NOTICE OF MEETING
AND
INFORMATION CIRCULAR AND PROXY STATEMENT

PERTAINING TO A
PLAN OF COMPROMISE AND ARRANGEMENT
PURSUANT TO
THE *COMPANIES' CREDITORS ARRANGEMENT ACT (CANADA)*

OF

JAGUAR MINING INC.

Dated December 23, 2013

This information circular and proxy statement is being distributed to certain creditors of Jaguar Mining Inc. in connection with the meeting called to consider the plan of compromise and arrangement proposed by Jaguar Mining Inc. that is scheduled to be held on January 28, 2014 at the offices of Norton Rose Fulbright Canada LLP, 200 Bay Street, Suite 3800, Toronto, Ontario, Canada M5J 2Z4.

These materials require your immediate attention. You should consult your financial, tax or other professional advisors in connection with the contents of these materials. Should you have any questions regarding voting or other procedures or should you wish to obtain additional copies of these materials, you may contact FTI Consulting Canada Inc., which acts as the court-appointed Monitor, at TD Waterhouse Tower, 79 Wellington Street West, Suite 2010, P.O. Box 104, Toronto, Ontario, Canada M5K 1G8, telephone number: (416) 649-8044, facsimile number: (416) 649-8101 or e-mail: jaguarmining@fticonsulting.com.

December 23, 2013

TO: The affected unsecured creditors (collectively, "**you**" or the "**Affected Unsecured Creditors**") of Jaguar Mining Inc. ("**Jaguar**" or the "**Corporation**").

As a result of the current economic environment and, in particular, the downturn in the mining sector and fluctuating gold prices, management and the board of directors of Jaguar (the "**Board of Directors**") have been proactively exploring strategic alternatives to help resolve Jaguar's capital structure and liquidity concerns. During the second half of 2013, Jaguar participated in discussions with a number of holders of the Corporation's 4.5% Senior Unsecured Convertible Notes due November 1, 2014 (the "**4.5% Convertible Notes**") and 5.5% Senior Unsecured Convertible Notes due March 31, 2016 (the "**5.5% Convertible Notes**", together with the 4.5% Convertible Notes, the "**Notes**") with a view to exploring recapitalization and financing transactions. A proposed recapitalization and financing transaction was announced by the Corporation on November 13, 2013. After a review of all available methods to implement this transaction, the Corporation concluded that in these circumstances, the transaction cannot be implemented outside of a proceeding under the *Companies' Creditors Arrangement Act* (the "**CCAA**"). The Corporation commenced proceedings under the CCAA on December 23, 2013 for the purpose of implementing this recapitalization and financing transaction.

The proposed plan of compromise and arrangement (the "**Plan**") pursuant to the CCAA will allow Jaguar to substantially reduce its debt and associated interest costs while improving its available liquidity. The Plan includes the following key elements:

- exchange of the entire outstanding principal amount of Notes, being approximately US$268.5 million, and certain potential other unsecured claims, for equity;
- reduction of total pro forma debt from approximately US$323 million as at September 30, 2013 to approximately US$54.5 million upon completion of the Plan;
- reduction of projected annual cash interest payments by approximately US$13.1 million; and
- approximately US$50 million of new equity raised by way of a backstopped share offering (the "**Share Offering**") to current holders of Notes (the "**Noteholders**") (subject to the satisfaction of certain conditions contained in the Plan), the net proceeds of which will be available for use in the operations of Jaguar and its subsidiaries.

After giving effect to the Plan:

- Noteholders and General Unsecured Creditors with proven claims, if any, will receive approximately 12.6% of the common equity of Jaguar in exchange for all outstanding obligations owed to such Affected Unsecured Creditors of Jaguar;
- Noteholders who signed a support agreement on or prior to November 26, 2013 will receive additional consideration for the exchange of the Notes in the form of approximately 4.5% of the common equity of Jaguar;
- Noteholders and General Unsecured Creditors with proven claims (if any) (who in certain circumstances may be eligible to participate in the Share Offering subject to the consent of the Monitor and the Majority Backstop Parties) who participate in the Share Offering will receive approximately 64% of the common equity of Jaguar;

- Noteholders who participate in the Share Offering will receive additional consideration for the exchange of the Notes in the form of approximately 8% of the common equity of Jaguar allocated based on their pro rata share of accrued interest claims;

- Noteholders who are parties to the Backstop Agreement (as defined in the information circular and proxy statement) with Jaguar in respect of the Share Offering (the "**Backstoppers**") will receive additional consideration for the exchange of the Notes in the form of 10.0% of the common equity of Jaguar, allocated pro rata based upon the amount of each funding Backstopper's backstop commitment; and

- existing shareholders of Jaguar will retain approximately 0.9% of the common equity of Jaguar.

As a condition to implementation of the Plan, among other things, the new common equity of Jaguar must be conditionally approved for listing on the Toronto Stock Exchange, the TSX Venture Exchange or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders, without any vote or approval of the existing shareholders, subject only to receipt of customary final documentation, upon implementation of the Plan. Jaguar's shareholder rights plan and the rights thereunder and existing options and warrants to acquire existing common shares in the capital of Jaguar will be cancelled for no consideration.

The Corporation is holding a meeting of the Affected Unsecured Creditors (the "**Meeting**") on January 28, 2014 at the offices of Norton Rose Fulbright Canada LLP, 200 Bay Street, Suite 3800, Toronto, Ontario, Canada M5J 2Z4 at 10:00 a.m. to present, for your approval, a resolution to approve the Plan (the "**Plan Resolution**").

As of the date hereof, Noteholders holding approximately 93% of the aggregate principal amount of Notes have executed a support agreement (or a consent agreement thereto) whereby they have agreed to vote their Notes (including accrued and unpaid interest) in favour of, and to otherwise support, the Plan.

Affected Unsecured Creditors are being asked to consider and, if deemed appropriate, approve the Plan so that Jaguar can emerge as soon as practicable from CCAA protection, allowing the Corporation to focus on executing its business strategy. The management of Jaguar, the Board of Directors and the Special Committee believe that in view of the challenges posed by the Corporation's existing capital structure and limited liquidity, the Plan is the best alternative available under the circumstances. After careful consideration of all relevant factors relating to the Plan, the Board of Directors and the Special Committee have recommended that Affected Unsecured Creditors vote in favour of the Plan Resolution.

The Court-appointed Monitor in Jaguar's CCAA proceedings will be issuing a report prior to the Meeting which will include its recommendations with respect to the Plan.

We urge you to give serious attention to the Plan. Please complete and return the applicable voting instrument enclosed with the information circular and proxy statement following the instructions set out in such instrument to ensure that you are represented at the Meeting.

Yours very truly,

David Petroff

David Petroff
President and Chief Executive Officer
Jaguar Mining Inc.

This material is important and requires your immediate attention. The transactions contemplated in the Plan are complex. The accompanying information circular and proxy statement contains a description of and a copy of the Plan, as well as other information concerning Jaguar to assist you in considering this matter. You are urged to review this information carefully. Should you have any questions or require assistance in understanding and evaluating how you will be affected by the proposed Plan, please consult your legal, tax or other professional advisors.

If you are an Affected Unsecured Creditor (other than a Noteholder) with any questions regarding the voting or other procedures or matters with respect to the Meeting or the Plan, you should contact the Monitor. All questions and correspondence for the Monitor should be directed to FTI Consulting Canada Inc. at TD Waterhouse Tower, 79 Wellington Street West, Suite 2010, P.O. Box 104, Toronto, Ontario, Canada M5K 1G8, telephone number: (416) 649-8044, facsimile number: (416) 649-8101, or e-mail: jaguarmining@fticonsulting.com. The Monitor has established and maintains the following website in respect of Jaguar's CCAA proceedings: http://cfcanada.fticonsulting.com/jaguar

Please also contact the Monitor should you wish to obtain additional copies of these materials.

If you are a Noteholder with any questions regarding voting or other procedures or matters with respect to the Meeting or the Plan, you should contact the Solicitation/Election Agent or the intermediary that holds your Notes on your behalf. All questions and correspondence for the Solicitation/Election Agent should be directed to Robert Stevens of Globic Advisors, Inc. at One Liberty Plaza, 23rd Floor, New York, New York, USA 10006, telephone number: (212) 227-9699 or email: rstevens@globic.com.

IN THE MATTER OF
THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985,
C. C-36, AS AMENDED

AND IN THE MATTER OF
A PLAN OF COMPROMISE AND ARRANGEMENT OF
JAGUAR MINING INC.

PLAN OF COMPROMISE AND ARRANGEMENT
PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT (CANADA)*
OF
JAGUAR MINING INC.

NOTICE OF MEETING

TO HOLDERS OF THE FOLLOWING SECURITIES OF JAGUAR MINING INC.: (i) 4.5% Senior Unsecured Convertible Notes due November 1, 2014; and (ii) 5.5% Senior Unsecured Convertible Notes due March 31, 2016 (collectively, the "**Noteholders**")

AND TO: Affected Unsecured Creditors (as such term is defined in the Plan) other than Noteholders (the "**General Unsecured Creditors**")

NOTICE IS HEREBY GIVEN that, pursuant to an Order of the Ontario Superior Court of Justice (the "**Court**") dated December 23, 2013 and all ancillary Orders of the Court, a meeting of the Affected Unsecured Creditors (the "**Meeting**") is scheduled to be held on the 28th day of January, 2014, at the offices of Norton Rose Fulbright Canada LLP, 200 Bay Street, Suite 3800, Toronto, Ontario, Canada M5J 2Z4 at 10:00 a.m. for the following purposes:

1 to consider, and if deemed advisable, to pass, with or without variation, a resolution (the "**Plan Resolution**") approving the plan of compromise and arrangement (the "**Plan**") of Jaguar Mining Inc. pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"), which Plan is described in the information circular and proxy statement dated the date hereof and accompanying this Notice of Meeting (the "**Circular**") and a copy of which is attached as Appendix "B" to the Circular, as it may be amended from time to time in accordance with the terms of the Plan and Meeting Order; and

2 to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Unless otherwise indicated, terms defined in the section of the Circular entitled "Glossary of Terms" have the same meanings in this Notice of Meeting. The validity and value of the claims of Affected Unsecured Creditors are determined for voting and distribution purposes in accordance with the procedures set forth in the Plan, the Claims Procedure Order (a copy of which is attached as Appendix "E" to the Circular) and the Meeting Order (a copy of which is attached as Appendix "D" to the Circular). Copies of the Claims Procedure Order and the Meeting Order may also be found at the website of the Monitor at: http://cfcanada.fticonsulting.com/jaguar.

In order for the Plan to be approved and be binding in accordance with the CCAA, the Plan Resolution must be approved by that number of Affected Unsecured Creditors representing at least a majority in number of the holders of Affected Unsecured Claims, whose Voting Claims represent at least 66 2/3% in value of the Voting Claims of each of the Affected Unsecured Creditors who validly vote (in person or by proxy) on the Plan Resolution at the Meeting. At the Meeting, each Affected Unsecured Creditor will be entitled to one vote, which vote will have the value of such person's Voting Claim for voting purposes, as determined pursuant to the Claims Procedure Order, the Meeting Order and the Plan. The Plan must also be sanctioned by the Court under the CCAA. Subject to satisfaction of the other conditions precedent to the implementation of the Plan, all Affected Unsecured Creditors will then receive the treatment set forth in the Plan.

The quorum for the Meeting has been set by the Meeting Order as the presence, in person or by proxy, at the Meeting of one Creditor with a Voting Claim. The date set as the record date in respect of Noteholders entitled to vote at the Meeting is 5:00 p.m. (Toronto time) on December 19, 2013

Except as otherwise set forth herein, Beneficial Noteholders and General Unsecured Creditors may attend the Meeting in person or may appoint another person as proxyholder. Persons appointed as proxyholders need not be Noteholders or General Unsecured Creditors.

Beneficial Noteholders should receive with this Circular a voting instruction form (a "**VIF**"). If no such VIF is enclosed, contact your Intermediary. Once you have indicated your instructions with respect to voting for or against the Plan Resolution on the VIF, please return your VIF to your Intermediary in accordance with the instructions set out in such form. Your Intermediary will relay the instructions on your VIF to the Solicitation/Election Agent by completing a Master Proxy. Beneficial Noteholders may indicate their instructions with respect to voting for or against the Plan on a VIF. A Beneficial Noteholder that wishes to attend the Meeting should not complete the VIF, but instead should contact the Intermediary that holds the Notes on its behalf to make alternate arrangements to enable such Beneficial Noteholder to vote in person at the Meeting. If making such alternate arrangements, the Beneficial Noteholder should advise the Intermediary as soon as possible in advance of the Meeting. In order to be effective, Master Proxies must be received by the Solicitation/Election Agent at Globic Advisors, Inc., One Liberty Plaza, 23rd Floor, New York, New York, USA 10006 (Attention: Robert Stevens), facsimile number: (212) 271-3252 or email: rstevens@globic.com, at or prior to 5:00 p.m. (New York time) on the second Business Day prior to the date of the Meeting or any adjournment thereof. All questions for the Solicitation/Election Agent should be directed to Robert Stevens at (212) 227-9699 or rstevens@globic.com.

There is one form of proxy (the "**Affected Creditor Proxy**") for all General Unsecured Creditors. A General Unsecured Creditor may attend the Meeting in person or may appoint another person as its proxyholder by inserting the name of such person in the space provided in the Affected Creditor Proxy provided to General Unsecured Creditors by the Monitor or the Corporation. Persons appointed as proxyholders need not be General Unsecured Creditors. In order to be effective, Affected Creditors Proxies of General Unsecured Creditors must be received by the Monitor at TD Waterhouse Tower, 79 Wellington Street West, Suite 2010, P.O. Box 104, Toronto, Ontario M5K 1G8, facsimile number: (416) 649-8101, or e-mail: jaguarmining@fticonsulting.com, prior to 10:00 a.m. (Toronto time) on the Business Day prior to the date of the Meeting or any adjournment thereof.

If a Beneficial Noteholder or General Unsecured Creditor specifies a choice in its VIF or Affected Creditor Proxy, respectively, with respect to voting on the Plan, such VIF or Affected Creditors' Proxy will be voted in accordance with the specification so made. In the absence of such specification, VIFs and Affected Creditor Proxies will be voted **FOR** the Plan Resolution. The Master Proxy and the Affected Creditor Proxy confer discretionary authority on the individuals designated in them with respect to amendments or variations to matters identified in this Notice of Meeting and other matters that may properly come before the Meeting. As of the date hereof, Jaguar knows of no such amendment, variation or other matters to come before the Meeting.

NOTICE IS ALSO HEREBY GIVEN that the Corporation intends to bring a motion before the Court on or about January 30, 2014 at 10:00 a.m. (Toronto time) at the courthouse located at 330 University Avenue, Toronto, Ontario, Canada. The motion will be for the Sanction Order approving the Plan under the CCAA and granting ancillary relief consequent upon such sanction. Any Affected Unsecured Creditor that wishes to appear or be represented, and to present evidence or arguments, at the Court hearing seeking sanction of the Plan must file a Notice of Appearance with the Court, and serve a copy of the materials to be used to oppose the motion in respect of the sanction of the Plan to all parties on the Service List, in the manner and within the timelines specified in the Meeting Order.

DATED at Toronto, Ontario this 23rd day of December, 2013.

BY ORDER OF THE COURT

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IMPORTANT INFORMATION

THIS CIRCULAR CONTAINS IMPORTANT INFORMATION THAT SHOULD BE READ BEFORE ANY DECISION IS MADE WITH RESPECT TO THE MATTERS REFERRED TO HEREIN.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS CIRCULAR, AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION SHOULD NOT BE RELIED UPON. THIS CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE, THE SECURITIES DESCRIBED IN THIS CIRCULAR, OR THE SOLICITATION OF A PROXY, IN ANY JURISDICTION, TO OR FROM ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER, SOLICITATION OF AN OFFER OR PROXY SOLICITATION IN SUCH JURISDICTION.

Unless otherwise indicated or the context otherwise requires, the terms "the Corporation", "we", "us" and "our" refer to Jaguar Mining Inc. Capitalized terms used herein, and not otherwise defined, have the meaning ascribed to them in the Glossary of Terms, which begins on page 7.

Affected Unsecured Creditors should carefully consider the income tax consequences of the proposed Plan described herein. See "*Income Tax Considerations – Certain Canadian Federal Income Tax Considerations*" and "*Income Tax Considerations – Certain United States Federal Income Tax Considerations*" contained in this Circular.

All information in this Circular is given as of December 23, 2013 unless otherwise indicated.

In this Circular, unless otherwise stated, all references to percentages of common equity are expressed on an undiluted basis and on the assumption that no issued and outstanding securities convertible into or exchangeable for common equity have been converted or exchanged subsequent to the date hereof but assumes that Jaguar's share capital will consist of approximately 111,111,111 Common Shares following implementation of the Plan (including the Consolidation). See "*Description of the Plan*".

Affected Unsecured Creditors should not construe the contents of this Circular as investment, legal or tax advice. Affected Unsecured Creditors should consult their own counsel, accountants and other advisors as to financial, legal, tax and related aspects of the proposed Plan. In making a decision regarding the Plan, Affected Unsecured Creditors must rely on their own examination of the Corporation and the advice of their own advisors.

Descriptions in this Circular of the Plan and the Orders are merely summaries of the terms of these documents. Affected Unsecured Creditors should refer to the full terms of the Plan, the Initial Order, the Meeting Order and the Claims Procedure Order (appended to this Circular as Appendix "B", Appendix "C", Appendix "D" and Appendix "E", respectively) for complete details. You should rely only on the information contained in or incorporated by reference in this Circular or to which we have referred you. We have not authorized any person (including any dealer, salesman or broker) to provide you with different information. The information contained in or incorporated by reference in this Circular may only be accurate on the date hereof or the dates of the documents incorporated by reference herein. Neither delivery of this Circular nor any distribution of the securities referred to in this Circular shall, under any circumstances, create an implication that there has been no change in the information set forth herein since the date of this Circular. You should not assume that the information contained in this Circular or incorporated by reference herein is accurate as of any other date.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this Circular to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular.

The issuance of the New Common Shares pursuant to the Plan will be exempt from the prospectus and registration requirements under Canadian securities legislation. As a consequence of these exemptions, certain protections, rights and remedies provided by Canadian securities legislation, including statutory rights of rescission or damages, will not be

available in respect of such Common Shares to be issued pursuant to the Plan. See "*Certain Regulatory and Other Matters Relating to the Plan – Issuance and Resale of Securities Received under the Plan*".

NOTICE TO AFFECTED UNSECURED CREDITORS IN THE UNITED STATES

NEITHER THE PLAN NOR THE SECURITIES ISSUABLE IN CONNECTION WITH THE PLAN HAVE BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR SECURITIES REGULATORY AUTHORITIES IN ANY STATE OF THE UNITED STATES; NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES REGULATORY AUTHORITY PASSED UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

New Common Shares issued under the Plan will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or the securities laws of any state of the United States. Such New Common Shares will instead be issued in reliance upon exemptions under the 1933 Act and applicable exemptions under state securities laws.

The Unsecured Creditor Common Shares and Early Consent Shares to be issued to: (i) Noteholders pursuant to the exchange of the Notes under the Plan; and (ii) Affected Unsecured Creditors in exchange for Allowed Affected Unsecured Claims have not been registered under the 1933 Act and are being issued in reliance on the exemption from registration set forth in Section 3(a)(10) thereof on the basis of the approval of the Court, which will consider, among other things, the fairness of the Plan to the Persons affected.

All other New Common Shares (including the Offering Shares, Accrued Interest Offering Shares, and Backstop Commitment Shares) have not been registered under the 1933 Act and are being issued pursuant to the exemptions from registration set forth in Regulation D and Regulation S promulgated under the 1933 Act. See "*Certain Regulatory and Other Matters Relating to the Plan - Issuance and Resale of Securities Received under the Plan*".

The solicitation of proxies hereby is not subject to the proxy requirements of Section 14(a) of the *United States Securities Exchange Act of 1934*, as amended (the "**1934 Act**"). This Circular has been prepared in accordance with the applicable disclosure requirements in Canada. Securityholders in the United States should be aware that such requirements are different than those of the United States.

Financial statements incorporated by reference in this Circular have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), which differs from the United States generally accepted accounting principles in certain material respects, and thus the financial statements of the Corporation may not be comparable to financial statements of United States companies. The Corporation is not required to prepare a reconciliation of its consolidated financial statements and related footnote disclosures between IFRS and U.S. GAAP and has not quantified such differences.

The enforcement by investors of civil liabilities under the United States securities laws may be affected adversely by the fact that Jaguar and its subsidiaries are incorporated or organized outside the United States, that some or all of the officers and directors of such persons and the experts named herein are residents of a foreign country, and that all or a substantial portion of the assets of the Corporation and said persons are located outside the United States. As a result, it may be difficult or impossible for holders of Jaguar's securities in the United States to effect service of process within the United States upon Jaguar, its subsidiaries and their officers and directors and the experts named herein, or to realize, against them, upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. In addition, holders of Jaguar's securities in the United States should not assume that the courts of Canada or any other jurisdiction: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States; or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. See "*Risk Factors – Risks Relating to the Plan*".

Notice to New Hampshire Residents:

Neither the fact that a registration statement or an application for a license has been filed under RSA 421-B with the state of New Hampshire nor the fact that a security is effectively registered or a person is licensed in the state of New Hampshire constitutes a finding by the Secretary of State of New Hampshire that any document filed under RSA 421-B is true, complete and not misleading. Neither any such fact nor the fact that an exemption or exception is available for a security or a transaction means that the Secretary of State of New Hampshire has passed in any way upon the merits or qualifications of, or recommended or given approval to, any person, security or transaction. It is unlawful to make, or cause to be made, to any prospective purchaser, customer or client any representation inconsistent with the provisions of this paragraph.

NOTE REGARDING FORWARD-LOOKING INFORMATION AND STATEMENTS

Certain statements in this Circular and the information incorporated herein by reference that are not current statements or historical facts constitute "forward-looking information" within the meaning of applicable Canadian securities laws and "forward-looking statements" within the meaning of Section 27A of the 1933 Act and Section 21E of the 1934 Act. Forward-looking information and statements involve risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by them. Sentences and phrases containing words such as "believe", "estimate", "anticipate", "plan", "predict", "outlook", "goals", "targets", "projects", "may", "hope", "can", "will", "shall", "should", "expect", "intend", "is designed to", "continues", "with the intent", "potential", "strategy", and the negative of any of these words, or variations of them, or comparable terminology that does not relate strictly to current or historical facts, are all indicative of forward-looking information or statements. Discussions containing forward-looking information and statements may be found, among other places, in the "*Impact of the Plan*", "*Jaguar After the Plan"* and "*Risk Factors*" sections in this Circular and in the "*General Development of the Business*", "*Description of the Business*" and "*Risk Factors*" sections in the AIF and other documents incorporated by reference herein. Examples of forward-looking information and statements in this Circular and in the AIF and other documents incorporated by reference herein include, but are not limited to:

- implementation of the Plan;
- the focus of capital expenditures;
- future debt levels and annual interest costs;
- the Corporation's future financial and operational situation after the implementation of the Plan;
- the sale, farming in, farming out or development of certain exploration properties using third party resources;
- exploration plans;
- the existence, operation and strategy of the commodity price risk management program;
- the approximate and maximum amount of forward sales and hedging to be employed;
- the Corporation's growth strategy, the criteria to be considered in connection therewith and the benefits to be derived therefrom;
- the impact of Brazilian governmental regulation on the Corporation relative to other mineral resource issuers of similar size;
- the goal to sustain or grow production and reserves through prudent management and acquisitions;
- the emergence of accretive growth opportunities; and
- the Corporation's ability to benefit from the combination of growth opportunities and the ability to grow through the capital markets.

The material assumptions in making these forward-looking statements include certain assumptions disclosed in the Corporation's Management's Discussion and Analysis as at and for the year ended December 31, 2012 under the headings "*Financial Condition, Cash Flow, Liquidity and Capital Resources*", "*Restructuring and Turn Around Plan*", "*2013 Estimated Production and Cash Operating Cost*" and "*Critical Accounting Estimates*" as well as those disclosed in the Corporation's Management's Discussion and Analysis as at and for the three months ended September 30, 2013 under the headings "*Financial Condition, Cash Flow, Liquidity and Capital Resources*", *"Outlook"* and "*Operational Restructuring and Turn Around Plan*".

Although the Corporation believes that the expectations reflected in the forward-looking information and statements are reasonable, there can be no assurance that such expectations will prove to be correct. The Corporation cannot guarantee future results, levels of activity, performance, or achievements. Moreover, neither Jaguar nor any other person assumes responsibility for the accuracy and completeness of the forward-looking information and statements. Some of the risks and other factors, certain of which are beyond the Corporation's control, that could cause results to differ materially from those expressed in the forward-looking statements contained in this Circular and the documents incorporated by reference herein include, but are not limited to:

- general economic conditions in Canada, the United States, Brazil and globally;
- industry conditions, including volatility in market prices for gold;
- royalties payable in respect of the Corporation's gold production;
- governmental regulation of the mining industry, including environmental regulation;
- fluctuation in foreign exchange, inflation or interest rates;
- unanticipated operating events which can reduce production or cause production to be shut down or delayed or operating costs to increase, including labour disputes or work stoppages;
- failure to obtain third party consents and approvals, when required;
- stock market volatility and market valuations; and
- the need to obtain required approvals from regulatory authorities.

Statements relating to "reserves" or "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the resources and reserves described can be profitably produced in the future. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking information and statements contained in this Circular and the documents incorporated by reference herein: (a) were made as of the dates stated therein and have not been updated except as modified or superseded by a subsequently filed document that is also incorporated by reference in this Circular; (b) represent the Corporation's views as of the date of such documents and should not be relied upon as representing the Corporation's views as of any subsequent date; and (c) are expressly qualified by this cautionary statement. While the Corporation anticipates that subsequent events and developments may cause its views to change, the Corporation specifically disclaims any intention or obligation to update forward-looking information and statements, whether as a result of new information, future events or otherwise, except to the extent required by applicable securities laws.

Forward-looking information and statements contained in this Circular and the documents incorporated herein by reference about prospective results of operations, financial position or cash flows that are based upon assumptions about future economic conditions and courses of action are presented for the purpose of assisting Affected Unsecured Creditors in understanding management's current views regarding those future outcomes, and may not be appropriate for other purposes.

There can be no assurance that the forward-looking information and statements will prove to be accurate, and actual results and future events could vary or differ materially from those anticipated by them. Accordingly undue reliance should not be placed on forward-looking information and statements.

REPORTING CURRENCIES

In this Circular, unless otherwise stated, dollar amounts are reported in U.S. dollars ($ or US$).

EXCHANGE RATES

The following table sets forth, for each of the years indicated, the year-end noon exchange rate, the average noon exchange rate and the high and low noon exchange rates of one Canadian dollar in exchange for U.S. dollars using information provided by the Bank of Canada. The noon exchange rate on the Business Day before the Filing Date, using information provided by the Bank of Canada for the conversion of Canadian dollars into U.S. dollars, was Cdn$1.00 equals US$0.9363.

	Year Ended December 31,		12 Months Ended September 30,	
	2011	2012	2012	2013
High	$1.0583	$1.0299	$1.0299	$1.0243
Low	$0.9430	$0.9599	$0.9430	$0.9455
Average	$1.0110	$1.0004	$0.9927	$0.9847
End of Period	$0.9833	$1.0051	$1.0166	$0.9723

The following table sets forth, for each of the years indicated, the year-end exchange rate, the average exchange rate and the high and low exchange rates of one Canadian dollar in exchange for Brazilian real using information provided by the Bank of Canada. The exchange rate on the Business Day before the Filing Date, using information provided by the Bank of Canada for the conversion of Canadian dollars into Brazilian real, was Cdn$1.00 equals BRL 2.2242.

	Year Ended December 31,		12 Months Ended September 30,	
	2011	2012	2012	2013
High	1.8389 BRL	2.1299 BRL	2.0886 BRL	2.3277 BRL
Low	1.6085 BRL	1.7077 BRL	1.6998 BRL	1.8965 BRL
Average	1.6891 BRL	1.9446 BRL	1.8675 BRL	2.0659 BRL
End of Period	1.8322 BRL	2.0580 BRL	2.0619 BRL	2.1584 BRL

GLOSSARY OF TERMS

Unless the context otherwise requires, when used in this Circular the following terms shall have the meanings set forth below. Words importing the singular number shall include the plural and vice versa, and words importing any gender shall include all genders.

"**4.5% Convertible Notes**" means the 4.5% Senior Unsecured Convertible Notes of the Corporation due November 1, 2014.

"**4.5% Convertible Note Indenture**" means the indenture dated as of September 15, 2009 among Jaguar as issuer, The Bank of New York Mellon as trustee and BNY Trust Company of Canada as co-trustee pursuant to which Jaguar issued the 4.5% Convertible Notes.

"**5.5% Convertible Notes**" means the 5.5% Senior Unsecured Convertible Notes of the Corporation due March 31, 2016.

"**5.5% Convertible Note Indenture**" means the indenture dated as of February 9, 2011 among Jaguar as issuer, The Bank of New York Mellon as trustee and BNY Trust Company of Canada as co-trustee pursuant to which Jaguar issued the 5.5% Convertible Notes.

"**1933 Act**" means the United States *Securities Act of 1933*, as amended and now in effect and as it may be further amended from time to time prior to the Implementation Date.

"**1934 Act**" means the United States *Securities Exchange Act of 1934*, as amended and now in effect and as it may be further amended from time to time prior to the Implementation Date.

"**Accrued Interest Claims**" means the aggregate of all unpaid interest accrued under the Notes at the applicable rate under the Indentures owing as at the Record Date to the Participating Eligible Investors and Funding Backstop Parties.

"**Accrued Interest Offering Shares**" means 9,044,203 New Common Shares.

"**Ad Hoc Committee**" means the ad hoc committee of Noteholders represented by the Advisors.

"**Administration Charge**" has the meaning ascribed to such term in the Initial Order.

"**Advisors**" means Goodmans LLP, Houlihan Lokey Capital, Inc., Dias Carneiro Advogados, Behre Dolbear & Company (USA) Inc. and Stroock & Stroock & Lavan LLP.

"Affected Creditor Class" means, for the purposes of considering and voting on the Plan Resolution, the class of stakeholders consisting of the Affected Unsecured Creditors.

"Affected Creditor Proxy" means the form of proxy for Affected Unsecured Creditors as further described in the Meeting Order.

"**Affected Unsecured Claims**" means all Claims against Jaguar that are not Equity Claims.

"**Affected Unsecured Creditor**" means the holder of an Affected Unsecured Claim in respect of and to the extent of such Affected Unsecured Claim.

"**AIF**" means the annual information form of Jaguar dated March 21, 2013 for the year ended December 31, 2012.

"**Allowable Capital Loss**" has the meaning ascribed to such term under "*Income Tax Considerations - Securityholders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

"**Allowed**" means, with respect to a Claim, any Claim or any portion thereof that has been finally allowed as a Distribution Claim for the purposes of receiving distributions under the Plan in accordance with the Claims Procedure Order and the CCAA.

"**Alternative Transaction**" has the meaning ascribed to such term under "*Support Agreement*".

"**Applicable Law**" means, with respect to any Person, property, transaction, event or other matter, any Law relating or applicable to such Person, property, transaction, event or other matter, including, where appropriate, any interpretation of the Law (or any part) by any Person, court or tribunal having jurisdiction over it, or charged with its administration or interpretation.

"**Articles of Reorganization**" means the articles of reorganization of Jaguar to be filed pursuant to Section 186 of the OBCA and in accordance with the Plan, in form and substance satisfactory to Jaguar and the Majority Consenting Noteholders.

"**Assumed Backstop Commitment**" means, in the event of a Backstop Default/Termination, if any, a Backstop Commitment, or a portion thereof, assumed by an Assuming Backstop Party from a Defaulting Backstop Party, Objecting Backstop Party, Breaching Backstop Party or Non-Delivering Backstop Party in accordance with the terms and conditions of the Plan and the Backstop Agreement.

"**Assuming Backstop Party**" means, in the event of a Backstop Default/Termination, if any, a Non-Defaulting Backstop Party, Non-Objecting Backstop Party, Non-Breaching/Non-Delivering Backstop Party, or such other party acceptable to the Backstop Parties and Jaguar in each case in accordance with the Backstop Agreement, that executes a Backstop Consent Agreement that has assumed the obligations (and rights), or a portion thereof, of a Defaulting Backstop Party, Objecting Backstop Party, Breaching Backstop Party or Non-Delivering Backstop Party, as applicable, under the Backstop Agreement, in accordance with the terms and conditions of the Plan and the Backstop Agreement.

"**Auditors**" means KPMG LLP, Chartered Accountants, Bay Adelaide Centre, 333 Bay Street, Suite 4600, Toronto, Ontario, M5H 2S5.

"**Backstop Agreement**" means the backstop agreement dated as of November 13, 2013 (as amended from time to time) between certain Noteholders, Jaguar, MCT, MSOL and MTL, together with any Backstop Consent Agreements executed by other parties from time to time.

"**Backstop Commitment**" means, in respect of each Backstop Party, the commitment set forth on such Backstop Party's signature page to the Backstop Agreement or a Backstop Consent Agreement, as applicable, which commitment may be reduced in accordance with and subject to the terms and conditions of the Backstop Agreement and the Plan.

"**Backstop Commitment Reduction Election**" has the meaning ascribed to such term under "*Description of the Plan – Treatment of Claims – Electing Eligible Investors*".

"**Backstop Commitment Shares**" means 11,111,111 New Common Shares.

"**Backstop Consent Agreement**" means an agreement substantially in the form of Schedule "B" to the Backstop Agreement.

"**Backstop Consideration Commitment**" means, in respect of each Backstop Party, the commitment set forth on such Backstop Party's signature page to the Backstop Agreement or a Backstop Consent Agreement, as applicable, which commitment, for greater certainty, shall not be reduced as a result of a Backstop Commitment Reduction Election.

"**Backstop Default/Termination**" means any of the following: (a) a breach by a Breaching Backstop Party under the Backstop Agreement in respect of which the Backstop Agreement has been terminated with such Breaching Backstop Party in accordance with its terms; (b) a failure by a Defaulting Backstop Party to meet its obligations in respect of its Backstop Commitment on or before the Backstop Funding Deadline; (c) a failure by a Non-Delivering Backstop Party to deliver an executed Rep Letter to Jaguar by the Election Deadline or if a representation or warranty made in such Rep Letter becomes untrue; and (d) the termination by an Objecting Backstop Party of its obligations under the Backstop Agreement in accordance with its terms.

"**Backstop Funding Deadline**" means 2:00 p.m. (Toronto time) on the day that is five Business Days prior to the Implementation Date.

"**Backstop Parties**" means those Noteholders that have entered into the Backstop Agreement or a Backstop Consent Agreement, as applicable, and their permitted assigns and a "**Backstop Party**" means any one of the Backstop Parties.

"**Backstop Payment Amount**" has the meaning ascribed to such term under "*Description of the Plan – Treatment of Claims – Backstop Parties*".

"**Backstop Purchase Obligation**" means the obligation of a Backstop Party to purchase Backstopped Shares in accordance with the terms and conditions of the Backstop Agreement and the Plan.

"**Backstopped Shares**" has the meaning ascribed to such term under "*Description of the Plan – Treatment of Claims – Backstop Parties*".

"**Backstop Shortfall**" means the aggregate Backstop Purchase Obligations of Defaulting Backstop Parties, Objecting Backstop Parties and Breaching/Non-Delivering Backstop Parties, if any.

"Beneficial Noteholder" means a beneficial or entitlement holder of Notes holding such Notes in a securities account with a depository, a depository participant or other securities intermediary including, for greater certainty, such depository participant or other securities intermediary only if and to the extent such depository participant or other securities intermediary holds the Notes as a principal for its own account.

"**Board of Directors**" or "**Board**" means the board of directors of Jaguar immediately prior to the Implementation Time.

"**Bradesco**" means Banco Bradesco S.A.

"**Brazil**" means the Federative Republic of Brazil.

"**Brazilian Credit Agreements**" means, collectively, the credit agreements entered into by one or more of the Subsidiaries and Bradesco, Itaú BBA or Safra, including the Export Credit Note No. 081001795 executed on August 26, 2010 by and between MSOL and Bradesco, Advance on Currency Exchange Contract No. 109826269 executed on December 14, 2012 by and between MSOL and Itaú BBA, Advance on Currency Exchange Contract No. 109826333 executed on December 14, 2012 by and between MTL and Itaú BBA, Advance on Currency Exchange Contract No. 112193383 executed on March 22, 2013 by and between MSOL and Itaú BBA, Advance on Currency Exchange Contract No. 000115887749 executed on August 16, 2013 by and between MSOL and Bradesco, Advance on Currency Exchange Contract No. 000116068871 executed on August 23, 2013 by and between MSOL and Bradesco, Advance on Currency Exchange Contract No. 000116677828 executed on September 13, 2013 by and between MTL and Bradesco, Advance on Currency Exchange Contract No. 000116861319 executed on September 20, 2013 by and between MTL and Bradesco, Advance on Currency Exchange Contract No. 000117031810 executed on September 27, 2013 by and between MTL and Bradesco, Advance on Currency Exchange Contract No. 117599618 executed on October 18, 2013 by and between MTL and Bradesco, Advance on Currency Exchange Contract No. 349838 executed on October 25, 2013 by and between MTL and Safra, Advance on Currency Exchange Contract No. 351203 executed on November 4, 2013 by and between MSOL and Safra, and Advance on Currency Exchange Contract No. 118040651 executed on November 5, 2013 by and between MTL and Bradesco.

"**Breaching Backstop Party**" means a Backstop Party that has breached the Backstop Agreement under Section 10(b)(i) or (ii) thereof in respect of whom the Backstop Agreement has been terminated in accordance with its terms.

"**Breaching/Non-Delivering Backstop Parties**" means Breaching Backstop Parties and Non-Delivering Backstop Parties.

"**Business Day**" means any day other than a Saturday or a Sunday or a statutory or civic holiday, on which banks are generally open for business in Toronto, Ontario and New York, New York.

"**BZI**" has the meaning ascribed to such term under "*Jaguar Before the Plan – Corporate Structure"*.

"**Canaccord Genuity**" means Canaccord Genuity Corp.

"**Canadian Holder**" has the meaning ascribed to such term under "*Income Tax Considerations - Securityholders Resident in Canada*".

"**CCAA**" means the *Companies' Creditors Arrangements Act* (Canada), and the regulations thereto, as now in effect and as it may be amended from time to time prior to the Implementation Date.

"CCAA Proceedings" means the proceedings commenced by the Corporation under the CCAA as contemplated by the Initial Order.

"**Cdn$**" means Canadian dollars.

"**CDS**" means CDS Clearing and Depository Services Inc. or any successor thereof.

"**Chair**" means the Monitor or another representative of the Monitor that has been designated by the Monitor.

"**Charges**" means, collectively, the Administration Charge and the Directors' Charge.

"**Circular**" means this information circular and proxy statement, including all exhibits and appendices hereto.

"**Claim**" means any Pre-filing Claim, Restructuring Period Claim or Director/Officer Claim, in each case other than an Excluded Claim.

"**Claims Bar Date**" means 5:00 p.m. (Toronto time) on January 22, 2014.

"**Claims Procedure Order**" means the Order made December 23, 2013 in respect of the procedures governing the determination of Claims for voting and distribution purposes, as such Order may be amended and supplemented from time to time.

"**Code**" means the *United States Internal Revenue Code of 1986*, as now in effect and as it may be amended from time to time prior to the Implementation Date.

"**Commitment Reduction Electing Backstopper**" has the meaning ascribed to such term under "*Description of the Plan – Treatment of Claims*".

"**Common Shares**" means, as the context may require, the common shares in the capital of Jaguar that are duly issued and outstanding at any time.

"**Consenting Noteholder**" means any Noteholder that has executed the Support Agreement (including a consent agreement substantially in the form of Schedule "C" thereto), in respect of which the Support Agreement has not been terminated.

"**Consolidation**" means the consolidation of the Existing Shares pursuant to and as a step in the Plan on the basis of one post-consolidation Common Share for each Consolidation Number of Existing Shares outstanding immediately prior to the Consolidation.

"**Consolidation Number**" means the quotient (to five decimal places) determined by dividing the number of Existing Shares immediately prior to the implementation of the Plan by 1,000,000, which Consolidation Number would be, if calculated as of the date of this Circular, 86.39636.

"**Corporation**" means Jaguar Mining Inc.

"**Court**" means the Ontario Superior Court of Justice (Commercial List).

"**CRA**" has the meaning ascribed to such term under "*Income Tax Considerations – Certain Canadian Federal Income Tax Considerations*".

"**Credit Agreement**" means the credit agreement made as of December 17, 2012 between Jaguar, as borrower, the Subsidiaries, as guarantors, and Global Resource Fund, as lender, as amended from time to time.

"**Credit Documents**" has the meaning ascribed to such term in the Credit Agreement.

"**Creditor**" means any Person having a Claim and includes without limitation the transferee or assignee of a Claim transferred and recognized as a Creditor in accordance with the Claims Procedure Order or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through such Person.

"**Crown**" means Her Majesty in right of Canada or a province of Canada.

"**Crown Claim**" has the meaning given to that term in the Claims Procedure Order.

"**Defaulting Backstop Party**" means a Backstop Party that has failed to meet its obligations in respect of its Backstop Commitment on or before the Backstop Funding Deadline.

"Designated Offshore Securities Market" has the meaning given to that term in Rule 902 of Regulation S promulgated by the SEC under the 1933 Act.

"**Director**" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of Jaguar.

"**Direct Registration System Advice**" means, if applicable, a statement delivered by the Transfer Agent or any such Person's agent to any Person entitled to receive New Common Shares pursuant to the Plan indicating the number of New Common Shares registered in the name of or as directed by the applicable Person in a direct registration account administered by the Transfer Agent in which those Persons entitled to receive New Common Shares pursuant to the Plan will hold such New Common Shares in registered form and including, if applicable, a securities law legend.

"**Director/Officer Claim**" means any right or claim of any Person against one or more of the Directors and/or Officers of the Corporation howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, unliquidated,

fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, including any right of contribution or indemnity, for which any Director or Officer of the Corporation is alleged to be by statute or otherwise by law liable to pay in his or her capacity as a Director or Officer.

"**Directors' Charge**" has the meaning given to that term in the Initial Order.

"**Disputed Claim**" means a Disputed Voting Claim or a Disputed Distribution Claim.

"**Disputed Distribution Claim**" means an Affected Unsecured Claim (including a contingent Affected Unsecured Claim which may crystallize upon the occurrence of an event or events occurring after the Filing Date) or such portion thereof which has not been allowed as a Distribution Claim, which is validly disputed for distribution purposes in accordance with the Claims Procedure Order and which remains subject to adjudication for distribution purposes in accordance with the Claims Procedure Order.

"Disputed Director/Officer Claim" means a Director/Officer Claim which is validly disputed in accordance with the Claims Procedure Order and which remains subject to adjudication in accordance with this Claims Procedure Order.

"**Disputed Voting Claim**" means an Affected Unsecured Claim (including a contingent Affected Unsecured Claim which may crystallize upon the occurrence of an event or events occurring after the Filing Date) or such portion thereof which has not been allowed as a Voting Claim, which is validly disputed for voting purposes in accordance with the Claims Procedure Order and which remains subject to adjudication for voting purposes in accordance with the Claims Procedure Order.

"**Distribution Claim**" means the amount of the Affected Unsecured Claim of an Affected Unsecured Creditor against the Corporation as finally accepted and determined for distribution purposes in accordance with this Claims Procedure Order and the CCAA.

"**Distribution Record Date**" means the Business Day immediately before the Implementation Date.

"**DNPM**" means the National Department of Mineral Production of Brazil.

"**DTC**" means The Depository Trust Company, or any successor thereof.

"**DRS**" means the Direct Registration System.

"**DSU Plan**" means the Deferred Share Unit Plan for non-executive directors adopted in November of 2008 by Jaguar, as amended from time to time.

"**DSU/RSU Notice**" means a notice delivered by Goodmans LLP to Jaguar prior to the date scheduled for the hearing of the motion for the Sanction Order, if, in satisfaction of Section 12.3(g) of the Plan, Jaguar and the Majority Consenting Noteholders have agreed to terminate the DSU Plan and/or the RSU Plan.

