



**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF
SHAREHOLDERS**

&

MANAGEMENT INFORMATION CIRCULAR

April 22, 2019



NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of Jaguar Mining Inc. (the “**Corporation**”) will be held at the offices of Miller Thomson LLP, Scotia Plaza, 40 King Street West, Suite 5800, Toronto, ON, M5H 3S1, on Tuesday, **June 4, 2019** at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive and consider the consolidated financial statements of the Corporation for its financial year ended December 31, 2018, together with the auditor’s report thereon;
2. to reappoint KPMG LLP, Chartered Accountants, as the auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration and the terms of their engagement;
3. to elect the directors for the ensuing year;
4. to consider and, if thought advisable, to pass, with or without variation, an ordinary resolution, substantially in the form set out in the accompanying management information circular (the “**Circular**”), ratifying and re-approving the Corporation’s 10% rolling stock option plan (the “**Stock Option Plan**”), and ratifying and approving certain stock option grants made thereunder, as more fully described in the Circular;
5. to consider and, if thought advisable, to pass, with or without variation, an ordinary resolution, substantially in the form set out in the Circular, ratifying and approving an increase in the number of common shares in the capital of the Corporation reserved for issuance under the Corporation’s deferred share unit plan (the “**DSU Plan**”), as more fully described in the Circular; and
6. to transact such further or other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

The board of directors of the Corporation has fixed a record date as of **April 23, 2019** for the purposes of determining Shareholders entitled to receive notice of, and to vote at, the Meeting and any postponement or adjournment thereof. Registered Shareholders who are unable to attend the Meeting in person are entitled to be represented by proxy and are requested to properly complete, sign, date and return the form of proxy accompanying this notice of meeting (the “**Notice of Meeting**”) in the envelope provided for that purpose. In order to appoint a proxy nominee to represent, attend and act on behalf of a Shareholder at the Meeting, Shareholders must properly complete, sign and date the accompanying form of proxy and deposit the form of proxy with (i) TSX Trust Company, the

Corporation's registrar and transfer agent, at TSX Trust Company, 301 - 100 Adelaide Street West, Toronto, ON, M5H 4H1, no later than 10:00 a.m. (Toronto time) on **May 31, 2019**, or at least 48 hours, excluding Saturdays, Sundays and holidays, prior to any adjournment or postponement of the Meeting at which the proxy is to be used, or (ii) the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof at which the proxy is to be used prior to the commencement thereof. The Chairman of the Meeting has the discretion to accept late proxies. As an alternative to voting in person at the Meeting or delivering a form of proxy as described above, registered Shareholders may vote via the Internet by following the instructions set out in the form of proxy and the accompanying management information circular. Beneficial Shareholders who receive the form of proxy or other voting instruction form directly from the Corporation or through an intermediary must deliver their proxy or voting instruction form, as applicable, in strict accordance with the instructions set out therein, which instructions may allow for voting via the Internet.

Shareholders who are unable to attend the Meeting in person are urged to complete, sign, date and return the form of proxy or voting instruction form, as applicable, in accordance with the instructions set out therein to TSX Trust Company as soon as possible so that as large a representation as possible may be had at the Meeting.

If you have any questions or need assistance with the completion and delivery of your proxy, please contact the Corporation's proxy solicitation agent, D.F. King, by telephone at 1-800-301-3998 (toll free in North America) or 1-201-806-7301 (collect outside North America), or by email at inquiries@dfking.com.

DATED at Toronto, Ontario, Canada, this 22nd day of April, 2019.

BY ORDER OF THE BOARD OF DIRECTORS OF
JAGUAR MINING INC.

"Thomas Weng"

Thomas Weng

Chairman of the Board of Directors

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MANAGEMENT INFORMATION CIRCULAR

This management information circular, including all schedules hereto (the “Circular”), is furnished in connection with the solicitation by the management of Jaguar Mining Inc. (the “Corporation”, the “Company” or “Jaguar”) of proxies to be used at the annual general and special meeting of holders of common shares (the “Shares”) of the Corporation (the “Shareholders”) or any and all adjournments or postponements thereof (the “Meeting”) to be held at the offices of Miller Thomson LLP, Scotia Plaza, 40 King Street West, Suite 5800, Toronto, ON, M5H 3S1, on Tuesday, June 4, 2019 at 10:00 a.m. (Toronto time) for the purposes set forth in the accompanying notice of meeting (the “Notice of Meeting”).

APPOINTMENT AND REVOCATION OF PROXIES

General

The solicitation of proxies will be primarily by mail but proxies may also be solicited personally or by e-mail, internet, facsimile or other means of communication by regular employees, officers, directors and agents of the Corporation at nominal cost. The cost of such solicitation by management will be borne by the Corporation. The Corporation has retained D.F. King (the “**proxy solicitation agent**”) to assist in the solicitation of proxies and may also retain other persons as it deems necessary to aid in the solicitation of proxies with respect to the Meeting. The Corporation and D.F. King entered into an engagement agreement with customary terms and conditions, which provides that the proxy solicitation agent will be paid a fee of up to \$20,000 plus out-of-pocket expenses. Except as otherwise stated, the information contained herein is given as of **April 22, 2019**.

Only registered Shareholders or their duly appointed proxy nominees are permitted to vote at the Meeting. You are a non-registered Shareholder if you are a Shareholder whose Shares are registered in the name of an intermediary, such as an investment dealer, bank, trust company, trustee, custodian, or other nominee, or a clearing agency in which the intermediary participates (a “**Non-Registered Holder**”).

These security holder materials are being sent to both registered Shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the securities on your behalf.

Non-Registered Holders who have not objected to their intermediary disclosing certain information about them to the Corporation are referred to as “NOBOs”, whereas Non-Registered Holders who have objected to their intermediary disclosing ownership information about them to the Corporation are referred to as “OBOs”. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has elected to send the Notice of Meeting, this Circular and the related form of proxy or voting instruction form (collectively, the “**Meeting Materials**”) directly to the NOBOs, and indirectly to the OBOs through their intermediaries. By choosing to send the Meeting Materials directly to NOBOs, the Corporation (and not the intermediary holding Shares on behalf of the NOBOs), has assumed responsibility for (i) delivering the Meeting Materials to the NOBOs, and (ii) executing their proper voting instructions.

The Corporation will be relying on the notice and access delivery procedures outlined in National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators to distribute copies of proxy-related materials in connection with the

Meeting. Meeting materials are available electronically at www.sedar.com and also at <https://docs.tsxtrust.com/2028>. If you wish to receive a paper copy of the Meeting materials or have questions about notice and access, please call 1-866-600-5869 or email TMXInvestorServices@tmx.com. In order to receive a paper copy in time to vote before the meeting, your request should be received by **May 24, 2019**.

Registered Shareholders

The proxy nominees named in the form of proxy accompanying this Circular are a director and an officer of the Corporation. **A Shareholder desiring to appoint some other person (who need not be a Shareholder) to represent, attend and act on behalf of the Shareholder at the Meeting may do so either by inserting such person's name in the blank space provided in that form of proxy or by completing another proper form of proxy.** In either case, the proxy must be properly completed, signed, dated, and (i) deposited with TSX Trust Company (“**TSX Trust**”), the Corporation's registrar and transfer agent, at the address indicated on the enclosed envelope so that it is received prior to 10:00 a.m. (Toronto time) on **May 31, 2019**, or at least 48 hours, excluding Saturday, Sundays and holidays, prior to any adjournment or postponement of the Meeting at which the proxy is to be used, or (ii) deposited with the Chairman of the Meeting on the day of the Meeting prior to the commencement of the Meeting. The Chairman of the Meeting has the discretion to accept late proxies.

As an alternative to voting in person at the Meeting or delivering a form of proxy as described above, a registered Shareholder (a Shareholder whose name appears on the certificate(s) representing its Shares) may vote via the Internet. To vote using the Internet, a registered Shareholder must go to the website specified on the enclosed form of proxy, enter the Holder Account Number and Proxy Access Number set out on the form of proxy and then follow the voting instructions on the screen. If a Shareholder's form of proxy does not contain a Holder Account Number or a Proxy Access Number, they will not be able to vote via the Internet.

If you vote by using the Internet, DO NOT complete or return the enclosed form of proxy. Voting by mail is the only method to vote Shares held in the name of a corporation, or to vote Shares being voted on behalf of another individual. Voting by mail or using the Internet are the only methods by which a Shareholder may appoint a person as proxy nominee, other than the management proxy nominees named in the form of proxy accompanying this Circular, to represent, attend and act on behalf of the Shareholder at the Meeting.

Non-Registered Shareholders

If you are a NOBO, please complete and return the voting instruction form (as opposed to the form of proxy) accompanying this Circular as specified in the voting instruction form. The voting instruction form applicable to NOBOs allows for voting via the Internet or by mail, depending on the applicable circumstances.

If you are an OBO, the intermediary holding the Shares on your behalf is required to forward the Meeting Materials to you (unless you have waived your right to receive them) and to seek your instructions as how to vote your Shares in respect of each of the matters described in this Circular to be voted on at the Meeting. **Each intermediary has its own procedures which should be carefully followed by Non-Registered Holders who are OBOs to ensure that their Shares are voted by the intermediary on their behalf at the Meeting.** These procedures may allow for voting via the Internet, by mail and/or by facsimile. The applicable instructions for each such method of voting will be set out in

the form of proxy or voting instruction form provided by the intermediary. OBOs should contact their intermediary and carefully follow the voting instructions provided by such intermediary. Alternatively, OBOs who wish to vote their Shares in person at the Meeting may do so by appointing themselves as the proxy nominee by writing their own name in the space provided on the form of proxy or voting instruction form provided to them by the intermediary and following the intermediary's instructions for return of the executed form of proxy or voting instruction form.

Management of the Corporation does not intend to pay for intermediaries to forward to objecting beneficial owners the proxy-related materials and in the case of an objecting beneficial owner, the objecting beneficial owner will not receive the materials unless the objecting beneficial owner's intermediary assumes the cost of delivery.

Revocation of Proxies

A proxy given pursuant to this solicitation may be revoked by instrument in writing, including another proxy bearing a later date, executed by the Shareholder or by his or her attorney authorized in writing, and deposited either: (i) with the Corporation or TSX Trust no later than 10:00 a.m. (Toronto time) on May 31, 2019 or the second business day preceding the day of any adjourned or postponed Meeting; (ii) with the Chairman of the Meeting on the day of the Meeting prior to the commencement of the Meeting; or (iii) in any other manner permitted by law.

VOTING AND EXERCISE OF DISCRETION BY PROXIES

Shares represented by proxy will be voted for, or withheld from voting in respect of, each of the matters described herein in accordance with the instructions of Shareholders on any ballot that may be called for and, if a Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. **IN THE ABSENCE OF SUCH SPECIFICATION OF VOTING PREFERENCE, SUCH SHARES SHALL BE VOTED "FOR" EACH OF THE MATTERS SET FORTH IN THIS CIRCULAR.** The form of proxy accompanying this Circular confers discretionary authority upon the proxy nominees named therein with respect to amendments or variations to matters identified in the Notice of Meeting accompanying this Circular, or other matters which may properly come before the Meeting or any postponement or adjournment thereof, in each instance, to the extent permitted by law, whether or not the amendment or variation or other matter that comes before the Meeting is or is not routine and whether or not the amendment, variation or other matter that comes before the Meeting is contested. At the date of this Circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any amendments, variations or other matters which are not now known to management should properly come before the Meeting, the Shares represented by proxies in favour of the proxy nominees named in the form of proxy will be voted on such matters in accordance with the best judgment of such proxy nominee.

If you have any questions or need assistance with the completion and delivery of your proxy, please contact the Corporation's proxy solicitation agent, D.F. King, by telephone at 1-800-301-3998 (toll free in North America) or 1-201-806-7301 (collect outside North America), or by email at inquiries@dfking.com.

RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

In accordance with applicable laws, the board of directors of the Corporation (the "**Board**") has provided notice of and fixed a record date as of **April 23, 2019** (the "**Record Date**") for the purposes of determining Shareholders entitled to receive notice of, and to vote at, the Meeting, and has obtained a

list of all persons who are registered holders of Shares at the close of business on the Record Date and the number of Shares registered in the name of each person on that date. Each Shareholder registered on the list of Shareholders of the Corporation as at the close of business on the Record Date will be entitled to receive notice of the Meeting and will be entitled to one vote at the Meeting for each Share registered in his or her name as it appears on the list.

The authorized capital of the Corporation consists of an unlimited number of Shares. The Shares are listed on the Toronto Stock Exchange (“TSX”) under the symbol “JAG”. As of the date of this Circular, the Corporation had 328,505,674 Shares issued and outstanding, with each Share carrying the right to one vote.

To the best of the knowledge of the directors and executive officers of the Corporation, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying 10 percent or more of the voting rights attached to any class of outstanding voting securities of the Corporation, as of the Record Date other than as set out below:

<u>Name of Shareholder</u>	<u>No. of Shares</u>	<u>% of Issued Shares</u>
Eric Steven Sprott	71,300,000	21.9%
Tocqueville Asset Management	64,300,000	19.6%

INTEREST OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Other than discussed below, no person who has been a director or executive officer of the Corporation at any time since the beginning of the 2018 fiscal year, no proposed Nominee (as defined below) for election as a director of the Corporation, and no associate or affiliate of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

SHAREHOLDER ENGAGEMENT

The Board recognizes that it is important for the Board to communicate with Shareholders and with organizations that represent or advise Shareholders on matters of governance. The Board has determined that questions or concerns related to the Board, executive and Board compensation, Board level corporate governance and other matters that are within the scope of the Board’s supervisory and oversight duties, may appropriately be addressed to and by the Board. Those Shareholders, employees and other interested parties wishing to communicate directly with the Board may do so through the Chairman.

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements

At the Meeting, the audited financial statements for the fiscal year ended December 31, 2018 and the report of the auditors’ thereon will be placed before the Meeting. No vote by the Shareholders is required in connection with the presentation of the audited financial statements for the fiscal year ended December 31, 2018.

Reappointment and Remuneration of the Auditors

Management proposes to reappoint KPMG LLP, Chartered Accountants (“KPMG”), as the auditors of the Corporation and proposes that the Shareholders authorize the directors to fix the remuneration of the auditors and the terms of their engagement. KPMG has acted as the Corporation’s auditors since March 2002. To be effective, such resolution must be approved by a majority of the votes cast by Shareholders represented in person or by proxy on the matter at the Meeting.

Unless such authority is withheld, the management proxy nominees named in the accompanying form of proxy intend to vote FOR the reappointment of KPMG as auditors of the Corporation to hold office until the close of the next annual meeting of Shareholders and to authorize the directors to fix their remuneration and the terms of their engagement.

Election of Directors

At the 2017 Annual General and Special Meeting that occurred on June 5, 2017, the Shareholders approved a special resolution authorizing the Board to determine from time to time the number of directors of Jaguar, and the number of directors of Jaguar to be elected at any annual meeting of the Shareholders, between a minimum of three (3) and a maximum of eleven (11) directors as set out in the Corporation’s articles. In April 2019, the Board resolved to decrease the size of the Board from eight (8) to seven (7) directors and to fix the number of directors of the Corporation at seven (7). In anticipation of the Meeting, in April 2019, the Board resolved that the seven (7) individuals listed below shall be nominated for election as directors at the Meeting. Each director will hold office until the next annual general meeting of the Corporation or until his or her successor is elected or appointed, unless his or her office is earlier vacated.

Unless such authority is withheld, the management nominees named in the accompanying form of proxy (the “Nominees”) intend to vote FOR the election of the Nominees. Management does not contemplate that any of the Nominees will be unable to serve as a director, but, if that should occur for any reason prior to the Meeting, the Nominees named in the accompanying form of proxy reserve the right to vote for another person as a director in their discretion unless authority to vote in the election of directors is withheld. Each director elected will hold office until the close of business at the next annual meeting of the Shareholders or until his successor is elected or appointed, provided however, that if a director receives a greater number of votes “WITHHELD” than votes “FOR”, such director will be subject to the majority voting policy of the Corporation described in the following paragraph.

It is the policy of the Board that in an uncontested election of directors, any Nominee who receives a greater number of votes “WITHHELD” than votes “FOR” will tender a resignation to the Chairman of the Board promptly following the Meeting. The Governance, Compensation and Nominating Committee will consider the offer of resignation and, except in special circumstances, will be expected to recommend that the Board accept the resignation. A director’s resignation pursuant to the policy will be effective when accepted by the Board. A director who tenders a resignation pursuant to the policy will not participate in any meeting of the Board, or any sub-committee of the Board, at which the resignation is considered. The Board will make its decision and announce it in a press release within 90 days following the Meeting, including the reasons for rejecting the resignation, if applicable.

The table below sets forth for each Nominee, (i) their name, (ii) their principal occupations, businesses or employments, (iii) the province or state and country where they reside, (iv) whether they are an

independent director, (v) all major positions and offices with the Corporation now held by each of them, including committees on which they serve, (vi) the period of their service as directors of the Corporation, and (vii) the number of voting securities of the Corporation or any subsidiary of the Corporation beneficially owned, controlled or directed, directly or indirectly, by each of them.

