



PRESS RELEASE

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JAG – TSX

JAGUAR MINING REPORTS 2005 RESULTS, MAINTAINS DEVELOPMENT PACE

Jaguar Mining Inc. (“Jaguar”) (JAG-TSX) reports its financial and operational results for the year and quarter ended December 31, 2005. All figures are in U.S. dollars unless otherwise indicated.

2005 Highlights

- Net loss of \$12.8 million or \$0.41 per share;
- Year-end cash balance of \$9.5 million, working capital of \$7.7 million;
- Sold 19,246 oz of gold at \$442/oz, produced 18,200 oz at a cash cost of \$528/oz;
- Increased proven and probable reserves ten-fold to 370,000 oz from 36,100 oz in 2004;
- Invested \$20.3 million in project development, feasibility studies and exploration;
- Obtained a loan facility for \$14.0 million, hedged 77,002 oz at \$527/oz;
- Completed the new low-cost Sabará gold oxide plant, production started in Q1 2006;
- Completed the Turmalina feasibility study;
- Completed on-site sample testing laboratory;
- Iron Quadrangle feasibility program progressing towards 2006 targets;
- Significant investment in Sarbanes-Oxley compliance in preparation for a possible listing on a U.S. Exchange.

Subsequent Events in Q1 2006

- Raised Cdn.\$60.0 million, prior to expenses, by issuing 11.4 million common shares at Cdn.\$5.25;
- Construction started on the new 60,000 oz/year Turmalina mine, scheduled for Q4 2006 start-up;
- Completed the Sabará feasibility study;
- Processing capacity is now 3,400 tonnes per day;
- Acquired options on a further 11,807 acres of prime exploration land on key trends in the Iron Quadrangle;
- Optioned additional gold resources from CVRD;
- Issued positive Turmalina Phase II drill results confirming continuity at depth and adding resources;
- Increased proven and probable reserves to 4.0 million tonnes at 4.37 g/t containing 554,000 oz of gold;
- Increased measured and indicated resources to 16.2 million tonnes at 5.00 g/t containing 2.6 million oz of gold;
- Inferred resources fell to 4.6 million tonnes at 4.82 g/t containing 712,000 oz of gold.

2005 Full-year Results

The net loss for the year ended December 31, 2005 amounted to \$12,838,693 or \$0.41 per basic and fully-diluted share, versus a net loss of \$3,802,490, or \$0.19 per share, in 2004. Sales revenue in 2005 was \$8,510,000 from the sale of 19,246 oz of gold at an average price of \$442/oz and gold production was

18,200 oz at a cash operating cost of \$528/oz. The comparable figures in 2004 were sales revenue of \$5.63 million from the sale of 13,579 oz of gold at an average price of \$415/oz and gold production was 15,100 oz at a cash operating cost of \$324/oz. The per-share calculations for 2005 and 2004 are based on weighted average shares outstanding of 31,266,914 and 20,308,047 respectively. The Company had 33,346,337 and 30,283,389 shares outstanding at the December 31, 2005 and 2004 respectively.

In 2005 Jaguar spent \$20.3 million on feasibility studies, project development and exploration and ended the year with \$9,532,939 of cash and \$7,693,473 of net working capital.

2005 Fourth Quarter Results

The net loss for the fourth quarter ended December 31, 2005 was \$6,808,000, or \$0.21 per basic and fully-diluted share, versus a net loss of \$1,137,000, or \$0.04 per share, in 2004. Fourth quarter sales revenue in 2005 was \$1,543,000 from the sale of 3,202 oz of gold at an average price of \$482/oz. Jaguar cannot calculate production or cash costs for individual quarters in 2005 because of the impact of various inventory write-downs during the year. The comparable figures in the fourth quarter of 2004 were a net loss of \$1,137,000, or \$0.04 per basic and fully-diluted share. Fourth quarter sales revenue in 2004 was \$2,596,000 from the sale of 5,989 oz of gold at an average price of \$433/oz and production was 5,910 oz of gold at a cash cost of \$301/oz. The per-share calculations for the fourth quarter periods of 2005 and 2004 are based on weighted average shares outstanding of 32,809,155 and 23,680,922 respectively.

Operating Performance

In 2005, the Company made significant progress in its overall program of converting resources to reserves and is confident that its strategy is working. Jaguar's objective is to be able to sustain gold production of more than 200,000 oz/year by 2008, to achieve a minimum 10-year reserve life and to double its initial resources. Jaguar now has 3,400 tonnes/day of processing capacity and projects that its Q1 2006 gold production will be approximately on target for its overall 2006 goal of producing 65,000 oz of gold.

