

(All figures are in US dollars unless otherwise expressed)

TORONTO, Nov. 25, 2015 /CNW/ - [Jaguar Mining Inc.](#) ("Jaguar" or the "Company") (JAG:TSX-V) today announced its operational and financial results for the third quarter ended September 30, 2015.

## Q3 2015 FINANCIAL &amp; OPERATING HIGHLIGHTS

(\$ thousands, except where indicated)      For the three months ended      For the nine months ended

	September 30,		September 30,	
	2015	2014	2015	2014
Financial Data				
Revenue	\$ 28,126	\$ 29,015	\$ 79,692	\$ 90,596
Cost of sales	21,146	30,040	67,724	90,666
Depreciation (included in cost of sales)	3,254	7,728	12,891	23,743
Gross margin	6,980	(1,025)	11,968	(70)
Gross margin (excluding depreciation) <sup>1</sup>	10,234	6,703	24,859	23,673
Net (loss) income	4,445	(9,491)	(12,884)	221,393
Per share ("EPS")	0.04	(0.09)	(0.12)	3.36
EBITDA <sup>1</sup>	12,020	2,304	10,374	257,705
Adjusted EBITDA <sup>2</sup>	6,415	1,326	13,757	(4,455)
Sustaining capital expenditures <sup>1</sup>	4,213	7,361	12,540	16,484
Non-sustaining capital expenditures <sup>1</sup>	139	120	389	556
Total Capital Expenditures <sup>3</sup>	4,352	7,481	12,929	17,040
Operating Data				
Average realized gold price (\$ per ounce) <sup>1</sup>	\$ 1,118	\$ 1,279	\$ 1,162	\$ 1,278
Gold sold (ounces)	25,160	22,681	68,572	70,864
Gold produced (ounces)	25,235	22,374	67,253	69,600
Definition drilling (meters)	9,094	10,238	29,485	27,772
Cash operating costs (per ounce produced) <sup>1</sup>	\$ 626	\$ 969	\$ 736	\$ 954
Cash operating costs (per ounce sold) <sup>1</sup>	\$ 711	\$ 984	\$ 800	\$ 944
All-in sustaining costs (per ounce sold) <sup>1</sup>	\$ 970	\$ 1,494	\$ 1,113	\$ 1,353

<sup>1</sup> Average realized gold price, sustaining and non-sustaining capital expenditures, cash operating costs and all-in sustaining costs, EBITDA and Adjusted EBITDA and gross margin (excluding depreciation) are non-gaap financial performance measures with no standard definition under IFRS. Refer to the Non-IFRS Financial Performance Measures section of the MD&A.

<sup>2</sup> 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.

<sup>3</sup> These amounts are presented on accrual basis. Capital expenditures are included in our calculation of all-in sustaining costs.

## Cash and Gold Bullion

(\$ thousands)	September 30, December 31, 2015		2014
Cash and equivalents	\$	2,889	\$ 7,161
Gold bullion	-	1,801	
Total cash and gold bullion	\$	2,889	\$ 8,962

## Financial Highlights

- The average realized gold price per ounce was 13% lower in the third quarter of 2015 compared to the corresponding 2014 period. (\$1,118 &ndash; Q3 2015 vs. \$1,279 &ndash; Q3 2014) as a result of continued global gold price erosion.
  - Revenues during the three and nine months ended September 30, 2015 were \$28.1 million and \$79.7 million respectively compared with revenues of \$29.0 million and \$90.6 for the corresponding 2014 periods;
- During the nine months ended September 30, 2015, the company repaid \$9.9 million or 32% of its total debt.
  - As at September 30, 2015 total debt was \$21.1 million, compared to \$31.0 million as at December 31, 2014.
- The results of the Company's operations are affected by the foreign currency movements of the Brazilian Reais and Canadian dollar, versus the US dollar. Since the Company reports its earnings in US dollars, any weakening of the Brazilian Reais and Canadian dollar results in a reduction in US dollar denominated costs, while revenues are unaffected given all revenue is earned in US dollars. The Brazilian Reais averaged at R\$3.54 per US\$ in the third quarter of 2015 compared to R\$2.27 per US\$ in the same period last year;
- In addition to the \$7.3 million tax refunds realized in H1-2015, the Company received another cash refund of \$0.3 million (approximately R\$1.1 million) during the third quarter
- As at September 30, 2015, the Company had cash and unsold gold bullion on hand of \$2.9 million (\$9.0 million as at December 31, 2014);
- On October 27, 2015, the Company closed an over-subscribed financing of convertible senior secured debentures. Aggregate gross proceeds of US\$21.5 million were raised, of which approximately US\$8.4 million were used to repay Renvest Global Resources Fund. In order to transfer its interest in its credit facility with the Corporation to the convertible debenture subscribers.
  - The Company plans to use the remainder of the proceeds for general corporate purposes and to advance asset optimization plans in conjunction with the Company's ongoing development and production activities.