Nominees to the Board

Name, Principal Occupation (and company if other than the Corporation) and Province/State and Country of Residence	Position(s) with the Corporation	Director Since	Number and Percentage of Shares Beneficially Owned, Directly or Indirectly, Controlled or Directed⁽¹⁾	Number of Deferred Share Units
Benjamin Guenther Interim Chief Executive Officer, Jaguar Mining Inc. Colorado, United States	Director	November 7, 2017	100,000 (0.03%)	964,000
Thomas Weng ⁽²⁾ Co-founder of Alta Capital Partners New Jersey, United States	Director (Independent)	April 1, 2016	6,871 (0.00%)	567,145
Richard D. Falconer ^{(3) (4)} Senior Advisor of Lazard Canada Inc. Ontario, Canada	Director (Independent)	May 22, 2012	365,023 (0.11%)	755,372
Edward V. Reeser ^{(3) (4) (6) (7)} President of Mobilex Corporation Ontario, Canada	Director (Independent)	June 10, 2013	123,375 (0.04%)	755,372
Luis Ricardo Miraglia ^{(5) (7)} Senior Partner at Azevedo Sette Advogados Firm Minas Gerais, Brazil	Director (Independent)	September 27, 2012	40,000 (0.01%)	755,372
John Ellis ^{(6) (7)} Director for International Tower Hill Mines, Hycroft Mines and Sunshine Silver Mines Corporation Nevada, United States	Director (Independent)	June 24, 2016	70,000 (0.02%)	537,472
Robert Getz ^{(3) (4) (5) (6)} Managing Partner at Pecksland Capital Partners Connecticut, United States	Director (Independent)	June 24, 2016	298,000 (0.09%)	537,472

(1) The information as to Shares beneficially owned, controlled or directed, not being within the knowledge of the Corporation, has been furnished by the respective Nominees individually as at April 22, 2019.

(2) Mr. Weng is the Chairman of the Board.

(3) Member of the Audit & Risk Committee. Mr. Reeser is Chairman of the Audit & Risk Committee.

(4) Member of the Corporate Governance and Nomination Committee. Mr. Getz is the Chairman of the Corporate Governance and Nomination Committee.

(5) Member of the Finance & Corporate Development Committee. Mr. Miraglia is the Chairman of the Finance & Corporate Development Committee.

(6) Member of the Governance, Compensation and Nominating Committee. Mr. Getz is the Chairman of the Governance, Compensation and Nominating Committee.

(7) Member of the Safety, Environmental, Technical and Reserves Committee. Mr. Ellis is the Chairman of the Safety, Environmental, Technical and Reserves Committee.

The composition of the Corporation's committees was revised in April, 2019, and as of the date of the Circular, the current structure of the committees is as follows:

Director	Board	Audit & Risk Committee	Governance, Compensation and Nominating Committee	Finance & Corporate Development Committee	Safety, Environmental, Technical and Reserves Committee
Benjamin Guenther	*				
Thomas Weng	**				
Richard D. Falconer	*	*	*		
Edward V. Reeser	*	**	*	*	*
Luis Ricardo Miraglia	*			**	*
John Ellis	*		*		**
Robert Getz	*	*	**	*	

* - Member

** - Chairman

Additional Disclosure Relating to Directors

To the Corporation's knowledge, no proposed director of the Corporation:

- (a) is, as of the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case for a period of more than 30 consecutive dates (each an "order") that was issued while the Nominee was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that Nominee was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, as of the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or

instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the Nominee; and

- (d) no personal holding company of any Nominee is, or has been, as applicable, subject to the foregoing during the applicable time periods;

Except as follows:

- (a) Messrs. Falconer, Reeser, and Miraglia were directors of the Corporation when it obtained creditor protection under the Companies' Creditors Arrangement Act (Canada) pursuant to an order granted on December 23, 2013 by the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). On February 5, 2014, the Corporation obtained an order from the Court sanctioning a plan leading to an overall capital reorganization of the Corporation, which was successfully implemented on April 22, 2014.
- (b) On April 20, 2009, while Mr. Getz was a director of Palladon Ventures, Ltd. ("**Palladon**"), Palladon became subject to a cease trade order in British Columbia as a result of certain deficiencies in its August 31, 2008 and November 30, 2008 interim financial statements, management's discussion and analysis and failure to file a business acquisition report. Palladon rectified all deficiencies identified in the cease trade order and the cease trade order was subsequently revoked on August 26, 2009. In September 2010, while Mr. Getz was a director of EarthRenew Corporation ("**EarthRenew**"), a private company, EarthRenew appointed a receiver-manager pursuant to the Bankruptcy and Insolvency Act (Canada) in respect of its assets and undertakings. Mr. Getz is no longer a director of EarthRenew.
- (c) Mr. Ellis was a director of Royal Coal Corp. ("**Royal Coal**"), a public natural resource company listed on the TSX-V. On May 9, 2012, after Mr. Ellis ceased as a director, Royal Coal became subject to a cease trade order in British Columbia for failure to file audited financial statements for the period ending December 31, 2011 during which period Mr. Ellis served as a director. Subsequently, similar cease trade orders were also issued in Ontario, Alberta, and Manitoba. The cease trade orders all remain in effect.

No Nominee has been subject to any penalties or sanctions imposed by a court or regulatory body relating to securities legislation or by a securities regulatory authority or has entered a settlement agreement with a securities regulatory authority.

Current Director Biographies

- *Thomas Weng (Director)*: Mr. Weng was appointed as a director of the Corporation on April 1, 2016 and is currently the Chairman of the Board. Mr. Weng has more than 22 years of experience in the financial services sector. Mr. Weng is currently Co-Founding Partner with Alta Capital Partners, a provider of financial advisory services (since February 2011). From February 2007 to January 2011, Mr. Weng was a Managing Director at Deutsche Bank and Head of Equity Capital Markets for Metals and Mining throughout the Americas and Latin America, across all industry segments. Prior to 2007, Mr. Weng held various senior positions at Pacific Partners, an alternative investment firm, and Morgan Stanley and Bear Stearns. Mr. Weng graduated from Boston University with a Bachelor of Arts in Economics.

- *Richard D. Falconer (Director)*: Mr. Falconer was elected to the Board on May 22, 2012 and acted as the Chairman of the Board from June 29, 2012 to November 14, 2018. Mr. Falconer retired from CIBC after 40 years with the bank. At the time of retirement, Mr. Falconer was Vice Chairman and Managing Director, CIBC World Markets Inc. Mr. Falconer is currently a Senior Advisor at Lazard Canada Inc. Current directorships include Chorus Aviation Inc.; Resolute Forest Products Inc.; LOFT Community Services; Dorothy Ley Hospice; and a member of the Board of Governors of the Shaw Festival Theatre Endowment Foundation. He is a Chartered Financial Analyst and holds a Master of Business Administration degree, York University, and Honours B.A., University of Toronto.
- *Edward V. Reeser (Director)*: Mr. Reeser was appointed to the Board on June 10, 2013. Up to 2017, Mr. Reeser was the President of Celco Inc. (Food Service Equipment), one of Canada's major commercial food service equipment importers and distributors. Currently Mr. Reeser is the President of Mobilex Corporation. Mr. Reeser was a director and member of the Finance and Audit & Risk Committee of Bridgepoint Health from September 2011 to December 2014 and was director of Temex Resources Corp. and Chairman of the Audit Committee and a member of the Compensation Committee of Temex Resources Corp. from July 2014 to October 2015. Mr. Reeser holds a Master of Business Administration degree (finance concentration) from York University, a Bachelor of Arts from York University and holds ICD.D designation from the Institute of Corporate Directors. Mr. Reeser is the Chairman and a director of RockMass Technologies Inc. and a director of Hospitality Finance Limited.
- *Luis Miraglia (Director)*: Mr. Miraglia was appointed as a director of the Corporation on September 27, 2012. Mr. Miraglia is a native of Minas Gerais, Brazil and is a Senior Partner at the law firm of Azevedo Sette Advogados with 24 years of experience in legal practice specializing in corporate law, mergers and acquisitions, project finance, infrastructure projects and mining. Mr. Miraglia is a member of the Corporate Law Committee of the Brazilian Bar Association, Chapter of Minas Gerais, and has advised numerous boards of privately and publicly held companies, both in Brazil and abroad, in connection to Brazilian Law and the complex Brazilian business environment. He holds a degree (Juris Doctorate equivalent) from the Universidade Federal de Minas Gerais in Belo Horizonte, Brazil and a Master of Laws degree from the University of Chicago Law School.
- *John Ellis (Director)*: Mr. Ellis was appointed as a director of the Corporation on June 24, 2016. John Ellis is a Professional Engineer with over 50 years of experience in the mining industry. He currently serves as a Director for International Tower Hill Mines and for Sunshine Silver Mines Corporation. Mr. Ellis previously served as a Director for Mexivada Mining Corp. and was Chairman and CEO of AngloGold North America and Hudson Bay Mining and Smelting Company. Prior to that, he held senior positions at Inspiration Resources Corp., and CVRD-Inco. His career has included service as a Director on the Mining Association of Canada and the National Mining Association. Mr. Ellis graduated from the Haileybury School of Mines and the Montana College of Science and Technology.
- *Robert Getz (Director)*: Mr. Getz was appointed as a director of the Corporation on June 24, 2016. Robert Getz is a private investor and brings over 30 years of experience in public and private investments and international mergers and acquisitions. Mr. Getz currently serves as Managing Partner of Pecksland Capital Partners, a private investment and advisory firm. Mr. Getz previously served as a Founder and Managing Director of Cornerstone Equity Investors, a

private equity investment company. Mr. Getz has served as a Director of numerous companies, including many metals and mining companies. He currently serves as a Director of Haynes International, Inc., a developer and producer of specialty nickel alloys. Mr. Getz previously served as Chairman of the Board of Crocodile Gold Corp., a gold mining company with operations in Australia, prior to the company's merger with Newmarket Gold in July 2015. Mr. Getz subsequently served as a Director of Newmarket Gold Inc. until May 2016. Mr. Getz holds a Bachelor of Arts, cum laude, from Boston University, and a Master of Business Administration in Finance from the Stern School at New York University.

- *Benjamin Guenther (Director):* Mr. Guenther was appointed as a director of the Corporation on November 7, 2017 and is currently the Interim Chief Executive Officer of the Corporation. Mr. Guenther brings over 30 years of experience working in the mining industry, including holding senior management positions with AngloGold Ashanti in his past career. Mr. Guenther is a Mining Engineer with a wide range of management and executive experience and over 40 years in the global mining industry. Mr. Guenther graduated from the Colorado School of Mines.

Advance Notice Requirements

The Corporation's By-Law Number 2, as amended, contains a requirement providing for advance notice of nominations of directors in certain circumstances where nominations for election to the Board are made by shareholders. In the case of an annual meeting of Shareholders, notice to the Corporation must be made not less than 30 nor more than 65 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement. In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

The approval, ratification and confirmation of an amendment to By-Law Number 2 of the Corporation to add an advance notice requirement for nominations of directors by shareholders in certain circumstances was considered and approved by the Shareholders at the annual and special meeting held on June 10, 2013.

The Corporation's By-Law No. 2, as amended, is available on SEDAR at www.sedar.com.

Re-Approval of the Stock Option Plan

The Corporation's Stock Option Plan is a "rolling" stock option plan, whereby the maximum number of Shares that may be reserved for issuance pursuant to the exercise of options to purchase Shares ("**Options**") is 10% of the issued Shares of the Corporation. The TSX requires listed companies that have "rolling" stock option plans in place to receive Shareholder approval for such plans every three years at the Corporation's annual shareholders meeting. Accordingly, at the Meeting, Shareholders will be asked to ratify, confirm and approve the Stock Option Plan. The Stock Option Plan complies with the current policies of the TSX.

The purpose of the Stock Option Plan is to advance the interests of the Corporation and the Shareholders by attracting, retaining and motivating directors, officers, employees, consultants and management company employees of high calibre and potential, and to encourage and enable such

persons to acquire an ownership interest in the Corporation. As at the date of this Circular, a total of 2,817,149 Shares were issuable pursuant to Options outstanding under the Stock Option Plan, representing 0.85% of the issued and outstanding Shares.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan attached to this Circular as Schedule "B". Capitalized terms used but not defined in this section of the Circular shall have the meanings ascribed thereto in the Stock Option Plan.

Under the Stock Option Plan, the Board may from time to time, in its discretion and in accordance with the TSX requirements, grant to directors, employees and consultants of the Corporation, non-transferable Options to purchase Shares for a period of up to ten years from the date of grant, provided that the number of Shares reserved for issuance pursuant to Options may not exceed 10% of the total issued and outstanding Shares at the date of the grant.

The purpose of the Stock Option Plan is to encourage share ownership by directors, employees and consultants, to attract and retain qualified individuals and to provide additional incentives to promote the success of the Corporation and the subsidiary corporations of the Corporation. The Stock Option Plan provides an incentive for, and encourages ownership of, the Shares by its key individuals so that they may increase their stake in the Corporation and benefit from increases in the value of the Shares. Pursuant to the Stock Option Plan, the maximum number of Shares reserved for issuance in any 12 month period to any one optionee other than a consultant may not exceed 5% of the issued and outstanding Shares at the date of the grant, unless disinterested Shareholder approval is obtained. The maximum number of Shares reserved for issuance in any 12 month period to any consultant may not exceed 2% of the issued and outstanding Shares at the date of the grant and the maximum number of Shares reserved for issuance in any 12 month period to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding number of Shares at the date of the grant.

The Board shall determine the exercise period of all Options and the time or times that an Option or portion of an Option is exercisable; provided, however, that the exercise period shall not exceed ten (10) years from the applicable date of the grant. Subject to the terms of the Stock Option Plan, Options shall be exercisable in whole or in part during the exercise period in accordance with such vesting provisions, conditions or limitations as are herein described or as the Board may from time to time impose, or as may be required by the TSX or under applicable securities law.

Notwithstanding the foregoing, in the event that an optionee ceases to be eligible under the Stock Option Plan, (A) all unexercised and unvested Options granted to an optionee shall expire immediately, and (B) all vested Options granted to such optionee shall expire within ninety (90) days after such optionee ceases to be a director, employee or consultant except in the case of: (i) an optionee who is engaged in investor relations activities, in which case such optionee's Options shall expire within thirty (30) days after such optionee ceases to be employed to provide investor relations activities; and (ii) an optionee whose employment or term of office is terminated for lawful cause, in which case any Options held by such optionee, whether or not such Options are exercisable at the time of termination, immediately expire and are cancelled on the termination date at a time determined by the Board, at its discretion. Notwithstanding the foregoing provisions, the Board may, in its discretion, at any time prior to or following the events contemplated above, permit the exercise of any or all Options held by the optionee in the manner and on terms authorized by the Board, provided that, subject to an extension under the terms of the Stock Option Plan, the Board will not, in any case, authorize the exercise of an

Option beyond a period of one year from the date on which such optionee ceases to be eligible under the Stock Option Plan.

The Board may amend, suspend or terminate the Stock Option Plan, or any portion thereof, at any time, provided that such amendment does not adversely alter or impair any Option previously granted to an Optionee without the consent of such Optionee and further provided that any amendment to the Stock Option Plan will be subject to prior approval of the TSX, as required by the applicable rules of the TSX, and approval of the Shareholders, if required under applicable laws or the applicable rules of the TSX.

The exercise price for any Option shall be determined from time to time by the Board, in compliance with all the rules and requirements respecting the pricing of Options imposed by the TSX, and shall not be less than the market price calculated on the basis of the closing market price of the Shares on the TSX for the most recent trading day preceding the date on which an Option is granted. All Options granted shall be exercisable by an optionee's heirs or administrators for a period of one year from such optionee's death, if applicable.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the following resolution to ratify and approve the Stock Option Plan (the **"Stock Option Plan Resolution"**):

"BE IT RESOLVED THAT:

1. subject to final approval of the Toronto Stock Exchange (the "TSX"), the stock option plan (the "Stock Option Plan") of Jaguar Mining Inc. (the "Corporation"), in the form attached as Schedule "B" to this Circular, and all grants of options thereunder, be and the same are hereby ratified, confirmed and approved, and the Corporation has the ability to continue granting options under the Stock Option Plan until June 4, 2022, which is the date that is three (3) years from the date of the shareholder meeting at which shareholder approval of the Stock Option Plan is being sought and, assuming such shareholder approval is obtained, the date by which the Corporation must subsequently seek shareholder re-approval of the Stock Option Plan;
2. the unallocated options available for grant under the Stock Option Plan are hereby approved;
3. the directors of the Corporation or any such committee of the Corporation are hereby authorized to grant options pursuant to the Stock Option Plan to those eligible to receive options thereunder;
4. any one officer or director of the Corporation be and is hereby authorized to execute and deliver all such agreements and documents, whether under the corporate seal or otherwise, and to take all action, as such officer or director shall deem necessary or appropriate to give effect to the foregoing resolutions; and
5. notwithstanding that this resolution has been passed by the shareholders of the Corporation, the adoption of the proposed Stock Option Plan of the Corporation is conditional upon receipt of final approval from the TSX, and the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable by the directors."

As the Stock Option Plan does not contain an insider participation limit that is compliant with the TSX Company Manual, approval of the Stock Option Plan Resolution must be passed by a majority of the votes cast by disinterested Shareholders thereon at the Meeting, in person and by proxy, and excludes votes attached to Shares beneficially owned by insiders of the Corporation to whom Options may be granted under the Stock Option Plan and associates thereof. 930,919 Shares held by directors and executive officers of the Corporation and associates thereof will be excluded

In the event that the Stock Option Plan Resolution is not approved at the Meeting, effective immediately, the Corporation will no longer be able to issue new Options under the Stock Option Plan. Previously issued Options will not be affected should the Stock Option Plan Resolution not be approved and will remain in place until their original expiry date in accordance with the terms of the Stock Option Plan.

The Stock Option Plan must be subsequently re-approved no later than June 4, 2022.

Management of the Corporation recommends that Shareholders vote in favour of the resolution to ratify, confirm and approve the Stock Option Plan. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the ratification, confirmation and approval of the Stock Option Plan.

