



PRESS RELEASE

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JAGUAR MINING CLOSES AGREEMENTS WITH ANGLOGOLD; ISSUES SHARES UPON OPTION AND WARRANT EXERCISE

- **Properties acquired for cash and sliding scale royalties**
- **Long-term mineral processing and gold refining agreements**
- **Association agreement**
- **Joint strategy focused on the largest gold camp in Brazil**

Accelerated Growth

Jaguar Mining Inc. (“Jaguar”) is pleased to announce the closing of an association agreement and property acquisitions from Mineração AngloGold Ltda. (“AngloGold”). All the properties and plant are within 60 km of Belo Horizonte, which is the center of the long established gold camp in the Quadrilátero Ferrífero greenstone belt. Jaguar has also negotiated mineral processing agreements with Mineração Morro Velho Ltda. (a 100% subsidiary of AngloGold) for the treatment of sulfide gold ore and for the tolling and marketing of bullion production from Jaguar’s operations.

The acquired properties and the mineral processing agreements significantly accelerate and complement Jaguar’s growth plan. These unique and mutually beneficial agreements include a tolling and marketing contract extending through 2017. The agreements provide Jaguar with significant infrastructure and AngloGold with accelerated property development.

AngloGold has completed 41,300 meters of drilling and extensive metallurgical testing on these advanced stage properties. The 11,200 acre acquisition gives Jaguar a substantial inventory of exploration targets and resources for further development. Jaguar now controls 47,500 acres of mining and exploration concessions abutting or near existing mines in Brazil’s largest gold camp.

Jaguar has commissioned a NI 43-101 compliant technical report to confirm the mineral resources of all of its properties, including the properties acquired from AngloGold.

AngloGold Property Transaction

The key points of the agreement between Jaguar and AngloGold are:

1. Jaguar acquires 100% equity ownership and operational control of seven advanced stage mineral concessions, including the Catita and Paciência projects.
2. AngloGold receives US\$800,000 over two years. Jaguar has adequate capital for these payments.

3. Jaguar invests a further US\$1.33 million in exploring and developing the properties over three years. Jaguar has adequate capital for these expenditures.
4. Jaguar pays AngloGold a sliding scale Net Smelter Royalty (NSR) from 1.5% to 4.5% determined by the gold price, payable upon realizing production revenues.
5. The association agreement allows AngloGold to initiate a joint venture in a Jaguar-acquired project under certain circumstances. If Jaguar discovers, on a per concession basis, in excess of 750,000 ounces of gold over the measured and indicated resources used in the agreement, AngloGold has the right to buy-in up to 70% with a pre-determined cash payment and same sliding scale royalty payable to Jaguar as above. It is most likely this joint mine development would take place at a depth of 500+ meters, at which point a shaft would probably be required. Jaguar is pleased with this arrangement because AngloGold is a world leader in deep underground mining.

Tolling and Marketing Contract

Jaguar has agreed to refine its bullion at AngloGold's Morro Velho refinery, and AngloGold may handle sale of Jaguar's gold. These agreements streamline Jaguar operations, providing services easily integrated with Jaguar's operations.

Ore Processing Contract

AngloGold has spare capacity to treat non-refractory sulfide ore, up to 300,000 tonnes/year. Ore resources located within 45 km can be treated economically by the AngloGold plant under the contracted conditions. This provides Jaguar with 170,000 tonnes of immediate added capacity at a first class plant operated by highly experienced personnel, within hauling distance from Jaguar's properties. This capacity requires no capital expenditure by Jaguar to initiate processing.

Properties Open at Depth and on Strike

Catita has been drill tested to a depth of only 220 meters. Paciência has been drill tested to only 350 meters, with underground drifting. Neighboring mines demonstrate that ore bodies in the Quadrilátero Ferrífero have strong continuity at depth, down to 3,000 meters in places, creating the potential for similar results on Jaguar's new properties. Both Catita and Paciência are open at depth. The Paciência project adds 5 km of mineralized strike to 7 km of strike on abutting concessions previously acquired by Jaguar. This 12 km of continuous strike holds significant potential for Jaguar's funded exploration program.

Common Shares Issued

Jaguar recently issued 82,142 common shares upon exercise of outstanding purchase warrants and stock options. Jaguar received US\$48,750 from the exercise of 75,000 purchase warrants at an exercise price of US\$0.65 per share. Jaguar received Cdn.\$5,000 from the exercise of 7,142 stock options at an exercise price of Cdn.\$0.70.

Jaguar is a low cost producer with an expanding production profile and 47,500 acres of highly prospective exploration and development properties in the Quadrilátero Ferrífero, a prolific gold-bearing greenstone belt. Jaguar's active expansion and exploration plans are managed by one of the most experienced operating teams in Brazil. This senior management has over 100 years experience with major mining companies, successfully finding, building and operating large gold mines in Brazil. Jaguar intends to become a mid-sized gold producer over the next four years. After the exercises described above, Jaguar has 18,936,887 common shares outstanding (23,663,881 fully diluted).

For further information, please contact Daniel Titcomb, President & CEO or Robert Jackson, Director at (603) 224-4800.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

The statements that are not historical facts are forward-looking statements involving 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.