



MANAGEMENT'S DISCUSSION AND ANALYSIS

**FOR THE QUARTER ENDED
MARCH 31, 2026**

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MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE QUARTER ENDED MARCH 31, 2026

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited condensed interim consolidated financial statements as at an for the three months ended March 31, 2026, and the annual audited consolidated financial statements and MD&A for the year ended December 31, 2025, and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS") 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 Reals. This report is dated as of May 13, 2026.

The Company included certain non-GAAP financial measures, which the Company believes that, together with measures determined in accordance with 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);*
- *Average market gold price (per ounce sold);*
- *Cash operating margin (per ounce sold);*
- *Adjusted net income;*
- *Adjusted net loss;*
- *Adjusted earnings per share;*
- *All-in sustaining margin (per ounce sold);*
- *Earnings before interest, taxes, depreciation and amortization ("EBITDA"), and 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
Q1 2026	January 1, 2026 – March 31, 2026	Q1 2025	January 1, 2025 – March 31, 2025

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 MTL complex (Turmalina mine and plant), which operations were suspended in December 2024 due to the Satinoco tailings pile incident (the “Incident”) and restarted in March 2026, and Caeté complex (Pilar mine, Roça Grande mine and Caeté plant). The Company also owns the Paciência complex (Santa Isabel mine and plant), which has been on care and maintenance since 2012, and is currently undergoing preparatory activities for restarting production toward the latter half of 2026.

To best understand the following narrative for Jaguar Mining, its projects, and its properties, it is necessary to understand the locations and groupings of the Company’s assets. The following table serves to clarify this for readers:

Name	Mines	Zones /Deposits	Plants	Development Properties	Exploration Properties
MTL Complex	Turmalina ^(a)	Faina Orebody A Orebody B Orebody C	Turmalina	Onças de Pitangui	Pontal Aparição
Caeté Complex	Pilar	BA Zone LPA Zone BF Zone SW Zone	Caeté		Morro da Mina Boa Vista Juca Vieira Sabara Extension
	Roça Grande ^(b)				Lavra Velha Zé Firme
Paciência Complex	Santa Isabel ^(c)		Paciência		Chamé Santa Isabel (UG) Mazargão (UG) Bahu BIF North Quati

Notes:

(a) Restart March 9, 2026.

(b) Currently on care and maintenance.

(c) Potential reopening in 2026.

EXECUTIVE SUMMARY – Q1 2026 Performance and Strategic Outlook

This executive summary provides a concise overview of Jaguar Mining Inc.'s performance for the three-months ended March 31, 2026, highlighting key financial and operational results, strategic priorities, and the primary opportunities and challenges ahead.

1. Key Findings and Results (Q1 2026 vs. Q1 2025)

Financial Performance:

- **Revenue:** Increase by 63% to \$44.6 million, compared to \$27.3 million in the prior period, primarily driven by 71% increase in average realized gold price¹ to \$4,875 per ounce. Gold ounces sold were substantially in line with the prior period (9,147 Q1 2026 oz vs. 9,544 oz in Q1 2025).
- **Net income:** Reported a net income of \$4.7 million, compared to net loss of \$1.6 million in Q1 2025. The improvement was primarily driven by steady gold ounces sold combined with higher realized gold price during the quarter. Net income was partially offset by foreign exchanges losses of \$5.8 million and \$5.9 million expenses related to the Incident at Turmalina which led to its operational suspension.
- **Liquidity:** Cash and cash equivalents totaled \$71.2 million, compared to \$66.5 million at December 31, 2025, while working capital¹ decreased to \$22.7 million from \$25.0 million, primarily reflecting timing of current liabilities and working capital movements.

Operational Performance:

- **Consolidated Gold Production:** Totaled 9,630 ounces, including 8,776 ounces from the Pilar mine and 854 ounces from the MTL complex. This compares with 9,923 ounces produced in Q1 2025, which reflected production solely from the Pilar mine.
- **Pilar Mine:** Gold production totaled 8,776 ounces during the first quarter of 2026, compared to 9,923 ounces in the same period of 2025. The decrease was primarily driven by a lower head grade, which averaged 3.87 g/t, while the plant recovery of 89% remained in line with Q1 2025 performance.
- **MTL Complex:** The Turmalina Mine produced 854 ounces in Q1 2026, with operations running consistently following the resumption of operations on March 9, 2026; 12,562 tonnes were milled at an average grade of 3.36 g/t Au and 62% metallurgical recovery, including ore from Faina mined in 2026 and oxidized ore stockpiled prior to the suspension of MTL operations.
- **Costs:** Cash operating costs¹ increased by 42% to \$1,565 per ounce sold, while all-in sustaining costs¹ (AISC) increased by \$691 to \$2,412 per ounce sold. The increase in costs was driven by foreign exchange impacts as the Brazilian Real strengthened against U.S. Dollars, as well as higher costs reflecting global price inflation driven by geopolitical conflicts.

2. Opportunities and Challenges

Opportunities:

- **Turmalina Mine & Plant Restart:** The recommissioning of Turmalina represents a potential upside through the planned return of a key production asset, with the mine, processing plant, paste fill plant, and filtration unit restarted in Q1 2026, and tailings currently placed as underground backfill to support resumption of underground mining activities.
- **Faina orebody:** Mining activities at the Faina (at the Turmalina Mine) orebody commenced a phased ramp-up concurrently with the restart of Turmalina orebodies. Ongoing metallurgical test work and initial plant performance results from Faina indicate the potential for improved metallurgical recoveries relative to prior test work; however, these results are preliminary and remain subject to further validation as operations continue to stabilize.
- **Onças de Pitangui Project:** Environmental permitting continues to advance for the Onças de Pitangui Development Project, as part of MTL Complex. The project contains proven and probable reserves of approximately 284,000 ounces

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.

of gold. Ongoing progress is focused on advancing permitting and technical evaluations, with implementation expected to commence in the second half of 2026, subjected to receiving the Installation License (LI).

- **Pilar Mine Stability:** Pilar is expected to continue to provide a stable operational base, with the Company planning to execute an exploration drilling campaign in 2026 to improve depth definition of the orebody, together with a ventilation and refrigeration study intended to support the continuation of operations at greater depths.
- **Strong Gold Prices:** Favorable gold market prices continue to bolster revenue and partially offset production shortfalls.
- **Santa Isabel mine:** Santa Isabel Mine (Paciência Complex, “CPA”) advanced toward a re-start in Q4 2026, with dewatering and rehabilitation of mine accesses underway, and development and definition drilling planned for 2026, supported by a favorable gold price environment.
- **Financial Discipline:** Proactive management of legal liabilities (e.g., environmental fine settlement) and liquidity maintenance.
- **M&A Opportunities:** As part of its “Three pillar sustainable growth strategy” (see Proposed Strategy and Solution below), the Company is actively monitoring and assessing a number of alternatives to incorporate new assets at advanced development stage into its portfolio and will disclose promptly if any of these opportunities come to fruition.

Challenges:

- **Turmalina Mine & Plant Suspension:** With the Q1 2026 lifting of the impeding embargos to production at Turmalina mine and associated plants, the challenge remains to work with the environmental authority (NEA) on permitting of surface tailings disposal plans which will lead to full production ramp up, by removing the current constraint of only allowing fresh tailings to be disposed as backfilling into the underground mining.
- **Elevated Costs:** Reduced production volumes have led to higher per-ounce operating and all-in sustaining costs, impacting profitability. Operating cash cost should decline to normal levels once the full production capacity at MTL is reestablished. Substantial costs incurred in 2025 led to improvement on geotechnical stability of the Satinoco Pile as well as preparation of new areas for tailings disposal.

3. Proposed Strategy and Solution

Jaguar Mining's corporate strategy is based on sustainable growth across “Three Pillars”:

- **First pillar: MAXIMIZE CORE ASSETS & RESOURCES:** Maximize Jaguar's core assets and resources by optimizing performance and extending the mine life of all existing operations.
- **Second pillar: LEVERAGE EXPLORATION PORTFOLIO:** Leverage Jaguar's exploration portfolio to grow resources, specifically in the Iron Quadrangle.
- **Third pillar: PURSUE STRATEGIC OPPORTUNITIES:** Pursue strategic opportunities through acquisitions and joint ventures in specifically targeted countries in the Americas.

To achieve this strategy, Jaguar must focus on:

- **Safety and Compliance:** Prioritizing the safe and sustainable ramp up toward planned production at Turmalina.
- **Operational Excellence:** Optimizing production and efficiency at the Pilar mine and Caeté plant, while advancing metallurgical testwork of the ore in the Faina zone.
- **Growth Initiatives:** Progressing the environmental licensing and development of the high-potential Onças de Pitangui development project, aiming for future integration and gold production.
- Advance the **technical and economical** feasibility of resuming operations at the Santa Isabel mine.
- **Financial Prudence:** Actively managing cash flow, working capital, and legal obligations to ensure long-term sustainability.