Amendment to the Deferred Share Unit Plan

The Corporation is currently authorized by the TSX and its shareholders to reserve 11,111,111 Shares for issuance under section 5.10 of the Corporation's deferred share unit plan attached to this Circular as Schedule "C" (the "**DSU Plan**"), representing approximately 10% of the outstanding Shares as at April 22, 2014, being the date of approval of the DSU Plan. As at the date of this Circular, a total of 5,670,770 Shares were issuable pursuant to deferred shared units ("**DSUs**") outstanding under the DSU Plan, representing 1.73% of the issued and outstanding Shares, and 3,316,860 DSUs have been redeemed for treasury shares leaving 2,123,481 available under the current plan maximum. The Corporation proposes to increase the maximum number of Common Shares reserved for issuance under the DSU Plan by 21,739,456 from 11,111,111 to 32,850,567 to represent approximately 10% of the outstanding Shares as at the date of this Circular.

The TSX requires listed companies to receive Shareholder approval of amendments to such plans at the corporation's annual shareholders meeting. Accordingly, at the Meeting, Shareholders will be asked to ratify, confirm and approve the proposed amendment to the DSU Plan. In the Board resolution dated April 22, 2019, the Board of Directors resolved to increase the number of Shares available for issuance under the DSU Plan by 21,739,456 so that, subject to approval by the TSX and the Corporation's Shareholders (excluding those insiders entitled to receive a benefit under the DSU Plan) the maximum number of Common Shares reserved for issuance under the DSU Plan will increase to 32,850,567 representing approximately 10% of the outstanding Shares as at the date of this Circular. The DSU Plan complies with the current policies of the TSX.

The DSU Plan is designed to promote the alignment of interests among employees, directors, officers and Shareholders of the Corporation. The Board is responsible for administering the DSU Plan with the advice of any such other committee the Board deems appropriate. Capitalized terms used but not defined in this section of the Circular shall have the meanings ascribed thereto in the DSU Plan attached to this Circular as Schedule "C". The following summary assumes that the amendment to the DSU Plan is approved by the Shareholders at the Meeting and is subject to the specific provisions of the DSU Plan.

Employees, directors and officers (the “**Participants**”, and each a “**Participant**”) are eligible to participate in the DSU Plan. A DSU issued under the DSU Plan is a bookkeeping entry representing a future right to receive one Share at such time and in such amounts as the Board may determine.

Subject to applicable income tax and other withholdings as required by law, the value of the vested DSUs redeemed by or in respect of a Participant will be paid to the Participant, at the election of the Participant, in the form of Shares or, subject to the approval of the Corporation, cash equal to the Market Price of the Shares otherwise deliverable to the Participant on the applicable redemption date.

Any vesting conditions (which may include time restrictions, performance conditions or a combination of both) for DSUs shall be determined by the Board in advance of any grants. The Board may also, in its sole and absolute discretion, accelerate and/or waive any vesting or other conditions for all or any DSUs for any Participant at any time and from time to time.

The value of each DSU awarded by the Corporation is equal to the Market Price of the Share at the time the DSU is awarded. The value of the DSU increases or decreases as the price of the Shares increases or decreases, thus promoting alignment of the interest of a Participant with the Shareholders. DSUs generally vest upon redemption, subject to the discretion of the Board, and are credited to a Participant’s DSU Account.

The value of the DSUs credited to a Participant’s DSU Account is redeemable upon the Participant delivering a written notice of redemption to the Corporation. In the event of termination, the redemption date specified in the notice must be dated within 90 days of such event of termination. Shares deliverable upon redemption of DSUs shall be delivered within five Trading Days following the applicable redemption date. No fractional Shares shall be issued pursuant to this Plan and a fractional DSU shall not be entitled to a Share or any cash payment on a redemption.

Upon the occurrence of a change of control, all of a Participant’s unvested DSUs will automatically become vested DSUs on the date such change of control occurs and all of such Participant’s vested DSUs will be redeemed in accordance with the terms of the DSU Plan in a manner that allows the Participant to participate in such change of control only if it is completed prior to the date of an event of termination (if any), as determined by the Board in its sole discretion.

DSUs are non-assignable. During the lifetime of the Participant, a vested DSU is redeemable only by the Participant or, upon the death of a Participant, the Participant’s beneficiary or estate.

If the number of outstanding Shares of the Corporation shall be increased or decreased as a result of a stock split, consolidation or recapitalization and not as a result of the issuance of Shares for additional consideration or by way of stock dividend, the Board may make appropriate adjustments to the number of DSUs credited to a Participant. Any determinations by the Board as to the required adjustments shall be made in its sole and absolute discretion and all such adjustments shall be conclusive and binding for all purposes under the DSU Plan.

Whenever cash dividends or distributions are paid on the Shares, additional DSUs will be credited to the Participant’s DSU Account. The number of such additional DSUs will be calculated by dividing the aggregate dividends or distributions that would have been paid to such Participant, if the DSUs in the Participant’s DSU Account had been Shares, by the Market Price on the date on which the dividends or distributions were paid on the Shares. Dividends and distributions are only credited in relation to underlying DSUs which have vested.

The Board reserves the right, in its absolute discretion, to amend, suspend or terminate the DSU Plan, or any portion thereof, at any time without obtaining shareholder approval, provided that such amendment does not adversely alter or impair any DSU previously granted to a Participant without the consent of such Participant and further provided that any amendment to the DSU Plan will be subject to prior approval of the TSX, as required by the applicable rules of the TSX, and approval of the Shareholders, if required under applicable laws or the applicable rules of the TSX.

At the Meeting, Shareholders (excluding those insiders entitled to receive a benefit under the DSU Plan) will be asked to consider and, if deemed advisable, to pass the following resolution to amend the DSU Plan (the “**DSU Plan Resolution**”):

“BE IT RESOLVED THAT:

1. subject to final approval of the TSX Exchange (the “TSX”), section 5.10 of the deferred share unit plan (the “DSU Plan”) of Jaguar Mining Inc. (the “Corporation”), in the form attached as Schedule “C” to this Circular, be amended to increase the maximum number of common shares reserved for issuance from treasury under the DSU Plan by 21,739,456 from 11,111,111 to 32,850,567 and the same is hereby ratified, confirmed and approved;
2. the directors of the Corporation or any such committee of the Corporation are hereby authorized to grant deferred share units of the Corporation (“DSUs”) pursuant to the DSU Plan to those eligible to receive DSUs thereunder;
3. any one officer or director of the Corporation be and is hereby authorized to execute and deliver all such agreements and documents, whether under the corporate seal or otherwise, and to take all action, as such officer or director shall deem necessary or appropriate to give effect to the foregoing resolutions; and
4. notwithstanding that this resolution has been passed by the shareholders of the Corporation, the amendment of the proposed DSU Plan of the Corporation is conditional upon receipt of final approval from the TSX and the directors of the Corporation are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Corporation, at any time if such revocation is considered necessary or desirable by the directors.”

As the DSU Plan does not contain an insider participation limit that is compliant with the TSX Company Manual, the DSU Plan Resolution must be passed by a majority of the votes cast by disinterested Shareholders thereon at the Meeting, in person and by proxy, and excludes votes attached to Shares beneficially owned by insiders of the Corporation to whom DSUs may be awarded under the DSU Plan and associates thereof. 930,919 Shares held by directors and executive officers of the Corporation and associates thereof will be excluded.

In the event that the DSU Plan Resolution is not approved at the Meeting, the maximum number of Shares reserved for issuance from treasury under the DSU Plan will remain 11,111,111 with 2,123,481 available to be issued under the current plan maximum.

Management of the Corporation recommends that Shareholders vote in favour of the resolution to ratify, confirm and approve the amendment to the DSU Plan. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the ratification, confirmation and approval of the amendment to the DSU Plan.

Other Matters

The Corporation knows of no other matters to be brought before the Meeting. If any amendment, variation or other business is properly brought before the Meeting, the enclosed form of proxy and voting instruction confers discretion on the persons named on the form of proxy to vote on such matters.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Board administers the Corporation's executive compensation policy with advice from the Compensation Committee. The Compensation Committee is responsible for ensuring that the Corporation has in place an appropriate plan for executive compensation and for making recommendations to the Board with respect to the compensation of certain of the Corporation's executive officers. The Compensation Committee mandate is to ensure that total compensation paid to the executive officers of the Corporation is fair, reasonable and consistent with the Corporation's compensation philosophy. For additional details regarding the Compensation Committee, which was combined with the Corporate Governance & Nomination Committee effective March 26, 2019, see *"Board Committees – Governance, Compensation and Nominating Committee"* elsewhere in this Circular.

The compensation information contained below discloses compensation paid to the following individuals:

- (a) the Corporation's Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") who were serving as CEO and CFO as at the end of the most recently completed financial year;
- (b) each of the Corporation's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers as at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000 per year; and
- (c) any additional individuals for whom disclosure would have been provided under (b) except that the individual was not serving as an officer of the Corporation at the end of the most recently completed financial year;

(each referred to as a "**Named Executive Officer**" or "**NEO**").

Compensation Risk Assessment

The Board of Directors of the Corporation has considered the risks associated with the Company's compensation policies and practices and believes the current size and structure of the Company's executive compensation arrangements is focused on long-term value and performance, which includes, the performance of its share price. The Board is of the view that using measurable production goals and having a cap within the annual incentive plan incentivizes the Company's employees to create long-term, sustainable value for Shareholders while managing compensation risk.

NEOs and directors of the Corporation are not authorized to purchase financial instruments (including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in market value of equity securities granted as compensation.

Compensation Philosophy and Approach

Jaguar Mining's compensation program is designed to achieve the following:

- Attract, retain, and motivate highly skilled and qualified mining executives with success in turnaround situations;
- Align the interests of executive management and Shareholders;
- Ensure that structures are performance driven (corporate and individual);
- Mitigate the taking of inappropriate or excessive risks; and
- Reflective of duties and responsibilities of executives.

Compensation

The compensation structure of the NEOs is different from the prior incumbents, as it is linked to the achievement of certain short term and long-term objectives of the Corporation. NEOs is paid a monthly basic salary, a short-term incentive plan and a long-term incentive plan, both of which are linked to meeting of specific objectives of the Corporation. The Board and management compensation remained unchanged in 2018.

Named Executive Officers

During the most recently completed fiscal year of the Corporation, the Corporation's NEO's were:

- (a) **Benjamin Guenther, Interim Chief Executive Officer:** Effective August 14, 2018, the Corporation entered into a written employment agreement with Mr. Guenther to serve as the Interim CEO of the Corporation.
- (b) **Rodney Lamond, Chief Executive Officer:** Effective August 14, 2018, Mr. Lamond resigned from the position of President and CEO of the Corporation.
- (c) **Hashim Ahmed, Chief Financial Officer:** Effective June 24, 2016, the Corporation entered into a written employment agreement with Mr. Ahmed to serve as CFO of the Corporation.
- (d) **Kevin Weston, VP Operations:** Effective August 17, 2018, the Corporation entered into a written employment agreement with Mr. Weston to serve as VP Operations of the Corporation. Effective April 26, Mr. Weston resigned from his position.
- (e) **Robert (Bob) Gill, VP Operations:** Effective May 5, 2018, Mr. Gill resigned from the position of VP Operations of the Corporation.

Elements of Compensation

The elements of the Corporation's executive compensation program include fixed and performance oriented variable components, namely base salary, annual incentive (STI), and long-term incentive (LTI).

Base Salary

The Compensation Committee and the Board approve the salary ranges for the NEOs. NEO's base salaries are determined by assessing the incumbent's mandate and role within the Corporation, the incumbent's performance, and compensation trends within the mining industry.

Short Term Incentive Plan

The annual incentive provides each NEO the opportunity to earn a bonus under the Short-Term Incentive Plan (“**STIP**”) based on well-defined corporate and individual performance criteria. The STIP is reviewed and approved by the Compensation Committee and the Board.

Long-Term Incentive

The long-term incentive is designed to link executive compensation to company performance and long-term shareholder value.

A Stock Option Plan and Deferred Share Unit Plan were approved by the Shareholders at the June 2014 Annual General and Special Meeting of Shareholders of the Corporation.

The Board, based on recommendations of the Compensation Committee, approves grants of Options and DSUs in any given year, as well as any amendments to the security-based compensation plans of the Corporation. The amount and terms of outstanding Options and DSUs and the number of outstanding Shares (in the case of Options) are considered from time to time when determining whether to grant any further security-based compensation.

Stock Option Plan

A brief description of the Stock Option Plan is provided above under “*Particulars Of Matters To Be Acted Upon - Re-approval of the Stock Option Plan*” and is qualified in its entirety by the full text of the Stock Option Plan attached to this Circular as Schedule “B”.

Employee Benefits

Each of the NEOs is entitled to receive other benefits during the term of his employment, which may include all or some of health, dental and vision insurance, an automobile allowance, vacation, sick leave, term life insurance and disability insurance. The Corporation provides such benefits to aid in the attraction and retention of highly qualified executives.

Termination & Change of Control Benefits

Interim Chief Executive Officer – Mr. Benjamin Guenther

The employment agreement for Mr. Guenther as Interim CEO does not provide for any termination or change of control benefits.

Chief Financial Officer – Mr. Hashim Ahmed

The employment agreement for Mr. Ahmed as CFO provided that upon a termination without cause or resignation for good reason, Mr. Ahmed would be entitled to (a) one month’s basic salary multiplied by the number of years of completed employment, with the minimum severance being 3 months and maximum severance being 18 months; (b) any unvested awards under the Stock Option Plan shall immediately terminate; (c) any unvested awards under the Deferred Share Unit Plan shall immediately terminate.

Mr. Ahmed’s employment agreement provided that if there was a change of control and Mr. Ahmed was terminated without cause (whether actual or constructive) within 12 months following such change of control, Mr. Ahmed would be entitled to the following, in addition to the benefits outlined above for “termination without cause”: (a) one month’s basic salary multiplied by the number of years of completed employment, with the minimum severance being 3 months and maximum severance being 21 months; (b) any unvested awards under the Stock Option Plan shall vest immediately.

VP Operations – Mr. Kevin Weston

The employment agreement for Mr. Weston as VP Operations provided that upon a termination without cause or resignation for good reason, Mr. Weston would be entitled to (a) one month’s basic salary multiplied by the number of years of completed employment, with the minimum severance being 3 months and maximum severance being 18 months; (b) any unvested awards under the Stock Option Plan shall immediately terminate; (c) any unvested awards under the Deferred Share Unit Plan shall immediately terminate.

Mr. Weston’s employment agreement provided that if there was a change of control and Mr. Weston was terminated without cause (whether actual or constructive) within 12 months following such change of control, Mr. Weston would be entitled to the following, in addition to the benefits outlined above for “termination without cause”: (a) one month’s basic salary multiplied by the number of years of completed employment, with the minimum severance being 3 months and maximum severance being 21 months; (b) any unvested awards under the Stock Option Plan shall vest immediately.

Effective April 26, 2019, Mr. Weston resigned from his position as VP Operations.

Stock Options

In 2018, the Corporation granted the following Options to its NEOs pursuant to its Stock Option Plan.

NEO	Number of stock options granted ⁽¹⁾	Exercise Price (C\$)	Expiry Date
Benjamin Guenther (Interim CEO)	525,000	0.21	August 31, 2026.
Rodney Lamond (Ex-CEO)	700,000	0.37	January 23, 2026.
Hashim Ahmed (CFO)	175,000	0.21	August 31, 2026.
	420,000	0.37	January 23, 2026.
Kevin Weston (VP Operations)	315,000	0.21	August 31, 2026.
Bob Gill (Ex-VP Operations)	154,000	0.37	January 23, 2026.

See “*Outstanding Share-Based Awards and Option-Based Awards*” table elsewhere in this Circular for further information regarding the issuance of Options to NEOs under the Corporation’s Stock Option Plan.

Summary Compensation Table

The following table contains a summary of the compensation paid to the NEOs during the years ended December 31, 2016, 2017 and 2018.

Name and principal position (a)	Year ⁽⁶⁾ (b)	Non-equity incentive plan compensation					Pension Value (401(k)) (US\$) (g)	All other compensation ⁽²⁾ (US\$) (h)	Total compensation (US\$) (i)
		Salary (US\$) (c)	Share-based awards (US\$) (d)	Option-based awards ⁽¹⁾ (US\$) (e)	Annual incentive plans (US\$) (f1)	Long-term incentive plans (US\$) (f2)			
Benjamin Guenther, Interim CEO ⁽³⁾	2018	45,000	9,920	57,575					112,495
	2017	-	-	-	-	-	-	-	-
	2016	-	-	-	-	-	-	-	-
Rodney Lamond, President and CEO ⁽³⁾	2018	276,328	26,786	139,401	40,514				483,029
	2017	285,232	100,125	133,505	87,646	-	-	-	606,508
	2016	268,501	-	-	-	-	-	-	268,501
Hashim Ahmed, Chief Financial Officer ⁽⁴⁾	2018	253,221	17,680	102,832	25,466				399,199
	2017	223,296	57,216	76,289	55,090	-	-	-	411,891
	2016	197,902	52,711	181,298	-	-	-	-	234,009
Kevin Weston, VP Operations ⁽⁵⁾	2018	119,133	2,815	34,545					156,494
	2017	-	-	-	-	-	-	-	-
	2016	-	-	-	-	-	-	-	-
Bob Gill, VP Operations ⁽⁵⁾	2018	91,669	5,893	30,668	23,498				151,728
	2017	223,445	42,909	57,217	19,578	-	-	-	343,149
	2016	85,541	105,422	181,298	-	-	-	-	372,261

(1) The value of the options is calculated using the Black-Scholes model as of the grant date. The assumptions used on the model for 2018 were: weighted average share price on grant dates: C\$0.32, weighted average exercise price: C\$0.32; weighted average risk-free interest rate on grant dates: 1.64%; weighted average expected life (in years): 3.28; weighted average volatility factor: 107%. The assumptions used on the model for 2017 were: weighted average share price on grant dates: C\$0.57, weighted average exercise price: C\$0.57; weighted average risk-free interest rate on grant dates: 1.19%; weighted average expected life (in years): 3.38; weighted average volatility factor: 123%. The assumptions used on the model for 2016 were: weighted average share price on grant dates: C\$0.70, weighted

average exercise price: C\$0.75; weighted average risk-free interest rate on grant dates: 1.00%; weighted average expected life (in years): 2.50; weighted average volatility factor: 130%.

