



NEWS RELEASE

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FOR IMMEDIATE RELEASE

TSX:JAG
OTCQX:JAGGF

Jaguar Mining Reports Financial Results for the First Quarter 2021 Board Announces Quarterly Dividend of C\$0.08 per share

Toronto, May 10, 2021 – Jaguar Mining Inc. ("Jaguar" or the "Company") (TSX:JAG, OTCQX:JAGGF) today announced financial results for the first quarter ("Q1 2021") ended March 31, 2021. All figures are in US Dollars, unless otherwise expressed.

Q1 2021 Financial Highlights

- Revenue for Q1 2021 increased 3% to \$31.7 million, compared with \$30.8 million in Q1 2020, due to a 20% increase in the average realized gold price of \$1,793/oz in Q1 2021 as compared to \$1,492/oz for Q1 2020. The increase in gold price was offset by 14% decrease of gold ounces sold of 17,677 ounces in Q1 2021 as compared to 20,640 for Q1 2020, mainly due to Covid-19 impacts on operations.
- Cash operating costs and All-in sustaining costs increased 20% and 17% to \$835 and \$1,296, respectively, per ounce of gold sold for Q1 2021, compared to \$693 and \$1,103 per ounce of gold sold for Q1 2020.
- Gross profit for Q1 2021 was \$12.2 million, compared to \$12.9 million for Q1 2020. The decrease in profitability reflects higher depreciation as well as slightly higher production costs.
- Net income for Q1 2021 decreased to \$6.1 million, compared with \$12.3 million in Q1 2020, mainly due to higher depreciation \$1 million, increase in exploration expenditures \$1 million, accounting write off on sale of CentroGold royalty \$1.6 million and lower gain on foreign exchange \$3.3 million.
- Free cash flow was \$0.2 million for Q1 2021 based on operating cash flow, less capital expenditures, compared to \$2.1 million in Q1 2020. Free cash flow was \$11 per ounce sold in Q1 2021 compared to \$101 per ounce sold in Q1 2020.
- Board announces quarterly dividend of C\$0.08 per share to be paid on May 31, 2021.

Cash Position and Working Capital

- As of March 31, 2021 cash balance was \$38 million compared to \$39 million on December 31, 2020.
- As at March 31, 2021, working capital was \$34.1 million, compared to \$29 million as at December 31, 2020, which includes \$3 million in short term loans from Brazilian banks.

Q1 2021 Quarterly Dividend

- The Company is also pleased to announce that its Board of Directors has declared a cash dividend of C\$0.08 per common share of the Company, to be paid on May 31, 2021 to shareholders of record as of the close of business on May 24, 2021. This is the same amount as paid in the previous three quarters. The dividend qualifies as an eligible dividend for Canadian income tax purposes.
- The Board of Directors intends to review, among other things, the Company's budget, cash flow forecast and existing market conditions on a quarterly basis in order to determine whether any additional dividends will be declared on Shares for subsequent quarters.

Vern Baker, President and CEO of Jaguar Mining stated: "I am very pleased to have Jaguar entering Q2 in excellent financial health. Jaguar enters the second quarter of this year with a strong cash balance, increased working capital, and a commitment to build on the capital investment and exploration effort that were maintained in the past quarter. I believe that the commitment to invest in the future of Jaguar will lead to increasing resources and reserves to sustain our production levels and to grow through the utilization of unused capital capacity Jaguar has available."

Vern added, "The Company faced its greatest impact from Covid-19 in Q1 2021 as approximately 30% of our employees and contractors, the vast majority of which were in our operating division, spent some portion of time on leave as a result of either contracting the virus or in quarantine. This negatively impacted our overall financial and operating performance and metrics throughout the first quarter".

"The current wave of Covid-19 in Brazil appears to have passed its peak and is thankfully starting to recede in Q2 2021. We are seeing the same trends at our operations. I expect that production will ramp up to our sustainable levels of about 25,000 ounces per quarter as Covid-19 impacts continue to recede."