4. Key Performance Indicators (KPIs) for Success

- **Turmalina Restart Milestones:** Tracking progress against the restart plan, taking into consideration the guidelines imposed on the start up by the mine and environmental regulatory authorities.
- **Consolidated Gold Production:** Quarterly and annual ounces produced and sold (objective: increase post-Turmalina restart).
- **Cost Control:** Monitoring Cash Operating Costs per ounce and All-in Sustaining Costs (AISC) per ounce (objective: reduce through increased volumes).
- **Free Cash Flow:** Monitoring free cash flow as a measure of the Company's ability to generate cash from operations after capital expenditures.
- **Reserve & Resource Growth:** Conversion of inferred resources to measured and indicated, and expansion of reserves, particularly from Onças de Pitangui. Identification of new Inferred Resources as a result of the 5 Year Exploration plan.
- **Environmental & Social Performance:** Maintaining strong relationships with local communities and adherence to environmental standards.

FIRST QUARTER 2026 HIGHLIGHTS

Approval for Resumption MTL operations

On March 9, 2026, the Company received final regulatory approval from the Environmental Emergency Office (NEA) to resume operations at its MTL Complex (Turmalina Mine) in Brazil, removing embargo on operations at the site. This approval followed prior authorizations received from the Minister of Labour and the National Mining Agency (ANM) and allowed the Company to recommence mining, drilling, blasting and ore processing activities at the Turmalina Mine, as well as operations at the processing plant, paste fill plant and filtration unit. With the lifting of the NEA embargo, the Company has begun ramping up operations toward planned production levels over the coming months. The resumption of activities at the MTL Complex represents a key operational milestone following the restrictions imposed after the Satinoco dry stack pile incident and supports the Company's broader strategic growth plan for 2026 and beyond.

Management Changes

On January 6, 2026, Daniel Karrqvist was appointed Chief Financial Officer and Corporate Secretary of the Company and Naomi Nemeth was appointed Vice President, Investor Relations of the Company, a newly created role within Jaguar Mining.

Five-Year Exploration Plan:

During Q3 2025 the Company announced the Five-Year Exploration Plan (the "Plan") designed to expand its gold resources and support future production growth. This initiative has been developed to systematically explore the Company's extensive mineral tenements in Brazil, with a focus on both expanding existing deposits and identifying new prospective targets. The Plan encompasses all 46,619 hectares of the Company's mineral rights, with exploration efforts concentrated on the most prospective areas to advance opportunities that could support future resource growth and production potential.

Key Highlights of the Five-Year Exploration Plan:

- Significant Gold Endowment Potential
- Proposed Drilling Campaigns
- Strategic Project Focus
- Systematic Exploration Approach
- Environmental Stewardship
- Team and Technology

This five-year plan sets key targets, assesses geological and drilling activities, prepares forecasts and budgets, and streamlines approvals to support operations. Its structured approach aims for steady progress and value creation in Brazilian tenements. Further details can be found in the Company's press release issued on September 8, 2025 (a copy of which can be found on the Company's website at www.jaguarmining.com).

Jaguar Mining Inc. Commences Drilling at High-Potential Chamé Target – Advancing Five-Year Exploration Plan

During the fourth quarter of 2025, the Company commenced a diamond drilling program at the high-potential Chamé exploration target, located approximately three kilometres southeast of the Santa Isabel mine within the Paciência Complex in Brazil's Iron Quadrangle. Drilling began on November 21, 2025, with an initial phase consisting of 12 drill holes totaling approximately 3,040 metres, designed to evaluate the potential for near-surface, open-pittable mineralization. The program builds on encouraging trenching results and is part of Jaguar's five-year exploration plan, with the objective of confirming the continuity and scale of a broad, low-grade mineralized envelope that could support future resource growth.

Chamé Target Results

In February 2026, the Company provided an update on its ongoing exploration activities at the Chamé gold exploration target, part of the CPA Project in Minas Gerais, Brazil. Exploration activities at Chamé are focused on delineating and expanding known gold mineralization within a highly prospective geological corridor and assessing the potential structural continuity between the Chamé and Santa Isabel mineralized systems. As part of the 2026 program, the Company completed five diamond drill holes so far totaling 1,532 meters, which contributed to an improved geological interpretation and enhanced understanding of the structural controls on mineralization. Initial assay results have been received for the first two holes. Drill hole FCM001 intersected 15.35 meters grading 0.44 g/t Au, and drill hole FCM002 returned 4.09 meters grading 0.33 g/t Au. These initial results confirmed wide-spread gold mineralization, and the following drill holes are being designed aiming at reproducing the higher-grade gold values previously observed in surface trench TR02. The geological team is actively interpreting these results, noting that the low-grade envelope appears to be controlled by a shadow down-plunge lineation. Current interpretation of drillholes FCM001 and FCM002 indicates that they may have intersected more marginal portions of the mineralized system, characterized by weak sulphides and strong carbonation. While visible gold was observed in core from FCM001, this did not translate directly into high analytical results, suggesting the presence of erratic or coarse gold, which may necessitate specialized sample preparation protocol and analytical techniques such as screen fire assay method or increase the sample mass for future assays. Assays from the Independent Laboratory used by the Company are experiencing longer than expected turn around times due to the current market conditions.

Mineral Reserves and Mineral Resources (MRMR)

On March 31, 2026 the Company announced its annual Mineral Reserves and Mineral Resources (MRMR) statement for 2025 for the Pilar Mine.

- The Company's Proven and Probable Mineral Reserves at all its properties as at December 31, 2025, increased by 12% to 858 koz, net of mining depletion.
- 94 koz net increase in Pilar Mineral Reserves following successful infill and step-out drilling and geological model reinterpretation completed in 2025.
- Updated Pilar Proven & Probable Mineral Reserves total 286 koz (2,494 kt @3.57 g/t Au), a 49% increase compared to 192 koz previously reported.
- Consolidated Measured and Indicated Mineral Resources at all of the Company's properties increased by 8% to 1,797 koz (13,575 kt @ 4.12 g/t Au). Inferred Mineral Resources increased by 2% to 1,709 koz (14,732 kt @3.61 g/t Au) which is a 34 koz net increase over the prior year.

Reference is made to the Company's annual information form dated March 31, 2026 (the "AIF") for additional information regarding the Company's mineral properties, including its Mineral Reserves and Mineral Resources. A copy of the AIF is available on SEDAR+ at www.sedarplus.ca.

Guidance

For the full year 2026, Jaguar Mining projects gold production in the range of 50,000 to 60,000 ounces from current assets. Cost guidance will be given as soon as operations stabilize at MTL.

FINANCIAL AND OPERATIONAL SUMMARY

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

- Revenue in Q1 2026 was \$44.6 million, compared to \$27.3 million in Q1 2025. The year-over-year increase was primarily driven by significantly higher realized gold prices, which rose to \$4,875 per ounce, compared to \$2,845 per ounce in Q1 2025. Gold ounces sold were largely stable, totaling 9,147 ounces in Q1 2026, versus 9,544 ounces in Q1 2025, and had a limited impact on the period-over-period revenue variance.
- Consolidated gold production slightly decreased to 9,630 ounces in Q1 2026, compared to 9,923 ounces produced in Q1 2025. The decline was primarily driven by a lower average head grade, which decreased to 3.80 g/t in Q1 2026 from 3.99 g/t Au in Q1 2025, partially offset by higher ore tonnes processed 91,716 in Q1 2026 compared to 86,646 in Q1 2025.
- In Q1 2026, total development reached 1,415 metres, including 1,275 metres at the Pilar Mine and 140 metres at the Turmalina Complex following the restart of operations. Development at Pilar was consistent with the levels achieved in Q1 2025, reflecting sustained progress on primary and secondary development activities to support ongoing ramp advancement and preparation of the BA zone for steady-state production. The additional development completed at Turmalina relates to post-restart activities, with development rates expected to increase in the coming months as operations continue to ramp up.
- Operating costs totaled \$14.3 million in Q1 2026, an increase of 36% compared to the \$10.5 million reported in Q1 2025. Higher operating costs in Q1 2026 primarily reflect higher direct mining and processing costs and higher royalties/CFEM and production taxes associated with higher realized gold prices, as well as costs incurred following the resumption and ramp-up of Turmalina late in the quarter.
- Net income for Q1 2026 was \$4.7 million (or \$0.05 per share), compared to a net loss of \$1.6 million (net loss of \$0.02 per share) in Q1 2025, representing a \$6.3 million improvement year-over year. Adjusted net income² for Q1 2026 was \$10.3 million (\$0.12 per share), after excluding \$5.9 million of expenses related to the Incident, a \$1.6 million gain on fair value adjustments of short-term investments, and \$1.3 million of associated income tax effects.

