



PRESS RELEASE

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JAG - TSX/NYSE

Jaguar Mining Reports Q3 2009 Earnings

Net Income of \$0.09/share and Operating Cash Flow of \$12.9 Million, Core Mines on Plan

Jaguar Mining Inc. (“Jaguar” or the “Company”) (JAG: TSX/NYSE, JAG.NT: TSX) reports its financial and operational results for the period ended September 30, 2009. All figures are in U.S. dollars.

Q3 2009 Highlights

- Q3 2009 net income of \$6.9 million or \$0.09 per basic and fully diluted share compared to a net loss of \$1.3 million or (\$0.02) per basic and fully diluted share in Q3 2008. Net income for Q3 2009 benefitted from a 21% increase in the number of ounces of gold sold during the quarter, a 10% increase in average gold price realizations and foreign exchange gains attributable to the Company’s treasury management program.
- Q3 2009 gold sales rose to 36,314 ounces at an average price of \$969 per ounce yielding revenue of \$35.2 million compared to Q3 2008 gold sales of 29,926 ounces at an average price of \$862 per ounce and revenue of \$25.8 million. This represents a 36% increase in gold sales revenue.
- Q3 2009 gold production totaled 41,585 ounces at an average cash operating cost of \$451 per ounce compared to 34,935 ounces at an average cash operating cost of \$461 per ounce during the same period last year, a production increase of 19% (see *Non-GAAP Performance Measures*).
- Q3 2009 gross profit increased to \$11.8 million from \$6.9 million in Q3 2008, a gross profit increase of 71%.
- Q3 2009 cash provided by operating activities totaled \$12.9 million compared to \$7.6 million in Q3 2008.
- Jaguar invested \$32.9 million in growth projects in Q3 2009, up 66% from the \$19.8 million invested in Q3 2008.
- In September, the Company completed the construction of the Phase I expansion at Turmalina to boost annual gold production capacity from 80,000 ounces per year to 100,000 ounces per year.
- As of September 30, 2009 the Company held cash, cash equivalents and short-term investments of approximately \$231.2 million.

Commenting on the Q3 2009 results, Daniel R. Titcomb, Jaguar’s President and CEO stated, “During the third quarter our management team delivered solid operating results at the same time we continued to expand production capacity and develop a third major project. With our core operating assets meeting production targets and cost objectives, and the progress on the build-out of Caeté on-plan, our ability to generate positive cash flow to fund our plan to reach a mid-tier gold producer in 2011 remains on-track. As we detailed in our MD&A and will discuss further on our earnings conference call, in the local currency we continue to drive our costs significantly lower.”

Mr. Titcomb added, “Our recent announcement concerning the acquisition of the Gurupi property in Northern Brazil underscores our Board’s confidence in our outstanding management team in Brazil to further capitalize on growth opportunities. In December 2009, a new resource model will be completed and in early-2010 we plan to complete the updated feasibility study on the project. The completion of the technical programs should lead to an even stronger growth plan, positioning Jaguar as one of the largest gold producers in Brazil.”

Y-T-D 2009 Highlights

- For the nine months ended September 30, 2009 net income of \$21.4 million or \$0.29 per basic share and \$0.28 per fully diluted share compared to a net loss of \$0.8 million or (\$0.01) per basic and fully diluted share for the same period in 2008. Net income during the first nine months of 2009 benefitted from a 46% increase in the number of ounces of gold sold during the quarter as well as foreign exchange gains.
- Year-to-date 2009 gold sales through September 30, 2009 rose to 107,754 ounces at an average price of \$940 per ounce yielding revenue of \$101.2 million compared to gold sales of 73,806 ounces at an average price of \$891 per ounce and revenue of \$65.8 million for the same period in 2008.
- Year-to-date 2009 gold production totaled 115,211 ounces of gold at an average cash operating cost of \$444 per ounce compared to 77,130 ounces at an average cash operating cost of \$450 per ounce during the same period last year (see *Non-GAAP Performance Measures*).
- Gross profit for the nine months ended September 30, 2009 increased to \$32.2 million from \$20.3 million during the same period in 2008.
- Cash provided by operating activities during the first nine months of 2009 totaled \$30.7 million compared to \$4.1 million during the first nine months of 2008.
- Invested \$58.6 million in growth projects during the first nine months of 2009, down from the \$75.4 million invested during the same period in 2008.
- Achieved underground development targets of 10.7 km for the nine months ended September 30, 2009 and since the inception of the Company to nearly 40 km.
- Completed the Turmalina expansion on-schedule in September and commissioned the new circuits on October 5, 2009. Remained on-schedule for the development of Caeté, the Company's third major project.
- Raised a net \$159.1 million through a private offering of 4.5% senior convertible notes due 2014.
- Commenced a consent solicitation to purchase the Company's outstanding 10.5% Secured Notes due March 23, 2012 to eliminate this higher cost debt and regain control of valuable collateral that was pledged in the indenture.

