



PRESS RELEASE

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JAG – TSX

Jaguar Mining Announces Early Exercise of Warrants to Raise Development Capital

Jaguar Mining Inc. (“Jaguar” or “the Company”) (JAG-TSX) announces that it has filed a preliminary short form prospectus in each of the provinces of Canada in connection with a proposal to issue up to 340,090 new common shares of Jaguar (“Common Shares”) to holders of its warrants (“Warrants”) listed on the Toronto Stock Exchange (“TSX”) who exercise such Warrants during a 30-day early exercise period (the “Early Exercise Period”) expected to commence on or about February 28, 2007 (the “Early Warrant Exercise”). If all Warrants are exercised during the Early Exercise Period, Jaguar will:

- receive gross proceeds of approximately C\$24 million on or before March 30, 2007 (the “Early Exercise Expiry Date”);
- issue approximately 5,398,250 Common Shares pursuant to the exercise by the holders of Warrants in accordance with the original terms of the Warrants; and
- issue up to 340,090 additional Common Shares to encourage the early exercise of the Warrants by the holders thereof, representing approximately 0.64% of all the Jaguar Common Shares outstanding including the 5,398,250 Common Shares issued pursuant to the exercise of the warrants.

“We believe this transaction offers a win-win opportunity for our warrant holders and shareholders. It allows the Company to access low cost capital and advance the Company’s initiatives underway at Paciência and Caeté”, stated Daniel R. Titcomb, Jaguar’s President and CEO.

The Early Warrant Exercise is intended to simplify Jaguar’s capital structure. The proceeds of the Early Warrant Exercise will be used by Jaguar for the advancement and development of the Corporation’s mineral properties, potential acquisitions, exploration activities and for general corporate purposes including future growth opportunities. The details of the Warrants are set out in the table below. The Warrants will continue to trade on the TSX during the Early Exercise Period.

Stock Symbol	Expiry Date	Exercise Basis per Warrant	Exercise Price per Warrant
TSX: JAG.WT	Dec. 31, 2007	One Common Share	\$4.50

Jaguar is proposing to amend the terms of the Warrants which expire December 31, 2007 and were issued pursuant to a warrant indenture (the “Warrant Indenture”) entered into with Computershare Trust Company of Canada dated December 31, 2004, as amended by the First Supplement Warrant Indenture dated December 20, 2005, such that holders of the Warrants would be entitled to receive the Common Shares issuable upon the exercise of the Warrants plus an additional fraction of a Common Share (as set forth in the table below) provided such holders exercise their Warrants during the Early Exercise Period.

Illustrative Early Exercise of 3,000 Warrants

Fraction of Additional New Share for each Warrant exercised during the Early Exercise Period	Warrants Owned	Paid on Exercise	Common Shares Received
0.063	3,000	C\$4.50 per Warrant	3,189

If at least 66 2/3% of the Warrants are exercised during the Early Exercise Period, each unexercised Warrant (except for Warrants held by certain US Warrantholders) will be automatically exchanged, without any further action on the part of the Warrantholder (including payment of the exercise price thereof or any other additional consideration) for a fraction of a Common Share, in accordance with the following formula: (A) one plus (B) 0.063 multiplied by 50% minus (C) \$4.50 divided by the lesser of (i) the volume weighted average trading price of the Common Shares on the TSX for the five trading days ending on the Early Exercise Expiry Date, and (ii) the closing price of the Common Shares on the Early Exercise Expiry Date. A substantial decline in the price or number of the Warrants (including the exercise of Warrants under the Early Warrant Exercise) or in trading of the Warrants could cause the Warrants to be de-listed further reducing market liquidity.