Cash Operating Costs per ounce sold², All-In-Sustaining Costs ("AISC")², Non-Sustaining Capital Expenditures² and Free Cash Flow²

- All-in sustaining costs per ounce² were \$2,412 per ounce of gold sold in Q1 2026, 40% above the AISC of \$1,724 per ounce in Q1 2025. The higher AISC per ounce was primarily driven by increased operating costs, adverse foreign exchange impacts coupled with lower gold ounces sold during the quarter. As Turmalina ramps up production, operating costs per ounce should decrease to previous cost levels.
- Non-sustaining capital expenditures² increased by 593% from \$0.9 million in Q1 2025 to \$6.5 million in Q1 2026. Expenditures in Q1 2026 primarily reflect investments in structures required to remediate the Incident and support the resumption of operations at the Turmalina mine, as well as nominal growth capital expenditures at the Pilar mine during the quarter.
- Free cash flow² in Q1 2026 amounted \$10.1 million and was based on operating cash flow plus asset retirement obligation expenditures, less capital expenditures, compared to an outflow of \$2.9 million in Q1 2025. Free cash flow² per ounce of gold sold was \$1.1 thousand in Q1 2026 compared to an outflow of \$0.3 thousand per ounce sold in Q1 2025.

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.

Cash Position and Working Capital³

- As of March 31, 2026, the Company had cash and cash equivalents of \$71.2 million, compared to a balance of \$66.5 million at December 31, 2025. Cash and cash equivalents increased by about \$4.7 million during the first quarter, mainly reflecting the partial sale of short-term investment performed in the first quarter which was offset by payments and disbursements made related to the Satinoco incident, including compensation to affected families and disbursement related to the termination of Property Plant and Equipment sale agreement. Also, the Company benefited from the favorable gold prices, which averaged \$4,875 per ounce.
- Working capital, defined as the excess of current assets over current liabilities, was \$22.7 million at March 31, 2026, compared to \$25.0 million at December 31, 2025, representing a \$2.3 million decrease. The reduction in working capital was primarily driven by a \$7.0 million increase in current liabilities, partially offset by a \$4.8 million increase in current assets. Current assets increased mainly due to higher cash and cash equivalents, with key movements including a \$2.2 million increase in inventories, partially offset by a \$2.0 million decrease in short-term investments, reflecting disposals during the quarter and fair value adjustments. Current liabilities increased by \$7.0 million, mainly reflecting a \$5.8 million increase in accounts payable and accrued liabilities, a \$1.3 million increase in notes payable and lease liabilities, and a \$1.3 million increase in current income taxes payable. This increase was partially offset by a \$1.8 million decrease in legal and other provisions.

³ This is a non-GAAP financial performance measure with no standard definition under IFRS. For more details, refer to outstanding debt, liquidity and cash flow section of the MD&A.

Q1 2026 FINANCIAL AND OPERATING SUMMARY

(\$ thousands, except where indicated)	Three months ended	
	March 31	
	2026	2025
Financial Data		
Revenue	\$ 44,593	\$ 27,289
Operating costs	14,315	10,549
Depreciation	2,359	2,776
Gross profit	27,919	13,964
Net income (loss)	4,653	(1,611)
Per share ("EPS")	0.05	(0.02)
Adjusted Net income ^{1,3}	10,316	3,713
Adjusted EPS ^{1,3}	0.12	0.05
EBITDA	12,503	3,060
Adjusted EBITDA ^{1,2}	23,746	14,683
Adjusted EBITDA per share ^{1,2}	0.28	0.19
Cash operating costs (per ounce sold) ¹	1,565	1,105
All-in sustaining costs (per ounce sold) ¹	2,412	1,724
Average realized gold price (per ounce) ¹	4,875	2,845
Cash generated from operating activities	14,867	(259)
Free cash flow ¹	10,097	(2,900)
Free cash flow (per ounce sold) ¹	1,104	(304)
Sustaining capital expenditures ¹	4,854	3,262
Non-sustaining capital expenditures ¹	6,465	933
Total capital expenditures	11,319	4,195

¹ Average realized gold price, sustaining and non-sustaining capital expenditures, cash operating costs and all-in sustaining costs, free cash flow, EBITDA and adjusted EBITDA, adjusted net income and adjusted EPS 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 foreign exchange, stock-based compensation, fair value adjustments and write downs. For more details refer to the Non-GAAP Performance Measures section of the MD&A.

³ For Q1 2026, net income was adjusted by \$5.7 million to exclude certain non-recurring items and their related income tax impacts. These adjustments consisted of: (i) \$5.9 million of Satinoco incident expenses incurred in Q1 2026; (ii) a \$1.6 million gain related to fair value adjustments of short-term investments in Q1 2026; and (iii) \$1.3 million of income tax expense associated with these items. For Q1 2025, adjusted net income excluded \$5.3 million of non-recurring items, which primarily related to Satinoco incident expenses and gains on short-term investments.

	Three months ended	
	March 31	
	2026	2025
Operating Data		
Gold produced (ounces)	9,630	9,923
Gold sold (ounces)	9,147	9,544
Primary development (metres)	424	438
Secondary development (metres)	851	854
Definition, infill, and exploration drilling (metres)	6,018	5,439

Q1 2026 net income of \$4.7 million (\$0.05 per share) compared to a net loss of \$1.6 million (\$0.02 per share) in Q1 2025, representing a \$6.3 million improvement. The increase was mainly driven by realized gold prices, which more than offset the impact of 397 fewer ounces sold year over year. Results include \$5.9 million in expenses related to the Satinoco event at Turmalina, where operations resumed on March 9, 2026, following the release of final embargoes.

All-in sustaining costs per ounce sold¹ were \$2,412 in Q1 2026, compared to \$1,724 in Q1 2025. The increase was primarily attributable to adverse foreign exchange impacts, higher operating costs, and lower gold sales volumes during the quarter.

CONSOLIDATED FINANCIAL RESULTS

Quarterly Financial Review

	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
(\$ thousands except where indicated)								
Revenue	\$ 44,593	\$ 38,043	\$ 34,009	\$ 35,826	\$ 27,289	\$ 42,364	\$ 38,910	\$ 44,779
Operating cost	(14,315)	(13,288)	(13,465)	(13,079)	(10,549)	(17,745)	(17,313)	(19,897)
Depreciation	(2,359)	(3,105)	(3,128)	(3,215)	(2,776)	(5,930)	(4,941)	(7,828)
Gross profit	27,919	21,650	17,416	19,532	13,964	18,689	16,656	17,054
Net (loss) income	4,653	(20,545)	12,993	(6,622)	(1,611)	(19,887)	2,305	13,468
Cash flows from operating activities	14,867	(610)	7,049	12,339	(259)	15,723	12,751	20,766
Total assets	400,273	389,798	360,607	347,405	339,045	344,996	332,223	319,151
Total liabilities	150,066	145,024	114,586	115,481	101,114	105,464	72,808	62,146
Non-current financial liabilities	70,432	72,433	43,371	53,354	51,473	48,586	36,699	31,122
Current income taxes	1,298	-	9	373	462	1,423	2,838	3,273
Notes payable	\$ 6,208	\$ 6,112	\$ 6,077	\$ 2,012	\$ 1,377	\$ 3,044	\$ 3,041	\$ 3,046

Revenue

(\$ thousands, except where indicated)	Three months ended		
	2026	2025	Change
Revenue	\$ 44,593	\$ 27,289	63%
Ounces sold	9,147	9,544	(4%)
Average realized gold price ¹	\$ 4,875	\$ 2,845	71%
Average market gold price ¹	\$ 4,869	\$ 2,860	70%

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 Q1 2026 was \$44.6 million, representing a 63% increase compared to \$27.3 million in Q1 2025. The increase was primarily driven by significantly higher realized gold prices, which were 71% higher year over year, partially offset by lower ounces sold. Gold sales totaled 9,147 in Q1 2026, compared to 9,544 ounces sold in Q1 2025, reflecting lower production during the quarter. The average realized gold prices were \$4,875 per ounce in Q1 2026, an increase of \$2,030 per ounce from \$2,845 per ounce in Q1 2025.

During Q1 2026, gold traded at an average market price⁴ of \$4,869 per ounce (London PM Fix), with prices ranging from \$4,353 per ounce to \$5,405 per ounce, and closed at \$4,608 per ounce on March 31, 2026. The average realized price⁴ of \$4,875 per ounce for Q1 2026, was consistent with market prices prevailing during the quarter.

Consolidated Production Costs

(\$ thousands, except where indicated)	Three months ended		
	2026	2025	Change
Direct mining and processing cost	13,351	9,950	34%
Royalties and CFEM taxes	964	599	61%
Total operating expenses	\$ 14,315	\$ 10,549	36%

⁴ 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.

Depreciation	2,359	2,776	(15%)
Total cost of sales	\$ 16,674	\$ 13,325	25%

Direct mining and processing costs of \$13.4 million in Q1 2026 increased by \$3.4 million or 34% from the \$10.0 million reported in Q1 2025. The increase was primarily driven by adverse foreign exchange impacts (approximately \$110 per ounce), higher commodity prices - particularly fuel and base metals - reflecting global market uncertainties, increased electricity consumption due to the enhanced ventilation system, and higher labor costs resulting from the annual collective agreement and increased headcount.