- (2) Amounts reported include certain perquisites and benefits related to the performance of an NEO's duties and includes the premium for certain officers' term life insurance policy and the premium for certain officers' disability life insurance policy.
- (3) Mr. Lamond became a board member on October 29, 2015, being later appointed as the CEO of the Corporation on December 16, 2016. Mr. Lamond resigned on August 14, 2018. Mr. Guenther was appointed as Interim CEO of the Corporation on August 14, 2018.
- (4) Mr. Ahmed was appointed as CFO on June 24, 2016. Prior to being appointed as the CFO, Mr. Ahmed was working with the Corporation as VP Controller.
- (5) Mr. Gill resigned as VP Operations effective May 5, 2018 and Mr. Kevin Weston was appointed as VP Operations on August 17, 2018. Effective April 26, 2019, Mr. Weston resigned as VP Operations.
- (6) The Corporation used the Bank of Canada average noon rate of exchange of CDN\$1 = \$0.7721 for 2018. The Corporation used the Bank of Canada average noon rate of exchange of CDN\$1 = \$0.7705 for 2017. The Corporation used the Bank of Canada average noon rate of exchange of CDN\$1 = \$0.7555 for 2016.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets out for each applicable NEO, the Options (option-based awards) and DSUs (share-based awards) outstanding as at December 31, 2018.

Name	Option-based Awards ⁽¹⁾				Share-based Awards ⁽¹⁾		
	Number of securities underlying unexercised options (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options (US\$)	Number of units that have not vested (#)	Market or payout value of share-based awards that have not vested (US\$) ⁽²⁾	Market or payout of vested share-based awards not paid out or distributed (US\$) ⁽²⁾
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Benjamin Guenther ⁽³⁾	525,000	0.21	Aug 31, 2026	-	460,000	74,585	45,399
Rodney Lamond ⁽³⁾	-	-	-	-	-	-	-
Hashim Ahmed	75,000	1.35	Oct 8, 2019	-	427,687	69,346	7,425
	177,363	0.74	Aug 8, 2021	-			
	322,637	0.76	Nov 7, 2021	-			
	209,640	0.70	Jan 26, 2025	-			
	420,000	0.25	Jan 23, 2026	-			
175,000	0.21	Aug 31, 2026	-				
Bob Gill ⁽⁴⁾	-	-	-	-	-	-	-
Kevin Weston ⁽⁴⁾	315,000	0.21	Aug 31, 2026	-	192,500	31,212	2,837

(1) The information above refers to options issued under the Stock Option Plan and units issued under the Deferred Share Unit Plan.

- (2) Information provided as at December 31, 2018.
- (3) Mr. Lamond became a board member on October 29, 2015, being later appointed as the CEO of the Corporation on December 16, 2016. Mr. Lamond resigned on August 14, 2018. Mr. Guenther was appointed as Interim CEO of the Corporation on August 14, 2018.
- (4) Mr. Gill resigned as VP Operations effective on May 5, 2018 and Mr. Kevin Weston was appointed as VP Operations on August 17, 2018. Effective April 26, 2019, Mr. Weston resigned from his position as VP Operations.

Value Vested or Earned During the Year

The following table sets forth, for each applicable NEO, the value of all incentive plan awards vested or earned during the year ended December 31, 2018.

Name (a)	Option-based awards – Value vested during the year (US\$) (b)	Share-based awards – Value vested during the year (US\$) (c)	Non-equity incentive plan compensation - Value earned during the year (US\$) (d)
Benjamin Guenther	\$ 28,375	\$ 45,399	\$ -
Rodney Lamond	\$ 426,532	\$ 40,225	\$ -
Hashim Ahmed	\$ 57,743	\$ 30,302	\$ -
Bob Gill	\$ 25,934	\$ 25,934	\$ -
Kevin Weston	\$ 4,256	\$ 2,837	\$ -

Compensation of Directors

General

The Corporation compensates non-executive directors annually, pursuant to a written policy, by paying cash fees, and a long-term component, which may be comprised of stock options and/or DSUs. Named Executive Officers are not paid a fee for service as a director in addition to what they are provided pursuant to their employment agreements.

Directors with a written employment agreement with the Corporation are not paid a fee for service as a director in addition to what they are provided pursuant to their employment agreements. Currently, all of the directors, except Rodney Lamond, are eligible for fees for their services as directors. The following table describes compensation for non-executive directors for the year ended December 31, 2018.

Name (a)	Fees earned (US\$) ⁽²⁾ (b)	Share- based awards ⁽¹⁾ (US\$) (c)	Option- based awards ⁽¹⁾ (US\$) (d)	Non-equity incentive plan compensation (US\$) (e)	Pension value (US\$) (f)	All other compensation (US\$) (g)	Total (US\$) (h)
Richard Falconer	\$49,349	\$ 78,336	-	-	-	-	\$127,685
Luis Miraglia	\$55,977	\$ 78,336	-	-	-	-	\$134,313
Edward Reeser	\$56,749	\$ 78,336	-	-	-	-	\$135,085

Thomas Weng	\$55,656	\$ 78,336	-	-	-	-	\$133,992
John Ellis	\$48,256	\$ 78,336	-	-	-	-	\$126,592
Robert Getz	\$52,889	\$ 78,336	-	-	-	-	\$131,225
Ben Guenther ⁽³⁾	\$22,998	\$55,333	-	-	-	-	\$78,331

(1) Information refers to options issued under the Stock Option Plan and units issued under the Deferred Share Unit Plan.

(2) Includes payments associated with membership of special committees of the Board.

(3) Mr. Guenther was appointed as Interim CEO of the Corporation on August 14, 2018.

Board Annual Retainers

Position	Annual 2018 Retainer (C\$) ⁽¹⁾
Non-Management Director Retainer	37,500
Chairman Retainer	35,000 ⁽²⁾
Retainer for Audit & Risk Committee	6,000
Committee Retainer (except for Audit & Risk Committee)	5,000
Retainer for Chair of Audit & Risk Committee	15,000
Retainer for the Chair of the Governance Committee	15,000
Retainer for Chair of the Compensation Committee	15,000
Retainer for Chair of other committees	10,000

(1) Expressed in Canadian dollars.

(2) In addition to the Chairman Retainer, the Chairman shall receive the Non-Management Director Retainer.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets out for each non-executive director, the options (option-based awards) and DSUs (share-based awards) outstanding as at December 31, 2018.

Name	Option-based Awards ⁽¹⁾				Share-based Awards ⁽⁴⁾		
	Number of securities underlying unexercised options (#)	Option exercise price (C\$) ⁽²⁾	Option expiration date	Value of unexercised in-the-money options (C\$) ⁽²⁾	Number of units that have not vested (#)	Market or payout value of share-based awards that have not vested (US\$)	Market or payout value of vested share-based awards not paid out or distributed (US\$) ⁽³⁾
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
Richard Falconer	78,947	1.35	May 12, 2022	-	35,750	\$ 5,797	\$ 116,680
Luis Miraglia	78,947	1.35	May 12, 2022	-	35,750	\$ 5,797	\$ 116,680
Edward Reeser	78,947	1.35	May 12, 2022	-	35,750	\$ 5,797	\$ 116,680
Thomas Weng	-	-	-	-	35,750	\$ 5,797	\$ 86,161
John Ellis	-	-	-	-	35,750	\$ 5,797	\$ 81,350

	Option-based Awards ⁽¹⁾				Share-based Awards ⁽⁴⁾		
Name	Number of securities underlying unexercised options (#)	Option exercise price (C\$) ⁽²⁾	Option expiration date	Value of unexercised in-the-money options (C\$) ⁽²⁾	Number of units that have not vested (#)	Market or payout value of share-based awards that have not vested (US\$)	Market or payout value of vested share-based awards not paid out or distributed (US\$) ⁽³⁾
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Robert Getz	-	-	-	-	35,750	\$ 5,797	\$ 81,350
Benjamin Guenther ⁽⁵⁾	-	-	-	-	-	-	\$ 36,320

(1) Options vesting term was 50% on May 12, 2015, 50% on May 12, 2016, or 100% in the event of a Change of Control, as defined in the Stock Option Plan.

(2) Expressed in Canadian dollars.

(3) This amount was calculated considering C\$0.210 share price as at Dec 31, 2018, and a foreign exchange rate of CDN\$1 = \$0.7721 for 2018.

(4) Under the current Deferred Share Unit Plan, directors cannot sell their Shares until they retire from the Board.

(5) Mr. Guenther was appointed as Interim CEO of the Corporation on August 14, 2018.

Value Vested or Earned During the Year

The following table sets forth, for each non-executive director, the value of all incentive plan awards as of the year ended December 31, 2018.

Name	Option-based awards – Value vested during the year (US\$)	Share-based awards – Value vested during the year (US\$) ⁽¹⁾⁽²⁾	Non-equity incentive plan compensation - Value earned during the year (US\$)
(a)	(b)	(c)	(d)
Richard Falconer	-	\$ 48,359	-
Luis Miraglia	-	\$ 48,359	-
Edward Reeser	-	\$ 48,359	-
Thomas Weng	-	\$ 48,359	-
John Ellis	-	\$ 48,359	-
Robert Getz	-	\$ 48,359	-
Benjamin Guenther	-	\$ 33,644	-

(1) The information above refers to options issued under the Stock Option Plan and units issued under the Deferred Share Unit Plan.

(2) This amount was calculated considering C\$0.21 share price as at Dec 31, 2018, and a foreign exchange rate of CDN\$1 = \$0.7721 for 2018.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information concerning the Stock Option Plan and Deferred Share Unit Plan as of the date of this Circular. All the equity compensation awards are in accordance with the Stock Option Plan and Deferred Share Unit Plan that was previously approved by the Shareholders. The table below outlines the Equity Compensation plans approved and not approved by security holders, respectively:

Plan Category	Number of Shares to be issued upon exercise of outstanding options/units (a)	Weighted average exercise price of outstanding options (C\$) ⁽¹⁾ (b)	Number of Shares remaining available for future issuance under Equity Compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders			
Stock Option Plan ⁽²⁾	2,817,149	\$0.44	27,894,419
Deferred Share Unit Plan	5,670,770	-	2,123,481
Equity compensation plans not approved by security holders			
-	-	-	-
Total	8,487,919	\$0.44	30,017,900

(1) Any vesting conditions (which may include time restrictions, performance conditions or a combination of both) for DSUs shall be determined by the Board and set out in each Confirmation. Notwithstanding any other provision of this Plan, the Board may in its sole and absolute discretion accelerate and/or waive any vesting or other conditions for all or any DSUs for any Participant at any time and from time to time.

(2) Options may be granted from time to time by the Board, within the limits set forth in this Plan, to any Eligible Persons. All terms of all Options granted under this Plan shall be evidenced by a certificate between the Company and the Optionee, as the Board may from time to time determine. The form of certificate may vary among Optionees.

The following table sets out the burn rate percentages in respect of equity securities under the company's Stock Option Plan and Deferred Share Unit Plan for the fiscal years ended 2018, 2017 and 2016.

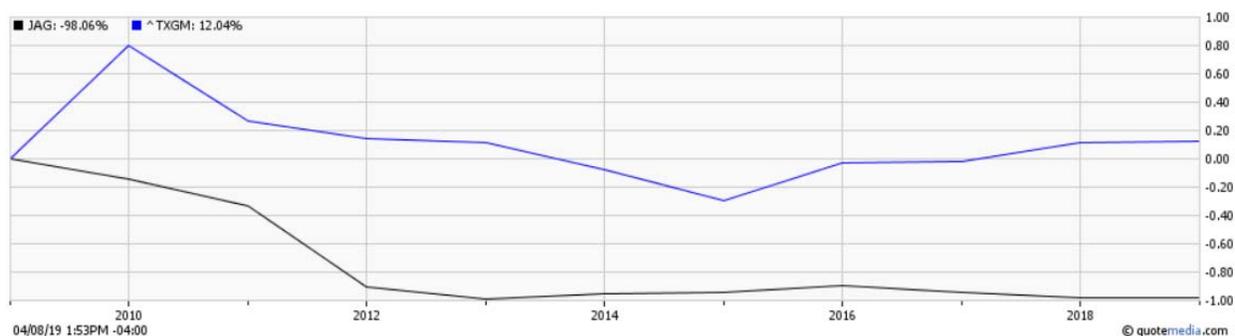
	Stock Option Plan			Deferred Share Unit Plan		
	2018	2017	2016	2018	2017	2016
Burn Rate⁽¹⁾	0.93%	0.36%	0.61%	1.40%	0.37%	0.92%

(1) The number of awards granted each year, expressed as a percentage of the weighted average number of outstanding common shares of the company at the end of the fiscal year.

Share Price Performance Graph

On October 9, 2003, pursuant to an amalgamation agreement dated July 16, 2003, Jaguar amalgamated with Rainbow Gold Ltd., a New Brunswick corporation and a then inactive reporting issuer listed on the TSX Venture Exchange (the “TSX-V”), through a reverse take-over. The amalgamated entity adopted the name “Jaguar Mining Inc.” Jaguar was approved for listing on the TSX-V on October 14, 2003 and began trading on October 16, 2003. Jaguar subsequently graduated from the TSX-V to the TSX and began trading on the TSX on February 17, 2004 under the symbol “JAG”. On July 23, 2007, trading of Jaguar’s common shares commenced on the NYSE Arca Exchange (“NYSE Arca”) under the symbol “JAG”. In July 2009, Jaguar received approval from the New York Stock Exchange (“NYSE”) to transfer the trading of its common shares from the NYSE Arca to the NYSE. Trading on the NYSE began on July 6, 2009, also under the symbol “JAG”. The common shares of the Company were delisted from the NYSE on June 7, 2013 and from the TSX on April 30, 2014, when the Company announced that the TSX-V had accepted its listing application. On August 3, 2016, the common shares of the Company re-commenced trading on the TSX and were delisted from the TSX-V.

The graph below shows the price performance of Jaguar Mining on Toronto Stock Exchange during the past 5 years compared with the S&P TSX Global Mining Index:



Since 2016, the Governance, Compensation and Nominating Committee has made efforts to determine a higher proportion of NEO compensation based on share price performance and the impact it has on the Corporation’s Shareholders. In particular, the Corporation’s long-term incentive is designed to link executive compensation to the Corporation’s performance and long-term Shareholder value.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND OTHERS

No (i) executive officer, director or Nominee of the Corporation, (ii) associate of an executive officer, director or Nominee, or (iii) former executive officer, director or employee of the Corporation, was indebted to the Corporation or its subsidiaries at any time during the most recently completed financial year of the Corporation or as of the date of this Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There are no material interests, direct or indirect, in any transactions since the commencement of the Corporation's most recently completed financial year, or in any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries of (i) directors or executive officers of the Corporation, (ii) Nominees, (iii) any Shareholder who beneficially owns 10 percent or more of the Shares, or a director or executive officer of such 10 percent plus Shareholder, or (iv) any known associate or affiliate of any of the foregoing persons.

DIRECTORS' AND OFFICERS' INSURANCE AND INDEMNIFICATION

Directors' and officers' liability insurance has been purchased for the benefit of the directors and officers of the Corporation, to back up the Corporation's indemnification of them against liability incurred in their capacity as directors and officers, subject to certain limitations under applicable law. The premium for such insurance in the 2018 fiscal year was approximately US\$155,000, which was paid by the Corporation.

In accordance with the provisions of the *Business Corporations Act* (Ontario), the by-laws of the Corporation, as amended in 2009, also provide that the Corporation will indemnify a director or officer, a former director or officer, or an individual who acts or acted at the Corporation's request as a director or officer or an individual acting in a similar capacity of another entity, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by such individual in respect of any civil, criminal, administrative investigative or other proceeding in which the individual is involved because of that association with the Corporation or other entity, provided however that the Corporation shall not so indemnify an individual unless the individual (i) acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which the individual acted as a director or officer or in a similar capacity at the Corporation's request, and (ii) if the matter is a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that the individual's conduct was lawful.

In addition, the Corporation may advance money to a director, officer or other individual for the costs, charges and expenses of a proceeding referred to above, but the individual shall repay the Corporation if the individual does not fulfil the conditions set out in (i) and (ii) above.

During the 2018 fiscal year, no directors or officers were paid by the insurer under the Corporation's directors' and officers' insurance policy in their capacity as such.

OTHER BUSINESS

Management knows of no other matter to come before the Meeting other than the matters referred to in the accompanying Notice of Meeting and this Circular.

CORPORATE GOVERNANCE DISCLOSURE

Diversity

Board Diversity

The Corporation believes in diversity and values the benefits diversity can bring to its Board. Diversity includes gender, sexual preference, disability, age, ethnicity, business experience, functional expertise, stakeholder expectations, culture and geography. The Corporation seeks to maintain a Board comprised of talented and dedicated directors whose skills and backgrounds reflect the diverse nature of the business environment in which the Corporation operates. Accordingly, the composition of the Board is intended to reflect a diverse mix of skills, experience, knowledge and backgrounds, including an appropriate number of women directors. The Corporation has in the past and continues to actively and expressly consider the diversity of candidates when filling Board vacancies and changing its composition. In 2018, the Board set a target, to be achieved within three to five years, that at least one of the

members of the Board should be a woman. The current representation of women on the Board stands at zero. The Corporation is committed to a merit-based system for Board composition, which requires a diverse and inclusive culture. When identifying suitable candidates for appointment to the Board, the Corporation considers candidates on merit against an objective criterion having due regard to the benefits of diversity and the needs of the Board. Any search firm engaged to assist the Board or the Corporate Governance Committee in identifying candidates for appointment to the Board has been and will continue to be directed to include female candidates and female candidates with the skills and profile sought will be included in the Board's list of potential Board nominees. The Corporate Governance Committee has adopted a Board diversity policy, including at least one objective mechanism to facilitate Board renewal, and will review the policy annually and assess its effectiveness in promoting a diverse Board which includes an appropriate number of women directors.

