance during which negotiations are ongoing with the SEMAD. If such negotiations do not lead to a mutually agreeable amount of the infraction, there would be a second administrative instance available, following which legal precedents exist in Brazil allowing the Company to seek a remedy through litigation with the SEMAD.

b. On December 9, 2024, the Public Prosecutor's Office of the State of Minas Gerais (MPMG) filed a Public Civil Action against MSOL following the Incident. The court requested urgent measures, including: (i) the suspension of mining operations (except for safety activities) (ii) implementation of containment and mitigation measures, (iii) development of a public communication plan, and (iv) provision of immediate assistance to displaced individuals. The request was partially granted, with the court outright denying the freeze of R$200.0 million ($32.3 million). The Company has also appealed this injunction with the MPMG as it is not proportional to any impact on the local community that the Incident has caused, considering the ongoing support that Jaguar has been providing to our neighbours at Casquilho.

***Financial impacts arising from the Incident***

At the current stage of the investigation and possible third parties' lawsuits against the Company, it is not possible to determine all costs that may be incurred due to the Incident, and therefore the amounts that are being disclosed in the Company's consolidated financial statements reflect management's best estimate and consider the facts and circumstances known at this point in time.

During Q4 2024, the Company incurred expenses totaling $2.4 million relating to the recuperation of the Satinoco Incident, which included alternate lodging and payments in support of the Casquilho community ($0.4 million), excavation and stabilization of the slumped material ($0.4 million), labour ($0.8 million), other supporting expenses ($0.3 million) and the write-off of inventory that was damaged by the slumped material ($0.5 million).

Furthermore, on March 24, 2025 the Company signed an agreement with the Public Defender's Office of Minas Gerais which established parameters to be used in fairly determining the compensation of individuals and families impacted by the Incident. Following the execution of this agreement, the impacted individuals and families will work with the Public Defender's Office to identify their right to a compensation claim under the parameters established and then decide (i) to submit a compensation claim in conformity with the Fair Compensation Parameters, (ii) to submit a compensation claim through a separate litigation to be initiated against the Company, or (iii) to refrain from submitting a compensation claim. If all impacted individuals and families submit claims in conformity with the Fair Compensation Parameters, the Company estimates its cost for compensation will be approximately R$57 million ($9.2 million). Accordingly, the Company's statement of financial position as at December 31, 2024 includes a provision for this settlement with Casquilho residents.

On February 26, 2025 the Company signed two agreements with the municipality of Conceição do Pará whereby the Company will fund (i) $0.08 million for a psychological support center which will be paid in 12 monthly instalments; the Company paid the first instalment on February 28, 2025; and (ii) $0.07 million to provide school transportation for 12 months.

The Incident on December 7, 2024 triggered the need for the Company to execute pile stabilization efforts and confirm the safety of workers and neighbours at Turmalina as one of the critical elements needed before the Turmalina Mine can be allowed to restart.

In its balance sheet as at December 31, 2024, the Company has provided a total of $23.8 million as provisions for the Incident. These provisions include civil claims, indemnity provisions and environmental recoverability commitments.

See *"Risk Factors – ii. Risks Relating to the Satinoco Tailings Slump"* and *"Recent History"* in the Company's most recent AIF (available on SEDAR+) for additional details regarding the Satinoco Tailings Slump including associated risks, and regulatory matters.

**Turmalina restart efforts**

As at the date of issuance of this management's discussion and analysis, the Company's operating license for the Turmalina mine remains suspended, and the Company is (i) working diligently in cooperation with local authorities and stakeholders to remedy the impacts in a fair and transparent manner and (ii) developing its plan to safely and profitably restart mining activities once government authorization is obtained to do so.

Returning to work is predicated upon an agreement with the state public defender on compensation for displaced residents, acceptance by several governmental agencies of Jaguar's plan of stabilization, and an economic plan going forward. We have signed an agreement with the state public defender and have the first step in place for returning to work. Engineering studies have been in progress since shortly after the Incident, and they are providing the basis for ongoing work (reducing the height of the Satinoco pile) and for long-term stability. Jaguar will submit our planning and engineering studies, compiled with the assistance of third-party engineers, to the various agencies as the studies are concluded. Validation of those plans by an independent third-party engineering firm is being organized with Jaguar and the agencies are cooperating on the study limits and scale. With the submission of these reports and with the work done to increase the stability of the pile, Jaguar hopes to go back to productive work at the Turmalina mine. Jaguar continues to invest an adequate effort in the care and maintenance of the Turmalina underground workings to ensure the mine will be ready to return to work. Jaguar believes that adequate resources are available to support the return to production of the Turmalina Mine.

The economic viability of the property is also critical to the acceptance by the agencies of a return to work. This is very secure as the Turmalina complex – which includes our historical orebodies A, B, and C; our Faina orebody, and our Onças de Pitangui orebody – shows excellent economics and a long-term future. The inclusion of the first reserves at Onças de Pitangui doubles the reserve base for the Turmalina complex as filed in our Technical Report. The Onças de Pitangui project was acquired in September 2023 and, in 2024, it was included as part of the Turmalina complex. The Faina orebody saw a modest increase in reserves, and development is now positioned to allow Jaguar to begin expanding gold resources and reserves to depth as we ramp up production and continue expanding development and infrastructure in the Faina area. The historical orebodies have seen declining production in the last several years, but Jaguar expects to continue mining the area as the reserves are depleted. The Onças de Pitangui orebody added 284,000 ounces to reserves and helps to ensure the long-term future of the Turmalina Complex.

**Faina Zone expanding production**

The Faina zone produced 1,050 ounces during the fourth quarter of 2024 (October and November). This production was based on 14,110 tonnes processed predominantly from development ore, with an average head grade of 3.56 g/t and a metallurgical recovery rate averaging 65%. For the FY 2024, 42,378 tonnes were processed from Faina with an average head grade of 4.16 g/t, resulting in production of 3,284 ounces at a metallurgical recovery rate averaging 58%. This is the third successive quarter in which the Faina zone contributed to Turmalina gold production. Work in the Faina zone in Q4 2024 continued to be focused on providing the necessary ramp and ore access to allow for consistent production, and necessary infrastructure (pumping and ventilation). In 2024, ramp access was completed at Faina from the 380-elevation (meters above sea level) to the 475-elevation. With the slump of the Satinoco dry-stack pile, all work stopped on December 7, 2024. As soon as the Company is able to restart operations at Turmalina, the top priority will be to resume development at Faina to expand the ramp access both up and down.

**Expansion of BA zone at Pilar**

Pilar in 2024 put significant effort into accessing the BA ore structure on 15- and 16-levels. This area was identified in 2023 and early results from the first development in Q1 2024 indicated a significant potential orebody with grades distinctly above the traditional BF mining zones. Work continued to develop additional access into the BA structure and to diamond drill where we had reasonable platforms to intercept the mineralized zone. The BA structure in 2024 produced roughly 20% of the mine's ounces at grades above the mine average (although a significant portion of those ounces came from development work which has historically been lower grade than stoping ore). The BA structure is expected to provide over 40% of the ounces in 2025. The structure has diamond drilling intercepts of good grade and thickness as low as level-18-3 (approximately 200 metres below the first development access on 15-2). In 2025, an access in the 13-level area to allow diamond drilling from a good position is in process to allow an extension of the zone upwards. The BA structure has 20% of Pilar's reserve ounces at an average grade 21% higher than the average for the other reserves. Ongoing drilling and development continue to expand the resource in BA. The mineralized structures BA and BF are in separate folds of the same banded-iron formation. Developing the BA zone has identified that the LPA area (a limb of the iron formation between the BF and the BA) also appears to potentially have grades above the historic averages of BF and other zones at Pilar.

**Normal Course Issuer Bid**

On November 25, 2024, the TSX accepted Jaguar's notice (the "Notice") to make a normal-course issuer bid (the "Bid") to purchase for cancellation up to 3,965,404 common shares in the capital of the Company in total, being 5%of the issued and outstanding common shares as of the day immediately preceding the Notice, to be transacted through the facilities of the TSX or through a Canadian alternative trading system, at prevailing market prices or as otherwise permitted. The actual number of common shares that may be purchased pursuant to the Bid will be determined by management of the Company. The Bid commenced on November 27, 2024 and will terminate on November 26, 2025, or such earlier time as the Bid is completed or terminated at the option of Jaguar. A copy of the Notice filed with the TSX in connection with the Bid can be obtained from the Company upon request without charge.

Purchases pursuant to the Bid will be made by Pollitt & Co. Inc. on behalf of the Company. Decisions regarding the timing of purchases under the Bid will be determined by management based on market conditions, share price and other factors. Management may elect to suspend or discontinue the Bid at any time. Any purchases pursuant to the Bid will be financed from the Company's working capital. In accordance with the rules of the TSX governing normal course issuer bids, the total number of common shares the Company is permitted to purchase is subject to a daily purchase limit of 19,073 common shares, representing 25% of the average daily trading volume of common shares on the TSX calculated for the six-month period ended October 31, 2024, being approximately 76,292 common shares. However, the Company may make one block purchase per calendar week which exceeds the daily repurchase restriction. The price that Jaguar will pay for any common shares under the Bid will be the prevailing market price on the TSX at the time of such purchase. Outside of pre-determined blackout periods, common shares may be purchased under the Bid based on management's discretion, in compliance with TSX rules and applicable securities laws.

No common shares were purchased between the launch of the Bid and December 31, 2024.

**Changes to the Board of Directors**

On April 11, 2024, the Company announced the passing of director John Ellis, who had joined the board in 2016. On January 19, 2024, the Company announced the appointment of Vernon Baker to the Company Board of Directors. Vernon was appointed Chief Executive Officer of Jaguar on August 9, 2019, following an extensive search conducted by the Company. With the appointment of Vernon as a Director and the passing of John Ellis, the Board now consists of seven members, five of whom are independent. Following his passing, Mr. Ellis was replaced by Benjamin Guenther as a member of the Board's Corporate Governance & Compensation Committee. The current members of the Corporate Governance and Compensation Committee are Thomas Weng (chair), Shastri Ramnath and Mr. Guenther, all of whom are independent directors.

**Impairment reversals and charges**

The Company reviews its mining and mineral properties at each period-end, assessing whether there existed indicators of impairment under IFRS, including IFRS 6 for exploration and evaluation mineral exploration projects, and IAS 36 for mining properties. The impairment assessment is done for each Cash Generating Unit ("CGU"), which includes the Turmalina complex (Turmalina CGU) and the Caeté complex (Caeté CGU). The Paciência CGU has been on care and maintenance since 2012.

***Turmalina CGU***

As of December 31, 2024 the Onças de Pitangui project has been included in the Turmalina CGU. Onças de Pitangui will provide ore to the Turmalina plant and be operated as a unit within the Turmalina complex. With the inclusion of the reserve ounces of Onças de Pitangui, the reserve base at Turmalina increased by 291,000 contained ounces for an increase of 104% to 572,000 ounces as of December 31, 2024. This increase to the ounces to be produced at Turmalina will lower the average cost per ounce and extend the life-of-mine "LOM". The increase in the price of gold and the weakening of the Brazilian Real also contribute to a strong present value of the Turmalina CGU. The addition of 284,000 ounces in maiden reserves at Onças de Pitangui combined with higher gold prices and more favourable foreign exchange rates drove the full reversal of the impairment provision for the Turmalina complex. This was despite factoring in the potential costs in 2025 to restart operations and the impairment-specific assumption of a later January-2026 restart for Turmalina and applying a higher discount rate for the impairment net cash flow calculation. An impairment reversal was booked for the Turmalina CGU in the net amount of $8.3 million after recording cumulative depreciation expense, bringing the Turmalina CGU back up to its full book value.

***Caeté – CGU***

As of December 31, 2024, the Company determined that the Catita and Boa Vista properties shall be assessed for impairment under IFRS 6 – Exploration for and Evaluation of Mineral Resources, and the Pilar and Roça Grande properties shall be assessed for impairment under IAS 36 – Impairment of Assets.

Under its IFRS 6 impairment assessment the Company determined the Catita has no future exploration plans, therefore the Company recorded a $9.8 million write-down expense in the year ended December 31, 2024, reducing the carrying amount for this property to $nil.

Under its IAS 36 impairment assessment the Company did not identify indicators for potential changes to impairment at the year ended December 31, 2024, therefore no impairment test was performed, and no impairment charges were necessary. December 31, 2023 – no impairment charges were considered necessary.

**Release of updated mineral reserves and resources**

On March 31, 2025 the Company announced its annual Mineral Reserves and Mineral Resources (MRMR) statement for 2024.

- Consolidated Proven and Probable ("P&P") Mineral Reserves show additions of 294 koz reflecting the addition of reserves at the Onças de Pitangui project (284 koz P&P), with an addition of 28 koz to P&P at Faina, and net depletion of 2koz at Pilar and 16 koz at Turmalina. In total, Jaguar's 2P Mineral Reserves inventory increased to 764 koz from 470 koz in 2023.
- Consolidated Measured and Indicated Mineral Resources stayed level at 1,659 koz (December 31, 2023 at 1,676 koz) (12,325 kt at 4.19 g/t vs. 12,633 kt at 4.12 g/t Au)
- Consolidated Inferred Mineral Resources also stayed basically the same with 1,676 koz (December 31, 2023 was 1,628 koz). (14,658 kt at 3.54 g/t vs. 14,175 kt at 3.58 g/t Au)
- Life of Mine (LOM) plans at the Pilar operation forecast production at current rates into 2029. At the Turmalina Complex, the return to operations will see Faina ramping up for about 15 months and Onças de Pitangui starting production in 2027. The LOM at the Turmalina Complex is 9 years based only on reserves.

# FINANCIAL AND OPERATIONAL SUMMARY

## *Revenue, Gold Production, Total Development, Operating Costs and Net Income*

- While Q4 2024 results were materially impacted by the incident at Turmalina, Jaguar still experienced a solid performance. Strong gold prices and in-line expenses resulted in adjusted income, excluding the incident, of $6.4 million, despite the loss of 2,000 – 2,500 ounces of Turmalina production. Development rates were strong at both mines and, while we probably lost about 500 meters of development at Turmalina after the incident, we still completed more meters than we did in Q4 of 2023. Diamond drilling also went well as we had an excellent quarter solely utilizing Jaguar crews and equipment and so lowering our cost per meter. We increased our cash balance in Q4 2024 by almost $5 million.
- Revenue in Q4 2024 of $42.4 million was 18% above the $35.9 million in revenue reported for Q4 2023, driven by higher realized gold prices year-over-year partially offset by fewer ounces sold. Realized gold prices in Q4 2024 were $2,641 per ounce and 33% higher than the $1,982 per ounce realized in Q4 2023. During Q4 2024, 16,043 gold ounces were sold which was 11% below the 18,098 ounces sold in Q4 2023 mainly reflecting lower year-over-year production and the suspension of Turmalina operations on December 7, 2024 due to Satinoco event.
- For FY 2024, revenue increased by 16% reaching $158.6 million, compared with $136.5 million reported in FY 2023, driven by higher realized gold prices in 2024 compared to 2023. FY 2024 ounces sold totaled 66,482 compared to 70,525 ounces sold in FY 2023. Gold realized prices increased by 23% per ounce in FY 2024, averaging $2,386 compared to $1,936 realized in FY 2023.
- Consolidated gold production of 14,786 ounces in Q4 2024 was 20% below the 18,482 ounces produced in Q4 2023. The net reduction reflects 18% fewer tonnes processed, from 195,000 tonnes in Q4 2023 to 160,000 tonnes in Q4 2024, partly offset by 2% higher head grades processed, of 3.43g/t in Q4 2024 compared to a 3.35 g/t average head grade processed in Q4 2023. Fewer tonnes processed partly reflects an emphasis on underground development during the fourth quarter and the loss of over three weeks of 2024 after the December 7, 2024 suspension of Turmalina operations.
- Gold production totaled 64,704 ounces in FY 2024 compared to 70,704 ounces in FY 2023, a reduction of 8%, reflecting fewer tonnes processed, of 692,000 tonnes in 2024 compared to 808,000 in 2023, partly offset by 10% higher average head grades in 2024 of 3.40 g/t, compared to 3.09 g/t in 2023.
- In Q4 2024, despite the loss of almost one month of development at Turmalina, total development of 2,941 metres increased by 5%, compared to total development of 2,793 metres in Q4 2023. Development in Q4 2024 included primary development of 1,601 metres and secondary development of 1,260 metres. Ongoing underground development is critical to ensuring operational flexibility and the potential for higher ore production in future. The bulk of our effort remains focused on the BA structure within the Pilar Mine and on the Faina zone within the MTL Complex.
- Net loss for Q4 2024 was $-19.9 million, a decrease of $(30.6) million compared to net income of $10.7 million reported for Q4 2023. Adjusted net income[1], excluding the impact of $26.3 million in expenses recorded due to the Incident, was a net income of $6.4 million, or an adjusted $0.08 per share for Q4 2024.
- Net loss for FY 2024 was $1.3 million, a decrease of $17.1 million compared to net income of $15.854 million reported in 2023. Adjusted net income[1], excluding the impact of $26.3 million in Satinoco expenses in Q4 2024 and the $5.6 million in legal provisions expense recorded in Q3 2024, was a net income of $30.6 million (or an adjusted $0.39 per share). Net loss and adjusted net income each include a $9.2 million FX gain recorded in 2024 reflecting the weakening Brazilian Real against the US dollar through the year.