Royalties and *Compensação Financeira pela Exploração de Recursos Minerais* (“CFEM”) taxes increased to \$1.0 million in Q1 2026 from \$0.6 million in Q1 2025, representing an increase of approximately 61%. Royalties and CFEM taxes are calculated based on revenues; accordingly, the increase was primarily attributable to higher revenue during the period, as discussed above.

Care and Maintenance Costs

The Paciência Complex, which includes the Santa Isabel mine and plant, has been on care and maintenance since 2012, while the Roça Grande mine has been on care and maintenance since 2018. Care and maintenance costs for both totaled \$1.1 million in Q1 2026, compared to \$0.2 million in Q1 2025.

Rehabilitation activities at the Santa Isabel Mine within the Paciência Complex commenced in Q1 2025, focused on restoring access for mine dewatering and selected resource areas planned for mining. In Q1 2026, mine preparation activities were intensified, including access development and preparation of mining areas, resulting in higher care and maintenance expenditures during the period.

General and Administration Expenses

General and administration (“G&A”) expenses exclude mine-site administrative costs, which are charged directly to operations, but 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.

(\$ thousands)	Three months ended		
	March 31		
	2026	2025	Change
Directors' fees and expenses	\$ 89	\$ 75	19%
Audit related and insurance	226	254	(11%)
Corporate office (Toronto)	638	573	11%
Belo Horizonte office	2,910	1,599	82%
Total G&A expenses	\$ 3,863	2,501	54%

Total G&A expenses in Q1 2026 rose by \$1.4 million, or 54%, compared to Q1 2025. The most significant increase came from the Belo Horizonte office, which saw an 82% rise. This was due to several factors: (i) the executive team being based in Brazil (CEO and CFO salaries paid locally as opposed to being paid in Canada before), including the addition of a new VP of Sustainability and VP of Corporate Affairs hired in Q3 2025; (ii) management and employee profit sharing approved by the board on March 31, 2026; (iii) higher expenses in Belo Horizonte were also affected by foreign exchange fluctuations, as the average BRL-USD exchange rate dropped sharply during Q1 2026 (\$5.2612), compared to Q1 2025 (\$5.8522).

Audit-related and insurance costs fell by 11% from Q1 2025, largely because extra audit fees were charged during that earlier quarter.

In the first quarter of 2026, corporate office expenses rose by \$0.07 million, which represents an 11% increase. This rise was primarily due to management profit sharing approved in March, as well as higher listing fees, marketing costs, and investor relations expenditures.

Non-Operating Expenses

(\$ thousands)	Three months ended		
	March 31		
	2026	2025	Change
Foreign exchange loss	\$ 5,766	\$ 5,890	(2%)
Financial instruments (gain)	(1,552)	(430)	261%
Finance costs	3,381	1,266	167%
Changes in reclamation provisions for non-operating sites	(2,463)	(578)	326%
Other non-operating (income)	3,364	(238)	(1513%)
Non-operating expenses	\$ 8,496	\$ 5,910	44%

A significant portion of the Company's expenditures at its Brazilian operations are denominated in the Brazilian real. During Q1 2026, the Company recorded a foreign-exchange loss of \$5.8 million. This loss was primarily driven by the appreciation of the Brazilian real against the U.S. dollar during the period, which increased the U.S. dollar-translated cost base of the Company's Brazilian operations.

During Q1 2026, the Brazilian real strengthened from an opening exchange rate of R\$5.50 on January 1, 2026 to R\$5.22 at March 31, 2026. In Q1 2025, the Brazilian real appreciated against the U.S. dollar, decreasing from R\$6.19 to R\$5.74. Foreign-exchange gains or losses reflect the effect of exchange rate movements on the Company's financial assets and liabilities denominated in currencies different than its U.S. dollar functional currency.

Financial instrument gains reflect changes in the fair values of short-term investments and warrant liabilities, which are remeasured to fair value at each reporting date. The gain from mark-to-market adjustments on short-term investments was \$1.5 million in Q1 2026, compared to \$0.4 million in Q1 2025. The gain from mark-to-market adjustments on warrant liabilities was \$0.03 million in Q1 2026, compared to \$nil in Q1 2025.

Finance costs for Q1 2026 increased to \$3.4 million compared to \$1.3 million in Q1 2025. Finance costs include reclamation provision ("ARO") accretion expenses of \$2.8 million in Q1 2026, compared to \$1.2 million in the comparative quarter; interest expense of \$0.2 million in Q1 2026, compared to \$0.05 million in Q1 2025; and net present value ("NPV") adjustments of \$0.3 million in Q1 2026, compared to \$0.03 million in Q1 2025. The higher ARO accretion expense in Q1 2026 was primarily attributable to a higher ARO provision balance outstanding in Q1 2026 relative to Q1 2025, which resulted in a greater unwind of the provision's present value discount during the quarter.

Changes in reclamation provisions for non-operating sites in Q1 2026 presented a \$2.5 million recovery in Q1 2026, compared to a \$0.6 million recovery in Q1 2025. Each quarter the reclamation provisions are updated to reflect (i) revisions, if any, to management's estimate of reclamation costs and (ii) remeasurement arising from changes in inflation, discount rates, and exchange rates applicable at the reporting date.

Other non-operating expenses in Q1 2026 refer to the impacts of the termination of a PPE sale performed in Q4 2025, the impacts include the derecognition of other accounts receivable (short and long term) and recognition of the contractual fines total expense impact \$3.8 million. Other non-operating expenses were offset by \$0.8 million interest income on bank balances.

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 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).

Brazilian Tax Reform

In December 2023, Brazil enacted a comprehensive tax reform that will gradually replace certain existing indirect taxes, including PIS and COFINS at the federal level and ICMS at the state level, with a dual value-added tax system composed of the Contribution on Goods and Services (“CBS”) and the Tax on Goods and Services (“IBS”). The implementation of the new tax framework commenced on January 1, 2026, through an initial transition phase, during which the current and new tax systems will coexist. The transition is expected to occur over a multi-year period, with full implementation scheduled for later years. The detailed application of the new taxes remains subject to implementing legislation and regulatory guidance. Management is currently assessing the potential implications of the tax reform on the Company’s Brazilian operations.

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 Expenses

(\$ thousands)	Three months ended March 31		
	2026	2025	Change
Current income tax expense	\$ 1,298	\$ 462	181%
Deferred income tax expense	\$ 767	\$ 132	481%
Income tax expense	\$ 2,065	\$ 594	248%

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 sheltered by 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 facts mentioned above, income tax expense increased to \$2.1 million in Q1 2026, compared to \$0.6 million in Q1 2025.

OPERATIONAL REVIEW

Jaguar Mining Gold Production

	Q1 2026	Q1 2025	Change
Tonnes of ore mined	88,640	87,332	1%
Tonnes of ore processed	91,716	86,646	6%
Average head grade (g/t) ¹	3.80	3.99	(5%)
Average recovery rate (%)	85%	89%	(4%)
Gold (oz.)			
Produced	9,630	9,923	(3%)
Sold	9,147	9,544	(4%)

¹ The ‘average head grade’ represents the recalculated head-grade milled.

Consolidated gold production totaled 9,630 ounces in Q1 2026, representing a 3% decrease compared to 9,923 ounces produced in Q1 2025, which reflected production solely from the Pilar mine. The lower production is primarily attributable to lower grade and recovery in Q1 2026 in comparison to Q1 2025, partially offset by higher ore throughput.

The average head grade in Q1 2026 was 3.80 g/t, compared to 3.99 g/t in Q1 2025. During the quarter, a total of 91,716 tonnes of ore were processed, representing a 6% increase over the 86,646 tonnes processed in the same period of the prior year.

Plant recovery declined to 85% in Q1 2026 from 89% in Q1 2025, due to the inclusion of the Faina ore in MTL, which has expected lower recovery than the Turmalina and Pilar orebodies.

Turmalina Gold Mine Complex

Turmalina Quarterly Production

	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Tonnes of ore mined	9,714	-	-	-	-	59,000	76,000	73,000
Tonnes of ore processed	12,562	-	-	-	-	59,000	77,000	71,400
Average head grade (g/t) ¹	3.39	-	-	-	-	3.07	3.59	3.13
Average recovery rate (%)	62%	0%	0%	0%	0%	74%	73%	85%
Gold (oz.)								
Produced	854	-	-	242	-	4,276	6,479	6,135
Sold	-	-	-	242	-	5,188	5,639	7,302
Cash operating cost (per oz. sold) ²	\$ -	\$ -	\$ -	\$ 1,165	\$ -	\$ 1,218	\$ 1,274	\$ 1,196
All-in sustaining cost (per oz. sold) ²	\$ -	\$ -	\$ -	\$ 1,165	\$ -	\$ 2,113	\$ 2,413	\$ 1,628
Cash operating cost (per tonne) ²	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107	\$ 93	\$ 122
Cash operating cost (R\$ per tonne) ²	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 625	\$ 517	\$ 638

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

² Cash operating costs (per oz. sold), All-in sustaining costs, 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.

Production at Turmalina resumed late in the first quarter of 2026 after the last embargo from NEA was lifted on March 9, 2026. Previously, operations had been halted on December 7, 2024, and remained suspended throughout all of 2025 due to the Incident and resulting embargoes.