Summary of Key Operating Results

The following is a summary of key operating results.

	Three Months Ended		Nine Months Ended	
	September 30		September 30	
	2009	2008	2009	2008
(unaudited)				
(\$ in 000s, except per share amounts)				
Gold sales	\$ 35,165	\$ 25,799	\$ 101,236	\$ 65,783
Ounces sold	36,314	29,926	107,754	73,806
Average sales price \$ / ounce	969	862	940	891
Gross profit	11,815	6,901	32,218	20,251
Net income (loss)	6,906	(1,301)	21,389	(814)
Basic earnings (loss) per share	0.09	(0.02)	0.29	(0.01)
Diluted earnings (loss) per share	0.09	(0.02)	0.28	(0.01)
Weighted avg. # of shares outstanding - basic	78,173,757	64,035,732	74,952,395	62,548,196
Weighted avg. # of shares outstanding - diluted	80,736,853	64,035,732	76,595,985	62,548,196

Additional details are available in the Company's filings on SEDAR and EDGAR, including Management's Discussion and Analysis of Financial Condition and Results of Operations and Interim Consolidated Financial Statements for the period ended September 30, 2009.

Non-GAAP Performance Measures

The Company has included the non-GAAP performance measures discussed below in this press release. These non-GAAP performance measures do not have any standardized meaning prescribed by Canadian GAAP ("GAAP") 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 GAAP, these non-GAAP measures provide investors with additional information that will better enable them to evaluate the Company's performance. Accordingly, these Non-GAAP measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared with GAAP.

The Company has included cash operating cost per tonne processed, cash operating cost per ounce processed and cash operating margin per ounce because it believes these figures are a useful indicator 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 for these performance measures and reconciliation of the non-GAAP measures to reported GAAP measures are set out in the following tables.

Cash Operating Margin per oz of gold	Three Months Ended September 30, 2009	Nine Months Ended September 30,
Average sales price per oz of gold	\$ 969	\$ 940
<i>less</i>		
Cost per oz of gold produced	451	444
<i>equals</i>		
Cash operating margin per oz of gold	\$ 518	\$ 496

Summary of Cash Operating Cost per tonne processed

Production costs per statement of operations¹
Change in inventory²
Operational cost of gold produced³
divided by
Tonnes processed
equals
Cost per tonne processed

Three Months Ended September 30, 2009	Nine Months Ended September 30, 2009
\$ 17,294,000	\$ 50,811,000
1,396,000	(24,000)
18,690,000	50,787,000
356,000	1,045,000
\$ 52.50	\$ 48.60

Turmalina Cash Operating Cost per tonne processed

Production costs
Change in inventory²
Operational cost of gold produced³
divided by
Tonnes processed
equals
Cost per tonne processed

Three Months Ended September 30, 2009	Nine Months Ended September 30, 2009
\$ 8,386,000	\$ 23,733,000
762,000	35,000
9,148,000	23,768,000
154,000	409,000
\$ 59.40	\$ 58.10

Paciência Cash Operating Cost per tonne processed

Production costs
Change in inventory²
Operational cost of gold produced³
divided by
Tonnes processed
equals
Cost per tonne processed

Three Months Ended September 30, 2009	Nine Months Ended September 30, 2009
\$ 8,076,000	\$ 23,657,000
286,000	(1,101,000)
8,362,000	22,556,000
167,000	467,000
\$ 50.10	\$ 48.30