Diversity in Executive Officer Appointments

In 2017, the Corporation adopted a policy that recognizes gender diversity as one aspect of diversity which it seeks to promote within Jaguar. The Board intends to formalize the policy in 2019. The Corporation has chosen at this time not to target a specific number or percentage of women, but to outline a framework that will enable the evolution of diverse employee representation, including women as executive officers. This framework will be grounded in meaningful activities, with an overarching goal of increasing the representation of women based on merit. As of December 31, 2018, the representation of women in executive officer positions with Jaguar was at nil. The Corporation will strive to include female candidates for all key position openings and consider the representation of women in making appointments, including for executive officer roles. However, in all cases the decision on hiring and promotion will be based entirely on merit. While the initial focus of these activities is gender, it is believed that actions taken to improve the environment and opportunities for women will be beneficial for all employees and increase diversity more broadly at Jaguar.

As a Canadian issuer, the Corporation is required to provide annual disclosure of its approach to corporate governance regarding National Instrument 58-101 – *Disclosure of Corporate Governance Practices*.

Board of Directors

The Board reviews the independence of all directors on an annual basis and directors have an ongoing obligation to inform the Board of any material changes in their circumstances or relationships which may affect the Board's determination as to their independence. Generally, an independent director means a director who has no direct or indirect material relationship with the Corporation. For these purposes, "material relationship" means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a director's independent judgment.

The Board has determined that all Nominees for election to the Board, with the exception of Mr. Guenther who is not independent as he is the Interim Chief Executive Officer of the Corporation, are independent of management and free from any interest or any business that could materially interfere with their ability to act as a director with a view to the best interests of the Corporation. All Nominees, with the exception of Mr. Guenther, also meet the definition of "independence" set out in National Instrument 52-110 – *Audit Committees*.

A number of the directors are directors of other listed issuers. Mr. Falconer is a director of Resolute Forest Products Inc. and Chorus Aviation Inc. Mr. Ellis is a director of International Tower Hill Mines and

Sunshine Silver Mines Corporations. Mr. Getz is a director of Haynes International Inc. Mr. Weng is a director of International Tower Hill Mines.

Mr. Weng, an independent director, is the Chairman of the Board. Mr. Weng's role as Chairman is to provide leadership to the Board and to be a liaison between the Board and the management of the Corporation. His responsibilities include leading the Board meetings, establishing procedures to assist the Board's work, facilitating ongoing communication between the Board and the management of the Corporation, overseeing the responsibilities delegated to the Board committees, representing the Corporation in his capacity as Chairman of the Board, and performing such other functions as established in the Corporation's formation documents and as set forth in the Chairman of the Board position description. Mr. Weng calls meetings of the independent directors when he determines appropriate.

Independent directors hold regularly scheduled in-camera sessions at each Board meeting at which non-independent directors and members of management are not in attendance. In 2018, the Board held six in-camera sessions at all of the Board meetings.

The following table reflects the attendance record of each director at Board meetings held during the period from January 1, 2018 through to December 31, 2018. The number of meetings set out below reflects the total number of meetings while such person was a director. In total, there were 4 quarter end Board meetings (including 4 Audit Committee meetings, 4 Finance Committee meetings, 2 Technical Committee meetings, 2 Governance & Nomination Committee, 2 Compensation Committee meetings), 1 strategy meeting and 1 budget review meeting from January 1, 2018 through to December 31, 2018.

Director	Board and Committee Meetings - Attendance					
	Board of Directors	Audit	Finance & Corp. Dev.	Compensation	Gov. & Nomination	Technical
Thomas Weng	6/6	3/3 ⁽¹⁾	3/3 ⁽¹⁾		1/1 ⁽¹⁾	
Luis Miraglia	6/6	4/4	4/4			2/2
Edward V. Reeser	6/6	4/4	1/1 ⁽¹⁾	2/2		2/2
Richard D. Falconer	6/6	1/1 ⁽¹⁾			1/1 ⁽¹⁾	
John Ellis	6/6			2/2	2/2	2/2
Robert Getz	6/6	4/4	4/4	2/2	2/2	
Ben Guenther	6/6					2/2

(1) This represents 100% of the meetings attended since the Director was appointed to the position or to the Committee.

All the Board Meetings include an in-camera session, to ensure open and independent discussions on Corporation matters.

Board Mandate

The Board has expressly assumed responsibility for supervising the management of the business and affairs of the Corporation. It is the Board's policy and goal to enhance shareholder value by careful oversight (including approval of all material actions) of the Corporation's businesses, and by continuously assessing long-range opportunities to expand these businesses. The Board sets long-term goals, reviews strategic planning and policies established by senior management, supervises the implementation of such goals and policies, and critically reviews the progress of such goals and policies at its meetings. The Governance, Compensation and Nominating Committee of the Board recommended, and the Board adopted, a written mandate of the Board on November 7, 2006. A copy of the Board mandate is attached as Schedule "A" hereto.

Position Descriptions

In 2006, the Board, with the assistance of the Governance, Compensation and Nominating Committee, adopted a written position description for the Chairman of the Board. Such position description was formulated based upon the standards in the industry.

Effective January 2017, the Board separated the Governance, Compensation and Nominating Committee to (a) the Corporate Governance & Nomination Committee and (b) the Compensation Committee for advising and making recommendations to the Board concerning responsibilities relating to various corporate governance and compensation matters of the Corporation. Effective March 26, 2019, the Board combined (a) the Corporate Governance & Nomination Committee and (b) the Compensation Committee into the Governance, Compensation and Nominating Committee. The current members of the Governance, Compensation and Nominating Committee are Messrs. Getz (Chairman), Falconer, Reeser, and Ellis, all of whom are independent directors.

The roles and duties of the persons holding the positions of Chairman of each of the Board Committees are established through a discussion of, and agreement upon, the standards in the industry and based on the recommendations of the Corporate Governance & Nomination Committee. The Board has also established the written job description of the CEO as part of the employment contract.

Assessments

The Governance, Compensation and Nominating Committee is responsible for implementing an annual process for assessing the effectiveness of the Board as a whole, as well as its committees and individual directors. The results of the assessment process are used to continually improve the performance of the Board, its committees, and each director. The Governance, Compensation and Nominating Committee will also consider the feedback provided on individual directors in making its recommendations with respect to Board nominees.

Orientation and Continuing Education

The Corporation provides education (through management and outside professional advisers) on specific issues as they arise. The Board's practice is to conduct an initial orientation session for new directors and an annual orientation meeting to update all directors regarding relevant matters. In addition, management presentations are made to the Board as required on developments relating to the business of the Corporation. The Governance, Compensation and Nominating Committee maintains responsibility under its written charter to provide orientation training and continuing education to all directors of the Corporation.

Ethical Business Conduct

The Board and the Corporation have a long-standing commitment to conduct the Corporation's business in compliance with applicable laws and regulations. This commitment helps ensure the Corporation's reputation for honesty, quality and integrity. The Corporation requires that all employees respect and obey all applicable laws. Although not all employees are expected to know the details of these laws, it is important to know enough to determine when to seek advice from supervisors, managers or other appropriate personnel. The Corporation is regulated by a number of laws, rules and regulations. Compliance with these laws, rules and regulations is required and expected. The Board has adopted a whistleblower policy to facilitate anonymous complaints of employees, contractors, directors, officers

and the Corporation's agents against the Corporation or any of its directors, officers or employees relating to financial statement disclosures, accounting, internal controls and audit matters. The Board has also adopted an insider trading policy which outlines the rules and restrictions applicable to directors, officers and employees of the Corporation and its subsidiaries regarding the trading of securities of the Corporation.

Directors and officers are expected to act in a manner that avoids even the appearance of conflict between their personal interests and those of the Corporation. To that end, duties and responsibilities of directors include: (i) preventing personal interests from conflicting with, or appearing to conflict with, the interests of the Corporation and disclosing details of any such real or perceived conflicts of interest should they arise, and (ii) voting on all matters requiring a decision of the Board or its Committees, except where a conflict of interest may exist. In addition, any member of the Board who finds himself in a real or potential conflict of interest situation must immediately declare his interest to the Board and refrain from participating in any discussion about the conflicting issue or from voting thereon. The directors and officers owe a duty to the Corporation to advance its legitimate interests when the opportunity to do so arises. The Corporation's policy is to compete vigorously, aggressively and successfully in today's increasingly competitive business climate and to do so at all times in compliance with all applicable antitrust, competition and fair dealing laws in all the markets in which it operates.

The Board, through the Corporate Governance & Nomination Committee, monitors compliance with the Code of Conduct and Ethics. The Board requires the Corporation's executive management to advise it of any reports received regarding violations of the Code of Conduct and Ethics. The Board is responsible for the granting of any waivers from the Code of Conduct and Ethics to directors or executive officers. Disclosure will be made by the Corporation as required by law of any waiver from the requirements of the Code of Conduct and Ethics granted to the Corporation's directors or executive officers in the Corporation's quarterly report that follows the grant of such waiver.

The Corporation's corporate governance policies are accessible on the Corporation's website. A copy of the Code of Conduct and Ethics may be obtained by submitting a request in writing to the Chief Financial Officer of the Corporation at 100 King Street West, Suite 5600, Toronto, Ontario, Canada M5X 1C9. The Code of Conduct and Ethics may also be accessed on the Corporation's website at www.jaguarmining.com.

Nomination of Directors

The Board keeps itself informed of the leaders in the business world and particularly leaders in the mining industry. Any member of the Board may submit a potential candidate to be a nominee for the position of director. The Board reviews the field of potential nominees having regard to the competencies and skills desired of the Board and discusses the achievements, skills and competencies, leadership qualities, professional acumen and availability of such potential nominees, and agrees on which candidates are presented as official nominees supported by the Board. The Board currently does not have a separate nominating committee. The Governance, Compensation and Nominating Committee will continue to examine whether the Board should establish a nominating committee if circumstances warrant.

Board Committees

The Board maintains such committees as required by applicable corporate or securities laws and the rules or guidelines of any stock exchange upon which shares of the Corporation are listed for trading. In addition, the Board maintains any committee it deems appropriate (on an *ad hoc* basis or otherwise) and delegates to such committee such authority as the Board sees fit and as permitted by applicable law. Notwithstanding any such delegation, the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities. At present, the Board maintains (a) an Audit & Risk Committee, (b) a Governance, Compensation and Nominating Committee, (c) a Finance & Corporate Development Committee, and (d) a Safety, Environmental, Technical and Reserves Committee.

Audit & Risk Committee

As of the date of this Circular, the members of the Audit & Risk Committee are Messrs. Reeser, Falconer, and Getz, all of whom are independent. Mr. Reeser is the Chairman of the Audit & Risk Committee. Together, the members of the Audit & Risk Committee possess:

- an understanding of the accounting principles used by the Corporation to prepare its financial statements;
- the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

All of the members of the Committee meet the independence and financial literacy and expert requirements under Canadian legislation to properly constitute the Audit & Risk Committee.

The Audit & Risk Committee also assists the Board in fulfilling its oversight responsibilities by conducting reviews and discussions with management and the independent auditors relating to the audit and financial reporting; assessing the integrity of internal controls and financial reporting procedures of the Corporation and ensuring implementation of such controls and procedures; monitoring the quality and integrity of the Corporation's financial statements and other financial information; and selecting and monitoring the independence and performance of the Corporation's outside auditors. The Audit & Risk Committee is also responsible for overseeing the Corporation's whistleblower procedures and administering the whistleblower policy. As part of its role, the Audit & Risk Committee receives recommendations from management and the external auditor appointed by the Shareholders regarding the matters described in the preceding sentence, examines such recommendations and advises the Board concerning actions that should be taken.

Disclosure of information concerning the Audit & Risk Committee, as required by Form 52-110F2, is set forth in the Corporation's annual information form for the fiscal year ended December 31, 2017 under

the sections entitled "Audit & Risk Committee", "Audit Fees", "Audit Related Fees", "Tax Fees" and "All Other Fees" under "*Directors and Executive Officers*", and a copy of the Charter of the Audit Committee is attached as Appendix "A" to such annual information form, available on SEDAR at www.sedar.com. A copy of the Charter is also accessible on the Corporation's website at www.jaguarmining.com.

Governance, Compensation and Nominating Committee

Effective January 2017, the Board separated the Governance, Compensation and Nominating Committee to (a) the Corporate Governance & Nomination Committee and (b) the Compensation Committee for advising and making recommendations to the Board concerning responsibilities relating to various corporate governance and compensation matters of the Corporation. Effective March 26, 2019, the Board combined (a) the Corporate Governance & Nomination Committee and (b) the Compensation Committee into the Governance, Compensation and Nominating Committee. The current members of the Governance, Compensation and Nominating Committee are Messrs. Getz (Chairman), Falconer, Reeser, and Ellis, all of whom are independent directors.

In November 2006, the Governance, Compensation and Nominating Committee adopted a written Charter, which was most recently updated on March 18, 2016. Generally, the Governance, Compensation and Nominating Committee assists the Board in discharging its duties relating to the safeguarding of assets, develops, recommends and oversees the operation of adequate corporate governance systems in compliance with applicable laws, stock exchange rules and accounting standards, identifies individuals qualified to become Board members, and assists in the selection of director nominees. In addition, these Committees are responsible for developing and administering director orientation and continuing education programs, reviewing the size and composition of the Board and its Committees and their functions and effectiveness, making recommendations to the Board with respect to fraud prevention policies, and recommending sound corporate governance practices on an ongoing basis.

The Governance, Compensation and Nominating Committee also reviews industry standards and considers the recommendations of consultants in developing the written Board compensation policy and subsequent updates thereto. For additional information concerning the process of determining compensation for the directors and executive officers of the Corporation, see "Statement of Executive Compensation" and "Compensation of Directors" elsewhere in this Circular.

The Governance, Compensation and Nominating Committee is responsible for establishing, administering and evaluating the compensation philosophy, policies and plans for non-employee directors and executive officers, and reviewing and making recommendations to the Board concerning director and executive compensation. In addition, the Governance, Compensation and Nominating Committee is responsible for making recommendations to the Board with respect to the CEO's compensation and setting goals and objectives relevant to the CEO, reviewing peer group and other industry compensation data, reviewing and making recommendations to the Board in respect of equity-based and incentive compensation plans, overseeing the appointment, promotion, performance and compensation of the Corporation's non-executive officers and recommending any necessary changes to the Board.

The members of the Governance, Compensation and Nominating Committee have experience in leadership roles, and with their extensive knowledge of the mining industry and their mix of experience in operations, financial matters and corporate strategy, they provide this Committee with the collective skills, knowledge and experience necessary to effectively carry out its mandate. The Governance,

Compensation and Nominating Committee ensures that the Corporation develops and implements an effective and efficient approach to corporate governance that enables the business and affairs of the Corporation to be carried out, directed and managed with the objective of enhancing shareholder value. Further, each member fully understands the Corporation's business model, the key value drivers and the performance metrics arising from achieving the Corporation's annual goals.

The Governance, Compensation and Nominating Committee also has a complementary range of skills in areas such as finance, corporate governance, risk assessment, public company leadership and board experience, which allow them to make effective decisions on the Corporation's compensation practices. Through such skills, they have acquired direct experience relevant to their responsibilities in reviewing and considering executive compensation.

The following comprises a summary of each member's direct experience that is relevant to his responsibilities in executive compensation and that contributes to the ability of the Governance, Compensation and Nominating Committee to make decisions on the suitability of the Corporation's compensation policies and practices.

- | | |
|--------------|--|
| Mr. Getz | <ul style="list-style-type: none">● Director of Haynes International, Inc., a developer and producer of specialty nickel alloys.● Has previously served as Chairman of the Board of Crocodile Gold Corp., a gold exploration and mining company with operations in Australia, prior to the company's successful merger with Newmarket Gold in July 2015, and subsequently served as a Director of Newmarket Gold Inc. until May 2016.● Holds a Bachelor of Arts, cum laude, from Boston University, and a Master of Business Administration in Finance from the Stern School at New York University. |
| Mr. Falconer | <ul style="list-style-type: none">● Senior Advisor with Lazard Canada. Prior to this served as Managing Director of Lazard Canada since 2016.● Retired from CIBC in 2011 after 40 years with the bank; has extensive corporate finance and M&A experience in numerous industries.● Currently a Member of the Board of Directors of Resolute Forest Products; Board Member of Chorus Aviation; Member, CDIC Advisory Panel on Resolution; Director, LOFT Community Services; The Dorothy Ley Hospice; Member, Campaign Leadership Council, Children's Aid Foundation of Canada; and Member, Board of Governors, Shaw Festival Theatre Endowment Foundation. |
| Mr. Ellis | <ul style="list-style-type: none">● Serves as Director for International Tower Hill Mines.● Serves as Director of Sunshine Silver Mines Corporation.● Previously served as a Director for Mexivada Mining Corp. and was Chairman and CEO of AngloGold North America and Hudson Bay Mining and Smelting Company.● Graduated from the Haileybury School of Mines and the Montana College of Science and Technology. |
| Mr. Reeser | <ul style="list-style-type: none">● Ex-Owner and Ex-President of Celco Inc., one of Canada's commercial food service equipment distributors. Currently President of Mobilex Corporation.● Director and member of the Finance and Audit & Risk Committee of Bridgepoint Health from September 2011 to December 2014.● Director of Temex Resources Corp. and Chairman of the Audit Committee and a member of the Compensation Committee of Temex Resources Corp. from July 2014 to October 2015. |

- Over 15 years of experience as a senior financial officer of TSX-listed companies in the metallurgical, aviation and energy utility industries.
- Has served as a director and officer of a number of private companies and non-profit organizations.
- Holds a Master of Business Administration degree (finance concentration) from York University, a Bachelor of Arts from York University and an ICD.D designation from the Institute of Corporate Directors.

