



PRESS RELEASE

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JAG – TSX

Jaguar Mining Reports Q1 2007 Earnings

Turmalina Commissioning Showcases Company's Strength: Underground Mines, Sub-\$220 Cash Costs

Jaguar Mining Inc. (“Jaguar” or “the Company”) (JAG-TSX) reports its financial and operational results for the period ended March 31, 2007. **All figures are in U.S. dollars unless otherwise indicated.**

Q1 2007 Highlights

- Net loss of \$0.5 million or \$0.01 per fully diluted share compared to a net loss of \$6.2 million or \$0.18 per fully diluted share for the same period in 2006;
- Non-cash charges totaling \$1.1 million exceeded the reported net loss;
- Gold production of 12,129 ounces (“oz”) and gold sales of 9,885 oz at an average realized price of \$662/oz;
- Average cash operating costs decreased 22% averaging \$273/oz for Q1 2007 versus \$352/oz for the same period in 2006;
- Before working capital changes, operating cash flow continued positive uptrend and is expected to improve further;
- 21% increase in total gold resources from the end of Q1 2006 to 4.0 million oz (measured, indicated and inferred);
- More than doubled proven and probable reserves to 1.14 million oz from the end of Q1 2006;
- Recorded the first gold pour at the new Turmalina Project in January and established the operation as one of the lower cost “gold only” facilities with average cash costs of \$206/oz for Q1 2007;
- Reached production decision at Paciência; broke ground and initiated construction of the new facilities;
- Entered into a joint venture with Xstrata plc to explore over 150,000 acres in a promising greenstone belt in Northeastern Brazil;
- Completed an early warrant exercise program raising Cdn.\$21.7 million;
- Raised Cdn.\$86.25 million in a private placement of units comprised largely of debt, with minimal dilution to existing shareholders;
- Total cash, cash in trust and restricted cash of \$98.0 million including \$15.9 million received as of April 2nd from the early exercise of warrants and \$3.3 million of restricted cash, most of which is tied to foreign exchange hedges.

2007 First Quarter Results

For the quarter ending March 31, 2007, the Company recorded revenue of \$6.5 million from the sale of 9,885 ounces of gold based upon an average realized price of \$662/oz. This compares to revenue of \$2.1 million from the sale of 3,785 ounces of gold at an average price of \$561/oz for the same period in 2006. Gold production for Q1 2007 totaled 12,129 ounces at an average cash operating cost of \$273/oz compared to production of 6,415 and average cash operating costs of \$352/oz for Q1 2006. Net loss for Q1 2007 was \$0.5 million or \$0.01 per fully-diluted share, versus a reported net loss of \$6.2 million or \$0.18 per share, for the same period last year. The reported loss for Q1 2007 included non-cash charges of \$781,000 on the unrealized loss on forward sales derivatives and cash charges of \$935,000 for the realized loss on forward sales derivatives. The Company also reported realized and unrealized gains totaling \$464,000 for foreign exchange contracts to purchase Brazilian

reais at a weighted average rate of approximately 2.50 compared to the actual Q1 2007 average rate of 2.11. Gross profit for Q1 2007 totaled \$3.4 million compared to (\$89,000) in the same period in 2006.

Income from operations totaled \$0.8 million for Q1 2007 compared to a loss of \$1.8 million in the same period last year.

Commenting on the first quarter results, Daniel R. Titcomb, Jaguar's President and CEO stated, "Our first quarter was very productive, from several perspectives. On the operations front, Jaguar established record gold production and demonstrated that our new underground operations in Brazil will be highly competitive on a global basis. We reached a production decision at Paciência and broke ground for the new processing plant and ancillary facilities. We further proved our ability to add new resources and reserves and continued an aggressive exploration program to further expand our resource base. Through a new joint venture with Xstrata, we extended our geographic area in Brazil with a new focus outside the Quadrilateral. We simplified our capital structure through the early exercise of our warrants and secured cost-efficient capital to move our development program forward and, through the private placement of our 'Dequity' offering, locked-in the remaining capital required to attain our production goal of 300,000 ounces for 2009. Jaguar's entire team is executing on the vision, gaining momentum and continuing to deliver value to our shareholders."