Sabar Cash Operating Cost per tonne processed

Production cost
Change in inventory²
Operational cost of gold produced³
divided by
Tonnes processed
equals
Cost per tonne processed

Three Months Ended September 30, 2009	Nine Months Ended September 30, 2009
\$ 832,000	\$ 3,421,000
348,000	719,000
1,180,000	4,140,000
35,000	169,000
\$ 33.70	\$ 24.50

Summary of Cash Operating Cost per oz of gold produced

	Three Months Ended September 30, 2009	Nine Months Ended September 30, 2009
Production costs per statement of operations ¹	\$ 17,294,000	\$ 50,811,000
Change in inventory ²	1,461,000	343,000
Operational cost of gold produced ³	18,755,000	51,154,000
<i>divided by</i>		
Gold produced (oz)	41,585	115,211
<i>equals</i>		
Cost per oz of gold produced	\$ 451	\$ 444

Turmalina Plant Cash Operating Cost per oz produced

	Three Months Ended September 30, 2009	Nine Months Ended September 30, 2009
Production costs	\$ 8,386,000	\$ 23,733,000
Change in inventory ²	762,000	(36,000)
Operational cost of gold produced ³	9,148,000	23,697,000
<i>divided by</i>		
Gold produced (oz)	22,250	60,887
<i>equals</i>		
Cost per oz of gold produced	\$ 411	\$ 389

Paciência Plant Cash Operating Cost per oz produced

	Three Months Ended September 30, 2009	Nine Months Ended September 30, 2009
Production costs	\$ 8,076,000	\$ 23,657,000
Change in inventory ²	317,000	(526,000)
Operational cost of gold produced ³	8,393,000	23,131,000
<i>divided by</i>		
Gold produced (oz)	17,927	47,965
<i>equals</i>		
Cost per oz of gold produced	\$ 468	\$ 482

Sabará Cash Operating Cost per oz produced

	Three Months Ended September 30, 2009	Nine Months Ended September 30, 2009
Production costs	\$ 832,000	\$ 3,421,000
Change in inventory ²	382,000	905,000
Operational cost of gold produced ³	1,214,000	4,326,000
<i>divided by</i>		
Gold produced (oz)	1,408	6,359
<i>equals</i>		
Cost per oz of gold produced	\$ 860	\$ 680

¹Production costs do not include cost of goods sold adjustment of approximately \$439,000 for the three months ended September 30, 2009 and \$2.6 million for the nine months ended September 30, 2009.

²Under the Company's revenue recognition policy, revenue is recognized when legal title passes. Since total cash operating costs are calculated on a production basis, this change reflects the portion of gold production for which revenue has not been recognized in the period.

³The basis for calculating cost per ounce produced includes the change to gold in process inventory, whereas the cost per tonne processed does not.

The following tables are included in Jaguar's audited financial statements as filed on SEDAR and EDGAR. Readers should refer to those filings for the associated footnotes which are an integral part of the tables.

JAGUAR MINING INC.

Interim Consolidated Balance Sheets
(Expressed in thousands of U.S. dollars)

	September 30, 2009	December 31, 2008
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 225,582	\$ 20,560
Short-term investments	5,625	-
Inventory	31,103	19,946
Prepaid expenses and sundry assets	10,721	5,351
Unrealized foreign exchange gains	1,108	-
	274,139	45,857
Prepaid expenses and sundry assets	46,709	26,164
Net smelter royalty	1,006	1,006
Restricted cash	107	3,106
Property, plant and equipment	182,040	148,422
Mineral exploration projects	79,522	79,279
	\$ 583,523	\$ 303,834
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 23,451	\$ 13,416
Notes payable	76,695	4,319
Income taxes payable	13,359	8,626
Asset retirement obligations	1,120	1,337
Unrealized foreign exchange losses	-	2,421
	114,625	30,119
Deferred compensation liabilities	4,764	434
Notes payable	124,908	69,729
Future income taxes	3,540	-
Asset retirement obligations	7,300	6,828
Total liabilities	255,137	107,110
Shareholders' equity		
Common shares	316,854	245,067
Stock options	16,641	19,059
Contributed surplus	42,071	1,167
Deficit	(47,180)	(68,569)
	328,386	196,724
Commitments		
Subsequent events		
	\$ 583,523	\$ 303,834

JAGUAR MINING INC.