The Caeté plant processed 380,000 tonnes of ore in 2005 at a feed grade of 2.44 g/t and a recovered grade of 1.32 g/t. Production was 18,200 oz of gold, which includes a small amount of gold-in-process carried over from 2004, at a cash cost of \$528/oz or \$25.28/tonne.

The full year loss is primarily due to the following estimations:

Operational impacts

- Zone B transition ore and graphite in certain parts of the ore body adversely affecting the Caeté plant recovery rate (\$4.5 million inventory write downs);
- Permitting delays in the Sabará region for the new mines and plant (\$1 million additional transport costs due to Sabará plant delay);
- Jaguar was unable to process its sulfide feed from the Sabará Region at the Queiroz Plant of AngloGold Ashanti Limited ("AngloGold Ashanti") until Q1 2006; and
- Strengthening of the Brazilian real (\$2 million).

Non-operational impact

- Unrealized loss on forward sales derivatives (\$3.4 million)

Management believes that the operational issues have been resolved and will not occur in 2006 due to the following:

- Normalization of the Caeté recovery rate given the absence of transition ore and graphite in the new Sabará mines;

- All permits for 2006 are on schedule or have already been received; and
- Lower transport costs due to the location of the new 1,500 tonne/day Sabará plant.

Jaguar is supplying feed to three gold processing plants. The new Sabará oxide processing plant began production early in Q1 2006. The 1,500 tonne/day Caeté plant continues to process feed from the Sabará and Santa Bárbara Regions. In addition, the Sabará Region is now also supplying sulfide feed at rates of up to 400 t/day to the Queiroz plant of AngloGold Ashanti under a tolling contract.

Jaguar began construction of the 60,000 oz/year Turmalina plant in Q1 2006, which is expected to begin operation in Q4 2006. It also completed a new laboratory in 2005 to expedite process sample and exploration testing, reducing its reliance on back-logged external laboratories.

The Company periodically reviews the potential benefits of listing on a U.S. Exchange and has invested significant effort in installing management systems compliant with the needs of the Sarbanes-Oxley legislation.

Well Financed

The Company negotiated a debt facility for \$14.0 million in 2005 and subsequently raised Cdn.\$60.0 million, prior to expenses, in Q1 2006 by issuing 11.4 million common shares at Cdn.\$5.25 per share. At a projected exchange rate of 2.40 Brazilian reais per U.S. dollar, Jaguar will spend a total of \$110 million, of which \$24.2 million has already been spent, to complete all its projects that are either in production, under construction or in feasibility. Jaguar believes that the funds needed to complete its development program will be available from existing cash balances, operating cash flow and new debt or equity. Capital spending in 2005 was \$20.3 million.

Feasibility Studies

Jaguar completed the Turmalina feasibility study in Q3 2005 and the Sabará feasibility study in Q1 2006. Both projects have highly competitive capital spending and operating costs. Jaguar projects completing feasibility studies at Santa Bárbara – Pilar and Paciência – Santa Isabel in 2006 which, if positive, will add a combined total of 900,000 ounces of gold to reserves.

Additional Resources and Exploration Properties

Jaguar recently increased its reserves and resources, which is part of its stated strategy of resource conversion. Proven and probable reserves increased to 4.0 million tonnes at 4.37 g/t, containing 554,000 oz of gold, and the measured and indicated resources increased to 16.2 million tonnes at 5.00 g/t, containing 2.6 million oz of gold.

Inferred resources fell to 4.6 million tonnes at 4.82 g/t, containing 712,000 oz of gold, because of the upgrading of inferred resources to the measured and indicated category.

The Qualified Person, as defined in National Instrument (“NI”) 43-101, who reviewed the resources for the Paciência Region, Santa Bárbara Region and some of the Sabará Region targets (Catita, Camará, Juca Vieira, Morro do Adão and Zone 10) was Ivan C. Machado, M.Sc., P.E., P.Eng., principal of Salt Lake City based TechnoMine Services LLC. Mr Machado is independent for the purposes of NI 43-101. The Qualified Persons who reviewed the reserves and resources for the Turmalina Region and some of the Sabará Region targets (Sabará Zones A, B, C and Queimada) were Graham G. Clow, P.Eng. and Wayne W. Valliant, P.Geo of Roscoe Postle Associates Inc. (“RPA”). Mr Clow is a principal of RPA, and Mr. Clow and Mr. Valliant are independent for the purposes of NI 43-101.

