



PRESS RELEASE

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JAG – TSX

JAGUAR MINING COMPLETES POSITIVE FEASIBILITY STUDY AT TURMALINA GOLD PROJECT AND REPORTS SECOND QUARTER 2005 RESULTS

Jaguar Mining Inc. (“Jaguar”) (JAG-TSX) has completed a positive feasibility study on the Turmalina Project and expects to file a Feasibility Study (“FS”) that has been independently reviewed by Roscoe Postle Associates Inc. In addition, the Company reports its financial and operational results for the second quarter ended June 30, 2005 and discusses its outlook for the remainder of 2005. All figures are in United States dollars unless stated otherwise.

The key point at mid-year is that Jaguar is making good progress towards its long-term goal of being a mid-sized producer of more than 200,000 oz per year of gold.

Turmalina Project Feasibility Study Completed

The Turmalina feasibility study is the first of three feasibility studies on separate projects that Jaguar is currently preparing and it is a major milestone in the company’s development. Jaguar expects the last of the three feasibility studies to be completed early in 2006, upgrading about 1.3 million oz of measured and indicated gold resources.

The results of the Turmalina feasibility study are substantially better than management originally estimated in earlier scoping studies. The key points, subject to final review, are:

Mineral Reserves:	1,904,000 tonnes @ 6.0 g/t Au, containing approximately 370,000 oz of gold
Mining Rate:	360,000 tonnes per year
Process Recovery:	90%
Annual Average Production:	60,500 oz per year
Mine Life:	5.5 years
Start Production:	Late 2006
Capital Cost:	\$19.2 million
Average Operating Cost:	\$26.30 per tonne milled
Total Cash Cost:	\$176 per oz
Total Production Cost:	\$234 per oz, including CAPEX

In addition, Jaguar is conducting a ten-hole in-fill drilling program aimed at upgrading approximately 200,000 oz of additional measured and indicated gold resources for the FS at Turmalina, with the potential to extend the mine life. Three holes are complete and the rest should be completed by the end of August.

At the time of acquisition in October 2004, Jaguar estimated that Turmalina held 1,645,000 tonnes of measured and indicated non-refractory resources grading 5.9 g/t, containing about 312,000 oz of gold, plus 1,530,000 tonnes of measured and indicated refractory resources grading 5.69 g/t, containing about 280,000 oz of gold. These resources refer to in-situ values.

SECOND QUARTER RESULTS

Highlights

- Quarter-end cash balance of \$18.8 million.
- Working capital of \$23.4 million.
- Processed 122,341 tonnes, up 43% from Q1.
- Sabará Zone B and the Caeté Plant produced 6,839 oz of gold at a cash cost of \$366 per oz.
- Sold 2,997 oz of gold at an average price of \$424 per oz.
- Net loss of \$1,404,727 or \$0.05 per share.
- Catita began formal production.
- Santa Barbara – Pilar continued pre-stripping and began limited production.

Q2 2005 Results

The net loss for Q2 2005 was \$1,404,727, or \$0.05 per share, versus a net loss of \$1,360,674, or \$0.07 per share, for Q2 2004. The net loss for the first half of 2005 was \$3,372,064, or \$0.11 per share, versus a net loss of \$2,276,291, or \$0.12 per share, in the first half of 2004. Jaguar ended Q2 with \$18.8 million of cash and \$23.4 million of working capital. The average number of common shares outstanding in the quarter was 30,658,389 with 31,553,389 shares currently outstanding.

Gold sales of \$1,270,000 reflected the sale of 2,997 oz at an average realized price of \$424 per oz. The sale of an additional 1,600 oz of gold produced in Q2 was temporarily delayed until July and the revenues of \$693,000 will be reported in Q3. The Company does not hedge gold sales.

Gold production in Q2 2005 was 6,839 oz of gold at a cash cost of \$366 per oz. Production in the first half of 2005 was 12,157 oz at a cash cost of \$342 per oz versus a budget of 10,400 oz at \$327 per oz. The strengthening of the Real against the U.S. dollar resulted in an increase in the cash operating cost of \$22 for the first six months.

Operating Performance

Production at Zone B & the Caeté Plant, Sabará Region

In Q2 2005, the mining operation at Zone B and the Caeté plant achieved their highest tonnage yet by processing 122,341 tonnes of ore with an average feed grade of 2.57 g/t versus 2.42 g/t in Q1 2005. The production cost was \$20.44 per tonne. The Caeté Plant is consistently processing 1,500 tonnes/day of ore. Zones A and C are being readied for production in anticipation of the new plant at Sabará being completed later in 2005.