- Loss per share for Q4 2024 of $(0.25) were lower than the basic earnings per share of $0.14 reported in Q4 2023, the decrease was driven by lower net income, as explained above.

### *Cash Operating Costs per ounce sold[1], All-In-Sustaining Costs (“AISC”)[1], Non-Sustaining Capital Expenditures[1] and Free Cash Flow[1]*

- Cash operating costs per ounce[1] increased by 5% to $1,106 per ounce of gold sold in Q4 2024 compared to $1,089 per ounce of gold sold in Q4 2023 despite an 11% reduction in operating costs, to $17.7 million in Q4 2024 from $19.7 million in Q4 2023. Cash operating costs in Q4 2024 were lower mainly due to the reclassification of MTL expenses after the December 7th incident to exclude them from operating costs and present them as Satinoco recuperation expenses.
- All-in sustaining costs per ounce[1] were $1,737 per ounce of gold sold in Q4 2024, 18% above the AISC of $1,510 per ounce of gold sold in Q4 2023. The increase mainly reflects the volume impact of fewer ounces sold combined with higher all-in sustaining costs at Turmalina driven by sustaining capital investments in the Faina zone, which became operational in Q2 2024 and was still in the process of ramping up production.
- Non-sustaining capital expenditures[1] decreased by 34% from $5.0 million in Q4 2023 to $3.3 million in Q4 2024, mainly due to the reclassification of Faina-zone capital expenditures from non-sustaining to sustaining.
- Free cash flow[1] in Q4 2024 was $9.7 million compared to free cash flow of $4.3 million in Q4 2023. Free cash flow was $606 per ounce of gold sold in Q4 2024 compared to $236 per ounce sold in Q4 2023. Free cash flow is defined as operating cash flow less asset retirement obligation expenditures and sustaining capital expenditures.

### *Cash Position and Working Capital[1]*

- As of December 31, 2024, the Company had cash and cash equivalents of $46.4 million, compared to a balance of $22.0 million at December 31, 2023. Cash and cash equivalents increased by approximately $24.3 million during the year, mainly reflecting the impact of higher realized gold prices and including the receipt of other accounts receivable of $4.0 million from BHP in March 2024.
- Working capital, defined as the excess of current assets over current liabilities, was $13.7 million at December 31, 2024, compared to working capital of $12.6 million at December 31, 2023. This $1.1 million increase in working capital chiefly reflects a $24.5 million increase in current assets, largely driven a $24.3 million increase in ending cash and cash equivalents position, partly offset by a $23.5 million increase in current liabilities, which largely reflects the net impact of Satinoco and reclamation current provisions recorded as at December 31, 2024.

[1] This is a non-GAAP financial performance measure with no standard definition under IFRS. For more details, refer to the Non-GAAP Performance Measures section of the MD&A.

## Q4 2024 FINANCIAL AND OPERATING SUMMARY

| ($ thousands, except where indicated) | Three months ended December 31 | | Year ended December 31 | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| **Financial Data** | | | | |
| Revenue | **$ 42,364** | $ 35,872 | **$ 158,630** | $ 136,528 |
| Operating costs | **17,745** | 19,707 | **73,270** | 79,384 |
| Depreciation | **5,930** | 5,977 | **25,860** | 24,659 |
| Gross profit | **18,689** | 10,188 | **59,500** | 32,485 |
| Net (loss) income | **(19,878)** | 10,697 | **(1,287)** | 15,854 |
| Per share ("EPS") | **(0.25)** | 0.14 | **(0.02)** | 0.21 |
| Ajusted Net income [1,3] | **6,449** | - | **30,648** | - |
| Adjusted EPS [1,3] | **0.08** | - | **0.39** | - |
| EBITDA | **(14,003)** | 13,135 | **35,430** | 42,974 |
| Adjusted EBITDA [1,2] | **8,531** | 10,779 | **62,086** | 44,021 |
| Adjusted EBITDA per share [1,2] | **0.11** | 0.14 | **0.78** | 0.59 |
| Cash operating costs (per ounce sold) [1] | **1,106** | 1,089 | **1,102** | 1,126 |
| All-in sustaining costs (per ounce sold)[1] | **1,737** | 1,510 | **1,651** | 1,618 |
| Average realized gold price (per ounce)[1] | **2,641** | 1,982 | **2,386** | 1,936 |
| Cash generated from operating activities | **15,723** | 9,355 | **57,349** | 36,039 |
| Free cash flow[1] | **9,724** | 4,272 | **33,270** | 11,520 |
| Free cash flow (per ounce sold)[1] | **606** | 236 | **500** | 163 |
| Sustaining capital expenditures[1] | **8,179** | 6,481 | **29,236** | 28,534 |
| Non-sustaining capital expenditures[1] | **3,339** | 5,030 | **11,850** | 15,816 |
| Total capital expenditures | **11,518** | 11,511 | **41,086** | 44,350 |

[1] Average realized gold price, sustaining and non-sustaining capital expenditures, cash operating costs and all-in sustaining costs, free cash flow, adjusted net income, adjusted earnings per share, EBITDA and adjusted EBITDA, and adjusted EBITDA per share are non-GAAP financial performance measures with no standard definition under IFRS. Refer to the Non-GAAP Financial Performance Measures section of the MD&A.

[2] Adjusted EBITDA excludes non-cash items such as impairment, foreign exchange, stock-based compensation and write downs. For more details refer to the Non-GAAP Performance Measures section of the MD&A.

[3] Q4 2024 Adjusted Net Income excludes the impact of $26.3 million of expenses related to the Satinoco incident. FY 2024 in addition to the Satinoco expenses, adjusted net income also excludes the impact of labour litigation $3.2 million and civil litigation $2.4 million described further in this document.

| | Three months ended December 31 | | Year ended December 31 | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| **Operating Data** | | | | |
| Gold produced (ounces) | **14,786** | 18,482 | **64,704** | 70,704 |
| Gold sold (ounces) | **16,043** | 18,098 | **66,483** | 70,525 |
| Primary development (metres) | **1,601** | 1,123 | **6,223** | 4,959 |
| Exploration development (metres) | **80** | 513 | **647** | 1,655 |
| Secondary development (metres) | **1,260** | 1,157 | **4,966** | 5,219 |
| Definition, infill, and exploration drilling (metres) | **10,961** | 11,285 | **37,173** | 45,934 |

Q4 2024 net loss of $-19.9 million ($(0.25) per share) was lower than Q4 2023 net income of $10.7 million ($0.14 per share) as Q4 2024 net income includes $26.3 million expense related to Satinoco offset by $5 million in FX gains. Adjusted net income of $6.4 million is $4.3 million lower than Q4 2023 net income, explained by (i) $3.9 impairment reversal recorded in Q4 2023 compared to an impairment charge of $1.4 million in Q4 2024 (ii) $5.8 million deferred tax asset recorded in Q4 2023 compared to $2.0 million recorded in Q4 2024. Q4 2024 AISC per ounce were $1,737 compared to $1,510 in Q4 2023, with the increase in unit costs mainly reflecting the volume impact of fewer ounces sold combined with higher sustaining capital reflecting higher primary development in the new Faina zone at the Turmalina mine. Faina was a project in development before the second quarter, and its underground development was reported as growth capital and excluded from AISC during the first quarter of 2024.

## CONSOLIDATED FINANCIAL RESULTS

### Quarterly Financial Review

| ($ thousands except where indicated) | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|---|---|---|---|---|---|---|---|---|
| Revenue | **$ 42,364** | $ 38,910 | $ 44,779 | $ 32,577 | **$ 35,872** | $ 31,621 | $ 33,192 | $ 35,844 |
| Operating cost | **(17,745)** | (17,313) | (19,897) | (18,315) | **(19,707)** | (19,603) | (19,462) | (20,612) |
| Depreciation | **(5,930)** | (4,941) | (7,828) | (7,161) | **(5,977)** | (6,697) | (6,220) | (5,765) |
| Gross profit | **18,689** | 16,656 | 17,054 | 7,101 | **10,188** | 5,321 | 7,510 | 9,467 |
| Net income (loss) | **(19,878)** | 2,304 | 13,469 | 2,827 | **10,697** | 3,785 | (1,101) | 2,473 |
| Cash flows from operating activities | **15,723** | 12,751 | 20,766 | 8,109 | **9,355** | 6,346 | 9,973 | 10,365 |
| Total assets | **344,996** | 332,223 | 319,151 | 309,060 | **309,119** | 296,740 | 291,429 | 289,055 |
| Total liabilities | **105,464** | 72,808 | 62,146 | 65,951 | **68,846** | 67,217 | 72,109 | 69,104 |
| Non-current financial liabilities | **48,586** | 36,699 | 31,122 | 34,669 | **35,435** | 36,535 | 38,769 | 36,932 |
| Current income taxes | **1,423** | 2,838 | 3,273 | 1,249 | **1,388** | - | 1,521 | 1,895 |
| Notes payable | **$ 3,044** | $ 3,041 | $ 3,046 | $ 3,128 | **$ 3,295** | $ 3,405 | $ 3,067 | $ 3,040 |

### Revenue

| ($ thousands, except where indicated) | Three months ended December 31 | | | Year ended December 31 | | |
|---|---|---|---|---|---|---|
| | **2024** | 2023 | Change | **2024** | 2023 | Change |
| Revenue | **$ 42,364** | $ 35,872 | 18% | **$ 158,630** | $ 136,528 | 16% |
| Ounces sold | **16,043** | 18,098 | (11%) | **66,482** | 70,525 | (6%) |
| Average realized gold price[1] | **$ 2,641** | $ 1,982 | 33% | **$ 2,386** | $ 1,936 | 23% |
| Average market gold price[1] | **$ 2,664** | $ 1,974 | 35% | **$ 2,389** | $ 1,941 | 23% |

[1] Average realized gold price and average market gold price are a non-GAAP financial performance measure with no standard definition under IFRS. For further information, refer to the non-GAAP Financial Performance Measures section of the MD&A.

The Company's revenue in Q4 2024 of $42.4 million was 18% higher than the revenue of $35.9 million reported in Q4 2023, driven by 33% higher average realized gold prices partly offset by fewer ounces sold. The 16,043 ounces sold in Q4 2024 were fewer than the 18,098 ounces sold in Q4 2023 reflecting lower gold production in the current quarter. Realized gold prices were $2,641 per ounce in Q4 2024, $659 per ounce or 33% higher than the realized gold price of $1,982 per ounce in Q4 2023.

A similar trend is reflected in the full-year 2024 revenues, which were $158.6 million and 16% higher than the prior-year revenues of $136.5 million, despite fewer ounces sold (down by 4,043 ounces or 6%). The higher average realized gold prices, of $2,386 per ounce in 2024 compared to $1,936 per ounce in 2023, drove the increase in revenue year-over-year.

During Q4 2024, gold traded at an average market price[3] of $2,664 per ounce (London PM Fix), varying between $2,548 per ounce and $2,784 per ounce, and closed at $2,611 per ounce on December 31, 2024 . The average realized price[2] of $2,641 per ounce for Q4 and $2,386 the full year of 2024, were in line with the average market prices during the quarter.

[2] This is a non-GAAP financial performance measure with no standard definition under IFRS. For more details, refer to the Non-GAAP Performance Measures section of the MD&A.

## Consolidated Production Costs

| ($ thousands, except where indicated) | Three months ended December 31 | | | Year ended December 31 | | |
|---|---|---|---|---|---|---|
| | **2024** | 2023 | Change | **2024** | 2023 | Change |
| Mining | **$ 9,334** | $ 10,335 | (10%) | **$ 40,032** | $ 44,075 | (9%) |
| Processing | **7,259** | 8,243 | (12%) | **28,886** | 31,224 | (7%) |
| Direct mining and processing cost | **16,593** | 18,578 | (11%) | **68,918** | 75,299 | (8%) |
| Royalty expense and CFEM taxes | **1,152** | 1,052 | 10% | **4,352** | 4,007 | 9% |
| Others | **-** | 77 | - | **-** | 78 | (100%) |
| Royalties, production taxes and others | **1,152** | 1,129 | 2% | **4,352** | 4,085 | 7% |
| **Total operating expenses** | **$ 17,745** | $ 19,707 | (10%) | **$ 73,270** | **$** 79,384 | (8%) |
| Depreciation | **5,930** | 5,977 | (1%) | **25,860** | 24,659 | 5% |
| **Total cost of sales** | **$ 23,675** | $ 25,684 | (8%) | **$ 99,130** | **$** 104,043 | (5%) |

Direct mining and processing costs of $16.6 million in Q4 2024 decreased by $2.0 million or 11% from the $18.6 million reported in Q4 2023. This reflects the reclassification of MTL expenses after the December 7th incident to exclude them from operating costs, the savings resulting from a more favourable BRL exchange rate, and cost reduction initiatives started in Q4 2023.

For the full year 2024, direct mining and processing costs of $68.9 million decreased by 8% from the $75.3 million reported for FY 2023. Similar to the Q4 variance, the decrease in operating costs reflects both the reclassification of MTL expenses after the December 7th incident to exclude them from operating costs and the savings from more favourable BRL exchange rates over 2024 combined with cost reduction initiatives commenced in 2023 and continued in 2024.

## Care and Maintenance Costs

The Paciência Complex, including the Santa Isabel mine and plant, has been on care and maintenance since 2012, and the Roça Grande Mine has been on care and maintenance since 2018. Care and maintenance costs were $0.2 million in Q4 2024, in line with Q4 2023.