Turmalina Capital Expenditures

(\$ thousands)	Three months ended March 31	
	2026	2025
Sustaining capital ¹		
Primary development	\$ 350	\$ -
Exploration - Brownfield	95	-
Minesite sustaining	126	333
Total sustaining capital¹	571	333
Non-sustaining capital (including capital projects)		
Mine-site non-sustaining	\$ 5,753	\$ 383
Others non-sustaining capex	-	123
Total non-sustaining capital¹	5,753	506
Total capital expenditures	\$ 6,324	\$ 839

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.

Total capital expenditures at Turmalina were \$6.3 million in Q1 2026, compared to \$0.8 million in Q1 2025. Prior-year expenditures were lower as a result of the Satinoco incident on December 7, 2024, which led to the suspension of operations at Turmalina until March 2026. Capital expenditures in Q1 2026 primarily reflect restoration and resumption activities associated with a remediation and restart plan that had been initiated on a limited basis in Q1 2025.

Turmalina Development and Drilling Progress (metres)

(metres)	Three months ended March 31	
	2026	2025
Primary development	82	-
Secondary development	58	-
Total development	140	-
Definition drilling	250	-
Infill drilling	597	-
Total definition, infill, and exploration drilling	847	-

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 (an orebody within the Turmalina Mine) 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 and third-party contractor developers, until the December 7, 2024 slump at the Satinoco dry-stacked tailings pile, which halted all production activity at Turmalina.

Gold production at the Turmalina mine was suspended throughout the 2025 fiscal year, following a complete halt of operations on December 7, 2024, due the Incident at the Satinoco dry-stack tailings facility.

In August 2025, with approval from ANM, underground preparation works commenced, concentrating on constructing emergency escapeways and ventilation raises at the Faina area. On March 9, 2026, the environmental authority (NEA) lifted the final production embargo, permitting the resumption and ramp-up of operations in accordance with NEA guidelines.

Throughout 2025, a total of 397 meters of development was completed to enhance the ventilation system and emergency escapeways, as permitted by mining regulations. Since operations resumed, an additional 140 meters of development was achieved up to the first quarter of 2026.

Processing

The Turmalina processing plant is onsite, and the mine portal is situated within 200 meters 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 underground backfilling.

In Q1 2026, the MTL Complex produced 854 ounces of gold. Production during the quarter was supported by processing stockpiled ore carried over from December 2024, which contributed to plant throughput. Production also included 142 ounces inventoried after an industrial test related to the sale of Faina Zone concentrate, which was processed at the Roça Grande plant in 2025.

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 of 2,200 tonnes per day and includes gravity, flotation and CIP circuits.

	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Tonnes of ore mined	78,926	95,757	93,760	93,266	87,332	101,000	95,000	97,000
Tonnes of ore processed (t)	79,154	96,177	94,586	92,846	86,646	101,000	97,000	99,000
Average head grade (g/t) ¹	3.87	3.41	3.68	4.04	3.99	3.65	3.74	3.83
Average recovery rate (%)	89%	89%	89%	89%	89%	89%	89%	88%
Gold (oz.)								
Produced	8,776	9,356	10,002	10,731	9,923	10,511	10,432	10,694
Sold	9,147	9,124	9,799	10,744	9,544	10,855	10,087	11,720
Cash operating cost (per oz. sold) ²	\$ 1,565	\$ 1,456	\$ 1,374	\$ 1,191	\$ 1,105	\$ 1,053	\$ 1,004	\$ 953
All-in sustaining cost (per oz. sold) ²	\$ 1,987	\$ 1,925	\$ 1,793	\$ 1,549	\$ 1,393	\$ 1,368	\$ 1,314	\$ 1,212
Cash operating cost (per tonne) ²	\$ 181	\$ 138	\$ 142	\$ 138	\$ 122	\$ 113	\$ 104	\$ 113
Cash operating cost (R\$ per tonne) ²	\$ 951	\$ 746	\$ 776	\$ 781	\$ 712	\$ 661	\$ 579	\$ 588

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

² Cash operating costs (per oz. sold), all-in sustaining costs 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.

Pilar Quarterly Production

In Q1 2026, the Pilar mine produced 8,776 ounces of gold, with an average head grade of 3.87 g/t Au and a recovery rate of 89%, compared to Q1 2025, when production totaled 9,923 ounces, with an average head grade of 3.99 g/t Au and the same recovery rate.

The reduction in run-of-mine (ROM) tonnage during the period primarily reflects the strategic prioritization of infrastructure development activities, with particular emphasis on ventilation upgrades at the deeper levels of the mine. Following the commissioning of air-chilling systems in mid-February 2026, air temperatures below Level 18 improved materially, resulting in an approximate 3°C reduction at the ramp face. The first phase of the cooling system is now fully operational, and Phase II is scheduled for completion by second half of 2026.

Cash operating costs per ounce increased by 42% to \$1,565 per ounce of gold sold in Q1 2026, compared to \$1,105 per ounce in Q1 2025. The increase was primarily driven by adverse foreign exchange impacts, higher commodity prices, particularly oil and base metals used in fuel and consumables, higher headcount and labor costs, and increased energy consumption associated with the enhanced ventilation system. In addition, higher CFEM royalties resulting from increased gold prices during the quarter contributed to the higher per-ounce cash operating costs.

Pilar Capital Expenditures

(\$ thousands, except where indicated)	Three months ended	
	March 31	
	2026	2025
Sustaining capital ¹		
Primary development	\$ 2,811	\$ 1,688
Exploration - Brownfield	209	231
Minesite sustaining	842	827
Total sustaining capital¹	3,862	2,746
Non-sustaining capital (including capital projects)		
Mine-site non-sustaining	\$ 13	\$ 74
Others non-sustaining capex	-	167
Total non-sustaining capital¹	13	241
Total capital expenditures	\$ 3,875	\$ 2,987

¹Sustaining 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.

Total sustaining capital of \$3.9 million in Q1 2026 increased by \$0.9 million or 30% over Q1 2025, with development costs nearly equal while mine-site sustaining capital (equipment) increased. The focus of sustaining capital for development is on developing the ramp to depth and connecting the ventilation infrastructure to the deeper accesses each quarter.

Pilar development and drilling progress (metres)

(metres)	Three months ended March 31	
	2026	2025
Primary development	342	438
Secondary development	793	854
Total development	1,135	1,292
Definition drilling	2,228	1,479
Infill drilling	2,943	3,067
Exploration drilling	-	893
Total definition, infill, and exploration drilling	5,171	5,439

Mining

Located 100 kilometers east of Belo Horizonte, Pilar is an underground mine that predominantly utilizes sub-level stoping and cut-and-fill as a mining method. Stope backfilling is carried out using loose rockfill. The main ore block consists of a banded iron formation layer, whose geometry is configured as a succession of overturned folds, sectorized from the southwest limb (SW orebody) to its known extremity (BA orebody). This entire block provides most of the mine's gold concentration and has already been developed to level 18, appearing to extend at depth. Current production is concentrated, though not limited to, the eastern extremity, in the BA and LPA orebodies. The BF and SW orebodies remain under development and continue to contribute to production at Pilar Mine.

Development activities at the Pilar mine remained a key operational focus during the first quarter of 2026. A total of 1,135 metres of primary and secondary development were completed during the period. This performance was consistent with the first quarter of 2025, reflecting continued execution against the mine's infrastructure development plan and supporting ongoing operational readiness.

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 March 31, 2026, the Company had working capital⁵ of \$22.7 million (\$25.0 million as of December 31, 2025), including \$6.2 million in notes payable to Brazilian banks, which secure the Company's gold exportations and mature every six months. In Q1 2026, the Company repaid \$0.5 million of the notes. These notes payable are unsecured and they do not have any covenant obligations.

(\$ thousands)	March 31 2026	December 31 2025
Cash and cash equivalents	\$ 71,246	\$ 66,526
Other current assets	31,133	31,059
Current liabilities	(79,634)	(72,591)
Working capital ¹	\$ 22,745	\$ 24,994

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

Working capital¹ decreased by \$2.3 million, or 9% compared to December 31, 2025. This decrease was primarily driven by a \$7.4 million increase in current liabilities offset by a \$4.8 million increase in current assets.

The increase in the Company's cash position was primarily supported by stronger realized gold prices¹ and partial disposition of short-term investment.

Working capital, a key measure of near-term liquidity, 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 ended March 31, 2026, and 2025, is outlined as follows:

(\$ thousands)	Three months ended March 31	
	2026	2025
Cash provided by operating activities before income taxes	\$ 14,868	\$ 1,349
Income taxes paid	(1)	(1,608)
Net cash provided by (used in) operating activities	\$ 14,867	\$ (259)
Net cash used in investing activities	(9,497)	(3,328)
Net cash used in financing activities	(309)	(2,131)
Effect of exchange rate changes on cash balances	\$ (341)	\$ (297)
Net increase (decrease) in cash and cash equivalents	\$ 4,720	\$ (6,015)

Cash provided by operating activities in Q1 2026 was \$14.9 million, compared to operating cash flow of \$0.3 million used in operating activities in Q1 2025. The Company benefited from the favorable gold prices, which averaged \$4,875 in Q1 2026.