Interim Consolidated Statements of Operations and Comprehensive Income
(Expressed in thousands of U.S. dollars, except per share amounts)

(unaudited)

	Three Months Ended September 30, 2009	Three Months Ended September 30, 2008	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2008
Gold sales	\$ 35,165	\$ 25,799	\$ 101,236	\$ 65,783
Production costs	(17,733)	(15,621)	(53,384)	(37,762)
Stock-based compensation	(180)	-	(362)	-
Depletion and amortization	(5,437)	(3,277)	(15,272)	(7,770)
Gross profit	11,815	6,901	32,218	20,251
Operating expenses:				
Exploration	547	800	1,877	2,648
Stock-based compensation	1,762	205	3,845	698
Administration	2,798	3,227	10,618	9,142
Management fees	481	180	1,283	554
Amortization	121	73	338	180
Accretion expense	192	174	572	309
Other	596	298	1,491	715
Total operating expenses	6,497	4,957	20,024	14,246
Income before the following	5,318	1,944	12,194	6,005
Loss on forward derivatives	-	-	-	318
Loss (gain) on forward foreign exchange derivatives	(1,108)	1,489	(1,935)	(95)
Foreign exchange loss (gain)	(3,080)	5,189	(16,072)	(2,749)
Interest expense	1,525	2,934	6,388	10,091
Interest income	(1,047)	(758)	(2,797)	(3,459)
Gain on disposition of property	(542)	-	(1,456)	-
Other non-operating expenses (recovery)	(596)	83	145	(287)
Total other expenses (recoveries)	(4,848)	8,937	(15,727)	3,819
Income (loss) before income taxes	10,166	(6,993)	27,921	2,186
Income taxes				
Current income taxes	2,202	813	2,992	5,034
Future income taxes (recovery)	1,058	(6,505)	3,540	(2,034)
Total income taxes	3,260	(5,692)	6,532	3,000
Net income (loss) and comprehensive income (loss) for the period	6,906	(1,301)	21,389	(814)
Basic net income (loss) per share	\$ 0.09	\$ (0.02)	\$ 0.29	\$ (0.01)
Diluted net income (loss) per share	\$ 0.09	\$ (0.02)	\$ 0.28	\$ (0.01)
Weighted average number of common shares outstanding - Basic	78,173,757	64,035,732	74,952,395	62,548,196
Weighted average number of common shares outstanding- Diluted	80,736,853	64,035,732	76,595,985	62,548,196

JAGUAR MINING INC.

Interim Consolidated Statements of Cash Flows
(Expressed in thousands of U.S. dollars)

(unaudited)

	Three Months Ended September 30, 2009	Three Months Ended September 30, 2008	Nine Months Ended September 30, 2009	Nine Months Ended September 30, 2008
Cash provided by (used in):				
Operating activities:				
Net income (loss) and comprehensive income (loss)	\$ 6,906	\$ (1,301)	\$ 21,389	\$ (814)
Items not involving cash:				
Unrealized foreign exchange loss (gain)	363	5,502	(8,302)	3,807
Stock-based compensation	1,942	205	4,207	698
Non-cash interest expense (recovery)	(894)	605	150	2,584
Accretion expense	192	174	572	309
Future income taxes (recovery)	1,058	(6,505)	3,540	(2,034)
Depletion and amortization	5,558	3,277	15,610	7,770
Amortization of net smelter royalty	-	62	-	219
Unrealized loss (gain) on foreign exchange contracts	(1,108)	2,113	(3,529)	2,456
Reclamation expenditure	(34)	-	(317)	-
	13,983	4,132	33,320	14,995
Change in non-cash operating working capital				
Accounts receivable	-	7,800	-	-
Inventory	(4,476)	(1,702)	(7,640)	(4,072)
Prepaid expenses and sundry assets	(5,066)	(4,982)	(9,945)	(13,121)
Accounts payable and accrued liabilities	5,406	1,494	10,265	2,350
Current taxes payable	3,017	811	4,734	3,976
	12,864	7,553	30,734	4,128
Financing activities:				
Issuance of common shares, special warrants and warrants, net	44,271	-	107,963	105,803
Decrease in restricted cash	3,000	-	2,998	(3)
Shares purchased for cancellation	-	(2,939)	-	(6,381)
Settlement of forward derivatives	-	-	-	(14,500)
Repayment of debt	(152)	(2,242)	(2,712)	(17,108)
Increase in debt	118,328	63	118,328	4,002
	165,447	(5,118)	226,577	71,813
Investing activities				
Short term investments	(5,625)	-	(5,625)	-
Mineral exploration projects	(8,475)	(9,386)	(15,583)	(31,779)
Purchase of property, plant and equipment	(18,808)	(10,387)	(37,348)	(43,614)
	(32,908)	(19,773)	(58,556)	(75,393)
Effect of foreign exchange on non-U.S. dollar denominated cash and cash equivalents				
	959	(2,841)	6,267	(5,163)
Increase (decrease) in cash and cash equivalents	146,362	(20,179)	205,022	(4,615)
Cash and cash equivalents, beginning of period	79,220	61,275	20,560	45,711
Cash and cash equivalents, end of period	\$ 225,582	\$ 41,096	\$ 225,582	\$ 41,096