## General and Administration Expenses

General and administration ("G&A") expenses include legal and accounting costs and the costs to maintain offices and personnel in Belo Horizonte, Brazil and Toronto, Canada, and other corporate costs associated with being a publicly traded Company. G&A expenses exclude mine-site administrative costs, which are charged directly to operations.

| ($ thousands) | Three months ended December 31 | | | Year ended December 31 | | |
|---|---|---|---|---|---|---|
| | **2024** | 2023 | Change | **2024** | 2023 | Change |
| Directors' fees and expenses | **$ 85** | $ 97 | (12%) | **$ 370** | $ 402 | (8%) |
| Audit related and insurance | **294** | 295 | (0%) | **1,059** | 1,292 | (18%) |
| Corporate office (Toronto) | **498** | 299 | 67% | **1,814** | 1,650 | 10% |
| Belo Horizonte office | **1,264** | 1,136 | 11% | **4,549** | 4,014 | 13% |
| **Total G&A expenses** | **$ 2,141** | 1,827 | 17% | **$ 7,792** | 7,358 | 6% |

Total G&A expenses for Q4 2024 increased by 17% compared to Q4 2023. Costs associated with the Belo Horizonte office increased by 11% mainly reflecting tax-recovery services, legal fees relating to business-development expenses and severance payments. Corporate office costs in Q4 2024 were up by $0.2 million or 67% mainly related to legal fees and travel expenses due to a site visit by the board of directors in November 2024.

For FY 2024, total G&A expenses of $7.8 million are 6% above the $7.4 million G&A expense reported in FY 2023. Higher costs for the Belo Horizonte office include the full-year impact of having acquired the Brazilian subsidiary of IAMGOLD in September

2023. Corporate office costs rose by 10% compared to FY 2023, primarily reflecting higher third-party services and travel expenses.

## Non-Operating Expenses

| ($ thousands) | Three months ended December 31 | | | Year ended December 31 | | |
|---|---|---|---|---|---|---|
| | **2024** | 2023 | Change | **2024** | 2023 | Change |
| Foreign Exchange (gain) loss | **$ (5,026)** | $ 1,426 | (452%) | **$ (9,233)** | $ 3,031 | (405%) |
| Financial instruments (gain) | **(48)** | - | 100% | **(48)** | - | 100% |
| Finance costs | **482** | $ 840 | (43%) | **3,371** | 3,368 | 0% |
| Other non-operating expenses (income) | **13,073** | 1,465 | 792% | **12,846** | (44) | (29295%) |
| **Non-operating expenses** | **$ 8,481** | $ 3,731 | 127% | **$ 6,936** | $ 6,355 | 9% |

A significant portion of the Company's expenditures at its Brazilian operation are denominated in the Brazilian real. The foreign-exchange gain of $5.0 million in Q4 2024 is $6.4 million higher than the $1.4 million foreign-exchange loss in Q4 2023, reflecting the trend of exchange rates between the Brazilian real and the US dollar in respective periods. During Q4 2023, the Brazilian real was becoming stronger, which generated foreign-exchange losses in the period. However, during Q4 2024, the Brazilian real was strengthening, which generated gains in the current quarter. The exchange rate on October 1, 2023, was R$5.07 and its strength to R$4.84 by December 31, 2023. On October 1, 2024, the exchange rate was R$5.41 and it weakened to R$6.19 by December 31, 2024.

Other non-operating expenses were $13.1 million in Q4 2024 and $11.6 million higher than the $1.4 million expense reported in Q4 2023 In the year ended December 31, 2024, the Company recorded a change in estimate to include $18.5 million in additional cost estimates in its reclamation provision, which generated a $5.7 million increase (approximately R$35.3 million) to Property, plant and equipment for operating sites and the remaining $12.8 million was expensed to other non-operating expenses for additional cost estimates at sites that are on care and maintenance.

Other non-operating expenses of $6.9 million in FY 2024 increased by $0.6 million or 9% compared to the $6.4 million reported in FY 2023. The increase over FY 2023 mainly reflects a net $12 million shift, from FX losses in 2023 to FX gains in 2024. This impact is more than offset by $12.8 million higher other non-operating expenses, driven by changes in reclamation estimates for sites on care and maintenance, as described in the quarterly discussion above.

## Taxes

Brazilian Taxes

Brazilian tax regulation involves three jurisdictions and tax collection levels: federal, state and municipal. The main taxes levied are: corporate income tax with companies generally subject to income tax at a rate of 25%, social contribution tax on the net profit at a current rate of 9%, value-added taxes at a rate of 9.25% for PIS/COFINS (Federal Taxes) and 12–18% for ICMS (State Tax).

PIS and COFINS are federal taxes imposed monthly on gross revenue earned by legal entities. The calculation method is, in the Company's case, non-cumulative, under which PIS and COFINS are levied on gross revenue at 1.65% and 7.6%, respectively, with deductions of input tax credits for expenses strictly connected to the Company's business and prescribed by the regulating laws. The export of goods and services are exempt provided funds effectively enter the country. PIS and COFINS are due on importations of goods and services from abroad (PIS-Import and COFINS-Import).

As of December 31, 2024, the Company had a R$8.5 million ($ 1.4 million) receivable provision collectible by the Company pursuant to a court judgment received with respect to its lawsuit over Brazil Federal VAT input tax credit claims from past years (December 31, 2023 – R$8.5 million, or $1.8 million).

Government and Beneficiaries Royalty

Compensação Financeira pela Exploração de Recursos Minerais (“CFEM”) is a 1.5% Brazilian government royalty levied on gross gold sales less refining charges and insurance, as well as any applicable sales taxes that are calculated on gross revenue only.

### Income Tax (Recovery) Expense

| ($ thousands) | Three months ended December 31 | | | Year ended December 31 | | |
|---|---|---|---|---|---|---|
| | **2024** | 2023 | Change | **2024** | 2023 | Change |
| Current income tax expense | **$ 1,423** | $ 1,388 | 3% | **$ 8,783** | $ 4,805 | 83% |
| Deferred income tax (recovery) expense | **$ (1,997)** | $ (5,800) | (66%) | **$ (1,434)** | $ (5,800) | (75%) |
| **Income tax (recovery) expense** | **$ (574)** | **$** (4,412) | (87%) | **$ 7,349** | **$** (995) | (839%) |

The current income tax expense relates to taxable income in Brazil. At the beginning of the year, MSOL had significant accumulated tax loss carryforwards; however, under Brazilian tax legislation, only 30% of taxable income can be applied against tax loss carryforwards each year.

The income tax provision is subject to a number of factors including the allocation of income between different countries, at disparate tax rates, the non-recognition of tax assets, foreign-currency exchange-rate movements, changes in tax laws and the impact of specific transactions and assessments. Due to the number of factors that can potentially impact the effective tax rate and the sensitivity of the tax provision to these factors, it is expected that the Company’s effective tax rate will fluctuate in future periods. Due to the aforementioned facts and the significant increase in taxable income, current income tax expense increased to $8.8 million in FY 2024.

## OPERATIONAL REVIEW

### Jaguar Mining Gold Production

| | **Q4 2024** | Q4 2023 | Change | **YTD 2024** | YTD 2023 | Change |
|---|---|---|---|---|---|---|
| Tonnes of ore mined | **160,000** | 199,000 | (20%) | **692,000** | 808,000 | (14%) |
| Tonnes of ore processed | **160,000** | 195,000 | (18%) | **695,400** | 812,000 | (14%) |
| Average head grade (g/t)[1] | **3.43** | 3.35 | 2% | **3.40** | 3.09 | 10% |
| Average recovery rate (%) | **83%** | 88% | (6%) | **85%** | 87% | (2%) |
| Gold (oz.) | | | | | | |
| Produced | **14,786** | 18,482 | (20%) | **64,704** | 70,704 | (8%) |
| Sold | **16,043** | 18,098 | (11%) | **66,483** | 70,525 | (6%) |

[1] The 'average head grade' represents the recalculated head-grade milled.

Consolidated gold production of 14,786 ounces in Q4 2024 was 20% below the 18,482 ounces produced in Q4 2023, driven by fewer ore tonnes processed partly offset by higher head grades compared to Q4 2023. The average head grade in Q4 2024 of 3.43g/t was 2% above the 3.35g/t average head grade reported in Q4 2023. Ore processed in Q4 2024 was 160,000 tonnes which was 18% below the 195,000 ore tonnes processed in Q4 2023. Fewer tonnes processed during Q4 2024 reflects the ongoing emphasis on development to support future production from the Faina zone, combined with the impact of the December 7, 2024 Incident and suspension of Turmalina operations.

## Turmalina Gold Mine Complex

Turmalina Quarterly Production

| | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|---|---|---|---|---|---|---|---|---|
| Tonnes of ore mined | **59,000** | 76,000 | 73,000 | 92,000 | 102,000 | 99,000 | 102,000 | 100,000 |
| Tonnes of ore processed | **59,000** | 77,000 | 71,400 | 95,000 | 99,000 | 101,000 | 100,000 | 108,000 |
| Average head grade (g/t)[1] | **3.07** | 3.59 | 3.13 | 2.59 | 3.02 | 3.01 | 2.80 | 2.84 |
| Average recovery rate (%) | **74%** | 73% | 85% | 86% | 88% | 87% | 87% | 84% |
| Gold (oz.) | | | | | | | | |
| Produced | **4,276** | 6,479 | 6,135 | 6,820 | 8,457 | 8,529 | 7,874 | 8,258 |
| Sold | **5,188** | 5,639 | 7,302 | 6,426 | 8,455 | 8,464 | 7,661 | 8,870 |
| Cash operating cost (per oz. sold)[2] | **$ 1,218** | $ 1,274 | $ 1,268 | $ 1,210 | **$ 1,070** | $ 1,071 | $ 1,118 | $ 1,136 |
| All-in sustaining cost (per oz. sold)[2] | **$ 2,113** | $ 2,413 | $ 1,726 | $ 1,623 | **$ 1,460** | $ 1,399 | $ 1,787 | $ 1,574 |
| Cash operating cost (per tonne)[2] | **$ 107** | $ 93 | $ 122 | $ 82 | **$ 91** | $ 90 | $ 86 | $ 93 |
| Cash operating cost (R$ per tonne)[2] | **$ 558** | $ 486 | $ 679 | $ 405 | **$ 453** | $ 444 | $ 424 | $ 485 |

[1] The 'average head grade' represents the recalculated head-grade milled.

[2] Cash operating costs (per oz. sold), All-in sustaining costs, and and cash operating cost (R$ per tonne) are non-GAAP financial performance measures with no standard definition under IFRS. Refer to the Non-GAAP Financial Performance Measures section of the MD&A.

Gold production during Q4 2024 at the Turmalina gold mine ("Turmalina") was lower than production in Q4 2023 largely reflecting the December 7, 2024 slump at its Satinoco dry stack facility, which caused the suspension of mining operations. Turmalina produced 4,276 ounces of gold compared in Q4 2024 compared to 8,457 ounces produced in Q4 2023, a decrease of 49% or 4,181 ounces. Fewer ounces produced reflect a combination of fewer ore tonnes processed, slightly higher head grade, and lower recovery due to development ore from Faina having lower recoveries. Fewer tonnes processed partly reflects the loss of the last three weeks of December following the Incident. Mining rates were down compared to 2023 both in Q4 2024 and FY 2024 as development focused on Faina with only a modest contribution of ore tonnes. The cash operating cost per ounce sold of $1,218 for Q4 2024 increased by $148 or 14%, compared to Q4 2023 mainly reflecting the volume impact of fewer ounces sold in Q4 2024.

Turmalina Capital Expenditures

| ($ thousands) | Three months ended December 31 | | Year ended December 31 | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| Sustaining capital[1] | | | | |
| Primary development | **$ 2,973** | 2,140 | **$ 12,071** | 10,154 |
| Brownfield exploration | **105** | 371 | **661** | 1,106 |
| Mine-site sustaining | **1,566** | 782 | **4,147** | 3,808 |
| **Total sustaining capital[1]** | **4,644** | 3,293 | **16,879** | 15,068 |
| Mine-site non-sustaining | **971** | 3,021 | **5,677** | 10,021 |
| Asset retirement obligation (Dam closing project) | **68** | 269 | **256** | 656 |
| **Total non-sustaining capital[1]** | **1,039** | 3,290 | **5,933** | 10,677 |
| **Total capital expenditures** | **$ 5,683** | $ 6,583 | **$ 22,812** | $ 25,745 |

[1] Sustaining and non-sustaining capital are non-GAAP financial measures with no standard definition under IFRS. Refer to the non-GAAP Financial Performance Measures section of the MD&A. Capital expenditures are included in the calculation of all-in sustaining costs and all-in costs.

During Q4 2024, $4.6 million of sustaining capital was incurred at Turmalina, which is $1.1 million above sustaining capital reported for Q4 2023. Primary meters which are included in sustaining capital increased to 984 meters in Q4 2024 from 697 meters in Q4 2023 (+41%). Total meters were down reflecting the loss of December meters, but all meters at Faina are now primary or secondary with minimal exploration meters. Rates of primary and secondary development at Faina in Q4 2024 support the planned ramp-up of production in the future. Turmalina's AISC per ounce sold was elevated by the movement of exploration meters from growth capital in 2023 to sustaining capital in the second half of 2024. Purchasing of equipment and infrastructure components also increased in the fourth quarter for year-on-year comparisons. Total capital expenditures reduced as non-sustaining capital of $3 million in Q4 2023 reduced to $1 million in Q4 2024, more than offsetting higher sustaining capital in Q4 2024.

Turmalina Development and Drilling Progress (metres)

| (metres) | Three months ended December 31 | | Year ended December 31 | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| Primary development | **1,064** | 1,210 | **4,816** | 4,777 |
| Primary development | **984** | 697 | **4,169** | 3,122 |
| Exploration development | **80** | 513 | **647** | 1,655 |
| Secondary development | **392** | 558 | **2,301** | 2,615 |
| **Total development** | **1,456** | 1,768 | **7,117** | 7,392 |
| | | | | |
| Definition drilling | **1,436** | - | **2,020** | 2,505 |
| Infill drilling | **1,762** | 4,936 | **11,223** | 16,869 |
| Exploration drilling | **1,881** | 1,128 | **6,183** | 3,591 |
| **Total definition, infill, and exploration drilling** | **5,079** | 6,064 | **19,426** | 22,965 |

*Mining*

Located 110 kilometres west of Belo Horizonte, Turmalina is an underground mine that predominantly utilizes sub-level stoping as a mining method. Backfilling is completed using loose rockfill or cemented paste depending upon the situation. Twin development drifts to reach the heart of the Faina zone were completed by the end of 2023, enabling the development within the Faina zone to advance and produce its first development ore during Q2 2024. Development levels at Faina advanced through the second half of 2024 including levels up and down, using Jaguar crews supplemented by third-party contractor developers, until the December 7, 2024 slump at the Satinoco dry-tailings pile, which suspended all production activity at Turmalina.

Lower mine production during Q4 2024 relative to Q4 2023 reflects variations in stope cycling with less marginal material included, and a focus on development. The Faina zone had its first gold production in Q2 2024, which continued in Q3 2024 and Q4 2024. The Faina ore body is set to begin increasing production when the mine returns to work. It is expected to take approximately 15 months to ramp up to a full production rate at Faina. Development at the Turmalina Complex was completed by both Jaguar crews and the mining contractor Toniolo Busnello ("TBSA").

The December 7, 2024 Incident and suspension of operations at Turmalina stopped all production activity at the site. As a result, TBSA demobilized and Turmalina shifted to care and maintenance activities with a smaller staff, as some mining personnel and equipment were relocated to the Pilar mine in the Company's Caeté complex, to bolster development progress and 2025 gold production there. The Company needs to stabilize the Satinoco dry-stack pile to reduce the risk of further movements and work with regulators to satisfy safety and community support requirements. The Company does not have a projected restart date for Turmalina but this will be announced as soon as a date becomes visible.

