



## PRESS RELEASE

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JAG – TSX

### **Jaguar Mining Reports Q3 2006 Earnings of US\$0.05 Per Fully Diluted Share on Record Production and Sales** *Company On-track to Produce 100,000 oz of Gold in 2007<sup>1</sup>*

**Jaguar Mining Inc. (“Jaguar” or “the Company”) (JAG-TSX)** reports its financial and operational results for the third quarter ended September 30, 2006. **All figures are in U.S. dollars unless otherwise indicated.**

#### **2006 Third Quarter Highlights**

- Net income of \$2.4 million or \$0.05 per fully diluted share;
- Gold production of 12,044 oz at an average cash cost of \$373/oz with gold sales of 11,957 oz at an average realized price of \$608/oz;
- Cash operating costs averaged \$288 for two-thirds of this quarter’s gold production;
- Cash balance remained strong at \$28.4 million with working capital of \$26.7 million;
- Invested expansion capital of \$15.7 million in growth projects, feasibility studies and exploration; aggressive drilling program slated for 2007;
- Commissioning operations underway at the Turmalina mine and processing facilities;
- Reported strong drill results from Phase I of the exploration program at Turmalina (Satinoco Zone), with aim toward expanding the reserve base and production levels<sup>1</sup>.

#### **2006 Third Quarter Results**

For the period ending September 30, 2006, the Company recorded revenue of \$7,279,000 from the sale of 11,957 ounces of gold based upon an average realized price of \$608/oz. This compares to revenue of \$3,630,000 from the sale of 8,375 ounces of gold at an average price of \$433/oz for the same period in 2005. Gold production for Q3 2006 totaled 12,044 ounces compared to 10,114 ounces in Q2 2006. The Company’s average cash operating cost of \$373/oz during Q3 2006 was slightly below the Q2 2006 cash operating cost of \$376/oz. Net income for Q3 2006 was \$2,441,000 or \$0.05 per fully-diluted share, versus a reported net loss of \$2,658,000 or \$0.09 per share, for the same period last year.

Commenting on the Q3 2006 results, Daniel R. Titcomb, Jaguar’s President and CEO stated, “We are very pleased to report another successful milestone in the evolution of Jaguar – the attainment of profitability. Having now crossed this important threshold, our management team remains focused on delivering shareholder value by way of stronger operating results and through the drill bit. Our goal to produce over 200,000<sup>1</sup> oz of gold per year by the end of 2008<sup>1</sup>, at lower cash operating costs<sup>1</sup>, remains a realistic objective. We currently have 12 drill rigs deployed and intend to drill approximately 55,000 m over the next twelve months<sup>1</sup>.”

#### **Operations and Outlook**

The Company achieved its forecasted sales targets during Q3 2006 and continues to make significant progress on its mine development plans at existing and new projects. Gold sales for fiscal year 2006 is expected to total approximately 43,000<sup>1</sup> ounces at an average cash operating cost of approximately \$365/oz<sup>1</sup>. The Company remains focused on the following priorities for the balance of 2006.

1. **Turmalina Project** – In a separate press release issued today, the Company announced that operations at Turmalina have entered the commissioning phase and the first gold pour is slated for late November<sup>1</sup>. Additional information regarding this important operating project can be found on the Company's website at [www.jaguarmining.com](http://www.jaguarmining.com).
2. **Sabar Project** – During Q3 2006, operations at this mining complex remained on plan and the facility is expected to remain profitable during 2007<sup>1</sup>. Sabar accounted for two thirds of the quarter's production with cash operating costs of \$288.
3. **Pacincia Project** – Completion of the Pacincia feasibility study is expected to be finalized during Q4 2006<sup>1</sup> and will provide the basis for a production decision in early 2007<sup>1</sup>. Mining tests were performed during the most recent quarter as part of the Pacincia feasibility study preparation. The concept being studied is the installation of a 1,500 tonnes per day CIP sulfide processing plant with a proposed initial production target of 70,000 oz per year<sup>1</sup>.
4. **Caet Project** - A scoping study nearing completion supports an initiative to convert and expand the existing Caet Plant that will process ore from future mining extensions in development at Roa Grande, Santa Brbara and other nearby projects. This strategy should expedite and expand production at substantially lower capital costs<sup>1</sup> by optimizing the Company's existing infrastructure and eliminating the requirement to construct a new plant in the Santa Brbara region. Converting this facility to handle sulfide ores from these adjacent properties will allow the Company to obtain permits in a timelier manner to increase daily throughput at the current facility. The Company is finalizing a scoping study on this high priority project and the results will be included in the next update of operations.

#### **Liquidity and Capital Spending**

As of September 30, 2006, the Company had \$28.4 million in cash and cash equivalents on-hand and \$26.7 million in working capital. Based upon an exchange rate of R\$2.2/\$1.0, Jaguar expects to spend a total of \$103 million<sup>1</sup> on project development (including exploration) from 2004 to 2007, of which \$55.2 million has been spent thus far, including \$15.7 million during Q3 2006.

#### **Staff Additions**

The Company is pleased to announce that Robert Zwerneman recently joined the company as Director of Investor Relations. Mr. Zwerneman is a seasoned IR professional who spent most of his professional career in corporate development and investor relations roles in the mining business with firms such as New Orleans-based Freeport-McMoRan, which had operating and ownership interests in Freeport Gold, Freeport-McMoRan Copper & Gold, Freeport Sulphur Company, Agrico and other natural resource companies, including International Minerals and Chemical Company. Mr. Zwerneman is a professional commodity economist by training and earned his Bachelors and Masters degrees from Texas A&M University.

#### **Conference Call Details**

Jaguar will be holding a conference call today, November 15, at 10:00 am EDT to discuss its 2006 third quarter financial and operational results.

North American participants may access the call toll-free by dialing 800-350-3624. International participants should call 303-752-5840. Persons wishing to participate in this conference call are asked to dial-in at least five minutes prior to the start time to ensure prompt access to the call.

Jaguar will also provide a webcast of this call over the Internet, which can be accessed from the Calendar of Events tab located on the Company's homepage at [www.jaguarmining.com](http://www.jaguarmining.com).

An audio replay will be available approximately two hours after the call ends through January 15, 2007, and can be accessed by calling 800-675-9942 from North America or 310-287-9926 outside of North America. The replay ID number is 111506. The webcast replay will be available until January 15, 2007.

## **About Jaguar Mining**

Jaguar Mining Inc. 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 200,000<sup>1</sup> oz per year by the end of 2008<sup>1</sup>.

### **For Information:**

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<sup>1</sup> The ability of the Company to produce 100,000 oz of gold in 2007, to expand Turmalina's reserve base and production levels, to produce 200,000 oz of gold per year by the end of 2008 at lower cash operating costs, to drill approximately 55,000 m over the next twelve months, to sell 43,000 oz of gold in 2006 at an average cash operating cost of \$365/oz, to have the first gold pour at Turmalina by late November 2006, to remain profitable at Sabará during 2007, to finalize the Paciência feasibility study during Q4 2006 and make a production decision in early 2007, to install a 1,500 tonnes per day CIP sulfide processing plant at Paciência with a proposed initial production target of 70,000 per year, to expedite and expand production at substantially lower capital costs by developing the Caeté Project and to spend a total of 103 million on project development from 2004-2007 is subject to the various risks and uncertainties that can be found in the "Forward-Looking Statements" below.

### **Forward Looking Statements**

This press release contains forward-looking statements concerning Jaguar's objectives in the years ahead, 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>.