## Cash Operating Costs, Capital Expenditures and All-in-sustaining Costs

- Cash operating costs decreased 35% or \$343 to \$626 per ounce of gold in the third quarter 2015, compared to \$969 per ounce during the third quarter 2014.
- Cash operating costs decreased 23% or \$218 to \$736 per ounce of gold for the nine months ended September 30, 2015, compared to \$954 per ounce during the same period in 2014.
- All-in sustaining costs ("AISC") decreased 35% or \$524 to \$970 per ounce of gold in the third quarter 2015, compared to \$1,494 per ounce during the third quarter 2014.
- AISC decreased 17% or \$235 to \$1,113 per ounce of gold for the nine months ended September 30, 2015, compared to \$1,348 per ounce during the same period in 2014.
- In the third quarter of 2015, sustaining capital expenditures decreased \$3.2 million or 43% to \$4.2 million compared to \$7.4 million during the corresponding 2014 period, primarily due to the suspension of primary development at the Caeté Complex and lower capital expenditures on machinery and equipment to preserve cash. Sustaining capital expenditures for the nine months ended September 30, 2015 were \$12.5 million.

## Operational Highlights

## Production

- Gold production during the three and nine months ended September 30, 2015, was 25,235 and 67,253 ounces respectively, compared to 22,374 and 69,600 ounces in the corresponding 2014 periods:
  - Turmalina increased production by 23% in the third quarter and produced 13,994 ounces of gold compared to 11,336 ounces in the corresponding 2014 period,
  - Caeté produced 11,241 ounces of gold in the third quarter of 2015 compared to 11,038 in the 2014 corresponding period.
- A 25% increase in average head grade was realized in the third quarter 2015, compared to the same period in 2014.
  - Total processing was 223,000 tonnes in the third quarter of 2015 (third quarter of 2014: 249,000 tonnes) at an average head grade of 3.90 grams per tonne (third quarter of 2014 &ndash; 3.13 grams per tonne),:
  - Turmalina processed 101,000 tonnes (third quarter of 2014: 107,000 tonnes) at an average head grade of 4.77 grams per tonne (third quarter of 2014 - 3.69 grams per tonne)
  - Caeté processed 122,000 tonnes (third quarter of 2014: 142,000 tonnes) at an average head grade of 3.17 grams per tonne (third quarter of 2014: 2.71 grams per tonne)
- A 16% increase in average head grade was realized during the nine months ended September 30, 2015, compared to the same period in 2014.
  - A total of 659,000 tonnes was processed during the nine months of 2015 (YTD 2014: 780,000 tonnes) at an average head grade of 3.52 grams per tonne (YTD 2014 &ndash; 3.04 grams per tonne).
- Total tonnes mined decreased 10% in the third quarter of 2015, compared to the same period in 2014, primarily due to increased focus on mining higher grade.

## Exploration Drilling and Turmalina Reserve Update

- During the third quarter of 2015, 9,094 meters of exploration and definition drilling was conducted at both the Turmalina and Pilar mines, compared to 10,238 meters drilled in the corresponding 2014 period.
- On August 17, 2015, the Company announced the final set of exploration drill results from the 2015 exploration program at the Pilar Mine. These results include additional high-grade gold intercepts from the latest round of underground drilling. The most significant high-grade gold results from this drilling campaign include 13.74 grams per tonne Gold ("g/t Au") over 9.8 meters and 9.48 g/t Au over 11.15 meters.

## 2015 Guidance compared to actual results

	2015 Guidance		Actual	
	Low	High	YTD 2015	Q3 2015
Consolidated				
Brazilian Reais vs US dollar foreign exchange rate	2.5	2.5	3.2	3.5
Gold production (ounces)	92,000	92,000	67,253	25,235
Average head grade (g/t)	3.30	3.75	3.52	3.90
Tonnes Processed	925,000	1,025,000	659,000	223,000
Recovery rate	89%	90%	90%	90%
Cash operating costs (per ounce produced) <sup>1</sup>	\$ 800	\$ 900	\$ 736	\$ 626
All-in sustaining costs (per ounce sold) <sup>1</sup>	\$ 1,100	\$ 1,200	1,113	\$ 970
Definition/delineation drilling	34,000	34,000	29,485	9,094
Turmalina				
Gold production (ounces)			36,210	13,994
Average head grade (g/t)	4.00	4.25	4.08	4.77
Tonnes Processed	475,000	525,000	306,000	101,000
Recovery rate	90%	91%	91%	91%
Cash operating costs (per ounce produced) <sup>1</sup>	\$ 640	\$ 700	\$ 592	\$ 497
All-in sustaining costs (per ounce sold) <sup>1</sup>	\$ 900	\$ 1,000	\$ 937	\$ 866
Definition/delineation drilling	25,000	25,000	18,843	8,374
Caeté				
Gold production (ounces)			31,043	11,241
Average head grade (g/t)	2.40	2.90	3.03	3.17
Tonnes Processed	450,000	500,000	353,000	122,000
Recovery rate	89%	90%	89%	89%
Cash operating costs (per ounce produced) <sup>1</sup>	\$ 1,075	\$ 1,175	\$ 903	\$ 785
All-in sustaining costs (per ounce sold) <sup>1</sup>	\$ 1,200	\$ 1,300	\$ 1,034	\$ 893
Definition/delineation drilling	9,000	9,000	10,642	720

<sup>1</sup>Cash operating costs and all-in sustaining costs are non-gaap financial performance measures with no standard definition under IFRS. Refer to the Non-IFRS Financial Performance Measures section of the MD&A.

