



PRESS RELEASE

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2006-06
JAG – TSX

JAGUAR MINING INC. ENTERS INTO A BOUGHT DEAL FOR CDN\$ 45,003,000, ADDS 184,000 OUNCES OF GOLD TO SABARÁ RESERVES AND MAINTAINS PACE

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Jaguar Mining Inc. (“Jaguar”) (JAG-TSX) has entered into a bought deal financing with a syndicate of underwriters led by Blackmont Capital Inc. to issue 8,572,000 common shares of Jaguar at Cdn\$5.25 per share for gross proceeds of Cdn\$45,003,000. In addition, Jaguar has granted the underwriters an option, exercisable in whole or in part, up to 48 hours prior to closing to increase the offering by up to 1,905,000 common shares at a price of Cdn\$5.25 per common share, which would increase the aggregate size of the offering to Cdn\$55,004,250 if the option is fully exercised.

Proceeds of the offering will be used to fund the development of the Company’s Brazilian projects and for general corporate purposes.

The common shares to be issued under this offering will be offered by way of a short form prospectus in all provinces of Canada and in the United States on a private placement basis pursuant to exemptions from the registration requirements of the United States Securities Act of 1933, as amended.

Closing of this offering is expected to occur on or about March 22, 2006 and is subject to receipt of all necessary regulatory approvals, including the approval of the Toronto Stock Exchange.

Sabara Feasibility Study Adds 184,000 oz to Reserves

Jaguar continues to meet its 2006 objectives by completing the feasibility study for its newly commissioned Sabará gold heap-leach plant and the surrounding gold reserves. The operation is producing gold and will be a substantial cash contributor as Jaguar builds its gold production capacity to 200,000 oz per year by the end of 2007.

Jaguar projects gold sales of 65,000 oz in 2006, 130,000 oz in 2007 and over 200,000 oz in 2008.

Roscoe Postle Associates Inc. prepared the NI43-101 report, which shows that Sabará is a robust gold project with low cash costs:

Mineral Reserves:	2.0 MM tonnes @ 2.8 g/t Au containing appr. 184,000 oz
Mining Rate:	400,000 tonnes per year
Process Recovery:	70% - 92%, depending on the orebody
Annual Average Production:	26,000 oz per year
Mine Life:	5.1 years
Started Production:	January, 2006
Remaining Capital Cost:	Less than \$1.0 million
Average Operating Cost:	\$10.98 per tonne processed
Total Cash Cost:	\$182 per oz

Total Production Cost:	\$230 per oz, including CAPEX
IRR:	82%
Assumptions:	Gold US\$375 per oz and R\$2.60/US\$1

The NI 43-101 report was written by Mr. Graham G. Clow, P.Eng. and Mr. Wayne W. Valliant, P.Geo. of Roscoe Postle Associates Inc., both of whom are certified under NI 43-101 as a Qualified Person.

Active Growth and Development Program

Jaguar produces gold in the Iron Quadrangle region of Brazil and projects production profile of 235,000 oz/year by 2008. 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 controls 62,500 acres of gold concessions, which is the second largest gold property portfolio in the district, and continues to aggressively explore its assets in Brazil's most prolific gold region. Jaguar has 33,823,825 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.

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