"**Early Consent Deadline**" means November 26, 2013 (or such other date as Jaguar, the Monitor and the Majority Consenting Noteholders may agree).

"**Early Consent Shares**" means 5,000,000 New Common Shares, subject to adjustment, to be issued to Early Consenting Noteholders under the Plan as additional consideration for their Noteholder Claims.

"**Early Consenting Noteholder**" means any Noteholder that has executed the Support Agreement (including a consent agreement substantially in the form of Schedule C thereto) on or before the Early Consent Deadline, in respect of which the Support Agreement has not been terminated.

"**Electing Eligible Investor**" means an Eligible Investor who has completed and submitted an Election Form on or prior to the Election Deadline to participate in the Share Offering in accordance with the Meeting Order, provided that an Electing Eligible Investor that irrevocably elects to participate in the Share Offering and subscribes for such number of Offering Shares that is less than such Eligible Investor's Pro Rata Share of all Offering Shares offered pursuant to the Share Offering shall be deemed to be an Electing Eligible Investor only in respect of such lesser amount, and shall not be treated as an Electing Eligible Investor in respect of the balance.

"**Electing Eligible Investor Funding Amount**" has the meaning ascribed to such term under "*Description of the Plan – Treatment of Claims*".

"**Electing Eligible Investor Funding Deadline**" means 11:00 a.m. (Toronto Time) on the day which is seven Business Days prior to the Implementation Date.

"**Election Deadline**" means 5:00 p.m. on the second Business Day before the Meeting (or such other date as the Corporation and the Majority Consenting Noteholders may agree).

"**Election Form**" has the meaning ascribed to such term under "*Description of the Plan – Procedures*".

"**Eligible Investor**" means a Person that: (a) is a Noteholder as at the Subscription Record Date; and (b) has delivered an executed Rep Letter to Jaguar on or before the Election Deadline and the information set forth in such Rep Letter remains true and correct as of the Implementation Date.

"**Employee Priority Claims**" means the following claims of Jaguar's employees and former employees:

(a) claims equal to the amounts that such employees and former employees would have been qualified to receive under paragraph 136(l)(d) of the *Bankruptcy and Insolvency Act* (Canada) if Jaguar had become bankrupt on the Filing Date; and

(b) claims for wages, salaries, commissions or compensation for services rendered by such employees and former employees after the Filing Date and on or before the date of the Sanction Order, together with, in the case of travelling salespersons, disbursements properly incurred by them in and about Jaguar's business during the same period.

"**Equity Claim**" has the meaning set forth in Section 2(1) of the CCAA.

"**Escrow Agent**" means an independent third party escrow agent agreed to by the Corporation and the Majority Backstoppers, in each case acting reasonably.

"**Escrow Agreement**" means the escrow agreement entered into by the Escrow Agent, Jaguar and the applicable Participating Eligible Investors and Funding Backstop Parties in connection with the Share Offering.

"**Exchange**" has the meaning ascribed to such term under "*Certain Regulatory And Other Matters Relating To The Plan – Issuance and Resale of Securities Received under the Plan*".

"Excluded Claim" has the meaning ascribed to such term in "*Description of the Plan – Excluded Claims*".

"**Excluded Creditor**" means a Person who has an Excluded Claim, but only in respect of and to the extent of such Excluded Claim.

"**Existing Equity Holders**" means, collectively, the Existing Shareholders and, as context requires, the Registered Holders or beneficial holders of Existing Share Options and the Registered Holders or beneficial holders of Rights, in their capacities as such.

"**Existing Shareholders**" means, as context requires, Registered Holders or beneficial holders of the Existing Shares, in their capacities as such.

"**Existing Share Options**" means all rights, Options, warrants and other securities (other than the Notes) convertible or exchangeable into equity securities of Jaguar.

"**Existing Shares**" means the Common Shares that are issued and outstanding at the applicable time prior to the Implementation Time.

"**Filing Date**" means the date of the Initial Order.

"**FTI**" means FTI Consulting Canada Inc. and any of its affiliates, partners, officer, directors, employees, agent and subcontractors.

"**Funding Backstop Party**" means (i) a Backstop Party in respect of whom the Backstop Agreement has not been terminated; and (ii) unless such Backstop Party's Backstop Commitment has been reduced to zero in accordance with the Backstop Agreement and the Plan, who has deposited in escrow with the Escrow Agent either (a) its Backstop Payment

Amount in full in cash; or (b) a qualified letter of credit in the full amount of its Backstop Payment Amount, in each case by the Backstop Funding Deadline and in accordance with the Backstop Agreement and the Plan.

"**General Unsecured Creditor**" means an Affected Unsecured Creditor, other than a Noteholder, in its capacity as such.

"**Governmental Entity**" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

"**Implementation Date**" means the Business Day on which the Plan becomes effective, which shall be the Business Day on which the Monitor has filed with the Court the Monitor's Certificate, or such other date as Jaguar, the Monitor and the Majority Consenting Noteholders may agree.

"**Implementation Time**" means 12:01 a.m. on the Implementation Date (or such other time as Jaguar, the Monitor and the Majority Consenting Noteholders may agree).

"**Indentures**" means the 4.5% Convertible Note Indenture and the 5.5% Convertible Note Indenture.

"**Indenture Trustees**" means The Bank of New York Mellon, as trustee, and BNY Trust Company of Canada, as co-trustee, under each of the Indentures, as the case may be.

"**Initial Order**" means the initial order of Court granted on December 23, 2013, as amended, restated or varied from time to time and attached to this Circular as Appendix "C".

"Intermediary" means a bank, broker or other intermediary that holds Notes on behalf of a Beneficial Noteholder.

"**Itaú BBA**" means Banco Itaú BBA S.A.

"**IRS**" has the meaning ascribed to such term under "*Income Tax Considerations – Certain United States Federal Income Tax Considerations*".

"**Jaguar**" means Jaguar Mining Inc.

"**Jaguar Group**" means, collectively, Jaguar and the Subsidiaries.

"**Jaguar Stock Option Plan**" means the stock option plan of Jaguar in effect as of the Filing Date.

"**Known Unsecured Creditor**" means an Affected Unsecured Creditor whose Claim against the Corporation is known to the Corporation as of the date of the Claims Procedure Order.

"**Laws**" means any law, statute, order, decree, consent decree, judgment, rule regulation, ordinance or other pronouncement having the effect of law whether in Canada, the United States, Brazil or any other country, or any domestic or foreign state, county, province, city or other political subdivision or of any Governmental Entity.

"**Majority Backstop Parties**" means the Backstop Parties (other than Defaulting Backstop Parties) having at least 66⅔% of the aggregate Backstop Commitment of the Backstop Parties (other than Defaulting Backstop Parties) at the time that a consent, approval, waiver or agreement is sought pursuant to the terms of the Plan.

"**Majority Consenting Noteholders**" means the Consenting Noteholders holding at least a majority of the aggregate principal amount of all Notes held by the Consenting Noteholders at the time that a consent, approval, waiver or agreement is sought pursuant to the terms of the the Plan.

"**Material Adverse Change**" means (i) if the 3-trading day trailing average spot gold price on the London AM fix falls below $1,200 per ounce seven days prior to the Implementation Date, or (ii) any change, development, effect, event, circumstance, fact or occurrence that individually or in the aggregate with other such changes, developments, effects, events, circumstances, facts or occurrences, (x) is or would reasonably be expected to be material and adverse to the business, condition (financial or otherwise), properties, assets (tangible or intangible), liabilities (including any contingent liabilities), operations or results of operations of the Corporation and the Subsidiaries, taken as a whole, or (y) prevents or materially adversely affects the ability of the Corporation to timely perform its obligations under the Support Agreement or the Backstop Agreement, as applicable, except, any change, development, effect, event, circumstance, fact or occurrence resulting from or relating to: (a) any change in GAAP; (b) any change in currency exchange rates; (c) any adoption,

proposal, implementation or change in applicable laws or any interpretation thereof by any Governmental Entity; (provided that in the case of (b) and (c) above, such conditions do not have a materially disproportionate effect on the Corporation or the Subsidiaries relative to other companies in their industry); (d) the execution, announcement or performance of this Agreement, the Term Sheet, the Plan or any other related agreement and the completion of the transactions contemplated thereby; (e) the failure, in and of itself, of the Corporation or its Subsidiaries to meet any internal or public projections, forecasts or estimates of revenues or earnings; (f) any action taken by the Corporation which is contemplated in this Agreement or is consented to by the Initial Consenting Noteholders, the Consenting Noteholders or Goodmans, as the case may be; or (g) any change in the market price or trading volume of any securities of Jaguar (it being understood that the causes underlying such change in market price or trading volume (other than those in items (a) to (f) above) may be taken into account in determining whether a Material Adverse Change has occurred).

"**Master Proxy**" means the form of master proxy to be used by the Intermediaries in connection with voting for or against the Plan Resolution and is a summary of all the voting instructions received via VIFs, sent by Beneficial Noteholders to the Intermediary.

"**MCT**" means Mineração MCT Ltda., a corporation formed under the laws of Brazil.

"**Meeting**" means a meeting of the Affected Unsecured Creditors held pursuant to the Meeting Order and includes any meeting resulting from any adjournment thereof.

"**Meeting Materials**" means the Notice of Meeting, this Circular, the Proxy and the VIF (if applicable) provided to the Affected Unsecured Creditors in accordance with the Meeting Order.

"**Meeting Order**" means the Meeting Order granted by the Court on December 23, 2013.

"**Monitor**" means FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of Jaguar in the CCAA Proceedings.

"**Monitor's Certificate**" means the certificate to be delivered by the Monitor pursuant to Section 12.6 of the Plan.

"**MSOL**" means Mineração Serras do Oeste Ltda., a corporation formed under the laws of Brazil.

"**MTL**" means Mineração Turmalina Ltda., a corporation formed under the laws of Brazil.

"**Named Directors and Officers**" means the current directors and officers of Jaguar and such other directors and officers as agreed to by the Majority Consenting Noteholders on or before four days prior to the Meeting.

"**New Board**" means the board of directors of Jaguar as named in the Sanction Order, the composition and size of which shall be satisfactory to the Majority Backstop Parties, subject to applicable Laws.

"**New Common Shares**" means, collectively, the 110,111,111 Common Shares to be issued on the Implementation Date in accordance with the steps of the Plan.

"**Non-Breaching/Non-Delivering Backstop Parties**" means those Backstop Parties that are neither Breaching Backstop Parties nor Non-Delivering Backstop Parties.

"**Non-Defaulting Backstop Parties**" means those Backstop Parties that are not Defaulting Backstop Parties.

"**Non-Delivering Backstop Party**" means a Backstop Party (who is not otherwise an Objecting Backstop Party) who has not delivered an executed Rep Letter to Jaguar by the Election Deadline or for whom a representation or warranty made in such Rep Letter becomes untrue.

"**Non-Objecting Backstop Parties**" means those Backstop Parties that are not Objecting Backstop Parties.

"**Non-Released Director/Officer Claims**" means Director/Officer Claims against the Directors and Officers of Jaguar in respect of which such Director or Officer has been adjudged by the express terms of a judgment rendered on a final determination on the merits to have committed fraud or wilful misconduct.

"**Non-Resident Holder**" has the meaning ascribed to such term under "*Income Tax Considerations – Securityholders Not Resident in Canada*".

"**Noteholder Voting Record Date**" means December 19, 2013.

"**Noteholders**" means all holders of Notes.

"**Noteholders Allowed Claim**" means all principal amounts outstanding and all accrued interest under the Notes as at the applicable record date under the Plan as determined in accordance with the Claims Procedure Order for purposes of voting on, and receiving distributions under, the Plan.

"**Noteholder's Allowed Claim**" means, in respect of a particular Noteholder, all principal amounts outstanding and accrued interest under the Notes owing to such Noteholder as at the applicable record date under the Plan as determined in accordance with the Claims Procedure Order for purposes of voting on, and receiving distributions under, the Plan.

"**Notes**" means, collectively, the 4.5% Convertible Notes and the 5.5% Convertible Notes.

"**Notice of Meeting**" means the notice of the Meeting.

"**NYSE**" means the New York Stock Exchange.

"**OBCA**" means the *Business Corporations Act* (Ontario) and the regulations thereto, as now in effect and as it may be amended from time to time prior to the Implementation Date.

"**Objecting Backstop Party**" means a Backstop Party that has terminated its obligations under the Backstop Agreement in accordance with Section 8(c) thereof.

"**Offered Shares**" means, collectively, the Offering Shares (including the Backstopped Shares), the Accrued Interest Offering Shares, and the Backstop Commitment Shares.

"**Offering Shares**" means the 70,955,797 New Common Shares, subject to adjustment, to be issued by Jaguar pursuant to the Share Offering.

"**Officer**" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of Jaguar.

"**Options**" means any option to purchase Common Shares granted under the Jaguar Stock Option Plan or otherwise.

"**Order**" means any order of the Court in the CCAA Proceedings.

"**Outside Date**" means February 28, 2014 (or such other date as the Corporation and the Majority Consenting Noteholders may agree).

"**Participant Holder**" has the meaning ascribed thereto in the Meeting Order.

"**Participating Eligible Investor**" means an Electing Eligible Investor who complies with Section 4.1(e) of the Plan.

"**Participating Eligible Investor Shares**" means the shares issued to Participating Eligible Investors who participate in the Share Offering.

"**Person**" is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, Government Entity or any agency, officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status.

"**PFIC**" has the meaning ascribed to such term under "*Income Tax Considerations – Certain United States Federal Income Tax Considerations*".

"**Plan**" means the plan of compromise and arrangement and any amendments, modifications or supplements thereto made in accordance with the terms thereof or made at the direction of the Court in the Sanction Order or otherwise with the consent of Jaguar and the Majority Consenting Noteholders, each acting reasonably.

"**Plan Resolution**" means the resolution of the Affected Unsecured Creditors relating to the Plan considered at the Meeting, a copy of which is attached as Appendix "A" to the Circular, as it may be amended from time to time in accordance with the terms of the Plan and Meeting Order.

"Post-Filing Claim" means any claims against the Corporation that arose from the provision of authorized goods and services provided or otherwise incurred on or after the Filing Date in the ordinary course of business, but specifically excluding any Restructuring Period Claim.

"**Pre-filing Claim**" means (i) any right or claim, including any Tax Claim, of any Person that may be asserted or made in whole or in part against the Corporation, in any capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever of the Corporation, and any interest accrued thereon or costs payable in respect thereof, in existence on the Filing Date, or which is based on an event, fact, act or omission which occurred in whole or in part prior to the Filing Date, whether at law or in equity, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, any legal, statutory, equitable or fiduciary duty) or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and together with any security enforcement costs or legal costs associated with any such claim, and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, warranty, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any claim arising from or caused by the termination, disclaimer, resiliation, assignment or repudiation by the Corporation of any contract, lease or other agreement, whether written or oral, any claim made or asserted against the Corporation through any affiliate, subsidiary, associated or related person, or any right or ability of any Person to advance a claim for an accounting, reconciliation, contribution, indemnity, restitution or otherwise with respect to any matter, grievance, action (including any class action or proceeding before an administrative tribunal), cause or chose in action, whether existing at present or commenced in the future, and including any other claims that would have been claims provable in bankruptcy had the Corporation become bankrupt on the Filing Date, including for greater certainty any Equity Claim and any claim against Jaguar for indemnification by any Director or Officer in respect of a Director/Officer Claim but excluding any such indemnification claims covered by the Directors' Charge.

"**Pro Rata Share**" means:

(c) in respect of Unsecured Creditor Common Shares, the percentage that an Affected Unsecured Creditor's Affected Allowed Unsecured Claim calculated as at the Record Date bears to the aggregate of all Allowed Affected Unsecured Claims calculated as at the Record Date and all Disputed Distribution Claims calculated as at the Record Date;

(d) in respect of the Early Consent Shares, the percentage that an Early Consenting Noteholder's Noteholder's Allowed Claim calculated as at the Record Date bears to the aggregate of all Early Consenting Noteholders' Noteholder's Allowed Claims calculated as at the Record Date;

(e) in respect of the Subscription Privilege, the percentage that an Eligible Investor's Noteholder's Allowed Claim calculated as at the Record Date bears to the Noteholders Allowed Claim calculated as at the Record Date, subject to adjustment pursuant to the Plan;

(f) in respect of the Accrued Interest Offering Shares, the percentage that a Participating Eligible Investor's Accrued Interest Claim or a Funding Backstop Party's Accrued Interest Claim (without duplication), as applicable, bears to the aggregate of all Accrued Interest Claims;

(g) in respect of the Backstop Commitment Shares, the percentage that a Funding Backstop Party's Backstop Consideration Commitment bears to the aggregate of all Funding Backstop Parties' Backstop Consideration Commitments; and

(h) in respect of the Backstopped Shares, the percentage that a Backstop Party's Backstop Commitment bears to the aggregate of all Backstop Commitments.

"**Proof of Claim**" means the form to be completed and filed by Affected Unsecured Creditors in accordance with the Claims Procedure Order setting forth its proposed Claim.

"**Proxy**" means the Master Proxy or the Affected Creditor Proxy, as the context so requires.

"**Q3 MD&A**" means the management's discussion and analysis of operating results and financial condition, as amended, for the quarter ended September 30, 2013.

"**Qualified Dividends**" has the meaning ascribed to such term under "*Income Tax Considerations – Certain United States Federal Income Tax Considerations*".

"**Record Date**" means December 31, 2013.

"**Registered Holder**" means (i) in respect of the Notes, the holder of such Notes as recorded on the books and records of the Indenture Trustees; (ii) in respect of the Existing Shares, the holder of such Existing Shares as recorded on the share register maintained by the Transfer Agent; and (iii) in respect of the Existing Share Options, the holder of such Existing Share Options as recorded on the books and records of Jaguar.

"**Registered Noteholder**" means a Noteholder as shown from time to time on the register maintained by or on behalf of Jaguar for the Notes.

"**Registered Shareholder**" means a Shareholder as shown from time to time on the register maintained by or on behalf of Jaguar for the Existing Shares.

"**Registration Rights Agreement**" has the meaning ascribed to such term under "*Certain Regulatory And Other Matters Relating To The Plan – Issuance and Resale of Securities Received under the Plan*".

"**Regulations**" has the meaning ascribed to such term under "*Income Tax Considerations – Certain Canadian Federal Income Tax Considerations*".

"**Released Claims**" means the matters that are subject to release and discharge pursuant to the Plan.

"**Released Parties**" means, collectively, the Corporation, the Subsidiaries, and each of their financial advisors, legal counsel and agents, the Monitor, legal counsel to the Monitor, and legal counsel to the Special Committee.

"**Renvest Claim**" means any claim for amounts owing by the Corporation to Global Resource Fund, pursuant to the Credit Agreement or pursuant to any Credit Document (as such term is defined in the Credit Agreement).

"**Renvest Facility**" means the credit facility provided pursuant to the Credit Agreement.

"**Rep Letter**" means a letter from a Noteholder, or an Assuming Backstop Party or a General Unsecured Creditor with an Allowed Affected Unsecured Claim, as applicable, to Jaguar containing representations and warranties relating to such Person's eligibility to acquire the Offering Shares (including the Backstopped Shares), Accrued Interest Offering Shares, or Backstop Commitment Shares under US Securities Laws in either form attached to the Election Form or in such other form acceptable to such Person and Jaguar, each acting reasonably.

"**Required Majority**" means a majority in number of Affected Unsecured Creditors representing at least two-thirds in value of the Voting Claims of Affected Unsecured Creditors who are entitled to vote at the Meeting in accordance with the Meeting Order and who are present and voting in person or by proxy on the Plan Resolution at the Meeting.

"**Restructuring Period Claim**" means any right or claim of any Person against the Corporation in connection with any indebtedness, liability or obligation of any kind whatsoever owed by the Corporation to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach by the Corporation on or after the Filing Date of any contract, lease or other agreement whether written or oral.

"**Restructuring Period Claims Bar Date**" means seven (7) calendar days after termination, repudiation or resiliation of the applicable agreement or other event giving rise to the applicable Restructuring Period Claim.

"**Rights**" means the rights issued pursuant to the Shareholder Rights Plan.

"**RRIF**" has the meaning ascribed to such term under "*Income Tax Considerations – Securityholders Resident in Canada – Eligibility for Investment*".

"**RRSP**" has the meaning ascribed to such term under "*Income Tax Considerations –Securityholders Resident in Canada – Eligibility for Investment*".

"**RSU Plan**" means the restricted share unit plan for senior officers, employees and consultants adopted in November of 2008 by Jaguar, as amended from time to time.

"**Safra**" means Banco Safra S.A.

"**Sanction Order**" means the Order of the Court sanctioning and approving the Plan pursuant to Subsection 6(1) of the CCAA, which shall include such terms as may be necessary or appropriate to: (i) give effect to the Plan, in form and substance satisfactory to the Corporation and the Majority Consenting Noteholders, each acting reasonably; and (ii) allow Jaguar to rely on the exemption from registration set forth in Section 3(a)(10) of the 1933 Act.

"**Scrutineer**" means the scrutineer appointed by the Monitor for the supervision and tabulation of attendance, quorum and votes cast at the Meeting.

"**SEC**" means the United States Securities and Exchange Commission.

"**Secretary**" means the person designated by the Monitor to act as secretary of the Meeting.

"**Section 5.1(2) Director/Officer Claim**" means any Director/Officer Claim that is not permitted to be compromised pursuant to section 5.1(2) of the CCAA, but only to the extent not so permitted, provided that any Director/Officer Claim that qualifies as a Non-Released Director/Officer Claim shall not constitute a Section 5.1(2) Director/Officer Claim for the purposes of Section 11.1(a) of the Plan.

"**Secured Claims**" means that portion of a Claim that is (i) secured by security validly charging or encumbering property or assets of the Corporation (including statutory and possessory liens that create security interests) but only up to the value of such collateral; and (ii) duly and properly perfected in accordance with the relevant legislation in the appropriate jurisdiction as of the Filing Date.

"**Securityholders**" means the Noteholders and the Existing Shareholders.

"**Service List**" means the list of parties maintained by the Monitor and available at http://cfcanada.fticonsulting.com/jaguar.

"**Share Offering**" means the offering by Jaguar of the Offering Shares at the Subscription Price in accordance with the Plan.

"**Shareholder Rights Plan**" means the shareholder rights plan agreement dated May 2, 2013 between the Corporation and Computershare Investor Services Inc. as rights agent.

"Solicitation/Election Agent" means Globic Advisors, Inc.

"**Special Committee**" means the special committee created by the Board of Directors to consider and advise the Board on matters relating to Jaguar's financial difficulties.

"**Stay Period**" means the period from the date of the Initial Order until and including January 22, 2014, or such later date as the Court may order.

"**Subscription Price**" means $0.7047 per Offering Share.

"**Subscription Privilege**" means the right of an Eligible Investor to participate in the Share Offering by electing, in accordance with the provisions of the Plan, to subscribe for and purchase from Jaguar up to its Pro Rata Share of Offering Shares under the Share Offering.

"**Subscription Record Date**" means the date of the Initial Order.

"**Subsidiaries**" means, collectively, MTL, MSOL and MCT, and "**Subsidiary**" means any one of the Subsidiaries.

"**Support Agreement**" means the Support Agreement made as of November 13, 2013 (as amended from time to time) between Jaguar, the Subsidiaries and the Noteholders party thereto, together with any consent agreements executed by other Noteholders from time to time, substantially in the form of Schedule "C" thereto.

"Tax" or **"Taxes"** means any and all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever, including all interest, penalties, fines, additions to tax or other additional amounts in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Québec and other government pension plan premiums or contributions.

"**Tax Act**" means the Income Tax Act, R.S.C., 1985, c.1 (5th Supplement) and the regulations thereunder.

"**Tax Claim**" means any Claim against the Corporation for any Taxes in respect of any taxation year or period.

"**Tax Proposals**" has the meaning ascribed to such term under "*Income Tax Considerations – Certain Canadian Federal Income Tax Considerations*".

"**Taxable Capital Gain**" has the meaning ascribed to such term under "*Income Tax Considerations – Certain Canadian Federal Income Tax Considerations – Securityholders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

"**TFSA**" has the meaning ascribed to such term under "*Income Tax Considerations – Securityholders Resident in Canada – Eligibility for Investment*".

"**Titcomb Complaint**" has the meaning ascribed to such term under "*Legal Proceedings"*.

"**Transfer Agent**" means Computershare Investor Services Inc., the registrar and transfer agent of the Common Shares.

"**TSX**" means the Toronto Stock Exchange.

"**TSX-V**" means the TSX Venture Exchange.

"**Unknown Unsecured Creditor**" means an Affected Unsecured Creditor other than a Known Unsecured Creditor.

"**Unsecured Creditor Common Shares**" means 14,000,000 New Common Shares.

"**U.S. dollars**", "**US$**" or "**$**" means United States dollars.

"**U.S. Holder**" has the meaning ascribed to such term under "*Income Tax Considerations – Certain United States Federal Income Tax Considerations*".

"**US Securities Laws**" means, collectively, the *Sarbanes-Oxley Act of 2002* ("**Sarbanes-Oxley**"), the 1933 Act, the 1934 Act, the rules and regulations of the SEC, the auditing principles, rules, standards and practices applicable to auditors of "issuers" (as defined in Sarbanes-Oxley) promulgated or approved by the Public Company Accounting Oversight Board and, as applicable, the rules of the New York Stock Exchange.

"VIF" means the voting instruction form used by Beneficial Noteholders to instruct the Intermediaries with respect to voting for or against the Plan Resolution.

"**Voting Creditor**" means an Affected Unsecured Creditor who is entitled to vote on the Plan pursuant to the Plan and the Meeting Order.

"**Voting Claim**" means the amount of the Affected Unsecured Claim of an Affected Unsecured Creditor against the Corporation as finally accepted and determined for purposes of voting at the Meeting, in accordance with the provisions of the Claims Procedure Order and the CCAA.

"**Voting Deadline**" means 10:00 a.m. on the Business Day prior to the Meeting or any adjournment or postponement thereof.

SUMMARY

This summary highlights selected information from this Circular to help Affected Unsecured Creditors understand the Plan. Affected Unsecured Creditors should read this Circular carefully in its entirety to understand the terms of the Plan as well as tax and other considerations that may be important to them in deciding whether to approve the Plan. Affected Unsecured Creditors should pay special attention to the "Risk Factors" section of this Circular. The following summary is qualified in its entirety by reference to the detailed information contained or incorporated by reference in this Circular. Capitalized terms used herein, and not otherwise defined, have the meanings ascribed to them in the Glossary of Terms which begins on page 7.

Jaguar Mining Inc.

Jaguar and the Subsidiaries currently engage in gold production and in the acquisition, exploration, development and operation of gold mineral properties in Brazil. The Jaguar Group's three mining complexes, Turmalina, Caeté and Paciência, are located in or adjacent to the Iron Quadrangle region of Brazil, a greenstone belt located east of the city of Belo Horizonte in the state of Minas Gerais. The Jaguar Group's portfolio also includes the Gurupi Project in the state of Maranhão and the Pedra Branca Project in the state of Ceará. The Jaguar Group is continued under the OBCA and the Existing Shares are listed on the TSX. The registered office of the Corporation is located at 67 Yonge Street, Suite 1203, Toronto, Ontario, Canada M5E 1J8.

Background to the Plan

Jaguar believes that filing for Court protection under the CCAA and pursuing the implementation of the Plan is the best way to reduce Jaguar's debt levels, increase liquidity for the Jaguar Group's operations and allow the Corporation to make certain necessary capital investments and accelerate operational improvements.

Jaguar believes that it must deleverage its balance sheet to reduce the amount of debt that it has and to reduce the debt service payments that it must make to the extent possible in the current circumstances. The Jaguar Group cannot continue to operate with its existing capital structure that requires significant and fixed periodic interest payments given the volatility in gold prices.

In addition, the Jaguar Group is in need of additional capital to sustain operations at the Turmalina and Caeté mines complexes and to make payments required for the care and maintenance of the Paciência mine until such time as that property can be brought back into production. The Jaguar Group also needs capital to update and stabilize its operations and to develop its exploration properties.

Jaguar has considered a broad range of strategic alternatives to address its capital structure and enhance liquidity with the assistance of its financial advisor, Canaccord Genuity, and its legal counsel, Norton Rose Fulbright Canada LLP. The Plan is the result of Jaguar's review of strategic alternatives and negotiations conducted by representatives of the Jaguar Group, its legal and financial advisors and a number of stakeholders with an economic interest in Jaguar who are at arm's length of the Jaguar Group.

Absent the approval of a transaction such as the Plan, Jaguar will be unable to continue to make payments when due under the Notes and under the Renvest Facility and an expedited liquidation appears to be the likely alternative.

Description of the Plan

The Circular describes the proposed Plan. The Plan will be considered by the Affected Unsecured Creditors at the Meeting called for this purpose. If completed as contemplated, the Plan will effect a number of significant changes to the capital structure of the Corporation, as more particularly described below and elsewhere in this Circular.

As described in further detail in the Circular, the Plan involves:

i. an exchange of approximately $268.5 million in principal amount of Notes, as well as other Allowed Affected Unsecured Claims, if any, for equity of Jaguar;

ii. a reduction of Jaguar's total pro forma debt from approximately $323 million as at September 30, 2013 to approximately $54.5 million upon the implementation of the Plan;

iii. a reduction of Jaguar's projected annual cash interest payments by approximately $13.1 million;

iv. an investment of approximately $50 million of new equity raised by way of the backstopped Share

Offering to current holders of Notes (subject to the participating Noteholders satisfying certain eligibility requirements described herein), the net proceeds of which will be available for use in the Jaguar Group's operations; and

v. the retention of Existing Shares by Existing Shareholders, subject to dilution to approximately 0.9% of outstanding equity upon completion of the Share Offering.

See "*Description of the Plan*".

Effect of the Plan

Effect on Affected Unsecured Creditors

Under the Plan, Affected Unsecured Creditors will receive approximately 35.2% of the equity of Jaguar in full settlement of the Notes and the Indentures and any other Affected Unsecured Claims, allocated as follows:

i. approximately 12.6% of New Common Shares allocated to the Noteholders and General Unsecured Creditors with Allowed Affected Unsecured Claims, if any, in proportion to their Pro Rata Share in respect of Unsecured Creditor Common Shares;

ii. an additional approximately 4.5% of New Common Shares allocated to Early Consenting Noteholders in proportion to their Pro Rata Share in respect of Early Consent Shares;

iii. an additional approximately 8% of New Common Shares allocated to Participating Eligible Investors and Funding Backstop Parties in proportion to their Pro Rata Share in respect of Accrued Interest Offering Shares; and

iv. an additional approximately 10% of New Common Shares allocated to Funding Backstop Parties in proportion to their Pro Rata Share in respect of Backstop Commitment Shares.

Noteholders and, if applicable pursuant to the terms of the Plan, any General Unsecured Creditors (if applicable) who participate in the backstopped Share Offering will be entitled to acquire approximately 63.9% of the equity of Jaguar. In certain circumstances, requiring the consent of the Monitor and the Majority Backstop Parties, General Unsecured Creditors may be eligible, if they satisfy certain requirements to participate in the Share Offering.

Pursuant to the Plan, the Notes and the Indentures shall be irrevocably and finally cancelled and all Affected Unsecured Claims shall be fully and finally released.

Effect on Existing Shareholders

Pursuant to the Plan, Existing Shareholders will retain their Existing Shares (subject to the Consolidation) which, following the implementation of the Plan, will represent approximately 0.9% of the equity of Jaguar in the aggregate. For every Consolidation Number of Existing Shares, an Existing Shareholder will hold one Common Share following the Consolidation. Any fractional Common Shares resulting from the Consolidation will be rounded down to the next whole share without any additional compensation therefor. See "*Description of the Plan - Treatment of Claims".*

Effect on Holders of Equity Claims

All Equity Claims shall be fully, finally and irrevocably and forever compromised, released, discharged, cancelled and barred on the Implementation Date. Holders of Equity Claims shall not receive any consideration or distributions under this Plan and shall not be entitled to vote on the Plan at the Meeting. Notwithstanding the foregoing, Existing Shareholders shall be entitled to continue to hold their Existing Shares in accordance with the terms of the Plan, subject to the Consolidation described therein.

Effect on Jaguar

In connection with the Plan, Jaguar will effect the Consolidation and issue up to 110,111,111 New Common Shares to the Noteholders and General Unsecured Creditors with Allowed Affected Unsecured Claims, if any. It is a condition to Plan implementation that the New Common Shares shall have been conditionally approved for listing on the TSX, the TSX-V or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders without any vote or other approval of the Existing Shareholders, subject only to receipt of customary final documentation, as of the Implementation Date. The Board of Directors of Jaguar will be replaced, pursuant to the Plan, with a board of directors satisfactory to the Majority Backstop Parties and the Auditors of Jaguar will continue to be the auditors of Jaguar. The Plan provides for certain releases in favour of: (a) the Released Parties (including the Applicant, the Subsidiaries, and the Monitor; (b) the Named Directors and Officers; and (c) the Noteholder Released Parties (including the Noteholders, the Ad Hoc Committee and the Indenture Trustees). These releases are set out in detail in Section 11.1 of the Plan.

Support Agreement

As of November 26, 2013, Noteholders holding approximately 93% of the aggregate principal amount outstanding under the Notes have entered into the Support Agreement pursuant to which they have agreed to support the Plan and to vote their Notes (including accrued and unpaid interest) in favour of the Plan Resolution at the Meeting subject to the terms and conditions of the Support Agreement.

For a summary of the terms of the Support Agreement, see "*Support Agreement*".

Backstop Agreement

As of the date of this Circular, Jaguar has received Backstop Commitments from certain Consenting Noteholders for the complete amount of the Share Offering, subject to certain conditions.

For a summary of the terms of the Backstop Agreement, see "*Description of the Plan – Backstop Agreement*".

The Meeting

Pursuant to the Meeting Order, Jaguar is authorized to call the Meeting to consider and, if deemed advisable, to pass the Plan Resolution. The Meeting will be held at 10:00 a.m. (Toronto time) on January 28, 2014 at the offices of Norton Rose Fulbright Canada LLP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 3800, Toronto, Ontario, Canada.

Subject to the Meeting Order, the Court has set the quorum for the Meeting as one Creditor with a Voting Claim present at such Meeting in person or by proxy.

Procedures for Voting at the Meeting

The only Persons entitled to notice of, to attend or to speak at the Meeting are the eligible Voting Creditors (or their respective duly appointed proxyholders), representatives of the Monitor, the Corporation, the Consenting Noteholders, the Indenture Trustees such parties' financial and legal advisors, the Chair, the Secretary and the Scrutineers. Any other person may be admitted to the Meeting only by invitation of the Corporation or the Chair.

For purposes of voting at the Meeting, each Affected Unsecured Creditor (including a Beneficial Noteholder with respect to its Noteholder's Allowed Claim) shall be entitled to one vote as a member of the Affected Creditors Class.

For purposes of voting at the Meeting, the Voting Claim of any Beneficial Noteholder (or a Participant Holder that holds such Notes on its own behalf and not on behalf of any Beneficial Noteholder) shall be deemed to be equal to its Noteholder's Allowed Claim as at the Noteholder Voting Record Date. Registered Holders of Notes, in their capacities as such, will not be entitled to vote at the Meeting.

Beneficial Noteholders who hold their Notes in the name of an intermediary or in the name of a depositary such as DTC or CDS will receive a VIF. Such Beneficial Noteholder must complete and sign the VIF and return it in accordance with the directions set out on such form. If a Beneficial Noteholder desires to attend a Meeting in person, it must follow the procedures set out in "*Entitlement to Vote and Receive Distributions – Appointment of Proxyholders, Voting and Revocation*".

Noteholders who have questions or require further information on how to submit their vote at the Meeting are encouraged to speak with their brokers and intermediaries, or to contact Globic Advisors Inc. at One Liberty Plaza, 23rd Floor, New York, New York, USA 10006, Attention: Robert Stevens.

Procedures Relating to the Plan

Noteholders

Noteholders will be entitled to receive their Pro Rata Share of the Unsecured Creditor Common Shares on the Implementation Date in exchange for their Notes. It is anticipated that such New Common Shares will be delivered to Noteholders through the facilities of DTC to DTC participants who in turn will deliver such Common Shares to the Noteholders pursuant to standing instructions and customary practices.

All other New Common Shares to be issued to any Noteholder (or their assigns), including the Early Consent Shares, Offering Shares, the Accrued Interest Offering Shares, the Backstopped Shares and the Backstop Commitment Shares will be, at Jaguar's election, either certificated Common Shares which will be issued and delivered in accordance with the instructions provided by the Noteholder in the Election Form or Rep Letter, as applicable, or Direct Registration System Advices representing Common Shares.

Noteholders should contact their broker or other intermediary for further information on how to obtain their Common Shares. See "*Description of the Plan — Procedures*".

Electing Eligible Investors

In order to elect to participate in the Share Offering, an Eligible Investor must return, or cause to be returned, the duly executed Election Form to the Solicitation/Election Agent on or before the Election Deadline. The Election Form includes (a) a confirmation by the Eligible Investor of its interest in participating in the Share Offering up to its maximum Pro Rata Share; (b) representations and warranties, or other satisfactory evidence as determined by the Corporation and its representatives in their sole discretion, that the Eligible Investor meets the requirements of an Eligible Investor for purposes of such participation, including, without limitation, the Rep Letter; and (c) directions as to the registration and delivery of Offering Shares to be received by the Eligible Investor in connection with the Share Offering (assuming such Eligible Investor is a Participating Eligible Investor). Completed Election Forms should be returned to the Solicitation/Election Agent at One Liberty Plaza, 23rd Floor, New York, NY 10006, in the enclosed envelope on or prior to the Election Deadline. The requirements regarding completion and execution of the Election Form must be strictly adhered to and close attention should be made to the instructions provided on the Election Form and the description of the procedures set forth in this Circular under "*Description of the Plan — Procedures*".

Please see "*Description of the Plan — Procedures*" for specific and important details regarding the procedures for the Plan, including how to receive New Common Shares and how to participate in the Share Offering.

Existing Shareholders

Holders of Existing Shares will, on the Implementation Date, be entitled to keep the Common Shares representing their equity holdings following the Consolidation.

Affected Unsecured Creditor Approval

The Meeting Order specifies that all Affected Unsecured Creditors shall vote as one class for the purposes of voting on the Plan Resolution (the full text of which is set out in Appendix "A" to this Circular). In order for the Plan Resolution to be passed by the Affected Creditors Class at the Meeting, a majority in number of Affected Unsecured Creditors representing at least two-thirds in value of the Voting Claims of Affected Unsecured Creditors who are entitled to vote at the Meeting in accordance with the Meeting Order and who are present and voting in person or by proxy on the Plan Resolution at the Meeting must vote in favour of the Plan Resolution.

Court Approval of Plan

The implementation of the Plan is subject to, among other things, approval of the Court.

Prior to the mailing of this Circular, Jaguar obtained the Meeting Order. Following the Meeting, Jaguar intends to apply for the Sanction Order. The hearing in respect of the Sanction Order is currently scheduled to take place on January 30, 2014 at 10:00 a.m. (Toronto time) at the Court. At the hearing, any Affected Unsecured Creditor of Jaguar or other interested party who wishes to participate, or to be represented, or to present evidence or argument, may do so, subject to filing with the Court and serving upon the solicitors for Jaguar and the Ad Hoc Committee a Notice of Appearance within the timelines specified in the Meeting Order and satisfying any other requirements of the Court as provided in the Meeting Order or

otherwise. At the hearing for the Sanction Order, the Court will consider, among other things, the fairness and reasonableness of the Plan and the approval of the Plan Resolution by Affected Creditors Class at the Meeting.

Conditions to the Plan becoming Effective

The conditions to the Plan being effective include the following:

(a) the Court shall have granted the Sanction Order, the operation and effect of which shall not have been stayed, reversed or amended, and in the event of an appeal or application for leave to appeal, final determination shall have been made by the applicable appellate court;

(b) no Applicable Law shall have been passed and become effective, the effect of which makes the consummation of the Plan illegal or otherwise prohibited;

(c) all necessary judicial consents and any other necessary or desirable third party consents, if any, to deliver and implement all matters related to the Plan shall have been obtained;

(d) all documents necessary to give effect to all material provisions of the Plan (including the Sanction Order, the Plan, the Share Offering and the Consolidation and all documents related thereto) shall have been executed and/or delivered by all relevant Persons in form and substance satisfactory to Jaguar and the Majority Consenting Noteholders;

(e) all required stakeholder, regulatory and Court approvals, consents, waivers and filings shall have been obtained or made, as applicable, on terms satisfactory to the Majority Consenting Noteholders and Jaguar, each acting reasonably and in good faith;

(f) all senior officer and employee employment agreements shall have been modified to reflect the revised capital structure of Jaguar following implementation of the Plan, including, without limitation, to provide that the implementation of the Plan does not constitute a change of control under such employment agreements, and no change of control payments shall be owing or payable to Jaguar's officers or employees in connection with the implementation of the Plan;

(g) the DSU Plan and the RSU Plan shall have been addressed in a manner acceptable to Jaguar and the Majority Consenting Noteholders;

(h) the Articles of Reorganization shall have been filed under the OBCA;

(i) all material filings under Applicable Laws shall have been made and any material regulatory consents or approvals that are required on connection with the Plan shall have been obtained and in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated;

(j) the New Common Shares shall have been conditionally approved for listing on the TSX, the TSX-V or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders without any vote or approval of the Existing Shareholders, subject only to receipt of customary final documentation;

(k) all conditions to implementation of the Plan set out in each of the Support Agreement and the Backstop Agreement shall have been satisfied or waived in accordance with the provisions thereof and neither the Backstop Agreement nor the Support Agreement shall have been terminated; and

(l) the issuance of the Unsecured Creditor Common Shares and Early Consent Shares in the Exchange shall be exempt from registration under the US Securities Act pursuant to the provisions of Section 3(a)(10) of the 1933 Act.

See "*Support Agreement*" for a complete description of the conditions to the Consenting Noteholders' support of the Plan. See "*Description of the Plan - Backstop Agreement*" for a complete description of the conditions to the Backstop Parties' Backstop Commitments under the Share Offering. See also "*Description of the Plan – Conditions to the Plan Becoming Effective*".

Recommendation of the Special Committee

The Board of Directors created a Special Committee to consider and advise the Board on matters of strategic importance relating to Jaguar's financial difficulties. This Special Committee met to consider the matters involved in, and the discussions leading to, the proposed Plan. It received legal advice from its independent counsel, from Jaguar's counsel and from the Corporation's financial advisor. As a result of its detailed discussions and careful consideration of these matters, the Special Committee unanimously recommended to the Board of Directors that the Board of Directors approve the Plan.

Recommendation of the Board of Directors

After careful consideration of, among other things, the recommendation of the Special Committee, and upon consultation with its financial advisors and Jaguar's counsel, the Board of Directors of Jaguar has approved the Plan and authorized its submission to the Affected Unsecured Creditors and the Court for their respective approvals. The Board of Directors also considered various factors discussed in the foregoing section entitled "*Background to and Reasons for the Plan*", including challenges in servicing and repaying the existing debt and the necessity to rationalize the capital structure and the need to raise additional funds to maintain the Jaguar Group's business. Further, the Board of Directors took note of the fact that the Corporation had received support for the Plan from Consenting Noteholders holding approximately 93% of the aggregate principal amount outstanding under the Notes as of November 26, 2013 who have executed the Support Agreement. The Board of Directors recommends that Affected Unsecured Creditors vote in favour of the Plan at the Meeting.

See "*Background to and Reasons for the Plan – Recommendations of the Special Committee and Board of Directors*".

Income Tax Considerations

Canadian Income Tax Considerations

For a detailed description of the Canadian income tax consequences resulting from the Plan, please refer to "*Income Tax Considerations – Certain Canadian Federal Income Tax Considerations*".

United States Income Tax Considerations

For a detailed description of the United States federal income tax consequences resulting from the Plan, please refer to "*Income Tax Considerations – Certain United States Federal Income Tax Considerations*".

Risk Factors

Affected Unsecured Creditors should carefully consider the risk factors concerning implementation and non-implementation, respectively, of the Plan and the business of Jaguar described under "*Risk Factors*".