Q1 2021 Financial Results

(\$ thousands, except where indicated)	Three months ended	
	March 31,	
	2021	2020
Financial Data		
Revenue	\$ 31,686	30,801
Operating costs	14,761	14,297
Depreciation	4,759	3,625
Gross profit	12,166	12,879
Net income (loss)	6,109	12,275
Per share ("EPS")	0.08	0.02
EBITDA ¹	13,073	18,401
Adjusted EBITDA ^{1,2}	11,948	14,043
Adjusted EBITDA per share ¹	0.16	0.02
Cash operating costs (per ounce sold) ¹	835	693
All-in sustaining costs (per ounce sold) ¹	1,296	1,103
Average realized gold price (per ounce) ¹	1,793	1,492
Cash generated from operating activities	6,466	8,634
Free cash flow ¹	197	2,083
Free cash flow (per ounce sold) ¹	11	101
Sustaining capital expenditures ¹	6,269	6,551
Non-sustaining capital expenditures ¹	2,808	857
Total capital expenditures	9,077	7,408

¹ Average realized gold price, sustaining and non-sustaining capital expenditures, cash operating costs and all-in sustaining costs, adjusted operating cash flow, free cash flow, EBITDA and adjusted EBITDA, and adjusted EBITDA per share are non-IFRS financial performance measures with no standard definition under IFRS. Refer to the Non-IFRS Financial Performance Measures section of the MD&A.

² Adjusted EBITDA excludes non-cash items such as impairment and write downs. For more details refer to the Non-IFRS Performance Measures section of the MD&A.

	Three months ended	
	March 31,	
	2021	2020
Operating Data		
Gold produced (ounces)	18,160	21,008
Gold sold (ounces)	17,677	20,640
Primary development (metres)	878	1,439
Secondary development (metres)	1,138	602
Definition, infill, and exploration drilling (metres)	19,090	14,545

Qualified Person

Scientific and technical information contained in this press release has been reviewed and approved by Jonathan Victor Hill, BSc (Hons) (Economic Geology - UCT), FAUSIMM, Vice President Geology and Exploration, who is also an employee of Jaguar Mining Inc., and is a "qualified person" as defined by National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101").

The Iron Quadrangle

The Iron Quadrangle has been an area of mineral exploration dating back to the 16th century. The discovery in 1699–1701 of gold contaminated with iron and platinum-group metals in the southeastern corner of the Iron Quadrangle gave rise to the name of the town Ouro Preto (Black Gold). The Iron Quadrangle contains world-class multi-million-ounce gold deposits such as Morro Velho, Cuiabá, and São Bento. Jaguar holds the second largest gold land position in the Iron Quadrangle with just over 25,000 hectares.

About Jaguar Mining Inc.

Jaguar Mining Inc. is a Canadian-listed junior gold mining, development, and exploration company operating in Brazil with three gold mining complexes and a large land package with significant upside exploration potential from mineral claims. The Company's principal operating assets are located in the Iron Quadrangle, a prolific greenstone belt in the state of Minas Gerais and include the Turmalina Gold Mine Complex and Caeté Mining Complex (Pilar and Roça Grande Mines, and Caeté Plant). The Company also owns the Paciência Gold Mine Complex, which has been on care and maintenance since 2012. The Roça Grande Mine has been on temporary care and maintenance since April 2019. Additional information is available on the Company's website at www.jaguarmining.com.

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Forward-Looking Statements

Certain statements in this news release constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking statements and information are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking information made in this news release is qualified by the cautionary statements below and those made in our other filings with the securities regulators in Canada. Forward-looking information contained in forward-looking statements can be identified by the use of words such as "are expected," "is forecast," "is targeted," "approximately," "plans," "anticipates," "projects," "anticipates," "continue," "estimate," "believe" or variations of such words and phrases or statements that certain actions, events or results "may," "could," "would," "might," or "will" be taken, occur or be achieved. All statements, other than statements of historical fact, may be considered to be or include forward-looking information. This news release

