



**PRESS RELEASE**

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JAG – TSX

**UPDATE: JAGUAR MINING ON TARGET TO MEET OBJECTIVES**

**Jaguar Mining Inc. (“Jaguar”) (JAG-TSX)** is making significant progress toward its goal of ending 2007 with 200,000 oz per year of gold productive capacity. Jaguar’s exploration program within Brazil’s largest gold camp (Iron Quadrangle greenstones of Minas Gerais) is also yielding very positive results.

**Positive Exploration and Production Developments**

Jaguar has made good progress in recent months towards its 200,000 oz production goal. Current capacity is now 75,000 oz per year, rising to 130,000 oz per year by the end of 2006.

1. The Turmalina exploration program continues to generate multiple zones of economic gold grades and widths next to existing reserves. Jaguar is revising its reserve estimates for the project. The structures are open and have further resource potential. Exploration continues. Similar structures in the Turmalina district have typically exceeded one million ounces of reserves;
2. Jaguar has received the initial drawdown from a US\$14 million debt financing for the Turmalina project and is rapidly constructing the 60,000 oz per year mine. Production is scheduled for Q4 2006;
3. The new 25,000 oz per year gold oxide plant at Sabará started production from Zone A in January. Jaguar is filing its feasibility study for the mine in Q1 2006;
4. Jaguar recently acquired an option from Companhia Vale do Rio Doce (“CVRD”) on 9,500 acres of highly prospective gold properties along 25km of a key geological trend in the Iron Quadrangle. The transaction includes a sulfide resource of 2.29 million tonnes at a grade of 7.48 g/t, containing 550,000 oz of gold and an oxide resource of 626,000 tonnes at a grade of 2.23 g/t, containing 44,300 oz of gold. These resources are adjacent to Jaguar’s existing Caeté Plant and an initial scoping study supports the concept of an additional 1,200 tpd sulfide circuit;
5. Jaguar possesses, or is on-time with its applications for, the permits required to meet its development plan.
6. The feasibility study at the Santa Bárbara – Pilar project is on target for completion in Q2 2006 with the exploration and development ramp now close to the resource zones. Based on the existing published resources, Jaguar expects a ten-year mine-life at 50 – 60,000 oz per year; and
7. The feasibility study at the Paciência – Santa Isabel project is on target for completion in Q3 2006. Jaguar is developing additional underground access for feasibility study purposes. Similar to the Santa Barbara – Pilar project, Jaguar expects a ten-year mine-life at 50 – 60,000 oz per year based on existing resources.

### **Strong Exploration Potential**

With 30 years of operating experience within the local geology, Jaguar's operating team believes that successful mine finding and large gold resource extensions in the Iron Quadrangle require a combination of surface drilling and underground development. Jaguar is actively pursuing underground exploration in the Paciência and Santa Bárbara Regions, both of which are open at depth. The 2006 exploration budget includes 30,000m of surface drilling, 5,300m of underground drilling and 2km of underground development that can later be used for production purposes.

The Iron Quadrangle hosts several current and past gold producers with multi-million ounce production histories. Each began with modest surface and near-surface discoveries and improved with depth. The sub-surface geology of the Iron Quadrangle is typified by gold sulfide structures with relatively small horizontal cross-sectional areas that show strong vertical continuity, as shown by the recent exploration success at Turmalina.

### **Capital Spending**

At current exchange rates, Jaguar anticipates spending US\$85 million to reach its ultimate production goal of more than 200,000 oz per year in 2008. Jaguar believes that these funds are available from existing working capital and lines of credit, cash flow from operations, new debt based on feasibility studies currently underway and access to the equity markets. Jaguar will continue to acquire properties in the Iron Quadrangle, which may require additional funds for acquisition and development.

### **Active Growth and Development Program**

Jaguar produces gold in the Iron Quadrangle region of Brazil. Using its experience and strong local relationships, Jaguar continues to acquire quality gold resources from senior mining companies and is preparing feasibility studies targeting the conversion of the acquired resources to reserves. It owns 62,500 acres of gold properties, which is the second largest gold property portfolio in the region, and continues to seek acquisitions to strengthen its position. Jaguar has 33,731,786 common shares outstanding.

For further information, please contact Daniel Titcomb, President on (603) 224-4800 or Robert Jackson, EVP, Corporate Development on (416) 725-4343.

Technical information quoted in this press release was reviewed by Mr. Ivan C. Machado, M.Sc., P.E., P.Eng., Principal of Salt Lake City based TechnoMine Services LLC. Mr. Machado serves as Jaguar's Qualified Person in accordance with NI 43-101.

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