Net cash flows used in investing activities in Q1 2026 totaled \$9.5 million compared to \$3.3 million in Q1 2025 reflecting a substantial rise in the purchase of property, plant, and equipment, totaling \$11.0 million in Q1 2026, up from \$3.3 million in Q1 2025. In addition to these purchases, there was a \$0.5 million investment in mineral exploration projects during Q1 2026, compared to \$nil in Q1 2025, Q1 2026 investing activities is also impacted by the refund of proceeds from the cancelation of a property sold in Q4 2025 and cancelled in Q1 2026 amounting \$1.5 million. These outflows were partially offset by receipts of \$3.5 million from the disposition of short-term investments.

Cash used for financing activities of \$0.3 million in Q1 2026 decreased by \$1.8 million due to the net repayment of notes payable in Q1 2025.

⁵ This is a non-GAAP financial performance measure with no standard definition under IFRS. It is a common measure of near-term liquidity.

Contractual Obligations and Commitments

The Company's contractual obligations as of March 31, 2026, 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	\$ 25,744	\$ -	\$ -	\$ -	\$ 25,744
Notes payable ¹					
Principal	6,000	-	-	-	6,000
Interest	208	-	-	-	208
Lease liabilities	1,835	688	-	-	2,523
Total financial liabilities	\$ 33,787	\$ 688	\$ -	\$ -	\$ 34,475
Other Commitments					
Reclamation provisions ²	11,786	31,106	40,515	30,417	113,824
Current tax liability	1,283	-	-	-	1,283
Legal and other provisions ³	34,250	9,923	3,394	755	48,322
Suppliers' agreements ⁴	6,577	-	-	-	6,577
Total other commitments	\$ 53,896	\$ 41,029	\$ 43,909	\$ 31,172	\$ 170,006
Total	\$ 87,683	\$ 41,717	\$ 43,909	\$ 31,172	\$ 204,481

¹ Notes payable represents the principal on Brazilian short-term bank loans with maturities ranging between 180 and 360 days.

² Reclamation provisions - amounts presented in the table represent the undiscounted uninflated future payments for the expected cost of reclamation.

³ Legal and other provisions - includes commitments estimated to settle the Company's legal and other provisions, including \$31.8 million related to the Satinoco incident and \$16.5 million for other labour, civil and tax litigations.

⁴ 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.

CAPITAL STRUCTURE

The capital structure of the Company as of March 31, 2026, is as follows:

All amounts in \$ thousands, except number of common shares	As at March 31, 2026	
Cash and cash equivalents	\$	71,246
Less: Bank indebtedness	\$	6,208
Less: Leasing Liabilities	\$	2,026
Less: Total debt	\$	8,234
Total net cash and cash equivalents balance¹	\$	63,012
Number of common shares outstanding		85 million

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 condensed interim consolidated statements of operations and comprehensive income. Legal fees paid to ASA were \$0.1 million in Q1 2026 (\$0.1 million in Q1 2025).

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 chief executive officer. Rent expenses paid to Orix were \$5,000 for the three months ended March 31, 2026 (\$5,000 for the three months ended March 31, 2025).

DEVELOPMENT AND EXPLORATION PROJECTS

IAMGOLD Acquisition – Pitangui and Acuruí projects

On September 13, 2023, the Company completed the acquisition (“the Acquisition”) of Mineração Onças de Pitangui 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 Acuruí 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 110 kilometers northwest of the city of Belo Horizonte 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 (3,547 kt @4.01 g/t Au) in the measured and indicated category and 490,000 ounces (4,184 kt @3.64 g/t Au) of inferred mineral resources for this project, which is part of the Turmalina complex as it is contemplated that ore will be processed at the Turmalina processing plant which has over 50% of excess capacity.

Progress in Environmental Licensing:

The Company made significant progress in its environmental licensing process throughout 2024 and into the first quarter of 2025, concluding all necessary environmental studies. This work culminated in the submission of the Environmental Impact Study (EIA) to the relevant authorities on March 3rd, 2025. The licensing process advanced to its next critical stage on April 8th, 2025, when the agency formally validated the submission, confirming its readiness for technical analysis. While not guaranteed, the Company expects to receive the Installation License for starting to open the portal and decline of the Pitangui underground mine during the second half of 2026.

Acuruí Project

The Acuruí 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 Acuruí project. For further information regarding the Acuruí 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+ at www.sedarplus.ca.

Generative Exploration

Jaguar’s commitment to strategic exploration and building a robust pipeline of high-potential projects remains a cornerstone of the Company’s long-term strategy. The positive results from previous exploration activities across three key new target trends within the extensive 46,000-hectare tenement portfolio in the Iron Quadrangle, emphatically underscore this potential.

These efforts, conducted in parallel with our in-mine exploration, are designed to generate and advance high-priority targets, ensuring a sustainable future for Jaguar’s operations.

As detailed in the news release issued on March 4, 2024, our 2023 exploration program yielded highly encouraging outcomes, significantly enhancing the prospectivity of our land package:

Rio do Peixe Trend

Located approximately 20 kilometers north-east of our Paciência complex, the Rio do Peixe trend also shows considerable promise. The Company has mapped and sampled extensive historical surface and underground excavations over a 3-kilometer strike length along this trend. Surface trenching and rock chip sampling efforts have returned highly encouraging results. For example, a best trench sample result of 8.89 g/t Au over 10.4 meters was recorded. Additionally, rock chip samples from outcrops yielded grades up to 21.9 g/t Au. These results such as 16.63 g/t Au over 3.0 meters at Mata dos Trovões, indicate significant mineralization associated with quartz veining and quartz-sericite-chlorite-carbonate alteration, characteristic of the region's deposits.

Rocinha – Carrancas – Carneiros

This mineralized trend, situated approximately 9 kilometers east of our Caeté plant, has demonstrated remarkable high-grade potential. Our work in 2023 involved comprehensive mapping and sampling of extensive historical surface and underground excavations across a 5-kilometer strike length. Rock chip channel sampling from these historical workings revealed several very high-grade intercepts, with significant Grade x Thickness (GT) values. For instance, samples such as 48.70 g/t Au over an estimated true width of 2.3 meters were recorded at Pele de Onça, and 27.93 g/t Au over 1.4 meters at Carrancas.

Furthermore, our shallow reconnaissance diamond drilling confirmed the presence of high-grade mineralization. Notably, the first hole, FCAR001, intersected a wide zone grading 16.69 g/t Au over a true width of 4.8 meters at the Carrancas target. This intercept is particularly significant as it substantially elevates the project's perceived potential. While subsequent step-out holes encountered the targeted structure with lower grades and thicknesses, the initial strong results are driving a thorough review and refinement of our geological models. This ongoing process aims to better distinguish geological conditions that correlate with higher-grade, thicker mineralization, thereby optimizing future drill targeting.

Note: On July 5, 2023, Jaguar Mining Inc. entered into an agreement with AngloGold Ashanti (AGA) to fully eliminate the royalty percentages originally established in favor of AGA for the exploitation of the mining rights 830.373/1979 ("Bahú"), 830.374/1979 ("Marzagão"), and 830.375/1979 ("Paciência") by Jaguar. In exchange, certain mining rights were assigned to AGA, specifically 831.233/2017 ("Pacheca") and 834.126/2007 ("Carrancas"). A press release regarding this agreement was issued on August 14, 2023. On June 27, 2024, the full assignment of mining right 834.126/2007 ("Carrancas") to AGA was formalized by the National Mining Agency (ANM). AGA will be responsible for obtaining the mining concession and the corresponding environmental licensing. Once the mining permit is granted, AGA will conduct a horizontal partial assignment of the mining right in favor of Jaguar Mining Inc. As a result, Jaguar will hold the rights to the deposit from the surface down to the 200-meter level (relative to sea level), while AGA will retain rights from the 200-meter level downward. This agreement provides Jaguar with all necessary guarantees to explore the Carrancas – Rocinha – Carneiros trend from surface to the 200-meter level, simultaneously with AGA, ensuring that neither company is disadvantaged in the process.

Paciência Trend

The Paciência trend, defined by a major mineralized crustal shear zone extending over approximately 15 kilometers within our Paciência complex tenement package, received focused attention in 2023. A comprehensive soil sampling program, involving 1,200 samples, targeted previously untested southern extensions of this mineralized trend, stretching from the currently closed Santa Isabel mine southwards to the tenement limit.

This program was highly successful in defining a robust gold-in-soil anomaly, exceeding 100 parts per billion (ppb) Au, which has been named Chamé – Cedro. This anomaly effectively extends the potential mineralization trend southward along this significant structure by an impressive 4 kilometers. Follow-up surface mapping and rock chip sampling in this newly defined area have, to date, reported over 10 samples with gold values greater than 5 g/t Au, with a peak grade reaching 22 g/t Au.