Safety, Environmental, Technical and Reserves Committee

In 2014, the Board reconstituted the Health, Safety and Environmental Committee and renamed it to the Safety, Environmental, Technical and Reserves Committee for reviewing, advising, and making recommendations to the Board concerning the fulfillment of responsibilities relating to various human resources and environmental issues applicable to the Corporation. The current members of the Committee are Messrs. Ellis (Chairman), Miraglia and Reeser.

Finance & Corporate Development Committee

Effective January 2017, the Board established a new Finance & Corporate Development Committee for reviewing, advising and making recommendations to the Board concerning the potential mergers and acquisitions, growth initiatives and financing alternatives for the Company. The current members of the Committee are Messrs. Miraglia (Chairman), Getz, and Reeser, all of whom are independent directors.

ADDITIONAL INFORMATION

A copy of this Circular has been sent to each director of the Corporation, each Shareholder entitled to receive notice of, and to vote at, the Meeting and to the auditors of the Corporation. Additional information about the Corporation may be found on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. Shareholders may request copies of the Corporation's annual consolidated financial statements and Management's Discussion and Analysis for the fiscal year ended December 31, 2018 by writing to the Chief Financial Officer of the Corporation at 100 King Street West, Suite 5600, Toronto, Ontario, Canada M5X 1C9. Financial information relating to the Corporation is included in the comparative audited consolidated financial statements and Management's Discussion and Analysis for the most recently completed financial year ended December 31, 2018.

APPROVAL

The contents of this Circular and the sending thereof to the Shareholders, each director of the Corporation and its auditors have been approved by the Board of the Corporation.

DATED as of the 22nd day of April, 2019.

"Thomas Weng"

Thomas Weng

Chairman of the Board of Directors

SCHEDULE "A"
JAGUAR MINING INC.
BOARD MANDATE

History of the Board Mandate

Adopted by the Board of Directors: November 7, 2006

Purpose of the Board

The directors are elected by the shareholders and are responsible for the stewardship of the business and affairs of the Corporation. The Board seeks to discharge this responsibility by reviewing, discussing and approving the Corporation's strategic planning and organizational structure and supervising management to oversee that the strategic planning and organizational structure enhance and preserve the business of the Corporation and the underlying value of the Corporation.

Although directors may be elected by the shareholders to bring special expertise or a point of view to Board deliberations, they are not chosen to represent a particular constituency. The best interests of the Corporation must be paramount at all times.

Mandate

The Board discharges its responsibility for overseeing the management of the Corporation's business by delegating to the Corporation's senior officers the responsibility for day-to-day management of the Corporation. The Board discharges its responsibilities both directly and through its committees, the Audit & Risk Committee, the Governance, Compensation and Nominating Committee and the Safety, Environmental, Technical and Reserves Committee. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address issues of a more short-term nature. The Board's primary roles are overseeing corporate performance and providing quality, depth and continuity of management to meet the Corporation's strategic objectives. Other principal duties include, but are not limited to, the following categories:

A. Appointment of Management

1. The Board is responsible for approving the appointment of the Chief Executive Officer and the other officers of the Corporation and reviewing the performance of the executive officers. The Board responds to recommendations of the Governance, Compensation and Nominating Committee concerning the compensation of the Chief Executive Officer and the other executive officers of the Corporation and approves their compensation.
2. The Board from time to time delegates to senior management the authority to enter into transactions, such as financial transactions, subject to specified limits. Investments and other expenditures above the specified limits, and material transactions outside the ordinary course of business are reviewed by and are subject to the prior approval of the Board.

3. The Board oversees that succession planning programs are in place, including programs to train and develop management. The Board is responsible for approving management's succession plans for the Chief Executive Officer and the other officers of the Corporation.

B. Board Organization

1. The Board will respond to recommendations received from the Governance, Compensation and Nominating Committee, but retains responsibility for managing its own affairs by giving its approval for its composition and size, the selection of the Chair of the Board, candidates nominated for election to the Board, committee and committee chair appointments, committee charters and director compensation.
2. The Board may delegate to Board committees matters the Board is responsible for, including the approval of compensation of the Board and management, the conduct of performance evaluations and oversight of internal controls systems, human resources, safety, environmental and other matters, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

C. Strategic Planning

1. The Board has oversight responsibility to participate directly, and through its committees, in reviewing, questioning and approving the mission and goals of the Corporation.
2. The Board is responsible for reviewing the business, financial and strategic plans by which it is proposed that the Corporation may reach those goals.
3. The Board is responsible for providing input to management on emerging trends and issues and on strategic plans, objectives and goals that management develops.
4. The Board will consider alternate strategies in response to possible change of control transactions or take-over bids with a view to maximizing value for shareholders.

D. Monitoring of Financial Performance and Other Financial Reporting Matters

1. The Board is responsible for enhancing congruence between shareholder expectations, Corporation plans and management performance.
2. The Board is responsible for:
 - (a) adopting processes for monitoring the Corporation's progress toward its strategic and operational goals, and to revise its direction to management in light of changing circumstances affecting the Corporation; and
 - (b) taking action when Corporation performance falls short of its goals, or when other special circumstances warrant.

3. The Board is responsible for approving the annual audited financial statements, the interim financial statements, and the notes and Management's Discussion and Analysis accompanying such financial statements.
4. The Board is responsible for reviewing and approving material transactions outside the ordinary course of business and those matters which the Board is required to approve under the Corporation's governing statute, including the payment of dividends, the issuance, purchase and redemption of securities, acquisitions and dispositions of material capital assets and material capital expenditures.

E. Risk Management

The Board is responsible for the identification of the principal risks of the Corporation's business and ensuring the implementation of appropriate systems to effectively monitor and manage those risks with a view to the long-term viability of the Corporation and achieving a proper balance between the risks incurred and the potential return to the Corporation's shareholders.

F. Environmental Oversight

The Board is responsible for reviewing and providing input into ensuring the implementation of appropriate environmental stewardship and health and safety management systems that are sufficient within the terms and practices of the mining industry with the objective of compliance with applicable laws and Corporation policies.

G. Policies and Procedures

1. The Board is responsible for:
 - (a) approving and monitoring compliance with all significant policies and procedures by which the Corporation is operated; and
 - (b) approving policies and procedures designed to ensure that the Corporation operates at all times within applicable laws and regulations and in accordance with ethical and moral standards.
2. The Board shall enforce its policy respecting confidential treatment of the Corporation's proprietary information and the confidentiality of Board deliberations.

H. Communications and Reporting

1. The Board has approved and will revise from time to time as circumstances warrant a Corporate Disclosure Policy to address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and the communities in which the business of the Corporation is conducted.
2. The Board is responsible for:
 - (a) overseeing the accurate reporting of the financial performance of the Corporation to shareholders, other security holders and regulators on a timely and regular basis;

- (b) overseeing that the financial results are reported fairly and in accordance with generally accepted accounting standards and related legal disclosure requirements;
- (c) taking steps to enhance the timely disclosure of any other developments that have a significant and material impact on the Corporation;
- (d) reporting annually to shareholders on its stewardship for the preceding year; and
- (e) overseeing the Corporation's implementation of systems to accommodate feedback from shareholders.

SCHEDULE "B"
JAGUAR MINING INC.
STOCK OPTION PLAN

This Stock Option Plan, (the "**Plan**"), governs options (the "**Options**") to purchase common shares (the "**Shares**") of Jaguar Mining Inc. (the "**Company**") granted on or after the date hereof by the Company to Eligible Persons (as such term is defined below). The Plan is intended to encourage share ownership by Eligible Persons, to attract and retain qualified individuals and to provide additional incentives to promote the success of the Company and the subsidiary corporations of the Company.

1 Definitions. For purposes of this Plan:

"**affiliate**" means any corporation that is an affiliate of the Company as defined in the *Securities Act* (Ontario);

"**Blackout Period**" means a period when an Optionee is prohibited from trading in the Company's securities pursuant to the Company's written policies then applicable or a notice in writing to an Optionee by a senior officer or director of the Company.

"**Board**" means the board of directors of the Company.

"**Cashless Exercise**" has the meaning ascribed thereto Section 12.

"**Change of Control**" means the purchase or acquisition of Shares and/or securities convertible into or exchangeable or exercisable for Shares as a result of which a person, group of persons or persons acting jointly or in concert, or persons who are associates of or affiliated with any such person, group or persons or any of such persons acting jointly or in concert, beneficially owns or exercises control or direction over Shares that would entitle such person, group of persons or person acting jointly or in concert to cast 50% plus one of the votes attaching to all Shares of the Company.

"**Company**" means Jaguar Mining Inc., and includes any successor corporation thereto.

"**Consultant**" means, in relation to the Company, an individual or Consultant Company, other than an Employee or a Director of the Company, that:

(a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or to an affiliate of the Company, other than services provided in relation to a distribution;

(b) provides the services under a written contract between the Company or an affiliate and the individual or the Consultant Company;

(c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or an affiliate of the Company; and

(d) has a relationship with the Company or an affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.

“Consultant Company” means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner.

“Directors” means directors, senior officers and Management Company Employees of the Company, or directors, senior officers and Management Company Employees of the Company’s subsidiaries.

“Discounted Market Price” means the Market Price less the following maximum discounts based on the closing market price of the Shares (and subject, notwithstanding the application of any such maximum discount, to a minimum price of \$0.05):

Closing Price	Discount
up to \$0.50	25%
\$0.51 to \$2.00	20%
Above \$2.00	15%

“Effective Date” for an Option means the date on which such Option is granted by the Board, or such later date as the Board may specify.

“Eligible Person” means a Director, Employee or Consultant.

“Employee” means:

- (a) an individual who is considered an employee of the Company or its subsidiaries under the Income Tax Act (Canada);
- (b) an individual who works full-time for the Company or its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
- (c) an individual who works for the Company or its subsidiaries on a continuing regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made.

“Exchange” means the TSX, TSX-V or any other stock exchange on which the Shares are then listed for trading, as applicable.

“Exercise Period” means the period of time during which an Option or portion of an Option which is granted hereunder may be exercised (subject to the limitations of Section 9 hereof).

“Exercise Price” has the meaning given to it in Section 7.

“Insider” means:

- (a) a director or senior officer of the Company;
- (b) a director or senior officer of a company that is an Insider or subsidiary of the Company;
- (c) a Person that beneficially owns or controls, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company; and
- (d) the Company itself if it holds any of its own securities.

“Investor Relations Activities” means any activities, by or on behalf of the Company or a shareholder of the Company, that promotes or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:

- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company
 - (i) to promote the sale of products or services of the Company, or
 - (ii) to raise public awareness of the Company,that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
- (b) activities or communications necessary to comply with the requirements of
 - (i) applicable securities laws,
 - (ii) Exchange requirements or the bylaws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
- (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if
 - (i) the communication is only through the newspaper, magazine or publication, and
 - (ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer.

“Management Company Employee” means an individual employed by a Person providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities.

“Market Price” means the price per Share computed on the basis of the closing market price of the Shares on the Exchange on which the securities of the Company are listed for the most recent trading day preceding the date on which an Option is granted; provided that, if no Shares traded in the five trading days prior to such day, the Market Price shall be the average of the closing bid and ask prices

over the last five trading days prior to such day, or if there have not been any bid and ask prices reported, the Market price shall be the fair market value of a Share as determined by the Board.

“**Offer**” means an offer made generally to the holders of the Shares in one or more jurisdictions to acquire, directly or indirectly, Shares and which is in the nature of a “takeover bid” as defined in the Securities Act (Ontario) and where the Shares are listed and posted for trading on an Exchange, not exempt from the formal bid requirements of the Securities Act (Ontario).

“**Option**” means the right to purchase Shares granted to Eligible Persons in accordance with the terms of this Plan.

“**Optionee**” means an Eligible Person who is the recipient of an Option hereunder.

“**Person**” means a company or an individual.

“**Shareholder Approval**” means approval by the Company shareholders in accordance with the rules of the Exchange on which the Shares are then listed.

“**TSX**” means the Toronto Stock Exchange.

“**TSX-V**” means the TSX Venture Exchange.

2 Interpretation. A reference to a statute includes all regulations made thereunder, all amendments to the statute or regulations in force from time to time and any statute or regulation that supplements or supersedes such statute or regulations. Words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine.

3 Administration of the Plan. This Plan shall be administered by the Board. Within the limits of this Plan, the Board shall determine the individuals to whom, and the times at which, Options shall be granted, the number of Shares covered by each Option, the duration of each Option, the Exercise Price and method of payment for each Option, and the time or times within which (during its term) all or portions of each Option may be exercised. The Board may establish such rules as it deems necessary for the proper administration of this Plan, make such determinations and interpretations with respect to the Plan and Options granted under it as may be necessary or desirable and include such further provisions or conditions in Options granted under this Plan as it deems advisable. To the extent permitted by law, the Board may delegate its authority under this Plan to a committee of the Board. Any decision, interpretation or other action made or taken in good faith by or at the direction of the Company or the Board arising out of or in connection with the Plan shall be within the absolute discretion of both and each of them, as the case may be, and shall be final, binding and conclusive on the Company and Optionees and their respective heirs, executors, administrators, successors and assigns and all other Persons.

4 Shares and Options Subject to the Plan.

(a) The maximum number of Shares which may be reserved for issuance under this Plan shall be no greater than ten (10%) of the total issued and outstanding Shares from time to time (calculated on a non-diluted basis). The Company shall at all times while this Plan is in force reserve such number of Shares as will be sufficient to satisfy the requirements of this Plan.

- (b) This Plan is considered an “evergreen plan” since the Shares covered by Options which have been exercised shall be available for subsequent grants under the Plan and all other security based compensation arrangements of the Company. If an Option expires, is forfeited, or is cancelled for any reason, the Shares subject to those Options shall again be available for grants under the Plan and under all other security based compensation arrangements of the Company, subject to any required prior approval by the Exchange.
 - (c) Unless disinterested Shareholder Approval within the meaning of the rules of the Exchange on which the Shares are then listed is obtained (or unless permitted otherwise by the rules of the Exchange on which the Shares are then listed): (i) the maximum number of Shares issuable to Insiders under the Plan and other security based compensation arrangements of the Company, at any time, shall not exceed 10% of the issued Shares; (ii) the maximum number of Options that may be granted to Insiders under the Plan and other security based compensation arrangements of the Company, within a 12-month period, shall not exceed 10% of the issued Shares calculated on the Effective Date of an Option granted to any Insider; and (iii) the maximum number of Options which may be granted to any one Person under the Plan and other security based compensation arrangements of the Company, in any 12 month period, shall not exceed 5% of the issued Shares calculated on the Effective Date of such Option.
 - (d) If the Company is subject to the requirements of the TSX-V and such Exchange so requires, the maximum number of Shares which may be granted to any one Consultant under the Plan in any 12 month period shall not exceed 2% of the issued Shares calculated on the Effective Date of such Option.
 - (e) If the Company is subject to the requirements of the TSX-V and such Exchange so requires, the maximum number of Shares which may be granted to all Persons retained to provide Investor Relations Activities under the Plan in any 12 month period shall not exceed 2% of the issued Shares calculated on the Effective Date of such Option.
- 5 Grant of Options; Eligible Persons. Options may be granted from time to time by the Board, within the limits set forth in this Plan, to any Eligible Persons. All grants to Eligible Persons shall be made to individuals that are bona fide Directors, Employees, Consultants and Management Company Employees.
- 6 Terms of Options. All terms of all Options granted under this Plan shall be evidenced by a certificate between the Company and the Optionee substantially in the form of Exhibit A, or in such form as the Board may from time to time determine. The form of certificate may vary among Optionees.
- 7 Exercise Price. The exercise price for any Option (the “**Exercise Price**”) shall be determined from time to time by the Board, in compliance with all the rules and requirements respecting the pricing of Options imposed by the Exchange on which the Shares of the Company are then listed and provided that the Exercise Price for any Option:
- (a) if the Company is subject to the requirements of the TSX-V and such Exchange so permits, shall not be less than the Discounted Market Price calculated on the date Effective Date; or

- (b) if the Company is not subject to the requirements of the TSX-V, shall not be less than the Market Price calculated on the Effective Date.
- 8 Hold Period. In addition to any resale restrictions imposed by applicable securities laws, all Options granted under this Plan at a Discounted Market Price, may not be resold or otherwise transferred for a period of four (4) months from the date the Options were granted. If applicable, any instrument or certificate representing the Options granted hereunder shall contain a legend to this effect.
- 9 Terms and Dates of Exercise.
- (a) Subject to the requirements set forth herein and any accelerated termination as provided for in the Plan, the Board shall determine the Exercise Period of all Options and the time or times that an Option or portion of an Option is exercisable; provided, however, that the Exercise Period shall not exceed ten (10) years from the applicable Effective Date. Subject to (b) below, Options shall be exercisable in whole or in part during the Exercise Period in accordance with such vesting provisions, conditions or limitations as are herein contained or as the Board may from time to time impose, or as may be required by the Exchange or under applicable securities law.
- (b) Notwithstanding the foregoing, if the term of an Option held by any Optionee expires during or within ten (10) business days of the expiration of a Blackout Period applicable to such Optionee, then the term of such Option or the unexercised portion thereof, as applicable, shall be extended to the close of business on the tenth business day following the expiration of the Blackout Period.
- (c) Options issued to Consultants performing Investor Relations Activities must vest in stages over twelve (12) months with no more than one-quarter ($\frac{1}{4}$) of the Options vesting in any three (3) month period.
- (d) Upon an Optionee ceasing to be an Eligible Person, (A) all unexercised and unvested Options granted to an Optionee shall expire immediately, and (B) all vested Options granted to such Optionee shall expire within ninety (90) days after such Optionee ceases to be an Eligible Person except in the case of: (i) an Optionee who is engaged in Investor Relations Activities, in which case, such Optionee's Options shall expire within thirty (30) days after such Optionee ceases to be employed to provide Investor Relations Activities; and (ii) an Optionee whose employment or term of office is terminated for lawful cause, then any Options held by such Optionee, whether or not such Options are exercisable at the time of termination, immediately expire and are cancelled on the termination date at a time determined by the Board, at its discretion. Notwithstanding the foregoing provisions, the Board may, in its discretion, at any time prior to or following the events contemplated above, permit the exercise of any or all Options held by the Optionee in the manner and on terms authorized by the Board, provided that, subject to an extension pursuant to Section 9(b), the Board will not, in any case, authorize the exercise of an Option pursuant to this section beyond a period of one year from the date on which such Optionee ceases to be an Eligible Person.
- 10 Exercise of Options. Subject to the provisions of the Plan and the terms of any stock option certificate (in the form attached as Exhibit A), any Option or a portion thereof may be exercised,

from time to time, by delivery of the exercise notice in the form attached as Appendix A to the stock option certificate to the Company's principal office in Toronto, Ontario. The exercise notice shall state the intention of the Optionee to exercise the said Option or a portion thereof and specify the number of Shares in respect of which the Option is then being exercised, and shall be accompanied by the full purchase price of the Shares which are the subject of the exercise.