INFORMATION CONCERNING THE MEETING

General

No person has been authorized to give any information or to make any representations in connection with the Plan other than those contained in this Circular and, if given or made, any such other information or representation should be considered as not having been authorized.

Meeting

Pursuant to the Meeting Order, the Corporation has called the Meeting to consider and, if deemed advisable, to pass the Plan Resolution approving the Plan and all matters ancillary thereto. The Meeting will be held at 10:00 a.m. (Toronto Time) on January 28, 2014 at the offices of Norton Rose Fulbright Canada LLP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 3800, Toronto, Ontario, Canada M5J 2Z4

Solicitation of Proxies

Proxies are being solicited for use at the Meeting. If no name is inserted in the blank space provided in the forms of Proxy, the person named in the enclosed form of Proxy who is a representative of the Monitor shall be designated as proxyholder. A Voting Creditor has the right to appoint as his or her proxy a person other than those whose names are printed on the accompanying form of Proxy, and who need not be a Voting Creditor. A Voting Creditor who wishes to appoint some other person to represent him or her at the Meeting may do so by inserting such other person's name in the blank space provided in the applicable form of Proxy and signing the form of Proxy. Where the Voting Creditor is a corporation, the form of Proxy must be executed by an individual duly authorized to represent the corporation and may be required to provide documentation evidencing such power and authority to sign the Proxy.

If no name has been inserted in the space provided, the Voting Creditor will be deemed to have appointed the person named in the enclosed form of Proxy who is a representative of the Monitor as proxyholder.

The Corporation is paying for this solicitation, which is being made by mail, with possible supplemental telephone or other personal solicitations by employees or agents of the Corporation. In addition, the Corporation has retained Globic Advisors, Inc. to act as Solicitation/Election Agent for the Meeting for a fee of approximately $30,000 in connection with the identification of, and communication to, Noteholders, and the tabulation of the Master Proxies and the Elections Forms.

The Corporation has requested brokers and nominees who hold Claims in their names to furnish the Circular and accompanying materials to the beneficial holders of the Claims and to request authority to deliver a Proxy.

In order to be effective, Master Proxies must be received by no later than 5:00 p.m. (New York City time) on January 24, 2014 at Globic Advisors, Inc., One Liberty Plaza, 23rd Floor, New York, New York, USA 10006 (Attention: Robert Stevens), facsimile number: (212) 271-3252 or email: rstevens@globic.com, or in the event that the Meeting is adjourned, prior to 5:00 p.m. (New York City time) two Business Days prior to the commencement of such adjourned meeting.

In order to be effective, Affected Creditor Proxies must be received by the Monitor by no later than 10:00 a.m. (Toronto time) on January 27, 2014 at TD Waterhouse Tower, 79 Wellington Street West, Suite 2010, P.O. Box 104, Toronto, Ontario M5K 1G8 (Attention: Jodi Porepa), or in the event that the Meeting is adjourned, prior to 10:00 a.m. (Toronto time) one Business Day prior to the commencement of such adjourned Meeting.

ENTITLEMENT TO VOTE AND RECEIVE DISTRIBUTIONS

Classification of Affected Unsecured Creditors

For the purposes of considering and voting on the Plan Resolution and receiving distributions under the Plan, there will be one class of Affected Unsecured Creditors consisting of the Noteholders and the General Unsecured Creditors.

Claims Procedure Order

The procedure for determining the validity and value of the Claims of Affected Unsecured Creditors for voting and distribution purposes will be as set forth in the Claims Procedure Order, a copy of which is attached as Appendix "E" to this Circular, the Meeting Order, a copy of which is attached as Appendix "D" to this Circular, the CCAA and the Plan. The Corporation and the Monitor will have the right to seek the assistance of the Court in valuing any Disputed Claim in

accordance with the Claims Procedure Order, the Meeting Order, the CCAA and the Plan, if required, to ascertain the result of any vote on the Plan Resolution.

The Claims Procedure Order provides for, among other things: (a) a Claims Bar Date (or in the case of Affected Unsecured Creditors holding Restructuring Period Claims, a Restructuring Period Claims Bar Date) prior to which Affected Unsecured Creditors are required to file their Proofs of Claim; (b) the procedures pursuant to which the validity and value of Affected Unsecured Claims are quantified and determined for voting and distribution purposes, including the procedures by which any Affected Unsecured Claims that were disputed would be adjudicated and resolved for voting and distribution purposes; and (c) the conversion of Claims denominated in a foreign currency into Canadian dollars. Pursuant to the Claims Procedure Order, any General Unsecured Creditor that does not file its Proof of Claim before the Claims Bar Date will be forever barred from making or enforcing any Claim against the Corporation and/or the Directors or Officers thereof and its Claim will be forever extinguished. The Claims Procedure Order also provides that the Corporation will deal exclusively with the Monitor, or a claims officer if, with the consent of the Majority Consenting Noteholders, the Corporation applies to the Court for an Order appointing a claims officer to resolve Disputed Claims and/or Disputed Director/Officer Claims. All Affected Unsecured Creditors should refer to the Claims Procedure Order and the Meeting Order for a complete description of these procedures.

Any Claims denominated in a currency other than Canadian dollars shall be converted to Canadian dollars at the Bank of Canada noon spot rate in effect on the Filing Date. See "*Exchange Rates*".

Entitlement to Vote and Voting

The validity and value of Affected Unsecured Claims will be determined for voting purposes in accordance with the procedures set forth in the Claims Procedure Order, the Meeting Order and the Plan.

The only Persons entitled to notice of, to attend or to speak at the Meeting are eligible Voting Creditors (or their respective duly appointed proxyholders), representatives of the Monitor, the Corporation, the Consenting Noteholders, the Indenture Trustees, such parties' financial and legal advisors, the Chair, the Secretary and the Scrutineers. Any other person may be admitted to the Meeting only by invitation of the Corporation or the Chair. The quorum for the Meeting has been set by the Meeting Order as one Creditor with a Voting Claim present at such Meeting in person or by proxy.

Only the Beneficial Noteholders as of the Noteholder Voting Record Date will be entitled to provide instructions relating to voting their Notes and attending the Meeting as Noteholders. The solicitation of votes from and the procedures for voting by the Beneficial Noteholders will be conducted in accordance with the Meeting Order. Each Beneficial Noteholder will be entitled to one vote, which vote will have a value equal to its Noteholder's Allowed Claim as at the Noteholder Voting Record Date.

Each Affected Unsecured Creditor that is a General Unsecured Creditor with a Voting Claim will be entitled to one vote, which vote will have a value equal to the dollar value of its Voting Claim.

Each Affected Unsecured Creditor holding a Disputed Voting Claim will be entitled to attend the Meeting and will be entitled to one vote at such Meeting. The value of such vote will be determined in accordance with the Claims Procedure Order and the Meeting Order. The Monitor will keep a separate record of votes cast by Affected Unsecured Creditors with Disputed Voting Claims and will report to the Court with respect thereto at the motion in respect of the Sanction Order. The votes cast in respect of any Disputed Voting Claims will not be counted toward the Required Majority unless otherwise ordered by the Court.

Any Person having an Excluded Claim will not be entitled to vote at the Meeting in respect of such Excluded Claim.

Holders of Equity Claims will not be entitled to vote at the Meeting in respect of such Equity Claims.

Entitlement to Receive Distributions

The validity and value of Affected Unsecured Claims will be determined for distribution purposes in accordance with the Claims Procedure Order, the Meeting Order, the CCAA and the Plan. For Disputed Claims, Affected Unsecured Creditors should refer to the Claims Procedure Order in order to ascertain the treatment of such Disputed Distribution Claim under the Plan.

An Affected Unsecured Creditor holding a Disputed Distribution Claim will not be entitled to receive a distribution under the Plan in respect of any portion thereof unless and until such Disputed Distribution Claim becomes an Allowed Affected Unsecured Claim. Pursuant to the Claims Procedure Order, the acceptance, admission, settlement, resolution, valuation (for

any purpose) or revision of any Disputed Distribution Claim with an Affected Unsecured Creditor exceeds $250,000 by the Monitor or the Corporation shall be subject to the consent of the Majority Consenting Noteholders or a further Order.

The Plan does not affect Excluded Claims. Persons with Excluded Claims will not be entitled or receive any distributions under the Plan in respect of such claims. Nothing in the Plan will affect any of the Corporation's rights and defenses, both legal and equitable, with respect to any Excluded Claims, including all rights with respect to legal and equitable defenses or entitlements to set-off or recoupment against such claims.

Transfer or Assignment of Claims

If an Affected Unsecured Creditor (other than a Noteholder) transfers or assigns the whole of its Affected Unsecured Claim to another Person, such transferee or assignee shall not be entitled to attend and vote the transferred or assigned Claim at the Meeting unless sufficient prior notice of and proof of transfer or assignment has been delivered to the Monitor in accordance with the Claims Procedure Order and the Meeting Order. Notwithstanding the foregoing, Noteholders who have beneficial ownership of a Claim in respect of the Notes shall not be restricted from transferring or assigning such Claim in whole or in part, and any such transfer or assignment shall be governed by the Claims Procedure Order and the Meeting Order and subject to the provisions of the Support Agreement and the Election Form, as applicable.

Solicitation of Voting Instruments

Solicitation of proxies will be primarily by mail, and may be supplemented by telephone or other personal contact by the current Directors, Officers, employees or agents of the Corporation, and the costs of such solicitation will be borne by the Corporation as a cost of the CCAA Proceedings. In addition, the Corporation has retained Globic Advisors, Inc. to act as Solicitation/Election Agent for the Meeting for a fee of approximately $30,000 in connection with the identification of, and communication to, Noteholders, and the tabulation of the Master Proxies and the Elections Forms.

Appointment of Proxyholders, Voting and Revocation

Appointment of Proxyholders and Voting

Beneficial Noteholders who wish to vote for or against the Plan Resolution must either complete and return to their Intermediary a VIF or attend the Meeting and vote in person. If voting in person, Beneficial Noteholders must contact their Intermediary immediately and make such alternative arrangements. Intermediaries will compile all instructions send through VIFs and complete and return Master Proxies to the Solicitation/Election Agent.

General Unsecured Creditors must use the Affected Creditor Proxy to vote on the Plan Resolution. The General Unsecured Creditor may appoint another person as proxyholder by inserting the name of such person in the space provided in the form of Affected Creditor Proxy or may attend the Meeting and vote in person.

In order to be effective:

- Master Proxies must be received by the Solicitation/Election Agent at Globic Advisors, Inc., One Liberty Plaza, 23rd Floor, New York, New York, USA 10006 (Attention: Robert Stevens), facsimile number: (212) 271-3252 or email: rstevens@globic.com, prior to 5:00 p.m. (New York City time) on January 24, 2014 or two Business Days prior to the time of any adjournment or postponement of the Meeting; and

- Affected Creditor Proxies must be received by the Monitor at TD Waterhouse Tower, 79 Wellington Street West, Suite 2010, P.O. Box 104, Toronto, Ontario M5K 1G8 (Attention: Jodi Porepa), facsimile number: (416) 649-8101 or e-mail: jaguarmining@fticonsulting.com, prior to 10:00 a.m. (Toronto time) on January 27, 2014 or one Business Day prior to the time of any adjournment or postponement of the Meeting.

If a Beneficial Noteholder or General Unsecured Creditor specifies a choice with respect to voting on the Plan Resolution on a VIF or Affected Creditor Proxy (in the case of a General Unsecured Creditor), the VIF or Affected Creditor Proxy (in the case of a General Unsecured Creditor) will be voted in accordance with the specification so made. In the absence of such specification, all VIFs and Affected Creditors Proxies (in the case of a General Unsecured Creditors) will be voted **FOR** the Plan Resolution.

Beneficial Noteholders should receive a VIF with this Circular. If no such VIF is enclosed, contact your Intermediary immediately. A Beneficial Noteholder may indicate its instructions with respect to voting for or against the Plan Resolution on the VIF, which must be returned to its Intermediary in accordance with the instructions set out in such VIF. A Beneficial Noteholder's Intermediary will relay the instructions on the VIF to the Solicitation/Election Agent by completing a Proxy.

Instead of completing and returning a VIF, a Beneficial Noteholder that wishes to attend and vote in person at the Meeting should immediately contact the Intermediary that holds their Notes, as applicable, to make alternate arrangements to enable such Beneficial Noteholder to vote in person at the Meeting. If making such alternate arrangements, the Beneficial Noteholder should advise the Solicitation/Election Agent as soon as possible in advance of the Meeting.

The Proxy provides the Affected Unsecured Creditors with the option to grant (or provide instructions in respect of the grant of) discretionary authority to the individuals designated in it with respect to amendments or variations to matters identified in the Notice of Meeting and other matters that may properly come before the Meeting. As of the date hereof, the Corporation knows of no such amendment, variation or other matters to come before the Meeting.

Advice to Noteholders

The information set forth in this section is of significant importance to Beneficial Noteholders, as the Beneficial Noteholders do not hold Notes registered in their own names on the records of the Corporation, but rather, hold notes that are registered in the name of DTC's nominee, Cede & Co. and beneficially held through intermediaries such as investment dealers, brokers, banks, trust companies, trustees, custodians or other nominees, or a clearing agency in which an intermediary participates. It is anticipated that DTC will deliver to the Solicitation/Election Agent the Omnibus Consent of Cede & Co., whereby DTC will assign its voting authority (by virtue of being the registered holder of the Notes) to each of its participating banks, in proportion to such nominee's Notes, as applicable, as of the Noteholder Voting Record Date. Without specific instructions from the Beneficial Noteholders, brokers and other nominees are prohibited from voting the Notes, as applicable, on behalf of their clients. The management of the Corporation does not know for whose benefit the Notes, as applicable, that are registered in the name of DTC are held.

Pursuant to the Meeting Order, the Corporation has distributed copies of the Meeting Materials to DTC and intermediaries (or their agents) for onward distribution to Beneficial Noteholders. Applicable regulatory policy requires brokers and other nominees to seek voting instructions from Beneficial Noteholders in advance of the Meeting. Every broker or other nominee or agent has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Noteholders in order to ensure that their Notes are voted at the Meeting.

In some cases, a Beneficial Noteholder may receive, as part of the Meeting Materials, a VIF that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of notes beneficially owned by the Beneficial Noteholder but which is otherwise blank. In order to vote, a Beneficial Noteholder must complete the VIF and return it to its Intermediary in accordance with the directions on the VIF. If a Beneficial Noteholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the Beneficial Noteholder's behalf), the Beneficial Noteholder should contact the Intermediary that holds their Notes and the Intermediary should advise the Solicitation/Election Agent as soon as possible in advance of the Meeting. Beneficial Noteholders should follow the instructions on the VIF they receive and contact their broker or intermediaries promptly if they need assistance.

Revocation of Voting Instruments

In addition to any other manner permitted by law, a Proxy may be revoked by an instrument in writing executed by a Voting Creditor that has given a form of Proxy or such Voting Creditor's attorney duly authorized in writing or, in the case of a Voting Creditor that is not an individual, by an instrument in writing executed by a duly authorized officer or attorney thereof, and delivered to the Monitor prior to the commencement of the Meeting (or any adjournment or postponement thereof).

DOCUMENTS INCORPORATED BY REFERENCE

Any material change reports (excluding confidential material change reports) and any news release issued by the Corporation that specifically states that it is intended to be incorporated by reference in this Circular and subsequently filed by the Corporation with a securities commission or similar authority in any province or territory of Canada subsequent to the date of this Circular shall be deemed to be incorporated by reference into this Circular.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Circular to the extent that a statement contained herein or any other subsequently filed document that also is or is deemed to be incorporated by reference herein modifies or supersedes that statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is

required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular.

BACKGROUND TO AND REASONS FOR THE PLAN

Events Prior to the Filing for Protection under the CCAA

The Plan is the result of Jaguar's review of strategic alternatives and negotiations conducted by representatives of the Jaguar Group, its legal and financial advisors and a number of stakeholders with an economic interest in Jaguar. The process ultimately led to the negotiations of the Support Agreement with certain Early Consenting Noteholders, the Backstop Agreement with the Backstop Parties and the resulting terms of the Plan. In developing the Plan, Jaguar has sought to achieve a fair and reasonable balance between all of their stakeholders while providing for the financial stability and future economic viability of the Jaguar Group's business.

As is typical for companies engaged in the operation and development of gold producing properties, the price of gold is the largest single factor in determining profitability and cash flow from operations. The financial performance of the Corporation has therefore been, and is expected to continue to be, closely linked to the price of gold. Historically, the price of gold has been subject to volatile price movements over short periods of time and is affected by numerous macroeconomic and industry factors that are beyond the Corporation's control. Major influences on the gold price include currency exchange rate fluctuations and the relative strength of the U.S. dollar, the supply of and demand for gold and macroeconomic factors such as the level of interest rates and inflation expectations. The Jaguar Group's mines (including the Paciência mine, which is now on care and maintenance) are not low-cost gold producers, despite recent cost reductions. For this reason, the operations of the Jaguar Group are particularly sensitive to gold prices. The average price of gold has declined substantially since September of 2011, from nearly $2,000 per ounce at that time to $1,231 per ounce as of December 17, 2013, which has impacted the Jaguar Group significantly and Jaguar forecasts that it will face a liquidity crisis in the very near future and additional liquidity is required to preserve operations in a lower gold price environment. Moreover, Jaguar's mining operations and exploration activities are located in Brazil and a portion of operating costs and capital expenditures are denominated in Brazilian reais which has weakened significantly against the U.S. dollar over the past year.

In addition, continued investment in the Jaguar Group's mines and exploration properties is needed. Capital investment is required to: (i) continue operations in the normal course; (ii) continue the care and maintenance of the Paciência mine; (iii) update mine plans and ensure appropriate mine development; and (iv) continue stabilization of operations. Further, if the Jaguar Group's operations are to be optimized, capital is also required to increase production at existing operating mines, invest in equipment, and to allow the Corporation to obtain technical reports and commercial feasibility studies with respect to its development assets. Due to liquidity issues and cost-reduction efforts, the Jaguar Group's capital investments have been postponed.

In May 2012, Jaguar announced the implementation of a comprehensive restructuring and turnaround plan to improve costs and efficiency at its operations. The plan incorporated objectives and initiatives identified by Jaguar's management and a number of expert industry consultants who were retained to assist with operational and cost improvements. Key elements of the plan were administrative cost reductions, improved safety, optimization of the workforce, converting to properly scaled mining methodology, advanced development and definition drilling, and the continuation of the Paciência operations of MSOL on care and maintenance. Current activities at each of the operating mining complexes demonstrate that those operations are on their way to meeting cost and production targets.

Despite these cost reductions, Jaguar was not able to generate sufficient net revenues to optimally fund its operations, or generate sufficient net revenues to service its substantial debts going forward. The Jaguar Group currently has outstanding funded debt obligations of approximately $323 million in principal value. Jaguar will incur interest obligations of approximately $18 million in 2013. Jaguar has deferred payment of approximately $3.7 million of interest on the 4.5% Convertible Notes and the deferral has now resulted in an event of default under the 4.5% Convertible Notes Indenture. Excluding the consideration of any events of default or acceleration obligations, Jaguar would be obligated to repay or refinance approximately $195 million in principal value of debt under the Renvest Facility and the 4.5% Convertible Notes in the year ended December 31, 2014. A review of other gold producers of a similar size to Jaguar shows that these competitors typically have significantly less leverage and significantly lower fixed financing costs than Jaguar. Jaguar's higher leverage and higher fixed financing costs place it at an insurmountable disadvantage in a lower gold price environment and impose unmanageable repayment and refinancing obligations.

Strategic Review

For the reasons outlined above, Jaguar concluded that more fundamental changes would be required to meet Jaguar's financial needs. Canaccord Genuity was engaged as Jaguar's financial advisor in May 2013 in connection with the design and implementation of a recapitalization strategy for Jaguar. The scope of Canaccord Genuity's assignment was to:

- review Jaguar's business plans, budgets and financial projections and conduct appropriate sensitivity analyses;
- assess the capital structure of Jaguar with a view to determining an appropriate debt load and debt structure for Jaguar;
- advise Jaguar on the design and execution of potential transactions to improve Jaguar's capital structure;
- conduct a process to raise new money capital; and
- advise Jaguar on the implementation of a recapitalization plan, and conduct negotiations with Jaguar's respective stakeholders.

With the assistance of Canaccord Genuity, Jaguar analyzed the possibility of divesting certain of its assets in order to provide increased liquidity to sustain the company during a period of unfavourable gold prices and to allow continued investment in cost reduction options.[1] However, Jaguar and its Board of Directors did not believe that such a transaction was feasible.

Canaccord Genuity had discussions with nine potential sources of third party financing. Those parties who expressed interest in potentially providing financing were not willing to provide financing in the amount, of the type or on the timeline required by Jaguar.

Reasons for the Plan

This review of potential alternatives showed that a comprehensive restructuring involving a debt to equity exchange and an investment of new money is the best available alternative to address Jaguar's financial issues. The Plan is the best such restructuring plan available. The Corporation concluded that it must deleverage its balance sheet to reduce the amount of debt that it has and to reduce the debt service payments that it must make to the extent possible in the current circumstances. Jaguar believes that the Plan is the best way to reduce Jaguar's debt levels, increase liquidity for the Jaguar Group's operations and allow the Jaguar Group to operate in the normal course and make certain necessary capital investments and accelerate operational improvements.

Absent the approval and implementation of a transaction such as the Plan, Jaguar will be unable to continue to make payments when due under the Notes and under the Renvest Facility and is expected to cease to have sufficient liquidity to continue operations in the first quarter of 2014. In such circumstances, an expedited liquidation appears to be the likely alternative.

A summary of the CCAA Proceeding is contained under "*CCAA Proceeding*".

Recommendations of the Special Committee and the Board of Directors

The Board of Directors created a Special Committee on October 30, 2013 to consider and advise the Board on matters of strategic importance relating to Jaguar's financial difficulties. This Special Committee met to consider the matters involved in, and the discussions leading to, the filing for Court protection under the CCAA. It received legal advice from its independent counsel, from Jaguar's counsel and financial advisor. As a result of its detailed discussions and careful consideration of these matters, the Special Committee unanimously recommended to the Board of Directors that the Board of Directors approve the Plan.

After careful consideration of the recommendation of the Special Committee, and upon consultation with its financial advisors and Jaguar's counsel, the Board of Directors has approved the Plan and authorized its submission to the Affected Unsecured Creditors and the Court for their respective approvals. The Board of Directors also considered various factors

[1] Canaccord Genuity was initially engaged on May 21, 2012 to review and advise on a potential sale of assets related to the Gurupi project, which mandate was subsequently consolidated with this comprehensive strategic review mandate.

discussed in this section, including challenges in servicing and repaying the existing debt and the necessity to rationalize the capital structure and the need to raise additional funds to maintain its business. Further, the Board of Directors took note of the fact that they had received support from Noteholders holding approximately 93% of the aggregate principal amount outstanding under the Notes as at November 26, 2013. The Board of Directors recommends that Affected Unsecured Creditors vote in favour of the Plan Resolution at the Meeting.

CCAA PROCEEDING

Initial Order

On December 23, 2013, the Corporation filed for protection under the CCAA and the Initial Order was granted by the Court. A copy of the Initial Order is attached to this Circular as Appendix "C" and can also be obtained at the Monitor's website at: http://cfcanada.fticonsulting.com/jaguar.

Among other things, the Initial Order:

- imposed a general stay of proceedings against Jaguar, and its Subsidiaries with respect to any liabilities or claims that relate to agreements involving Jaguar or its business or any obligations, liabilities or claims affecting Jaguar or its business;
- authorized Jaguar to pay certain amounts arising prior to the date of the Initial Order;
- authorized Jaguar to take all steps and actions in respect of, and to comply with all of its obligations pursuant to, the Support Agreement and the Backstop Agreement;
- authorized the Corporation, subject to the CCAA and the terms of the Support Agreement, to cease or downsize operations; and
- appointed the Monitor to, among other things, monitor the receipts and disbursements of Jaguar, to report to the Court from time to time on matters that may be relevant to the CCAA Proceedings and to assist Jaguar in various matters relating to the CCAA Proceedings.

In addition, the Initial Order created certain charges against all of the current and future assets of Jaguar that rank in priority to certain security interests, trusts, liens, charges and encumbrances. These charges, include (i) the Administration Charge to secure amounts owing to the Monitor, its counsel, Jaguar's counsel and financial advisor, counsel to the Special Committee and the Ad Hoc Committee's counsel and financial advisor, up to a maximum of $5,000,000 (a $500,000 first ranking charge (the "**Primary Administration Charge**") and a $4,500,000 fourth ranking charge (the "**Subordinated Administration Charge**")); and (ii) the Directors' Charge to secure the indemnity created under the Initial Order in favour of the directors and officers of Jaguar, up to a maximum of $150,000 which charge ranks second to the Primary Administration Charge. These new charges rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, including (except with respect to the Subordinated Administration Charge) any security granted by the Corporation to secure the obligations under the Renvest Facility prior to the date of the Initial Order (the "**Renvest Security**") or the Encumbrances, if any, ranking in priority to the Renvest Security.

Listing of the Common Shares

The Existing Shares are listed on the TSX. It is a condition to the implementation of the Plan that the New Common Shares shall have been conditionally approved for listing on the TSX, the TSX-V or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders without any vote or approval of the Existing Shareholders, subject only to receipt of customary final documentation, as of the Implementation Date.

Claims Procedure Order

On December 23, 2013, the Corporation obtained the Claims Procedure Order, which provides for, among other things, the establishment of a claims procedure for the identification, quantification and determination of certain claims against the Corporation. The Claims Procedure Order is attached as Appendix "E" to this Circular.

Under the terms of the Claims Procedure Order, January 22, 2014 at 5:00 p.m. is the applicable Claims Bar Date for filing Claims (other than Restructuring Period Claims) for voting purposes and distribution purposes in connection with the Plan. The Monitor will assist the Corporation in the conduct of the claims process pursuant to the Claims Procedure Order.

Neither the Noteholders nor the Indenture Trustees shall be required to file proofs of claim in respect of any Claims pertaining to the Notes. The Claims Procedure Order establishes a separate procedure for the identification, quantification and determination of the Noteholders Allowed Claim, which will be undertaken by the Indenture Trustees, the Corporation, the Monitor and the Ad Hoc Committee.

Meeting Order

On December 23, 2013, the Court also granted the Meeting Order authorizing and directing the Corporation to call the Meeting and establishing procedures for the vote in respect of the Plan. The Meeting Order authorizes and directs the Corporation to call a meeting of the Affected Unsecured Creditors on January 28, 2014. The Meeting Order also establishes, among other things, procedures for proxies and voting and certain procedures related to subscription in the Share Offering. The Meeting Order is attached as Appendix "D" to this Circular.

Court Approval and Implementation of the Plan

Following the Meeting, and provided that the Plan is approved by the Required Majority at the Meeting, the Corporation intends to apply to the Court for the Sanction Order. The hearing in respect of the Sanction Order is scheduled to take place on January 30, 2014 at 10:00 a.m. (Toronto time) or soon thereafter as the motion can be heard at the courthouse at 330 University Avenue, Toronto, Ontario, Canada. At the hearing, any person who wishes to participate, or to be represented, or to present evidence or argument, may do so, subject to filing with the Court and serving upon the solicitors for the parties prescribed in the Meeting Order at the times prescribed in the Meeting Order, a notice of appearance and satisfying any other requirements of the Court as provided in, and on the timelines required by, the Meeting Order or otherwise. At the hearing for the Sanction Order, the Court will consider, among other things, the fairness of the terms and conditions of the Plan and the approval of the Plan by the Affected Unsecured Creditors. See "*Description of the Plan – Sanction Order and Implementation of the Plan*" below for a summary of the proposed Sanction Order.

Prior to the hearing on the Sanction Order, the Court will be informed that certain New Common Shares to be issued pursuant to the Plan will be issued in reliance upon the exemption from registration under the 1933 Act provided by Section 3(a)(10) thereunder and applicable Canadian securities law exemptions, upon the Court's approval of the Plan and the Court's approval of the fairness of the Exchange after a fairness hearing, in each case, in accordance with the provisions of Section 3(a)(10) of the 1933 Act. The Court may approve the Plan in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

Assuming the Sanction Order is granted and the other conditions set forth in "*Description of the Plan – Conditions to the Plan Becoming Effective*" are satisfied or waived, it is anticipated that the following will occur substantially simultaneously: (a) the various documents necessary to consummate the Plan (including the Monitor's Certificate) will be executed and delivered; (b) Articles of Reorganization will be filed under the OBCA; and (c) the transactions provided for in the Plan will occur in the order indicated. See "*Description of the Plan – Implementation Date Transactions*".

IMPACT OF THE PLAN

The Plan is expected to substantially improve the capital structure of Jaguar by reducing the amount of outstanding net debt by approximately $268.5 million (plus accrued interest) on a consolidated basis and providing up to $50 million of additional liquidity through the Share Offering. With a normalized capital structure, Jaguar will benefit from a reduction in its annual interest cost of approximately $13.1 million. Management of Jaguar believes that the Plan will enable Jaguar to continue to pursue its business plan.

Management of the Corporation and the Board believe that the Plan will provide financial stability and improve the future economic viability of the Jaguar Group's business in the current economic environment. The successful implementation of the Plan is expected to be a significant positive step in assisting the Corporation in stabilizing its operations. See "*Note Regarding Forward-Looking Information and Statements*", "*Description of the Plan*" and "*Risk Factors*".

Based on the current price of gold and the current level of expenditures (before debt service), Jaguar and its Subsidiaries anticipate, based on its forecasts, that Jaguar will, absent the implementation of the Plan, cease to have sufficient cash resources to continue operations during the first quarter of the financial year beginning on January 1, 2014.

The following table shows the effect of the Plan on Jaguar's consolidated capital structure:

Pre-Plan & Pro Forma Capital Structure

(All figures in $ millions except number of Common Shares)

	As at September 30, 2013	Adjustment	Pro Forma
Bank Indebtedness	15.9	-	15.9
Renvest Facility (Drawn)	30.0	-	30.0
Vale Note	8.2	-	8.2
4.5% Convertible Notes	165.0	(165.0)	-
5.5% Convertible Notes	103.5	(103.5)	-
Total Debt	**322.7**	**(268.5)**	**54.2**
Less: Cash and Cash Equivalents[(1)]	(18.2)	(50.0)	(68.2)
Total Net Debt	**304.5**	**(318.5)**	**(14.0)**
Number of Common Shares Outstanding[(2)]	86.4	24.7	111.1

Notes:

(1) Pro forma gross proceeds from Share Offering prior to any transaction fees and expenses.

(2) Pro forma Common Shares outstanding based on extinguishment of Notes (including accrued interest) into Common Shares.

SUPPORT AGREEMENT

As of the date of this Circular, Noteholders holding approximately 95% of the 4.5% Convertible Notes and 89% of the 5.5% Convertible Notes in the aggregate have signed the Support Agreement thereby agreeing to support the Plan and vote their Notes (including accrued and unpaid interest) in favour of the Plan Resolution at the Meeting.

Each Consenting Noteholder has entered into the Support Agreement pursuant to which, among other things, each such Consenting Noteholder committed that:

- such Consenting Noteholder will support the Plan by, among other things: (a) voting or causing to be voted all of the Notes legally or beneficially owned or controlled by it and indicated on its signature page to the Support Agreement or any Notes acquired after the date of the Support Agreement in favour of the Plan (and against any matter or transaction that, if approved, could reasonably be expected to delay, challenge, hinder or frustrate the consummation of the Plan); (b) supporting the approval of the Plan by the Court on terms consistent with the Support Agreement as promptly as practicable; (c) executing any and all documents and performing any and all commercially reasonable acts required by the Support Agreement to satisfy its obligations thereunder; (d) consenting to a stay of existing and potential defaults under the Notes; (e) agreeing that any interest coming due under the Notes before the Implementation Date shall not be paid in cash to the Noteholders by the Corporation but shall instead comprise part of the Noteholder Claims as at the Implementation Date and treated as set out in the term sheet attached to the Support Agreement; and (f) not supporting any other Noteholder in taking any enforcement action in respect of the Notes;

- such Consenting Noteholder, subject to certain exceptions, will not sell, transfer, assign or loan its Notes; and

- such Consenting Noteholder will not, except with the consent of the Corporation, solicit, discuss or negotiate, directly or indirectly, any alternative transaction to the Plan and Share Offering with any person other than the Corporation.

The Support Agreement provides that Jaguar may solicit inquiries or proposals regarding a transaction that is alternative to the Plan (an "**Alternative Transaction**") provided that the Corporation may not, without the knowledge and consent of the Consenting Noteholders: (i) participate in any substantive discussions or negotiations with any person regarding any Alternative Transaction; (ii) accept, approve, endorse or recommend or propose publicly to accept, approve, endorse or recommend any Alternative Transaction; or (iii) enter into or publicly propose to enter into any agreement in respect of any

Alternative Transaction; provided, however that Jaguar's Board of Directors retains the right to support an Alternative Transaction if, after receiving advice from its advisors and consulting with counsel to the Ad Hoc Committee, it determines that: (A) such Alternative Transaction would result in: (1) the payment of all amounts due in respect of the Notes in full in cash on or in connection with implementation of such Alternative Transaction; or (2) another transaction more favourable to Jaguar and its stakeholders (including the Noteholders) than the Plan; and (B) the support of such Alternative Transaction would be necessary for compliance with the fiduciary duties of the Jaguar Board.

The support obligations of the Consenting Noteholders under the Support Agreement are subject to, among other things, certain conditions having been satisfied or waived, if applicable, prior to the Voting Deadline (which conditions may be waived by the Majority Consenting Noteholders), including:

- the Initial Order, the Plan and the proposed Sanction Order, and all other material filings by or on behalf of the Corporation in court proceedings in respect of the Plan, shall have been filed in a form agreed to by the Corporation and counsel to the Ad Hoc Committee, acting reasonably;

- each of the Credit Agreement (and the other Credit Documents) and the Brazilian Credit Agreements shall have been amended (including, without limitation, by extending the applicable maturity dates) on terms acceptable to the Majority Backstop Parties;

- the Majority Consenting Noteholders shall be satisfied, in their sole discretion, with the results of due diligence concerning the Corporation, the Subsidiaries and their businesses;

- the Corporation and the Subsidiaries shall have complied in all material respects with each covenant in the Support Agreements that is to be performed on or before the date that is three business days before the Voting Deadline; and

- there shall not exist as of that date any Material Adverse Change, including a circumstance in which the 3-trading day trailing average spot gold price on the London AM fix falls below $1,200 per ounce 7 days prior to the Implementation Date.

The consummation of the Plan under the Support Agreement is subject to, among other things, certain conditions having been satisfied, or waived, if applicable, prior to the Implementation Date (which conditions may be waived, in whole or in part, jointly by the Majority Consenting Noteholders and the Corporation), including:

- (i) the Plan shall have been approved by the applicable stakeholders as and to the extent required by the Court or otherwise; (ii) the Plan shall have been approved by the Court and the Sanction Order shall have been entered by the Court in a form consistent with the Support Agreement on or prior to January 30, 2014; (iii) by January 22, 2014, the Corporation, after consulting with its legal and financial advisors shall have been satisfied that the Plan will proceed to completion before the Outside Date; and (iv) the Implementation Date shall have occurred no later than the Outside Date;

- all required approvals and filings shall have been obtained or made, as applicable, on terms satisfactory to the Majority Consenting Noteholders and the Corporation, each acting reasonably and in good faith which approvals shall include approvals and consents of certain stakeholders to Jaguar and the Subsidiaries; and

- the Backstop Agreement shall be in full force and effect and shall not have been terminated.

The obligations of the Consenting Noteholders to complete the Plan are subject to, among other things, certain conditions having been satisfied prior to the Implementation Time (which conditions may be waived, in whole or in part, by the Majority Consenting Noteholders), including:

- there shall not have occurred any Material Adverse Change;

- the Corporation and the Subsidiaries shall have complied in all material respects with each covenant in the Support Agreement (including, among others, the covenant that the New Common Shares (including the Offered Shares) shall be conditionally approved for trading on the TSX or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders, subject only to receipt of customary final documentation) and

the representations and warranties of each of the Corporation and the Subsidiaries shall be true and correct (except to the extent given as of a specified date or as they may be affected by the occurrence of events or transactions contemplated and permitted by the Support Agreement);

- the composition and size of the Board of Directors of Jaguar as of the Implementation Date shall be satisfactory to the Majority Backstop Parties;

- all existing options, warrants or other rights to purchase Common Shares, and the Shareholder Rights Plan, shall have been extinguished and cancelled;

- the terms of any management incentive plan shall be acceptable to the Majority Backstop Parties; and

- all senior officer and employee employment agreements shall have been modified to reflect the revised capital structure of Jaguar, including, without limitation, to provide that the Plan does not constitute a change of control under such agreements and no change of control payments are owing or payable in connection with the Plan.

The Support Agreement and the obligations of Jaguar and the Consenting Noteholders set out in the Support Agreement shall terminate upon, among other things, any of the following events:

- the Majority Consenting Noteholders can terminate where, among other things: (i) the milestones set out in the Support Agreement have not been met or waived or the Implementation Date has not occurred on or before the Outside Date; (ii) the Corporation or any of the Subsidiaries enter into an agreement with respect to an Alternative Transaction; (iii) the breach by Jaguar of any material representation, warranty, covenant or other material obligation provided for in the Support Agreement; or (iv) the Backstop Agreement has been terminated;

- the Corporation can terminate where, among other things: (i) the Implementation Date has not occurred on or before the Outside Date; (ii) if at any given time the Consenting Noteholders represent less than 66⅔% of the aggregate principal amount of outstanding Notes; (iii) the Backstop Agreement has been terminated; (iv) the Corporation or any of the Subsidiaries enter into an agreement with respect to an Alternative Transaction; or (v) the Corporation, after consultation with its legal and financial advisors is not satisfied by January 22, 2014 that the Plan will proceed to completion on or before the Outside Date; or

- the mutual agreement of the Corporation and the Majority Consenting Noteholders.

If the Support Agreement is amended, modified or supplemented or any matter therein is approved, consented to or waived such that the Outside Date is extended, or the effect of any such amendment materially adversely changes the fundamental terms of the transaction described therein as they relate to Noteholders, then any Consenting Noteholder that objects to any such amendment, modification, supplement, approval, consent or waiver may in certain circumstances terminate its obligations under the Support Agreement upon compliance with certain notice requirements described in the Support Agreement.

Under the Support Agreement, the Corporation has agreed to pay the reasonable fees and expenses of the advisors to the Ad Hoc Committee and the reasonable accrued expenses of any of the Consenting Noteholders up to an amount agreed to by the Majority Backstop Parties on a date agreed to by the Majority Backstop Parties and the Corporation.

For a summary of the terms of the Backstop Agreement, see "*Description of the Plan – Backstop Agreement*".

DESCRIPTION OF THE PLAN

The following is a summary only of the Plan. This summary is qualified in its entirety by the full text of the Plan. For complete details, reference should be made to the Plan, which is attached as Appendix "B" to this Circular.

Purpose of the Plan

The purpose of the Plan is to facilitate the continuation of the business of the Jaguar Group as a going concern, address certain liabilities of the Corporation, and effect a recapitalization and financing transaction on an expedited basis to provide a stronger financial foundation for the Jaguar Group going forward and additional liquidity to allow the Jaguar Group to continue to work towards its operational and financial goals from and after the Implementation Date in the expectation that

all Persons with an economic interest in the Jaguar Group will derive a greater benefit from the implementation of the Plan than would otherwise result. See "*Background to and Reasons for the Plan*".

Plan Steps

The Plan contemplates a series of steps leading to an overall capital reorganization of Jaguar. These steps include, among other things:

(a) the Consolidation of the Existing Shares;

(b) in full settlement of the Notes and Indentures, the issuance to Noteholders of their Pro Rata Share of:

(i) Unsecured Creditor Common Shares (representing approximately 12.6% of the post-Consolidation Common Shares outstanding following implementation of the Plan);

(ii) Early Consent Shares, if such Noteholder is an Early Consenting Noteholder (representing approximately 4.5% of the post-Consolidation Common Shares outstanding following implementation of the Plan);

(iii) Accrued Interest Offering Shares, if such Noteholder is a Participating Eligible Investor or a Funding Backstop Party, (representing approximately 8% of the post-Consolidation Common Shares outstanding following implementation of the Plan), provided that in no event shall a Participating Eligible Investor or a Funding Backstop Party receive a greater number of Accrued Interest Offering Shares than Offering Shares (including Backstopped Shares, as applicable) received by such Person. Any Accrued Interest Offering Shares remaining after the allocation of the Accrued Interest Offering Shares to Participating Eligible Investors and Funding Backstop Parties pursuant to the immediately preceding sentence shall be reallocated among those Participating Eligible Investors and/or Funding Backstop Parties who have received less Accrued Interest Offering Shares than Offering Shares (including Backstopped Shares, as applicable) on a *pro rata* basis based on Accrued Interest Claims (calculated as at the Record Date); and

(iv) Backstop Commitment Shares, if such Noteholder is a Funding Backstop Party (representing approximately 10.0% of the post-Consolidation Common Shares outstanding following implementation of the Plan);

(c) the issuance to General Unsecured Creditors of their Pro Rata Share of Unsecured Creditor Common Shares (which shares issued to all Affected Unsecured Creditors pursuant to the Plan, represent, in the aggregate, approximately 12.6% of the post-Consolidation Common Shares outstanding following implementation of the Plan);

(d) the issuance of the Offering Shares to be issued as part of the Share Offering to Participating Eligible Investors and Funding Backstop Parties and, with the consent of the Monitor and the Majority Backstop Parities, General Unsecured Creditors with Allowed Affected Unsecured Claims, if any, who, subject to satisfying certain requirements, may be eligible to participate in the Share Offering pursuant to the terms of the Plan (representing approximately 63.9% of the post-Consolidation Common Shares outstanding following implementation of the Plan); and

(e) Existing Shareholders will hold approximately 0.9% of the post-Consolidation Common Shares outstanding following implementation of the Plan.

Conditions to the Plan Becoming Effective

The conditions to the Plan being effective include the following:

(a) the Court shall have granted the Sanction Order, the operation and effect of which shall not have been stayed, reversed or amended, and in the event of an appeal or application for leave to appeal, final determination shall have been made by the applicable appellate court;

(b) no Applicable Law shall have been passed and become effective, the effect of which makes the consummation of the Plan illegal or otherwise prohibited;

(c) all necessary judicial consents and any other necessary or desirable third party consents, if any, to deliver and implement all matters related to the Plan shall have been obtained;

(d) all documents necessary to give effect to all material provisions of the Plan (including the Sanction Order, the Plan, the Share Offering and the Consolidation and all documents related thereto) shall have been executed and/or delivered by all relevant Persons in form and substance satisfactory to Jaguar and the Majority Consenting Noteholders;

(e) all required stakeholder, regulatory and Court approvals, consents, waivers and filings shall have been obtained or made, as applicable, on terms satisfactory to the Majority Consenting Noteholders and Jaguar, each acting reasonably and in good faith;

(f) all senior officer and employee employment agreements shall have been modified to reflect the revised capital structure of Jaguar following implementation of the Plan, including, without limitation, to provide that the implementation of the Plan does not constitute a change of control under such employment agreements, and no change of control payments shall be owing or payable to Jaguar's officers or employees in connection with the implementation of the Plan;

(g) the DSU Plan and the RSU Plan shall have been addressed in a manner acceptable to Jaguar and the Majority Consenting Noteholders;

(h) the Articles of Reorganization shall have been filed under the OBCA;

(i) all material filings under Applicable Laws shall have been made and any material regulatory consents or approvals that are required on connection with the Plan shall have been obtained and in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated;

(j) the New Common Shares shall have been conditionally approved for listing on the TSX, the TSX-V or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders without any vote or approval of the Existing Shareholders, subject only to receipt of customary final documentation;

(k) all conditions to implementation of the Plan set out in each of the Support Agreement and the Backstop Agreement shall have been satisfied or waived in accordance with the provisions thereof and neither the Backstop Agreement nor the Support Agreement shall have been terminated; and

(l) the issuance of the Unsecured Creditor Common Shares and Early Consent Shares in the Exchange shall be exempt from registration under the US Securities Act pursuant to the provisions of Section 3(a)(10) of the 1933 Act.

