



NEWS RELEASE

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FOR IMMEDIATE RELEASE

TSX:JAG
OTCQX:JAGGF

Jaguar Mining Reports Financial Results for the First Quarter 2022

Toronto, May 12, 2022 – Jaguar Mining Inc. ("Jaguar" or the "Company") (TSX:JAG, OTCQX:JAGGF) today announced financial results for the first quarter ("Q1 2022") ended March 31, 2022. All figures are in US Dollars, unless otherwise expressed.

Q1 2022 Financial Highlights

- Revenue for Q1 2022 decreased 3% to \$30.6 million, compared with \$31.7 million in Q1 2021, mainly due to reduction in ounces produced, which resulted in lower ounces of gold sold of 16,507 in Q1 2022 as compared to 17,677 ounces in Q1 2021.
- Operating costs totaled \$19.6 million in Q1 2022 compared to \$14.8 million in Q1 2021. The 33% increase in operating costs was mainly due to inflation in the past twelve months, with labour costs increasing by approximately 10%, mining materials by approximately 28%, and plant consumables increasing by approximately 42%. This was combined with increased secondary development, which is fully expensed as operating costs, from 1,138 metres in Q1 2021 to 1,247 metres in Q1 2022. Also due to valuation of the Brazilian Real versus the US dollar, with the average exchange rate during Q1 2022 being R\$5.23 per US dollar compared to R\$5.48 per US dollar in Q1 2021.
- Net loss was \$6 million in Q1 2022 compared to net income of \$6.1 million in Q1 2021 resulting in a decrease of \$12.1 million. This loss was mainly due to the foreign exchange loss of \$4.6 million and \$4.9 million increase in operating costs as discussed above. The exchange rate averaged R\$5.23 during Q1 2022 per US dollar (R\$5.48 during Q1 2021) and closed at R\$4.74 per US dollar on March 31, 2022, (R\$5.70 per US dollar on March 31, 2021).
- Cash operating costs¹ per ounce sold increased 42% to \$1,188 per ounce of gold in Q1 2022 from \$835 in Q1 2021 as a result of the 33% increase in the operating costs, mainly due to inflationary pressure on consumables and labour, combined with an 7% decrease in ounces of gold sold in Q1 2022 with 16,507 ounces, compared to 17,677 ounces in Q1 2021, and the valuation of the Brazilian Real versus the US dollar, with a 5% increase in the average exchange rate during Q1 2022 being R\$5.23 per US dollar compared to R\$5.48 per US dollar in Q1 2021
- Free cash flow¹ was \$2.7 million for Q1 2022 based on operating cash flow plus asset retirement obligation expenditures less capital expenditures, compared to \$0.2 million in Q1 2021. Free cash flow¹ was \$161 per ounce sold in Q1 2022 compared to \$11 per ounce sold in Q1 2021. Free cash flow¹ for Q1 2022 was higher than Q1 2021 mainly due to the saving on income taxes paid by utilizing credits resulting in \$nil cash taxes paid in Q1 2022, compared to \$ 3.3 million for Q1 2021.

¹ This is a Non-GAAP financial performance measure with no standard definition under IFRS. For more details, refer to the Non-GAAP Performance Measures section of the MD&A.

Cash Position and Working Capital¹

- As of March 31, 2022, the Company had cash and cash equivalents of \$34.8 million, compared to \$40.4 million reported for December 31, 2021.
- As of March 31, 2022, working capital¹ was \$22.4 million, compared to \$32 million on December 31, 2021, which includes \$3 million (December 31, 2021 – \$3 million) in short-term loans from Brazilian banks. The decrease in working capital¹ is due to lower operating cash flow generated during Q1 2022, combined with the strength of the Brazilian Real as compared to the US dollar, during the same period.

Cost Trends and Optimization Measures

- During Q1 2022, the Company's production was impacted by a severe rainy season in early 2022 which resulted in certain extraordinary expenditures approximating to \$1 million for the quarter. This included extra costs incurred on road and mine access remediation, sanitation and transportation expenses, and direct purchasing and higher stocking of certain high-risk items such fuel, drinking water, etc.
- The Company is currently targeting cost reductions in head count, capital expenditures, third party services, warehousing (with focus on working capital), material and plant consumptions, and G&A. These cost cutting measures are expected to generate savings for remainder of 2022.
- The Company expects to deliver towards the lower end of its annual production guidance of 86,000 to 94,000 ounces. At the lower end of the guidance, with a US\$ to Brazilian Real foreign exchange ranging between R\$5-5.30 and incorporating the impacts of the cost savings initiative, the Company expects to meet the higher end of the annual cost guidance of \$1,150 to \$1,250 per ounce for the remaining part of the year 2022.