Building on the momentum from our successful 2023 exploration program, the Company has prioritized advancing one of its most promising targets. Accordingly, during 2024 and 2025, the Company embarked on a focused follow-up exploration initiative at the high-potential Chamé – Cedro anomaly within the Paciência trend, where detailed geological mapping and further exploration trenching has now been completed.

The samples from these trenching activities are currently undergoing gold assay analysis, and the Company anticipates releasing these results, which will further define the potential of this compelling target.

As detailed in the news release issued on September 8, 2025, Jaguar announced a comprehensive five-year exploration plan designed to expand its gold resources and support future production growth. This initiative has been developed to systematically explore the Company's extensive mineral tenements, with a focus on both expanding existing deposits and identifying new prospective targets. See below for additional information in respect of the five-year exploration plan.

Santa Isabel mine is currently being dewatered following the plan to restart of the mine towards the end of 2026.

Pilar Mine BA Zone Exploration

On August 5, 2025, the Company announced significant progress from its ongoing exploration drilling activities at the BA Zone, located within the Company's Pilar Mine in Brazil. This update underscores the continued success in delineating high-grade gold mineralization and its strategic importance to the mine's future production profile.

The drilling campaign, which involved an additional 2,328 meters targeting mineralization between Level 16 and Level 20, has yielded exceptional results. A standout intercept was recorded in drill hole PPL1174, revealing 12.80 g/t Au over an estimated true width of 25.00m, representing a substantial 320.00 GT (Grade x Thickness).

The obtained intersections underscore both the geological and structural coherence of the mineralization, confirming a pronounced down-plunge continuity characteristic of prolific mineralized systems in the Iron Quadrangle. The mineralization remains open at depth and extends into previously untested upper levels, maintaining gold grades.

While the BA Orebody was a primary contributor in earlier levels (1 to 6) and faced economic challenges between Levels 4 and 12, the renewed exploration between Levels 15 and 19 has re-established its economic viability at greater depths. Furthermore, there remains significant exploration potential between Levels 12 and 15, with drilling programs underway or in planning to delineate additional resources at shallower depths and ensure the consistent continuity of the BA Orebody across the deposit.

5 Year Exploration Plan

On September 8, 2025, Jaguar announced a comprehensive five-year exploration plan aimed at expanding its gold resources and supporting future production growth across its 46,619 hectares of mineral rights in Brazil's Iron Quadrangle. The plan focuses on systematically exploring existing deposits and identifying new prospective targets. Key highlights of the exploration plan:

- **Gold Endowment Potential:** The plan targets a significant increase in total gold endowment.
- **Drilling Campaign:** Approximately 222,000 meters of drilling is planned between 2026 and 2030 to expand and define gold resources, particularly in the inferred category
- **Strategic Project Focus:** Exploration will target key areas:

Paciência Complex: Focus on extending known mineralization at Santa Isabel, Marzagão, and Chamé, supported by 6,175 meters of drilling started in 2025.

Caeté Complex – Roça Grande Project: Exploration at Boa Vista, Morro da Mina, and regional targets such as Sabará Extension, Lavra Velha, and Zé Firme.

MTL Complex: Focus on the Pontal project with 11,000 meters of drilling.

Onças de Pitangui Project: Infill drilling and exploration at Aparição, Caldas, and Taboca targets to support resource growth.

- **Systematic Exploration Approach:** The plan includes geological mapping, geochemical surveys, and extensive drilling to maximize discovery and resource upgrades.

- Environmental Stewardship: All activities will comply with environmental regulations, including licensing processes and impact assessments.
- Team and Technology: A skilled exploration team and advanced techniques will be employed to optimize results.

The plan aims to define key targets, prepare detailed forecasts and budgets, and secure timely approvals to ensure consistent progress. Jaguar is confident that this initiative will expand its resource base, accelerate growth, and strengthen its position as a leading gold producer in Brazil's Iron Quadrangle.

QUALIFIED PERSONS

Scientific and technical information in this MD&A has been reviewed and approved by Luis Albano Tondo (CEO of the Company) and Eric Duarte (VP Operations of the Company), both "qualified persons" under National Instrument 43-101 and employees of Jaguar Mining Inc. The Company's latest technical report was filed on SEDAR+ at www.sedarplus.ca on March 31, 2026, has an effective date of December 31, 2025 and is titled "NI 43-101 Technical Report, Caeté Mining Complex, Minas Gerais, Brazil".

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 May 13, 2026
Issued and outstanding common shares	85,330,861
Stock options	609,550
Deferred share units	1,248,939
Warrants	199,999
Total	87,389,349

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, earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA, working capital, adjusted net income and adjusted net income per share. 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 March 31	
	2026	2025
Operating costs	\$ 14,315	\$ 10,549
General & administration expenses ³	2,578	2,477
Corporate stock-based compensation	593	3
Sustaining capital expenditures ¹	4,854	3,262
All-in sustaining cash costs	22,340	16,291
Reclamation (operating sites)	(280)	160
All-in sustaining costs	\$ 22,060	\$ 16,451
Non-sustaining capital expenditures	6,465	933
Exploration and evaluation costs (greenfield)	715	395
Reclamation (non-operating sites)	364	461
Care and maintenance (non-operating sites) ⁴	1,050	224
All-in costs	\$ 30,654	\$ 18,464
Ounces of gold sold	9,147	9,544
Cash operating costs per ounce sold²	\$ 1,565	\$ 1,105
All-in sustaining costs per ounce sold²	\$ 2,412	\$ 1,724
All-in costs per ounce sold²	\$ 3,351	\$ 1,935
Average realized gold price	\$ 4,875	\$ 2,845
Cash operating margin per ounce sold	\$ 3,310	\$ 1,740
All-in sustaining margin per ounce sold	\$ 2,463	\$ 1,121

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.

³ Excludes G&A expenses related to Onças de Pitangui (Q1 2026: \$50; Q1 2025: \$24), classified as exploration and evaluation costs, and \$1,235 of non-recurring bonus provisions in Q1 2026. No bonus provision was recorded in Q1 2025.

⁴ Includes care and maintenance costs for Paciência and Roça Grande mines.

Cash operating costs per ounce sold is calculated by dividing operating costs per the condensed interim consolidated statement of operations and comprehensive income 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)	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Turmalina Complex								
Operating costs	\$ -	\$ -	\$ -	\$ 282	\$ -	\$ 6,320	\$ 7,184	\$ 8,731
Sustaining capital expenditures	571	-	-	-	-	4,644	6,422	3,159
All-in sustaining costs¹	\$ 571	\$ -	\$ -	\$ 282	\$ -	\$ 10,964	\$ 13,606	\$ 11,890
Ounces of gold sold	-	-	-	242	-	5,188	5,639	7,302
Cash operating cost (per oz. sold)¹	\$ -	\$ -	\$ -	\$ 1,165	\$ -	\$ 1,218	\$ 1,274	\$ 1,196
All-in sustaining cost (per oz. sold)^{1,2}	\$ -	\$ -	\$ -	\$ 1,165	\$ -	\$ 2,113	\$ 2,413	\$ 1,628

(\$ thousands, except where indicated)	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Pilar Mine								
Operating costs	\$ 14,315	\$ 13,288	\$ 13,465	\$ 12,797	\$ 10,549	\$ 11,425	\$ 10,129	\$ 11,166
Sustaining capital expenditures	3,862	4,275	4,105	3,848	2,746	3,425	3,126	3,041
All-in sustaining costs¹	\$ 18,177	\$ 17,563	\$ 17,570	\$ 16,645	\$ 13,295	\$ 14,850	\$ 13,255	\$ 14,207
Ounces of gold sold	9,147	9,124	9,799	10,744	9,544	10,855	10,087	11,720
Cash operating cost (per oz. sold)¹	\$ 1,565	\$ 1,456	\$ 1,374	\$ 1,191	\$ 1,105	\$ 1,053	\$ 1,004	\$ 953
All-in sustaining cost (per oz. sold)^{1,2}	\$ 1,987	\$ 1,925	\$ 1,793	\$ 1,549	\$ 1,393	\$ 1,368	\$ 1,314	\$ 1,212

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)	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Turmalina Complex								
Operating Costs	\$ -	\$ -	\$ -	\$ 282	\$ -	\$ 6,320	\$ 7,184	\$ 8,731
Gold (oz.) sold	-	-	-	242	-	5,188	5,639	7,302
Cash operating cost (per oz. sold) ¹	\$ -	\$ -	\$ -	\$ 1,165	\$ -	\$ 1,218	\$ 1,274	\$ 1,196
Tonnes of ore processed (t)	12,562	-	-	-	-	59,000	77,000	71,400
Average foreign exchange rate (BRL - USD) ¹	\$ 5.26	\$ 5.40	\$ 5.45	\$ 5.67	\$ 5.85	\$ 5.84	\$ 5.55	\$ 5.21
Cash operating cost (R\$ per tonne) ¹	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 625	\$ 517	\$ 638