See "*Support Agreement*" for a complete description of the conditions to the Consenting Noteholders' support of the Plan. See "*Description of the Plan - Backstop Agreement*" for a complete description of the conditions to the Backstop Parties' Backstop Commitments under the Share Offering.

Implementation Date Transactions

Commencing at the Implementation Time, the following events or transactions will occur, or be deemed to have occurred and be taken and effected, in the following order in five minute increments and at the times set out below (or in such other manner or order or at such time or times as Jaguar and the Majority Consenting Noteholders may agree, acting reasonably), without any further act or formality required on the part of any Person, except as may be expressly provided in the Plan:

(a) Articles of Reorganization shall be filed under the OBCA to amend the articles of Jaguar to effect the Consolidation of the issued and outstanding Common Shares on the basis of one post-consolidation Common Share for each Consolidation Number of Common Shares outstanding immediately prior to the Consolidation. Any fractional interests in the consolidated Common Shares will, without any further act or formality, be cancelled without payment of any consideration therefor. Following the completion of such consolidation, the stated capital of the Common Shares shall be equal to the stated capital of the Common Shares immediately prior to consolidation.

(b) The following shall occur concurrently:

(i) the Rights and the Shareholder Rights Plan shall be cancelled and shall be deemed to be cancelled without the need for any repayment of capital thereof or any other compensation therefor and shall cease to be of any further force or effect;

(ii) any and all Existing Share Options and the Stock Option Plan shall be cancelled and shall be deemed to be cancelled without the need for any repayment of capital thereof or any other compensation therefor and shall cease to be of any further force or effect; and

(iii) if the DSU/RSU Notice is delivered, the DSU Plan and/or the RSU Plan as set out in the DSU/RSU Notice shall be cancelled and shall be deemed to be cancelled without the need for any repayment of capital thereof or any other compensation therefor and shall cease to be of any further force or effect; and

(iv) all Equity Claims shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred without any consideration or distributions therefor.

(c) In exchange for, and in full and final settlement of, the Noteholders Allowed Claims as at the Implementation Date, Jaguar shall issue:

(i) to each Noteholder, its Pro Rata Share of Unsecured Creditor Common Shares;

(ii) to each Early Consenting Noteholder, its Pro Rata Share of the Early Consent Shares;

(iii) to each Participating Eligible Investor and Funding Backstop Party, the number of Accrued Interest Offering Shares such Participating Eligible Investor or Funding Backstop Party is entitled to receive in accordance with the Plan; and

(iv) to each Funding Backstop Party, its Pro Rata Share of the Backstop Commitment Shares,

which New Common Shares shall be distributed in the manner described in the Plan. Upon issuance of these New Common Shares, the Noteholders Allowed Claims shall and shall be deemed to be irrevocably and finally extinguished and such Noteholder shall have no further right, title or interest in and to the Notes or its Noteholders Allowed Claim.

(d) The Notes and the Indentures will not entitle any Noteholder to any compensation or participation other than as expressly provided for in the Plan and shall be cancelled and will thereupon be null and void, and the obligations of the Corporation thereunder or in any way related thereto shall be satisfied and discharged, except to the extent expressly set forth in Section 6.07 of the Indentures which shall remain in effect until two months following the Implementation Date or such later date agreed to by the Corporation, the Monitor, the Indenture Trustees and the Majority Consenting Noteholders.

(e) In exchange for, and in full and final settlement of, its Affected Unsecured Claim, Jaguar shall issue to each General Unsecured Creditor its Pro Rata Share of the Unsecured Creditor Common Shares which Unsecured Creditor Common Shares shall be distributed in the manner described in the Plan.

(f) The following shall occur concurrently:

(i) Jaguar shall issue to each Participating Eligible Investor its Participating Eligible Investor Shares in consideration for its Electing Eligible Investor Funding Amount; and

(ii) Jaguar shall issue to each Funding Backstop Party the number of Backstopped Shares such Funding Backstop Party is entitled to receive in consideration for such Funding Backstop Party's Backstop Payment Amount.

(g) The releases and injunctions referred to in Section 11 of the Plan shall become effective.

(h) The directors of Jaguar immediately prior to the Implementation Time shall be deemed to have resigned and the New Board shall be deemed to have been appointed.

(i) The Escrow Agent shall be deemed to be holding the Electing Eligible Investor Funding Amounts and the Backstop Payment Amounts for Jaguar and shall release from escrow such amounts to Jaguar in accordance with the Escrow Agreement.

(j) Jaguar shall pay: (i) all of the reasonable fees and expenses of the Advisors for services rendered to the Ad Hoc Committee up to and including the Implementation Date, (ii) the reasonable accrued and unpaid third party expenses of any of the Consenting Noteholders up to an amount agreed to by the Majority Backstop Parties; (iii) the fees and expenses of Jaguar's financial advisors in connection with the transactions contemplated under the Plan pursuant to their engagement letter, as amended, with Jaguar, subject to a maximum amount agreed to by the Majority Backstop Parties; (iv) the reasonable fees and expenses of Jaguar's Canadian and U.S. legal advisors and legal advisor to the Special Committee; and (v) amounts owing to the Trustees under Section 6.07 of the 4.5% Convertible Note Indenture and the 5.5% Convertible Note Indenture.

Treatment of Claims

Classification of Affected Unsecured Claims

Affected Unsecured Creditors will vote as one class of creditors at the Meeting.

Noteholders

Under the Plan, Noteholders will receive their Pro Rata Share of the Unsecured Creditor Common Shares (representing 12.6% of the Common Shares outstanding following the implementation of the Plan) and each Noteholder that is an Early Consenting Noteholder will receive its Pro Rata Share of the Early Consent Shares (representing 4.5% of the Common Shares outstanding following completion of the Plan).

General Unsecured Creditors

Under the Plan, General Unsecured Creditors will receive their Pro Rata Share of the Unsecured Creditor Common Shares (which shares issued to all Affected Unsecured Creditors pursuant to the Plan, represent, in the aggregate, approximately 12.6% of the Common Shares outstanding following implementation of the Plan). In certain circumstances requiring the consent of the Monitor and the Majority Backstop Parties, General Unsecured Creditors that satisfy certain requirements (including delivery of a Rep Letter) may be eligible to participate in the Share Offering, in which case, such General Unsecured Creditor will be treated as an Eligible Investor under the Plan for the purposes of Offering Shares and each Eligible Investor's Subscription Privilege will be adjusted accordingly.

Electing Eligible Investors

Under the Plan, Eligible Investors shall have the right, but not the obligation, to irrevocably elect to participate in the Share Offering by electing, in accordance with the provisions of the Plan, to subscribe for and purchase from Jaguar up to its Pro Rata Share of the Offering Shares (the "**Subscription Privilege**"), in the aggregate, representing 63.9% of the issued and outstanding Common Shares after giving effect to the Plan, with such subscription to be conditioned upon the implementation of the Plan and effective on the Implementation Date.[2]

Each Participating Eligible Investor and/or Funding Backstop Party will also receive its Pro Rata Share of Accrued Interest Offering Shares (representing 8% of the Common Shares outstanding following completion of the Plan). No Participating Eligible Investor and/or Funding Backstop Party will in any event receive a greater number of Accrued Interest Offering Shares than Offering Shares (including Backstopped Shares, as applicable), provided that any Accrued Interest Offering Shares remaining after the allocation of the Accrued Interest Offering Shares to Participating Eligible Investors and Funding Backstop Parities shall be reallocated among Participating Eligible Investors and/or Funding Backstop Parties who have recovered less Accrued Interest Offering Shares than Offering Shares (including Backstopped Shares, as applicable) on *a pro rata* basis based on Accrued Interest Claims (calculated as at the Record Date).

An Electing Eligible Investor that is also a Backstop Party may elect, in accordance with the Election Form, to have its Backstop Commitment reduced by the total funds that such Electing Eligible Investor deposits into escrow on or before the Electing Eligible Investor Funding Deadline in respect of Offering Shares that such Electing Eligible Investor subscribes

[2] The Plan also contemplates that in certain circumstances, with the consent of the Monitor and the Majority Backstop Parties, General Unsecured Creditors who hold Allowed Affected Unsecured Claims may be eligible to participate in the Share Offering.

for pursuant to the exercise of all or part of its Subscription Privilege, provided that such Backstop Commitment shall not be reduced below zero (the "**Backstop Commitment Reduction Election**", with a Backstopper so electing being a "**Commitment Reduction Electing Backstopper**").

Following the issuance of the Sanction Order, but in any event by 11:00 a.m. on the tenth Business Day prior to the expected Implementation Date, Jaguar will inform each Electing Eligible Investor of (i) the expected Implementation Date, (ii) the number of Offering Shares that, subject to compliance with the Plan, will be acquired by such Electing Eligible Investor; and (iii) the amount of funds (in cash) required to be deposited in escrow with the Escrow Agent by such Electing Eligible Investor (the "**Electing Eligible Investor Funding Amount**") by the Electing Eligible Investor Funding Deadline.

Each Electing Eligible Investor must deposit its Electing Eligible Investor Funding Amount in escrow with the Escrow Agent so that it is received by the Escrow Agent by no later than Electing Eligible Investor Funding Deadline. Failure to deposit Electing Eligible Investor Funding Amount by the Electing Eligible Investor Funding Deadline will result in the return of any funds deposited and such Eligible Investor being deemed to have ceased to be an Electing Eligible Investor and such former Electing Eligible Investor's subscription for Offering Shares pursuant to the Subscription Privilege and right to receive Accrued Interest Offering Shares shall be null and void. An Electing Eligible Investor that complies with the procedures set out in the Plan will participate in the Share Offering and will be deemed to have subscribed for Offering Shares in an amount equal to the Electing Eligible Investor Funding Amount deposited in escrow with the Escrow Agent by such Participating Eligible Investor.

Backstop Parties

As soon as practicable and in any event no later than 5:00 p.m. (Toronto time) one Business Day following the Electing Eligible Investor Funding Deadline, Jaguar shall inform each Backstop Party (other than a Backstop Party in respect of whom the Backstop Agreement has been terminated) of (i) the total number of Offering Shares not validly subscribed for pursuant to the Subscription Privilege (the "**Backstopped Shares**"), (ii) the number of Backstopped Shares to be acquired by such Backstop Party pursuant to its Backstop Commitment, based upon its Pro Rata Share of the Backstopped Shares, and (iii) the amount of funds (by way of cash or a letter of credit) required to be deposited in escrow with the Escrow Agent by such Backstop Party to purchase such Backstopped Shares (the "**Backstop Payment Amount**") by no later than 2:00 p.m. (Toronto time) on the day which is five Business Days prior to the expected Implementation Date (the "**Backstop Funding Deadline**").

Each Backstop Party (other than a Backstop Party in respect of whom the Backstop Agreement has been terminated) shall deliver to the Escrow Agent, not later than 2:00 p.m. (Toronto time) on the Backstop Funding Deadline, either:

(a) cash in an amount equal to the full amount of such Backstop Party's Backstop Payment Amount; or

(b) a letter of credit, in form and substance reasonably satisfactory to Jaguar, having a face amount equal to such Backstop Party's Backstop Payment Amount, and issued by a financial institution having an equity market capitalization of at least $10,000,000,000 and a credit rating of at least A+ from Standard & Poor's or A1 from Moody's,

in each case: (1) to be held in escrow in accordance with the Escrow Agreement until all conditions to the Share Offering have been satisfied or waived in accordance with the Backstop Agreement and with irrevocable instructions to use such cash or letter of credit, as applicable, to the extent required to enable such Backstop Party to comply with its Backstop Purchase Obligation; and (2) provided for greater certainty that, if a Backstop Party (A) has exercised all or part of its Subscription Privilege and has paid its Electing Eligible Investor Funding Amount on or before the Electing Eligible Investor Funding Deadline, and (B) is a Commitment Reduction Electing Backstopper whose Backstop Commitment has been reduced to zero, such Backstop Party shall not be required to deliver cash or a letter of credit to the Escrow Agent.

Each Funding Backstop Party shall be deemed to have subscribed for its Pro Rata Share of the Backstopped Shares.

In the event of a Backstop Default/Termination, Jaguar shall, in accordance with the Backstop Agreement, provide the applicable Backstop Parties or such other parties acceptable to the Backstop Parties and Jaguar under the Backstop Agreement that execute a Backstop Consent Agreement with an opportunity to assume the obligations (and rights) of a Defaulting Backstop Party, Objecting Backstop Party, Breaching Backstop Party or Non-Delivering Backstop Party, as applicable, in each case in accordance with and subject to the terms and conditions of the Plan and the Backstop Agreement. Any Assuming Backstop Party shall comply with its obligations in connection with its Assumed Backstop Commitment and shall be entitled to receive the applicable Offered Shares under the Plan in connection with such Assumed

Backstop Commitment, subject to such Assuming Backstop Party having complied with its obligations under the Plan and the Backstop Agreement and such other terms and conditions under the Plan and the Backstop Agreement.

Under the Plan, each Funding Backstop Party will also receive its Pro Rata Share of the Backstop Commitment Shares (representing 10.0% of the Common Shares outstanding following completion of the Plan). As part of the Plan, all of the outstanding Common Shares (including the Backstop Commitment Shares) will be consolidated on the basis of one post-Consolidation Common Share for each Consolidation Number of pre-Consolidation Common Shares outstanding. The Existing Shares will also be consolidated on the same basis.

Application of Plan Distributions

All amounts paid or payable under the Plan on account of the Affected Unsecured Claims (including, for greater certainty, any securities received under the Plan) will be applied (i) first, in respect of the principal amount of the obligations to which such Affected Unsecured Claims relate, and (ii) second, if such principal amounts have been fully repaid, in respect of any accrued but unpaid interest on such obligations. In the event that a Funding Backstop Party is not a Noteholder, such Funding Backstop Party shall receive its Backstop Commitment Shares as a fee.

Backstop Agreement

The obligations of the Backstop Parties under the Backstop Agreement are subject to, among other things, certain conditions having been satisfied prior to the Implementation Date (which conditions may be waived by the Majority Backstop Parties), including:

- the Backstop Parties shall have completed their due diligence with respect to the Share Offering on or before the date that is seven Business Days prior to the Implementation Date and such due diligence shall be satisfactory to the Backstop Parties in their sole discretion;

- the Corporation and the Subsidiaries shall have performed all of their material obligations under the Backstop Agreement and the Support Agreement;

- there shall not exist as of that date any Material Adverse Change; and

- giving effect to the Plan will not give rise to any material default or event of default under any material contract of the Corporation or the Subsidiaries.

The Backstop Agreement and the obligations of Jaguar and the Backstop Parties set out in the Backstop Agreement shall terminate upon, among other things, certain events, including:

- the Majority Backstop Parties can terminate where, among other things: (i) the Support Agreement has been terminated for any reason; (ii) the form of Rep Letter has not been agreed between the Backstop Parties and Jaguar by eight Business Days before the Election Deadline; (iii) the Share Offering is not complete on or before the Outside Date (or such other date as the Corporation and the Backstop Parties may agree in writing); (iv) the breach by Jaguar of any material representation, warranty, covenant or other material obligation provided for in the Backstop Agreement that, if capable of being cured, remains uncured for five Business Days after receipt of written notice from the Backstop Parties; (v) the occurrence of a Material Adverse Change; or (vi) if there are one or more Defaulting Backstoppers, Objecting Backstoppers or Breaching/Non-Delivering Backstoppers, and the Backstop Shortfall remaining after assumption of all or a part of the Backstop Commitment(s) of such Backstop Parties in accordance with the Plan is material; and

- the Corporation can terminate where among other things: (i) the Support Agreement has been terminated for any reason; (ii) if there are one or more Defaulting Backstoppers, Objecting Backstoppers or Breaching/Non-Delivering Backstoppers, and the Backstop Shortfall remaining after assumption of all or a part of the Backstop Commitment(s) of such Backstop Parties in accordance with the Plan is material; or (iii) with respect to a particular Backstop Party where such Backstop Party has breached any material representation, warranty, covenant or other material obligation provided for in the Backstop Agreement or has not delivered an executed Rep Letter to Jaguar by the Election Deadline or a representation or warranty made in the Rep Letter becomes untrue.

- Pursuant to the Backstop Agreement, a Backstop Party may, under certain circumstances, including where (1) the Backstop Agreement is amended or modified in a manner that: (x) materially adversely changes the fundamental

terms of the Share Offering as they relate to the Backstop Parties (including, without limitation, (i) with respect to the number of Offering Shares, Accrued Interest Offering Shares, Backstopped Shares or Backstop Commitment Shares to be provided to Participating Eligible Investors on the Implementation Date as a percentage of such shares to be issued; (ii) increases in the amount of the Backstop Commitment of an individual Backstop Party); or (iii) would have the effect of the Offered Shares not being conditionally approved for listing from the Implementation Date on the TSX or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders; or (y) extends the Outside Date, or (2) if a Backstop Party determines, acting reasonably, that it is unable to execute a Rep Letter, terminate its obligations under the Backstop Agreement upon written notice to the other parties thereto.

Use of Proceeds

The proceeds of the Share Offering will be approximately $50.0 million, of which approximately $42 million, after paying certain fees and expenses relating to the Plan, will be available to Jaguar to use in operations. Fees and expenses reducing the gross proceeds of the Share Offering relate to financial advisory fees, and legal, accounting and regulatory filing fees.

Expenses

The estimated fees, costs and expenses payable by Jaguar in connection with the completion of the Plan including, without limitation, financial advisory fees, filing fees, legal and accounting fees and printing and mailing costs are anticipated to be approximately $7.5 million.

Existing Shareholders

As at the date of this Circular, there were 86,396,356 Common Shares issued and outstanding. Pursuant to the Plan, following the issuance of the New Common Shares, all of the then outstanding Common Shares will be consolidated on the basis of one post-Consolidation Common Share for each Consolidation Number of Existing Shares outstanding. The New Common Shares will also be consolidated on the same basis. Following the consolidation, Existing Shareholders will hold, in the aggregate, approximately 1,000,000 Common Shares, representing approximately 0.9% of the Common Shares outstanding following the implementation of the Plan.

Option Holders

Upon implementation of the Plan, all Existing Share Options will be cancelled for no consideration.

Rights Holders

Upon implementation of the Plan, the Shareholder Rights Plan and all Rights granted and existing thereunder will be cancelled for no consideration. If the DSU/RSU Notice is delivered, the DSU Plan and/or the RSU Plan as set out in the DSU/RSU Notice shall be cancelled for no consideration.

Excluded Claims

The Plan provides for a class of excluded claims (the "**Excluded Claims**"), which, subject to Sections 12.2(c) and 13.1 of the Plan are not affected by the Plan. Excluded Claims consist of:

(a) any claims secured by any of the Charges;

(b) any Section 5.1(2) Director/Officer Claims;

(c) any claims that cannot be compromised pursuant to subsection 19(2) of the CCAA;

(d) any claims of the Subsidiaries against the Corporation;

(e) any Secured Claims;

(f) any Employee Priority Claims against the Corporation;

(g) any Crown Claims against the Corporation;

(h) the Indenture Trustees' claims under Section 6.07 of the 4.5% Convertible Note Indenture and the 5.5% Convertible Note Indenture, if any;

(i) any Post-Filing Claims;

(j) any claims of Persons who, at the Filing Date, are senior officers or employees of the Corporation, in respect of their employment arrangements or any termination of such arrangements; and

(k) the Renvest Claim.

Extinguishment of Claims

As of and from the Implementation Time and in accordance with the provisions of the Sanction Order, the treatment of Affected Unsecured Claims under the Plan (including Allowed Affected Unsecured Claims and Disputed Claims) shall be final and binding on the Corporation and all Affected Unsecured Creditors (and their respective heirs, executors, administrators, legal personal representatives, successors and assigns) and all Affected Unsecured Claims shall be released and discharged as against the Corporation and the Corporation shall thereupon be released from all Affected Unsecured Claims, other than the obligations of the Corporation to make payments in the manner and to the extent provided for in the Plan; provided, however, that such discharge and release shall be without prejudice to the right of a holder of a Disputed Claim to prove such Disputed Claim so that such Disputed Claim becomes an Allowed Affected Unsecured Claim entitled to receive consideration pursuant to the terms of the Plan.

Calculations

All cash payment amounts will be calculated to the nearest 1¢ ($0.01). Calculations and determinations made in accordance with the Plan and the Claims Procedure Order are final and binding.

Fractional Interests

No certificates representing fractional Common Shares will be allocated under the Plan, and fractional share interests will not entitle the owner thereof to vote or to any rights of a shareholder of Jaguar. Any legal, equitable, contractual and any other rights or claims (whether actual or contingent, and whether or not previously asserted) of any Person with respect to fractional Common Shares pursuant to the Plan will be rounded down to the nearest whole number without compensation therefor.

Share Capital of Jaguar after Implementation of the Plan

The authorized share capital of Jaguar following the implementation of the Plan will consist of an unlimited number of Common Shares. The holders of Common Shares will be entitled to receive dividends if, as and when declared by the Board, to one vote per Common Share at meetings of shareholders and, upon liquidation, to share equally in the remaining assets of Jaguar.

Allocation

New Common Shares issued in exchange for the Notes will be allocated first towards the repayment of the principal amount of the Notes and the balance, if any, towards the accrued and unpaid interest in respect of the Notes.

Waiver of Conditions

Any condition precedent set forth in Section 12.3, other than any statutory requirements regarding the voting, approval and sanctioning of the Plan pursuant to the provisions of the CCAA may only be waived by the Corporation with the written consent of the Majority Consenting Noteholders or the Majority Backstop Parties, as applicable.

Monitor's Certificate

Upon being advised in writing by counsel for the Corporation and counsel for the Ad Hoc Committee that the conditions precedent set forth in Section 12 of the Plan have been satisfied or waived in accordance with the terms of the Plan, the Monitor shall file with the Court a certificate stating that all conditions precedent of the Plan have been satisfied or waived in accordance with the Plan and that the Plan has been implemented.

Sanction Order and Implementation of the Plan

The Plan requires approval by the Court. Prior to the delivery of this Circular, Jaguar obtained the Meeting Order and Claims Procedure Order providing for the calling and holding of the Meeting and other procedural matters. Following the Meeting, the Corporation intends to apply to the Court for the Sanction Order. The hearing in respect of the Sanction Order

is scheduled to take place on January 30, 2014 at 10:00 a.m. (Toronto time) or soon thereafter at the courthouse at 330 University Avenue, Toronto, Ontario, Canada. See "*CCAA Proceeding - Court Approval and Implementation of the Plan*".

The Sanction Order shall, among other things, provide that:

- the Plan has been approved by the Required Majority entitled to vote at the Meeting in conformity with the CCAA; (ii) the Corporation acted in good faith and has complied with the provisions of the CCAA and the Orders made in the CCAA Proceedings in all respects; (iii) the Court is satisfied that the Corporation has not done nor purported to do anything that is not authorized by the CCAA; and (iv) the Plan and the transactions contemplated by it are fair and reasonable;

- the Plan (including the arrangements and releases set out therein) has been sanctioned and approved pursuant to Section 6 of the CCAA and will be binding and effective as herein set out on the Corporation, all Affected Unsecured Creditors, all holders of Equity Claims and all other Persons as provided for in the Plan or in the Sanction Order;

- subject to the performance by the Corporation of its obligations under the Plan, and except to the extent expressly contemplated by the Plan or the Sanction Order, all obligations or agreements to which the Corporation is a party immediately prior to the Implementation Time, will remain in full force and effect as at the Implementation Date, unamended except as they may have been amended by agreement of the parties subsequent to the Filing Date, and no Person who is a party to any such obligations or agreements shall, following the Implementation Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, option, dilution or other remedy) or make any demand under or in respect of any such obligation or agreement, by reason of: (i) any defaults or events of default arising as a result of the insolvency of Jaguar prior to the Implementation Date; (ii) any change of control of Jaguar arising from implementation of the Plan (except in respect of existing, written senior officer and employee employment agreements of Persons who remain senior officers and employees of Jaguar as of the Implementation Date and any payments due under such agreements, which may only be waived by the senior officers and employees who are parties to such agreements); (iii) the fact that Jaguar has sought or obtained relief under the CCAA or that the Plan has been implemented by Jaguar; (iv) the effect on Jaguar of the completion of any of the transactions contemplated by the Plan; (v) any compromises or arrangements effected pursuant to the Plan; or (vi) any other event(s) which occurred on or prior to the Implementation Date which would have entitled any Person to enforce rights and remedies, subject to any express provisions to the contrary in any agreements entered into with Jaguar after the Filing Date;

- the commencement or prosecution, whether directly, indirectly, derivatively or otherwise, of any demands, claims, actions, counterclaims, suits, judgment or other remedy or recovery as described in the Plan shall be permanently enjoined;

- the releases effected by the Plan are approved, and declared to be binding and effective as of the Implementation Date upon all Affected Unsecured Creditors, holders of Equity Claims, the Monitor and all other Persons affected by the Plan; and

- from and after the Implementation Date, all Persons with an Affected Unsecured Claim shall be deemed to (i) have consented and agreed to all of the provisions of the Plan as an entirety; and (ii) each Affected Unsecured Creditor shall be deemed to have granted, and executed and delivered to the Corporation all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the Plan in its entirety.

Assuming the Sanction Order is granted and the other conditions to closing contained in the Plan are satisfied or waived, it is anticipated that the following will occur substantially simultaneously: (a) the various documents necessary to consummate the Plan (including the Monitor's Certificate) will be executed and delivered; (b) Articles of Reorganization will be filed under the OBCA; and (c) the transactions provided for in the Plan will occur in the order indicated. See "*Description of the Plan – Implementation Date Transactions*".

Subject to the foregoing, it is expected that the Implementation Date will occur as soon as practicable after the requisite approvals have been obtained.

Procedures

Noteholders

DTC, as sole registered holder of the Notes, will surrender for cancellation certificates, if any, representing the Notes to the Indenture Trustees in exchange for New Common Shares as contemplated by the Plan. It is anticipated that delivery of the Unsecured Creditor Common Shares to the holders of Notes in exchange for the Notes will be effected through the facilities of DTC to Participant Holders who in turn will deliver the such Unsecured Creditor Common Shares to the Noteholders pursuant to standing instructions and customary practices.

All other New Common Shares to be issued to any Person, including;

- to the Early Consenting Noteholders in proportion to their Pro Rata Share in respect of Early Consent Shares,
- the New Common Shares to be allocated to Participating Eligible Investors and Funding Backstop Parties in proportion to their Pro Rata Share in respect of Accrued Interest Offering Shares,
- the New Common Shares to be allocated to Funding Backstop Parties in proportion to their Pro Rata Share in respect of Backstop Commitment Shares, and
- the New Common Shares to be allocated as part of the Share Offering,

will be delivered (at the election of Jaguar with the consent of the Monitor and the Majority Consenting Noteholders) either (i) by delivery of certificated Common Shares which will be issued and delivered in accordance with the instructions provided by the Noteholder in the Election Form or Rep Letter, as applicable, or (ii) by delivery of Direct Registration System Advices representing the Common Shares.

DRS is a system that will allow new holders of Common Shares to hold Common Shares in "book-entry" form without having a physical share certificate issued as evidence of ownership. Instead, Common Shares will be held in the name of such shareholders and registered electronically in Jaguar's records, which will be maintained by the Transfer Agent. The first time Common Shares are recorded under DRS (upon completion of the Plan), shareholders will receive an initial Direct Registration System Advice acknowledging the number of Common Shares held in their DRS account and any required legends applicable thereto. Anytime that there is movement of Common Shares into or out of Jaguar shareholder's DRS account, an updated Direct Registration System Advice will be mailed. Shareholders may request a statement at any time by contacting the Transfer Agent or by accessing their account online at www.computershare.com/investorcentrecanada. There is no fee to participate in DRS and dividends, if any, will not be affected by DRS.

Noteholders should contact their broker or other intermediary for further information on how to obtain their New Common Shares.

Upon receipt of and in accordance with written instructions from the Monitor, the Indenture Trustees shall instruct DTC to, and DTC shall: (i) establish an escrow position representing the respective positions of the Noteholders as of the Implementation Date for the purpose of making distributions to the Noteholders on and after the Implementation Date; and (ii) block any further trading in the Notes, effective as of the close of business on the Distribution Record Date immediately prior to the Implementation Date, all in accordance with the customary practices and procedures of DTC.

Unless a securities law legend is not required by the 1933 Act, the Direct Registration System Advices and share certificates delivered pursuant to the Plan shall have legends affixed thereon in the form set out in the applicable Rep Letter.

General Unsecured Creditors

The delivery of New Common Shares to General Unsecured Creditors in consideration for their Affected Unsecured Claims will be made (at the election of Jaguar with the consent of the Monitor and the Majority Consenting Noteholders) either: (i) by delivery of a Direct Registration System Advice to each of the General Unsecured Creditors; or (ii) by delivery of a share certificate to each of the General Unsecured Creditors, in either case based on registration and delivery instructions received by the Monitor pursuant to the Claims Procedure Order and the Meeting Order.

Electing Eligible Investors

Enclosed with this Circular, for use by Eligible Investors, is a Share Offering election form (the "**Election Form**"), which form includes (a) a confirmation by the Eligible Investor of its interest in participating in the Share Offering up to its Pro Rata Share of Offering Shares; (b) representations and warranties, or other satisfactory evidence as determined by the Corporation and its representatives in their sole discretion, that the Eligible Investor meets the requirements of an Eligible Investor for purposes of such participation, including, without limitation, the Rep Letter; (c) directions as to the registration and delivery of Offering Shares to be received by the Eligible Investor in connection with the Share Offering (assuming such Eligible Investor is a Participating Eligible Investor); and (d) and election to make the Backstop Commitment Reduction Election.

Registered Holders of the Notes as of the Noteholder Voting Record Date who wish to participate in the Share Offering are instructed to deliver such Election Form (or copies thereof) to the applicable Beneficial Noteholders to the extent such Registered Holder is not also the beneficial holder of such Notes.

In order to elect to participate in the Share Offering, an Eligible Investor must return, or cause to be returned, the duly executed Election Form (including the applicable Rep Letter) to Jaguar, or as Jaguar may direct, on or before the Election Deadline. Completed Election Forms should be returned to the Solicitation/Election Agent at One Liberty Plaza, 23rd Floor, New York, New York, USA 10006, in the enclosed envelope on or prior to the Election Deadline. The requirements regarding completion and execution of the Election Form must be strictly adhered to and close attention should be made to the instructions provided on the Election Form and the description provided herein.

CERTAIN REGULATORY MATTERS RELATING TO THE PLAN

Issuance and Resale of Securities Received under the Plan

United States

Status under U.S. securities laws

At the time of the implementation of the Plan, Jaguar will be a "foreign private issuer" as defined in Rule 3b-4 under the 1934 Act. It is a condition to implementation of the Plan that the New Common Shares shall have been conditionally approved for listing on the TSX, the TSX-V or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders. Jaguar does not currently intend to seek a listing for any securities on any stock exchange or quotation system in the United States.

Issuance and resale of Securities under U.S. securities laws

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to Securityholders in the United States. All Securityholders are urged to consult with their own legal counsel to ensure that any subsequent resale of securities issued to them under the Plan complies with applicable securities legislation.

The following discussion does not address the Canadian securities laws that will apply to the issuance to or the resale by Securityholders within Canada of securities of Jaguar. Securityholders reselling their securities in Canada must comply with Canadian securities laws, as outlined below under "*Certain Regulatory and Other Matters Relating to the Plan – Issuance and Resale of Securities Received under the Plan – Canada*".

Exemption from the registration requirements of the 1933 Act

The New Common Shares to be issued under the Plan will not be registered under the 1933 Act or the securities laws of any state of the United States.

The Unsecured Creditor Common Shares and Early Consent Shares to be issued to (i) Noteholders pursuant to the exchange of the Notes under the Plan and (ii) Affected Unsecured Creditors in exchange for Allowed Affected Unsecured Claims (together, the "**Exchange**") will be issued in reliance on the exemption from registration set forth in Section 3(a)(10) thereof on the basis of the approval of the Court, which will consider, among other things, the fairness of the Plan to the persons affected, and exemptions provided under the securities laws of each state of the United States in which Persons reside. Section 3(a)(10) of the 1933 Act exempts from registration the distribution of a security that is issued in exchange for outstanding securities and/or claims where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or by a governmental authority expressly authorized by law to grant such

approval. Accordingly, the Sanction Order will, if granted, constitute a basis for the exemption from the registration requirements of the 1933 Act with respect to the Unsecured Creditor Common Shares and Early Consent Shares issued pursuant to the Exchange under the Plan.

Persons who are not affiliates of Jaguar after the Plan may resell the Unsecured Creditor Common Shares and Early Consent Shares that they receive in the Exchange in the United States without restriction under the 1933 Act. A Person who will be an "affiliate" of Jaguar after the Plan will be subject to certain restrictions on resale imposed by the 1933 Act. As defined in Rule 144 under the 1933 Act, an "affiliate" of an issuer is a person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the issuer and may include certain officers and directors of such issuer as well as principal shareholders of such issuer.

Persons who are affiliates of Jaguar after the implementation of the Plan may not resell the Unsecured Creditor Common Shares and Early Consent Shares that they receive in the Exchange in the absence of registration under the 1933 Act, unless an exemption from registration is available, such as the exemptions contained in Rule 144 or Regulation S under the 1933 Act.

All other New Common Shares (including the Offering Shares, Accrued Interest Offering Shares, and Backstop Commitment Shares) to be issued under the Plan will be subject to restrictions on transfer and such New Common Shares may be offered, sold or otherwise transferred only (a) to Jaguar; (b) outside the United States in accordance with Rule 904 of Regulation S under the 1933 Act; or (c) inside the United States in accordance with an exemption from registration under the 1933 Act, if available. Such New Common Shares will bear a legend to the following effect:

> "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE U.S. SECURITIES ACT, (B) IN A SALE ON OR THROUGH THE FACILITIES OF THE TORONTO STOCK EXCHANGE OR ANOTHER DESIGNATED OFFSHORE SECURITIES MARKET (AS DEFINED IN RULE 902 OF REGULATION S PROMULGATED UNDER THE U.S. SECURITIES ACT ("REGULATION S")) PURSUANT TO RULE 904 OF REGULATION S, SUBJECT TO EXECUTION AND DELIVERY BY THE SUBSCRIBER OF A DECLARATION IN THE FORM ATTACHED AS TO THE INFORMATION CIRCULAR OF JAGUAR MINING INC. DATED _____, 2013 PREPARED IN CONNECTION WITH A PLAN, (C) THROUGH OTHER OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 OF REGULATION S, OR (D) IN ANY OTHER TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS (IT BEING UNDERSTOOD THAT THE COMPANY MAY REQUIRE AN OPINION OF COUNSEL IN A FORM REASONABLY SATISFACTORY TO THE COMPANY IN CONNECTION WITH ANY SALE OR OTHER TRANSFER OF SHARES MADE PURSUANT TO CLAUSE (C) OR (D) OF THIS SENTENCE)."

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the New Common Shares received upon completion of the Plan. Holders of Common Shares may be subject to additional restrictions, including, but not limited to, restrictions under written contracts, agreements or instruments to which they are parties or are otherwise subject, and restrictions under applicable United States state securities laws. All holders of Common Shares are urged to consult with their counsel to ensure that the resale of Common Shares complies with applicable securities legislation.

Registration Rights Agreement

The Offering Shares, Accrued Interest Offering Shares, and Backstop Commitment Shares, in each case only to the extent issued to Noteholders, the Backstop Parties and any General Unsecured Creditors who may be eligible to participate in the Share Offering pursuant to the terms of the Plan subject to the consent of the Monitor and the Majority Backstop Parties, may be registered for resale pursuant to a registration rights agreement to be executed and delivered by Jaguar on the Implementation Date (the "**Registration Rights Agreement**"). Under the Registration Rights Agreement, Jaguar shall promptly prepare and file with the SEC, and use commercially reasonable efforts to cause to become effective within 120 days after the Implementation Date a "shelf" registration statement under the 1933 Act in order to permit resales of such Offering Shares by such Noteholders or Backstop Parties on a non-underwritten basis and to maintain the effectiveness of

such registration statement for resales by such parties until such time as the shares covered by such registration statement become freely tradable under the SEC's Rule 144 or otherwise (but in either case, no longer than one year from the effective date of such registration statement). In addition, pursuant to the Registration Rights Agreement, Jaguar shall grant such holders "piggyback" rights to include such securities in a registration statement filed by Jaguar with the SEC under the 1933 Act, subject to the customary restrictions, cutback provisions and other limitations contained in the Registration Rights Agreement.

Canada

The New Common Shares to be issued pursuant to the Plan will be issued in reliance on exemptions from prospectus and registration requirements of applicable Canadian securities laws. Consequently, certain protections, rights and remedies provided by Canadian securities legislation, including statutory rights of rescission or damages, will not be available in respect of the New Common Shares issued pursuant to the Plan. The New Common Shares so issued will generally be "freely tradable" (other than as a result of usual resale restrictions under applicable securities laws, including, without limitation, any "control person" restrictions which may arise by virtue of ownership thereof) under applicable Canadian securities laws. All prospective holders of Common Shares are urged to consult their legal advisors to ensure that the resale of their Common Shares complies with applicable securities legislation. Holders of Common Shares residing elsewhere than in Canada are urged to consult their legal advisors to determine the extent of all applicable resale provisions in their jurisdiction of residency.

Listing of the Common Shares

The Existing Shares are listed on the TSX. It is a condition to the implementation of the Plan that the New Common Shares shall have been conditionally approved for listing on the TSX, the TSX-V or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders without any vote or approval of the Existing Shareholders, subject only to receipt of customary final documentation, as of the Implementation Date.

JAGUAR BEFORE THE PLAN

Corporate Structure

Jaguar is a public company with its common shares listed on the TSX under the symbol "JAG". It was incorporated on March 1, 2002 pursuant to the *Business Corporations Act* (New Brunswick). On March 30, 2002, Jaguar issued initial common shares to Brazilian Resources, Inc. ("**BZI**") and IMS Empreendimentos Ltda. ("**IMS**") in exchange for property. In that transaction, BZI contributed to Jaguar all of the issued and outstanding shares in MSOL, a Brazilian mining company that controlled the mineral rights, concessions and licenses to certain property located near the community of Sabará, east of Belo Horizonte in the state of Minas Gerais, Brazil, and IMS contributed to Jaguar a 1,000-tonne per day production facility also located east of Belo Horizonte near the community of Caeté and the mineral rights to a nearby property related to National Department of Mineral Production Mineral ("**DNPM**") Exploration Request no. 831.264/87 and DNPM Mineral Exploration Request nos. 830.590/83 and 830.592/83. Jaguar was continued into Ontario in October 2003 pursuant to the OBCA and currently is a corporation existing under the laws of Ontario.

In connection with a reverse takeover involving Rainbow Gold Ltd., a New Brunswick corporation and a then inactive reporting issuer listed on the TSX-V, Jaguar was approved for listing on the TSX-V on October 14, 2003 and began trading on October 16, 2003. Jaguar subsequently graduated from the TSX-V to the TSX and began trading on the TSX on February 17, 2004.

Business of Jaguar

The Jaguar Group is engaged in the acquisition, exploration, development and operation of gold producing properties in Brazil. The Jaguar Group controls 23,742 hectares in the Iron Quadrangle mining district of Brazil, a prolific greenstone belt located near the city of Belo Horizonte in the State of Minas Gerais, where the Jaguar Group owns operating assets. In addition, Jaguar holds mineral concessions totaling 138,548 hectares in the State of Maranhão, where the Jaguar Group owns the Gurupi Project and 41,204 hectares in the State of Ceará, where the Jaguar Group's Pedra Branca Project is located.

Capital Structure

Equity

Jaguar is authorized to issue an unlimited number of Common Shares of which there are 86,396,356 issued and outstanding. Holders of Jaguar's Existing Shares are entitled to receive notice of any meetings of shareholders, to attend and to cast one vote per Existing Share at all such meetings. Holders of Jaguar's Existing Shares do not have cumulative voting rights with respect to the election of directors, and holders of a majority of Jaguar's Existing Shares entitled to vote in any election of directors may therefore elect all directors standing for election. Holders of Jaguar's Existing Shares are entitled to receive on a pro-rata basis such dividends, if any, as and when declared by the Board at its discretion from funds legally available therefor and upon the liquidation, dissolution or winding up of Jaguar are entitled to receive on a pro-rata basis the net assets of Jaguar after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a pro-rata basis with the holders of Existing Shares with respect to dividends or liquidation. Jaguar's Existing Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

4.5% Convertible Notes

The 4.5% Convertible Notes were issued pursuant to the 4.5% Convertible Notes Indenture. The 4.5% Convertible Notes are unsecured, senior obligations of Jaguar. The 4.5% Convertible Notes bear interest at a rate of 4.5% per annum, payable semi-annually in arrears on May 1 and November 1 of each year, beginning on May 1, 2010, and will mature on November 1, 2014. The 4.5% Convertible Notes have an initial conversion rate of 78.4314 Common Shares per $1,000 principal amount of converted notes, representing an initial conversion price of approximately $12.75 per Common Share, which represented a premium of approximately 26.2% to the closing price of the Common Shares on the NYSE on September 10, 2009 (the Common Shares ceased to be listed on the NYSE in June 2013). The conversion rate is subject to certain anti-dilution adjustments and adjustments in connection with specified corporate events. The 4.5% Convertible Notes are convertible at any time prior to maturity. Upon conversion, Jaguar may, in lieu of delivering Common Shares, elect to pay or deliver, as the case may be, cash or a combination of cash and Common Shares, in respect of the converted notes.

5.5% Convertible Notes

The 5.5% Convertible Notes were issued pursuant to the 5.5% Convertibles Notes Indenture. The 5.5% Convertibles Notes are unsecured, senior obligations of Jaguar. The 5.5% Convertibles Notes bear interest at a rate of 5.5% per annum, payable semi-annually in arrears on March 31 and September 30 each year, beginning on September 30, 2011 and will mature on March 31, 2016. The 5.5% Convertibles Notes have an initial conversion rate of 132.4723 Common Shares per $1,000 principal amount of converted notes, representing an initial conversion price of approximately $7.55 per Common Share, which was approximately 137.5% of the closing price of Jaguar common shares on the NYSE on February 3, 2011. The conversion rate is subject to certain anti-dilution adjustments and adjustments in connection with specified corporate events. The 5.5% Convertibles Notes are convertible any time prior to maturity. Upon conversion, Jaguar may, in lieu of delivering Common Shares, elect to pay or deliver, as the case may be, cash or a combination of cash and Common Shares, in respect of the converted notes.

Renvest Credit Facility

On October 29, 2012, the Corporation announced that it had arranged the Renvest Facility, a $30.0 million standby credit facility with Renvest Mercantile Bancorp Inc. through its Global Resource Fund (the "**Lender**").

On January 25, 2013, the Corporation made an initial drawdown of $5.0 million on the Renvest Facility and concurrently issued 570,919 Common Shares of the Corporation to the Lender pursuant to the terms of the Renvest Facility. On June 26, 2013, the Corporation drew down the remaining $25.0 million on the Renvest Facility and issued another 1,315,789 Common Shares of the Corporation to the Lender. The initial drawdown and the subsequent drawdown under the Renvest Facility mature in July 2014.

Interest applies to the outstanding balance of all amounts drawn down from the Renvest Facility at a fixed rate of 11.0% per annum, payable monthly in arrears.

The proceeds from the draw down were available, among other things, for working capital related to the Jaguar Group's Turmalina, Caeté and Paciência mining properties in Brazil. The Renvest Facility includes a general security agreement over all of the Corporation's and its subsidiaries' present and future assets, pledge of the shares of the Corporation's subsidiaries and loan guarantees by the Corporation's subsidiaries.

The Renvest Facility limits, among other things, the Corporation's ability to permit the creation of certain liens, make investments, dispose of material assets or, in certain circumstances, pay dividends. In addition, the Renvest Facility limits the Corporation's ability to incur additional indebtedness. If an event of default under the Renvest Facility occurs, the Lender could elect to declare all principal amounts outstanding thereunder at such time, together with accrued interest, to be immediately due. The terms of the loan require the Corporation to use commercially reasonable efforts to maintain the listing of its Common Shares on the TSX during the term of the loan. An event of default under the Renvest Facility may also give rise to an event of default under existing and future debt agreements and, in such event, the Corporation may not have sufficient funds to repay amounts owing under such agreements.

