



PRESS RELEASE

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JAG – TSX

**JAGUAR MINING NEARS COMPLETION OF PACIÊNCIA FEASIBILITY STUDY;
REPORTS STRONG DRILL RESULTS**

Jaguar Mining Inc. (“Jaguar”) (JAG-TSX) reports strong drill results from Phases I and II of the feasibility program of the Santa Isabel Zone in the Paciência Region. The program aims to add and upgrade resources¹, targeting an initial reserve base of 500,000¹ oz to a depth of 300 m and along strike for 0.8 km¹. The mineralization is open at depth and on strike for 12 km. The Paciência Region has the following NI 43-101 compliant historical resources:

	Tonnes (t)	Grade (g/t)	Cont. Au (oz)
Measured	3,305,000	4.37	464,000
Indicated	2,576,000	4.39	363,500
Measured + Indicated	5,881,000	4.38	827,500
Inferred	1,609,000	5.03	260,200

The Paciência feasibility study is expected to be completed in December of 2006¹, with a production decision early Q1 2007¹. Jaguar is studying the installation of a 1,500 tonnes per day CIP sulfide processing plant and targeting initial production of 70,000¹ oz per year.

The tables below show the most significant results from Phases I and II:

Phase I				
Hole	Interval		Grade (g/t)	Thickness (m)
	From (m)	To (m)		
FR-12	2.95	10.15	18.55	7.20
F2-01	50.45	69.95	5.33	19.50
F2-04	77.85	94.50	4.45	16.65
F2-05	92.30	102.55	4.79	10.25
F2-11	42.55	64.55	4.52	22.00
	81.70	85.30	8.06	3.60
F2-13	16.45	25.20	18.70	8.75
F2-17	1.40	6.25	3.21	4.85
	41.95	51.15	3.43	9.20
	55.55	62.90	3.56	7.35
F2-23	58.90	60.30	17.25	1.40
F6-04	46.25	57.25	5.26	11.00
F5-07	28.30	35.55	3.58	7.25
	82.60	85.80	16.59	3.20
F5-13	61.10	62.10	14.50	1.00
F5-14	46.70	55.90	4.24	9.20
	88.55	93.15	12.20	4.60

Note: not all holes represent true width

Phase II				
Hole	Interval		Grade (g/t)	Thickness (m)
	From (m)	To (m)		
PSS-068	242.30	246.10	2.80	3.80
PSS-070	237.85	243.00	3.02	5.15
PSS-071	136.35	145.60	4.56	9.25
	166.25	168.35	9.35	2.10
PSS-072	135.25	139.15	12.28	3.90
PSS-073	119.75	124.70	1.98	4.95
PSS-075	122.00	134.75	2.63	12.75
PSS-076	1.90	6.60	6.92	4.70
	79.80	80.80	23.58	1.00
	188.65	190.55	5.40	1.90
PSS-077	99.15	126.00	5.29	26.85
PSS-079	16.10	20.90	8.15	4.80
	63.20	65.10	28.63	1.90
PSS-084	97.70	105.55	5.50	7.85
PSS-086	196.80	198.75	13.61	1.95
PSS-089	167.10	169.00	15.71	1.90
PSS-092	102.90	105.85	12.48	2.95

Note: not all holes represent true width

Phase I drill results comprised of 68 holes with 13,609 m of drilling. The drill holes lie along a strike length of approximately 300 m of sulfide mineralization that is open on strike and at depth. Phase II of the Santa Isabel exploration program is underway. To date, 39 holes have been drilled for a total of 8,968 m (10,000 m are planned). Jaguar expects to conclude Phase II by the end of this month.

The location map, complete drill hole data and vertical long section are available at:
<http://www.jaguarmining.com/s/PressReleases.asp?ReportID=153584#maps>

Jaguar has recently added 297 m of drifts and 187 m of ramp development driving to Level 2. The company now has over 2 km of underground work in place.

Paciência is a high potential exploration property for Jaguar¹. The property has 12 km of contiguous concessions along a linear shear zone, the São Vicente Trend, which hosted much of the gold production in the region during the 17th and 18th centuries. In addition to the Santa Isabel Zone, there are several other mineralized zones and targets in the Paciência Region.

The exploration results were audited by 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. The drill core recovery was over 90%. A top cut of 30 g/t was applied to the raw data. SGS Laboratories of Belo Horizonte, Minas Gerais has provided independent sample preparation and assay services, using standard industry practices.

Active Growth and Development Program

Jaguar is a gold producer operating in a prolific greenstone belt in the state of Minas Gerais, Brazil. The company is developing its 72,000 acre portfolio of operating and exploration properties with the objective of producing over 200,000¹ oz per year by the end of 2008¹. Jaguar is focused on mining operations at the Sabará property, construction of the Turmalina mine and plant, and feasibility studies at the Santa Bárbara, Paciência and Roça Grande properties. Jaguar has 45,833,100 common shares outstanding.

For further information, please contact Daniel Titcomb, President and Chief Executive Officer at (603) 224-4800 or e-mail to IR@jaguarmining.com.

¹The ability of the Company to add and upgrade resources, to achieve an initial reserve base of 500,000 oz to a depth of 300 m and along strike for 0.8 km, to complete the Paciência feasibility study in December of 2006 and make a production decision early Q1 2007, to install a 1,500 tonnes per day CIP sulfide processing plant and produce 70,000 oz initially, to have high exploration potential and to produce 200,000 oz of gold per year by the end of 2008 is subject to the various risks and uncertainties that can be found in the "Forward-Looking Statements" below.

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>.