Q4 2024 total development of 1,456 metres were 18% lower than the 1,768 metres developed in Q4 2023. The work stoppage on December 7, 2024 accounts for all the difference.

*Processing*

The Turmalina processing plant is onsite, and the mine portal is situated within 200 metres of the crusher. The plant circuit begins with primary and secondary crushing, feeding a crushed-ore bin. The ore bin can feed any of the three ball-mill circuits. The total grinding capacity is 3,000 tonnes per day. The plant operates only mill #3, supplemented by mill #1 when needed, which can easily handle current and expected future mined tonnage rates. The ball mills feed pulverized ore to the carbon-in-pulp ("CIP") circuit. The plant management team continually works on improvements to operations. The inclusion of ore batches from Faina is allowing the team to focus on improvements to recoveries from those ores. Tailings are sent to a filtration system from which they can be provided to the paste plant for backfill or be diverted to a dry-stack area.

## Caeté Gold Mine Complex

Caeté Complex Quarterly Production

The Caeté mining complex ("Caeté") includes the Pilar gold mine ("Pilar"), the Caeté processing plant and the Roça Grande gold mine ("Roça Grande"). On March 22, 2018, Roça Grande was placed on care and maintenance. Ore from Pilar is trucked a total distance of approximately 40 kilometres by road to the Caeté plant, which has a capacity to process 2,200 tonnes per day and includes gravity, flotation and CIP circuits.

Pilar Quarterly Production

| | **Q4 2024** | Q3 2024 | Q2 2024 | Q1 2024 | **Q4 2023** | Q3 2023 | Q2 2023 | Q1 2023 |
|---|---|---|---|---|---|---|---|---|
| Tonnes of ore mined | **101,000** | 95,000 | 97,000 | 99,000 | 97,000 | 107,000 | 103,000 | 98,000 |
| Tonnes of ore processed (t) | **101,000** | 97,000 | 99,000 | 96,000 | 96,000 | 107,000 | 103,000 | 98,000 |
| Average head grade (g/t)[1] | **3.65** | 3.74 | 3.83 | 3.46 | 3.68 | 2.88 | 3.04 | 3.54 |
| Average recovery rate (%) | **89%** | 89% | 88% | 88% | 88% | 88% | 88% | 88% |
| Gold (oz.) | | | | | | | | |
| Produced | **10,510** | 10,433 | 10,694 | 9,357 | 10,025 | 8,787 | 8,876 | 9,898 |
| Sold | **10,855** | 10,087 | 11,720 | 9,266 | 9,643 | 8,038 | 9,256 | 10,138 |
| Cash operating cost (per oz. sold)[2] | **$ 1,053** | $ 1,004 | $ 953 | $ 1,137 | **$ 1,105** | **$ 1,311** | $ 1,177 | $ 1,039 |
| All-in sustaining cost (per oz. sold)[2] | **$ 1,368** | $ 1,314 | $ 1,212 | $ 1,390 | $ 1,422 | $ 1,701 | $ 1,508 | $ 1,356 |
| Cash operating cost (per tonne)[2] | **$ 113** | $ 104 | $ 113 | $ 110 | $ 111 | $ 98 | $ 106 | $ 107 |
| Cash operating cost (R$ per tonne)[2] | **$ 590** | $ 544 | $ 588 | $ 543 | **$ 551** | **$ 481** | $ 524 | $ 559 |

[1] The 'average head grade' represents the recalculated head-grade milled.

[2] Cash operating costs (per oz. sold), All-in sustaining costs, and and cash operating cost (R$ per tonne) are non-GAAP financial performance measures with no standard definition under IFRS. Refer to the Non-GAAP Financial Performance Measures section of the MD&A.

In Q4 2024, Pilar produced 10,510 ounces of gold, 5% more than the 10,025 ounces produced in Q4 2023, mainly driven by a small increase in tonnes processed, slight decrease in head grade balanced by higher average recovery rates. While grades dipped slightly in Q4 2024, development ore was a large contributor to tonnage and that development rock brings lower grades. The work effort in the BA zone was focused on accessing new sub-levels and contribution from this new zone will increase in 2025. All-in sustaining costs per ounce sold were $1,368 in Q4 2024 and 4% below AISC per ounce sold in Q4 2023 mainly reflecting the volume impact of 13% higher ounces sold in the current quarter.

Pilar Capital Expenditures

| ($ thousands, except where indicated) | **Three months ended December 31** | | **Year ended December 31** | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| Sustaining capital[1] | | | | |
| Primary development | **$ 2,253** | $ 2,314 | **$ 8,358** | $ 8,921 |
| Brownfield exploration | **247** | 185 | **689** | 854 |
| Mine-site sustaining | **925** | 560 | **2,890** | 2,703 |
| **Total sustaining capital[1]** | **3,425** | 3,059 | **11,937** | 12,478 |
| Mine-site non-sustaining | **188** | 611 | **1,016** | 1,783 |
| Asset retirement obligation (Dam closing project) | **1,597** | 526 | **3,526** | 1,800 |
| **Total non-sustaining capital[1]** | **1,785** | 1,137 | **4,542** | 3,583 |
| **Total capital expenditures** | **$ 5,210** | $ 4,196 | **$ 16,479** | $ 16,061 |

[1]Sustaining and non-sustaining capital are non-GAAP financial measures with no standard definition under IFRS. Refer to the non-GAAP Financial Performance Measures section of the MD&A. Capital expenditures are included in the calculation of all-in sustaining costs and all-in costs.

Pilar development and drilling progress (metres)

| | Three months ended December 31 | | Year ended December 31 | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| Primary development | **617** | 426 | **2,054** | 1,837 |
| Primary development | **617** | 426 | **2,054** | 1,837 |
| Exploration development | **-** | - | **-** | - |
| Secondary development | **868** | 599 | **2,665** | 2,604 |
| **Total development** | **1,485** | 1,025 | **4,719** | 4,441 |
| Definition drilling | **1,446** | 644 | **4,039** | 5,733 |
| Infill drilling | **3,752** | 2,310 | **9,321** | 11,647 |
| Exploration drilling | **684** | 2,256 | **4,387** | 4,502 |
| **Total definition, infill, and exploration drilling** | **5,882** | 5,210 | **17,747** | 21,882 |

Sustaining capital in Q4 2024 saw increases in both primary development meters and diamond drilling. Pilar will work to maintain these levels of sustaining capital as we develop the ramp to depth, open up the BA orebodies, and push the SW zone below level 9.

*Mining*

Located 100 kilometres east of Belo Horizonte, Pilar is an underground mine that predominantly utilizes sub-level stoping and cut-and-fill as a mining method. Backfilling is completed using loose rockfill. The main historic producing ore block is in a fold structure of banded iron formation and has been developed to the 18 level and appears to extend to depth. The mine sees a small contribution from the Southwest Zone located in shallower levels of the mine (ranging from levels 2 through 9). Initial ore production from the BA-zone mineralized structure occurred in the first half of 2024 and we expect to see growing ore contributions from the BA structure as it is further drilled and developed. The development rate in Q4 2024 increased by 45% with a total development of 1,485 metres compared to 1,025 metres developed in Q4 2023.

*Processing*

Ore from Pilar is processed at Jaguar's Caeté processing plant, which is located approximately 40 km west of Pilar. The plant has a gravity recovery circuit which recovers about 50% of the gold, followed by a flotation circuit and leaching of the flotation concentrate in a CIP circuit. Historic total recoveries have typically ranged between 85% and 90%. The plant has a designed capacity of approximately 2,200 tonnes per day and it has excess capacity to process incremental feed. The non-sulfide tails (flotation tails) are dry-stacked, and leach tails are filtered and hauled to the nearby Moita tailings dam, as part of the Moita dam's decommissioning process.

## REVIEW OF FINANCIAL CONDITION

### Outstanding Debt, Liquidity and Cash Flow

As of December 31, 2024, the Company had working capital[3] of $13.7 million ($12.6 million as of December 31, 2023), including $3.0 million in notes payable to Brazilian banks, which secure the Company's gold exportations and are renewed every six months. In response to higher Brazilian interest rates announced in Q4 2024, the Company is evaluating the cost of renewals in 2025 and may reduce the magnitude of notes outstanding. These notes payable are unsecured and they do not have any covenant obligations.

| ($ thousands) | **December 31 2024** | December 31 2023 |
|---|---|---|
| Cash and cash equivalents | **$ 46,357** | $ 22,041 |
| Non-cash working capital | | |
| Other current assets: | | |
| Short term investment | **1,438** | - |
| Restricted cash | **923** | 897 |
| Inventory | **15,343** | 15,639 |
| Recoverable taxes | **3,933** | 5,584 |
| Other accounts receivable | **328** | 310 |
| Prepaid expenses and advances | **2,226** | 1,556 |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | **(15,803)** | (16,082) |
| Notes payable | **(3,044)** | (3,295) |
| Lease liabilities | **(1,363)** | (1,953) |
| Current tax liability | **(1,422)** | (1,381) |
| Other taxes payable | **(487)** | (1,334) |
| Reclamation provisions | **(8,585)** | (4,298) |
| Legal and other provisions | **(26,174)** | (5,068) |
| Working capital[1] | **$ 13,670** | **$ 12,616** |

[1] This is a non-GAAP financial performance measure with no standard definition under IFRS.

Despite the significant increase in cash and cash equivalents of $24.3 million during 2024, working capital remained steady showing a $1.1 million or 8% increase during the year. The increase in cash and equivalents within working capital was offset by an increase of $21.1 million in legal and other provisions due to the accrued amounts related to the Incident and by an increase of $4.3 million in reclamation provisions.

The cash position was propelled by higher realized gold prices, with the variances of all other items having a cash-neutral impact. Working capital was bolstered during 2024 by a weakening Brazilian real compared to the US dollar, which lowered monetary liabilities when translated to USD at more favorable current exchange rates. The exchange rate on January 1, 2024 was R$4.85 per US dollar (R$5.29 per US dollar on January 1, 2023), and the closing exchange rate on December 31, 2024 was at R$6.19 per US dollar (R$4.84 per US dollar on December 31, 2023), with the average exchange rate in 2024 being R$5.39 per US dollar (2023 - R$5.00).

In July 2024, the Company received an unfavourable judicial decision from the Minas Gerais State Court which ordered the Company to pay R$15.0 million ($2.7 million) for assessed environmental damages related to the rupture of a tailings pipeline at the Paciencia Complex which occurred in 2011. In August 2024, the Company filed an appeal to reassess the decision based on evidence and expert testimony provided and, as at December 31, 2024, is awaiting the court's review and response. As at December 31, 2024, the Company recorded a provision of $2.4 million for the estimated loss from this civil litigation, the updated amount of $2.4 million is outstanding in its consolidated statement of financial position as at December 31, 2024.

[3] This is a non-GAAP financial performance measure with no standard definition under IFRS. It is a common measure of near-term liquidity.

In September 2024, Brazil's Superior Labour Court (TST) issued a final decision to fine the Company for breaches of labour law for employees who worked on holidays between February 2015 and October 2019. Despite the Company's appeals, which demonstrated proper remuneration for holiday work, the court imposed fines due to the lack of pre-authorization from Brazil's Ministry of Labour. The Company has appealed the calculation method, citing inaccuracies and illegalities, and is awaiting the court's review. As of December 31, 2023, the Company recorded a liability for an estimated loss provision of $1.2 million (R$5.8 million). An additional $3.2 million was recorded during the year ended December 31, 2024, bringing the total liability for the estimated loss provision for this case to $4.4 million (R$27.5 million). The Company has since obtained legal authorization for holiday work, mitigating future risks of similar allegations.

Following the December 7, 2024 Incident, the Company received infractions from the State Environmental Secretariat and from the office of the Public Prosecutor. The infractions amount to R$320 million ($51.7 million) and R$200 million ($32.3 million) respectively. The Company believes that these infractions bear no proportion to the minimal impact of the Incident and it is utilizing existing administrative processes to negotiate with authorities. There is precedent in Brazil for legal remedies, if the administrative processes fail to negotiate a reasonable amount for the ultimate infractions. The Company does not expect to incur significant cash outlays in 2025 towards either of these infractions.

Furthermore, on March 24, 2025 the Company signed an agreement with the Public Defender's Office of Minas Gerais which established parameters ("Fair Compensation Parameters") to be used in fairly determining the compensation of individuals and families impacted by the Incident. Following the execution of this agreement, the impacted individuals and families will work with the Public Defender's Office to identify their right to a compensation claim under the parameters established and then decide (i) to submit a compensation claim in conformity with the Fair Compensation Parameters, (ii) to submit a compensation claim through a separate litigation to be initiated against the Company, or (iii) to refrain from submitting a compensation claim. If all impacted individuals and families submit claims in conformity with the Fair Compensation Parameters, the Company estimates its cost for compensation will be approximately R$57 million ($9.2 million)

In the year ended December 31, 2024, the Company recorded $26.4 million in expenses related to the Satinoco incident in its consolidated Financial statements. As at December 31, 2024, the Company has provisioned R$152.3 million ($23.8 million) in total liabilities related to the Incident in its consolidated statement of financial position to cover eventual indemnities, environmental recovery costs, fines and assessments, according to management's best estimate.

Working capital is a common measure of near-term liquidity and it is calculated by deducting current liabilities from current assets as reported in the Company's consolidated statement of financial position.

The use of funds during the three months and year ended December 31, 2024 and 2023, is outlined as follows:

| ($ thousands) | **Three months ended December 31** | | **Year ended December 31** | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| **Cash provided by operating activities before income taxes** | **$ 18,284** | $ 9,355 | **$ 65,765** | $ 41,420 |
| Income taxes paid | **(2,561)** | - | **(8,416)** | (5,381) |
| **Net cash provided by operating activities** | **$ 15,723** | $ 9,355 | **$ 57,349** | $ 36,039 |
| | | | | |
| **Investing activities** | | | | |
| Investment in short-term investments | **(1,390)** | - | **(1,390)** | - |
| Investment in mineral exploration projects | **-** | (1,457) | **-** | (4,122) |
| Purchase of property, plant and equipment | **(9,279)** | (6,356) | **(33,589)** | (32,604) |
| Proceeds from acquisition of IAMGOLD Brazil | **-** | - | **-** | 124 |
| Proceeds from disposition of mineral exploration projects | **-** | - | **4,000** | - |
| Proceeds from dispositions of property, plant and equipment | **-** | 411 | **301** | 818 |
| **Net cash (used in) investing activities** | **$ (10,669)** | $ (7,402) | **$ (30,678)** | $ (35,784) |
| | | | | |
| **Financing activities** | | | | |
| Cash received upon issuance of notes payable | **1,350** | 1,350 | **6,000** | 6,000 |
| Cash received upon issuance of shares via stock options exercised | **-** | - | **99** | 133 |
| Repayment of notes payable and lease liabilities | **(1,889)** | (2,195) | **(8,598)** | (9,289) |

| | | | | |
|---|---|---|---|---|
| Interest paid | (51) | 66 | (245) | (277) |
| **Net cash (used in) financing activities** | **$ (590)** | $ (779) | **$ (2,744)** | $ (3,453) |
| Effect of exchange rate changes on cash balances | **294** | 876 | **389** | 31 |
| **Net increase (decrease) in cash and cash equivalents** | **$ 4,758** | $ 2,050 | **$ 24,316** | $ (3,167) |

Cash generated by operating activities before income taxes of $18.3 million in Q4 2024 rose by 96% compared to Q4 2023, and cash generated by operating activities before income taxes of $65.8 million in FY 2024 rose by 59% compared to FY 2023. Increases in Q4 2024 and FY 2024 both reflect higher realized gold prices, of $2,641 per ounce in Q4 2024, compared to $1,982 per ounce in Q4 2023 and $2,386 in FY 2024 compared to $1,936 realized gold price in FY 2023. Operating cash flow in Q4 2024 and FY 2024 included $1.7 million of cash expenses incurred in the initial response to the Satinoco pile slump at Turmalina on December 7, 2024.