George Bee, President and Chief Executive Officer of Jaguar commented, "We are delighted to report that both our year-to-date and third-quarter 2015 results reflect continued increases in ore head-grade processed and cost decreases.

In the third-quarter of 2015 consolidated 'cash operating costs' of \$626 decreased by 35% or \$343 per ounce compared to last year, while on a year-to-date basis our 'cash operating costs' of \$736 decreased by 23% or \$218 per ounce compared to last year.

In the third-quarter 2015, 'cash operating costs' at our flagship Turmalina mine were \$497 per ounce reflecting a reduction of 34% or \$252 per ounce compared to 2014.

We continue to deploy significant capital required to normalize the operations of our mines after several years of underfunding,

thereby catching up from the depleted state of reserves/resources and the equipment that existed following the 2014 financial restructuring. As a result our AISCs are higher as capital deployment has not yet been reduced to a 'steady state level'.

We credit operating cost improvements not only to the favourable foreign exchange rate movement in Brazil but also the impact of our grade control, operational and administrative initiatives, which are beginning to be realized."

#### Qualified Person

Scientific and technical information contained in this press release has been reviewed and approved by Marcos Dias Alvim, BSc Geo., MAusIMM (CP), Project Development Manager, who is an employee of [Jaguar Mining Inc.](#), and is a 'qualified person' as defined by National Instrument 43-101- Standards of Disclosure for Mineral Projects ("NI43-101").

#### About Jaguar Mining Inc.

Jaguar is a gold producer with mining operations in a prolific greenstone belt in the state of Minas Gerais, Brazil. Additionally, Jaguar wholly owns the large-scale Gurupi Development Project in the state of Maranhão, Brazil. In total, the Company owns mineral claims covering an area of approximate 197,000-hectares. Additional information is available on the Company's website at [www.jaguarmining.com](http://www.jaguarmining.com).

#### 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 applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, management's assessment of Jaguar's future plans and operation. Certain statements throughout this press release constitute forward-looking statements (forecasts) under applicable securities laws relating to future events or future performance. 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. Forward-Looking Statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results or performance to be materially different from any future results or performance expressed or implied by the Forward-Looking Statements. Management does not have firm commitments for all of the costs, expenditures, prices or other financial assumptions used to prepare the financial outlooks or assurance that such results will be achieved. The actual results of Jaguar will likely vary from the amounts set forth in the financial outlooks and such variation may be material. Jaguar and its management believe that the financial outlooks have been prepared on a reasonable basis, reflecting the best estimates and judgments, and represent, to the best of management's knowledge and opinion, the Company's expected production, grades, tonnes milled, recovery rates, cash operating costs, and definition/delineation drilling, in addition to overall expenditures and results of operations during 2015. However, because this information is highly subjective and subject to numerous risks, including the risks discussed below, it should not be relied on as necessarily indicative of future results. Forward-looking information is based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by Jaguar and described in the forward-looking information. The forward-looking information contained in this press release is made as of the date hereof and Jaguar undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward-looking information contained in this press release is expressly qualified by this cautionary statement.

Forward-Looking Statements involve known and unknown risks, uncertainties and other factors may cause the actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. Such risk factors include, among others the risk of Jaguar's not meeting the forecast plans regarding its operations and financial performance, as well as those factors disclosed in the Company's current Annual Information Form and Management's Discussion and Analysis, as well as other public disclosure documents, available on SEDAR at [www.sedar.com](http://www.sedar.com). 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 statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate. The forward-looking statements contained herein are presented for the purposes of assisting investors in understanding the Company's plan, objectives and goals and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking statements.

These Forward-Looking Statements represent the Company's views as of the date of this press release. The Company anticipates that subsequent events and developments may cause the Company's views to change. Factors, which could cause results or events to differ from current expectations, include, among other things, actions taken against the Company by governmental agencies and securities and other regulators and other factors not currently viewed as material that could cause actual results to differ materially from those described in the Forward-Looking Statements. 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 except as required by law.

#### Non-IFRS Measures.

This press release provides certain financial measures that do not have a standardized meaning prescribed by IFRS. Readers

are cautioned to review the above stated footnotes where the Company expanded on its use of non-IFRS measures.

#### Footnotes

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 three months ended September 30, 2015 is set out in the Company's third quarter 2015 MD&A filed on SEDAR at [www.sedar.com](http://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 three months ended September 30, 2015 is set out in the Company's third quarter 2015 MD&A filed on SEDAR at [www.sedar.com](http://www.sedar.com).

SOURCE [Jaguar Mining Inc.](http://www.jaguarmining.com)

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