The plant recovery grade averaged 1.74 g/t in Q2. The average plant recovery rate at Caeté temporarily dropped to 67% during Q2 from the normal 80% level because of a delay until June in the start-up of production at the higher-grade Catita oxide zone. During this period, Zone B mined a zone of less oxidized transitional ore with a consequential lower plant recovery rate. Blending this transition zone ore with the higher-grade oxide ore at Catita, which exceeds 3 g/t, would have allowed sustained higher overall recovery rates in Q2 2005. The net impact is that the cash operating cost for Q2 was \$366 per oz, an increase that was generally offset by the higher than expected gold sales price of \$424 per oz versus a budget of \$375 per oz. Plant recovery in Q3 should be about 77% with the addition of high-grade oxide ore from Catita and Pilar.

Production of Oxide Ore Begins at Catita, Sabará Region

The Catita mine began formal production in June, supplying the Caeté Plant. The mine produced its budgeted tonnage of oxide ore in July at a grade of 4.48 g/t, exceeding budget of 3.17 g/t.

Production of Oxide Ore at Santa Barbara – Pilar, Santa Barbara Region

Pre-stripping continues and, following a successful test of about 2,800 tonnes of ore in June, small-scale production of oxide ore for shipment to the Caeté Plant began in July at a grade of 3.75 g/t.

2005 OUTLOOK REVISED

Although Jaguar exceeded its production budget in the first half it is currently experiencing delays beyond its control at the new Sabará Plant and at the Queiroz Plant of AngloGold Ashanti Inc. (“Anglo”) that will reduce its 2005 production to 25,000 oz at a total cash cost of \$329 per ounce from the previously projected 50,000 oz at \$271 per oz. Neither of these delays should materially change Jaguar’s production plans for 2006. Jaguar expects to enter 2006 with 75,000 oz of operational plant and mine capacity.

Status of New Sabará Plant

Jaguar has secured the necessary environmental permit and is ready to complete construction of the new 1,500 tonne/day oxide plant at Sabará. However, Jaguar awaits the approval of the final construction permit for the plant and now expects the plant to be completed in Q4 2005 rather than in Q3 2005. The delay is expected to reduce 2005 gold production by about 10,700 oz. In operation, the new Sabará plant is estimated to reduce cash operating costs by approximately \$50 per oz at Zones A, B and C. Jaguar is currently completing deforestation of the mine and plant sites and has acquired all the equipment for the Sabará plant.

Status of Sulfide Production at Catita

Jaguar now understands that the Queiroz Plant is unable to process Jaguar’s Catita sulfide ore until Q1, 2006 rather than as planned in Q3 2005. Jaguar has not yet received written confirmation of this change but estimates that such a delay reduces 2005 gold production by a further 15,000 oz.

Paciência Project Feasibility Study Planned for Q4, 2005

Jaguar has changed its approach for completing the Paciência FS. The independently reviewed FS is now planned for filing in Q4 2005 rather than Q3 2005. Management decided that additional drilling and development work originally scheduled for after the FS program would be better incorporated in the FS. The work includes drift and ramp development, drilling and about 100,000 tonnes of ore and waste mining.

Active Exploration Continues

Jaguar is actively exploring on all its properties in the Iron Quadrangle. The exploration program is both upgrading resources to reserves and seeking to add additional resources.

Jaguar is currently commissioning its own drill sample preparation and testing laboratory to accelerate the rate at which the Company processes exploration information. Jaguar has experienced delays beyond its control in testing drill samples because of excessive demand upon the independent laboratories caused by the current surge in exploration activity.

Conference Call

Jaguar has scheduled a conference call for Tuesday, **August 16 at 11:00 am EDT** to discuss the Turmalina feasibility study, the Q2 2005 interim financial and operational results and its revised outlook for 2005. 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 **8643261**. An audio replay

will be available approximately two hours after the call ends through September 16, 2005, and can be accessed by calling 800-642-1687 from North America or 706-645-9291.

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.

The statements that are not historical facts are forward-looking statements and involve known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. Jaguar's securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered, sold or resold in the United States or to a U.S. person absent registration or an applicable exemption from the registration requirements.

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