The transaction is subject to the receipt of all required regulatory approvals and consents, including approval by shareholders holding a majority of the Common Shares and holders of 66 2/3% of the Warrants other than Blackmont Capital Inc. its associates, affiliates and insiders (the “Disqualified Warrantholders”). The Board of Directors has received a fairness opinion from Blackmont Capital Inc. stating that this transaction is fair to Warrantholders (other than the Disqualified Warrantholders) and to the shareholders. The required shareholder approval will be sought by written consent. The required approval of Warrantholders will be sought at a meeting of Warrantholders to be held on February 28, 2007 with a record date of January 29, 2007. Jaguar expects to mail a management information circular to its Warrantholders on or about February 7, 2007.

Jaguar has filed a preliminary short form prospectus in each of the provinces of Canada, which remains subject to regulatory approval, to qualify the distribution of the Common Shares issuable upon the exercise of the Warrants. A copy of the preliminary short form prospectus dated February 1, 2007 relating to the distribution of such Common Shares will be available on www.sedar.com under Jaguar’s profile. The Common Shares to be issued upon exercise of or exchange for Warrants have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption therefrom is available. Notwithstanding the foregoing, a Warrantholder who is in the United States or who holds a Warrant for the account or benefit of a U.S. person must be an “Institutional Accredited Investor” (an “Accredited Investor”, as defined in Rule 501(a) of Regulation D under the U.S. Securities Act, that satisfies the requirements of Rule 501(a)(1), (2), (3) or (7)) and must deliver the subscription form and representation letter required by the Warrant Indenture at or before the Early Exercise Expiry Time in order to exercise their Warrants and receive Common Shares or to have their Warrants exchanged for Common Shares. Any such Warrantholder who does not comply with such requirements will not be permitted to exercise or exchange their Warrants and receive Common Shares, and their Warrants will remain outstanding following the completion of the transaction.

Blackmont Capital Inc. is acting as financial advisor to Jaguar with respect to the transaction. Blackmont is reported to hold approximately 26,625 Warrants representing approximately 0.5% of the outstanding Warrants.

About Jaguar Mining

Jaguar Mining Inc. is one of the fastest growing gold producers operating in a prolific greenstone belt in the state of Minas Gerais, Brazil and is actively exploring and developing additional mineral resources at its 72,000 acre resource base. Additional information is available on the Company's website at

www.jaguarmining.com.

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¹ The ability of the Company to access low cost capital and advance the Company's initiatives underway at Paciência and Caeté is subject to the various risks and uncertainties that can be found in the "Forward-Looking Statements" below.

Forward Looking Statements

This press release contains forward-looking statements concerning Jaguar's objectives in the years ahead, the measured and indicated resources, their average grade, the commencement period of production, cash operating costs and completion dates of feasibility studies, gold production and sales targets, capital expenditure costs, future profitability and growth in reserves. Forward-looking statements can be identified by the use of words, such as "are expected", "is forecast", approximately or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, or performance to be materially different from any future results or performance expressed or implied by the forward-looking statements.

These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other ecological data, fluctuating gold prices and monetary exchange rates, the possibility of project cost delays and overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future, uncertainties related to production rates, timing of production and the cash and total costs of production, changes in applicable laws including laws related to mining development, environmental protection, and the protection of the health and safety of mine workers, the availability of labour and equipment, the possibility of labour strikes and work stoppages and changes in general economic conditions. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

These forward-looking statements represent our views as of the date of discussion. The Company anticipates that subsequent events and developments may cause the Company's views to change. The Company does not undertake to update any forward-looking statements, either written or oral, that may be made from time to time by or on behalf of the Company subsequent to the date of this discussion. For a discussion of important factors affecting the Company, including fluctuations in the price of gold and exchange rates, uncertainty in the calculation of mineral resources, competition, uncertainty concerning geological conditions and governmental regulations and assumptions underlying the Company's forward-looking statements, see the "CAUTIONARY NOTE" regarding forward-looking statements and "RISK FACTORS" in the Company's Annual Information Form for the year ended December 31, 2005 filed on System for Electronic Document Analysis and Retrieval ("SEDAR") and available at <http://www.sedar.com>.