Net cash flows used in investing activities increased to $10.7 million in Q4 2024, compared to $7.4 million in Q4 2023. Investing net cash outflows in Q4 2024 mainly reflect primary development at the Turmalina Complex (including Faina) and Pilar mines. Net cash flows used in investing activities were $30.7 million in FY 2024 which dropped by $5 million compared to FY 2023 mainly reflecting the inflow from the sale of mineral exploration projects in 2024, with capital invested in property, plant and equipment broadly in line between FY 2024 and FY 2023.

## Contractual Obligations and Commitments

The Company's undiscounted financial liabilities and other commitments as of December 31, 2024, are summarized as follows:

| ($ thousands, except where indicated) | Less than 1 year | 1 - 3 years | 3 - 5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| **Financial Liabilities** | | | | | |
| Accounts payable and accrued liabilities | $ 15,803 | $ - | $ - | $ - | **$ 15,803** |
| Other Taxes Payable[1] | | | | | |
| ICMS Settlement Due | 193 | - | - | - | **193** |
| INSS | 145 | - | - | - | **145** |
| IRPJ & CSLL Settlement Due | 149 | 15 | - | - | **164** |
| Notes payable [2] | | | | | |
| Principal | 2,670 | - | - | - | **2,670** |
| Interest | 374 | - | - | - | **374** |
| Lease liabilities | 1,454 | 2,848 | - | - | **4,302** |
| Total financial liabilities | $ 20,788 | $ 2,863 | $ - | $ - | **$ 23,651** |
| **Other Commitments** | | | | | |
| Reclamation provisions[3] | 9,706 | 18,795 | 21,198 | 10,796 | **60,495** |
| Legal and other provisions [4] | 26,174 | 9,548 | - | - | **35,722** |
| Suppliers' agreements[5] | 3,779 | 36 | - | - | **3,815** |
| Current tax liability | 1,422 | - | - | - | **1,422** |
| Insurance agreements[6] | 90 | - | - | - | **90** |
| Total other commitments | $ 41,171 | $ 28,379 | $ 21,198 | $ 10,796 | **$ 101,544** |
| **Total** | **$ 61,959** | **$ 31,242** | **$ 21,198** | **$ 10,796** | **$ 125,195** |

[1] Financial liabilities within Other taxes payable include state value-added 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).

[2] Notes payable represents the principal on Brazilian short-term bank loans with 180 day maturities.

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

[4] Legal and other provisions - includes commitments estimated to settle the Company's legal and other provisions, including $23.8 million related to the Satinoco incident and $11.9 million for other labour, civil and tax litigations.

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

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

## CAPITAL STRUCTURE

The capital structure of the Company as of December 31, 2024, is as follows:

| All amounts in $ thousands, except number of common shares | | **As at December 31, 2024** |
|---|---|---|
| **Cash and cash equivalents** | **$** | **46,357** |
| Less: Notes payable | **$** | 3,044 |
| Less: Leasing Liabilities | **$** | 3,907 |
| **Less: Total debt** | **$** | **6,951** |
| **Total net cash and cash equivalents balance[1]** | **$** | **39,406** |
| Number of common shares outstanding | | 79,308,085 |

[1] Net cash and cash equivalents balance is a non-GAAP Performance Measure and is defined as total indebtedness excluding unamortized transaction costs and premiums or discounts associated with debt, less cash and cash equivalents. The Company reduces cash and cash equivalents balance by gross indebtedness on the basis to identify the net cash and cash equivalents balance.

## OFF-BALANCE SHEET ITEMS

The Company does not have any off-balance sheet investment or debt arrangements.

## 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 $0.1 million in FY 2024 ($0.1 million in FY 2023)

The Company incurred office rent expenses from Orix Geoscience 2018 Inc. (“Orix”), a mineral exploration service firm where Shastri Ramnath, a director of Jaguar, is the Chair and Co-Owner. Rent expenses paid to Orix were $15,000 in FY 2024 (Nil in 2023).

## DEVELOPMENT AND EXPLORATION PROJECTS

### IAMGOLD Acquisition – Pitangui and Acuruí projects

On September 13, 2023, the Company completed the acquisition (“the Acquisition”) of IAMGold Brasil Prospecções Minerais Ltda. (“IAMGold Brazil”) from AGEM Ltd. (the “Vendor”) which was 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, with two gold mineral exploration projects located in Brazil in proximity to the Company’s Turmalina Complex and Paciência Complex.

#### Onças de Pitangui Project

The Onças de Pitangui Project is located approximately 100 kilometers northwest of the city of Belo Horizonte and within 20 km of the Turmalina Complex in the state of Minas Gerais, Brazil. It encompasses mineral exploration licenses and license applications that cover the Pitangui Greenstone Belt, strategically located in proximity to our primary operational assets in the Iron Quadrangle.

The Company’s annual Mineral Reserves and Mineral Resources (MRMR) statement for 2024 was announced on March 31, 2025, and 284,000 contained ounces were added to Jaguar’s mineral reserves as probable reserves for the first inclusion of reserves from the Onças de Pitangui project. The 2024 ending mineral resources were updated to include 457,000 ounces in the measured and indicated category and 490,000 ounces of inferred mineral resources for this project, which is part of the Turmalina complex as its ore will be processed at the Turmalina processing plant which has over 50% of excess capacity.

**Acurui Project**

The Acurui Project was an exploration joint venture between Jaguar and IAMGOLD, where Jaguar was the operator. The project is composed of exploration tenements located near the Company's Paciência complex in the iron quadrangle. After the conclusion of the IAMGOLD Brazil acquisition, the Company owns 100% of Acurui project. For further information regarding the Acurui project, please refer to the Company's news releases dated August 26, 2020, August 30, 2021, and August 2, 2023 which are available on SEDAR+.

## QUALIFIED PERSON

Scientific and technical information contained in this MD&A have been reviewed and approved by Jean-Marc Lopez, BSc (Hons) (Economic Geology - UCT), FAUSIMM, Senior Expert Advisor, Geology and Exploration, to the Jaguar Mining Management Committee, who is also a technical advisor of Jaguar Mining Inc., and is a "qualified person" as defined by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*. A copy of the Company's most recent NI 43-101 technical report was filed on SEDAR+ on March 31, 2025.

## OUTSTANDING SHARE DATA

The following are the issued and outstanding common shares and numbers of shares issuable under share-based compensation and warrants:

| | As at Mar 31, 2025 |
|---|---:|
| Issued and outstanding common shares | 79,313,603 |
| Stock options | 902,806 |
| Deferred share units | 946,963 |
| **Total** | **81,163,372** |

## NON-GAAP PERFORMANCE MEASURES

The Company has included the following non-GAAP performance measures in this document: net cash and cash equivalents, cash operating costs per tonne of ore processed, cash operating costs per ounce of gold sold, all-in sustaining costs per ounce of gold sold, cash operating margin per ounce of gold sold, all-in sustaining margin per ounce of gold sold, average realized gold price per ounce of gold sold, sustaining capital expenditures, non-sustaining capital expenditures, free cash flow, adjusted net earnings, adjusted earnings per share, earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA, adjusted EBITDA per share and working capital. These non-GAAP performance measures do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies.

The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use non-GAAP performance measures to evaluate the Company's performance. Accordingly, they are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. More specifically, Management believes that these figures are useful indicators to investors and management of a mine's performance as they provide: (i) a measure of the mine's cash margin per ounce, by comparison of the cash operating costs per ounce to the price of gold; (ii) the trend in costs as the mine matures; and (iii) an internal benchmark of performance to allow for comparison against other mines. The definitions of these performance measures and reconciliation of the non-GAAP measures to reported IFRS measures are outlined below.

**Reconciliation of Cash Operating Costs, All-In Sustaining Costs and All-In Costs per Ounce Sold**

| ($ thousands, except where indicated) | Three months ended December 31 | | Year ended December 31 | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| Operating costs | **$ 17,745** | $ **19,707** | **$ 73,270** | $ **79,384** |
| General & administration expenses | **2,141** | **1,827** | **7,792** | **7,358** |
| Corporate stock-based compensation | **6** | **51** | **447** | **884** |
| Sustaining capital expenditures[1] | **8,179** | **6,481** | **29,236** | **28,534** |
| All-in sustaining cash costs | **28,071** | **28,066** | **110,745** | **116,160** |
| Reclamation (operating sites) | **(205)** | **(741)** | **(1,007)** | **(2,032)** |
| **All-in sustaining costs** | **$ 27,866** | $ **27,325** | **$ 109,738** | $ **114,128** |
| Non-sustaining capital expenditures | **3,339** | **5,030** | **11,850** | **15,816** |
| Exploration and evaluation costs (greenfield) | **644** | **544** | **2,114** | **3,295** |
| Reclamation (non-operating sites) | **(282)** | **(460)** | **(799)** | **(1,261)** |
| Care and maintenance (non-operating sites) | **184** | **196** | **690** | **734** |
| **All-in costs** | **$ 31,751** | $ **32,635** | **$ 123,593** | $ **132,712** |
| Ounces of gold sold | **16,043** | **18,098** | **66,482** | **70,525** |
| **Cash operating costs per ounce sold[2]** | **$ 1,106** | $ **1,089** | **$ 1,102** | $ **1,126** |
| **All-in sustaining costs per ounce sold[2]** | **$ 1,737** | $ **1,510** | **$ 1,651** | $ **1,618** |
| **All-in costs per ounce sold[2]** | **$ 1,979** | $ **1,803** | **$ 1,859** | $ **1,882** |
| **Average realized gold price** | **$ 2,641** | $ **1,982** | **$ 2,386** | $ **1,936** |
| **Cash operating margin per ounce sold** | **$ 1,535** | $ **893** | **$ 1,284** | $ **810** |
| **All-in sustaining margin per ounce sold** | **$ 904** | $ **472** | **$ 735** | $ **318** |

[1] Capital expenditures are included in our calculation of all-in sustaining costs and all-in costs.

[2] Cash operating costs, all-in sustaining costs and all-in costs are all non-GAAP financial performance measures with no standard definition under IFRS. Result may not calculate due to rounding.

Cash operating costs per ounce sold is calculated by dividing operating costs per the consolidated statement of operations and comprehensive income (loss) by the gold ounces sold during the applicable period. Operating expenses include mine site operating costs such as mining, processing and administration as well as royalties, but excludes depreciation.

All-in sustaining cost comprise all the expenditures that are required to produce an ounce of gold from current operations. While there is no standardized meaning of the measure across the industry, the Company's definition of the all-in sustaining costs conforms to that set out by the World Gold Council in its guidance dated June 27, 2013. The World Gold Council is a non-regulatory, non-profit organization established in 1987 whose members include global senior mining companies. The Company believes that this measure will be useful to external users in assessing operating performance and the ability to generate free cash flow from current operations.

The Company defines all-in sustaining costs as the sum of operating cash costs, sustaining capital (capital required to maintain current operations at existing levels), corporate administration costs and sustaining exploration. All-in sustaining costs exclude capital expenditures for significant improvements at existing operations deemed to be expansionary in nature, exploration and evaluation related to growth projects, financing costs, debt repayments and taxes.

In the gold mining industry, average realized gold price per ounce sold is a common performance measure that does not have any standardized meaning; however, the most comparable measure is gold revenue as calculated and prepared in accordance with IFRS. The measure is intended to help investors to evaluate the revenue earned in a period from each ounce of gold sold.

### Reconciliation of Cash Operating Costs, All-In Sustaining Costs per Ounce Sold by Mine Complex/Site

| ($ thousands, except where indicated) | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|---|---|---|---|---|---|---|---|---|
| **Turmalina Complex** | | | | | | | | |
| Operating costs | **$ 6,320** | $ 7,184 | $ 8,731 | $ 7,776 | $ 9,050 | $ 9,068 | $ 8,568 | $ 10,079 |
| Sustaining capital expenditures | **4,644** | 6,422 | 3,159 | 2,653 | 3,293 | 2,773 | 5,122 | 3,880 |
| **All-in sustaining costs[1]** | **$ 10,964** | $ 13,606 | $ 11,890 | $ 10,429 | $ 12,343 | $ 11,841 | $ 13,690 | $ 13,959 |
| Ounces of gold sold | **5,188** | 5,639 | 6,888 | 6,426 | 8,455 | 8,464 | 7,661 | 8,870 |
| **Cash operating cost (per oz. sold)[1]** | **$ 1,218** | $ 1,274 | $ 1,268 | $ 1,210 | $ 1,070 | $ 1,071 | $ 1,118 | $ 1,136 |
| **All-in sustaining cost (per oz. sold)[1,2]** | **$ 2,113** | $ 2,413 | $ 1,726 | $ 1,623 | $ 1,460 | $ 1,399 | $ 1,787 | $ 1,574 |

| ($ thousands, except where indicated) | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|---|---|---|---|---|---|---|---|---|
| **Pilar Mine** | | | | | | | | |
| Operating costs | **$ 11,425** | $ 10,129 | $ 11,166 | $ 10,539 | $ 10,657 | $ 10,535 | $ 10,894 | $ 10,533 |
| Sustaining capital expenditures | **3,425** | 3,126 | 3,041 | 2,342 | 3,059 | 3,140 | 3,061 | 3,216 |
| **All-in sustaining costs[1]** | **$ 14,850** | $ 13,255 | $ 14,207 | $ 12,881 | **$ 13,716** | $ 13,675 | $ 13,955 | $ 13,749 |
| Ounces of gold sold | **10,855** | 10,087 | 11,720 | 9,266 | **9,643** | 8,038 | 9,256 | 10,138 |
| **Cash operating cost (per oz. sold)[1]** | **$ 1,053** | $ 1,004 | $ 953 | $ 1,137 | **$ 1,105** | $ 1,311 | $ 1,177 | $ 1,039 |
| **All-in sustaining cost (per oz. sold)[1,2]** | **$ 1,368** | $ 1,314 | $ 1,212 | $ 1,390 | **$ 1,422** | $ 1,701 | $ 1,508 | $ 1,356 |

[1] Cash operating costs and all-in sustaining costs are all non-GAAP financial performance measures with no standard definition under IFRS. Results of individual mines may not add up to the consolidated numbers due to rounding.

[2] The calculation by mine site does not include allocation of the Corporate G&A - Toronto and Belo offices.

