



**President & Chief Executive Officer's Address  
Jaguar Mining Inc.  
Annual Special & General Meeting of Shareholders**

**June 5, 2017  
Toronto 10:00 am est**

***"Check Against Delivery"***

Thank you Mr Chairman.

Welcome ladies and gentlemen to the 2017 Jaguar Mining Annual Special and General Meeting. We will be having a Question and Answer session following my Message to the Shareholders, so please hold your questions until the end. Throughout the presentation, I will be quoting dollar figures that will be US dollar denominated unless otherwise stated.

Let me first start by saying 2016 was a transformational year for Jaguar Mining. It was led by a management push to achieve two main objectives. The first; a Company wide cultural change; and the second; was a focus on the visibility of positive cash flow.

Our cultural change needed to start from the top and was based on core values, respect and knowledge of an individual's responsibilities within the Company. We started with the changing of Senior Management, then supported, promoted, and hired key managers within operations in our Belo Horizonte office in Brazil such as Finance, Human Resources and Technical Services departments.

During 2016, our employees worked together to establish a new Mission and Vision Statement which can be found on our newly designed website. The establishment of these statements was key is providing the Company with direction.

A cultural change in a Company is strongly influenced by the core values they hold. Additionally, during 2016, the employees, again working together, agreed upon a set of core values that defined the behaviours in which we operate by.

Jaguar's Core Values center on People, Zero Harm, Collaboration, Sustainability and Excellence. Each one can be viewed in detail on our website.

Our ultimate goal is to have Zero Harm come to our employees, the environment and communities we work in.

During 2016, several initiatives were introduced to achieve this goal. I am happy to report that Pilar Gold Mine surpassed in April, one working year without a lost time accident. This is an incredible milestone considering that this includes not only Jaguar employees but all surface and underground contractors. The employees at Turmalina mine have worked 240 days without a LTA (Lost Time Accident) while other departments within the Company have achieved equally notable successes in safety, the environment and our communities.

Our objective for visibility to positive cash flow starts with a Value Driven culture. A Value Driven culture is a process within an organization that critically reviews what and how we are doing things, to identify waste and/or opportunities. This could be a wide range of items such as safety and environmental initiatives and/or general administrative support. It is not just operational productivity improvements.

Jaguar was successful during the year in rolling out our Operational Excellence program at Turmalina and we are now launching the program at other operations and departments within the Company. The programs are guided by the Plan-Do-Check and Act method which is four-step management tool for the control and continuous improvement of processes.

During 2016, the Company was successful in meeting our objective of visibility to positive Cash Flow. During the year, the Company generated US\$38 million in operating cash flow and reported US\$11.3 million of Free Cash Flow. The 2016 annual operating cash flow was the highest level since Jaguar's inception.



We are quite pleased with these results considering the significant investment of US\$25.4 million in Sustaining and US\$4.4 million in Non-sustaining capital expenditures. The US\$30 million in capital investment in 2016 was primarily funded through operating cash flow.

Now onto Operations: It was a successful year with several achievements. Record gold recovery, improving grades, and higher throughput levels positioned the Company to exceed 2016 production guidance with strong annual gold production of 96,536 ounces.

Year over year, Turmalina Gold Mine delivered 25% higher gold production of 63,186 ounces with record gold recovery of 91.5%. Pilar delivered strong full year production of 27,878 ounces with improved grade of 3.35 g/t of gold and record gold recovery of 90.8%.

The Company also achieved key objectives in mine development, with 5.4km of Primary Waste and 4.7km of Secondary Ore development. This was a significant increase over 2015. During the year, the Company also successfully completed over 38,000 m of exploration diamond drilling which allowed the Company to report a 24% increase in the Measured and Indicated resources after mine depletion at Turmalina Mine.

Within the appendix of the Company's corporate presentation on our website you will find a more comprehensive list of the non-operational achievements during 2016. I would like to highlight two of these achievements.

Firstly, we strengthened our capital structure and improved our balance sheet: The convertible debentures holders voluntarily converted into equity prior to the first-year anniversary in October. In anticipation of exercising the companies right to buy back the convertible debentures on the first-year anniversary, the Company negotiated and entered into an agreement with Sprott Lending for a loan facility for US\$10 million. After notification of the voluntary conversion of all the Bond holder, the Company announced in the fourth quarter of 2016, that the funds from the loan facility would be used for an accelerated growth exploration program.

Secondly, the re-listing onto the TSX in July: The Company received final approval from the Toronto Stock Exchange and the common shares began trading once again on the TSX on August 3, 2016. This was a significant milestone as it provides the Company with enhanced visibility, increased access to international capital markets and a diverse investor base.

2016 was a transformational year for Jaguar Mining. The Company achieved several important milestones while at the same time completing our two main objectives. The Company continues to focus on the sustainable, longer-term growth of becoming a 200,000 ounce per year producer. Growing and expanding production from our current operating assets, as well as reviewing options on resuming operations at those that are not currently operating.

Jaguar Mining's core assets are in the Iron Quadrangle of Brazil which is one of the most prolific gold districts in the Americas. With over 50 million ounces of gold production recorded from the district, our longer-term goal of becoming a 200,000 ounce producer is achievable; with a good exploration strategy and a disciplined approach to capital investments. Operational excellence programs will deliver on the successes we need to generate acceptable levels operational cash flow to improve our return on capital.

Thank you very much ladies and gentlemen for attending this year's Annual General and Special Meeting of Shareholders. I am now happy to open the floor to questions.

A handwritten signature in black ink, appearing to read "R. D. Lamond". The signature is fluid and cursive.

Rodney D. Lamond  
President and Chief Executive Officer  
Jaguar Mining Inc.