(\$ thousands, except where indicated)	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Pilar Mine								
Operating Costs	\$ 14,315	\$ 13,288	\$ 13,465	\$ 12,797	\$ 10,549	\$ 11,425	\$ 10,129	\$ 11,166
Gold (oz.) sold	9,147	9,124	9,799	10,744	9,544	10,855	10,087	11,720
Cash operating cost (per oz. sold) ¹	\$ 1,565	\$ 1,456	\$ 1,374	\$ 1,191	\$ 1,105	\$ 1,053	\$ 1,004	\$ 953
Tonnes of ore processed (t)	79,154	96,177	94,586	92,846	86,646	101,000	97,000	99,000
Average foreign exchange rate (BRL - USD) ¹	\$ 5.26	\$ 5.40	\$ 5.45	\$ 5.67	\$ 5.85	\$ 5.84	\$ 5.55	\$ 5.21
Cash operating cost (R\$ per tonne) ¹	\$ 951	\$ 746	\$ 776	\$ 781	\$ 712	\$ 661	\$ 579	\$ 588

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 March 31	
	2026	2025
Sustaining capital ¹		
Primary development	\$ 3,161	\$ 1,688
Exploration - Brownfield	304	231
Mine-site sustaining	968	1,160
Other sustaining capital	421	183
Total sustaining capital¹	4,854	3,262
Non-sustaining capital (including capital projects) ¹		
Mine-site non-sustaining	\$ 6,427	\$ 457
Others non-sustaining capex	38	476
Total non-sustaining capital¹	6,465	933
Total capital expenditures	\$ 11,319	\$ 4,195

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.

Reconciliation of Free Cash Flow¹

The Company uses free cash flow¹ 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 March 31	
	2026	2025
Cash generated from (used in) operating activities	\$ 14,867	\$ (259)
Adjustments		
Asset Retirement Obligation	84	621
Sustaining capital expenditures ²	(4,854)	(3,262)
Free cash flow	\$ 10,097	\$ (2,900)
Ounces of gold sold	9,147	9,544
Free cash flow per ounce sold	\$ 1,104	\$ (304)

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	
	March 31	
	2026	2025
Net income (loss)	\$ 4,653	\$ (1,611)
Income tax expense	2,065	594
Finance costs	3,381	1,266
Depreciation and amortization	2,404	2,811
EBITDA¹	\$ 12,503	\$ 3,060
Legal, recoverable tax and other provisions expenses	500	406
Satinoco event	5,936	5,754
Foreign exchange loss	5,766	5,890
Stock-based compensation	593	3
Financial instruments gain	(1,552)	(430)
Adjusted EBITDA¹	\$ 23,746	\$ 14,683

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

EBITDA is earnings before finance cost, current and deferred income tax expense and depreciation and amortization. Adjusted EBITDA excludes from EBITDA the results of the impact of changes in legal, recoverable tax and other provisions expenses, foreign exchange loss (gain), Satinoco event expenses, stock-based compensation and financial instruments gain.

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed interim consolidated financial statements in conformity with IFRS 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 those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Certain estimates, such as those related to the valuation of mineral exploration projects and royalty assets, recoverability of property plant and equipment, reclamation provisions, derivatives, measurement of inventory and disclosure of contingent assets and liabilities depend on subjective or complex judgments about matters that may be uncertain. Changes in those estimates could materially impact the Company's condensed interim consolidated financial statements.

The significant accounting estimates and judgments applied in the preparation of the Company's condensed interim consolidated financial statements for the three months ended March 31, 2026, are consistent with those applied and disclosed in the audited annual consolidated financial statements for the year ended December 31, 2025. For details of these estimates, judgments and assumptions, please refer to the Company's audited annual consolidated financial statements for the year ended December 31, 2025, which are available on the Company's website and on SEDAR+ at www.sedarplus.com.

OTHER MANAGEMENT DISCUSSION AND ANALYSIS DISCLOSURES

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 Note Regarding Forward-Looking Statements 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 comprehensive discussion of the risks and uncertainties that may have an adverse effect on the Company's business, operations and financial results, refer to the Company's latest AIF, filed on March 31, 2026 with Canadian securities regulatory authorities at www.sedarplus.ca.

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.
- Mining is inherently risky and subject to conditions and events beyond Jaguar's control.
- Mineral Reserve and Mineral Resources Estimates.
- Significant uncertainty exists related to inferred Mineral Resources.
- Replacement of depleted reserve.

Risks Relating to Jaguar's Business

- Fluctuations in currency exchange rates may adversely affect Jaguar's financial position and results of operations.
- Competition.
- Reliance on management and key personnel.
- Actual operating and financial results may differ from plans.
- Energy supply and costs.
- Title defects.
- Brazil government regulation and political instability.
- Brazil corruption perceptions index.
- Demanding environmental laws and regulations.
- Cyber security.
- Employment regulations and labour disruptions.
- Jaguar may be subject to litigation.
- Production and cost estimates.
- Road link between Pilar Mine and the Caeté plant.
- Repatriation of earnings.
- Termination of mining concessions.
- Compliance with anti-corruption laws.
- Reliance on local advisors and consultants in foreign jurisdictions.
- Pandemic and infectious disease.
- Climate volatility and climate change.
- Mining and insurance risks.
- Geotechnical challenges could impact profitability.
- Supply chain risk.

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

For a comprehensive discussion of the above risks and other risks facing the Company, please refer to the section entitled "Risk Factors" in the Company's most recent AIF and the section entitled "Risks and Uncertainties" in the Company's Management's Discussion and Analysis for the year ended December 31, 2025, both of which are filed on SEDAR+ at www.sedarplus.ca.

There were no significant changes to those risks or to the Company's management of exposure to those risks, during the three months ended March 31, 2026.

INTERNAL CONTROLS OVER FINANCIAL REPORTING AND DISCLOSURE CONTROLS AND PROCEDURES

Internal Control over Financial Reporting

Management is responsible for the design, implementation and operating effectiveness of internal control over financial reporting. Under the supervision of the Chief Executive Officer and Chief Financial Officer, management evaluated the design and effectiveness of the Company's internal control over financial reporting as of March 31, 2026. In making the assessment, management used the criteria set forth in Internal Control - Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on a review of internal control procedures at the end of the period covered by this MD&A, management determined internal control over financial reporting was appropriately designed as at March 31, 2026.

Changes in Internal Control over Financial Reporting

There were no material changes in the Company's internal control over financial reporting that occurred during the three months ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Disclosure Controls and Procedures

Management is also responsible for the design and effectiveness of disclosure controls and procedures. The Company's Chief Executive Officer and Chief Financial Officer have each evaluated the effectiveness of the Company's disclosure controls and procedures as at March 31, 2026 and have concluded that these disclosure controls and procedures were appropriately designed as at March 31, 2026.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that internal controls over financial reporting and disclosure controls and procedures, no matter how well designed and operated, have inherent limitations. Therefore, even those systems determined to be properly designed and effective can provide only reasonable assurance that the objectives of the control system are met.

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, statements regarding mineral resource and mineral reserve estimates, statements regarding the resumption of production, and ramping up to planned production, at the Turmalina mine, statements regarding mineral resource and mineral reserve increases, exploration results and potential mineralization, improved metallurgical recoveries, gold prices, strategic opportunities, future cash flow, projected gold production, drill results, and the Company's mining, development and exploration plans and goals at its properties.

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; operations at the Turmalina mine ramping up to planned production in line with the Company's expectations; 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 operations on a timely basis; fluctuations in global energy markets; business opportunities that may be presented to, or pursued by, the Company; failure to establish estimated mineral resources and mineral reserves (the Company's mineral resource and mineral reserve figures are estimates and no assurances can be given that the indicated levels of gold will be produced), 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; failure to comply with environmental and health and safety laws and regulations, including potential unforeseen long-term consequences of the Satinoco incident that may require additional mitigation measures or lead to further liability; 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; litigation and legal and administrative proceedings; risk of loss due to acts of war, terrorism, sabotage, and civil disturbances; the Company's ongoing relations with its employees, affected communities, business partners and joint venture partners; income tax and regulatory matters; availability and increased costs associated with mining inputs and labour; 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; inflation; 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, 2025, which was filed on SEDAR+ under the profile of Jaguar Mining Inc. on March 31, 2026 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.

The mineral resource and mineral reserve figures referred to in this MD&A are estimates and no assurances can be given that the indicated levels of gold will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that the resource and reserve estimates included in this MD&A are well established, by their nature, resource and reserve estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. If such estimates are inaccurate or are reduced in the future, this could have a material adverse impact on the Company.

Due to the uncertainty that may be attached to inferred mineral resources, it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration. Confidence in the estimate is insufficient to allow meaningful application of the technical and economic parameters to enable an evaluation of economic viability sufficient for public disclosure, except in certain limited circumstances. Inferred mineral resources are excluded from estimates forming the basis of a feasibility study.

Statements concerning actual mineral resource and mineral reserve estimates are also deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if (or as) the relevant project or property is developed (or mined). Mineral resources that are not mineral reserves do not have demonstrated economic viability. There is no certainty that mineral resources can be upgraded to mineral reserves through continued exploration.