### Reconciliation of Cash Operating Costs in Brazilian Real per tonne by Mine Complex/Site

| ($ thousands, except where indicated) | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|---|---|---|---|---|---|---|---|---|
| **Turmalina Complex** | | | | | | | | |
| Operating Costs | **$ 6,320** | $ 7,184 | $ 8,731 | $ 7,776 | $ 9,050 | $ 9,068 | $ 8,568 | $ 10,079 |
| Gold (oz.) sold | **5,188** | 5,639 | 6,888 | 6,426 | 8,455 | 8,464 | 7,661 | 8,870 |
| Cash operating cost (per oz. sold)[1] | **$ 1,218** | $ 1,274 | $ 1,268 | $ 1,210 | $ 1,070 | $ 1,071 | $ 1,118 | $ 1,136 |
| Tonnes of ore processed (t) | **59,000** | 77,000 | 67,012 | 95,000 | 99,000 | 101,000 | 100,000 | 108,000 |
| Average foreign exchange rate (BRL - USD)[1] | **5.21** | 5.21 | 5.21 | 4.95 | **4.96** | 4.88 | 4.95 | 5.20 |
| Cash operating cost (R$ per tonne)[1] | **$ 558** | $ 486 | $ 679 | $ 405 | **$ 453** | $ 438 | $ 424 | $ 485 |

| ($ thousands, except where indicated) | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|---|---|---|---|---|---|---|---|---|
| **Pilar Mine** | | | | | | | | |
| Operating Costs | **$ 11,425** | $ 10,129 | $ 11,166 | $ 10,539 | **$ 10,657** | $ 10,535 | $ 10,894 | $ 10,533 |
| Gold (oz.) sold | **10,855** | 10,087 | 11,720 | 9,266 | **9,643** | 8,038 | 9,256 | 10,138 |
| Cash operating cost (per oz. sold)[1] | **$ 1,053** | $ 1,004 | $ 953 | $ 1,137 | **$ 1,105** | $ 1,311 | $ 1,177 | $ 1,039 |
| Tonnes of ore processed (t) | **101,000** | 97,000 | 99,000 | 96,000 | **96,000** | 107,000 | 103,000 | 98,000 |
| Average foreign exchange rate (BRL - USD)[1] | **5.21** | 5.21 | 5.21 | 4.95 | **4.96** | 4.88 | 4.95 | 5.20 |
| Cash operating cost (R$ per tonne)[1] | **$ 590** | $ 544 | $ 588 | $ 543 | **$ 551** | $ 481 | $ 524 | $ 559 |

[1] Cash operating cost (per oz. sold), average foreign exchange rate (BRL - USD), and cash operating cost (R$ per tonne) are non-GAAP financial performance measures with no standard definition under IFRS. Refer to the non-GAAP Financial Performance Measures section of the MD&A.

**Reconciliation of Sustaining Capital and Non-Sustaining Capital Expenditures**

| ($ thousands) | Three months ended December 31 | | Year ended December 31 | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| Sustaining capital[1] | | | | |
| Primary development | **$ 5,226** | $ 4,454 | **$ 20,429** | $ 19,075 |
| Brownfield exploration | **352** | 556 | **1,350** | 1,960 |
| Mine-site sustaining | **2,491** | 1,342 | **7,037** | 6,511 |
| Other sustaining capital[2] | **110** | 129 | **420** | 988 |
| **Total sustaining capital[1]** | **8,179** | 6,481 | **29,236** | 28,534 |
| Non-sustaining capital (including capital projects)[1] | | | | |
| Mine-site non-sustaining | **1,159** | 3,632 | **6,693** | 11,804 |
| Asset retirement obligation - non-sustaining[2] | **2,180** | 1,398 | **5,157** | 4,015 |
| Other non-sustaining capital[1] | **-** | - | **-** | (3) |
| **Total non-sustaining capital[1]** | **3,339** | 5,030 | **11,850** | 15,816 |
| **Total capital expenditures** | **$ 11,518** | $ 11,511 | **$ 41,086** | $ 44,350 |

[1] Sustaining and non-sustaining capital are non-GAAP financial measures with no standard definition under IFRS. Refer to the non-GAAP Financial Performance Measures section of the MD&A. Capital expenditures are included in the calculation of all-in sustaining costs and all-in costs.

[2] Asset retirement obligation - non-sustaining is related to expenditures with dam closing projects. Payments related to the Company asset retirement obligation are classified as operating activities in accordance with IFRS financial measures.

**Reconciliation of Free Cash Flow**

The Company uses free cash flow[1] to supplement information in its consolidated financial statements. Free cash flow is a non-GAAP financial performance measure with no standard definition under IFRS, and therefore it may not be comparable to similar measures employed by other companies. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors and analysts use free cash flow to evaluate the Company's performance and assess its capacity to meet non-discretionary cash obligations.

Free cash flow from operations is defined as cash provided from operating activities, less changes in long-term sustaining capital expenditures, adding back the impact from expenditures against the asset retirement obligation. This measure is used by the Company and investors to measure the cash flow available to fund the Company's growth through investments and capital expenditures.

| ($ thousands, except where indicated) | Three months ended December 31 | | Year ended December 31 | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| Cash generated from operating activities | **$ 15,723** | $ 9,355 | **$ 57,349** | $ 36,039 |
| Adjustments | | | | |
| Asset Retirement Obligation | **2,180** | 1,398 | **5,157** | 4,015 |
| Sustaining capital expenditures[2] | **(8,179)** | (6,481) | **(29,236)** | (28,534) |
| **Free cash flow** | **$ 9,724** | $ 4,272 | **$ 33,270** | $ 11,520 |
| Ounces of gold sold | **16,043** | 18,098 | **66,482** | 70,525 |
| **Free cash flow per ounce sold** | **$ 606** | $ 236 | **$ 500** | $ 163 |

[1] This is a non-GAAP financial performance measure with no standard definition under IFRS.

[2] Further detail on the sustaining capital expenditures composition can be found on the reconciliation of sustaining capital and non-sustaining capital expenditures in the non-GAAP reconciliation.

**Reconciliation of Net Income to EBITDA and Adjusted EBITDA**

| ($ thousands, except where indicated) | Three months ended December 31 | | Year ended December 31 | |
|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 |
| Net (Loss) Income | **$ (19,878)** | $ 10,697 | **$ (1,287)** | $ 15,854 |
| Income tax (recovery) expense | **(574)** | (4,412) | **7,349** | (995) |
| Finance costs | **482** | 840 | **3,371** | 3,368 |
| Depreciation and amortization | **5,967** | 6,010 | **25,997** | 24,747 |
| **EBITDA[1]** | **$ (14,003)** | $ 13,135 | **$ 35,430** | **$** 42,974 |
| Impairment charge (reversal) | **1,427** | (3,917) | **1,427** | (3,917) |
| Changes in other provisions and VAT taxes | **(152)** | 84 | **7,736** | 1,049 |
| Satinoco event | **26,327** | - | **26,327** | - |
| Foreign exchange (gain) loss | **(5,026)** | 1,426 | **(9,233)** | 3,031 |
| Stock-based compensation | **6** | 51 | **447** | 884 |
| Financial instruments (gain) | **(48)** | - | **(48)** | - |
| **Adjusted EBITDA[1]** | **$ 8,531** | $ 10,779 | **$ 62,086** | **$** 44,021 |
| | | | | |
| Weighted average outstanding shares | **79,308,085** | 79,066,665 | **79,176,793** | 74,596,125 |
| **Adjusted EBITDA per share[1]** | **$ 0.11** | $ 0.14 | **$ 0.78** | $ 0.59 |

[1] This is a non-GAAP financial performance measure with no standard definition under IFRS.

EBITDA is earnings before finance expense, current and deferred income tax expense and depreciation and amortization. Adjusted EBITDA excludes from EBITDA the results of the impact of impairment charge (reversal), changes in other provisions and VAT, foreign-exchange (gain) loss, stock-based compensation and financial instruments gain.

## 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, inflation risk and price risk.

### a) Credit risk

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

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

### b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing this risk is to ensure sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage. In light of the Satinoco tailings slump in early December 2024, the Company responded by curtailing expenses to underpin its liquidity. The expenses that were reduced include the savings from demobilizing contract miners, reducing discretionary travel, suspending investments in ERP infrastructure and reducing headcounts.

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 the December 31, 2024, audited consolidated financial statements note 23.

**c) Derivative financial instruments**

The Company assesses its financial instruments and non-financial contracts on a regular basis to determine the existence of any embedded derivatives that would be required to be accounted for separately at fair value and to ensure that any embedded derivatives are accounted for in accordance with the Company's policy. On an ongoing basis, the Company evaluates its price risk and currency risk and, when envisioned to be beneficial, engages in derivative financial instruments to manage these risks, including gold forward contracts, gold price collar contracts, gold call option contracts, and foreign exchange call and put option contracts. As at December 31, 2024, the Company did not have any derivative positions outstanding (December 31, 2023 – 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 gains and losses are recorded in earnings as fair value changes occur as a component of revenue. In the year ended December 31, 2024, the Company did not enter into any price hedge contracts (nil price derivative contracts in the year ended December 31, 2023).

**2) Currency risk**

The Company is exposed to 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-real and Canadian-dollar-denominated cash and cash equivalents, recoverable taxes, accounts payable and accrued liabilities, income taxes payable, reclamation and other provisions, deferred compensation liabilities, capital lease obligations in Euros, and other foreign exchange transactions.

i. Assets and liabilities with foreign exchange exposure

The exposure of the Company's financial assets and liabilities (and certain other assets and liabilities) to currency risk is as follows, as at December 31, 2024:

| | Denominated in Brazilian reais | Denominated in Canadian dollars | Denominated in European euros |
|---|---|---|---|
| **Assets with FX exposure** | | | |
| Cash and cash equivalents | $ 3,761 | $ 162 | $ - |
| Short term investment | - | 1,438 | - |
| Recoverable taxes | 6,102 | 171 | - |
| Other accounts receivable | 328 | - | - |
| Restricted cash | 1,676 | - | - |
| **Total assets with FX exposure** | $ 11,867 | $ 1,771 | $ - |
| **Liabilities with FX exposure** | | | |
| Accounts payable and accrued liabilities | $ 14,646 | $ 31 | $ - |
| Lease liabilities | 3,532 | - | 27 |
| Current tax liability | 1,422 | - | - |
| Reclamation provision | 36,894 | - | - |
| Legal and other provisions | 35,722 | - | - |
| Other liabilities | 8,672 | - | - |
| **Total liabilities with FX exposure** | 100,888 | 31 | 27 |
| **Net assets/(liabilities) with FX exposure** | $ (89,021) | $ 1,740 | $ (27) |

The table below summarizes a sensitivity analysis for significant unsettled currency risk exposures with respect to the Company's financial instruments (and certain other assets and liabilities) over FY 2024 with all other variables held constant. It shows how income before taxes would have been affected by 10% changes in the foreign exchange rate.

| Exchange Rates | Change for Sensitivity Analysis | Gain/(loss) of change to 2024 Foreign Exchange |
|---|---|---|
| USD per Brazilian real | 10% increase | **$ 8,093** |
| USD per Brazilian real | 10% decrease | **(8,093)** |
| USD per Canadian dollar | 10% increase | **(158)** |
| USD per Canadian dollar | 10% decrease | **158** |
| USD per European euro | 10% increase | **(2)** |
| USD per European euro | 10% decrease | **2** |

**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 its notes payable with interest rates ranging from 5.53% to 6.92% per annum.

**e) Inflation risk**

The Company is exposed to risk with respect to inflation. Inflation risk refers to the potential for rising prices in an economy to erode the value of the purchasing power of the Company's cash over time. Brazil had inflation of 4.83% in 2024 and 4.62% in 2023. In Canada, the annual inflation rate was 1.8% in 2024 and 4.19% in 2023.

**f) Financial instruments**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In assessing the fair value of a particular contract, the market participant would consider the credit risk of the counterparty to the contract. Consequently, when it is appropriate to do so, the Company adjusts its valuation models to incorporate a measure of credit risk.

The fair value of the following financial assets and liabilities approximate their carrying amount due to the limited terms of these instruments:

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

*Fair value estimation:*

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

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

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

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

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

The fair values of the Company's financial assets and liabilities approximate their carrying values at December 31, 2024 and 2023.

**g) Changes in liabilities arising from financing activities**

| | | Changes from financing cash flows | | | Other changes | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Balance as at January 1, 2024 | Proceeds from debt issuance | Debt repayments | Interest paid | Interest expense | Lease liability additions | Foreign exchange (gain) loss | Other non-cash changes | **Balance as at December 31, 2024** |
| **Notes payable** | $ 3,295 | $ 6,000 | $ (6,208) | $ (196) | $ 194 | $ - | $ (35) | $ (6) | **$ 3,044** |
| **Lease liabilities** | 2,545 | - | (2,390) | (49) | 156 | 4,059 | (414) | - | **3,907** |
| | $ 5,840 | $ 6,000 | $ (8,598) | $ (245) | $ 350 | $ 4,059 | $ (449) | $ (6) | **$ 6,951** |

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

# RISKS AND UNCERTAINTIES

The Company is subject to various business, financial and operational risks which could adversely affect the Company's future business, operations and financial condition, and could cause such future business, operations and financial condition to differ materially from the forward-looking statements and information contained in this MD&A and as described in the Cautionary Statement on Forward-Looking Information found in this document. The Company is subject to various risks, known and unknown, arising from factors within or outside of its control. This section describes certain risks and uncertainties that may have an adverse effect on the Company's business, operations and financial results.

The business of the Company involves significant risk due to the nature of mining, exploration and development activities. Certain risk factors, including but not limited to those listed below, are related to the mining industry in general, while others are specific to Jaguar. For a complete discussion of the risks and uncertainties that may have an adverse effect on the Company's business, operations and financial results, please refer to the Company's latest AIF, filed with Canadian securities regulatory authorities at www.sedarplus.ca.

## I. Risks Relating to the Mining and Gold Industries

**Gold prices are volatile, and there can be no assurance that a profitable market for gold will exist.**

Jaguar's business and profitability are significantly affected by the world market price of gold. Jaguar's gold production is sold into the spot market. Gold prices have fluctuated widely in recent years. These fluctuations can be material and can occur over short periods of time and are affected by numerous factors, all of which are beyond Jaguar's control. Gold prices are subject to changes resulting from a variety of factors including international economic and political trends, expectations of inflation, global and regional supply and demand and consumption patterns, stock levels maintained by producers and others, currency exchange fluctuations, inflation rates, interest rates and increased production due to improved mining and production methods. Future production from Jaguar's mining properties is dependent on gold prices that are adequate to make these properties economically viable.

If the market price of gold were to drop and prices realized by Jaguar were to decrease substantially and remain at such level for any substantial period, Jaguar's profitability and cash flow would be negatively affected. Jaguar may determine that it is not economically feasible to continue commercial production at some or all of its operations or the development of some or all of its current projects, as applicable, which could have an adverse impact on Jaguar's financial performance and results of operations. In such a circumstance, Jaguar may also curtail or suspend some or all of its exploration activities, with the result that depleted reserves are not replaced. In addition, the market value of Jaguar's gold inventory may be reduced, and existing reserves may be reduced to the extent that ore cannot be mined and processed economically at the prevailing prices.

**Mining is inherently risky and subject to conditions and events beyond Jaguar's control.**

Mining operations entail various types of risks and hazards, comprising:

- environmental hazards;
- unforeseen geological challenges such as such as rock bursts, structural cave-ins or slides;
- natural disasters like flooding and fires;
- labour disruptions;
- industrial accidents;
- unexpected mining dilution;
- metallurgical processing problems; and/or
- metal losses and periodic interruptions due to inclement or hazardous weather conditions.

The consequences of these risks may encompass property damage, facility destruction, personal harm, environmental damage, mining delays, increased production costs, financial losses and potential legal liability.

**Mineral Reserve and Mineral Resources Estimates.**

Jaguar's mineral reserves and mineral resources presented herein are estimates, and no assurance can be given that the estimated reserves and resources are accurate or that the indicated level of gold or any other mineral will be produced. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralization or formations may be different from those predicted. Further, it may take many years from the initial phase of drilling before production is possible, and during that time the economic feasibility of exploiting a discovery may change.

As Jaguar adheres to the disclosure standards mandated by Canadian securities law, its Annual Information Form included resource estimates as required by NI 43-101. These estimates for mineral resource on properties yet to commence production often rely on sparse and widely spaced drill hole data, which may not accurately reflect conditions between and around drill holes. Consequently, these estimates may need adjustment as additional drilling data is gathered, as actual production experience is gained or as modifications are made to its mining methods.