Vale Note

The Vale Note (a debt of MSOL owing to a Brazilian subsidiary of Vale S.A.) relates to the purchase of mineral rights for the Roça Grande property for $13.3 million. The timing of payments under the Vale note is dependent upon the lender's registration of the mineral rights transfer with the DNPM. It is expected that the outstanding balance will be reduced to approximately $7 million and paid by installments commencing in 2014.

Bank Indebtedness

The Subsidiaries have bank indebtedness of $16.3 million (including accrued interest) as of November 30, 2013 which amount includes: (i) $384,000 of notes secured by certain equipment of the Subsidiaries bearing interest at 4.5% to 6.4% per annum with maturities ranging from February 2014 to August 2015; and (ii) $16 million of promissory notes secured by future gold sales payable at maturities ranging from December 2013 to March 2014, bearing interest at 5% to 7.2% per annum.

JAGUAR AFTER THE PLAN

After the Plan is implemented, the authorized capital of Jaguar will consist of an unlimited number of Common Shares. On the Implementation Date, assuming completion of the Share Offering and after giving effect to the Consolidation contemplated by the Plan, approximately 111,111,111 Common Shares will be outstanding, representing: (i) the Common Shares to be issued to former Noteholders in settlement of their Noteholder Claims as at the Implementation Date; (ii) the Offering Shares; and (iii) the Common Shares to be held by Existing Shareholders.

LEGAL PROCEEDINGS

In the ordinary course of business activities, Jaguar may be contingently liable for litigation and claims with customers, suppliers and former employees. Management believes that adequate provisions have been recorded in the accounts where required. Although it is not possible to estimate the potential costs and losses, if any, management believes that the ultimate resolution of such contingencies will not have a material adverse effect on the consolidated financial position of Jaguar.

Brazilian labour law is a complex system of regulations, one with which the Corporation has historically not been in full compliance. As of September 30, 2013, there were 531 employee-initiated lawsuits against the Corporation, mostly with respect to wages or accidents. Although the aggregate face amount of those lawsuits approximates $17.0 million, based on management's assessment of the likelihood of loss related to these lawsuits, the Corporation has recognized $4.4 million as the estimated liability in its financial statements as at September 30, 2013. In 2013, court and settlement costs have averaged $1.0 million per quarter.

On July 30, 2013, Daniel R. Titcomb, the Corporation's former President and Chief Executive Officer, and a group of former officers, a former Director and BZI, a former related party of the Corporation, filed a complaint (the "**Titcomb Complaint**") in New Hampshire against the Corporation and selected current and former directors of the Corporation. The Corporation removed the suit to the federal court. Among other items, the Titcomb Complaint alleges wrongful termination of Mr. Titcomb and mismanagement of the strategic review process regarding the possible change of control of Jaguar which ended May 8, 2012. On November 1, 2013, the Corporation and the Named Directors filed their Defense which denies the allegations in the Titcomb Complaint and sets out counterclaims against Mr. Titcomb for breach of contract, and against Mr. Titcomb and the Corporation's former Corporate Secretary and General Counsel, Robert Lloyd, for breach of fiduciary duty and fraud. Jaguar and its Board of Directors believe the Titcomb Complaint to be without merit and are taking any steps necessary to vigorously defend the lawsuit and protect its interests. Effective September 19, 2013, the Board of Directors formed a special committee to oversee, review and evaluate various legacy issues, including the Titcomb Complaint, and to make recommendations to the Board thereon.

BZI failed to pay to the Corporation on December 31, 2012 an amount of $197,872 by way of a note payable. The Corporation is pursuing redress through court action in Brazil and currently has an attachment on real estate in Concord, New Hampshire to ensure the protection of its interests. BZI also has yet to pay R$387,839 in respect of a Brazilian labour court settlement, which amount bears interest at U.S. LIBOR payable quarterly. No payment of interest, accrued interest or principal has been made to date, nor has BZI confirmed a date when it intends to pay its debt outstanding. The Corporation is pursuing court action in the Merrimack Superior Court of New Hampshire, United States, to obtain repayment in full.

All phases of the Jaguar Group's operations are subject to environmental regulation in Brazil. The Jaguar Group has not been in full compliance with all environmental laws and regulations or held, or been in full compliance with, all required environmental and health and safety permits at all times. The Jaguar Group is currently subject to a number of reclamation and remediation liabilities and may have civil or criminal fines or penalties imposed for alleged violations of applicable laws or regulations in Brazil. The Jaguar Group has implemented and prioritized control structures and monitory programs to address each environmental infraction and a reclamation plan for each of its mining/project sites is being prepared.

INCOME TAX CONSIDERATIONS

This Circular does not address any tax considerations of the Plan other than the Canadian and United States federal income tax considerations described below. Affected Unsecured Creditors who are resident in jurisdictions other than Canada or the United States should consult their tax advisors with respect to the tax implications of the Plan.

The following summaries are of a general nature only and are not intended to be, nor should they be construed to be, legal or tax advice to any particular Noteholder or General Unsecured Creditor. Consequently, Noteholders and General Unsecured Creditors are urged to consult their own tax advisors for advice as to the tax considerations in respect of the Plan having regard to their particular circumstances.

Certain Canadian Federal Income Tax Considerations

The following is a summary of the principal Canadian federal income tax consequences of the recapitalization of the Corporation as set forth in the Plan to Securityholders who, for the purposes of the Tax Act, deal at arm's length with and are not affiliated with the Corporation and, at all relevant times, hold their Notes and Common Shares as capital property and will hold their New Common Shares as capital property. The Notes, Common Shares and New Common Shares will generally be considered to be capital property of a Securityholder unless either the Securityholder holds (or will hold) such Notes, Common Shares or New Common Shares in the course of carrying on a business or the Securityholder has acquired such Notes, Common Shares or New Common Shares in a transaction or transactions considered to be an adventure or concern in the nature of trade. Certain Canadian resident Securityholders whose Notes, Common Shares or New Common Shares might not otherwise qualify as capital property may, in certain circumstances, treat such Notes, Common Shares, or New Common Shares as capital property by making an irrevocable election pursuant to Subsection 39(4) of the Tax Act.

This summary is not applicable to a Securityholder: (i) that is a "financial institution" (as defined in the Tax Act) for purposes of the "mark-to-market rules"; (ii) that is a "specified financial institution" (as defined in the Tax Act); (iii) an interest in which is a "tax shelter investment" for the purposes of the Tax Act; (iv) that has made a functional currency reporting election under the Tax Act; or (v) that has entered into or will enter into, in respect of the Notes, Common Shares or New Common Shares, as the case may be, a "synthetic disposition arrangement" or a "derivative forward agreement" for purposes of the Tax Act. Such Securityholders should consult their own tax advisors having regard to their particular circumstances.

This summary does not describe the income tax consequences under the Plan to Affected Unsecured Creditors (other than Noteholders) or to holders of Options in respect of the cancellation of their Options. Affected Unsecured Creditors (other than Noteholders) and holders of Options should consult their own tax advisors in this regard.

Additional considerations, not discussed herein, may be applicable to a Securityholder that is a corporation resident in Canada, and is, or becomes, controlled by a non-resident corporation for the purposes of the "foreign affiliate dumping" rules in Section 212.3 of the Tax Act. Such Securityholders should consult their own tax advisors with respect to the Canadian income tax consequences to them of the transactions under the Plan.

This summary is based upon the current provisions of the Tax Act, the current regulations thereto (the "**Regulations**") and counsel's understanding of the current published administrative practices and policies of the Canada Revenue Agency (the "**CRA**"). The summary also takes into account all specific proposals to amend the Tax Act that have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"), and assumes that all such Tax Proposals will be enacted as proposed. This summary does not otherwise take into account or anticipate

any changes in law, whether by way of legislative, judicial or administrative action or interpretation, nor does it address any provincial, territorial or foreign tax considerations. No assurance can be given that the Tax Proposals will be enacted in the form proposed or at all.

This summary is not intended to be, nor should it be construed as, legal or tax advice to any particular Securityholder. Securityholders are urged to consult with their own tax advisors concerning the tax consequences to them of the transactions described in this Circular.

For purposes of the Tax Act, all amounts relevant in computing the income, taxable income and taxes payable by a Securityholder, including the cost and adjusted cost base of Notes, Common Shares and New Common Shares, must be determined in Canadian dollars based on the exchange rate quoted by the Bank of Canada for noon on the relevant date (or, if there is no such rate quoted for the relevant date, the closest preceding date for which such a rate is quoted) or such other rate of exchange that is acceptable to the Minister of National Revenue.

Securityholders Resident in Canada

The following discussion applies to a Securityholder who, for the purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, is or is deemed to be a resident of Canada (a "**Canadian Holder**").

Note Exchange

A Canadian Holder of Notes will be considered to have disposed of its Notes upon the exchange of Notes for New Common Shares on the Effective Date.

Under the Plan, New Common Shares issued in exchange for Notes will be allocated first to the principal amount of the Notes and the balance, if any, to the accrued interest on the Notes. While it is a question of fact based on the fair market value of New Common Shares at the time they are issued, it is not expected that the issuance of New Common Shares will satisfy any of the interest accrued on the Notes.

A Canadian Holder that is a corporation, partnership, unit trust or any trust of which a corporation or partnership is a beneficiary will generally be required to include in income the amount of interest accrued or deemed to accrue on Notes up to the Effective Date or that became receivable or was received on or before the Effective Date, to the extent that such amounts have not otherwise been included in the Canadian Holder's income for the year or a preceding taxation year. Any other Canadian Holder, including an individual, will be required to include in income for a taxation year any interest on Notes received or receivable by such Canadian Holder in the year (depending upon the method regularly followed by the Canadian Holder in computing income) except to the extent that such amount was otherwise included in its income for the year or a preceding taxation year. Where a Canadian Holder is required to include an amount in income on account of interest on Notes that accrues in respect of the period prior to the date of acquisition of such Notes by such Canadian Holder, the Canadian Holder should be entitled to a deduction of an equivalent amount in computing income. Where a Canadian Holder is required to include an amount in income on account of interest on the Notes, the Canadian Holder should be entitled to a deduction of an equivalent amount in computing income to the extent that such amount was not received and did not become receivable.

In general, a Canadian Holder will realize a capital gain (or capital loss) on the exchange of Notes for New Common Shares equal to the amount by which the proceeds of disposition, net of any amount included in the Canadian Holder's income as interest and any reasonable costs of disposition, exceed (or are exceeded by) the adjusted cost base to the Canadian Holder of such Notes. A Canadian Holder's proceeds of disposition of Notes upon their exchange for New Common Shares will be an amount equal to the aggregate of the fair market value (at the time of the exchange) of the New Common Shares received on the exchange.

The income tax treatment of any such capital gain (or capital loss) is described below under "*Income Tax Considerations — Securityholders Resident in Canada — Taxation of Capital Gains and Capital Losses*".

A Canadian Holder will be considered to have acquired any New Common Shares at a cost equal to the fair market value of such New Common Shares at the time of the exchange.

Consolidation of Common Shares

A Canadian Holder will not realize a capital gain or a capital loss as a result of the consolidation of the Common Shares held by such Canadian Holder.

Dividends on New Common Shares

Dividends and deemed dividends paid on New Common Shares will be included in a Canadian Holder's income for purposes of the Tax Act. Dividends received by an individual Canadian Holder will be subject to the gross-up and dividend tax credit rules provided for under the Tax Act including with respect to "eligible dividends", which entitle their recipient to the enhanced dividend tax credit. A Canadian Holder that is a corporation will include such dividends in computing its income and will generally be entitled to deduct the amount of such dividends in computing its taxable income. A Canadian Holder that is a "private corporation" or a "subject corporation" (as such terms are defined in the Tax Act) may be liable under Part IV of the Tax Act to pay a refundable tax of $33^{1}/_{3}\%$ on dividends received or deemed to be received on the New Common Shares to the extent such dividends are deductible in computing the Canadian Holder's taxable income.

Disposition of New Common Shares

A Canadian Holder will realize a capital gain (or capital loss) on a disposition or deemed disposition of New Common Shares equal to the amount by which the proceeds of disposition exceed (or are exceeded by) the adjusted cost base to the Canadian Holder of such New Common Shares, plus any reasonable costs of disposition. The adjusted cost base to a holder of Common Shares at a particular time will generally be the average cost of all of the New Common Shares held by such holder as capital property at that time.

The tax treatment of any such capital gain (or capital loss) is described below under "*Income Tax Considerations — Securityholders Resident in Canada — Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

In general, one-half of any capital gain (a "**taxable capital gain**") realized by a Canadian Holder in a taxation year will be included in the Canadian Holder's income in the year and one-half of the amount of any capital loss (an "**allowable capital loss**") realized by a Canadian Holder in a taxation year is required to be deducted from taxable capital gains realized by the Canadian Holder in the year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back three years or forward indefinitely, subject to the rules in the Tax Act. The amount of any capital loss realized by a Canadian Holder that is a corporation on the disposition of a share may be reduced by the amount of dividends previously received or deemed to have been received by it on such share (or on a share for which the share has been substituted) subject to the rules in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns shares, directly or indirectly, through a partnership or a trust.

Additional Refundable Tax

A Canadian Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional refundable tax of 6⅔% on certain investment income including amounts in respect of interest and taxable capital gains.

Alternative Minimum Tax

A Canadian Holder that is an individual (other than certain trusts) may be subject to alternative minimum tax under the Tax Act if the Canadian Holder realizes capital gains or receives dividends on Common Shares.

Eligibility for Investment

Provided that the Common Shares are listed on a designated stock exchange (which includes Tier 1 and Tier 2 of the TSX) at the relevant time, the New Common Shares issued pursuant to the Plan of Arrangement will be qualified investments under the Tax Act for trusts governed by a registered retirement savings plan ("**RRSP**"), registered retirement income fund ("**RRIF**"), deferred profit sharing plan, registered disability savings plan, registered education savings plan and tax-free savings account ("**TFSA**").

Notwithstanding that the New Common Shares may be a qualified investment for a trust governed by a RRSP, RRIF or TFSA, the holder of or annuitant under such plan will be subject to a penalty tax if such New Common Shares are a "prohibited investment" under the Tax Act for such TFSA, RRSP or RRIF. The New Common Shares will generally not be a "prohibited investment" for a TFSA, RRSP or RRIF unless the holder of or annuitant under such plan (i) does not deal at arm's length with Jaguar for the purposes of the Tax Act, or (ii) has a "significant interest" (as defined in the Tax Act) in Jaguar. In addition, the New Common Shares will generally not be a "prohibited investment" if they are "excluded property" as defined in the Tax Act.

Securityholders Not Resident in Canada

The following discussion applies to a Securityholder who, for the purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, (i) is a non-resident of Canada, (ii) does not use or hold any Notes or Common Shares and will not use or hold any New Common Shares in carrying on a business in Canada, (iii) is not a foreign affiliate of a taxpayer resident in Canada, and (iv) is not an insurer who carries on an insurance business in Canada and elsewhere or an authorized foreign bank that carries on a Canadian banking business (a "**Non-Resident Holder**").

The following discussion is not applicable to a Non-Resident Holder that is an Affected Unsecured Creditor (other than a Noteholder) or that is a "specified shareholder" (as defined in Subsection 18(5) the Tax Act) of the Corporation or that does not deal at arm's length for purposes of the Tax Act with a "specified shareholder" of the Corporation. Generally, for this purpose, a "specified shareholder" is a shareholder that owns or is deemed to own, either alone or together with persons with which the shareholder does not deal at arm's length for purposes of the Tax Act, shares of the capital stock of the Corporation that either (i) give such holders 25% or more of the votes that could be cast at an annual meeting of the shareholders or (ii) have a fair market value of 25% or more of the fair market value of all of the issued and outstanding shares of the Corporation's capital stock. Such Non-Resident Holders should consult their own tax advisors.

Note Exchange

Under the Plan, New Common Shares issued in exchange for Notes will be allocated first to the principal amount of the Notes and the balance, if any, to the accrued interest on the Notes. While it is a question of fact based on the fair market value of New Common Shares at the time they are issued, it is not expected that the issuance of New Common Shares will satisfy any of the interest accrued on the Notes.

Amounts paid or credited, or deemed to be paid or credited, as, on account or in lieu of payment of, or in satisfaction of, interest on Notes to a Non-Resident Holder will not be subject to Canadian withholding tax provided that such amount does not represent "participating debt interest" (as such term is defined in the Tax Act). If the fair market value of the consideration received on the exchange of a Note exceeds, generally, the issue price of such Note, the excess may, in certain circumstances, be deemed to be interest and may, together with interest that has accrued on the Note to that time, be subject to non-resident withholding tax if any such interest is "participating debt interest" as defined in the Tax Act. If applicable, the rate of Canadian non-resident withholding tax on participating debt interest is 25%, unless such rate is reduced under the terms of an applicable income tax treaty or convention between Canada and a country in which the Non-Resident Holder is resident.

Subject to the comments above on interest, a Non-Resident Holder will not be subject to tax under the Tax Act in respect of any capital gain realized on the exchange of Notes for New Common Shares provided that the Notes disposed of by such Non-Resident Holder are not "taxable Canadian property" for purposes of the Tax Act. Notes should generally not constitute "taxable Canadian property" of a Non-Resident Holder.

Dividends on New Common Shares

Dividends paid or credited or deemed to be paid or credited on New Common Shares will be subject to non-resident withholding tax under the Tax Act in the amount of 25% unless such rate is reduced under the provisions of an applicable income tax treaty or convention between Canada and a country in which the Non-Resident Holder is resident.

Disposition of New Common Shares

A disposition by a Non-Resident Holder of New Common Shares will not be subject to tax under the Tax Act unless such New Common Shares constitute taxable Canadian property to the Non-Resident Holder at the time of the disposition and relief from taxation is not available under an applicable income tax treaty or convention.

Provided that they are listed on a designated stock exchange (which includes Tier 1 and Tier 2 of the TSX) at the time of such disposition, New Common Shares generally will not constitute taxable Canadian property to a Non-Resident Holder at that time unless at any time during the 60-month period immediately preceding that time: (i) 25% or more of the issued shares of any class of the capital stock of the Corporation were owned by or belonged to one or any combination of (A) the Non-Resident Holder, (B) persons with whom the Non-Resident Holder did not deal at arm's length, and (C) partnerships in which the Non-Resident Holder or a person with whom the Non-Resident Holder did not deal at arm's length holds a membership interest directly or indirectly through one or more partnerships; and (ii) more than 50% of the fair market value of the New Common Shares was derived directly or indirectly from one or any combination of (A) real or immovable property situated in Canada, (B) Canadian resource properties, (C) timber resource properties, or (D) options in respect of,

interests in, or for civil law rights in, any of the foregoing properties whether or not such property exists. The New Common Shares should generally not constitute taxable Canadian property as the Corporation's resource properties are all located outside of Canada. However, a Non-Resident Holder's New Common Shares may be deemed to be taxable Canadian property in certain circumstances set out in the Tax Act.

Consolidation of Common Shares

A Non-Resident Holder will not realize a capital gain or a capital loss as a result of the consolidation of the Common Shares held by such Non-Resident Holder.

Certain United States Federal Income Tax Considerations

The following is a general summary of certain material U.S. federal income tax consequences to a U.S. Holder (as defined below) that is a Shareholder or Noteholder of the receipt of Common Shares pursuant to the Plan, the ownership and disposition of the Common Shares and the lapse of the Rights. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), Treasury regulations promulgated under the Code, administrative pronouncements, judicial decisions, and the Income Tax Convention between the United States and Canada, all as of the date hereof. Future legislative, judicial, or administrative modifications, revocations, or interpretations, which may or may not be retroactive, may result in U.S. federal income tax consequences significantly different from those discussed herein. This discussion is not binding on the U.S. Internal Revenue Service (the "**IRS**"). No ruling has been or will be sought or obtained from the IRS with respect to any of the U.S. federal income tax consequences discussed herein. There can be no assurance that the IRS will not challenge any of the conclusions described herein or that a U.S. court will not sustain such a challenge.

This summary applies only to U.S. Holders that hold Notes and Common Shares as capital assets within the meaning of the Code. This discussion does not address the tax considerations arising as a result of a Noteholder having entered into a Backstop Agreement, or receiving consideration in respect of its commitments under the Backstop Agreement, or the U.S. federal income tax consequences to U.S. Holders subject to special rules, including, without limitation, U.S. Holders that (i) are banks, financial institutions, or insurance companies, (ii) are regulated investment companies or real estate investment trusts, (iii) are brokers, dealers or traders in securities or currencies, (iv) are tax-exempt organizations, qualified retirement plans, individual retirement accounts or other tax-deferred accounts, (v) hold the Common Shares or Notes as part of a hedge, straddle, constructive sale, conversion transaction, or other integrated investment, (vi) have a functional currency other than the U.S. dollar, (vii) are subject to the alternative minimum tax, (viii) own directly, indirectly or constructively 10 percent or more of the voting power of Jaguar; or (ix) are U.S. expatriates. In addition, this discussion does not address any U.S. federal estate, gift, or other non-income tax, or any state, local, or non-U.S. tax.

As used herein, "**U.S. Holder**" means a beneficial owner of Common Shares or Notes that is (i) an individual who is a citizen or resident of the United States for U.S. federal income tax purposes, (ii) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any U.S. state or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source, or (iv) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (b) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

If a partnership or other entity taxable as a partnership holds the Common Shares or Notes, then the U.S. federal income tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. Partners of such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them of the Plan.

TO ENSURE COMPLIANCE WITH TREASURY DEPARTMENT CIRCULAR 230, HOLDERS OF EXISTING COMMON SHARES OR NOTES ARE HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS CIRCULAR IS NOT INTENDED OR WRITTEN BY US TO BE RELIED UPON, AND CANNOT BE RELIED UPON, BY SUCH HOLDERS FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THEM UNDER THE CODE; (B) SUCH DISCUSSION IS INCLUDED HEREIN BY US IN CONNECTION WITH OUR PROMOTION OR MARKETING (WITHIN THE MEANING OF CIRCULAR 230) OF THE TRANSACTIONS CONTEMPLATED HEREIN; AND (C) HOLDERS OF EXISTING COMMON SHARES OR NOTES SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR REGARDING THE APPLICATION OF U.S. FEDERAL TAX LAWS TO THEIR PARTICULAR SITUATIONS AND ANY TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY STATE, LOCAL, NON-U.S., OR OTHER TAXING JURISDICTION.

Tax Consequences to Existing Shareholders

A U.S. Holder who surrenders Existing Common Shares for Common Shares will not recognize any gain or loss for federal income tax purposes. A U.S. Holder's holding period for the Common Shares received will include the holding period of the Existing Shares surrendered therefor. In addition, the aggregate tax basis of the Common Shares received in the Plan will equal the aggregate tax basis of the Existing Shares surrendered therefor.

Tax Consequences to Noteholders

Receipt of Common Shares

The federal income tax treatment of the exchange of Notes for Common Shares by U.S. Holders pursuant to the Plan depends on whether the Notes constitute "securities" for purposes of the provisions in the Code that deal with tax-free reorganizations. Whether the Notes constitute "securities" for such purposes depends on a variety of factors, including the term of the Notes (meaning the length of time between the issue dates of the Notes and their maturity dates). A debt instrument with a term of less than five (5) years generally does not qualify as a security while a debt instrument with a term of ten (10) years or more generally does qualify as a security. The treatment as a security of a debt instrument with a term between five (5) and ten (10) years is unclear. Although not free from doubt, it is likely that both the 4.5% Convertible Notes and the 5.5% Convertible Notes will be treated as securities.

If the Notes are properly treated as securities for federal income tax purposes, then U.S. Holders will not recognize any gain or loss with respect to the exchange of Notes for Common Shares in the Plan except that U.S. Holders will recognize taxable income to the extent that any such Common Shares are deemed to have been received in respect of accrued and unpaid interest on the Notes. The aggregate tax basis of the Common Shares received by a U.S. Holder in exchange for Notes in the Plan will be the same as such U.S. Holder's aggregate tax basis in such Notes immediately before the exchange. In addition, such U.S. Holder's holding period for the Common Shares should include the period such U.S. Holder held the Notes exchanged for the Common Shares. To the extent that any Notes exchanged by a U.S. Holder for Common Shares were acquired with market discount, any market discount accrued on such Notes but not recognized by such holder may cause any gain recognized on the subsequent sale, exchange, redemption or other disposition of New Common Shares to be treated as ordinary income.

If either the 4.5% Convertible Notes, the 5.5% Convertible Notes, or both, are not properly treated as securities for federal income tax purposes, then the exchange of those Notes in the Plan would be fully taxable and the U.S. Holder would recognize gain or loss for U.S. federal income tax purposes. The amount of gain (or loss) recognized by a U.S. Holder would be equal to the amount by which (i) the aggregate fair market value of the Common Shares received by such U.S. Holder exceeds (or is less than) (ii) such U.S. Holder's adjusted tax basis in the Notes surrendered in the exchange. The U.S. Holder's adjusted tax basis in the Notes surrendered in the exchange will be equal to the amount paid therefor, increased by any accrued original issue discount ("**OID**") and any market discount previously included in income and reduced by payments other than payments of qualified stated interest and by any amortizable bond premium previously taken into account. The U.S. Holder's adjusted tax basis in the Common Shares would equal their fair market values. The U.S. Holder's holding period in the Common Shares would begin on the day after the day of the exchange. Subject to the treatment of a portion of any gain as ordinary income to the extent of any market discount accrued on the Notes and not previously included in income by the U.S. Holder, any gain or loss would be capital gain or loss and would be long-term capital gain or loss if the U.S. Holder held the Notes for more than one year as of the date of the exchange. The deductibility of capital losses for U.S. federal income tax purposes is subject to limitations.

Cash received by a U.S. Holder in lieu of a fractional New Common Share or Right should be treated as a payment in exchange for the fractional share or Right, and a U.S. Holder generally will recognize taxable gain or loss on the receipt of cash in lieu of a fractional New Common Share or Right in an amount equal to the difference, if any, between the amount of cash received and the U.S. Holder's tax basis in the fractional New Common Share or Right. No cash is to be paid in lieu.

Tax Consequences to U.S. Holders of New Common Shares

Distributions of New Common Shares

The following discussion assumes that Jaguar is not and will not become a "Passive Foreign Investment Company" ("**PFIC**") for U.S. federal income tax purposes. Jaguar does not believe that it is now a PFIC and does not expect to become a PFIC. There can be no assurance, though, that Jaguar will not become a PFIC as that determination is factual in

nature and will depend in part on future events. If Jaguar is now or becomes a PFIC, the tax consequences set forth below would generally not apply.

In general, the gross amount of any distribution made on the Common Shares by Jaguar will generally be subject to U.S. federal income tax as dividend income to the extent paid out of Jaguar's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Such amount will be includable in gross income by a U.S. Holder as ordinary income on the date such U.S. Holder actually or constructively receives the distribution. Dividends paid by Jaguar will not be eligible for the dividends-received deduction generally allowed to corporations.

Subject to applicable exceptions with respect to short-term and hedged positions, certain dividends received by non-corporate U.S. Holders from a "qualified foreign corporation" are eligible for reduced rates of taxation ("**qualified dividends**"). A qualified foreign corporation includes a foreign corporation that is eligible for the benefits of a comprehensive income tax treaty with the United States that the U.S. Treasury Department determines to be satisfactory for these purposes and that includes an exchange of information provision. The U.S. Treasury has determined that the Income Tax Convention between the United States and Canada meets these requirements, and Jaguar believes it is eligible for the benefits of the Income Tax Convention between the United States and Canada.

To the extent that a distribution on the Common Shares exceeds the amount of Jaguar's current or accumulated earnings and profits, as determined under U.S. federal income tax principles, it would be treated first as a tax-free return of capital, causing a reduction in the U.S. Holder's adjusted basis in the Common Shares held by such U.S. Holder (thereby increasing the amount of gain, or decreasing the amount of loss, to be recognized by such U.S. Holder upon a subsequent disposition of the Common Shares), with any amount that exceeds the adjusted basis being taxed as a capital gain recognized on a sale or exchange (as discussed under "*Sale, Exchange, or Other Taxable Disposition of Common Shares*" below). However, Jaguar does not intend to maintain calculations of earnings and profits in accordance with U.S. federal income tax principles, and each U.S. Holder should therefore assume that any distribution by Jaguar with respect to the Common Shares will constitute ordinary dividend income.

The gross amount of distributions paid in any currency other than the U.S. dollar will be included by each U.S. Holder in gross income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day the distributions are actually or constructively received, regardless of whether the payment is in fact converted into U.S. dollars. If such currency is converted into U.S. dollars on the date of receipt, the U.S. Holder should not be required to recognize any foreign currency gain or loss with respect to the receipt of the foreign currency distributions. If the foreign currency received is not converted into U.S. dollars on the date of receipt, a U.S. Holder will have a tax basis in the currency equal to the U.S. dollar value on the date of receipt. Any gain or loss realized on a subsequent conversion or other disposition of such currency will be treated as U.S. source ordinary income or loss. The amount of any distribution of property other than cash will be the fair market value of such property on the date of distribution.

Sale, Exchange, or Other Taxable Disposition of the Common Shares

A U.S. Holder generally will recognize a U.S. source capital gain or loss on the sale, exchange or other disposition of Common Shares in an amount equal to the difference between the amount realized on the disposition and the U.S. Holder's adjusted tax basis in the Common Shares. Such gain or loss would be a long-term capital gain or loss if the U.S. Holder's holding period for the Common Shares (determined under the rules discussed above) was longer than one year as of the date of the sale, exchange or other disposition. A long-term capital gain recognized by certain non-corporate U.S. Holders, including individuals, generally is subject to a reduced tax rate. The deductibility of capital losses is subject to limitations.

With respect to the sale, exchange or other taxable disposition of Common Shares, the amount realized generally will be the U.S. dollar value of the payment received determined on (1) the date of receipt of payment in the case of a cash basis U.S. Holder and (2) the date of disposition in the case of an accrual basis U.S. Holder. If the Common Shares are treated as traded on an "established securities market," a cash basis taxpayer, or, if it elects, an accrual basis taxpayer, will determine the U.S. dollar value of the amount realized by translating the amount received at the spot rate of exchange on the settlement date of the sale. Additionally, if a U.S. Holder receives any foreign currency on the sale of Common Shares, such U.S. Holder may recognize ordinary income or loss as a result of currency fluctuations between the date of the sale of Common Shares and the date the sale proceeds are converted into U.S. dollars.

Foreign Tax Credit Considerations

For purposes of the U.S. foreign tax credit limitations, dividends received by a U.S. Holder with respect to Common Shares will be foreign source income and generally will be "passive category income" but could, in the case of certain U.S.

Holders, constitute "general category income." In general, gain or loss realized upon sale or exchange of the Common Shares by a U.S. Holder will be U.S. source income or loss, as the case may be.

Subject to certain limitations, any Canadian tax withheld with respect to distributions made on the Common Shares may be treated as foreign taxes eligible for credit against a U.S. Holder's U.S. federal income tax liability. Alternatively, a U.S. Holder may, subject to applicable limitations, elect to deduct the otherwise creditable Canadian withholding taxes for U.S. federal income tax purposes. The rules governing the foreign tax credit are complex and their application depends on each taxpayer's particular circumstances. Accordingly, U.S. Holders are urged to consult their own tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

Medicare Tax on Net Investment Income

U.S. Holders that are individuals, estates or trusts and whose income exceeds certain thresholds generally are subject to a 3.8% Medicare tax on their net investment income, including, among other things, dividends on, and capital gains from the sale or other taxable disposition of, the Common Shares, subject to certain limitations and exceptions.

U.S. Information Reporting and Backup Withholding Tax

Under U.S. federal income tax law and regulations, certain categories of U.S. Holders must file information returns with respect to their investment in, or involvement in, a foreign corporation. Penalties for failure to file certain of these information returns are substantial. New U.S. return disclosure obligations (and related penalties for failure to disclose) have also been imposed on U.S. individuals that hold certain specified foreign financial assets in excess of $50,000. The definition of specified foreign financial assets includes not only financial accounts maintained in foreign financial institutions, but also may include the Common Shares. U.S. Holders of the Common Shares should consult with their own tax advisors regarding the requirements of filing information returns.

Dividends on the Common Shares and proceeds from the sale or other disposition of Common Shares that are paid in the United States or by a U.S.-related financial intermediary will be subject to U.S. information reporting rules, unless a U.S. Holder is a corporation or other exempt recipient. In addition, payments that are subject to information reporting may be subject to backup withholding (currently at a 28.0% rate) if a U.S. Holder fails to provide its taxpayer identification number, fails to certify that such number is correct, fails to certify that such U.S. Holder is not subject to backup withholding, or otherwise fails to comply with the applicable requirements of the backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules are available to be credited against a U.S. Holder's U.S. federal income tax liability and may be refunded to the extent they exceed such liability, provided the required information is provided to the IRS in a timely manner.

RISK FACTORS

The following information describes certain significant risks and uncertainties inherent in the Plan and the business of Jaguar. Affected Unsecured Creditors should take these risks into account in evaluating the Plan. This section does not describe all risks applicable to the Plan or Jaguar, and it is intended only as a summary of certain material risks. Additional risks and uncertainties that are not presently known or that management currently believes are immaterial may also adversely impact the implementation of the Plan and the operation of the business of Jaguar. Affected Unsecured Creditors should carefully consider such risks and uncertainties together with the other information contained in this Circular. If any of such risks or uncertainties actually occur, the business, financial condition or operating results of the Corporation and/or implementation of the Plan could be negatively impacted and could differ materially from the proposed transactions and other forward-looking statements included in this Circular. Discussion regarding risks applicable to Jaguar is also found, among other places, in the "*General Development of the Business*", "*Description of the Business*" and "*Risk Factors*" sections in the AIF, the Q3 MD&A and the financial statements of the Corporation.

Risks Relating to the Plan

The Plan may not be implemented

We will not complete the Plan unless and until all conditions precedent to the Plan, some of which are not under the control of the Corporation, are satisfied or waived. See "*Description of the Plan – Conditions to the Plan Becoming Effective*." Even if the Plan is completed, it may not be completed on the schedule described in this Circular. Accordingly, Affected Unsecured Creditors participating in the Plan may have to wait longer than expected to receive their New Common Shares. In addition, if the Plan is not completed on the schedule described in this Circular, we may incur additional expenses.

Consummation of the Plan is subject to Affected Unsecured Creditors' acceptance and Court approval

Before the Plan can be consummated, it must have been approved by the Required Majority and sanctioned, after notice and a hearing on any objection, by the Court. There can be no assurance that the Plan will be approved by the Required Majority, and that even if approved, the Court will sanction the Plan. The failure of any of these conditions will delay or prevent the consummation of the Plan. There can be no assurance that other creditors, securityholders or third parties will not seek to challenge, oppose or delay the implementation of the Plan.

Adverse publicity related to the CCAA Proceeding may affect the Corporation's business

Adverse publicity or news coverage relating to the CCAA Proceeding could have an adverse effect on the Corporation business. Following the implementation of the Plan, there can be no assurance that negative publicity will not have a long-term negative effect on the business.

In addition, there can be no assurance as to the effect of the announcement of the Plan on the Jaguar Group's relationships with its suppliers, customers or contractors, nor can there be any assurance as to the effect on such relationships of any delay in the completion of the Plan. To the extent that any of these events result in the tightening of payment or credit terms, or the loss of a major supplier, customer, contractor, or of multiple other suppliers, customers, purchasers, or contractors, this could have a material adverse effect on the Jaguar's business, financial condition, liquidity and results of operations.

The Plan may not improve the financial condition of Jaguar

Management believes that the Plan will enhance Jaguar's liquidity and provide it with continued operating flexibility. However, such belief is based on certain assumptions, including, without limitation, that Jaguar's financial condition will not be materially adversely affected while the Plan is underway and that it will be stable or will improve following the completion of the Plan in the increasingly competitive marketplace in which Jaguar operates, that general economic conditions and the market price of gold will remain stable or improve, as well as Jaguar's continued ability to manage costs. Should any of those assumptions prove false, the financial position of Jaguar may be materially adversely affected and Jaguar may not be able to pay its debts as they become due. Additional financing will likely be required to operate the Corporation's business on a long-term basis.

The New Common Shares will be junior to all of our other securities, including our existing and future indebtedness

By exchanging the Notes for New Common Shares and the rights to participate in the Share Offering, Noteholders will be changing the nature of their investment from debt to equity. Equity carries certain risks that do not apply to debt. The Indentures and Notes provide a variety of contractual rights and remedies to the Noteholders, including the right to receive interest and repayment upon maturity. These rights will not be available to Noteholders in respect of their New Common Shares. Claims of holders of Common Shares will be subordinated in priority to the claims of creditors in the event of an insolvency, winding up, or other distribution of the assets of Jaguar.

After the implementation of the Plan, the Common Shares may be concentrated in a few holders

Following the completion of the Plan, the former Noteholders will hold, in aggregate, a significant percentage of the issued and outstanding Common Shares, being Jaguar's only voting shares, and, as a whole, the former Noteholders will have significant influence in any matter coming before a vote of securityholders of the Corporation. The interests of the former Noteholders in the business, operations and financial condition of the Corporation from time to time may not be aligned with, or may conflict with, the interests of other securityholders.

Risks Relating to Non-Implementation of the Plan

Failure to implement the Plan could create liquidity risks

If the Plan is not implemented and business operations of the Corporation continue at their current levels, we expect, in the foreseeable future, to cease to have sufficient liquidity to carry on business in the ordinary course or to service, repay or refinance our outstanding indebtedness. In the current market conditions and Jaguar's financial condition, and given our existing contractual covenants, Jaguar can give no assurance that additional capital will be available on favourable terms, or at all. Further, if the Corporation defaults under the terms of certain of its indebtedness, the debtholders thereunder may accelerate the maturity of their obligations, and these defaults could cause cross-defaults or cross-acceleration under our obligations. Jaguar has committed an event of default under the 4.5% Convertible Notes as a result of its failure to make an

interest payment due thereunder on December 2, 2013. Jaguar's inability to obtain additional capital, if and when needed, could have a material adverse effect on its business, results from operations and financial condition.

Jaguar may not generate sufficient cash flow to service all of its obligations

In the event that the Plan is not implemented, the business is not expected to generate cash flow in an amount sufficient to enable us to repay our indebtedness, or to fund our other liquidity needs. It seems unlikely that this will be feasible. As stated above, Jaguar has incurred significant net losses in the past and expects to incur a net loss in fiscal 2013 and, in the current business environment, Jaguar's operations have generated insufficient cash flows to fund capital expenditures, interest payments and increases in working capital and as a result, Jaguar has had to borrow to meet these obligations. Jaguar's ability to make payments on its indebtedness, and to fund its operations, working capital and capital expenditures, depends on its ability to generate cash in the future. The Corporation's cash flow is subject to general economic, industry, financial, competitive, operating, regulatory and other factors that are beyond our control. Our ability to refinance our indebtedness or obtain additional financing will depend on, among other things:

- the financial condition of the Corporation at the time;
- restrictions in our other credit documents; and
- other factors, including the condition of the financial markets or the market price of gold.

In the event that the Plan is not implemented then:

- Jaguar's net indebtedness will not be reduced by approximately $268.5 million and the associated net reduction in debt service costs will not be achieved;
- the US$50 million of new liquidity that is to be provided as part of the Share Offering would not be available to Jaguar and replacement financing may not be available;
- Jaguar may have increased vulnerability to current and future adverse economic and industry conditions;
- Jaguar may have limited flexibility in planning for, or reacting to, changes and opportunities in its business and its industry;
- Jaguar may have increased employee turnover and uncertainty, diverting management's attention from routine business and hindering its ability to recruit qualified employees;
- Jaguar may be placed at a competitive disadvantage compared to its competitors; and
- Jaguar's cash flow from operations and available liquidity are expected to be insufficient to provide adequate funds to finance its operations and it is expected that a liquidation would result.

Risks Relating to Jaguar's Equity Securities

After implementation of the Plan, the Common Shares may not be listed

The Existing Shares are listed on the TSX and it is a condition to the implementation of the Plan that the New Common Shares shall have been conditionally approved for listing on the TSX, the TSX-V or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders as of the Implementation Date. Such condition precedent may be waived, however, and, accordingly, the liquidity of the New Common Shares may be limited and the value of the New Common Shares may be significantly negatively affected.

Sales or issuances of a significant number of equity securities in the public markets, or the perception of such sales, could depress the market price of the Common Shares

The New Common Shares to be issued pursuant to the Plan represent approximately 99.1% of the issued and outstanding Existing Shares prior to giving effect to the Plan. The Offering Shares are being issued at the Subscription Price and the other 39,155,314 New Common Shares, subject to adjustment, being issued as part of the Plan are being issued in exchange for all outstanding obligations owed to the Noteholders, including, without limitation, outstanding principal and all accrued and unpaid interest on the Notes. With any sale or issuance of equity securities by Jaguar, investors will suffer dilution of their voting power and Jaguar may experience dilution in its earnings per share. We cannot predict the effect that future

sales of the Common Shares or other equity-related securities would have on the market price of the Common Shares. The price of the Common Shares could be affected by possible sales of Common Shares or by hedging or arbitrage trading activity.

The trading price for the Common Shares may be volatile

The trading price of the Common Shares may be subject to large fluctuations, which may result in losses to investors. The trading price of the Common Shares may increase or decrease in response to a number of events and factors, including:

- the price of gold;
- Jaguar's financial condition, financial performance and future prospects;
- the public's reaction to Jaguar's news releases, other public announcements and Jaguar's filings with the various securities regulatory authorities;
- changes in earnings estimates or recommendations by research analysts who track Jaguar's equity securities or the securities of other companies in the gold sector;
- changes in general economic conditions and the overall condition of the financial markets;
- the number of Common Shares to be publicly traded, including upon issuance of convertible equity securities by the Corporation;
- the arrival or departure of key personnel;
- acquisitions, strategic alliances or joint ventures involving Jaguar or its competitors; and
- the factors listed under the heading "*Note Regarding Forward-Looking Information and Statements*".

Exemptions Under the 1934 Act as a Foreign Private Issuer

The Corporation is a foreign private issuer within the meaning of rules promulgated under the 1934 Act. As such, it is exempt from certain provisions of the 1934 Act applicable to United States public companies including: the rules under the 1934 Act requiring the filing with the United States Securities and Exchange Commission of quarterly reports on Form 10-Q or current reports on Form 8-K; the sections of the 1934 Act regulating the solicitation of proxies, consents or authorizations with respect to a security registered under the 1934 Act; the sections of the 1934 Act requiring insiders to file public reports of their stock ownership and trading activities and establishing insider liability for profits realized from any "short-swing" trading transaction (i.e., a purchase and sale, or sale and purchase, of the issuer's equity securities within six months or less), and the provisions of Regulation FD aimed at preventing issuers from making selective disclosures of material information. In addition, certain provisions of the Sarbanes-Oxley Act of 2002 either do not apply to the Corporation. Because of the exemptions under the 1934 Act and Sarbanes-Oxley Act applicable to foreign private issuers, shareholders of the Corporation are not afforded the same protections or information generally available to investors in public companies organized in the United States.

Canadian Federal Income Tax Considerations and Risks

The Plan has not been the subject of an advance income tax ruling from the CRA and there is no guarantee that the CRA will treat the Plan and the Plan in the same manner for income tax purposes as is described under "*Income Tax Considerations - Certain Canadian Federal Income Tax Consideration*". In particular, there is no guarantee that the CRA will not treat certain transactions occurring as part of the Plan as taxable transactions to a Shareholder or Noteholder. Nor is there any guarantee that the Plan, including the exchange of the Notes, will not result in any adverse income tax consequences for the Corporation.

United States Federal Income Tax Considerations and Risks

Noteholders may not be permitted to recognize loss realized as a result of the Plan for United States federal income taxes purposes

The receipt of New Common Shares by Noteholders in exchange for the Notes may constitute a tax-deferred exchange for U.S. federal income tax purposes. If the exchange qualifies as a tax-deferred exchange, a U.S. Holder generally will not be permitted to recognize loss, but may be required to recognize gain unless certain other conditions are met by such U.S.

Holder. Whether the exchange qualifies as a tax-deferred exchange will depend on the percentage of Common Shares held by Noteholders immediately after the consummation of the Plan, which will not be determined with certainty until the subscriptions under the Share Offering are received.

U.S. Holders are urged to consult their tax advisors regarding the U.S. federal income tax consequences to them of the Plan. See "*Income Tax Considerations - Certain United States Federal Income Tax Considerations – Tax Consequences to Noteholders.*".

