



PRESS RELEASE

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JAGUAR MINING ANNOUNCES UPDATE ON PRIVATE PLACEMENT OF SENIOR SECURED CONVERTIBLE DEBENTURES AND RELATED PARTY TRANSACTION

Toronto, Ontario, Canada – June 2, 2015 – Jaguar Mining Inc. ("Jaguar" or the "Corporation") (TSX-V: JAG) announced today that its previously-announced offering (the "Offering") of senior secured convertible debentures (the "Debentures") is anticipated to close on or about June 12, 2015 (see news releases dated May 4, 2015 and February 27, 2015). The Corporation expects to raise aggregate gross proceeds of approximately US\$16,000,000 and, subject to obtaining requisite approvals, may increase the size of the Offering up to US\$20,000,000.

Pursuant to the Offering, certain insiders of Jaguar, namely Outrider Management, LLC ("Outrider Management") and Dupont Capital Management Corp. ("Dupont Capital"), have advised Jaguar that they will subscribe for Debentures in the aggregate amounts of US\$5,000,000 and US\$1,500,000, respectively.

The special committee of the board of directors of Jaguar, which was established in December 2014 to initiate a strategic review process and explore strategic alternatives with the objective of maximizing value for the Corporation's shareholders, unanimously passed a resolution approving the Offering, which includes the subscriptions of Outrider Management (the "Outrider Subscription") and Dupont Capital (the "Dupont Subscription"). The board of directors of Jaguar subsequently unanimously passed a resolution approving the Offering, which includes the Outrider Subscription and the Dupont Subscription.

Since Outrider Management and Dupont Capital are "related parties" (within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (the "Instrument")) and because the Outrider Subscription and the Dupont Subscription are each a "related party transaction" (within the meaning of the Instrument), Jaguar is required to obtain a formal valuation for, and minority approval of, the Outrider Subscription and Dupont Subscription, in the absence of exemptions therefor.

For both the Outrider Subscription and the Dupont Subscription, the Corporation is exempt from the formal valuation requirement pursuant to section 5.5(b) of the Instrument on the basis that no securities of Jaguar are listed or quoted on a market specified in that provision.

With respect to the Dupont Subscription, the Corporation is exempt from the minority approval requirement pursuant to section 5.7(b) of the Instrument on the basis that neither the fair market value of the Debentures being distributed to Dupont Capital, nor the consideration to be received by the Corporation for those Debentures, exceeds C\$2,500,000, in addition to satisfying the other criteria therein. With respect to the Outrider Subscription, Jaguar has applied to the OSC and the Exchange for an exemption to allow it to obtain the minority shareholder approval described above by way of written approval from the majority of the minority shareholders rather than holding a shareholders' meeting. This exemption was sought on the basis that holding a shareholders' meeting is costly and would delay the closing of the Offering. Jaguar anticipates obtaining such exemptive relief prior, and as a condition precedent, to closing the Offering.

The information provided to disinterested minority shareholders whose consent will be sought has been filed today on SEDAR as a "Material Document" and can be accessed under the issuer profile of "Jaguar Mining Inc." on SEDAR at www.sedar.com.

The Offering is anticipated to close on or about June 12, 2015, subject to obtaining the exemptive relief and written majority approvals of the disinterested minority shareholders as described above.

Jaguar does not intend to list the Debentures on the Exchange. The Debentures and the common shares issuable on conversion of the Debentures will be subject to a four month and one day hold period under Canadian securities laws from the date of issue of the Debentures. Completion of the Offering will be subject to a number of conditions including the approval of the Exchange.

The Corporation plans to use the net proceeds of the Offering to repay in full the outstanding US\$9.4 million credit facility held by Renvest Global Resources Fund c/o Renvest Mercantile Bancorp Inc. (the "Renvest Credit Facility") and for general corporate purposes.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

About Jaguar Mining Inc.

Jaguar is a gold producer with mining operations in a prolific greenstone belt in the state of Minas Gerais, Brazil. Additionally, Jaguar wholly owns the large-scale Gurupi Development Project in the state of Maranhão, Brazil. In total, the Corporation owns mineral claims covering an area of approximately 197,000 hectares. Additional information is available on the Corporation's website at www.jaguarmining.com.

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FORWARD-LOOKING STATEMENTS

Certain statements in this news release constitute "Forward-Looking Statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Such statements constitute forward-looking statements (forecasts) under applicable securities laws relating to future events or future performance and, in this news release, include comments with respect to (i) the final terms of the Debentures and the Offering, (ii) the participation of Outrider Management and Dupont Capital in the Offering, (iii) the amount of the Offering and the subscription amount of Outrider Management and Dupont Capital, (iv) the continued support of the Offering by the special committee and board of directors of Jaguar, (v) regulatory approvals being obtained, including from the OSC and the Exchange, and the timing of such approvals, (vi) there being an exemption from the minority approval and formal valuation requirements for each subscriber under the Offering, (vii) the consent of disinterested minority shareholders being obtained in writing with respect to the Outrider Subscription, (viii) exemptive relief from the minority approval requirement with respect to the Outrider Subscription being obtained from the OSC and the Exchange, and the timing of such approvals, and (ix) the Corporation's use of the net proceeds of the Offering, including the repayment in full of the Renvest Credit Facility and for general corporate purposes. Forward-looking statements can generally be identified by the use of words such as "expected", "forecasted", "targeted", "approximately", "intends", "plans", "anticipates", "projects", "continue", "estimate", "believe" or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. In this news release, information contained in forward-looking statements is based on current expectations, estimates and projections that involve a number of known and unknown risks and uncertainties, which, if incorrect, may cause actual results to differ materially from those anticipated by Jaguar and described herein.

For additional information with respect to these and other factors and assumptions underlying the forward-looking statements made in this news release, see Corporation's most recent Annual Information Form and Management's Discussion and Analysis, as well as other public disclosure documents that can be accessed under the issuer profile of "Jaguar Mining Inc." on SEDAR at www.sedar.com. The forward-looking information set forth herein reflects Jaguar's expectations as at the date of this news release and is subject to change after such date. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.

The TSX Venture Exchange does not accept responsibility for the adequacy or the accuracy of this release.