Conference Call Details

The Company will hold a conference call tomorrow, November 10 at 10:00 a.m. ET, to discuss the results.

From North America:	800-218-5691
International:	213-416-2192
Replay:	
From North America:	800-675-9924
International:	213-416-2185
Replay ID:	111009
Webcast:	www.jaguarmining.com

A presentation will be available prior to the call on the Company's homepage at www.jaguarmining.com.

About Jaguar Mining

Jaguar is one of the fastest growing gold producers in Brazil with operations in a prolific greenstone belt in the state of Minas Gerais. Jaguar is actively exploring and developing additional mineral resources at its 93,000-acre land base in Minas Gerais and on an additional 182,000 acres in the state of Ceará in the Northeast of Brazil through a joint venture. The Company has no gold hedges in place thereby providing the leverage to gold prices directly to its investors. Additional information is available on the Company's website at www.jaguarmining.com.

For Information:

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Forward Looking Statements

Certain statements in this press release constitute "Forward-Looking Statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Canadian securities legislation. This press release contains Forward-Looking Statements, including statements concerning steadily gain of the Company's financial performance, including operating cash flow and earnings. Forward-Looking Statements can be identified by the use of words, such as "are expected", "is forecast", "is targeted", "approximately" 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. Forward-Looking Statements involve known and unknown risks, uncertainties and other factors, which may cause the actual timing of commissioning, completion dates or use of proceeds to be materially different from any future results or performance expressed or implied by the Forward-Looking Statements. These factors include the inherent risks involved in the exploration and development of mineral properties, the uncertainties involved in interpreting drilling results and other geological data, fluctuating gold prices and monetary exchange rates, the possibility of project cost delays and overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future, uncertainties related to production rates, timing of production and the cash and total costs of production, changes in applicable laws including laws related to mining development, environmental protection, and the protection of the health and safety of mine workers, the availability of labour and equipment, the possibility of labour strikes and work stoppages and changes in general economic conditions. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. These forward-looking statements represent the Company's views as of the date hereof. Subsequent events and developments could cause the Company's views to change. The Company does not undertake to update any forward-looking statements, either written or oral, that may be made from time to time by or on behalf of the Company subsequent to the date of this discussion. For a discussion of important factors affecting the Company, including fluctuations in the price of gold and exchange rates, uncertainty in the calculation of mineral resources, competition, uncertainty concerning geological conditions and governmental regulations and assumptions underlying the Company's forward-looking statements, see the "CAUTIONARY NOTE" regarding forward-looking statements and "RISK FACTORS" in the Company's Annual Information Form for the year ended December 31, 2008 filed on System for Electronic Document Analysis and Retrieval and available at <http://www.sedar.com> and the Company's Annual Report on Form 40-F for the year ended December 31, 2008 filed with the United States Securities and Exchange Commission and available at www.edgar.com.

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