The United States federal income tax treatment of the receipt of Backstop Commitment Shares is unclear

The U.S. federal income tax treatment of the receipt of Backstop Commitment Shares is unclear. For example, if the recipient is exchanging Notes pursuant to the Plan, it is possible that the Backstop Commitment Shares could be treated as shares received in exchange for such Notes, in which case the considerations described under "*Income Tax Considerations – Certain United States Federal Income Tax Considerations – Tax Consequences to Noteholders - Receipt of Common Shares*" would be relevant. Alternatively, the Backstop Commitment Share could be treated as a separate fee for services (i.e., the commitment), resulting in ordinary income equal to the fair market value of such shares at the time of receipt. Treatment as a fee could also have US tax implications for non-US recipients of Backstop Commitment Shares. A recipient of Backstop Commitment Shares should consult its independent tax advisors regarding the U.S. federal income tax treatment of such receipt.

Risks Related to Jaguar's Business and Industry

In addition to the other information set forth and incorporated by reference in this Circular, you should carefully review the following factors before deciding whether to approve the Plan. Additional risks and uncertainties, including those generally affecting the industry in which we operate, or risks and uncertainties that we currently deem immaterial, may also impact our business, the Corporation generally or our securities.

The Corporation's business, results of operations and financial condition are influenced by a variety of factors, including, but not limited to, general economic conditions, risks relating to the gold industry, risks relating to the volatility of gold prices, risks relating to the calculation of mineral reserves, resources and metal recovery, risks relating to exploration and development activities, fluctuations in currency rates, reliance of management and key personnel, fluctuating capital and operating costs, production and economic rates, increases in energy costs or interruption of energy supply, risks relating to defects in Jaguar's title to properties; foreign political stability and government regulation, and risks relating obtaining and renewing government permits. You should also give careful consideration to the "Risk Factors" section contained in the AIF. Any of the risks and uncertainties set forth therein could materially and adversely affect the Corporation's business, results of operations and financial condition.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of Jaguar are KPMG LLP, Chartered Accountants, Bay Adelaide Centre, 333 Bay Street, Suite 4600, Toronto, Ontario, M5H 2S5.

The registrar and transfer agent for the Common Shares is Computershare Investor Services Inc. through its offices in Toronto, Ontario.

The trustee for the Notes is the Indenture Trustee.

LEGAL AND FINANCIAL MATTERS

Certain legal matters in connection with the Plan will be passed upon on behalf of Jaguar by Norton Rose Fulbright Canada LLP, as to matters of Canadian law, and by Shulte Roth Zabel LLP as to matters of United States law.

WHERE YOU CAN FIND MORE INFORMATION

Information has been incorporated by reference in this Circular from documents filed with the securities commissions or similar authorities in Canada and with the SEC. Copies of this Circular and the documents incorporated herein by reference may be obtained on request without charge from our General Counsel and Corporate Secretary at our registered office located at 67 Yonge Street, Suite 1203, Toronto, Ontario M5E 1J8 (Telephone: (647) 494-5524).

In addition to the continuous disclosure obligations under the securities laws of the provinces of Canada, we are subject to the information reporting requirements of the 1934 Act, and in accordance therewith file reports with, and furnish other

information to, the SEC. Under a multi-jurisdictional disclosure system adopted by the United States and Canada, these reports and other information (including financial information) may be prepared in accordance with the disclosure requirements of Canada, which differ in certain respects from those in the United States. As a foreign private issuer, we are exempt from the rules under the 1934 Act prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the 1934 Act. In addition, we are not required to publish financial statements as promptly as U.S. companies.

You may read any document we file with or furnish to the securities commissions and authorities of the provinces of Canada through SEDAR and any document we file with or furnish to the SEC at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. Prospective investors may call the SEC at 1-800-SEC-0330 for further information regarding the public reference facilities. The SEC also maintains a website, at www.sec.gov, that contains reports and other information we file with the SEC.

APPROVAL BY THE BOARD OF DIRECTORS

The contents of this Circular and its sending to the Affected Unsecured Creditors have been approved by the Board of Directors.

DATED at Toronto, Ontario this December 23, 2013.

Richard D. Falconer
Richard D. Falconer
Chairman of the Board of Directors

APPENDIX A
FORM OF PLAN RESOLUTION
FOR AFFECTED UNSECURED CREDITORS OF JAGUAR MINING INC.

Capitalized terms used and not defined herein have the meanings ascribed to them in the Plan of Compromise and Arrangement dated as of December 23, 2013 filed by the Corporation under the *Companies' Creditors Arrangement Act*, as may be amended, restated or supplemented (the "**Plan**").

BE IT RESOLVED THAT:

1 The Plan presented to Affected Unsecured Creditors at the Meeting be and hereby is authorized and approved.

2 Notwithstanding that this resolution has been passed and the Plan has been approved by the Affected Unsecured Creditors and the Court, the directors of the Corporation be and hereby are authorized and empowered to amend or not proceed with this resolution subject to and in accordance with the terms of the Plan.

3 Any directors or officers of the Corporation are hereby authorized, empowered and instructed, acting for, and in the name of and on behalf of the Corporation (but not the creditors), to execute, or cause to be executed under the seal of the Corporation or otherwise, and to deliver or cause to be delivered for, on behalf of and in the name of such Corporation, all such documents, agreements and instruments and to do or cause to be done all such other acts and things as such director or officer determines to be necessary or desirable in order to carry out the Plan, such determination to be conclusively evidenced by the execution and delivery by such director or officer of such documents, agreements or instruments or the doing of any such act or thing.

APPENDIX B
PLAN OF COMPROMISE AND ARRANGEMENT

Court File No. CV-13-10383-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF JAGUAR MINING INC. (the "Applicant")

PLAN OF COMPROMISE AND ARRANGEMENT

PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT*

OF JAGUAR MINING INC.

DECEMBER 23, 2013

RECITALS

(A) Jaguar Mining Inc. (the "**Applicant**" or "**Jaguar**") is a debtor company (as such term is defined in the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**").

(B) On December 23, 2013, the Honourable Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granted the following Orders pursuant to the CCAA:

(i) an Initial Order in respect of the Applicant (as such Order may be amended, restated or varied from time to time, the "**Initial Order**");

(ii) a Plan Filing and Meeting Order (as such Order may be amended, restated or varied from time to time, the "**Meeting Order**") pursuant to which, among other things, the Applicant was authorized to file this plan of compromise and arrangement and to convene a meeting of affected creditors to consider and vote on this plan of compromise and arrangement; and

(iii) a Claims Procedure Order (as such Order may be amended, restated or varied from time to time, the "**Claims Procedure Order**"), which, among other things,

established the procedures by which claims of affected creditors shall be filed in these proceedings.

(C) Mineração Serras Do Oeste Ltda. ("**MSOL**"), Mineração Turmalina Ltda. ("**MTL**"), and MCT Mineração Ltda. ("**MCT**"), each incorporated under the laws of Brazil, are wholly-owned subsidiaries of Jaguar and are not applicants in the CCAA Proceedings.

(D) The purpose of this Plan is to facilitate the continuation of the business of the Jaguar Group (as hereinafter defined) as a going concern, address certain liabilities of the Applicant, and effect a recapitalization and financing transaction on an expedited basis to provide a stronger financial foundation for the Jaguar Group going forward and additional liquidity to allow the Jaguar Group to continue to work towards its operational and financial goals from and after the Implementation Date in the expectation that all Persons (as hereinafter defined) with an economic interest in the Jaguar Group will derive a greater benefit from the implementation of this Plan than would otherwise result.

NOW THEREFORE the Applicant hereby proposes and presents this Plan under the CCAA.

ARTICLE 1 – INTERPRETATION

1.1 Definitions

In this Plan and the Recitals, unless otherwise stated or unless the subject matter or context otherwise requires:

"**4.5% Convertible Note Indenture**" means the Indenture dated as of September 15, 2009 among Jaguar, as issuer, The Bank of New York Mellon as trustee and BNY Trust Company of Canada as co-trustee pursuant to which Jaguar issued the 4.5% convertible notes;

"**5.5% Convertible Note Indenture**" means the Indenture dated as of February 9, 2011 among Jaguar as issuer, The Bank of New York Mellon as trustee and BNY Trust Company of Canada as co-trustee pursuant to which Jaguar issued the 5.5% convertible notes;

"**Accrued Interest Claim**" means, with respect to a particular Participating Eligible Investor or Funding Backstop Party, all unpaid interest accrued under the Notes at the applicable rate under the Indentures owing as at the Record Date to such Participating Eligible Investor or Funding Backstop Party;

"**Accrued Interest Claims**" means the aggregate of all unpaid interest accrued under the Notes at the applicable rate under the Indentures owing as at the Record Date to the Participating Eligible Investors and Funding Backstop Parties;

"**Accrued Interest Offering Shares**" means 9,044,203 New Common Shares;

"**Ad Hoc Committee**" means the ad hoc committee of Noteholders represented by the Advisors;

"**Administration Charge**" has the meaning given to that term in the Initial Order;

"**Advisors**" means Goodmans LLP, Houlihan Lokey Capital, Inc., Dias Carneiro Advogados, Behre Dolbear & Company (USA), Inc. and Stroock & Stroock & Lavan LLP;

"**Affected Creditor Class**" has the meaning given to that term in Section 3.1;

"**Affected Unsecured Claims**" means all Claims against the Applicant that are not Equity Claims;

"**Affected Unsecured Creditor**" means the holder of an Affected Unsecured Claim in respect of and to the extent of such Affected Unsecured Claim;

"**Allowed**" means, with respect to a Claim, any Claim or any portion thereof that has been finally allowed as a Distribution Claim (as defined in the Claims Procedure Order) for purposes of receiving distributions under this Plan in accordance with the Claims Procedure Order and the CCAA;

"**Applicable Law**" means, with respect to any Person, property, transaction, event or other matter, any Law relating or applicable to such Person, property, transaction, event or other matter, including, where appropriate, any interpretation of the Law (or any part) by any Person, court or tribunal having jurisdiction over it, or charged with its administration or interpretation;

"**Applicant**" has the meaning given to that term in Recital A;

"**Articles of Reorganization**" means the Articles of Reorganization of Jaguar to be filed pursuant to Section 186 of the OBCA and in accordance with Section 7.4(a) hereof, in form and substance satisfactory to Jaguar and the Majority Consenting Noteholders.

"**Assumed Backstop Commitment**" means, in the event of a Backstop Default/Termination, if any, a Backstop Commitment, or a portion thereof, assumed by an Assuming Backstop Party from a Defaulting Backstop Party, Objecting Backstop Party, Breaching Backstop Party or Non-Delivering Backstop Party, as applicable, in accordance with the terms and conditions of this Plan and the Backstop Agreement;

"**Assuming Backstop Party**" means, in the event of a Backstop Default/Termination, if any, a Non-Defaulting Backstop Party, Non-Objecting Backstop Party, Non-Breaching/Non-Delivering Backstop Party, or such other party acceptable to the Backstop Parties and Jaguar in each case in accordance with the Backstop Agreement, that executes a Backstop Consent Agreement and that has assumed the obligations (and rights), or a portion thereof, of a Defaulting Backstop Party, Objecting Backstop Party, Breaching Backstop Party or Non-Delivering Backstop Party, as applicable, under the Backstop Agreement, in accordance with the terms and conditions of this Plan and the Backstop Agreement. For greater certainty, any Assuming Backstop Party that has complied with its obligations under this Plan and the Backstop Agreement shall constitute and be treated as a Funding Backstop Party for purposes of this Plan;

"**Backstop Agreement**" means the backstop agreement dated November 13, 2013 (as amended from time to time) between certain Noteholders, Jaguar, MCT, MSOL and MTL, together with any Backstop Consent Agreements executed by other parties from time to time;

"**Backstop Commitment**" means, in respect of each Backstop Party, the commitment set forth on such Backstop Party's signature page to the Backstop Agreement or a Backstop Consent Agreement, as applicable, which commitment may be reduced in accordance with and subject to the terms and conditions of the Backstop Agreement and this Plan;

"**Backstop Commitment Reduction Election**" has the meaning given to such term in Section 4.1(c);

"**Backstop Commitment Shares**" means 11,111,111 New Common Shares;

"**Backstop Consent Agreement**" means an agreement substantially in the form of Schedule B to the Backstop Agreement;

"**Backstop Consideration Commitment**" means, in respect of each Backstop Party, the commitment set forth on such Backstop Party's signature page to the Backstop Agreement or a Backstop Consent Agreement, as applicable, which commitment, for greater certainty, shall not be reduced as a result of a Backstop Commitment Reduction Election;

"**Backstop Default/Termination**" means any of the following: (a) a breach by a Breaching Backstop Party under section 10(b)(i) or (ii) of the Backstop Agreement in respect of which the Backstop Agreement has been terminated with respect to such Breaching Backstop Party in accordance with its terms; (b) a failure by a Defaulting Backstop Party to meet its obligations in respect of its Backstop Commitment on or before the Backstop Funding Deadline; (c) a failure by a Non-Delivering Backstop Party to deliver an executed Rep Letter to Jaguar by the Election Deadline or if a representation or warranty made in such Rep Letter becomes untrue; and (d) the termination by an Objecting Backstop Party of its obligations under the Backstop Agreement in accordance with section 8(c) thereof;

"**Backstop Funding Deadline**" has the meaning given to such term in Section 4.1(g);

"**Backstop Parties**" means those Noteholders that have entered into the Backstop Agreement (including a Backstop Consent Agreement), and a "**Backstop Party**" means any one of the Backstop Parties, and their permitted assignees;

"**Backstop Payment Amount**" has the meaning given to such term in Section 4.1(f);

"**Backstop Purchase Obligation**" means the obligation of a Backstop Party to purchase Backstopped Shares in accordance with the terms and conditions of the Backstop Agreement and this Plan;

"**Backstopped Shares**" has the meaning given to such term in Section 4.1(f);

"**Beneficial Noteholder**" means a beneficial or entitlement holder of Notes holding such Notes in a securities account with a depository, a depository participant or other securities intermediary including, for greater certainty, such depository participant or other securities intermediary only if and to the extent such depository participant or other securities intermediary holds the Notes as a principal for its own account;

"**Bradesco**" means Banco Bradesco S.A.;

"**Breaching Backstop Party**" means a Backstop Party that has breached the Backstop Agreement under section 10(b)(i) or (ii) thereof and in respect of whom the Backstop Agreement has been terminated in accordance with its terms;

"**Business Day**" means any day, other than a Saturday, or a Sunday or a statutory or civic holiday, on which banks are generally open for business in Toronto, Ontario and New York, New York;

"**CCAA Proceedings**" means the proceedings commenced by the Applicant under the CCAA as contemplated by the Initial Order;

"**Charges**" has the meaning ascribed thereto in the Initial Order;

"**Claim**" means:

i. any right or claim, including any Tax Claim, of any Person that may be asserted or made in whole or in part against the Applicant, in any capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever of the Applicant, and any interest accrued thereon or costs payable in respect thereof, in existence on the Filing Date, or which is based on an event, fact, act or omission which occurred in whole or in part prior to the Filing Date, whether at law or in equity, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including, any legal, statutory, equitable or fiduciary duty) or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and together with any security enforcement costs or legal costs associated with any such claim, and

whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, warranty, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any claim arising from or caused by the termination, disclaimer, resiliation, assignment or repudiation by the Applicant of any contract, lease or other agreement, whether written or oral, any claim made or asserted against the Applicant through any affiliate, subsidiary, associated or related person, or any right or ability of any Person to advance a claim for an accounting, reconciliation, contribution, indemnity, restitution or otherwise with respect to any matter, grievance, action (including any class action or proceeding before an administrative tribunal), cause or chose in action, whether existing at present or commenced in the future, and including any other claims that would have been claims provable in bankruptcy had the Applicant become bankrupt on the Filing Date, including for greater certainty any Equity Claim and any claim against the Applicant for indemnification by Director or Officer in respect of a Director/Officer Claim but excluding any such indemnification claims covered by the Directors' Charge (each, a "**Pre-filing Claim**", and collectively, the "**Pre-filing Claims**");

ii. any right or claim of any Person against the Applicant in connection with any indebtedness, liability or obligation of any kind whatsoever owed by the Applicant to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach by the Applicant on or after the Filing Date of any contract, lease or other agreement whether written or oral (each, a "**Restructuring Period Claim**", and collectively, the "**Restructuring Period Claims**"); and

iii. any right or claim of any Person against one or more of the Directors or Officers howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, including any right of contribution or indemnity, for which any Director or Officer is alleged to be by statute or otherwise by law liable to pay in his or her capacity as a Director or Officer (each a "**Director/Officer Claim**", and collectively, the "**Director/Officer Claims**"),

in each case other than any Excluded Claim;

"**Commitment Reduction Electing Backstopper**" has the meaning given to such term in Section 4.1(c);

"**Common Share Consolidation**" has the meaning given to such term in Section 7.4(a);

"**Common Shares**" means the common shares in the capital of Jaguar that are duly issued and outstanding at any time;

"Consenting Noteholder" means any Noteholder that has executed the Support Agreement (including a consent agreement substantially in the form of Schedule C thereto), in respect of whom the Support Agreement has not been terminated;

"**Consolidation Number**" means the quotient (to five decimal places) determined by dividing the number of Existing Shares by 1,000,000, which as of the date of this Plan is 86.39636.

"**Continuing Other Director/Officer Claims**" means Director/Officer Claims against the Other Directors

and/or Officers;

"**Court**" has the meaning given to that term in Recital B;

"**Credit Agreement**" means the credit agreement made as of December 17, 2012 between Jaguar, as borrower, the Subsidiaries, as guarantors, and Global Resource Fund, as lender.

"**Creditor**" means any Person having a Claim and includes without limitation the transferee or assignee of a Claim transferred and recognized as a Creditor in accordance with the Claims Procedure Order or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through such Person;

"**Crown**" means Her Majesty in right of Canada or a province of Canada;

"**Crown Claim**" means any Claim of the Crown, for all amounts that were outstanding at the Filing Date and are of a kind that could be subject to a demand under:

i. subsection 224(1.2) of the ITA;

ii. any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the ITA and provides for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts;

iii. any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the ITA, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:

a. has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the ITA; or

b. is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection.

"**Defaulting Backstop Party**" means a Backstop Party that has failed to meet its obligations in respect of its Backstop Commitment on or before the Backstop Funding Deadline;

"Designated Offshore Securities Market" has the meaning given to that term in Rule 902 of Regulation S.

"**Direct Registration System Advice**" means, if applicable, a statement delivered by the Transfer Agent or any such Person's agent to any Person entitled to receive New Common Shares pursuant to the Plan indicating the number of New Common Shares registered in the name of or as directed by the applicable Person in a direct registration account administered by the Transfer Agent in which those Persons entitled to receive New Common Shares pursuant to the Plan will hold such New Common Shares in registered form and including, if applicable, a securities law legend;

"**Director**" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of Jaguar;

"**Director/Officer Claim**" has the meaning given to that term in the definition of Claim;

"**Director/Officer Indemnity Claim**" means any existing or future right of any Director or Officer of Jaguar against Jaguar that arose or arises as a result of any Person filing a Proof of Claim (as defined in the Claims Procedure Order) in respect of a Director/Officer Claim in respect of such Director or Officer of Jaguar for which such Director or Officer of Jaguar is entitled to be indemnified by Jaguar;

"**Directors' Charge**" has the meaning given to that term in the Initial Order;

"**Disputed Distribution Claim**" means an Affected Unsecured Claim (including a contingent Affected Unsecured Claim which may crystallize upon the occurrence of an event or events occurring after the Filing Date) or such portion thereof which has not been allowed as a Distribution Claim (as defined in the Claims Procedure Order), which is validly disputed for distribution purposes in accordance with the Claims Procedure Order and which remains subject to adjudication for distribution purposes in accordance with the Claims Procedure Order;

"**Disputed Distribution Claims Reserve**" means the reserve, if any, to be established by the Applicant on the Implementation Date, which shall be comprised of the Unsecured Creditor Common Shares that would have been delivered in respect of Disputed Distribution Claims if such Disputed Distribution Claims had been Allowed Claims as of such date;

"**Disputed Voting Claim**" means an Affected Unsecured Claim (including a contingent Affected Unsecured Claim which may crystallize upon the occurrence of an event or events occurring after the Filing Date) or such portion thereof which has not been allowed as a Voting Claim, which is validly disputed for voting purposes in accordance with the Claims Procedure Order and which remains subject to adjudication for voting purposes in accordance with the Claims Procedure Order;

"**Distribution Claim**" means the amount of the Affected Unsecured Claim of an Affected Unsecured Creditor against the Applicant as finally accepted and determined for distribution purposes in accordance with this Claims Procedure Order and the CCAA;

"**Distribution Record Date**" means the Business Day immediately before the Implementation Date;

"DSU Plan" means the Deferred Share Unit Plan for non-executive directors adopted in November of 2008 by Jaguar, as amended from time to time;

"**DSU/RSU Notice**" means a notice delivered by Goodmans to Jaguar prior to the date scheduled for the hearing of the motion for the Sanction Order, if, in satisfaction of Section 12.3(g) hereof, Jaguar and the Majority Consenting Noteholders have agreed to terminate the DSU Plan and/or the RSU Plan;

"DTC" means The Depository Trust Company, or any successor thereof;

"**Early Consent Deadline**" means November 26, 2013 (or such other date as the Applicant, the Monitor and the Majority Consenting Noteholders may agree);

"**Early Consent Shares**" means 5,000,000 New Common Shares;

"**Early Consenting Noteholder**" means any Noteholder that has executed the Support Agreement (including a consent agreement substantially in the form of Schedule C thereto) on or before the Early Consent Deadline and in respect of whom the Support Agreement has not been terminated;

"**Election Deadline**" means 5:00 p.m. on the second Business Day before the Meeting (or such other time or date as the Applicant and the Majority Consenting Noteholders may agree);

"**Election Form**" has the meaning given to that term in Section 4.1(b);

"**Electing Eligible Investor**" means an Eligible Investor who has completed and submitted an Election Form on or prior to the Election Deadline to participate in the Share Offering in accordance with the Meeting Order, provided that an Electing Eligible Investor that irrevocably elects under Section 4.1(b) to participate in the Share Offering and subscribes for such number of Offering Shares that is less than such Eligible Investor's Pro Rata Share of all Offering Shares offered pursuant to the Share Offering shall be deemed to be an Electing Eligible Investor only in respect of such lesser amount, and shall not be treated as an Electing Eligible Investor in respect of the balance;

"**Electing Eligible Investor Funding Amount**" has the meaning given to that term in Section 4.1(d);

"**Electing Eligible Investor Funding Deadline**" has the meaning given to that term in Section 4.1(e);

"**Eligible Investor**" means a person that: (i) is a Noteholder as at the Subscription Record Date; and (ii) has delivered an executed Rep Letter to Jaguar on or before the Election Deadline and the information set forth in such Rep Letter is true and correct as of the Implementation Date, and such person's permitted assignees;

"**Eligible Voting Creditors**" means Affected Unsecured Creditors holding Voting Claims or Disputed Voting Claims;

"**Employee Priority Claims**" means the following claims of Jaguar's employees and former employees:

i. claims equal to the amounts that such employees and former employees would have been qualified to receive under paragraph 136(l)(d) of the *Bankruptcy and Insolvency Act* (Canada) if Jaguar had become bankrupt on the Filing Date; and

ii. claims for wages, salaries, commissions or compensation for services rendered by them after the Filing Date and on or before the date of the Sanction Order, together with, in the case of travelling salespersons, disbursements properly incurred by them in and about Jaguar's business during the same period.

"**Equity Claim**" has the meaning set forth in section 2(1) of the CCAA;

"**Escrow Agent**" means an independent third party escrow agent agreed to by Jaguar and the Majority Backstop Parties, in each case acting reasonably;

"**Escrow Agreement**" means the escrow agreement entered into by the Escrow Agent, Jaguar and the applicable Participating Eligible Investors and Funding Backstop Parties in connection with the Share Offering;

"**Excluded Claim**" means

i. any claims secured by any of the Charges;

ii. any Section 5.1(2) Director/Officer Claims;

iii. any claims that cannot be compromised pursuant to subsection 19(2) of the CCAA;

iv. any claims of the Subsidiaries against the Applicant;

v. any Secured Claims;

vi. any Employee Priority Claims against the Applicant;

vii. any Crown Claims against the Applicant;

viii. the Trustees' claims under Section 6.07 of the 4.5% Convertible Note Indenture and the 5.5% Convertible Note Indenture, if any;

ix. any Post-Filing Claims;

x. any claims of Persons who, at the Filing Date, are senior officers or employees of the Applicant, in respect of their employment arrangements or any termination of such arrangements; and

xi. the Renvest Claim.

"**Excluded Creditor**" means a Person who has an Excluded Claim, but only in respect of and to the extent of such Excluded Claim;

"**Existing Equity Holders**" means, collectively, the Existing Shareholders and, as context requires, the Registered Holders or beneficial holders of Existing Share Options and the Registered Holders or beneficial holders of Rights, in their capacities as such;

"**Existing Shareholders**" means, as context requires, Registered Holders or beneficial holders of the Existing Shares, in their capacities as such;

"**Existing Share Options**" means all rights, options, warrants and other securities (other than the Notes) convertible or exchangeable into equity securities of Jaguar;

"**Existing Shares**" means all common shares of Jaguar that are issued and outstanding at the applicable time prior to the Implementation Time;

"**Filing Date**" means December 23, 2013;

"**Funding Backstop Party**" means a Backstop Party (i) in respect of whom the Backstop Agreement has not been terminated and (ii) unless such Backstop Party's Backstop Commitment has been reduced to zero in accordance with the Backstop Agreement and this Plan, who has deposited in escrow with the Escrow Agent either (a) its Backstop Payment Amount in full in cash; or (b) a qualified letter of credit in the full amount of its Backstop Payment Amount, in each case by the Backstop Funding Deadline and in accordance with the Backstop Agreement and Section 4.1(g) of this Plan;

"**Governmental Entity**" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, board, tribunal or dispute settlement panel or other law, rule or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

"**Implementation Date**" means the Business Day on which this Plan becomes effective, which shall be the Business Day on which the Monitor has filed with the Court the certificate contemplated in Section 12.6 hereof, or such other date as the Applicant, the Monitor and the Majority Consenting Noteholders may agree;

"**Implementation Time**" means 12:01 a.m. on the Implementation Date (or such other time as the

Applicant, the Monitor and the Majority Consenting Noteholders may agree);

"**Indentures**" means the 4.5% Convertible Note Indenture and the 5.5% Convertible Note Indenture;

"**Initial Order**" has the meaning given to that term in Recital B;

"**Insurance Policies**" means any insurance policy pursuant to which any Director or Officer is insured, in his or her capacity as a Director or Officer;

"**ITA**" means the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supp.);

"**Itaú BBA**" means Banco Itaú BBA S.A.;

"**Jaguar Group**" means, collectively, Jaguar, MSOL, MCT, MTL.;

"**Law**" means any law, statute, order, decree, consent decree, judgment, rule regulation, ordinance or other pronouncement having the effect of law whether in Canada, the United States, Brazil or any other country, or any domestic or foreign state, county, province, city or other political subdivision or of any Governmental Entity;

"**Letter of Transmittal**" means a letter of transmittal to be used by Registered Holders of Existing Shares to obtain replacement share certificates reflecting the Common Share Consolidation;

"**Majority Backstop Parties**" means the Backstop Parties (other than Defaulting Backstop Parties) having at least 66 $^{2/3}$ % of the aggregate Backstop Commitment of the Backstop Parties (other than Defaulting Backstop Parties) at the time that a consent, approval, waiver or agreement is sought pursuant to the terms of this Plan;

"**Majority Consenting Noteholders**" means Consenting Noteholders holding at least a majority of the aggregate principal amount of all Notes held by all Consenting Noteholders at the time that a consent, approval, waiver or agreement is sought pursuant to the terms of this Plan;

"**MCT**" has the meaning given to that term in Recital C;

"**MSOL**" has the meaning given to that term in Recital C;

"**MTL**" has the meaning given to that term in Recital C;

"**Meeting**" means a meeting of the Affected Unsecured Creditors called for the purpose of considering and voting in respect of this Plan;

"**Monitor**" means FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of Jaguar in the CCAA Proceedings;

"**Named Directors and Officers**" means the current directors and officers of Jaguar and such other directors and officers as agreed to by the Majority Consenting Noteholders on or before 4 days prior to the Meeting;

"**New Board**" means the board of directors of Jaguar as named in the Sanction Order, the composition and size of which shall be satisfactory to the Majority Backstop Parties, subject to applicable Law;

"**New Common Shares**" means the 110,111,111 Common Shares to be issued by Jaguar on the Implementation Date in accordance with the steps set out in Section 7.4;

"**Non-Breaching/Non-Delivering Backstop Parties**" means those Backstop Parties that are neither Breaching Backstop Parties nor Non-Delivering Backstop Parties;

"**Non-Defaulting Backstop Parties**" means those Backstop Parties that are not Defaulting Backstop Parties;

"**Non-Delivering Backstop Party**" means a Backstop Party (who is not otherwise an Objecting Backstop Party) that has not delivered an executed Rep Letter to Jaguar by the Election Deadline or for whom a representation or warranty made in such Rep Letter becomes untrue;

"**Non-Objecting Backstop Parties**" means those Backstop Parties that are not Objecting Backstop Parties;

"**Non-Released Director/Officer Claims**" means Director/Officer Claims against the Directors and Officers of Jaguar in respect of which such Director or Officer has been adjudged by the express terms of a judgment rendered on a final determination on the merits to have committed fraud or wilful misconduct;

"**Noteholder Released Claim**" means the matters that are subject to release and discharge pursuant to Section 11.1(c);

"**Noteholder Released Party**" has the meaning given to that term in Section 11.1(c);

"**Noteholder Voting Record Date**" means December 19, 2013;

"**Noteholders**" means, as the context requires, the Registered Holders or beneficial holders of the Notes, in their capacities as such;

"**Noteholders Allowed Claim**" means all principal amounts outstanding and all accrued interest under the Notes as at the applicable record date under this Plan as determined in accordance with the Claims Procedure Order for purposes of voting on, and receiving distributions under, this Plan;

"**Noteholder's Allowed Claim**" means, in respect of a particular Noteholder, all principal amounts outstanding and accrued interest under the Notes owing to such Noteholder as at the applicable record date under this Plan as determined in accordance with the Claims Procedure Order for purposes of voting on, and receiving distributions under, this Plan;

"**Notes**" means, collectively, the notes issued by Jaguar under and pursuant to the Indentures;

"**Objecting Backstop Party**" means a Backstop Party that has terminated its obligations under the Backstop Agreement in accordance with section 8(c) thereof;

"**Offering Shares**" means the 70,955,797 New Common Shares to be issued by Jaguar pursuant to the Share Offering;

"**Offered Shares**" means, collectively, the Offering Shares (including the Backstopped Shares), the Accrued Interest Offering Shares, and the Backstop Commitment Shares;

"**Officer**" means anyone who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of Jaguar;

"**Order**" means any order of the Court in the CCAA Proceedings;

"**Other Directors and/or Officers**" means any Directors and/or Officers other than the Named Directors

and Officers;

"**Outside Date**" means February 28, 2014 (or such other date as the Applicant and the Majority Consenting Noteholders may agree);

"**Participant Holder**" has the meaning ascribed thereto in the Meeting Order;

"**Participating Eligible Investor**" has the meaning given to that term in Section 4.1(h);

"**Participating Eligible Investor Shares**" has the meaning given to that term in Section 4.1(h);

"**Party**" means a party to the Support Agreement and/or to the Backstop Agreement, and any reference to a Party includes its successors and permitted assigns; and "**Parties**" means every Party;

"**Person**" is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, Government Entity or any agency, officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status;

"**Plan**" means this plan of compromise and arrangement and any amendments, modifications or supplements hereto made in accordance with the terms hereof or made at the direction of the Court in the Sanction Order or otherwise with the consent of Jaguar and the Majority Consenting Noteholders, each acting reasonably;

"**Plan Resolution**" means the resolution of the Affected Unsecured Creditors relating to this Plan considered at the Meeting;

"**Post-Filing Claim**" means any claims against the Applicant that arose from the provision of authorized goods and services provided or otherwise incurred on or after the Filing Date in the ordinary course of business, but specifically excluding any Restructuring Period Claim;

"**Pre-filing Claim**" has the meaning given to that term in the definition of Claim;

"**Pro Rata Share**" means:

(a) in respect of Unsecured Creditor Common Shares, the percentage that an Affected Unsecured Creditor's Allowed Affected Unsecured Claim calculated as at the Record Date bears to the aggregate of all Allowed Affected Unsecured Claims calculated as at the Record Date and all Disputed Distribution Claims calculated as at the Record Date;

(b) in respect of the Early Consent Shares, the percentage that an Early Consenting Noteholder's Noteholder's Allowed Claim calculated as at the Record Date bears to the aggregate of all Early Consenting Noteholders' Noteholder's Allowed Claims calculated as at the Record Date;

(c) in respect of the Subscription Privilege, the percentage that an Eligible Investor's Noteholder's Allowed Claim calculated as at the Record Date bears to the Noteholders Allowed Claim calculated as at the Record Date, subject to adjustment pursuant to Section 5.2(c) hereof;

(d) in respect of the Accrued Interest Offering Shares, the percentage that a Participating Eligible Investor's Accrued Interest Claim or a Funding Backstop Party's Accrued Interest Claim (without duplication), as applicable, bears to the aggregate of all Accrued Interest

Claims;

(e) in respect of the Backstop Commitment Shares, the percentage that a Funding Backstop Party's Backstop Consideration Commitment bears to the aggregate of all Funding Backstop Parties' Backstop Consideration Commitments; and

(f) in respect of the Backstopped Shares, the percentage that a Backstop Party's Backstop Commitment bears to the aggregate of all Backstop Commitments.

"**Record Date**" means December 31, 2013;

"**Registered Holder**" means (i) in respect of the Notes, the holder of such Notes as recorded on the books and records of the Trustees, (ii) in respect of the Existing Shares, the holder of such Existing Shares as recorded on the share register maintained by the Transfer Agent, and (iii) in respect of the Existing Share Options, the holder of such Existing Share Options as recorded on the books and records of Jaguar;

"**Regulation S**" means Regulation S as promulgated by the US Securities Commission under the US Securities Act;

"**Released Claims**" means the matters that are subject to release and discharge pursuant to Section 11.1(a) and (b) hereof;

"**Released Party**" has the meaning given to that term in Section 11.1(b);

"**Renvest Claim**" means any claim for amounts owing by the Applicant to Global Resource Fund, pursuant to the Credit Agreement or pursuant to any Credit Document (as such term is defined in the Credit Agreement).

"**Rep Letter**" means a letter from a Noteholder, or an Assuming Backstop Party who is not a Noteholder, or an Affected Unsecured Creditor with an Allowed Affected Unsecured Claim who is not a Noteholder, if applicable in accordance with Section 5.2(c) hereof, to Jaguar containing representations and warranties relating to such Person's eligibility to acquire the Offering Shares (including the Backstopped Shares), Accrued Interest Offering Shares, or Backstop Commitment Shares under US Securities Laws, in a form acceptable to such Person and Jaguar, each acting reasonably;

"**Required Majority**" means a majority in number of Affected Unsecured Creditors representing at least two thirds in value of the Voting Claims of Affected Unsecured Creditors who are entitled to vote at the Meeting in accordance with the Meeting Order and who are present and voting in person or by proxy on the Plan Resolution at the Meeting;

"**Restructuring Period Claim**" has the meaning given to that term in the definition of Claim;

"**Rights**" means the rights issued pursuant to the Shareholder Rights Plan;

"**RSU Plan**" means the restricted share unit plan for senior officers, employees and consultants adopted in November of 2008 by Jaguar, as amended from time to time;

"**Sanction Order**" means the Order of the Court sanctioning and approving this Plan pursuant to section 6(1) of the CCAA, which shall include such terms as may be necessary or appropriate to (i) give effect to this Plan, in form and substance satisfactory to the Applicant and the Majority Consenting Noteholders, each acting reasonably, and (ii) allow Jaguar to rely on the exemption from registration set forth in section 3(a)(10) of the US Securities Act;

"**Section 5.1(2) Director/Officer Claim**" means any Director/Officer Claim that is not permitted to be compromised pursuant to section 5.1(2) of the CCAA, but only to the extent not so permitted, provided that any Director/Officer Claim that qualifies as a Non-Released Director/Officer Claim shall not constitute a Section 5.1(2) Director/Officer Claim for the purposes of Section 11.1(a) hereof;

"**Secured Claims**" means that portion of a Claim that is (i) secured by security validly charging or encumbering property or assets of the Applicant (including statutory and possessory liens that create security interests) but only up to the value of such collateral, and (ii) duly and properly perfected in accordance with the relevant legislation in the appropriate jurisdiction as of the Filing Date;

"**Share Offering"** means the offering by Jaguar of Offering Shares at the Subscription Price in accordance with this Plan;

"**Shareholder Rights Plan**" means the Shareholder Rights Plan Agreement dated May 2, 2013 between Jaguar Mining Inc. and Computershare Investor Services Inc. as Rights Agent;

"**Solicitation/Election Agent**" means Globic Advisors Inc,, or any successor solicitation or election agent;

"**Stock Option Plan**" means the stock option plan of Jaguar in effect as of the Filing Date;

"**Subscription Price**" means $0.7047 per Offering Share;

"**Subscription Privilege**" means the right of an Eligible Investor to participate in the Share Offering by electing, in accordance with the provisions of this Plan, to subscribe for and purchase from Jaguar up to its Pro Rata Share of Offering Shares under the Share Offering;

"**Subscription Record Date**" means the date of the Initial Order;

"**Subsidiaries**" means, collectively, MTL, MSOL and MCT, and "**Subsidiary**" means any one of the Subsidiaries;

"**Support Agreement**" means the Support Agreement made November 13, 2013 (as amended from time to time) between Jaguar, the Subsidiaries and the Noteholders party thereto, together with any consent agreements executed by other Noteholders from time to time, substantially in the form of Schedule C thereto;

"**Tax**" or "**Taxes**" means any and all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever, including all interest, penalties, fines, additions to tax or other additional amounts in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Quebec and other government pension plan premiums or contributions;

"**Tax Claim**" means any Claim against the Applicant for any Taxes in respect of any taxation year or period;

"**Transfer Agent**" means Computershare Investor Services Inc.;

"**Trustees**" means The Bank of New York Mellon, as trustee, and BNY Trust Company of Canada, as co-trustee, under each of the Indentures;

"**TSX**" means Toronto Stock Exchange;

"**TSXV**" means TSX Venture Exchange;

"**Undeliverable Distribution**" has the meaning given to that term in Section 8.3;

"**Unsecured Creditor Common Shares**" means 14,000,000 New Common Shares;

"**US Dollars**" or "**US$**" means the lawful currency of the United States of America;

"**US Securities Act**" means the *United States Securities Act of 1933*, as amended from time to time, and the rules and regulations promulgated thereunder, or any successor statute;

"**US Securities Commission**" means the United States Securities and Exchange Commission;

"**US Securities Laws**" means, collectively, the *Sarbanes-Oxley Act of 2002* ("Sarbanes-Oxley"), the US Securities Act, as amended, the *United States Securities Exchange Act of 1934*, as amended, the rules and regulations of the US Securities Commission, the auditing principles, rules, standards and practices applicable to auditors of "issuers" (as defined in Sarbanes-Oxley) promulgated or approved by the Public Company Accounting Oversight Board and, as applicable, the rules of the New York Stock Exchange;

"**Voting Claim**" means the amount of the Affected Unsecured Claim of an Affected Unsecured Creditor against the Applicant as finally accepted and determined for purposes of voting at the Meeting, in accordance with the provisions of the Claims Procedure Order and the CCAA; and

"**Voting Deadline**" means 10 a.m. on the Business Day prior to the Meeting.

1.2 Certain Rules of Interpretation

For the purposes of this Plan:

(a) Unless otherwise expressly provided herein, any reference in this Plan to an instrument, agreement or an Order or an existing document or exhibit filed or to be filed means such instrument, agreement, Order, document or exhibit as it may have been or may be amended, modified, or supplemented in accordance with its terms;

(b) The division of this Plan into articles and sections are for convenience of reference only and do not affect the construction or interpretation of this Plan, nor are the descriptive headings of articles and sections intended as complete or accurate descriptions of the content thereof;

(c) The use of words in the singular or plural, or with a particular gender, including a definition, shall not limit the scope or exclude the application of any provision of this Plan to such Person (or Persons) or circumstances as the context otherwise permits;

(d) The words "includes" and "including" and similar terms of inclusion shall not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather shall mean "includes but is not limited to" and "including but not limited to", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;

(e) Unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Toronto, Ontario and any reference to an event

occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day;

(f) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends;

(g) Unless otherwise provided, any reference to a statute or other enactment of parliament, a legislature or other Governmental Entity includes all regulations made thereunder, all amendments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation;

(h) References to a specific Recital, Article or Section shall, unless something in the subject matter or context is inconsistent therewith, be construed as references to that specific Recital, Article or Section of this Plan, whereas the terms "this Plan", "hereof', "herein", "hereto", "hereunder" and similar expressions shall be deemed to refer generally to this Plan and not to any particular Recital, Article, Section or other portion of this Plan and include any documents supplemental hereto; and

(i) The word "or" is not exclusive.

1.3 Governing Law

This Plan shall be governed by and construed in accordance with the laws of Ontario and the federal laws of Canada applicable therein. All questions as to the interpretation or application of this Plan and all proceedings taken in connection with this Plan and its provisions shall be subject to the jurisdiction of the Court.

1.4 Currency

Unless otherwise stated, all references in this Plan to sums of money are expressed in, and all payments provided for herein shall be made in, US Dollars.

1.5 Date for Any Action

If the date on which any action is required to be taken hereunder by a Person is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

1.6 Time

Time shall be of the essence in this Plan.

ARTICLE 2– PURPOSE AND EFFECT OF THIS PLAN

2.1 Purpose

The purpose of this Plan is to facilitate the continuation of the business of the Jaguar Group as a going concern, address certain liabilities of the Applicant, and effect a recapitalization and financing transaction on an expedited basis to provide a stronger financial foundation for the Jaguar Group going forward and additional liquidity to allow the Jaguar Group to continue to work towards its operational and financial goals from and after the Implementation Date in the expectation that all Persons with an economic interest in the Jaguar Group will derive a greater benefit from the implementation of this Plan than would otherwise result.

2.2 Effectiveness

Subject to the satisfaction, completion or waiver (to the extent permitted pursuant to Section 12.4) of the conditions precedent set out herein, this Plan will become effective in the sequence described in Section 7.4 from and after the Implementation Time and shall be binding on and enure to the benefit of the Jaguar Group, the Affected Unsecured Creditors, all Existing Equity Holders, all holders of Equity Claims, the Released Parties, the Noteholder Released Parties and all other Persons as provided for herein, or subject to, this Plan and their respective successors and assigns and their respective heirs, executors, administrators and other legal representatives, successors and assigns.

2.3 Persons Not Affected

For greater certainty, except as provided in Sections 12.2(c) and 13.1, this Plan does not affect the holders of Excluded Claims to the extent of those Excluded Claims. Nothing in this Plan shall affect the Jaguar Group's rights and defences, both legal and equitable, with respect to any Excluded Claims, including, but not limited to, all rights with respect to legal and equitable defences or entitlements to set-offs or recoupments against such Excluded Claims. Nothing herein shall constitute a waiver of any right of either the Monitor or the Applicant to dispute the quantum of an Excluded Claim.

ARTICLE 3– CLASSIFICATION, VOTING CLAIMS AND RELATED MATTERS

3.1 Classes

For the purposes of considering and voting on the Plan Resolution, there shall be one class of stakeholders, consisting of Affected Unsecured Creditors (the "**Affected Creditor Class**").

3.2 Meeting

(a) The Meeting shall be held in accordance with this Plan, the Meeting Order and any further Order in the CCAA Proceedings. Subject to the terms of any further Order in the CCAA Proceedings, the only Persons entitled to notice of, to attend or to speak at the Meeting are the Eligible Voting Creditors (or their respective duly appointed proxyholders), representatives of the Monitor, the Applicant, the Consenting Noteholders, all such parties' financial and legal advisors, the Chair (as defined in the Meeting Order), the Secretary (as defined in the Meeting Order) and the Scrutineers (as defined in the Meeting Order). Any other person may be admitted to the Meeting only by invitation of the Applicant or the Chair.