Outlook

The Company currently estimates 2007 gold production at approximately 88,000 oz average cash operating costs similar to the current period. Given the trend in global exchange rates, the Company's current outlook incorporates an exchange rate between the Brazilian real and the U.S. dollar of R\$2.0 = US\$1. Details for each of the Company's operations are presented as follows:

Sabará Project

Production and costs at its Sabará Project are expected to be negatively impacted due to lower run-of-mine (ROM) grades, now estimated at 2.02 g/t in the last three quarters of 2007 compared to the Q1 2007 average grade of 2.9 g/t. Oxide ore grades, which are in the current mine plan for the remainder of the year, are below earlier expectations. This situation is in part the result of a pending agreement with an abutting gold producer. Jaguar has opted not to process from a high-grade ore zone at Sabará in exchange for what Jaguar believes is a far more valuable and long-term strategic opportunity. Over the last several months, the Company has been exploring and analyzing surrounding mineralized zones. These zones have similar metallurgy with significantly higher grades and are adjacent to the Sabará plant. If these mineralized zones cannot be mined as an alternative, Sabará is expected to produce 24,500 oz for 2007 at average cash operating costs of \$447/oz.

Turmalina Project

Ore grades to the processing plant at Turmalina during the last nine months of 2007 are estimated to average 6.26 g/t compared to the Q1 average of 4.95 g/t, which included low-grade blended development ore that contained oxidized ore stockpiled from surface mining operations during the commissioning phase. The Company recently completed a paste fill plant that came on-line in early April. Material from the paste fill plant will be returned to mined-out areas in the Turmalina mine to minimize environmental impact at the facility. The paste fill operation increases cash operating costs by approximately \$10-12/oz. At an average design rate of 1,200 tpd from May through December 2007, Turmalina is estimated to produce approximately 63,000 oz in 2007 at average cash operating costs of \$217/oz.

Paciência Project

This project remains on-schedule with site work well underway and all required permits received. Based on a mid-Q1 2008 commissioning date, Paciência is estimated to initially produce approximately 60,000 oz of gold at an average cash operating cost of \$238/oz.

Caeté Project

Work on the Caeté Project feasibility study continues to advance and is expected to be completed during the Q3 of this year. Based on the scoping study results previously provided by the Company, which anticipates a commissioning date in the latter part of 2008, gold production and average cash operating costs for 2008 are estimated at 33,000 oz and \$227/oz, respectively. Caeté will be expanding from an initial capacity of 90,000 oz to 150,000 oz in 2011.

NON-GAAP PERFORMANCE MEASURES

The Company has included the non-GAAP performance measures listed below in this document. These non-GAAP performance measures do not have any standardized meaning prescribed by GAAP and, therefore, may not be comparable to similar measures presented by other companies. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate the Company's performance. Accordingly, they are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared with GAAP. Management uses these statistics to monitor the performance of the Company's producing mines compared to plan and assess the overall effectiveness and efficiency of the mining operations. The definitions for these performance measures and reconciliation of the non-GAAP measures to reported GAAP measures are as follows:

Operating Cash Cost per oz processed

	Q1 2007	Q1 2006
Production cost per statement of operations	\$ 2,882,000	\$ 1,558,000
Change in Inventory ¹	\$ 429,000	\$ 700,000
Production cost of gold produced	\$ 3,311,000	\$ 2,258,000
<i>divided by</i>		
Gold produced (oz)	12,129	6,415
<i>Equals</i>		
Cost per oz processed	\$ 273	\$ 352

¹Under the Company's revenue recognition policy, revenue is recognized when legal title passes. Since total cash operating costs are calculated on a production basis, this change reflects the portion of gold production for which revenue has not been recognized in the period.

Conference Call Details

Jaguar will be holding a conference call May 10, at 8:00 am EDT to discuss its 2007 first quarter results. This call will precede the Company's Annual Shareholder Meeting, scheduled to begin at 9:00 am EDT and will be time limited due to this commitment.

North American participants may access the call toll-free by dialing 800-392-9316. International participants should call 303-752-5852. Persons wishing to participate in this conference call are asked to dial-in at least five minutes prior to the start time to ensure prompt access to the call.

Jaguar will provide a web cast of this call over the Internet, which can be accessed from the Calendar of Events tab located on the Company's homepage at www.jaguarmining.com. An archive of the web cast and the audio replay will be available approximately one hour after the call ends through June 10, 2007. The audio replay can be accessed by calling 800-675-9924 from North America or 310-287-9926 outside of North America. The replay ID number is 51007. The web cast will be available through the Company's homepage until June 10, 2007.

About Jaguar Mining

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

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Forward Looking Statements

This press release contains Forward-Looking Statements concerning Jaguar's 2007 objectives, 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, 2006 filed on System for Electronic Document Analysis and Retrieval ("SEDAR") and available at <http://www.sedar.com>. Further information about the Company is available on SEDAR and on its corporate website www.jaguarmining.com.

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