Q1 2022 Quarterly Dividend

- The Company is also pleased to announce that its Board of Directors has declared a cash dividend of C\$0.04 per common share of the Company, to be paid on May 31, 2022, to shareholders of record as of the close of business on May 20, 2022. 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: *"We have started Q2 2022 with a sense of optimism after a very challenging first quarter. Production in April moved back to targeted levels, as the teams at Turmalina and Pilar put in a tremendous effort to overcome the challenges of Q1 2022. Severely impacted by the weather and COVID-19, our operating teams have adapted plans and operating strategies to allow Jaguar to achieve the lower end of our 2022 production guidance.*

Production was extremely limited in January with an extraordinary rainy season and a dramatic increase in COVID-19 cases resulting in closures at both mines for intermittent periods of time which severely impacted production. Production increased in February and March and has now stabilized, and we now expect consistent performance at both operations.

While we have endured a challenging quarter, we maintained a strong balance sheet, continued investing in the company's future, and used the challenges to drive change in our teams as we continue to position the company for production and growth over the next several years."

¹ This is a Non-GAAP financial performance measure with no standard definition under IFRS. For more details, refer to the Non-GAAP Performance Measures section of the MD&A.

Q1 2022 Financial Results

(\$ thousands, except where indicated)	Three months ended March 31,	
	2022	2021
Financial Data		
Revenue	\$ 30,619	\$ 31,686
Operating costs	19,617	14,761
Depreciation	4,696	4,759
Gross profit	6,306	12,166
Net (loss) income	(6,034)	6,109
Per share ("LPS")	(0.08)	0.08
EBITDA ¹	1,735	13,073
Adjusted EBITDA ^{1,2}	6,786	11,948
Adjusted EBITDA per share ^{1,2}	0.09	0.16
Cash operating costs (per ounce sold) ¹	1,188	835
All-in sustaining costs (per ounce sold) ¹	1,680	1,296
Average realized gold price (per ounce) ¹	1,855	1,793
Cash generated from operating activities	7,707	6,466
Free cash flow ¹	2,650	197
Free cash flow (per ounce sold) ¹	161	11
Sustaining capital expenditures ¹	5,812	6,269
Non-sustaining capital expenditures ¹	4,477	2,808
Total capital expenditures	10,289	9,077

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-GAAP financial performance measures with no standard definition under IFRS. Refer to the Non-GAAP Financial Performance Measures section of the MD&A.

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

	Three months ended March 31,	
	2022	2021
Operating Data		
Gold produced (ounces)	16,663	18,160
Gold sold (ounces)	16,507	17,677
Primary development (metres)	1,374	878
Secondary development (metres)	1,247	1,138
Definition, infill, and exploration drilling (metres)	26,305	19,090

Non-GAAP performance

The Company has included the following Non-GAAP performance measures in this document: cash operating costs per ounce of gold sold, all-in sustaining costs per ounce of gold sold, average realized gold price (per ounce of gold sold), sustaining capital expenditures, non-sustaining capital expenditures, adjusted operating cash flow, free cash flow, earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA and working capital. These Non-GAAP performance measures do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies.

The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance. Accordingly, they are intended to provide

additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. More specifically, Management believes that these figures are a useful indicator to investors and management of a mine's performance as they provide: (i) a measure of the mine's cash margin per ounce, by comparison of the cash operating costs per ounce to the price of gold; (ii) the trend in costs as the mine matures; and (iii) an internal benchmark of performance to allow for comparison against other mines. The definitions of these performance measures and reconciliation of the Non-GAAP measures to reported IFRS measures are outlined below.

Reconciliation of Cash Operating Costs, All-In Sustaining Costs and All-In Costs per Ounce Sold¹

(\$ thousands, except where indicated)	Three months ended	
	March 31,	
	2022	2021
Operating costs	\$ 19,617	\$ 14,761
General & administration expenses	1,777	1,404
Corporate stock-based compensation	522	467
Sustaining capital expenditures ¹	5,812	6,269
All-in sustaining cash costs	27,728	22,901
Reclamation - accretion (operating sites)	-	8
All-in sustaining costs	\$ 27,728	\$ 22,909
Non-sustaining capital expenditures	4,477	2,808
Exploration and evaluation costs (greenfield)	1,522	1,237
Reclamation - accretion (non-operating sites)	56	16
Care and maintenance (non-operating sites)	179	331
All-in costs	\$ 33,962	\$ 27,301
Ounces of gold sold	16,507	17,676
Cash operating costs per ounce sold²	\$ 1,188	\$ 835
All-in sustaining costs per ounce sold²	\$ 1,680	\$ 1,296
All-in costs per ounce sold²	\$ 2,057	\$ 1,545
Average realized gold price	\$ 1,855	\$ 1,793
Cash operating margin per ounce sold	\$ 667	\$ 958
All-in sustaining margin per ounce sold	\$ 175	\$ 497

¹ Capital expenditures are included in our calculation of all-in sustaining costs and all-in costs.

² Cash operating costs, all-in sustaining costs and all-in costs are all non-GAAP financial performance measures with no standard definition under IFRS. Result may not calculate due to rounding.

Cash operating costs per ounce sold is calculated by dividing operating costs per the consolidated statement of comprehensive income (loss) by the gold ounces sold during the applicable period. Operating expenses include mine site operating costs such as mining, processing and administration as well as royalties, but excludes depreciation.