There can be no assurance Jaguar's mineral resources, in whole or in part, will qualify as reserves or be converted into reserves. Fluctuations in market price of gold alongside increased production and capital costs or reduced recovery rates, may render Jaguar's proven and probable reserves uneconomical to develop at a particular site or sites for periods of time, or may render mineral reserves containing relatively lower grade mineralization uneconomical. Moreover, short-term operating factors such as the need for the orderly development of ore bodies, the processing of varying ore grades, technical complexity of ore bodies, unusual or unexpected ore body formations, ore dilution or diverse metallurgical and other ore characteristics may lead to reserve reductions or unprofitability for Jaguar in certain accounting periods. Estimation on reserves may have to be recalculated based on actual production experiences, metal price fluctuations, or changes in underlying assumptions. Any of these factors may require Jaguar to reduce its mineral reserves (or ore reserves) and resources, which could have a negative impact on Jaguar's financial results.

**Significant uncertainty exists related to inferred Mineral Resources.**

There is a risk that inferred Mineral Resources referred to in this MD&A cannot be converted into measured or indicated Mineral Resources. Due to the uncertainty relating to inferred Mineral Resources, there is no assurance that inferred Mineral Resources will be upgraded to resources with sufficient geological and grade continuity to constitute measured and indicated resources as a result of continued exploration.

**Replacement of depleted reserve.**

Jaguar's mineral reserves must be replaced to maintain production levels over the long-term. Reserves can be replaced by expanding known ore bodies, locating new deposits or making acquisitions. Exploration is highly speculative in nature and identifying new ore bodies is becoming increasingly difficult. Jaguar's exploration projects involve many risks and are frequently unsuccessful. Once a site with mineralization is discovered, it may take several years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish proven and probable reserves and to construct mining and processing facilities. As a result, there is no assurance that current or future exploration programs will be successful. Depletion of reserves may not be offset by discoveries or acquisitions and divestitures of assets could lead to a lower reserve base. Reserves estimated in accordance with NI 43-101 may also decrease due to economic factors such as the use of a lower metal price assumption. However, such a decline would not be a reduction in the actual mineral base of the Company, as the ounces or pounds removed from Jaguar's reserves due to the use of a lower gold assumption would be transferred to resources, preserving the option to access them in the future at higher gold prices. The mineral base of Jaguar will decline if reserves are mined without adequate replacement and Jaguar may not be able to sustain production to or beyond the currently contemplated mine lives, based on current production rates.

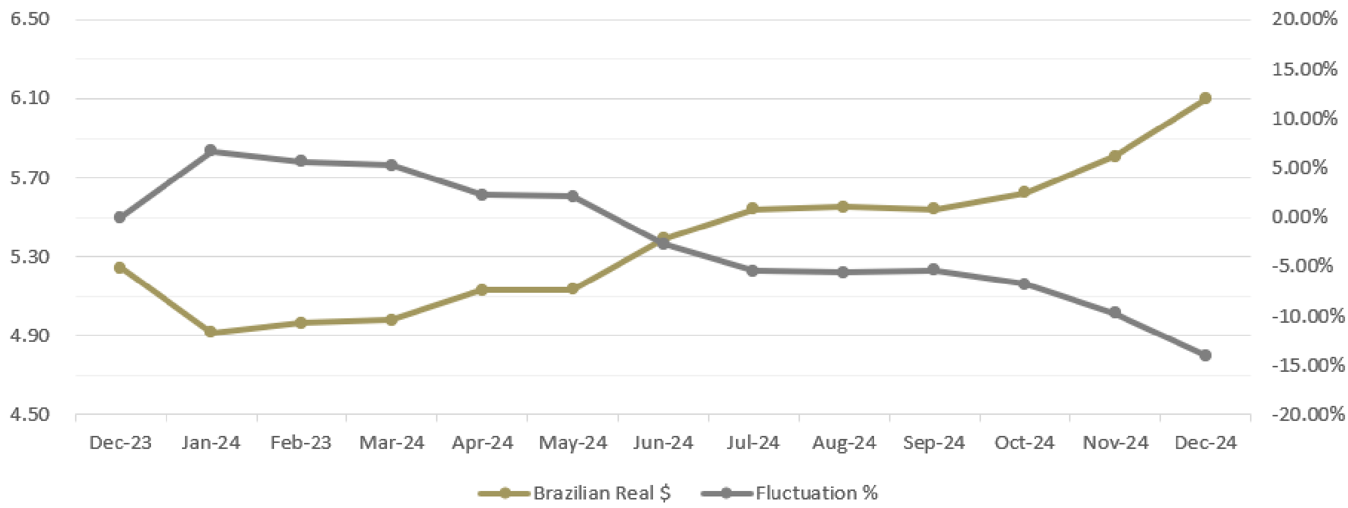
## II. Risks Relating to Jaguar's Business

**Fluctuations in currency exchange rates may adversely affect Jaguar's financial position and results of operations.**

Fluctuations in currency exchange rates, particularly as applied to translate operating costs denominated in currencies other than US dollars, may significantly impact Jaguar's financial position and results of operations. Jaguar generally sells its gold based on a US dollar price, but the vast majority of Jaguar's operating expenses are incurred in non-US currencies. In addition, the appreciation of the Brazilian Real against the US dollar could further increase the dollar costs of gold production at Jaguar's mining operations in Brazil, which could materially and adversely affect Jaguar's earnings and financial condition.

US Dollar - Market Update

The following summarizes the movement in key currencies vis-à-vis the US dollar (source: Central Bank of Brazil):




During the year ended December 31, 2024, the Brazilian Real weakened against the US dollar.

**Competition.**

The gold mining industry is characterized by intense competition. Significant and increasing competition exists for gold and other mineral acquisition opportunities worldwide. Many competitors are well-established mining companies with significant financial resources, operational expertise, and technical capabilities than Jaguar. Consequently, Jaguar may face challenges in securing rights to desirable mining properties on terms it considers acceptable. Increased competition may also hinder Jaguar's capacity to attract essential capital funding or acquire an interest in additional operations that would yield Mineral Reserves or result in commercial mining operations.

**Reliance on management and key personnel.**

Jaguar relies heavily on its management. Recruiting and retaining qualified personnel is critical to Jaguar's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited, and competition for the services of such persons is intense. In addition, as Jaguar's business activity grows, it may require additional key financial, administrative, technical and mining personnel. Jaguar does not maintain "key-man" insurance. The failure to attract and/or retain such personnel to manage growth effectively could have a material adverse effect on Jaguar's business, prospects, financial condition and results of operations.

**Actual operating and financial results may differ from plans.**

Capital and operating costs, production and economic returns, and other estimates contained in the feasibility studies and life of mine plans for Jaguar's projects may differ significantly from those anticipated by Jaguar's current studies and estimates, and there can be no assurance that Jaguar's actual capital and operating costs will not be higher than currently anticipated. In addition, delays to construction schedules may negatively impact the net present value and internal rates of return of Jaguar's mineral properties as set forth in the applicable feasibility studies.

Jaguar's cash operating costs per ounce sold[1] and all-in sustaining costs per ounce sold[1] for the years ending December 31, 2024, 2023, and 2022 were as follows:

| | | 2024 | 2023 | 2022 |
|---|---|---|---|---|
| Turmalina | Cash operating costs per ounce sold[1] | **$ 1,243** | $ **1,099** | $ **1,105** |
| | All-in sustaining costs per ounce sold[1] | **$ 1,942** | $ **1,550** | $ **1,475** |
| Pilar | Cash operating costs per ounce sold[1] | **$ 1,032** | $ **1,150** | $ **1,010** |
| | All-in sustaining costs per ounce sold[1] | **$ 1,316** | $ **1,486** | $ **1,297** |
| Consolidated | Cash operating costs per ounce sold[1] | **$ 1,102** | $ **1,126** | $ **1,052** |
| | All-in sustaining costs per ounce sold[1] | **$ 1,651** | $ **1,618** | $ **1,483** |

**Energy supply and costs.**

Jaguar's operations are energy-intensive and rely upon third parties to supply the energy resources consumed in its operations. The prices for and availability of energy resources may be subject to change or curtailment, respectively, due to, among other things, new laws or regulations, imposition of new taxes or tariffs, interruptions in production by suppliers, worldwide price levels and market conditions. Disruptions in supply or increases in costs of energy resources could have a material adverse impact on Jaguar's financial condition and the results of operations.

**Title defects.**

Jaguar's properties may be subject to prior recorded, and unrecorded agreements, transfers or claims, and title may be affected by, among other things, undetected defects. Title insurance is generally not available for mineral properties, and Jaguar's ability to ensure that it has obtained a secure claim to individual mining properties or mining concessions may be severely constrained. Jaguar has not conducted surveys of all of the claims in which it holds direct or indirect interests. A successful challenge to the precise area and location of these claims could result in Jaguar being unable to operate on its properties as permitted or unable to enforce its rights with respect to its properties. No assurance can be given that Jaguar's rights will not be revoked or significantly altered to its detriment. There can also be no assurance that third parties will not challenge or impede its rights.

**Brazil government regulation and political instability.**

Jaguar holds mineral interests in Brazil that may be affected, in varying degrees, by political instability, government regulations relating to the mining industry and foreign investment therein, and the policies of other nations in respect to Brazil. Any changes in regulations or shifts in political conditions are beyond Jaguar's control and may adversely affect its business. Jaguar's operations may be affected in varying degrees by government regulations, including those with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, employment, land use, water use, environmental legislation and mine safety. The regulatory environment is in a state of continuous change, and new laws, regulations and requirements may be retroactive in their effect and implementation. Jaguar's operations may also be adversely affected in varying degrees by political and economic instability, economic or other sanctions imposed by other nations, terrorism, military repression, crime, extreme fluctuations in currency exchange rates and high inflation.

**Brazil corruption perceptions index.**

The Company's principal operations and mineral properties are located in Brazil. There are additional business and financial risks inherent to doing business in Brazil compared to the United States or Canada. Since 1996, Transparency International has published the Corruption Perceptions Index ("CPI"), which annually ranks countries by their perceived levels of corruption, as determined by expert assessments and opinion surveys.

The 2024 Corruption Perceptions Index (CPI) shows that corruption is a dangerous problem in every part of the world. Research also reveals that corruption is a major threat to climate action. It hinders progress in reducing emissions and adapting to the unavoidable effects of global heating.

The CPI ranks 180 countries and territories worldwide by their perceived levels of public sector corruption. The results are given on a scale of 0 (highly corrupt) to 100 (very clean). In 2024, Canada was ranked 15th with a CPI score of 75, the United States was ranked 28th with a CPI score of 65, and Brazil was ranked 107th with a CPI score of 34. The global average of 43 has also stood still for years, while over two-thirds of countries score below 50.

Corruption does not only occur with the misuse of public, government or regulatory powers, it also can occur in a business's supplies, inputs and procurement functions (such as illicit rebates, kickbacks and dubious vendor relationships), as well as the inventory and product sales functions (such as inventory shrinkage or skimming). Employees, as well as external parties (such as suppliers, distributors, and contractors), have opportunities to commit procurement fraud, theft, embezzlement and other wrongs against the Company. While corruption, bribery and fraud risks can never be fully eliminated, the Company reviews and implements controls to reduce the likelihood of these irregularities occurring. The Company utilizes an internal auditor, third-party security services and closed-circuit video surveillance at its operations in Brazil.

**Demanding environmental laws and regulations.**

All phases of Jaguar's operations are subject to environmental regulations in the jurisdictions in which it operates. These laws address emissions into the air, discharges into water, management of waste and hazardous substances, protection of natural resources and reclamation of lands disturbed by mining operations. Environmental legislation is evolving in a manner that will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

In light of the tailings dam accidents in Brazil in 2015 and 2019, federal lawmakers have proposed legislation aimed at addressing the risks of future tailings dam failures. While there are a variety of measures under consideration, legislation passed at the federal and state level includes potentially increasing financial assurance requirements, increasing fines and penalties for environmental damage and/or requiring the Company to further address risks to downstream residents. The incident at the Satinoco Tailings Pile (December 2024) at Jaguar's Turmalina mine (which is part of the Company's MTL mining complex located in the state of Minas Gerais, Brazil), despite being related to dry stack tailings and waste pile, some points could have a similar interpretation to the above considerations. These laws and regulations could adversely affect Jaguar's operations or increase the costs associated with those operations.

**Cyber security.**

The Company's information assets and critical infrastructure may be subject to cyber security risks. The Company is subject to a variety of information technology and system risks as part of its normal course of operations, including potential breakdown, invasion, virus, cyber-attack, cyber-fraud, ransomware, security breach, and destruction or interruption of the Company's information technology systems by third parties or insiders. Despite Jaguar's security measures and controls, which are designed to mitigate these risks, a breach of its security measures and/or a loss of information could occur and result in a loss of material and confidential information and damage to reputation, breach of privacy laws and a disruption to the Company's business activities by limiting its capacity to effectively monitor Jaguar's operations. Jaguar's failure to appropriately maintain the security of the data it holds, whether a result of its own error or the malfeasance or errors of others, could harm Jaguar's reputation or trigger legal liabilities and increased costs.

**Employment regulations and labour disruptions.**

Employees of Jaguar's principal projects are unionized, and the collective bargaining agreements between Jaguar and the unions that represent these employees must be renegotiated on an annual basis. Although Jaguar believes it has good relations with its employees and with their unions, production at Jaguar's mining operations is dependent upon the continuous efforts of Jaguar's employees. In addition, relations between Jaguar and its employees may be affected by changes in the scheme of labour relations that may be introduced by the relevant governmental authorities in whose jurisdictions Jaguar carries on business. Labour disruptions or any changes in labour or employment legislation or in the relationship between Jaguar and its employees may have a materially adverse effect on Jaguar's business, results of operations and financial condition. Labour litigation in Brazil is an ongoing exposure for all companies working in Brazil, especially in the mining sector. Jaguar has a number of labour claims, and the settlement of such claims may result in significant cash outflow in future.

**Jaguar may be subject to litigation.**

All industries, including the mining industry, are subject to legal claims, with and without merit. The Company may become involved in legal disputes in the future. Defense and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a materially adverse effect on the Company's financial position or results of operations.

Generally, the labour claims are due to disputed overtime, danger pay, wage parity, etc. Brazilian labour law is a complex system of statutes and regulations, which in general, favours employees of the Company. As such a key success factor in Brazilian-based operations is the minimization of the impact of labour claims.

**Production and cost estimates.**

Jaguar prepares estimates of future production, total cash costs and capital costs of production for particular operations. No assurance can be given that such estimates will be achieved. Failure to achieve production or cost estimates or material increases in costs could have an adverse impact on Jaguar's future cash flows, profitability, results of operations and financial condition. Jaguar's actual production and costs may vary from estimates for a variety of reasons, including: actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors relating to mineral or ore reserves, such as the need for sequential development of ore bodies and the processing of new or different ore grades; revisions to mine plans; unusual or unexpected ore body formations; risks and hazards associated with mining; and unexpected labour shortages or strikes.

**Road link between Pilar Mine and the Caeté plant.**

Jaguar has material properties located in the state of Minas Gerais, Brazil. Typically, the state's wet season is from November to April. During the wet season, the properties and surrounding infrastructure may be subject to unpredictable weather conditions such as heavy rains, strong winds, and flash flooding. Pilar is located approximately 40 km by road from the Caeté plant. Ore from Pilar is hauled to the Caeté plant for processing. Ore haulage activities may be slowed or delayed as roads may be temporarily flooded or if the maintenance or provision of such infrastructure is impacted by other events. Any delays could adversely affect Jaguar's operations, financial condition, and results of operations. Jaguar has undertaken to mitigate the potential effects of the wet season by discussing alternative routes with the neighbouring communities.