(b) For the purposes of voting at the Meeting, each Affected Unsecured Creditor (including a Beneficial Noteholder with respect to its Noteholder's Allowed Claim) shall be entitled to one vote as a member of the Affected Creditor Class.

(c) For the purposes of voting at the Meeting, the Voting Claim of any Beneficial Noteholder shall be deemed to be equal to its Noteholder's Allowed Claim as at the Noteholder Voting Record Date. Registered Holders of Notes, in their capacities as such, will not be entitled to vote at the Meeting.

3.3 Required Majority

In order to be approved, this Plan must receive the affirmative vote of the Required Majority of the Affected Creditor Class.

3.4 Excluded Claims

Excluded Creditors shall not be entitled to vote or (except as otherwise expressly stated in the Meeting Order) attend in respect of their Excluded Claims at any meeting to consider and approve this Plan.

3.5 Existing Equity Holders and Holders of Equity Claims

Existing Equity Holders and holders of Equity Claims shall not be entitled to attend or vote in respect of their Equity Claims at any meeting to consider and approve this Plan.

3.6 Crown Claims

All Crown Claims in respect of all amounts that were outstanding at the Filing Date shall be paid in full to the Crown within six months of the Sanction Order, as required by subsection 6(3) of the CCAA.

3.7 Payments to Employees

Immediately after the date of the Sanction Order, the Applicant will pay in full all Employee Priority Claims, if any, to its employees and former employees.

ARTICLE 4 – ELECTIONS AND SHARE OFFERING

4.1 Participation In Share Offering

(a) Each Noteholder that is an Eligible Investor shall be entitled to participate in the Share Offering.

(b) Pursuant to and in accordance with the Meeting Order, there shall be delivered an election form (an "**Election Form**") to each Participant Holder of the Notes, as of the Subscription Record Date, together with instructions to deliver such Election Form (or copies thereof) to the applicable Beneficial Noteholders to the extent such Participant Holder is not also the Beneficial Noteholder of such Notes. Each Eligible Investor shall have the right, but not the obligation, to irrevocably elect to exercise its Subscription Privilege, with such subscription to be conditioned upon the implementation of this Plan and effective on the Implementation Date in accordance with Section 7.4. In order to exercise its Subscription Privilege, such Eligible Investor shall return, or cause to be returned, the duly executed Election Form (including a Rep Letter) in accordance with the Meeting Order, so that it is received by the Solicitation/Election Agent on or before the Election Deadline.

(c) An Electing Eligible Investor that is also a Backstop Party may elect, in accordance with the Election Form, to have its Backstop Commitment reduced by the total funds that such Electing Eligible Investor deposits into escrow on or before the Electing Eligible Investor Funding Deadline in respect of Offering Shares that such Electing Eligible Investor subscribes for pursuant to the exercise of all or part of its Subscription Privilege, provided that such Backstop Commitment shall not be reduced below zero (the "**Backstop Commitment Reduction Election**", with a Backstop Party so electing being a "**Commitment Reduction Electing Backstopper**").

(d) Following the issuance of the Sanction Order, but in any event by 5:00 p.m. on the tenth Business Day prior to the expected Implementation Date, Jaguar shall inform each Electing Eligible Investor of (i) the expected Implementation Date, (ii) the number of Offering Shares that, subject to compliance with the procedures described in this Plan, will be acquired by such Electing Eligible Investor on the Implementation Date pursuant

to the Subscription Privilege; and (iii) the amount of funds (in cash) required to be deposited in escrow with the Escrow Agent by such Electing Eligible Investor to purchase such Offering Shares pursuant to the Share Offering (the "**Electing Eligible Investor Funding Amount**") by the Electing Eligible Investor Funding Deadline.

(e) Each Electing Eligible Investor must deposit its Electing Eligible Investor Funding Amount in escrow with the Escrow Agent so that it is received by the Escrow Agent by no later than 11:00 a.m. on the seventh Business Day prior to the expected Implementation Date (the "**Electing Eligible Investor Funding Deadline**"). If an Electing Eligible Investor deposits less than the full amount of its Electing Eligible Investor Funding Amount by the Electing Eligible Investor Funding Deadline, then (i) the funds so deposited by such Electing Eligible Investor shall be returned to such Electing Eligible Investor within five Business Days following the Electing Eligible Investor Funding Deadline; and (ii) such Eligible Investor shall be deemed to have ceased, as of the Electing Eligible Investor Funding Deadline, to be an Electing Eligible Investor and its subscription for Offering Shares pursuant to the Subscription Privilege and right to receive Accrued Interest Offering Shares shall be null and void.

(f) As soon as practicable but in any event no later than 11:00 a.m. one Business Day after the Electing Eligible Investor Funding Deadline, Jaguar shall inform each Backstop Party (other than a Backstop Party in respect of whom the Backstop Agreement has been terminated) of (i) the total number of Offering Shares not validly subscribed for pursuant to the Subscription Privilege (the "**Backstopped Shares**"), (ii) the number of Backstopped Shares to be acquired by such Backstop Party pursuant to its Backstop Commitment, based upon its Pro Rata Share of the Backstopped Shares, and (iii) the amount of funds (by way of cash or a letter of credit) required to be deposited in escrow with the Escrow Agent by such party to purchase such Backstopped Shares (the "**Backstop Payment Amount**") by the Backstop Funding Deadline.

(g) Each Backstop Party (other than a Backstop Party in respect of whom the Backstop Agreement has been terminated) shall deliver to the Escrow Agent and the Escrow Agent shall have received, not later than 2:00 p.m. (Toronto time) on the day that is five Business Days prior to the expected Implementation Date (the "**Backstop Funding Deadline**"), either:

(i) cash in an amount equal to the full amount of such Backstop Party's Backstop Payment Amount; or

(ii) a letter of credit, in form and substance reasonably satisfactory to Jaguar, having a face amount equal to such Backstop Party's Backstop Payment Amount, and issued by a financial institution having an equity market capitalization of at least $10,000,000,000 and a credit rating of at least A+ from Standard & Poor's or A1 from Moody's,

in each case: (1) to be held in escrow in accordance with the Escrow Agreement until all conditions to the Share Offering have been satisfied or waived in accordance with the Backstop Agreement and with irrevocable instructions to use such cash or letter of credit, as applicable, to the extent required to enable such Backstop Party to comply with its Backstop Purchase Obligation; and (2) provided for greater certainty that, if a Backstop Party (A) has exercised all or part of its Subscription Privilege and has paid its Electing Eligible Investor Funding Amount on or before the Electing Eligible Investor Funding Deadline, and (B) is a Commitment Reduction Electing Backstopper whose Backstop Commitment has been reduced to zero, such Backstop Party shall not be required to deliver cash or a letter of credit to the Escrow Agent.

(h) An Electing Eligible Investor who complies with Section 4.1(e) (the "**Participating Eligible Investor**") shall participate in the Share Offering and shall be deemed to have subscribed for Offering Shares in an amount equal to the Electing Eligible Investor Funding Amount deposited in escrow with the Escrow Agent by that Participating Eligible Investor in accordance with Section 4.1(e) divided by the Subscription Price (the "**Participating Eligible Investor Shares**").

(i) Each Funding Backstop Party shall be deemed to have subscribed for its Pro Rata Share of the Backstopped Shares.

(j) On or prior to the Implementation Date, Jaguar shall inform: (i) each Participating Eligible Investor of the number of Accrued Interest Offering Shares to be allocated to such Participating Eligible Investor in accordance with section 5.1(b); and (ii) each Funding Backstop Party of the number of Accrued Interest Offering Shares and the number of Backstop Commitment Shares to be allocated to such Funding Backstop Party in accordance with section 5.1(b).

(k) In the event of a Backstop Default/Termination, provided that the Backstop Agreement remains in full force and effect with respect to other Backstop Parties thereafter, Jaguar shall, in accordance with the Backstop Agreement, provide the applicable Backstop Parties, or such other parties acceptable to the Backstop Parties and Jaguar in accordance with the Backstop Agreement that will execute a Backstop Consent Agreement, with an opportunity to assume the obligations (and rights) of a Defaulting Backstop Party, Objecting Backstop Party, Breaching Backstop Party or Non-Delivering Backstop Party, as applicable, in each case in accordance with and subject to the terms and conditions of this Plan and the Backstop Agreement. Any Assuming Backstop Party shall comply with its obligations in connection with its Assumed Backstop Commitment and shall be entitled to receive the applicable Offered Shares under this Plan in connection with such Assumed Backstop Commitment, subject to such Assuming Backstop Party having complied with its obligations under this Plan and the Backstop Agreement and such other terms and conditions under this Plan and the Backstop Agreement. For greater certainty, any Assuming Backstop Party that has complied with its obligations under this Plan and the Backstop Agreement shall constitute and be treated as a Funding Backstop Party for purposes of this Plan.

ARTICLE 5 – TREATMENT OF CLAIMS

5.1 Treatment of Noteholders

(a) For the purposes of distributions under this Plan, the Distribution Claim of any Beneficial Noteholder shall be deemed to be equal to its Noteholder's Allowed Claim.

(b) On the Implementation Date and in accordance with the steps and sequence as set forth in this Plan, each Noteholder shall and shall be deemed to irrevocably and finally exchange its Notes for the following consideration which shall and shall be deemed to be received in full and final settlement of its Notes and its Noteholder's Allowed Claim:

(i) its Pro Rata Share of the Unsecured Creditor Common Shares;

(ii) its Pro Rata Share of the Early Consent Shares, if such Noteholder is an Early Consenting Noteholder;

(iii) its Pro Rata Share of Accrued Interest Offering Shares if such Noteholder is a Participating Eligible Investor and/or a Funding Backstop Party, provided that in no event shall a Participating Eligible Investor or a Funding Backstop Party

receive a greater number of Accrued Interest Offering Shares than Offering Shares (including Backstopped Shares, as applicable) received by such person. Any Accrued Interest Offering Shares remaining after the allocation of the Accrued Interest Offering Shares to Participating Eligible Investors and Funding Backstop Parties pursuant to the immediately preceding sentence shall be reallocated among those Participating Eligible Investors and/or Funding Backstop Parties who have received less Accrued Interest Offering Shares than Offering Shares (including Backstopped Shares, as applicable) on a *pro rata* basis based on Accrued Interest Claims of such Participating Eligible Investors and/or Funding Backstop Parties (calculated as at the Record Date); and

(iv) its Pro Rata Share of the Backstop Commitment Shares, if such Noteholder is a Funding Backstop Party.

(c) On the Implementation Date and in accordance with the steps and sequence as set forth in this Plan, each Participating Eligible Investor shall receive its Participating Eligible Investor Shares and each Funding Backstop Party shall receive its Pro Rata Share of the Backstopped Shares.

(d) After giving effect to the terms of this Section 5.1, the obligations of Jaguar with respect to the Notes of each Noteholder shall, and shall be deemed to, have been irrevocably and finally extinguished and each Noteholder shall have no further right, title or interest in or to the Notes or its Noteholder's Allowed Claim.

5.2 Treatment of Affected Unsecured Creditors Other Than Noteholders

(a) On the Implementation Date and in accordance with the steps and sequence as set forth in this Plan, each Affected Unsecured Creditor (except for a Noteholder in respect of its Noteholder's Allowed Claim, which shall be dealt with in accordance with Section 5.1) shall receive its Pro Rata Share of the Unsecured Creditor Common Shares and shall be deemed to irrevocably and finally exchange its Affected Unsecured Claim for its Pro Rata Share of the Unsecured Creditor Common Shares, which shall and shall be deemed to be received in full and final settlement of its Affected Unsecured Claim.

(b) After giving effect to the terms of this Section 5.2, the obligations of Jaguar with respect to such Affected Unsecured Creditor's Affected Unsecured Claim shall, and shall be deemed to, have been irrevocably and finally extinguished and such Affected Unsecured Creditor shall have no further right, title or interest in or to the Affected Unsecured Claim.

(c) With the consent of the Monitor and the Majority Backstop Parties, an Affected Unsecured Creditor with an Allowed Affected Unsecured Claim who is not a Noteholder may be entitled to participate in the Share Offering for its Pro Rata Share of the Offering Shares (calculated as if the Affected Unsecured Creditor's Allowed Affected Unsecured Claim was a Noteholder's Allowed Claim); provided that any such Affected Unsecured Creditor completes and submits an Election Form and Rep Letter on or prior to the Election Deadline and complies with all of the obligations of a Participating Eligible Investor ~~i~~n accordance with the terms and conditions of the Plan, including without limitation Section 4.1(e) hereof, in which case, such Affected Unsecured Creditor shall be treated as an Eligible Investor for the purpose of the Offering Shares and each Eligible Investor's Subscription Privilege will be adjusted accordingly.

5.3 Treatment of Existing Equity Holders

(a) Each Existing Shareholder shall retain its Existing Shares subject to the Common Share Consolidation pursuant to Section 7.4(a) and in accordance with the steps and

sequences set forth herein.

(b) Pursuant to this Plan and in accordance with the steps and sequences set forth herein, all Existing Share Options, Rights and the Shareholder Rights Plan shall be cancelled and shall be deemed to be cancelled without the need for any repayment of capital thereof or any other liability, payment or compensation therefor and for greater certainty, no holders of Existing Share Options or Rights shall be entitled to receive any interest, dividends, premium or other payment in connection therewith.

5.4 Equity Claims

All Equity Claims shall be fully, finally and irrevocably and forever compromised, released, discharged, cancelled and barred on the Implementation Date. Holders of Equity Claims shall not receive any consideration or distributions under this Plan and shall not be entitled to vote on this Plan at the Meeting. Notwithstanding the foregoing, Existing Shareholders shall be entitled to continue to hold their Existing Shares in accordance with the terms of this Plan, subject to the Common Share Consolidation.

5.5 Claims of the Trustees

The Trustees' claims under Section 6.07 of the 4.5% Convertible Note Indenture and the 5.5% Convertible Note Indenture shall be unaffected by this Plan.

5.6 Application of Plan Distributions

(a) All amounts paid or payable hereunder on account of the Noteholders Allowed Claim (including, for greater certainty, any securities received hereunder) shall be applied as follows: (i) first, in respect of the principal amount of the obligations to which such Noteholders Allowed Claim relate, and (ii) second, if such principal amounts have been fully repaid, in respect of any accrued but unpaid interest on such obligations.

(b) In the event that a Funding Backstop Party is not a Noteholder, such Funding Backstop Party shall receive its Backstop Commitment Shares as a fee.

ARTICLE 6 – MEETING

6.1 Meeting

The Meeting to consider and vote on this Plan shall be conducted in accordance with the terms of the Claims Procedure Order and the Meeting Order.

6.2 Acceptance of Plan

If this Plan is approved by the Required Majority entitled to vote at the Meeting, then this Plan shall be deemed to have been agreed to, accepted and approved by the Affected Unsecured Creditors and shall be binding upon all Affected Unsecured Creditors, if the Sanction Order is granted and the conditions described in Section 12.3 hereof have been satisfied or waived, as applicable.

ARTICLE 7 - IMPLEMENTATION

7.1 Administration Charge

On the Implementation Date, all outstanding, invoiced obligations, liabilities, fees and disbursements secured by the Administration Charge shall be fully paid by the Applicant. Upon receipt by the Monitor of confirmation from each of the beneficiaries of the Administration Charge that payments of the amounts

secured by the Administration Charge have been made, the Monitor shall file a certificate with the Court confirming same and thereafter, the Administration Charge shall be and be deemed to be discharged from the assets of the Applicant, without the need for any other formality.

7.2 Corporate Authorizations

The adoption, execution, delivery, implementation and consummation of all matters contemplated under this Plan involving corporate action of any members of the Jaguar Group will occur and be effective as of the Implementation Date (or such other date as Jaguar and the Majority Consenting Noteholders may agree), and will be authorized and approved under this Plan and by the Court, where appropriate, as part of the Sanction Order, in all respects and for all purposes without any requirement of further action by shareholders, directors or officers of the Jaguar Group. All necessary approvals to take actions shall be deemed to have been obtained from the directors or the shareholders of the Jaguar Group, as applicable, including the deemed passing by any class of shareholders of any resolution or special resolution and no shareholders' agreement or agreement between a shareholder and another Person limiting in any way the right to vote shares held by such shareholder or shareholders with respect to any of the steps contemplated by this Plan shall be deemed to be effective and no such agreement shall have any force or effect.

7.3 Fractional Interests

No certificates representing fractional Common Shares shall be allocated under this Plan, and fractional share interests shall not entitle the owner thereof to vote or to any rights of a shareholder of Jaguar. Any legal, equitable, contractual and any other rights or claims (whether actual or contingent, and whether or not previously asserted) of any Person with respect to fractional Common Shares pursuant to this Plan shall be rounded down to the nearest whole number without compensation therefor.

7.4 Implementation Date Transactions

Commencing at the Implementation Time, the following events or transactions will occur, or be deemed to have occurred and be taken and effected, in the following order in five minute increments and at the times set out in this Section 7.4 (or in such other manner or order or at such other time or times as Jaguar and the Majority Consenting Noteholders may agree, acting reasonably), without any further act or formality required on the part of any Person, except as may be expressly provided herein:

(a) Articles of Reorganization shall be filed under the OBCA to amend the articles of Jaguar to effect a consolidation (the "**Common Share Consolidation**") of the issued and outstanding Common Shares on the basis of one post-consolidation Common Share for each Consolidation Number of Common Shares outstanding immediately prior to the Common Share Consolidation. Any fractional interests in the consolidated Common Shares will, without any further act or formality, be cancelled without payment of any consideration therefor. Following the completion of such consolidation, the stated capital of the Common Shares shall be equal to the stated capital of the Common Shares immediately prior to consolidation.

(b) The following shall occur concurrently:

(i) the Rights and the Shareholder Rights Plan shall be cancelled and shall be deemed to be cancelled without the need for any repayment of capital thereof or any other compensation therefor and shall cease to be of any further force or effect;

(ii) any and all Existing Share Options and the Stock Option Plan shall be cancelled and shall be deemed to be cancelled without the need for any repayment of capital thereof or any other compensation therefor and shall cease to be of any

further force or effect;

(iii) if the DSU/RSU Notice is delivered, the DSU Plan and/or the RSU Plan as set out in the DSU/RSU Notice shall be cancelled and shall be deemed to be cancelled without the need for any repayment of capital thereof or any other compensation therefor and shall cease to be of any further force or effect; and

(iv) all Equity Claims shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred without any consideration or distributions therefor.

(c) In exchange for, and in full and final settlement of, the Noteholders Allowed Claim as at the Implementation Date, Jaguar shall issue:

(i) to each Noteholder its Pro Rata Share of Unsecured Creditor Common Shares;

(ii) to each Early Consenting Noteholder its Pro Rata Share of the Early Consent Shares;

(iii) to each Participating Eligible Investor and Funding Backstop Party the number of Accrued Interest Offering Shares such Participating Eligible Investor or Funding Backstop Party is entitled to receive in accordance with Section 5.1(b); and

(iv) to each Funding Backstop Party, its Pro Rata Share of the Backstop Commitment Shares,

which New Common Shares shall be distributed in the manner described in Section 8.2 hereof. Upon issuance of these New Common Shares, the Noteholders Allowed Claim shall and shall be deemed to be irrevocably and finally extinguished and such Noteholder shall have no further right, title or interest in and to the Notes or its Noteholder's Allowed Claim.

(d) The Notes and the Indentures will not entitle any Noteholder to any compensation or participation other than as expressly provided for in this Plan and shall be cancelled and will thereupon be null and void, and the obligations of the Applicant thereunder or in any way related thereto shall be satisfied and discharged, except to the extent expressly set forth in section 6.07 of the Indentures, which section shall remain in effect until two months following the Implementation Date or such later date agreed to by the Applicant, the Monitor, the Trustees and the Majority Consenting Noteholders.

(e) In exchange for, and in full and final settlement of, its Affected Unsecured Claim, Jaguar shall issue to each Affected Unsecured Creditor, other than the Noteholders, its Pro Rata Share of the Unsecured Creditor Common Shares;

(f) The following shall occur concurrently:

(i) Jaguar shall issue to each Participating Eligible Investor its Participating Eligible Investor Shares in accordance with Section 5.1(c) hereof in consideration for its Electing Eligible Investor Funding Amount, which Participating Eligible Investor Shares shall be distributed in the manner described in Section 8.2 hereof; and

(ii) Jaguar shall issue to each Funding Backstop Party the number of Backstopped Shares such Funding Backstop Party is entitled to receive in accordance with Section 5.1(c) hereof in consideration for such Funding Backstop Party's Backstop Payment Amount, which Backstopped Shares shall be distributed in

the manner described in Section 8.2 hereof.

(g) The releases and injunctions referred to in Section 11 shall become effective.

(h) The directors of Jaguar immediately prior to the Implementation Time shall be deemed to have resigned and the New Board shall be deemed to have been appointed.

(i) The Escrow Agent shall be deemed to be holding the Electing Eligible Investor Funding Amounts and the Backstop Payment Amounts for Jaguar and shall release from escrow such amounts to Jaguar in accordance with the Escrow Agreement.

(j) Jaguar shall pay: (i) all of the reasonable fees and expenses of the Advisors for services rendered to the Ad Hoc Committee up to and including the Implementation Date, (ii) the reasonable accrued and unpaid third party expenses of any of the Consenting Noteholders up to an amount agreed to by the Majority Backstop Parties; (iii) the fees and expenses of Jaguar's financial advisors in connection with the transactions contemplated under this Plan pursuant to their engagement letter, as amended, with Jaguar, subject to a maximum amount agreed to by the Majority Backstop Parties, (iv) the reasonable fees and expenses of Jaguar's Canadian and U.S. legal advisors and legal advisor to the special committee of the board of directors of Jaguar, and (v) amounts owing to the Trustees under Section 6.07 of the 4.5% Convertible Note Indenture and the 5.5% Convertible Note Indenture

ARTICLE 8 – ISSUANCE AND DISTRIBUTION OF NEW COMMON SHARES

8.1 Issuance of New Common Shares

All New Common Shares issued and outstanding as part of the implementation of this Plan shall be deemed to be issued and outstanding as fully-paid and non-assessable. The amount added to the stated capital of the Common Shares as a result of the issuance of New Common Shares in accordance with this Plan shall be equal to the fair market value of the consideration received by Jaguar for the issuance of such New Common Shares.

8.2 Delivery of New Common Shares

(a) Jaguar shall use its commercially reasonable best efforts to cause the delivery of the New Common Shares to be distributed under this Plan no later than the second Business Day following the Implementation Date (or such other date as Jaguar and the Majority Consenting Noteholders may agree).

(b) The Notes are held by DTC (as sole Registered Holder) through its nominee company CEDE & Co. DTC will surrender, or will cause the surrender of, the certificates, if any, representing the Notes to the Trustees in exchange for New Common Shares as contemplated in this Plan.

(c) The delivery of Unsecured Creditor Common Shares to Noteholders in exchange for the Notes will be made through the facilities of DTC to Participant Holders who, in turn will make delivery of the Unsecured Creditor Common Shares to the Beneficial Noteholders pursuant to standing instructions and customary practices of DTC. If for any reason the New Common Shares are not DTC eligible, then the delivery of the Unsecured Creditor Common Shares shall be made (at the election of Jaguar with the consent of the Monitor and the Majority Consenting Noteholders) either (i) by delivery of a Direct Registration System Advice to each Noteholder or (ii) by delivery of a share certificate to each Noteholder, in either case based on registration instructions received by, or on behalf of, the Monitor from Participant Holders in such manner as the Monitor determines

reasonable in the circumstances.

(d) The delivery of Early Consent Shares to Early Consenting Noteholders will be made (at the election of Jaguar with the consent of the Monitor and the Majority Consenting Noteholders) either: (i) by delivery of a Direct Registration System Advice to each Early Consenting Noteholder; or (ii) by delivery of a share certificate to each Early Consenting Noteholder, in any case based on registration and delivery instructions contained in the Rep Letter.

(e) The delivery of Offering Shares, Backstopped Shares, Backstop Commitment Shares and Accrued Interest Offering Shares to the Participating Eligible Investors and the Funding Backstop Parties will be made (at the election of Jaguar with the consent of the Monitor and the Majority Consenting Noteholders) either (i) by delivery of a Direct Registration System Advice to each Participating Eligible Investor and Funding Backstop Party or (ii) by delivery of a share certificate to each Participating Eligible Investor and Funding Backstop Party, in either case based on registration and delivery instructions contained in the Election Forms in the case of Participating Eligible Investors and in the Rep Letter in the case of Funding Backstop Parties.

(f) The delivery of New Common Shares to Affected Unsecured Creditors (other than Noteholders) in consideration for their Affected Unsecured Claims will be made (at the election of Jaguar with the consent of the Monitor and the Majority Consenting Noteholders) either (i) by delivery of a Direct Registration System Advice to each of the Affected Unsecured Creditors (other than Noteholders) or (ii) by delivery of a share certificate to each of the Affected Unsecured Creditors (other than Noteholders), in either case based on registration and delivery instructions received by the Monitor pursuant to the Claims Procedure Order and the Meeting Order.

(g) Jaguar, the Monitor and the Trustees will have no liability or obligation in respect of all deliveries from DTC, or its nominee, to Participant Holders or from Participant Holders to Beneficial Noteholders.

(h) Upon receipt of and in accordance with written instructions from the Monitor, the Trustees shall instruct DTC to, and DTC shall: (i) establish an escrow position representing the respective positions of the Noteholders as of the Implementation Date for the purpose of making distributions to the Noteholders on and after the Implementation Date; and (ii) block any further trading in the Notes, effective as of the close of business on the Distribution Record Date, all in accordance with the customary practices and procedures of DTC.

(i) Unless a securities law legend is not required by US Securities Laws, the Direct Registration System Advices and share certificates delivered pursuant to this Section 8.2 shall have legends affixed thereon in substantially the form provided for in the Rep Letter.

8.3 Undeliverable Distributions

If any distribution of New Common Shares is undeliverable (that is for greater certainty that cannot be properly registered or delivered to the intended recipient because of inadequate or incorrect registration or delivery information or otherwise) (an "**Undeliverable Distribution**") it shall be delivered to the Escrow Agent, which shall hold such Undeliverable Distribution in escrow, and administered in accordance with this Section 8.3. No further distributions in respect of an Undeliverable Distribution shall be made unless and until the Escrow Agent is notified by the applicable Person of its current address and/or registration information, as applicable, at which time the Escrow Agent shall make such distributions to such Person. All claims for Undeliverable Distributions must be made on or before the date that is the 365th day following the Implementation Date, after which the right to receive distributions under this Plan in respect

of such an Undeliverable Distribution shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred without any compensation therefor, notwithstanding any federal, provincial, or state laws to the contrary, and any New Common Shares that are the subject of such Undeliverable Distribution shall be cancelled.

ARTICLE 9 – RELEASE OF FUNDS FROM ESCROW

9.1 Release of Funds from Escrow

The Escrow Agent shall release any Electing Eligible Investor Funding Amounts and Backstop Payment Amounts, or portions thereof, as follows and in accordance with the terms of the Escrow Agreement:

(a) If an Electing Eligible Investor deposits less than the full amount of its Electing Eligible Investor Funding Amount by the Electing Eligible Investor Funding Deadline, such party shall cease to be an Electing Eligible Investor and the Escrow Agent shall return such funds so deposited by such Electing Eligible Investor to such Electing Eligible Investor in accordance with Section 4.1(e) hereof.

(b) On the Implementation Date, the Escrow Agent shall release from escrow to Jaguar, at the applicable time, the applicable Electing Eligible Investor Funding Amounts and Backstop Payment Amounts pursuant to and in accordance with Section 7.4 hereof.

(c) If this Plan is terminated for any reason or not implemented in accordance with the terms hereof by the Outside Date, the Escrow Agent shall as soon as practicable return all Electing Eligible Investor Funding Amounts and Backstop Payment Amounts to the applicable Participating Eligible Investors and Funding Backstop Parties.

(d) If any Electing Eligible Investor or Funding Backstop Party provides to the Escrow Agent more than its applicable Electing Eligible Investor Funding Amount or Backstop Payment Amount under this Plan, the Escrow Agent shall as soon as practicable return any excess funds to such Electing Eligible Investor or Funding Backstop Party.

ARTICLE 10 – PROCEDURE FOR DISTRIBUTIONS REGARDING DISPUTED DISTRIBUTION CLAIMS

10.1 No Distribution Pending Allowance

An Affected Unsecured Creditor holding a Disputed Distribution Claim will not be entitled to receive a distribution under the Plan in respect of such Disputed Distribution Claim or any portion thereof unless and until, and then only to the extent that, such Disputed Distribution Claim becomes an Allowed Affected Unsecured Claim.

10.2 Distributions After Disputed Distribution Claims Resolved

(a) Distributions of Unsecured Creditor Common Shares in relation to a Disputed Distribution Claim of an Affected Unsecured Creditor will be held by the Applicant, in a segregated account constituting the Disputed Distribution Claims Reserve, for the benefit of the Affected Unsecured Creditors with Allowed Affected Unsecured Claims until the final determination of the Disputed Distribution Claim in accordance with the Claims Procedure Order and this Plan.

(b) To the extent that any Disputed Distribution Claim becomes an Allowed Affected Unsecured Claim in accordance with this Plan, the Applicant shall distribute to the holder of such Allowed Affected Unsecured Claim, that number of Unsecured Creditor Common

Shares from the Disputed Distribution Claims Reserve equal to such Affected Unsecured Creditor's Pro Rata Share of Unsecured Creditor Common Shares.

(c) On the date that all Disputed Distribution Claims have been finally resolved in accordance with the Claims Procedure Order and any required distributions contemplated in section (b) have been made, if (i) the aggregate number of Unsecured Creditor Common Shares remaining in the Disputed Distribution Claims Reserve is less than 14,000, the Applicant shall cancel those Unsecured Creditor Common Shares; or (ii) the aggregate number of Unsecured Creditor Common Shares remaining in the Disputed Distribution Claims Reserve is equal to or greater than 14,000, the Applicant shall distribute such Unsecured Creditor Common Shares to the Affected Unsecured Creditors with Allowed Affected Unsecured Claims such that after giving effect to such distributions each such Affected Unsecured Creditor has received its applicable Pro Rata Share of such Unsecured Creditor Common Shares.

ARTICLE 11– RELEASES

11.1 Release

(a) On the Implementation Date, the following shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred:

(i) all Affected Unsecured Claims;

(ii) all Equity Claims;

(iii) all Director/Officer Claims other than Continuing Other Director/Officer Claims and Non-Released Director/Officer Claims and also (for greater certainty) excluding Section 5.1(2) Director/Officer Claims; provided that any Section 5.1(2) Director/Officer Claims against any Named Directors and Officers shall be limited to recovery from any insurance proceeds payable in respect of such Section 5.1(2) Director/Officer Claims pursuant to the Insurance Policies, and any Persons with any such Section 5.1(2) Director/Officer Claims against Named Directors and Officers shall have no right to, and shall not, make any claim or seek any recoveries from any Person (including Jaguar or any of its Subsidiaries), other than enforcing such Person's rights to be paid from the proceeds of an Insurance Policy by the applicable insurer(s); and

(iv) all Director/Officer Indemnity Claims.

(b) On the Implementation Date, the Applicant, the Subsidiaries, and each of their respective financial advisors, legal counsel and agents, the Monitor, legal counsel to the Monitor, and legal counsel to the special committee of the board of directors of Jaguar (collectively, the "**Released Parties**") shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any indebtedness, liability, obligation, demand or cause of action of whatever nature that any Person (including any Person who may claim contribution or indemnification against or from them) may be entitled to assert, whether known or unknown, matured or unmatured, direct, indirect or derivative, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date that are in any way relating to, arising out of or in connection with (i) the restructuring, disclaimer, resiliation, breach or termination of any contract, lease, agreement or other arrangement, whether written or oral; (ii) the business and

affairs of the Applicant or the Subsidiaries; (iii) the Notes; (iv) the Indentures; (v) the Existing Shares; (vi) the Existing Share Options; (vii) the Shareholder Rights Plan; (viii) Equity Claims; (ix)the Support Agreement; (x) the Backstop Agreement; (xi) this Plan; or (xii) the CCAA Proceedings; provided, however, that nothing in this Section 11.1 will release or discharge:

(i) the Applicant or any of the Subsidiaries from or in respect of (x) any Excluded Claim, (y) its obligation to Affected Unsecured Creditors under this Plan or under any Order, or (z) its obligations under the Backstop Agreement or the Support Agreement;

(ii) a Released Party if the Released Party is adjudged by the express terms of a judgment rendered on a final determination on the merits to have committed fraud or wilful misconduct.

(c) At the Implementation Time, each of the Noteholders, the Ad Hoc Committee, the Trustees, and each of their respective present and former shareholders, officers, directors, and the Advisors and the Trustees' counsel (collectively, the "**Noteholder Released Parties**") will be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any indebtedness, liability, obligation, demand or cause of action of whatever nature that any Person (including any Person who may claim contribution or indemnification against or from them) may be entitled to assert whether known or unknown, matured or unmatured, direct, indirect or derivative, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Implementation Date that are in any way relating to, arising out of or in connection with: (i) the Notes; (ii) the Indentures; (iii) the Existing Shares; (iv) the Existing Share Options; (v) the Shareholder Rights Plan; (vi) Equity Claims; (vii) the Support Agreement; (viii) the Backstop Agreement; (ix) this Plan; or (x) the CCAA Proceedings, and any other matters or actions related directly or indirectly to the foregoing; provided that nothing in this Section 11.1(c) will release or discharge a Noteholder Released Party in respect of their obligations under this Plan, the Backstop Agreement, the Support Agreement, any Election Form and provided further that nothing in this Section 11.1(c) will release or discharge a Noteholder Released Party if the Noteholder Released Party is adjudged by the express terms of a judgment rendered on a final determination on the merits to have committed fraud or wilful misconduct.

11.2 Injunctions

All Persons (regardless of whether or not such Persons are Affected Unsecured Creditors) are permanently and forever barred, estopped, stayed and enjoined, on and after the Implementation Time, with respect to any and all Released Claims or Noteholder Released Claims, from (i) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits, demands or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against the Released Parties and the Noteholder Released Parties; (ii) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against the Released Parties and Noteholder Released Parties or their property; (iii) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits or demands, including without limitation, by way of contribution or indemnity or other relief, in common law, or in equity, or for breach of trust or breach of fiduciary duty or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any Person

who makes such a claim or might reasonably be expected to make such a claim, in any manner or forum, against one or more of the Released Parties and Noteholder Released Parties; (iv) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrance of any kind against the Released Parties and Noteholder Released Parties or their property; or (v) taking any actions to interfere with the implementation or consummation of this Plan; provided, however, that the foregoing shall not apply to the enforcement of any obligations under this Plan.

11.3 Timing of Releases and Injunctions

All releases and injunctions set forth in this Article 11 shall become effective on the Implementation Date at the time or times and in the manner set forth in Section 7.4 hereof.

11.4 Knowledge of Claims

Each Person to which Section 11.1 hereof applies shall be deemed to have granted the releases set forth in Section 11.1 notwithstanding that it may hereafter discover facts in addition to, or different from, those which it now knows or believes to be true, and without regard to the subsequent discovery or existence of such different or additional facts, and such party expressly waives any and all rights that it may have under any applicable law which would limit the effect of such releases to those Claims or causes of action known or suspected to exist at the time of the granting of the release.

ARTICLE 12 – COURT SANCTION, CONDITIONS PRECEDENT AND IMPLEMENTATION

12.1 Application for Sanction Order

If this Plan is approved by the Required Majority, the Applicant shall apply for the Sanction Order on the date set for the hearing for the Sanction Order or such later date as the Court may set.

12.2 Sanction Order

The Sanction Order shall, among other things, declare that:

(a) (i) this Plan has been approved by the Required Majority entitled to vote at the Meeting in conformity with the CCAA; (ii) the Applicant acted in good faith and has complied with the provisions of the CCAA and the Orders made in the CCAA Proceedings in all respects; (iii) the Court is satisfied that the Applicant has not done nor purported to do anything that is not authorized by the CCAA; and (iv) this Plan and the transactions contemplated by it are fair and reasonable;

(b) this Plan (including the arrangements and releases set out herein) has been sanctioned and approved pursuant to section 6 of the CCAA and will be binding and effective as herein set out on the Applicant, all Affected Unsecured Creditors, all holders of Equity Claims and all other Persons as provided for in this Plan or in the Sanction Order;

(c) subject to the performance by the Applicant of its obligations under this Plan, and except to the extent expressly contemplated by this Plan or the Sanction Order, all obligations or agreements to which the Applicant is a party immediately prior to the Implementation Time, will be and shall remain in full force and effect as at the Implementation Date, unamended except as they may have been amended by agreement of the parties subsequent to the Filing Date, and no Person who is a party to any such obligations or agreements shall, following this Plan Implementation Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, option, dilution or other remedy) or make

any demand under or in respect of any such obligation or agreement, by reason of:

(i) any defaults or events of default arising as a result of the insolvency of the Applicants prior to the Implementation Date;

(ii) any change of control of the Applicant arising from implementation of this Plan (except in respect of existing, written senior officer and employee employment agreements of Persons who remain senior officers and employees of Jaguar as of the Implementation Date and any payments due under such agreements, which may only be waived by the senior officers and employees who are parties to such agreements);

(iii) the fact that the Applicant has sought or obtained relief under the CCAA or that this Plan has been implemented by the Applicant;

(iv) the effect on the Applicant of the completion of any of the transactions contemplated by this Plan;

(v) any compromises or arrangements effected pursuant to this Plan; or

(vi) any other event(s) which occurred on or prior to the Implementation Date which would have entitled any Person to enforce rights and remedies, subject to any express provisions to the contrary in any agreements entered into with the Applicant after the Filing Date.

For greater certainty, nothing in this paragraph 12.2(c) shall waive, compromise or discharge any obligations of the Applicant in respect of any Excluded Claim;

(d) the commencement or prosecution, whether directly, indirectly, derivatively or otherwise, of any demands, claims, actions, counterclaims, suits, judgment, or other remedy or recovery as described in Section 11.2 hereof shall be permanently enjoined;

(e) the releases effected by this Plan shall be approved, and declared to be binding and effective as of the Implementation Date upon all Affected Unsecured Creditors, holders of Equity Claims, the Monitor and all other Persons affected by this Plan and shall enure to the benefit of all such Persons;

(f) from and after the Implementation Date, all Persons with an Affected Unsecured Claim shall be deemed to (i) have consented and agreed to all of the provisions of this Plan as an entirety; and (ii) each Affected Unsecured Creditor shall be deemed to have granted, and executed and delivered to the Applicant all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Plan in its entirety.

12.3 Conditions to Plan Implementation

The implementation of this Plan shall be conditional upon the fulfillment, satisfaction or waiver (to the extent permitted by Section 12.4 hereof) of the following conditions:

(a) The Court shall have granted the Sanction Order, the operation and effect of which shall not have been stayed, reversed or amended, and in the event of an appeal or application for leave to appeal, final determination shall have been made by the applicable appellate court;

(b) No Applicable Law shall have been passed and become effective, the effect of which

makes the consummation of this Plan illegal or otherwise prohibited;

(c) All necessary judicial consents and any other necessary or desirable third party consents, if any, to deliver and implement all matters related to this Plan shall have been obtained;

(d) All documents necessary to give effect to all material provisions of this Plan (including the Sanction Order, this Plan, the Share Offering and the Common Share Consolidation and all documents related thereto) shall have been executed and/or delivered by all relevant Persons in form and substance satisfactory to the Applicant and the Majority Consenting Noteholders;

(e) All required stakeholder, regulatory and Court approvals, consents, waivers and filings shall have been obtained or made, as applicable, on terms satisfactory to the Majority Consenting Noteholders and the Company, each acting reasonably and in good faith;

(f) All senior officer and employee employment agreements shall have been modified to reflect the revised capital structure of Jaguar following implementation of the Plan, including, without limitation, to provide that the implementation of the Plan does not constitute a change of control under such employment agreements, and no change of control payments shall be owing or payable to Jaguar's officers or employees in connection with the implementation of the Plan;

(g) The DSU Plan and the RSU Plan shall have been addressed in a manner acceptable to Jaguar and the Majority Consenting Noteholders;

(h) The Articles of Reorganization shall have been filed under the OBCA;

(i) All material filings under applicable Laws shall have been made and any material regulatory consents or approvals that are required in connection with this Plan shall have been obtained and, in the case of waiting or suspensory periods, such waiting or suspensory periods shall have expired or been terminated;

(j) The New Common Shares shall have been conditionally approved for listing on the TSX, the TSXV or such other Designated Offshore Securities Market acceptable to the Majority Consenting Noteholders without any vote or approval of the Existing Shareholders, subject only to receipt of customary final documentation;

(k) All conditions to implementation of this Plan set out in the Support Agreement shall have been satisfied or waived in accordance with their terms and the Support Agreement shall not have been terminated;

(l) All conditions to implementation of this Plan set out in the Backstop Agreement shall have been satisfied or waived in accordance with their terms, and the Backstop Agreement shall not have been terminated; and

(m) The issuance of the Unsecured Creditor Common Shares and Early Consent Shares shall be exempt from registration under the US Securities Act pursuant to the provisions of section 3(a)(10) of the US Securities Act.

12.4 Waiver of Conditions

The Applicant and the Majority Consenting Noteholders may at any time and from time to time waive the fulfillment or satisfaction, in whole or in part, of the conditions set out herein, to the extent and on such terms as such parties may agree to provided however that the conditions set out in Section 12.3(a) cannot be waived and that the conditions set out in Section 12.3(l) can only be waived by the Applicant

and the Majority Backstop Parties.

12.5 Implementation Provisions

If the conditions contained in Section 12.3 are not satisfied or waived (to the extent permitted under Section 12.4) by the Outside Date, unless the Applicant and the Majority Consenting Noteholders agree in writing to extend such period, this Plan and the Sanction Order shall cease to have any further force or effect and will not be binding on any Person.

12.6 Monitor's Certificate of Plan Implementation

Upon written notice from the Applicants (or counsel on their behalf) to the Monitor that the conditions to Plan implementation set out in Section 12.3, have been satisfied or waived, the Monitor shall, as soon as possible following receipt of such written notice, deliver to the Applicants, and file with the Court, a certificate which states that all conditions precedent set out in Section 12.3 have been satisfied or waived and that the Implementation Date has occurred.

ARTICLE 13 – GENERAL

13.1 Waiver of Defaults

Subject to the performance by the Applicant of its obligations under this Plan, and except to the extent expressly contemplated by this Plan or the Sanction Order, no Person who is a party to any obligations or agreements with the Applicant or any Subsidiary shall, following the Implementation Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, option, dilution or other remedy) or make any demand under or in respect of any such obligation or agreement, by reason of:

(a) any defaults or events of default arising as a result of the insolvency of the Applicant prior to the Implementation Date;

(b) any change of control of the Applicant or any Subsidiary arising from implementation of this Plan (except in respect of existing, written senior officer and employee employment agreements of Persons who remain senior officers and employees of Jaguar as of the Implementation Date and any payments due under such agreements, which may only be waived by the senior officers and employees who are parties to such agreements);

(c) the fact that the Applicant has sought or obtained relief under the CCAA or that this Plan has been implemented by the Applicant;

(d) the effect on the Applicant or any Subsidiary of the completion of any of the transactions contemplated by this Plan;

(e) any compromises or arrangements effected pursuant to this Plan; or

(f) any other event(s) which occurred on or prior to the Implementation Date which would have entitled any Person to enforce rights and remedies, subject to any express provisions to the contrary in any agreements entered into with the Applicant after the Filing Date.

For greater certainty, nothing in this paragraph 13.1 shall waive, compromise or discharge any obligations of the Applicant in respect of any Excluded Claim.

13.2 Deeming Provisions

In this Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

13.3 Non-Consummation

The Applicant reserves the right to revoke or withdraw this Plan at any time prior to the Implementation Date, with the consent of the Monitor and the Majority Consenting Noteholders.