All-in sustaining cost performance reflects all of the expenditures that are required to produce an ounce of gold from current operations. While there is no standardized meaning of the measure across the industry, the Company's definition conforms to the all-in sustaining cost definition as set out by the World Gold Council in its guidance dated June 27, 2013. The World Gold Council is a non-regulatory, non-profit organization established in 1987 whose members include global senior mining companies. The Company believes that this measure will be useful to external users in assessing operating performance and the ability to generate free cash flow from current operations.

¹ This is a Non-GAAP financial performance measure with no standard definition under IFRS. For more details, refer to the Non-GAAP Performance Measures section of the MD&A.

The Company defines all-in sustaining costs as the sum of operating cash costs (per above), sustaining capital (capital required to maintain current operations at existing levels), corporate administration costs and sustaining exploration. All-in sustaining costs excludes capital expenditures for significant improvements at existing operations deemed to be expansionary in nature, exploration and evaluation related to growth projects, financing costs, debt repayments and taxes.

Reconciliation of sustaining capital and non-sustaining capital expenditures¹

(\$ thousands)	Three months ended	
	March 31,	
	2022	2021
Sustaining capital ¹		
Primary development	\$ 3,827	\$ 3,217
Brownfield exploration	397	280
Mine-site sustaining	1,484	2,644
Other sustaining capital ²	104	128
Total sustaining capital¹	5,812	6,269
Non-sustaining capital (including capital projects) ¹		
Mine-site non-sustaining	3,774	2,808
Asset retirement obligation - non-sustaining ³	703	-
Total non-sustaining capital¹	4,477	2,808
Total capital expenditures	\$ 10,289	\$ 9,077

¹ Sustaining and non-sustaining capital are non-GAAP financial measures with no standard definition under IFRS. Refer to the non-GAAP Financial Performance Measures section of the MD&A. Capital expenditures are included in the calculation of all-in sustaining costs and all-in costs.

² Other sustaining and non-sustaining capital are related to Belo Office and others projects.

³ Asset retirement obligation - non-sustaining is related to expenditures with dam closing projects. Payments related to the Company asset retirement obligation are classified as operating activities in accordance with IFRS financial measures.

Reconciliation of Free Cash Flow¹

(\$ thousands, except where indicated)	Three months ended	
	March 31,	
	2022	2021
Cash generated from operating activities	\$ 7,707	\$ 6,466
Adjustments		
Asset Retirement Obligation	755	-
Sustaining capital expenditures ²	(5,812)	(6,269)
Free cash flow	\$ 2,650	\$ 197
Ounces of gold sold	16,507	17,676
Free cash flow per ounce sold	\$ 161	\$ 11

¹ This is a non-GAAP financial performance measure with no standard definition under IFRS.

² Further detail on the sustaining capital expenditures composition can be found on the reconciliation of sustaining capital and non-sustaining capital expenditures in the non-GAAP reconciliation in the file.

¹ This is a Non-GAAP financial performance measure with no standard definition under IFRS. For more details, refer to the Non-GAAP Performance Measures section of the MD&A.

Reconciliation of Net Income (Loss) to EBITDA and Adjusted EBITDA¹

(\$ thousands, except where indicated)	Three months ended	
	March 31,	
	2022	2021
Net (loss) Income	\$ (6,034)	\$ 6,109
Income tax expense	2,396	1,894
Finance costs	658	295
Depreciation and amortization	4,715	4,775
EBITDA	\$ 1,735	\$ 13,073
Changes in other provisions and VAT taxes	(67)	700
Foreign exchange loss (gain)	4,596	(2,292)
Stock-based compensation	522	467
Adjusted EBITDA¹	\$ 6,786	\$ 11,948
Weighted average outstanding shares	72,461,569	73,501,972
Adjusted EBITDA per share¹	\$ 0.09	\$ 0.16

¹ This is a non-GAAP financial performance measure with no standard definition under IFRS.

Working Capital¹

(\$ thousands)	March 31, 2022	December 31, 2021
Cash and cash equivalents	\$ 34,763	\$ 40,373
Non-cash working capital		
Other current assets:		
Restricted cash	547	501
Inventory	15,487	14,546
Recoverable taxes	6,068	5,143
Other accounts receivable	131	92
Prepaid expenses and advances	2,658	2,176
Current liabilities:		
Accounts payable and accrued liabilities	(18,983)	(15,660)
Notes payable	(3,038)	(3,027)
Lease liabilities	(1,225)	(1,431)
Current tax liability	(2,396)	-
Other taxes payable	(925)	(935)
Reclamation provisions	(7,244)	(6,847)
Legal and other provisions	(3,463)	(2,941)
Working capital¹	\$ 22,380	\$ 31,990

¹ This is a non-GAAP financial performance measure with no standard definition under IFRS.

¹ This is a Non-GAAP financial performance measure with no standard definition under IFRS. For more details, refer to the Non-GAAP Performance Measures section of the MD&A.

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 Third 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, 2022, is set out in the Company's first quarter 2022 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, 2022, is set out in the Company's first quarter 2022 MD&A filed on SEDAR at www.sedar.com.*