11 Adjustments and Accelerated Vesting.

- (a) In the event: (i) of any change or proposed change in the Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; (ii) of any issuance, dividend or distribution to all or substantially all the holders of Shares of any shares, securities, property or assets of the Company other than in the ordinary course; (iii) that any rights are granted to holders of Shares to purchase Shares at prices materially below fair market value; or (iv) that as a result of any recapitalization, merger, consolidation or otherwise the Shares are converted into or exchangeable for any other shares or securities; then in any such case, the Board will proportionately adjust the number of Shares available for Options, the number of Shares covered by outstanding Options, the securities or other property that may be acquired upon the exercise of an Option and the price per Share of such Options, or one or more of the foregoing, to prevent substantial dilution or enlargement of the rights granted to, or available for, Optionees/Eligible Persons.
- (b) If an Offer is made which, if successful, would result in a Change of Control, then all unexercised and unvested outstanding Options shall immediately vest and become exercisable by the Optionees, notwithstanding any other vesting provisions in the Plan or in a stock option certificate, as to all or any of the Shares in respect of which such Options have not previously been exercised, but such Shares may only be purchased for tender pursuant to such Offer. If for any reason such Shares are not taken up and paid for by the offeror pursuant to the Offer, any such Shares so purchased by an Optionee shall be deemed to be cancelled and returned to the treasury of the Company, shall be added back to the number of Shares remaining available under the Plan and, upon presentation to the Company of share certificates representing such Shares properly endorsed for transfer back to the Company, the Company shall refund to the Optionee all consideration paid for such shares and, in such event, the Optionee shall thereafter continue to hold the same number of unexercised and unvested outstanding Options on the same terms and conditions, including the Exercise Price thereof, as were applicable thereto immediately prior to time the subject Offer was made. Any Options not exercised (or otherwise disposed of) prior to or contemporaneously with a Change of Control shall be cancelled and forfeit for no consideration.
- (c) If the Company files articles of arrangement providing that the Shares are transferred in exchange for securities of another corporation, the units of a royalty trust or income trust, the units of a limited partnership or any other security, or are merged into or amalgamated with any other corporation, or sells all or substantially all of its assets, the Company will make provision that, upon the exercise of any outstanding Options after the effective date of such transaction, the Optionees shall receive such number of securities of the other, continuing or successor corporation, trust or limited partnership, as the case may be, in such arrangement, merger or amalgamation or of the shares or

units of the purchasing corporation, trust or limited partnership, as the case may be, in such sale as the Optionees would have received as a result of such transaction if the Optionees had exercised the Options immediately prior thereto, for the same consideration paid on the exercise of such Options, and had held Shares on the effective date of such transaction. Upon such provision being made, the obligations of the Company to the Optionees pursuant to the Options and under this Plan shall terminate and be at an end. If such arrangement, merger or amalgamation results in a Change of Control, the provisions of clause (b) shall apply and the context thereof and all references therein to "Offer" are to be read as being applicable to an "arrangement, merger or amalgamation".

- 12 Cashless Exercise. Notwithstanding any other provision of the Plan and only if permitted by the Board and the rules of the Exchange on which the Shares are then listed (for avoidance of doubt, this section 12 shall not apply while the Shares are listed on the TSX-V), an Optionee may elect to exercise Options held by such Optionee in whole or in part, and in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise in payment of the Exercise Price, elect instead to receive upon such exercise the "Net Number" of Shares determined according to the following formula ("**Cashless Exercise**"):

$$\text{Net Number} = \frac{[A \times (B-C)]}{B}$$

where

A = the total number of Shares with respect to which the Options held by such Optionee are then being exercised.

B = the price per Share computed on the basis of the closing market price of the Shares on the Exchange on which the securities of the Company are listed for the most recent trading day preceding the date on which an Option is exercised; provided that, if no Shares traded in the five trading days prior to such day, the Market Price shall be the average of the closing bid and ask prices over the last five trading days prior to such day, or if there have not been any bid and ask prices reported, the Market price shall be the fair market value of a Share as determined by the Board.

C = the Exercise Price of the Options

- (a) The election described in Section 6.1(a) may be made by an Optionee by delivery to the Company of a written notice of cashless exercise in such form as the Board may from time to time approve, specifying the number of Options with respect to which the Optionee has elected a Cashless Exercise.
- (b) In connection with a Cashless Exercise, the number of Shares that would have been issuable pursuant to the Options in respect of which the election to Cashless Exercise was made (item (A) in the formula above) shall be considered to have been issued for the purposes of the reduction in the number of Shares which may be issued under the Plan.

- 13 Withholding Obligations. The Company's obligation to issue Shares to an Optionee pursuant to the exercise of an Option shall be subject to the satisfaction of any withholding tax requirements under applicable tax legislation in respect of the exercise of an Option ("**Withholding Obligations**"). The Company shall have the power and right to require the Optionee to remit to the Company an amount sufficient to satisfy the amount of the Withholding Obligations (the "**Withholding Amount**") by any of the following methods or by a combination of such methods as determined by the Company in its sole discretion:
- (a) the tendering by the Optionee of cash payment to the Company in an amount less than or equal to the Withholding Amount; or
 - (b) the withholding by the Company from the Shares otherwise due to the Optionee such number of Shares as it determines are required to be sold by the Company, as agent on behalf of the Optionee, to satisfy the Withholding Amount (net of selling costs) ("**Funding Shares**"). By executing and delivering an exercise notice in respect of the Option, the Option Holder shall be deemed to have consented to such sale and have granted to the Company an irrevocable power of attorney to effect the sale of such Funding Shares and to have acknowledged and agreed that the Company does not accept responsibility for the price obtained on the sale of such Funding Shares; or
 - (c) the withholding by the Company from any cash payment otherwise due by the Company to the Optionee, including salaries, directors fees, consulting fees and any other forms of remuneration, such amount of cash as is required to pay and satisfy the Withholding Amount;

provided, however, in all cases, that the sum of any cash so paid or withheld and the fair market value of any Shares so withheld is sufficient to satisfy the Withholding Amount.

- 14 Non-assignability and Non-transferability of Options. Options granted under this Plan shall be non-assignable and non-transferable by the Optionee thereof otherwise than by will or the laws of descent and distribution, and shall be exercisable, during the Optionee's lifetime, only by the Optionee. All Options granted under this Plan shall be exercisable by an Optionee's heirs or administrators for a period of one year from such Optionee's death.
- 15 Optionee Not a Shareholder. An Optionee shall not have any rights as a shareholder of the Company with respect to any Shares covered by any Option until such time as and to the extent that such Option has been duly exercised.
- 16 Compliance with Statutes and Regulations. The granting of Options and the issuance of Shares under this Plan shall be carried out in compliance with applicable statutes and with the regulations of governmental authorities and the Exchange on which the Shares are then listed. If the Board determines that, in order to comply with any such statutes or regulations, certain action is necessary or desirable as a condition of or in connection with the granting of an Option or the issue of Shares under an Option, that Option may not be exercised in whole or in part unless that action shall have been completed in a manner satisfactory to the Board.

17 Participation Voluntary.

- (a) The participation of an Eligible Person in the Plan is entirely voluntary and not obligatory and shall not be interpreted as conferring upon such Eligible Person any rights or privileges other than those rights and privileges expressly provided in the Plan. In particular, participation in the Plan does not constitute a condition of employment nor a commitment on the part of the Company to ensure the continued employment of such Eligible Person.
- (b) The Plan does not provide any guarantee against any loss of profit, which may result from fluctuations in the market price of the Shares.
- (c) The Company does not assume responsibility for the income or other tax consequences for the Eligible Persons participating in the Plan and Eligible Persons are advised to consult with their own tax advisors.

18 Amendment or Termination.

- (a) The Board reserves the right, in its absolute discretion, to amend, suspend or terminate the Plan, or any portion thereof, at any time without obtaining Shareholder Approval, subject to those provisions of applicable law and regulatory requirements (including the rules, regulations and policies of the Exchange on which the Shares are then listed), if any, that require Shareholder Approval. Such amendments may include, without limitation:
 - (i) minor changes of a "house-keeping nature", including, without limitation, any amendment for the purpose of curing any ambiguity, error or omission in the Plan, or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan;
 - (ii) amending Options under the Plan, including with respect to either advancing the date on which any Option may be exercised or extending the Exercise Period of any Option (provided, however, that the term may not exceed ten (10) years from the relevant Effective Date), vesting period, exercise method, Exercise Price and method of determining the Exercise Price, assignability and the effect of termination of an Optionee's employment or consulting arrangements (or, if applicable, those of its Consultant Company if the Optionee is an individual), or cessation of an Optionee's directorship, as applicable; provided that such amendment does not adversely alter or impair any Option previously granted to an Optionee without the consent of such Optionee;
 - (iii) amendments necessary to comply with the provisions of applicable law or the applicable rules of the Exchange, including with respect to the treatment of Options granted under the Plan;
 - (iv) amendments respecting the administration of the Plan;

- (v) amendments necessary to suspend or terminate the Plan; provided that such amendment does not adversely alter or impair any Option previously granted to an Optionee without the consent of such Optionee; and
 - (vi) any other amendment, fundamental or otherwise, not requiring Shareholder Approval under applicable laws or the applicable rules of the Exchange.
- (b) Notwithstanding the foregoing, the Company will be required to obtain:
- (i) Shareholder Approval for any amendment related to the following (provided that such Shareholder Approval is then a requirement of the Exchange on which the Shares are then listed):
 - (A) the eligibility of any Eligible Person in the Plan;
 - (B) extending the term of an Option held by an Insider;
 - (C) removing or exceeding the limits on participation in the Plan;
 - (D) increasing the maximum number of Shares which may be issued under the Plan; and
 - (E) granting additional powers to the Board to amend the Plan without Shareholder Approval; and
 - (ii) disinterested Shareholder Approval within the meaning of the rules of the Exchange on which the Shares are then listed for any amendment relating to a reduction in the Exercise Price of an Option held by an Insider (provided that such disinterested Shareholder Approval is then a requirement of the Exchange on which the Shares are then listed).
- (c) Any amendment to any provision of the Plan will be subject to any required regulatory or governmental approvals.
- (d) The Board may terminate the Plan at any time in its absolute discretion. If the Plan is so terminated, no further Options shall be granted, but the Options then outstanding shall continue in full force and effect in accordance with the provisions of the Plan. For the purposes of this Section 18, an amendment does not include an accelerated expiry of an Option by reason of the fact that an Optionee ceases to be an Eligible Person.
- 19 Governing Law. The Plan will be governed and construed in accordance with the laws of the Province of Ontario.
- 20 Effective Date. The Plan will be effective on April 22, 2014.

EXHIBIT A

[WITHOUT PRIOR WRITTEN APPROVAL OF THE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL [Insert date which is four months from date of grant].[NTD: Add such legend as may be required by applicable securities legislation if an Option is granted at a Discounted Market Price]

JAGUAR MINING INC.

Stock Option Certificate

This Certificate is issued pursuant to the provisions of the Jaguar Mining Inc. (the “**Company**”) stock option plan dated as of ●, 2014 (as same may be amended, restated, amended and restated or otherwise modified from time to time, the “**Plan**”) and evidence that ● is the holder (the “**Optionee**”) of an option (the “**Option**”) to purchase up to ● common shares (the “**Shares**”) in the capital of the Company at a purchase price of \$● per Share (the “**Exercise Price**”).

Subject to the provisions of the Plan:

- (a) the Effective Date of the grant of the Option is: ●;
- (b) the Option may be exercised up to 5:00 p.m. (EST) on ● [NTD: No more than ten (10) years from (a)] (the **Expiration Date**);
- (c) the Options shall vest as follows: ● [NTD: Insert vesting schedule or “at any time after the date of this grant.”]

The vested portion or portions of the Option may be exercised at any time and from time to time, from and including the Effective Date through to 5:00 p.m. (EST) on the Expiration Date by delivering to the Company an Exercise Notice (in form attached as Appendix A), together with this Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate of the Exercise Price of the Shares in respect of which the Option is being exercised.

Upon the exercise of an Option, the Optionee must also remit to the Company an amount sufficient to satisfy any withholding tax requirements under applicable tax legislation in respect of the exercise of the Option (the “**Withholding Obligations**”). Unless otherwise permitted by the board of directors (the “**Board**”) or by applicable law, satisfaction of the amount of the Withholding Obligations (the “**Withholding Amount**”) may be accomplished by any of the following methods or by a combination of such methods as determined by the Company in its sole discretion:

- (a) the tendering by the Optionee of cash payment to the Company in an amount less than or equal to the Withholding Amount; or
- (b) the withholding by the Company from the Shares otherwise due to the Optionee such number of Shares as it determines are required to be sold by the Company, as agent on behalf of the Optionee, to satisfy the Withholding Amount (net of selling costs) (the “**Funding Shares**”). By executing and delivering the Exercise Notice, the Optionee shall be deemed to have consented to such sale and have granted to the Company an

irrevocable power of attorney to effect the sale of such Funding Shares and to have acknowledged and agreed that the Company does not accept responsibility for the price obtained on the sale of such Funding Shares; or

- (c) the withholding by the Company from any cash payment otherwise due by the Company to the Optionee, including salaries, directors fees, consulting fees and any other forms of remuneration, such amount of cash as is required to pay and satisfy the Withholding Amount;

provided, however, in all cases, that the sum of any cash so paid or withheld and the fair market value of any Shares so withheld is sufficient to satisfy the Withholding Amount.

This Certificate and the Option evidenced hereby is not assignable, transferable or negotiable and is subject to the detailed terms and conditions contained in the Plan, the terms and conditions of which the Optionee hereby expressly agrees with the Company to be bound by. This Certificate is issued for convenience only and in the case of any dispute with regard to any matter in respect hereof, the provisions of the Plan and the records of the Company shall prevail.

All terms not otherwise defined in this Certificate shall have the meanings given to them under the Plan.

The Optionee hereby acknowledges receipt of a copy of the Plan and agrees to be bound by all the terms and provisions thereof.

IN WITNESS WHEREOF the Company has caused this Option to be executed on its behalf as of the ____ day of _____, 20__.

JAGUAR MINING INC.

Per: _____
Name:
Title:

Acknowledged and Agreed to by:

_____ }
Witness

_____ ●

APPENDIX A

Exercise Notice

TO: Jaguar Mining Inc. (the “**Company**”)

The undersigned, being the holder of Options to purchase ● common shares of the Company (the “**Shares**”) at the exercise price of \$● per Share (the “**Exercise Price**”), hereby irrevocably gives notice, pursuant to the Company’s stock option plan dated as of ●, 2014 (as same may be amended, restated, amended and restated or otherwise modified from time to time, the “**Plan**”), of the exercise of the Option to acquire and hereby subscribes for ● Shares.

The undersigned tenders herewith a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the aforesaid Shares exercised and directs the Company to issue a certificate evidencing the Shares in the name of the undersigned to be mailed to the undersigned at the following address:

Registration Details:

[Name]

[Address]

Delivery Details:

[Mailing address for delivery of certificate]

By executing this Exercise Notice, the undersigned hereby confirms that the undersigned has read the Plan and agrees to be bound by the provisions of the Plan. All term not otherwise defined in this Exercise Notice shall have the meanings given to them under the Plan.

DATED this ___ day of _____, 20__.

_____ } _____
Witness

SCHEDULE "C"

JAGUAR MINING INC.

DEFERRED SHARE UNIT PLAN

1. PREAMBLE AND DEFINITIONS

1.1 The Plan herein described shall be called the "**Deferred Share Unit Plan**" and is referred to herein as the "**Plan**".

1.2 The purpose of the Plan is to assist the Company in the recruitment and retention of qualified persons to serve as Employees of the Company and to align the interests of such Employees with the long-term interests of the shareholders of the Company.

