



PRESS RELEASE

August 23, 2006
Concord, New Hampshire

2006-18
JAG – TSX

**JAGUAR MINING ANNOUNCES NORMAL COURSE ISSUER BID
AND DEPARTURE OF ROBERT JACKSON**

Jaguar Mining Inc. (“Jaguar”) (JAG-TSX) has received approval from the Toronto Stock Exchange (“TSX”) for its proposed normal course issuer bid to purchase up to the lesser of 2,291,655 common shares, being 5% of the issued and outstanding common shares of Jaguar, or the number of common shares equal to a maximum aggregate purchase price of US\$1,000,000. Jaguar has 45,833,100 common shares outstanding.

The normal course issuer bid will commence on August 25, 2006 and will terminate on August 24, 2007. This is the first normal course issuer bid undertaken by Jaguar, and Jaguar has not previously purchased securities of its own issue. The common shares will be acquired through the facilities of the TSX and the purchase and payment for the shares will be made by Jaguar in accordance with the requirements of the TSX. The price paid by Jaguar for any shares acquired by it will be the market price of the shares at the time of acquisition. All shares acquired by Jaguar under this bid will be cancelled.

Jaguar is engaging in a normal course issuer bid because it believes that, from time to time, the market price of its common shares may not reflect fully the underlying value of its business and its future business prospects. In such circumstances, Jaguar believes that the outstanding common shares represent an attractive investment, since a portion of Jaguar’s excess cash can be invested for an attractive risk adjusted return on capital through its bid.

Jaguar also announces the departure of Robert Jackson, Executive Vice President of Corporate Development, effective August 31, 2006. Mr. Jackson has accepted a position as President of Tiomin Resources Inc. Jaguar thanks Mr. Jackson for his contributions to the evolution of the company and wishes him the best in the future.

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 controls 72,000 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.

For further information, please contact Daniel Titcomb, President and Chief Executive Officer or James Roller, Chief Financial Officer on (603) 224-4800.

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>.