



PRESS RELEASE

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JAG – TSX

JAGUAR MINING ACQUIRES TURMALINA GOLD PROJECT; INCREASES GOLD RESOURCES 28%; BEGINS FEASIBILITY STUDY IMMEDIATELY

Jaguar Mining Inc. (“Jaguar”) (JAG-TSX) has purchased the Turmalina Gold Project (“the Project”) in Minas Gerais, Brazil from AngloGold Ashanti South America (“AngloGold Ashanti”). Jaguar is commencing a feasibility study to fast-track the Project to production.

The acquisition adds 592,000 oz of gold in measured and indicated resources and 196,000 oz of gold in inferred resources. Jaguar now has approximately 2.4 million oz of measured and indicated and about 800,000 oz of inferred resources. Jaguar’s current market value is US\$16 per ounce of total resources using basic market capitalization. The Project fits well with Jaguar’s strategy and existing infrastructure. It is believed the Project can increase Jaguar’s production profile beginning in 2007.

Terms of the Acquisition

Jaguar will pay AngloGold Ashanti US\$1.35 million over the next three years for 100% ownership and operational control. It is estimated that the Project has 1,645,000 tonnes of measured and indicated non-refractory sulfide resources grading 5.90 g/t, containing about 312,000 oz of gold. About 82% of the 312,000 oz of non-refractory sulfides are in the measured category and the remainder are indicated. The Project also has an estimated 1,530,000 tonnes of measured and indicated refractory resources grading 5.69 g/t containing about 280,000 oz of gold. The figures for contained gold are in-situ mineral resources. There is an estimated 1,100,000 tonnes of inferred resources grading 5.54 g/t containing about 196,000 oz of gold. High and low cut-offs of 30.0 and 2.0 g/t were used in estimating the resources at Turmalina.

The Project adds approximately 13,000 acres to the Jaguar’s existing 49,500-acre land portfolio, which is already the second largest gold property portfolio in the Quadrilátero Ferrífero (“Iron Quadrangle”). The terms of the acquisition of the Project include a royalty payable by Jaguar to an unrelated third party. The royalty is a Net Revenue Interest of 5% of annual net revenue up to US\$10 million and 3% thereafter. No royalty is payable to AngloGold Ashanti.

The resources 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. Jaguar intends to file a National Instrument 43-101 report on the Project’s resources.

Feasibility Study

Jaguar believes that the Project is far enough advanced to begin feasibility work immediately on the non-refractory sulfide resources. Jaguar’s management has extensive experience in the Iron Quadrangle and believes that the Project will likely support a new sulfide ADR – CIL recovery plant that could process 850 tonnes per day of non-refractory Run-of-Mine ore and produce about 44,000 oz of gold per year. Permitting of the Project is at an advanced stage.

The feasibility study will also assess potential for concurrently mining the existing 280,000 oz of gold in the refractory measured and indicated resources by making a gold concentrate that can be economically transported to an existing plant.

Project Location and Geology

Turmalina is 6 km south of the town of Pitangui, approximately 140 km northwest of Belo Horizonte and serviced by paved road to the site. The geology is related to the Rio das Velhas and Minas Supergroups. The Project lies on and is an extension of the prolific Iron Quadrangle Greenstone Belt.

Gold mineralization at the Project occurs in strongly silicified, fine grained sulfides. The mineralization is strongly related to hydrothermal alteration of a schist-biotite-quartz-sericite horizon, hosted between metapelites and chloritic meta-tuffs, and, secondarily, by hydrothermal alteration of layers of the Archean banded iron formation (BIF) that characterizes the main mineralization of the Iron Quadrangle region.

History of Exploration and Production

AngloGold Ashanti explored the surface and underground areas with geophysics, geochemistry, trenching, drilling and 3.9 km of underground development. Surface work included 18,851 m of surface diamond drilling, 1,050 m of powered auger drilling and 7,000 m of trenches. Underground work included 7,317 drilled meters and 17,000 tonnes of trial stoping (sublevel stoping mining method).

About 35,500 oz of gold were produced from an oxide open pit from 1992 to 1993.

Exploration Potential

In October, Jaguar will be implementing an exploration program to drill test outside the existing resource base. Previously developed data is compelling, providing Jaguar with excellent potential to expand its resource base.

Jaguar is the Area Consolidator for Gold Properties

This acquisition is consistent with Jaguar's strategy of using its knowledge, experience and excellent local relationships in the Iron Quadrangle to acquire quality assets from senior mining companies. Including this acquisition, Jaguar now owns approximately 62,500 acres of gold properties in the Iron Quadrangle, which is the second largest gold property portfolio in the region, and continues to seek acquisitions to strengthen its position.

Jaguar is a gold producer managed by a highly experienced team of mining industry professionals with a track record of proven success. Jaguar directly owns or accesses nearly 2,000 tonnes per day of sulfide and oxide processing capacity. Jaguar has 21,122,589 common shares outstanding (28,738,979 fully diluted).

For further information, please contact Daniel Titcomb, President 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.