1.3 In the Plan, the following terms shall have the meanings indicated:

- (a) "**Beneficiary**" means any person designated by the Participant by written instrument filed with the Company to receive any amount payable under the Plan in the event of a Participant's death or, failing any such effective designation, the Participant's estate.
- (b) "**Blackout Period**" means a period when a Participant is prohibited from trading in the Company's securities pursuant to the Company's written policies then applicable or a notice in writing to a Participant by a senior Officer or Director of the Company.
- (c) "**Board**" or "**Board of Directors**" means the board of directors of the Company.
- (d) "**Business Day**" means each day other than a Saturday, Sunday or statutory holiday in Toronto, Ontario, Canada.
- (e) "**Change of Control**" means the purchase or acquisition of Shares and/or securities convertible into or exchangeable or exercisable for Shares as a result of which a person, group of persons or persons acting jointly or in concert, or persons who are associates of or affiliated with any such person, group or persons or any of such persons acting jointly or in concert, beneficially owns or exercises control or direction over Shares that would entitle such person, group of persons or person acting jointly or in concert to cast 50% plus one of the votes attaching to all Shares of the Company.
- (f) "**Company**" means Jaguar Mining Inc. or any subsidiary thereof and its successors and a reference in the Plan to action by the Company means an action taken with authority of the Board or such committee or person, if any, to whom the Board delegates its powers hereunder.
- (g) "**Confirmation**" has the meaning ascribed thereto in section 4.6.
- (h) "**Director**" means a director of the Company.

- (i) **“DSU”** means a right to receive, on a deferred basis, a previously unissued Share or cash subject to, and in accordance with, the terms of this Plan, credited to a Participant and reflected as an entry in a Participant’s DSU Account in accordance with the terms of this Plan.
- (j) **“DSU Account”** has the meaning ascribed thereto in section 4.2.
- (k) **“Employee”** means an employee of the Company.
- (l) **“Event of Termination”** means the termination of the employment of a Participant as an Employee or the cessation of a Participant as a Director or Officer, in any of the foregoing circumstances for any reason whatsoever, but provided that the Participant does not thereafter continue in the capacity of an Employee, Director or Officer. In the case of a termination of the employment of a Participant with the Company, the date of the Event of Termination shall be the date of the cessation of such Participant’s employment with the Company regardless of whether he or she is entitled to notice of termination or payment at law or under the terms of any employment contract and regardless of whether the termination of employment was lawful or unlawful. In the case of a cessation of a Participant as a Director or Officer, the date of the Event of Termination shall be the date that such Participant ceases to serve in such capacity.
- (m) **“Exchange”** means the TSX, TSX-V or any other stock exchange on which the Shares are then listed for trading, as applicable.
- (n) **“Insider”** means:
 - (i) a director or senior officer of the Company;
 - (ii) a director or senior officer of a company that is an Insider or subsidiary of the Company;
 - (iii) a Person that beneficially owns or controls, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company; and
 - (iv) the Company itself if it holds any of its own securities.
- (o) **“Market Price”** means the volume weighted average trading price per Share, calculated by dividing the total value by the total volume of Shares traded for the relevant period on TSX, or another stock exchange where the majority of the trading volume and value of the listed securities occurs, for the five trading days immediately preceding the relevant date.
- (p) **“Officer”** means an officer of the Company.
- (q) **“Participant”** means an individual who becomes a participant in the Plan in accordance with Article 3.
- (r) **“Person”** means a company or individual.

- (s) **“Redemption Date”** has the meaning ascribed thereto in Section 5.1.
- (t) **“Redemption Notice”** has the meaning ascribed thereto in Section 5.1.
- (u) **“Share Compensation Plan”** means any share option, share option plan, employee share purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to directors, full-time operating officers, employees and consultants of the Company (and its affiliates).
- (v) **“Shareholder Approval”** means approval by the Company shareholders in accordance with the rules of the Exchange on which the Shares are then listed.
- (w) **“Shares”** means the common shares in the capital of the Company, and includes any securities of the Company (or securities of any successor to the Company), which may be converted, reclassified, redesignated, subdivided, consolidated, exchanged or otherwise changed into the common shares of the Company.
- (x) **“Trading Day”** means any date on which the Exchange on which the Shares are then listed is open for the trading of Shares.
- (y) **“TSX”** means the Toronto Stock Exchange.
- (z) **“TSX-V”** means the TSX Venture Exchange.
- (aa) **“Vested DSUs”** means DSUs that, as of such date the Company may determine when such DSUs are granted, have become redeemable.

2. CONSTRUCTION AND INTERPRETATION

- 2.1 In the Plan, references to the singular shall include the plural and vice versa, as the context shall require.
- 2.2 The Plan shall be governed and interpreted in accordance with the laws of the Province of Ontario and the applicable laws of Canada.
- 2.3 If any provision of the Plan or part hereof is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part hereof.
- 2.4 Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions herein contained.

3. ELIGIBILITY AND PARTICIPATION

- 3.1 Every Employee, Officer or Director who is granted a DSU pursuant to this Plan is a Participant.
- 3.2 A person ceases to be eligible to receive grants of DSUs at such time as such person ceases to be an Employee, Officer or Director for any reason.

3.3 Nothing herein contained shall be deemed to give any person the right to be retained, appointed, nominated or elected as a Director or Officer or hired as an Employee.

4. DSU GRANTS AND ACCOUNTS

4.1 The Board may grant DSUs under this Plan at such time and in such amounts as the Board may determine.

4.2 An account, to be known as the “**DSU Account**”, shall be maintained by the Company for each Participant and will show the DSUs credited to a Participant from time to time.

4.3 Whenever cash dividends or distributions are paid on the Shares, additional DSUs will be credited to the Participant’s DSU Account. The number of such additional DSUs will be calculated by dividing the aggregate dividends or distributions that would have been paid to such Participant, if the DSUs in the Participant’s DSU Account had been Shares, by the Market Price on the date on which the dividends or distributions were paid on the Shares.

4.4 Fractional DSUs, to four decimal places, may be credited under the Plan.

4.5 Any vesting conditions (which may include time restrictions, performance conditions or a combination of both) for DSUs shall be determined by the Board in advance of any grants under section 4.1 hereof and set out in each Confirmation. Notwithstanding any other provision of this Plan, the Board may in its sole and absolute discretion accelerate and/or waive any vesting or other conditions for all or any DSUs for any Participant at any time and from time to time.

4.6 A Participant shall be credited with the DSUs allotted to that Participant pursuant to section 4.1 on the day so designated by the Board. The number of DSUs credited on the day designated by the Board shall be confirmed to the Participant in a letter in substantially the form set out as Schedule A (the “**Confirmation**”).

5. REDEMPTION OF DSUs

5.1 Vested DSUs shall be redeemed in whole or in part for Shares issued from treasury or, subject to the approval of the Company, cash, as elected by the Participant, on the date (the “**Redemption Date**”) on which the Participant delivers a written notice of redemption in the form of Schedule B hereto (a “**Redemption Notice**”) to the Company.

5.2 When a Participant dies, the value of the Vested DSUs credited to that Participant’s DSU Account shall be payable (by the issuance of Shares or cash as described in sections 5.3 and 5.4) to his or her Beneficiary on the Redemption Date.

5.3 In the event Vested DSUs are redeemed for Shares pursuant to this Section 5, subject to the provisions of the Plan, the Participant (or, where a Participant had died, his or her Beneficiary) shall receive a whole number of Shares from the Company equal to the whole number of DSUs then being redeemed from the Participant’s DSU Account. Such Shares shall be delivered within five Trading Days following the applicable Redemption Date. No fractional Shares shall be issued pursuant to this Plan and a fractional DSU shall not be entitled to a Share or any cash payment on a redemption.

- 5.4 In the event Vested DSUs are redeemed for cash pursuant to this Section 5, subject to the provisions of the Plan, the Company shall make, within five Trading Days after the Redemption Date, a cash payment to the Participant (or, where a Participant had died, to his or her Beneficiary), equal to the Market Price of the Shares otherwise deliverable to the Participant on the applicable Redemption Date.
- 5.5 Notwithstanding Sections 5.1 and 5.4, the Company may, in its sole and absolute discretion, refuse an election to redeem Vested DSUs for cash, upon which refusal such Vested DSUs shall instead be redeemed for Shares in accordance with Section 5.3.
- 5.6 Upon the occurrence of a Change of Control, all of such Participant's unvested DSUs will automatically become Vested DSUs on the date such Change of Control occurs and all of such Participant's Vested DSUs will be redeemed in accordance with this Section 5 in a manner that allows the Participant to participate in such Change of Control only if it is completed prior to the date of an Event of Termination (if any), as determined by the Board in its sole discretion.
- 5.7 Upon the occurrence of an Event of Termination, all of such Participant's unvested DSUs will automatically terminate on the date of such Event of Termination, at which time all of such Participant's Vested DSUs must be redeemed in accordance with this Section 5 within 90 days following the date such Event of Termination occurs, at which time any Vested DSUs which have not been redeemed will be cancelled.
- 5.8 Notwithstanding Sections 5.1-5.7 above, upon an Event of Termination, a Participant shall file a duly-completed Redemption Notice within 90 days of such Event of Termination. In the event a Participant fails to file a duly-completed Redemption Notice prior to the day that is 90 days after such Event of Termination, the applicable Vested DSUs shall automatically be redeemed for Shares in accordance with the provisions of this Section 5 and the Redemption Date shall be deemed to be such 90th day.
- 5.9 Notwithstanding the provisions of Sections 5.6-5.8 above, the Company may, in its sole and absolute discretion, at any time prior to or following any Event of Termination or Change of Control, permit the vesting and/or redemption of any or all DSUs held by the relevant Participant in the manner and on the terms authorized by the Company, provided that, subject to an extension pursuant to Section 5.15, the Board will not, in any case, authorize the vesting and/or redemption of DSUs pursuant to this section beyond a period of one year from the date on which an Event of Termination occurs.
- 5.10 The maximum number of Shares reserved for issuance under the Plan at any time shall be 32,850,567.
- 5.11 Unless disinterested Shareholder Approval within the meaning of the rules of the Exchange on which the Shares are then listed is obtained (or unless permitted otherwise by the rules of the Exchange on which the Shares are then listed): (i) the maximum number of Shares issuable to Insiders under the Plan and other Share Compensation Plans of the Company, at any time, shall not exceed 10% of the issued Shares; (ii) the maximum number of DSUs that may be granted to Insiders under the Plan and other Share Compensation Plans of the Company, within a 12-month period, shall not exceed 10% of the issued Shares calculated on the grant date of a DSU granted to any Insider; and (iii) the maximum number of DSUs which may be granted to any one

Person under the Plan and other Share Compensation Plans of the Company, in any 12-month period, shall not exceed 5% of the issued Shares calculated on the grant date of such DSU.

- 5.12 In the event the Market Price would be determined with reference to a period commencing after a fiscal quarter end of the Company and ending prior to the public disclosure of interim financial statements for such quarter (or annual financial statements in the case of the fourth quarter), the calculation of the Market Price will be made with reference to the fifth Trading Day immediately following the date of public disclosure of the financial statements for that quarter.
- 5.13 All references in the Plan to currency refer to lawful Canadian currency.
- 5.14 A Participant shall be solely responsible for all federal, provincial, state and local taxes resulting from his or her receipt of DSUs, Shares or other property pursuant to this Plan, except to the extent that the Company has, directly or indirectly, withheld (a) cash for remittance to the statutory authorities and/or (b) Shares having a value equal to the cash to be remitted to the statutory authorities for sale on the Participant's behalf. In this regard, the Company shall be able to deduct from any payments hereunder (whether in the form of Shares or cash) or from any other remuneration otherwise payable to a Participant any taxes that are required to be withheld and remitted. Each Participant agrees to indemnify and save the Company harmless from any and all amounts payable or incurred by the Company or any affiliate of the Company if it is subsequently determined that any greater amount should have been withheld in respect of taxes or any other statutory withholding.
- 5.15 Notwithstanding the foregoing, if the applicable Redemption Date for DSUs held by any Participant occurs during or within ten Business Days of the expiration of a Blackout Period applicable to such Participant, then the Redemption Date for such DSUs shall be extended to the close of business on the tenth Business Day following the expiration of the Blackout Period.

6. ANTI-DILUTION

- 6.1 If the number of outstanding Shares of the Company shall be increased or decreased as a result of a stock split, consolidation or recapitalization and not as a result of the issuance of Shares for additional consideration or by way of stock dividend, the Board may make appropriate adjustments to the number of DSUs credited to a Participant. Any determinations by the Board as to the required adjustments shall be made in its sole and absolute discretion, subject to prior approval of the TSX, as required by the applicable rules of the TSX, and all such adjustments shall be conclusive and binding for all purposes under the Plan.

7. ADMINISTRATION

- 7.1 The Plan shall be administered by the Company in accordance with its provisions. All costs and expenses of administering the Plan will be paid by the Company. The Company may from time to time establish administrative rules and regulations relating to the operation of the Plan as it may deem necessary to further the purpose of the Plan and amend or repeal such rules and regulations. The Company may also delegate to any Director(s) or committee of Directors, Officer(s) or employee(s) of the Company such duties and powers as it may see fit.
- 7.2 The Board reserves the right, in its absolute discretion, to amend, suspend or terminate the Plan, or any portion thereof, at any time without obtaining Shareholder Approval, subject to

those provisions of applicable law and regulatory requirements (including the rules, regulations and policies of the Exchange on which the Shares are then listed), if any, that require Shareholder Approval. Such amendments may include, without limitation:

- (a) minor changes of a “house-keeping nature”, including, without limitation, any amendment for the purpose of curing any ambiguity, error or omission in the Plan, or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan;
- (b) amending DSUs under the Plan, including with respect to either advancing the date on which any DSU may be redeemed for Shares, assignability and the effect of termination of a Participant, provided that such amendment does not adversely alter or impair any DSU previously granted to a Participant without the consent of such Participant;
- (c) amendments necessary to comply with the provisions of applicable law or the applicable rules of the Exchange on which the Shares are then listed, including with respect to the treatment of DSUs granted under the Plan;
- (d) amendments respecting the administration of the Plan;
- (e) amendments necessary to suspend or terminate the Plan; provided that such amendment does not adversely alter or impair any DSU previously granted to a Participant without the consent of such Participant; and
- (f) any other amendment, fundamental or otherwise, not requiring Shareholder Approval under applicable laws or the applicable rules of the Exchange on which the Shares are then listed.

Notwithstanding the foregoing, the Company will be required to obtain:

- (g) Shareholder Approval for any amendment related to the following (provided that such Shareholder Approval is then a requirement of the Exchange on which the Shares are then listed):
 - (i) the eligibility of a Participant in the Plan;
 - (ii) removing or exceeding the limits on participation in the Plan;
 - (iii) increasing the maximum number of Shares which may be issued under the Plan; and
 - (iv) granting additional powers to the Board to amend the Plan without Shareholder Approval; and
- (h) disinterested Shareholder Approval within the meaning of the rules of the Exchange on which the Shares are then listed for any amendment relating to a reduction in the value of a DSU held by an Insider (provided that such disinterested Shareholder Approval is then a requirement of the Exchange on which the Shares are then listed).

- 7.3 Any amendment to any provision of the Plan will be subject to any required regulatory or governmental approvals.
- 7.4 The Board may terminate the Plan at any time in its absolute discretion. If the Plan is so terminated, no further DSUs shall be granted, but the DSUs then outstanding shall continue in full force and effect in accordance with the provisions of the Plan. For the purposes of this Section 7, an amendment does not include an accelerated expiry of a DSU by reason of the fact that a Director, Officer or Employee ceases to be a Participant.
- 7.5 The determination by the Company of any question which may arise as to the interpretation or implementation of the Plan or any of the DSUs granted hereunder shall be final and binding on all Participants and other persons claiming or deriving rights through any of them.
- 7.6 The Company shall keep or cause to be kept such records and accounts as may be necessary or appropriate in connection with the administration of the Plan. At such times as the Company shall determine, the Company shall furnish the Participant with a statement setting forth the details of the DSUs credited to each Participant in his or her DSU Account. Such statement shall be deemed to have been accepted by the Participant as correct unless written notice to the contrary is given to the Company within 30 days after such statement is given to the Participant. Participants shall not be entitled to receive any certificate evidencing DSUs.

8. GENERAL

- 8.1 The Plan shall enure to the benefit of, and be binding upon, the Company, its successors and assigns. The interest of any Participant under the Plan or in any DSU shall not be transferable or alienable by him or her either by pledge, assignment or in any other manner whatsoever and, during his or her lifetime, shall be vested only in him or her, but shall thereafter enure to the benefit of and be binding upon the Participant's Beneficiary.
- 8.2 A Participant shall not have any rights as a shareholder in respect of any DSUs.

9. RIGHT TO FUNDS

- 9.1 Neither the establishment of the Plan, the crediting of DSUs or the setting aside of any funds by the Company (if, in its sole and absolute discretion, it chooses to do so) shall be deemed to create a trust. Legal and equitable title to any funds set aside for the purposes of the Plan shall remain in the Company and no Participant shall have any security or other interest in such funds. Any funds so set aside shall remain subject to the claims of creditors of the Company present or future. Amounts payable to any Participant under the Plan shall be a general, unsecured obligation of the Company. The right of the Participant or Beneficiary to receive payment pursuant to the Plan shall be no greater than the right of other unsecured creditors of the Company.

10. SUBJECT TO APPROVAL

- 10.1 To the extent a provision of the Plan requires regulatory approval which is not received, such provision shall be severed from the remainder of the Plan until the approval is received and the remainder of the Plan shall remain in full force and effect.

11. DATE OF PLAN

This Plan is instituted effective as of April 22, 2014.