**Repatriation of earnings.**

There is no assurance that any country in which the Company carries on business, or may carry on business in the future, will not impose restrictions on the repatriation of earnings to a foreign jurisdiction.

**Termination of mining concessions.**

The Company's mining concessions may be terminated in certain circumstances. Under the laws of Brazil, Mineral Resources belong to the federal government and governmental concessions are required to explore for, and exploit, Mineral Reserves. The Company will hold mining, exploration and other related concessions in each of the jurisdictions where the Company operates and where it will carry on development projects and prospects. The concessions the Company will hold in respect to its operations, development projects and prospects may be terminated under certain circumstances. Termination of any one or more of the Company's mining, exploration or other concessions could have a material adverse effect on the Company's financial condition or results of operations.

**Compliance with anti-corruption laws.**

The Company's operations are governed by, and involve interaction with, many levels of government in Brazil. The Company is subject to various anti-corruption laws and regulations, such as the Canadian Corruption of Foreign Public Officials Act, which prohibits a company and its employees or intermediaries from bribing or making improper payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. In addition, the Extractive Sector Transparency Measures Act recently introduced by the Canadian government contributes to global efforts to increase transparency and deter corruption in the extractive sector by requiring extractive entities active in Canada to publicly disclose, on an annual basis, specific payments made to all governments in Canada and abroad. According to Transparency International, Brazil is perceived as having fairly high levels of corruption relative to Canada. The Company cannot predict the nature, scope or effect of future regulatory requirements to which the Company's operations might be subject or the manner in which existing laws might be administered or interpreted.

In recent years, there has been a general increase in both the frequency of enforcement and the severity of penalties under such anti-corruption and anti-bribery laws, resulting in greater scrutiny and punishment of companies found in violation of such laws. Failure to comply with the applicable anti-corruption laws and regulations could expose the Company and its senior management to civil or criminal penalties or other sanctions, which could materially and adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, reputation, financial condition and results of operations. Although the Company has adopted policies to mitigate such risks, such measures may not be effective in ensuring that the Company, its employees or third-party agents will comply with such laws.

**Reliance on local advisors and consultants in foreign jurisdictions.**

The Company holds mining and exploration properties in Brazil. The legal and regulatory requirements in Brazil with respect to conducting mineral exploration and mining activities, banking systems and controls, as well as local business culture and practices, are different from those in Canada and the United States. The officers and directors of the Company must rely, to a great extent, on the Company's local legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company's business operations, and to assist the Company with its governmental relations. The Company must rely, to some extent, on those members of management and the Board who have previous experience working and conducting business in these countries in order to enhance its understanding of and appreciation for the local business culture and practices. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing, labour, litigation and tax matters in these countries. Any developments or changes in such legal, regulatory or governmental requirements or in local business practices are beyond the control of the Company. The impact of any such changes may adversely affect the business of the Company.

**Pandemic and infectious disease.**

An outbreak of infectious disease, pandemic or a similar public health threat, such as the COVID-19 outbreak and the response thereto, could adversely impact the Company, both operationally and financially. Supply chain disruptions could result in a reduction or interruption of the Company's operations, including mine shutdowns or suspensions. The inability to transport and/or refine and process the Company's products could have a materially adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

**Climate volatility and climate change.**
Climate risks are typically seen in the form of extreme weather and weather-related events, such as tropical storms, wildfires, droughts, and flooding, which may affect the Company from time to time, particularly during Brazil's rainy season between November and April every year.

Recent increased attention regarding the risks of climate change may result in an increase in the stigmatization of the Company's industry (mineral resource development and mineral extraction and processing). This may result in reduced interest or investment participation by capital market participants and the Company, thereby making it more difficult for the Company to raise funding on terms that are acceptable to the Company. In addition, increased concerns about climate change and any negative sentiments about the Company's industry and sector may adversely affect the timing or ability to receive or maintain any required environmental permits. To address these risks, the Company considers the importance of environmental, social and governance (ESG) issues and outcomes in terms of the Company's business plans and activities, and their impacts on the Company's stakeholders. Although ESG considerations are embedded in the Company's current and future operational plans, the Company has not set a long-term emissions-reduction goal, and the Company does not have a formal decarbonization strategy.

**Mining and insurance risks.**

Jaguar maintains insurance to cover some of the risks and hazards inherent to the underground mining business. The insurance is maintained in amounts that are believed to be reasonable depending on the circumstances surrounding the identified risk. No assurance can be given that such insurance will continue to be available, or that it will be available at economically feasible premiums, or that Jaguar will obtain or maintain such insurance. Jaguar's property, liability and other insurance may not provide sufficient coverage for losses related to these or other risks or hazards. In addition, Jaguar does not have coverage for certain environmental losses and other risks, as such coverage cannot be purchased at a commercially reasonable cost. The lack or insufficiency of insurance coverage could adversely affect Jaguar's cash flow and overall profitability.

**Supply chain risk.**

In May 2023, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff was passed and came into force on January 1, 2024. Pursuant to the new legislation, any company that is subject to the reporting requirements, including the Company, is required to conduct certain due diligence on its supply chains and to file an annual report accordingly. While the Company is currently unaware of any forced or child labour in any of its supply chains, the increased scrutiny on the supply chains of Canadian companies could uncover the risk or existence of forced or child labour in a supply chain to which the Company has a connection, which could negatively impact the reputation of the Company.

**Geotechnical challenges could impact profitability.**

Jaguar and the mining industry are facing continued geotechnical challenges associated with the aging of certain mines and the need to mine deeper pits and more complex deposits. This leads to more complex underground operations and increased exposure to geotechnical instability. As Jaguar's operations mature, the underground operations at certain sites are getting deeper. Seismic events can be a risk affecting the stability of underground infrastructure. No assurance can be given that unanticipated adverse geotechnical conditions, such as underground cave-ins and other ground-related instability, will not occur in the future or that such events will be detected in advance. Geotechnical instabilities can be difficult to predict and are often affected by risks beyond Jaguar's control, such as higher than average rainfall and seismicity.

The failure of tailings dam and storage facilities, and other impoundments at Jaguar's mine sites, could cause severe and potentially catastrophic damage to property, the environment, persons, and Jaguar's reputation. The Company regularly reviews and inspects all Jaguar-owned or controlled tailings storage facilities for compliance with applicable legal requirements and global best practices; however, there can be no assurance that these events will not occur in the future. Tailings storage-facility failures can result in limited access to mine sites, suspension of operations, production delays, government investigations, increased costs, as well as injuries and deaths in the most extreme cases. All of these could adversely impact Jaguar's results of operations and financial position.

## SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The Company's consolidated annual financial statements are prepared in conformity IFRS Accounting Standards ("IFRS") as issued by International Accounting Standards Board "IASB". Jaguar's significant accounting policies, including a summary of current and future changes in accounting policies are disclosed in Note 3 in the consolidated annual financial statements.

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

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

**Accounting Changes**

(i) Changes in material accounting policies

- IAS 1 'Presentation of Financial Statements' – On January 1, 2024, the Company adopted amendments to IAS 1 that required companies to classify liabilities as current or non-current based on rights that exist at the end of the reporting period whereas such classification shall be unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. For liabilities with covenants, the amendments clarify that only covenants with which an entity is required to comply on or before the reporting date affect the classification as current or non-current. The adoption of the amendments to IAS 1 did not affect the financial results or disclosures in the Company's consolidated financial statements.

- IFRS 16 ‘Leases’ – On January 1, 2024, the Company adopted amendments to IFRS 16 which added subsequent measurement requirements for sale and leaseback transactions, particularly those with variable lease payments. The amendments require the seller-lessee to subsequently measure lease liabilities in a way such that it does not recognize any gain or loss relating to the right of use it retains. The adoption of the amendments to IFRS 16 did not affect the financial results or disclosures in the Company’s consolidated financial statements.

- IAS 7 ‘Statement of Cash Flows’ – On January 1, 2024, the Company adopted amendments to IAS 7 which required entities to (i) provide qualitative and quantitative information about their supplier finance arrangements and (ii) disclose whether they have accessed, or have access to, supplier finance arrangements that would provide the entity with extended payment terms or the suppliers with early payment terms. The adoption of the amendments to IAS 7 did not affect the financial results or disclosures in the Company’s consolidated financial statements.

(ii) Recent accounting pronouncements

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

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

- IFRS 18 ‘Presentation and Disclosure in Financial Statements’ – On April 9, 2024, the IASB issued IFRS 18 replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 “Earnings per Share” were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its consolidated financial statements.

- In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). The key changes included clarification on the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to financial liabilities settled through electronic payment system, including an option to utilize an accounting policy for early derecognition. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance -linked features and other similar contingent features. The IASB also added disclosure requirements to provide additional transparency regarding equity investments designated at fair value through other comprehensive income and financial instruments with contingent features, such as those related to ESG requirements. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is assessing the impact of these amendments on its consolidated financial statements.

## DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

*Disclosure Controls and Procedures*

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted by the Company under Canadian securities legislation is recorded, processed, summarized and reported within the time periods specified in those rules, and include controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted by the Company under Canadian securities legislation is accumulated and communicated to management, including the President and Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), as appropriate, to permit timely decisions regarding required disclosure.

Management, including the CEO and CFO, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgements in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Management, including the CEO and CFO, has evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures, as defined in the rules of the Canadian Securities Administrators, as at December 31, 2024.

*Internal Control over Financial Reporting*

Management, with the participation of the CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting ("ICFR") as defined in the rules of Canadian Securities Administrators. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external reporting purposes in accordance with IFRS as issued by the IASB. The Company's ICFR includes policies and procedures that:

- are designed to provide reasonable assurance that the Company's receipts and expenditures are made in accordance with authorizations of management and the Company's Directors;

- are designed to provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Company's consolidated financial statements; and

- accounting records are maintained that accurately and fairly reflect, in reasonable detail, the transactions and dispositions of assets of the Company.

The Company's ICFR may not prevent or detect all misstatements because of inherent limitations. Additionally, projections of any evaluation of effectiveness for future periods are subject to the risk that controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with the Company's policies and procedures.

Management assessed the effectiveness of the Company's ICFR based on the criteria for effective internal control over financial reporting established in "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission (2013). Management concluded that internal control over financial reporting was effective as at December 31, 2024.

*Changes in Internal Control over Financial Reporting and Remediation*

There has been no change in the Company's ICFR during the three months and twelve months ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, its ICFR.

*Limitations of Controls and Procedures*

The Company's management, including the CEO and CFO, believe that disclosure controls and procedures and internal control over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Furthermore, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the controls. The design of any control system is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A may constitute forward-looking information within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as, without limitation, “believes”, “anticipates”, “budget”, “schedule”, “forecasts”, “intends”, “projections”, “upcoming”, “plans” and/or the negatives thereof or other variations of such words and phrases (or comparable terminology), or by statements that certain actions, events or results “may”, “will”, “could”, “would”, “might”, “be taken”, “occur” or “be achieved”. Certain statements, beliefs and opinions in this MD&A (including those contained in graphs, tables and charts), which reflect the Company’s or, as appropriate, the Company’s directors’ and/or management’s, current expectations and projections about future events, constitute forward-looking information.

This forward-looking information includes, but is not limited to, metal price assumptions, cash flow forecasts, projected capital and operating costs, metal or mineral recoveries, mine life and production rates, none of which are based on any preliminary economic assessment, pre-feasibility study or feasibility study; the Company's expectations regarding the timeline and process for obtaining the requisite regulatory approvals and consents for remediation, rehabilitation and restoration efforts relating to the Satinoco Tailings Slump; the anticipated timing, cost and scope of the Company’s remediation, rehabilitation and restoration efforts and any related liabilities; the Company’s assessment of the environmental impact of the Satinoco Tailings Slump; the expected operational impact of the Satinoco tailings slump, including the costs and timeline for recommencing operations at the Turmalina mine; the Company’s assessment of the financial impact of legal claims, regulatory fines and investigations related to the Satinoco tailings slump, including the likelihood of successful appeals or settlements, which are currently ongoing and subject to a wide range of possible outcomes; potential outcomes that may result from legal claims, lawsuits, regulatory fines, investigations and negotiations relating to the Satinoco tailings slump, including, without limitation, compensation for impacted residents, the duration of the indefinite suspension of the Company’s MTL Complex in the wake of the Satinoco tailings slump; the potential of new regulatory requirements, operational restrictions and increased inspections imposed by Brazilian mining authorities; the Company’s ability to effectively manage relationships with affected community members, repair its social license and mitigate reputational damage; the potential for unforeseen environmental or human health consequences resulting from the Satinoco tailings slump and the Company’s ability to address such issues; the Company’s expectations regarding its ability to secure sufficient financing and maintain its liquidity in light of the financial burdens associated with the Satinoco tailings slump; and the Company’s plans for stakeholder engagement, risk mitigation and corporate responsibility initiatives aimed at ensuring long-term sustainability.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any estimated future results, performance or achievements expressed or implied by those forward-looking statements, and forward-looking statements are not guarantees of future performance.

The above-referenced risks, uncertainties and other factors include, but are not limited to, risks associated with: general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments, including the Company’s ability to obtain the requisite regulatory and governmental approvals for its development projects and other operation on a timely basis; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the mining industry generally; the Company’s ability to procure mining equipment and operating supplies in sufficient quantities or on a timely basis; engineering and construction timetables and capital costs for the Company’s development and expansion projects; unforeseen changes to the political stability or government regulation in Brazil; lack of certainty with respect to foreign legal systems; corruption and other factors that are inconsistent with the rule of law; the Company’s ongoing relations with its employees, that are inconsistent with the rule of law; the Company’s ongoing relations with its employees, affected communities, business partners and joint venture partners; income tax and regulatory matters; the ability of the Company to implement its business strategies and plans, including in regards to the Company’s projects; competition; foreign currency exchange and interest rate fluctuations; and fluctuations in the price of gold. In addition, there are risks and hazards associated with the business of mineral exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressure, cave-ins, flooding and gold bullion or gold concentrate losses (and the risk of inadequate insurance, or inability to obtain insurance, to cover these risks). Additional risks are described in detail in the Company’s Annual Information Form for the year ended December 31, 2024, which is filed on SEDAR+ under the profile of Jaguar Mining Inc. on March 31, 2025 and available at www.sedarplus.ca.

Notwithstanding the foregoing, readers are cautioned that the list of risks set forth herein and in the Company's disclosure documents is not exhaustive. Except as required by law, we disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, events or otherwise. No forward-looking statement or projections can be guaranteed. Accordingly, you should not place undue reliance on any forward-looking statements or information. It is not the intention to provide a complete or comprehensive analysis of the Company's financial or business prospects. The information contained in these materials should be considered in the context of the circumstances prevailing at the time and has not been, and will not be, updated to reflect material developments which may occur after the date these materials were prepared.

Where any opinion or belief is expressed in this MD&A, it is based on the assumptions and limitations mentioned herein and is an expression of present opinion or belief only. No warranties or representations can be made as to the origin, validity, accuracy, completeness, currency or reliability of the information. The Company disclaims and excludes all liability (to the extent permitted by law) for losses, claims, damages, demands, costs and expenses of whatever nature arising in any way out of or in connection with the information in this MD&A, its accuracy, completeness or by reason of reliance by any person on any of it.