In addition to these reserve and resource increases, Jaguar optioned seven strategically valuable properties from Companhia Vale do Rio Doce (“CVRD”) on a key geological trend in the Sabará Region of the Iron

Quadrangle gold belt. The properties host a significant gold resource close to Jaguar's Caeté plant and represent 9,500 acres of high potential gold exploration terrain over 25 km. CVRD information indicates:

- A sulfide resource of 2.29 million tonnes at a grade of 7.48 g/t, containing 550,000 ounces of gold;
- An oxide resource of 626,000 tonnes at a grade of 2.23 g/t, containing 44,300 ounces of gold; and
- 92% recovery in the sulfides and 85% recovery in the oxides, based upon preliminary metallurgical work.

The new resources pre-date the introduction of NI 43-101 standards but were discovered and calculated by CVRD, which is one of the world's largest mining companies. Based upon independent technical advice, Jaguar intends to complete a feasibility study on the new resources and file an NI 43-101 technical report.

Jaguar also optioned 2,307 acres of gold exploration properties from IAMGold located near the Paciência Region.

Sabará Region Development Update

The new Sabará plant is operating as planned. The Sabará Region cash flow subsidizes the development costs of the longer-term mines in the Turmalina, Santa Bárbara and Paciência Regions.

Turmalina Region Development Update

The new Turmalina mine is on schedule. The plant has 70% of the required equipment, completed 27% of civil infrastructure and 15% of the building infrastructure. The project has its installation license and its operating license is expected in October 2006. The completed Phase II of Turmalina's exploration program increased its measured and indicated resources and drilled about 6,000 m in Q1 2006. A revised feasibility study incorporating the Phase II and Phase III drilling results is expected in Q2 2006.

Santa Bárbara Region Development Update

The feasibility study for the Santa Bárbara - Pilar project is on time for Q2 2006 completion. The overall feasibility study is 70% completed with 25% of the detailed engineering work done and 30% of the required equipment acquired. The installation license is expected in Q3 2006 and the operating license in July 2007. Exploration drilling exceeded 3,200 m and the access ramp will reach the mineralized zones in April 2006.

Paciência Region Development Update

The feasibility study for the Paciência - Santa Isabel project is on time for Q3 2006 completion. The overall feasibility study is 60% completed with 20% of the detailed engineering work done. The installation license is expected in July 2006 and the operating license in October 2007. Jaguar began underground development for further exploration drilling in Q1 2006.

Human Resources in Brazil

The majority of Jaguar's staff is in Brazil, where it employed 384 people at the end of 2005 versus 101 people at the end of 2004. Rising commodity prices have greatly increased the demand for experienced mining industry personnel but this has not been an issue for the Company. The well-established nature of the Company's team in Brazil and the close proximity of all the Company's operations to Belo Horizonte is a significant advantage. Belo Horizonte is a major urban center and the mining capital of Brazil, providing a substantial pool of skilled and experienced labor for Jaguar.

Conference Call

Jaguar has scheduled a conference call for **Friday, March 31 at 10:00 am EST** to discuss its 2005 annual and fourth quarter interim financial and operational results. North American participants can access the call toll-free by dialing **877-885-6386**. International participants should call 706-679-7391. The conference ID is **7247295**.

Jaguar will also be webcasting this call at <http://www.vcall.com/IC/CEPage.asp?ID=103056>.

Daniel R. Titcomb, President and CEO will host the conference. There will be a question and answer period at the end of the call. Please call in at least five minutes prior to the conference call start time to ensure prompt access to the call. You will be asked to provide your name, telephone number and company affiliation.

An audio replay will be available approximately two hours after the call ends through April 30, 2006, and can be accessed by calling 800-642-1687 from North America or 706-645-9291. The webcast replay will be available until May 30, 2006.

For further information, please contact Daniel Titcomb, President and Chief Executive Officer or James Roller, Chief Financial Officer on (603) 224-4800 or Robert Jackson, EVP, Corporate Development on (416) 725-4343.

This press release contains forward-looking statements concerning Jaguar's 2006 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, 2005 filed on System for Electronic Document Analysis and Retrieval ("SEDAR") and available at <http://www.sedar.com>.