contains forward-looking information regarding, among other things, expected sales, production statistics, ore grades, tonnes milled, recovery rates, cash operating costs, definition/delineation drilling, the timing and amount of estimated future production, costs of production, capital expenditures, costs and timing of the development of projects and new deposits, success of exploration, development and mining activities, currency fluctuations, capital requirements, project studies, mine life extensions, restarting suspended or disrupted operations, continuous improvement initiatives, and resolution of pending litigation. The Company has made numerous assumptions with respect to forward-looking information contained herein, including, among other things, assumptions about the estimated timeline for the development of its mineral properties; the supply and demand for, and the level and volatility of the price of, gold; the accuracy of reserve and resource estimates and the assumptions on which the reserve and resource estimates are based; the receipt of necessary permits; market competition; ongoing relations with employees and impacted communities; political and legal developments in any jurisdiction in which the Company operates being consistent with its current expectations including, without limitation, the impact of any potential power rationing, tailings facility regulation, exploration and mine operating licenses and permits being obtained and renewed and/or there being adverse amendments to mining or other laws in Brazil and any changes to general business and economic conditions. Forward-looking information involves a number of known and unknown risks and uncertainties, including among others: the risk of Jaguar not meeting the forecast plans regarding its operations and financial performance; uncertainties with respect to the price of gold, labour disruptions, mechanical failures, increase in costs, environmental compliance and change in environmental legislation and regulation, weather delays and increased costs or production delays due to natural disasters, power disruptions, procurement and delivery of parts and supplies to the operations; uncertainties inherent to capital markets in general (including the sometimes volatile valuation of securities and an uncertain ability to raise new capital) and other risks inherent to the gold exploration, development and production industry, which, if incorrect, may cause actual results to differ materially from those anticipated by the Company and described herein. In addition, there are risks and hazards associated with the business of gold exploration, development, mining and production, including environmental hazards, tailings dam failures, industrial accidents and workplace safety problems, unusual or unexpected geological formations, pressures, cave-ins, flooding, chemical spills, procurement fraud and gold bullion thefts and losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks). Accordingly, readers should not place undue reliance on forward-looking information.

For additional information with respect to these and other factors and assumptions underlying the forward-looking information made in this news release, see the Company's most recent Annual Information Form and Management's Discussion and Analysis, as well as other public disclosure documents that can be accessed under the issuer profile of "Jaguar Mining Inc." on SEDAR at www.sedar.com. The forward-looking information set forth herein reflects the Company's reasonable expectations as at the date of this news release and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.

Non-IFRS Measures

This news release provides certain financial measures that do not have a standardized meaning prescribed by IFRS. Readers are cautioned to review the below stated footnotes where the Company expands on its use of non-IFRS measures.

1. Cash operating costs and cash operating cost per ounce are non-IFRS measures. In the gold mining industry, cash operating costs and cash operating costs per ounce are common performance measures but do not have any standardized meaning. Cash operating costs are derived from amounts included in the Consolidated Statements of Comprehensive Income (Loss) and include mine-site operating costs such as mining, processing and administration, as well as royalty expenses, but exclude depreciation, depletion, share-based payment expenses, and reclamation costs. Cash operating costs per ounce are based on ounces produced and are calculated by dividing cash operating costs by commercial gold ounces produced; US\$ cash operating costs per ounce produced are derived from the cash operating costs per ounce produced translated using the average Brazilian Central Bank R\$/US\$ exchange rate. The Company discloses cash operating costs and cash operating costs per ounce, as it believes those measures provide valuable assistance to investors and analysts in evaluating the Company's operational performance and ability to generate cash flow. The most directly comparable measure prepared in accordance with IFRS is total production costs. A reconciliation of cash operating costs per ounce to total production costs for the most recent reporting period, the quarter ended March 31, 2021, is set out in the Company's first quarter 2020 Management Discussion and Analysis (MD&A) filed on SEDAR at www.sedar.com.
2. All-in sustaining cost is a non-IFRS measure. This measure is intended to assist readers in evaluating the total costs of producing gold from current operations. While there is no standardized meaning across the industry for this measure, except for non-cash items the Company's definition conforms to the all-in sustaining cost definition as set out by the World Gold Council in its guidance note dated June 27, 2013. The Company defines all-in sustaining cost as the sum of production costs, sustaining capital (capital required to maintain current operations at existing levels), corporate general and administrative expenses, and in-mine exploration expenses. All-in sustaining cost excludes growth capital, reclamation cost accretion related to current operations, interest and other financing costs,

and taxes. A reconciliation of all-in sustaining cost to total production costs for the most recent reporting period, the quarter ended March 31, 2021, is set out in the Company's first quarter 2021 MD&A filed on SEDAR at www.sedar.com.