If the Implementation Date does not occur on or before the Outside Date (as the same may be extended in accordance with the terms hereof and of the Support Agreement), or if this Plan is otherwise withdrawn in accordance with its terms: (a) this Plan shall be null and void in all respects, and (b) nothing contained in this Plan, and no acts taken in preparation for consummation of this Plan, shall (i) constitute or be deemed to constitute a waiver or release of any Claims by or against the Jaguar Group, their respective successors or any other Person; (ii) prejudice in any manner the rights of the Jaguar Group, their respective successors or any other Person in any further proceedings involving the Jaguar Group or their respective successors; or (iii) constitute an admission of any sort by the Jaguar Group, their respective successors or any other Person.

13.4 Modification of Plan

(a) The Applicant may, at any time and from time to time, amend, restate, modify and/or supplement this Plan with the consent of the Monitor and the Majority Consenting Noteholders, provided that: any such amendment, restatement, modification or supplement must be contained in a written document that is filed with the Court and:

(i) if made prior to or at the Meeting: (A) the Monitor, the Applicant or the Chair (as defined in the Meeting Order) shall communicate the details of any such amendment, restatement, modification and/or supplement to Affected Unsecured Creditors and other Persons present at the Meeting prior to any vote being taken at the Meeting; (B) the Applicant shall provide notice to the service list of any such amendment, restatement, modification and/or supplement and shall file a copy thereof with the Court forthwith and in any event prior to the Court hearing in respect of the Sanction Order; and (C) the Monitor shall post an electronic copy of such amendment, restatement, modification and/or supplement on the Monitor's Website forthwith and in any event prior to the Court hearing in respect of the Sanction Order; and

(ii) if made following the Meeting: (A) the Applicant shall provide notice to the service list of any such amendment, restatement, modification and/or supplement and shall file a copy thereof with the Court; (B) the Monitor shall post an electronic copy of such amendment, restatement, modification and/or supplement on the Monitor's Website; and (C) such amendment, restatement, modification and/or supplement shall require the approval of the Court following notice to the Affected Unsecured Creditors.

(b) Notwithstanding Section 13.4(a) hereof, any amendment, restatement, modification or supplement may be made by the Applicant: (i) if prior to the date of the Sanction Order, with the consent of the Monitor and the Majority Consenting Noteholders; and (ii) if after the date of the Sanction Order, with the consent of the Monitor and the Majority Consenting Noteholders and upon approval by the Court, provided in each case that it concerns a matter that, in the opinion of the Applicant, acting reasonably, is of an administrative nature required to better give effect to the implementation of this Plan and the Sanction Order or to cure any errors, omissions or ambiguities and is not materially adverse to the financial or economic interests of the Affected Unsecured Creditors.

(c) Any amended, restated, modified or supplementary plan or plans of compromise filed with the Court and, if required by this section, approved by the Court, shall, for all purposes, be and be deemed to be a part of and incorporated in this Plan.

13.5 Severability of Plan Provisions

If, prior to the Implementation Time, any term or provision of this Plan is held by the Court to be invalid, void or unenforceable, at the request of the Applicant, made with the consent of the Majority Consenting Noteholders (acting reasonably), the Court shall have the power to either (a) sever such term or provision from the balance of this Plan and provide the Applicant and the Majority Consenting Noteholders with the option to proceed with the implementation of the balance of this Plan as of and with effect from the Implementation Time, or (b) alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted, provided that the Majority Consenting Noteholders have approved such alteration or interpretation, acting reasonably. Notwithstanding any such holding, alteration or interpretation, and provided that this Plan is implemented, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

13.6 Preservation of Rights of Action

Except as otherwise provided in this Plan or in the Sanction Order, or in any contract, instrument, release, indenture or other agreement entered into in connection with this Plan, following the Implementation Date, the Applicant will retain and may enforce, sue on, settle, or compromise (or decline to do any of the foregoing) all claims, rights or causes of action, suits and proceedings, whether in law or in equity, whether known or unknown, that the Applicant may hold against any Person or entity without further approval of the Court.

13.7 Responsibilities of Monitor

The Monitor is acting in its capacity as Monitor in the CCAA Proceedings and this Plan with respect to the Applicant and will not be responsible or liable for any obligations of the Applicant.

13.8 Notices

Any notice or other communication to be delivered hereunder must be in writing and refer to this Plan and may, as hereinafter provided, be made or given by personal delivery, ordinary mail, email or by facsimile addressed to the respective Parties as follows:

If to Jaguar or the Subsidiaries, at:

(a) c/o Jaguar Mining Inc.
67 Yonge Street, Suite 1203
Toronto, Ontario M5E 1J8

Attention: David Petroff
Email: david.petroff@jaguarmining.com

with a required copy (which shall not be deemed notice) to:

Norton Rose Fulbright Canada LLP
Royal Bank Plaza, South Tower, Suite 3800
200 Bay Street P.O. Box 84
Toronto, Ontario M5J 2Z4

Attention: Walied Soliman and Evan Cobb
Fax: (416) 216-3930
Email: walied.soliman@nortonrosefulbright.com
evan.cobb@nortonrosefulbright.com

(b) If to the Ad Hoc Committee of Noteholders:

Goodmans LLP
Suite 3400
333 Bay Street
Bay Adelaide Centre
Toronto, Ontario M5H 2S7

Attention: Rob Chadwick and Melaney Wagner
Fax: (416) 979-1234
Email rchadwick@goodmans.ca
mwagner@goodmans.ca

(c) If to the Monitor, at:

FTI Consulting Canada Inc.
TD Waterhouse Tower
Suite 2010
79 Wellington Street
Toronto, Ontario M5K 1G8

Attention: Greg Watson and Jodi Porepa
Fax: (416) 649-8101
Email: Greg.Watson@fticonsulting.com
Jodi.Porepa@fticonsulting.com

With a required copy (which shall not be deemed notice) to:

Osler, Hoskin & Harcourt LLP
Box 50
1 First Canadian Place
Toronto, Ontario M5X 1B8

Attention: Marc Wasserman
Fax: (416) 862-6666
Email: mwasserman@osler.com

or to such other address as any Party may from time to time notify the others in accordance with this Section 13.8. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing or emailing, provided that such day in either event is a Business Day and the communication is so delivered, faxed or emailed before 5:00 p.m. on such day. Otherwise, such communication shall be deemed to have been given and

made and to have been received on the next following Business Day.

13.9 Consent of Majority Consenting Noteholders or Majority Backstop Parties

For the purposes of this Plan, any matter requiring the agreement, waiver, consent or approval of the Majority Consenting Noteholders or the Majority Backstop Parties shall be deemed to have been agreed to, waived, consented to or approved by such Majority Consenting Noteholders or Majority Backstop Parties if such matter is agreed to, waived, consented to or approved in writing by Goodmans LLP, provided that Goodmans LLP expressly confirms in writing (which can be by way of e-mail) that it is providing such agreement, consent, waiver or approval on behalf of the Majority Consenting Noteholders or the Majority Backstop Parties, as applicable.

13.10 Paramountcy

From and after the Implementation Time on the Implementation Date, any conflict between:

(a) this Plan; and

(b) the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed or implied, of any contract, mortgage, security agreement, indenture, trust indenture, note, loan agreement, commitment letter, agreement for sale, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between any Person and the Applicant and/or the Subsidiaries as at the Implementation Date,

will be deemed to be governed by the terms, conditions and provisions of this Plan and the Sanction Order, which shall take precedence and priority.

13.11 Further Assurances

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan without any further act or formality, each of the Persons named or referred to in, or subject to, this Plan will make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them to carry out the full intent and meaning of this Plan and to give effect to the transactions contemplated herein.

APPENDIX C
INITIAL ORDER

Court File No.
CV-13-10383-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 23RD
	)	
JUSTICE MORAWETZ	)	DAY OF DECEMBER, 2013

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JAGUAR MINING INC.

Applicant

INITIAL ORDER

THIS APPLICATION, made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of David M. Petroff sworn December 23, 2013 and the Exhibits thereto (the "**Petroff Affidavit**"), the Pre-Filing Report of FTI Consulting Canada Inc. in its capacity as the Proposed Monitor (as defined in the Petroff Affidavit), dated December 21, 2013, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicant, FTI Consulting Canada Inc., as Proposed Monitor, the Ad Hoc Committee (as defined in the Petroff Affidavit), and Global Resource Fund, no one appearing for any other person although duly served as appears from the affidavit of service of Evan Cobb sworn December 23, 2013 and on reading the consent of FTI Consulting Canada Inc. to act as the Monitor (in such capacity, the "**Monitor**"),

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "Business") and Property. The Applicant shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, directors, counsel and such other persons, including counsel to the Special Committee (as defined in the Petroff Affidavit) (collectively "Assistants") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies

and arrangements; and

(b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings or in respect of the Applicant's public listing requirements, at their standard rates and charges.

6. THIS COURT ORDERS that, except as otherwise provided to the contrary herein or in the Support Agreement, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

(b) payment for goods or services actually supplied to the Applicant following the date of this Order.

7. THIS COURT ORDERS that the Applicant shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

8. THIS COURT ORDERS that until a real property lease is disclaimed in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("Rent"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

9. THIS COURT ORDERS that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business. Notwithstanding the foregoing, the Applicant is authorized and directed until further order of this Court to pay any monthly interest amounts that may become due and owing to Global Resource Fund under the Renvest Facility (as such term is defined in the Petroff Affidavit).

RESTRUCTURING

10. THIS COURT ORDERS that the Applicant shall, subject to such requirements as are imposed by the CCAA and the terms of the Support Agreement, have the right to:

(a) permanently or temporarily cease, downsize or shut down any of its business or operations;

(b) terminate the employment of such of its employees as it deems appropriate;

(c) retain a solicitation agent and an election agent (the "Solicitation/Election Agent") and permit it to obtain proxies and/or voting information and subscription election forms from registered and beneficial holders of the Notes (as defined in the Petroff Affidavit) in respect of the Plan and any amendments thereto; and

(d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "Restructuring").

11. THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

12. THIS COURT ORDERS that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises and such landlord shall be entitled to notify the Applicant of the basis on which it is taking possession and to gain

possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

SUPPORT AGREEMENT AND BACKSTOP AGREEMENT

13. THIS COURT ORDERS that the Applicant is authorized and empowered to take all steps and actions in respect of, and to comply with all of its obligations pursuant to, the Support Agreement and the Backstop Agreement (each as defined in the Petroff Affidavit) and its various obligations thereunder, and that nothing in this Order shall be construed as waiving or modifying any of the rights, commitments or obligations of Jaguar, its Subsidiaries, the Consenting Noteholders (as defined in the Petroff Affidavit) and the Backstop Parties (as defined in the Petroff Affidavit) under the Support Agreement and the Backstop Agreement, as applicable.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

14. THIS COURT ORDERS that until and including January 22, 2014, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

15. THIS COURT ORDERS that during the Stay Period, no Proceeding shall be commenced or continued: (i) against or in respect of any of the Applicant's direct or indirect subsidiaries (each a "Subsidiary" and, collectively, the "Subsidiaries") with respect to any guarantee, contribution or indemnity obligation, liability or claim in respect of, or that relates to, any agreement involving the Applicant, or the obligations, liabilities and claims of, against or affecting the Applicant or the Business (collectively, the "Applicant Related Liabilities"); (ii) against or in respect of any of a Subsidiary's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Subsidiary Property") with respect to any Applicant Related Liabilities (the matters referred to in (i) and (ii) being, collectively, the "Applicant Related Proceedings Against

Subsidiaries"), except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Applicant Related Proceedings Against Subsidiaries currently under way by any Person are hereby stayed and suspended pending further order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

16. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

17. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any Person against or in respect of any Subsidiary or Subsidiary Property in respect of any Applicant Related Liabilities are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Subsidiary to carry on any business which the Subsidiary is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

18. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

19. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written

agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

20. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

21. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

22. THIS COURT ORDERS that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

23. THIS COURT ORDERS that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall not exceed an aggregate amount of $150,000, as security for the indemnity provided in paragraph 22 of this Order. The Directors' Charge shall have the priority set out in paragraphs 37 and 40 herein.

24. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 22 of this Order.

APPOINTMENT OF MONITOR

25. THIS COURT ORDERS that FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

26. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicant's receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) advise the Applicant in its preparation of the Applicant's cash flow statements;

(d) advise the Applicant on any amendments to the Plan;

(e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' meetings for voting on the Plan;

(f) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;

(g) assist the Solicitation/Election Agent to obtain proxies and/or voting information and subscription election forms from registered and beneficial holders of the Notes in respect of the Plan and any amendments thereto;

(h) assist the Applicant, to the extent required by the Applicant, with its restructuring activities;

(i) assist the Applicant, to the extent required by the Applicant, with any matters relating to any foreign proceedings commenced in relation to the Applicant, including retaining independent legal counsel, agents, experts, accountants or such other persons as the Monitor deems necessary or advisable respecting the exercise of this power;

(j) engage in discussions with the Ad Hoc Committee and the Applicant's secured creditors, independent of the Applicant and, to the extent that any written reports with respect to these proceedings are delivered by the Monitor (or its advisors) to the Ad Hoc Committee (or its advisors), copies of those written reports shall be delivered by the Monitor (or its advisors) to Global Resource Fund (or its advisors) as soon as

reasonably practicable following delivery to the Ad Hoc Committee;

(k) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(l) perform such other duties as are required by this Order or by this Court from time to time.

27. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

28. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property (or any Subsidiary Property) that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property (or any Subsidiary Property) within the meaning of any Environmental Legislation, unless it is actually in possession.

29. THIS COURT ORDERS that the Monitor shall provide any creditor of the Applicant with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicant is

confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

30. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

31. THIS COURT ORDERS that the Monitor, domestic and foreign counsel to the Monitor, domestic and foreign counsel to the Applicant, counsel to the Special Committee (as defined in the Petroff Affidavit) domestic and foreign counsel to the Ad Hoc Committee and counsel to Global Resource Fund shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or after the date of this Order, by the Applicant as part of the costs of these proceedings; and (ii) the Financial Advisors (as defined in the Petroff Affidavit) shall be paid their reasonable fees and disbursements, in each case in accordance with the terms of the FA Engagement Letters (as defined in the Petroff Affidavit), whether incurred prior to or after the date of this Order. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, domestic and foreign counsel for the Monitor, domestic and foreign counsel for the Applicant, domestic and foreign counsel for the Ad Hoc Committee and counsel to the Special Committee weekly, or on such basis as otherwise agreed by the Applicant and the applicable payee and, in addition, the Applicant is hereby authorized to pay to the Monitor and counsel for the Monitor retainers in the amounts of $75,000 and $40,000, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

32. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

33. THIS COURT ORDERS that the Monitor, domestic and foreign counsel to the Monitor, the Applicant's domestic and foreign counsel, counsel to the Special Committee, domestic and foreign counsel to the Ad Hoc Committee and the Financial Advisors shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which

charge shall not exceed an aggregate amount of $5,000,000, as security for their professional fees and disbursements incurred at their standard rates and charges, and in the case of the Financial Advisors, professional fees and disbursements incurred pursuant to the terms of the FA Engagement Letters, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall consist of two separate charges (the Primary Administration Charge and the Subordinate Administration Charge (each as defined below)) with the priorities set out in paragraphs 37 and 40 hereof.

APPROVAL OF FINANCIAL ADVISORS' ENGAGEMENT

34. THIS COURT ORDERS that the Applicant is authorized to continue the engagement of the Financial Advisors on the terms and conditions set out in the FA Engagement Letters.

35. THIS COURT ORDERS that the FA Engagement Letters be and are hereby ratified and confirmed and the Applicant is authorized to perform its obligations thereunder.

36. THIS COURT ORDERS that any claims of the Financial Advisors under the FA Engagement Letters shall be treated as unaffected in any Plan.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

37. THIS COURT ORDERS that the priorities of the Directors' Charge, the Primary Administration Charge, the Renvest Security (as defined below) and the Subordinated Administration Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of $500,000) (the "**Primary Administration Charge**");

Second - Directors' Charge (to the maximum amount of $150,000);

Third – Renvest Security; and

Fourth – the Administration Charge (to a maximum of $4,500,000) (the "**Subordinated Administration Charge**").

38. THIS COURT ORDERS that notwithstanding anything to the contrary herein, each of the Financial Advisors shall only be entitled to the benefit of the Primary Administration Charge with

respect to their respective monthly work fees as set out in the terms and conditions of their respective FA Engagement Letters.

39. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, or the Administration Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

40. THIS COURT ORDERS that each of the Directors' Charge and the Administration Charge (all as constituted and defined herein) shall constitute a charge on the Property and, except as provided in Paragraph 37, with respect to the Subordinated Administration Charge, such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person, with the exception of any Encumbrances ranking in priority to the security granted by the Applicant to secure the obligations under the Renvest Facility prior to the date hereof (the "Renvest Security").

41. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge, or the Renvest Security unless the Applicant also obtains the prior written consent of the Monitor, and the beneficiaries of the Directors' Charge and the Administration Charge, and (if such Encumbrances rank in priority to, or *pari passu* with, the Renvest Security) Global Resource Fund, or further Order of this Court.

42. THIS COURT ORDERS that the Directors' Charge and the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with

respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

(a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and

(c) the payments made by the Applicant pursuant to this Order and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

SERVICE AND NOTICE

44. THIS COURT ORDERS that the Monitor shall (i) as soon as practicable after the granting of this Order, publish in the Globe and Mail (National Edition) and the Wall Street Journal a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than $1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder. The list included in subparagraph (C) above shall not include the names, addresses or estimated amounts of the claims of those creditors who are individuals or any personal information in respect of an individual.

45. THIS COURT ORDERS that the Applicant and the Monitor be at liberty to serve this

Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

46. THIS COURT ORDERS that the Applicant, the Monitor, the Ad Hoc Committee, Global Resource Fund and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor may post a copy of any or all such materials on its website at:

http://cfcanada.fticonsulting.com/jaguar.

47. THIS COURT ORDERS that all written reports delivered by the Applicant (or its advisors) to the Ad Hoc Committee (or its advisors) with respect to these proceedings shall also be delivered by the Applicant (or its advisors) to Global Resource Fund (or its advisors) as soon as reasonably practicable following delivery to the Ad Hoc Committee.

SEALING OF CONFIDENTIAL EXHIBITS

48. THIS COURT ORDERS that Confidential Exhibits "A" and "B" be and are hereby sealed pending further Order of the Court and shall not form part of the public record.

GENERAL

49. THIS COURT ORDERS that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

50. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

51. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal,

regulatory or administrative body having jurisdiction in Canada, the United States, Brazil or elsewhere to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

52. THIS COURT ORDERS that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

53. THIS COURT ORDERS that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to the Applicant, the Monitor, Global Resource Fund, the Ad Hoc Committee and any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

54. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

DEC 23 2013

NB

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JAGUAR MINING INC. (Applicant)

Court File No: CV-13-10383-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

INITIAL ORDER

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Lawyers for the Applicant,
Jaguar Mining Inc.

APPENDIX D
MEETING ORDER

Court File No. CV-13-10383-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	MONDAY, THE 23RD
	)	
JUSTICE MORAWETZ	)	DAY OF DECEMBER, 2013

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JAGUAR MINING INC.

Applicant

MEETING ORDER

THIS MOTION made by the Applicant for an Order granting the relief set out in the Applicant's Notice of Motion, including *inter alia*:

a) abridging, if necessary, the time for service of the Notice of Motion herein and dispensing with further service thereof;

b) authorizing the Applicant to file with the Court a plan of compromise and arrangement of the Applicant under the *Companies' Creditors Arrangement Act* (the "**CCAA**");

c) authorizing and directing the Applicant to call a meeting (the "**Meeting**" as more particularly defined in paragraph 25 hereof) of a single class of affected creditors

to consider and vote upon the plan of compromise and arrangement filed by the Applicant;

d) providing certain directions in respect of the Share Offering contemplated by the Applicant's plan of compromise and arrangement; and

e) granting such further relief as the Applicant may request and this Court shall permit,

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of David M. Petroff, sworn December 23, 2013 (the "**Petroff Affidavit**"), the Pre-Filing Report of FTI Consulting Canada Inc. (the "**Monitor**") dated December 21, 2013 (the "**Report**"), filed, and on hearing the submissions of counsel for the Applicant, the Monitor, the Ad Hoc Committee (as defined in the Petroff Affidavit) and Global Resource Fund, no one appearing for any other person although duly served as appears from the affidavit of service of Evan Cobb sworn December 23, 2013,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion herein be and is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS

2. **THIS COURT ORDERS** that capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the draft Plan of Compromise and Arrangement in respect of the Applicant, which is included in Exhibit "A" to the Petroff Affidavit (as it may be amended in

accordance with its terms, the "**Plan**").

MONITOR'S ROLE

3. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under (i) the CCAA; (ii) the Initial Order; and (iii) the Claims Procedure Order, is hereby directed and empowered to take such other actions and fulfill such other roles as are authorized by this Meeting Order.

4. **THIS COURT ORDERS** that: (i) in carrying out the terms of this Meeting Order, the Monitor shall have all the protections given to it by the CCAA, the Initial Order, the Claims Procedure Order, or as an officer of the Court, including the stay of proceedings in its favour; (ii) the Monitor shall incur no liability or obligation as a result of carrying out the provisions of this Meeting Order, save and except for any gross negligence or wilful misconduct on its part; (iii) the Monitor shall be entitled to rely on the books and records of the Applicant and any information provided by the Applicant without independent investigation; and (iv) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

PLAN OF COMPROMISE AND ARRANGEMENT

5. **THIS COURT ORDERS** that the Plan be and is hereby accepted for filing with the Court, and that the Applicant is authorized to seek approval of the Plan by the Affected Unsecured Creditors holding Voting Claims (as defined in the Claims Procedure Order) or Disputed Voting Claims (as defined in the Claims Procedure Order) (each an "**Eligible Voting Creditor**") at the Meeting in the manner set forth herein.

6. **THIS COURT ORDERS** that the Applicant be and is hereby authorized to amend, modify

and/or supplement the Plan, provided that any such amendment, modification or supplement shall be made in accordance with the terms of Section 13.4 of the Plan.

7. **THIS COURT ORDERS** that, if any amendments, modifications and/or supplements to the Plan as referred to in paragraph 6, above, would, if disclosed, reasonably be expected to affect an Eligible Voting Creditor's decision to vote for or against the Plan, notice of such amendment, modification and/or supplement shall be distributed in advance of the Meeting, subject to further order of this Court, by the Monitor using the method most reasonably practicable in the circumstances, as the Monitor may determine.

NOTICE OF MEETINGS

8. **THIS COURT ORDERS** that each of the following in substantially the forms attached to this Order as **Schedules "A", "B", "C", "D"**, and **"E"**, respectively, are hereby approved:

(a) the form of notice of the Meeting and Sanction Hearing (the "**Notice of Meeting**");

(b) the form of proxy for Affected Unsecured Creditors (the "**Affected Creditors Proxy**");

(c) the voting instruction form for Beneficial Noteholders with respect to the Noteholders Allowed Claim (the "**Beneficial Noteholder Voting Instruction Form**");

(d) the election form for Noteholders with respect to the Share Offering (the "**Election Form**"); and

(e) the form of Master Proxy for Participant Holders (the "**Master Proxy**")

(collectively, with the Applicant's information circular, the "**Information Package**").

9. **THIS COURT ORDERS** that, notwithstanding paragraph 8 above, but subject to paragraph 6 above, the Applicant is hereby authorized to make such amendments, modifications and/or supplements to the Information Package, as the Applicant or the Monitor may determine ("**Additional Information**"), and that notice of such Additional Information shall be distributed by the Monitor using the method most reasonably practicable in the circumstances, as the Monitor may determine; provided, however, that such Additional Information is subject to the prior consent of the Majority Consenting Noteholders and the Monitor unless the Applicant determines (in consultation with its legal counsel) that such Additional Information is required by applicable Laws (in which case the Applicant shall provide advance written notice of such Additional Information to the Monitor, and to the Majority Consenting Noteholders by delivery of such written notice to Goodmans LLP, as counsel to the Ad Hoc Committee).

10. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Monitor shall cause a copy of the Information Package (and any amendments made thereto in accordance with paragraph 9 hereof), this Order, and the Report to be posted on the Monitor's Website. The Monitor shall ensure that the Information Package (and any amendments made thereto in accordance with paragraph 9 hereof) remains posted on the Monitor's Website until at least one (1) Business Day after the Implementation Date.

11. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Monitor shall send the Information Package (other than the Affected Creditors Proxy) to Globic Advisors (the "**Solicitation/Election Agent**").

12. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Monitor shall send the Information Package (without the Instructions to Participant Holders, Beneficial Noteholder Voting Instruction Form, Master Proxy and the Election Form) to all Unsecured Creditors (other than Noteholders) known to the Applicant (and as the Applicant has advised the Monitor) as of the date of this Order by regular mail, facsimile, courier or e-mail at the last known address (including fax number or email address) for such Creditors set out in the books and records of the Applicant.

13. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Applicant shall advise the Monitor of any known Creditors as of the date of this Order.

14. **THIS COURT ORDERS** that, as soon as practicable following the receipt of a request therefor, the Monitor shall send a copy of the Information Package (without the Instructions to Participant Holders, Beneficial Noteholder Voting Instruction Form, Master Proxy and the Election Form) by registered mail, facsimile, courier or e-mail, to each person who claims to be an Unsecured Creditor (other than Noteholders) and who, no later than three (3) Business Days prior to the Meeting (or any adjournment thereof), makes a written request for it.

15. **THIS COURT ORDERS** that, (i) as soon as practicable after the granting of this Order, and (ii) on or within one Business Day of January 6, 2014, the Monitor shall use reasonable efforts to cause the Notice of Meeting (substantially in the form attached hereto as **Schedule "A"**) to be published for a period of one (1) Business Day in The Globe and Mail (National Edition) and the Wall Street Journal.

NOTEHOLDERS SOLICITATION PROCESS

16. **THIS COURT ORDERS** that the record date for the purposes of determining which Noteholders are entitled to receive notice of the Meeting and vote at the Meeting with respect to

their Noteholder's Allowed Claim shall be 5:00 p.m. (Toronto time) on December 19, 2013 (the "**Noteholder Voting Record Date**"), without prejudice to the right of the Applicant, with the consent of the Monitor and the Majority Consenting Noteholders, to set any other record date or dates for the purpose of distributions under the Plan or other purposes.

17. **THIS COURT ORDERS** that, unless already provided, as soon as practicable after the granting of this Order, the Trustees shall provide the Solicitation/Election Agent and the Monitor with a list showing the names and addresses of all persons who are DTC participants (each, a "**Participant Holder**") and the principal amount of Notes held by each Participant Holder as at the Noteholder Voting Record Date (the "**Participant Holders List**").

18. **THIS COURT ORDERS** that, upon receipt by the Solicitation/Election Agent and the Monitor of the Participant Holders List or other information identifying Participant Holders, the Solicitation/Election Agent shall promptly contact each Participant Holder to determine, in consultation with the Monitor, the number of Information Packages for Beneficial Noteholders such Participant Holder requires in order to provide one to each Beneficial Noteholder that has an account (directly or indirectly through an agent or custodian) with the Participant Holder, in which case each Participant Holder shall provide to the Solicitation/Election Agent a response within three (3) Business Days of receipt of this information request. The Solicitation/Election Agent shall forthwith deliver a copy of that response to the Monitor.

19. **THIS COURT ORDERS** that:

(a) Upon receiving from a Participant Holder the information referred to in paragraph 18, the Solicitation/Election Agent, in consultation with the Monitor, shall send the Information Package (other than the Affected Creditors Proxy) to such Participant Holder via e-mail (with a copy to the Monitor) for distribution to

the applicable Beneficial Noteholders by such Participant Holder;

(b) On or before two (2) Business Days following the date of this Order, the Solicitation/Election Agent, in consultation with the Monitor, shall send via email to the Trustees, an electronic copy of the Information Package (other than the Affected Creditors Proxy); and

(c) As soon as practicable after the Applicant, the Monitor or the Solicitation/Election Agent receives a request from any person claiming to be a Beneficial Noteholder, the Solicitation/Election Agent, in consultation with the Monitor, shall send via email to such Beneficial Noteholder (with a copy to the Monitor) an electronic copy of the Information Package (other than the Affected Creditors Proxy).

20. **THIS COURT ORDERS** that each Participant Holder shall within three (3) Business Days of receipt of an Information Package complete the applicable section of the Beneficial Noteholder Voting Instruction Form and Election Form for each Beneficial Noteholder which has an account (directly or through an agent or custodian) with such Participant Holder and deliver to each such Beneficial Noteholder the Beneficial Noteholder Voting Instruction Form and Election Form as so completed and one copy of the Applicant's information circular (the "**Information Circular**") and the Notice of Meeting. The Participant Holder shall take any other action required to enable such Beneficial Noteholder to return to the Participant Holder a completed Beneficial Noteholder Voting Instruction Form and Election Form and to vote at the Meeting with respect to the Notes owned by such Beneficial Noteholder as at the Noteholder Voting Record Date and participate in the Share Offering.

21. **THIS COURT ORDERS** that accidental failure of, or accidental omission by, the Solicitation/Election Agent to provide a copy of the Information Package to any one or more of

the Participant Holders, the non-receipt of a copy of the Information Package by any Noteholder beyond the reasonable control of the Solicitation/Election Agent or any failure or omission to provide a copy of the Information Package as a result of events beyond the reasonable control of the Solicitation/Election Agent (including, without limitation, any inability to use postal services) shall not constitute a breach of this Order, and shall not invalidate any resolution passed or proceedings taken at the Meeting, but if any such failure or omission is brought to the attention of the Monitor prior to the Meeting, then the Monitor shall use reasonable efforts to rectify the failure or omission by the method and in the time most reasonably practicable in the circumstances.

22. **THIS COURT ORDERS** that the Monitor shall have no liability whatsoever to any Person regarding any act taken by, or any omission from, the Solicitation/Election Agent in connection with the Solicitation/Election Agent's responsibilities and activities in performing the services to the Applicant that are set out in this Order, the Claims Procedure Order, any agreement with the Applicant or any other order of this Court, and all Persons shall be and are hereby barred from commencing any action or proceeding against the Monitor with respect thereto.

23. **THIS COURT ORDERS** that with respect to votes to be cast at the Meeting by a Noteholder, it is the Beneficial Noteholder (and for greater certainty not the Registered Holder or the Participant Holder of such Notes, unless such Registered Holder or Participant Holder holds such Notes on its own behalf and not on behalf of any Beneficial Noteholder) who is entitled to cast such votes as an Eligible Voting Creditor. Each Beneficial Noteholder (or Registered Holder or Participant Holder that holds such Notes on its own behalf and not on behalf of any Beneficial Noteholder) that casts a vote at the Meeting in accordance with this Order shall be counted as an individual Creditor.

NOTICE SUFFICIENT

24. **THIS COURT ORDERS** that the publication of the Notice of Meeting in accordance with paragraph 15 above, the sending of a copy of the Information Package to Creditors in accordance with paragraph 12 above, the posting of the Information Package on the Monitor's Website, and the provision of notice to the Noteholders and others in the manner set out in paragraphs 10, 12, 16, 17 through 20 above, shall constitute good and sufficient notice of this Order, the Plan and the Notice of Meeting on all Persons who may be entitled to receive notice thereof, or who may wish to be present in person or by proxy at the Meeting or in these proceedings, and no other form of notice need be made on such Persons and no other document or material need be delivered to such Persons in respect of these proceedings. Notice shall be effective, in the case of mailing, three (3) Business Days after the date of mailing, in the case of delivery by courier, on the day after the courier was sent, in the case of any means of transmitted, recorded or electronic communication, when dispatched or delivered for dispatch and in the case of delivery by fax or e-mail, on the day the fax or e-mail was transmitted, unless such day is not a Business Day, or the fax or e-mail transmission was made after 5:00 p.m., in which case, on the next Business Day.

THE MEETING

25. **THIS COURT ORDERS** that the Applicant is hereby authorized and directed to call, hold and conduct a meeting at the offices of Norton Rose Fulbright Canada LLP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 3800, Toronto, Ontario, M5J 2Z4 on January 28, 2014, at 10:00 a.m. for the Affected Creditors Class (the "**Meeting**"), or as adjourned to such places and times as the Chair or Monitor may determine in accordance with paragraph 46 hereof, for the purposes of considering and voting on the resolution to approve the Plan and transacting such

other business as may be properly brought before the Meeting.

26. **THIS COURT ORDERS** that the only Persons entitled to notice of, to attend or to speak at the Meeting are the Eligible Voting Creditors (or their respective duly appointed proxyholders), representatives of the Monitor, the Applicant, the Consenting Noteholders, the Trustees, all such parties' financial and legal advisors, the Chair, Secretary and the Scrutineers. Any other person may be admitted to the Meeting only by invitation of the Applicant or the Chair.

AFFECTED CREDITORS CLASS

27. **THIS COURT ORDERS** that, for the purposes of voting at the Meeting, each Affected Unsecured Creditor (including a Beneficial Noteholder with respect to its Noteholder's Allowed Claim) shall be entitled to one vote as a member of the Affected Creditors Class.

28. **THIS COURT ORDERS** that, for the purposes of voting at the Meeting, the Voting Claim of any Beneficial Noteholder (or Registered Holder or Participant Holder that holds such Notes on its own behalf and not on behalf of any Beneficial Noteholder) shall be deemed to be equal to its Noteholder's Allowed Claim, as at the Noteholder Voting Record Date.

VOTING BY PROXIES

29. **THIS COURT ORDERS** that all proxies (including Master Proxies) submitted in respect of the Meeting (or any adjournment thereof) must be (a) submitted to the Monitor on or before 10:00 a.m. on the Business Day before the Meeting; and (b) in substantially the form attached to this Order as **Schedule "B"** (or, in the case of Master Proxies, **Schedule "E"**) or in such other form acceptable to the Monitor or the Chair. The Monitor is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any proxy is completed and executed, and may waive strict compliance with the requirements in connection

with the deadlines imposed in connection therewith.

30. **THIS COURT ORDERS** that each of the Beneficial Noteholders who holds its Notes through a Participant Holder and who wishes to vote at the Meeting shall execute a Beneficial Noteholder Voting Instruction Form, attached as **Schedule "C"**.

31. **THIS COURT ORDERS** that in order to cast its vote at the Meeting, each of the Beneficial Noteholders shall execute the Beneficial Noteholder Voting Instruction Form and return the Beneficial Noteholder Voting Instruction Form to their respective Participant Holder at or before 1:00 p.m. on the second Business Day before the Meeting. The Beneficial Noteholder Voting Instruction Form must clearly state the name and contain the signature of the applicable Participant Holder, the applicable account number or numbers of the account or accounts maintained by such Beneficial Noteholder with such Participant Holder, and the principal amount of Notes that such Beneficial Noteholder holds in each account or accounts (or otherwise).

32. **THIS COURT ORDERS** that each Participant Holder shall verify the Beneficial Noteholders' holdings of Notes indicated on the Beneficial Noteholder Voting Instruction Forms received by such Participant Holder and complete and include the amounts of such holdings on that Participant Holder's Master Proxy and shall deliver such Master Proxy so that it is received by the Solicitation/Election Agent at or before 5:00 p.m. on the second Business Day before the Meeting.

33. **THIS COURT ORDERS** that, the Solicitation/Election Agent shall, as soon as reasonably practical after receipt of Master Proxies, deliver the relevant information to the Monitor. By no later than 10:00 a.m. on the Business Day before the Meeting, the Solicitation/Election Agent shall deliver to the Monitor a summary of all information received by

the Solicitation/Election Agent along with copies of all Master Proxies received by the Solicitation/Election Agent. Notwithstanding the foregoing, the Chair shall have the discretion to accept for voting purposes any duly completed Beneficial Noteholder Voting Instruction Form filed at the Meeting with the Chair (or the Chair's designee) prior to the commencement of the Meeting.

34. **THIS COURT ORDERS** that, for the purposes of tabulating the votes cast on any matter that may come before the meeting, the Chair shall be entitled to rely on any vote cast by a holder of all proxies (including the Affected Creditors Proxies and all Master Proxies) that have been duly submitted to the Monitor in the manner set forth in this Meeting Order without independent investigation.

35. **THIS COURT ORDERS** that paragraphs 29 through 35 hereof, and the instructions contained in the Affected Creditors Proxy, the Beneficial Noteholders Voting Instruction Form and the Master Proxy attached hereto as **Schedules "B"**, **"C"** and **"E"** shall govern the submission of such documents and any deficiencies in respect of the form or substance of such documents filed with the Monitor.

TRANSFERS OR ASSIGNMENTS OF CLAIMS

36. **THIS COURT ORDERS** that an Affected Unsecured Creditor other than a Noteholder may transfer or assign the whole of its Affected Unsecured Claim prior to the Meeting, in accordance with the Claims Procedure Order. If an Affected Unsecured Creditor other than a Noteholder transfers or assigns the whole of an Affected Unsecured Claim to another Person, such transferee or assignee shall not be entitled to attend and vote the transferred or assigned Affected Unsecured Claim at the applicable Meeting unless (i) the assigned Affected Unsecured Claim is a Voting Claim or Disputed Claim, or a combination thereof, and (ii) satisfactory notice of and proof of transfer or assignment has been delivered to the Monitor in accordance with the

Claims Procedure Order no later than three (3) Business Days prior to the date of the applicable Meeting.

37. **THIS COURT ORDERS** that nothing in this Order shall restrict the Noteholders who have beneficial ownership of a Claim in respect of the Notes from transferring or assigning such Claim, in whole or in part, and any such transfer or assignment shall be governed by the provisions of the Plan and the Claims Procedure Order, provided that nothing in this paragraph 37 shall limit or restrict the application of the Noteholder Voting Record Date and paragraph 16 hereof or the provisions of the Support Agreement or the Election Form with respect to transfers of Notes.

DISPUTED VOTING CLAIMS

38. **THIS COURT ORDERS** that notwithstanding anything to the contrary herein, in the event that an Affected Unsecured Creditor holds a Claim that is a Disputed Voting Claim as at the date of the Meeting, such Creditor may attend the Meeting and such Disputed Voting Claim may be voted at such Meeting by such Creditor (or its duly appointed proxyholder) in accordance with the provisions of this Order, without prejudice to the rights of the Applicant, the Monitor or the holder of the Disputed Voting Claim with respect to the final determination of the Disputed Claim for distribution purposes, and such vote shall be separately tabulated as provided herein, provided that votes cast in respect of any Disputed Voting Claim shall not be counted for any purpose, unless, until and only to the extent that such Disputed Voting Claim is finally determined to be a Voting Claim.

ENTITLEMENT TO VOTE AT THE MEETING

39. **THIS COURT ORDERS** that, for greater certainty, and without limiting the generality of anything in this Order, Persons holding Excluded Claims are not entitled to vote on the Plan at

the Meeting in respect of such Excluded Claim and, except as otherwise permitted herein, shall not be entitled to attend the Meeting.

40. **THIS COURT ORDERS** that subject to paragraphs 36 and 37, the only Persons entitled to vote at the Meeting in person or by proxy are Affected Unsecured Creditors.

41. **THIS COURT ORDERS** that, notwithstanding anything to the contrary herein, any Person with a Claim that meets the definition of "equity claim" under section 2(1) of the CCAA shall have no right to, and shall not, vote at the Meeting.

PROCEDURE AT THE MEETING

42. **THIS COURT ORDERS** that Greg Watson or another representative of the Monitor, designated by the Monitor, shall preside as the chair of the Meeting (the "**Chair**") and, subject to this Order or any further Order of the Court, shall decide all matters relating to the conduct of the Meeting.

43. **THIS COURT ORDERS** that a person designated by the Monitor shall act as secretary at the Meeting (the "**Secretary**") and the Monitor may appoint scrutineers for the supervision and tabulation of the attendance, quorum and votes cast at the Meeting (the "**Scrutineers**"). The Scrutineers shall tabulate the votes in respect of all Voting Claims and Disputed Voting Claims, if any, at the Meeting.

44. **THIS COURT ORDERS** an Eligible Voting Creditor that is not an individual may only attend and vote at the Meeting if it has appointed a proxyholder to attend and act on its behalf at such Meeting.

45. **THIS COURT ORDERS** that the quorum required at the Meeting shall be one Creditor with a Voting Claim present at such Meeting in person or by proxy. If the requisite quorum is not

present at the Meeting, then such Meeting shall be adjourned by the Chair to such time and place as the Chair deems necessary or desirable.

46. **THIS COURT ORDERS** the Meeting shall be adjourned to such date, time and place as may be designated by the Chair or the Monitor, if:

(a) the requisite quorum is not present at the Meeting;

(b) the Meeting is postponed by a vote of the majority in value of the Creditors with Voting Claims present in person or by proxy at the Meeting; or

(c) prior to or during the Meeting, the Chair or the Monitor, in consultation with the Applicant and the Majority Consenting Noteholders, otherwise decides to adjourn such Meeting.

The announcement of the adjournment by the Chair at such Meeting (if the adjournment is during the Meeting), the posting of notice of such adjournment on the Monitor's Website, and written notice to the Service List with respect to such adjournment shall constitute sufficient notice of the adjournment and neither the Applicant nor the Monitor shall have any obligation to give any other or further notice to any Person of the adjourned Meeting.

47. **THIS COURT ORDERS** that the Chair be and is hereby authorized to direct a vote at the Meeting, by confidential written ballot or by such other means as the Chair may consider appropriate, with respect to: (i) a resolution to approve the Plan and any amendments thereto; and (ii) any other resolutions as the Monitor may consider appropriate in consultation with the Applicant and the Majority Consenting Noteholders.

48. **THIS COURT ORDERS** that the Monitor shall keep separate tabulations of votes cast in

respect of:

(a) Voting Claims; and

(b) Disputed Voting Claims, if applicable.

49. **THIS COURT ORDERS** that following the votes at the Meeting, the Scrutineers shall tabulate the votes and the Monitor shall determine whether the Plan has been accepted by the majorities of the Affected Creditor Class required pursuant to section 6 of the CCAA (the "**Required Majorities**").

50. **THIS COURT ORDERS** that the Monitor shall file a report with this Court by no later than one (1) Business Day after the Meeting or any adjournment thereof, as applicable, with respect to the results of the vote, including whether:

(a) the Plan has been accepted by the Required Majorities in the Affected Creditor Class; and

(b) whether the votes cast in respect of Disputed Voting Claims, if applicable, would affect the result of the vote.

51. **THIS COURT ORDERS** that a copy of the Monitor's report regarding the Meeting and the Plan shall be posted on the Monitor's Website prior to the Sanction Hearing.

52. **THIS COURT ORDERS** that if the votes cast by the holders of Disputed Voting Claims would affect whether the Plan has been approved by the Required Majorities, the Monitor shall report this to the Court in accordance with paragraph 50 of this Order, in which case (i) the Applicant or the Monitor may request this Court to direct an expedited determination of any material Disputed Voting Claims, as applicable, (ii) the Applicant may request that this Court

defer the date of the Sanction Hearing, (iii) the Applicant may request that this Court defer or extend any other time periods in this Order or the Plan, and/or (iv) the Applicant or the Monitor may seek such further advice and direction as may be considered appropriate.

TREATMENT OF CREDITORS

53. **THIS COURT ORDERS** that the result of any vote conducted at the Meeting shall be binding upon all Creditors of the Affected Creditor Class, whether or not any such Creditor was present or voted at the Meeting.

SANCTION HEARING AND ORDER

54. **THIS COURT ORDERS** that if the Plan has been accepted by the Required Majorities, the Applicant shall bring a motion seeking the Sanction Order on January 30, 2014, or as soon thereafter as the matter can be heard (the "**Sanction Hearing**").

55. **THIS COURT ORDERS** that service of the Notice of Meetings and the posting of this Order to the Monitor's Website pursuant to paragraphs 10 to 15 hereof shall constitute good and sufficient service of notice of the Sanction Hearing upon all Persons who may be entitled to receive such service and no other form of service or notice need be made on such Persons and no other materials need be served on such Persons in respect of the Sanction Hearing unless they have served and filed a Notice of Appearance in these proceedings.

56. **THIS COURT ORDERS** that any Person (other than the Applicant, the Monitor, Global Resource Fund, and counsel to the Ad Hoc Committee) wishing to receive materials in connection with the Sanction Hearing shall serve upon the lawyers for each of the Applicant, the Monitor, the Ad Hoc Committee, Global Resource Fund and all other parties on the Service List and file with this Court a Notice of Appearance by no later than 5:00 p.m. (Toronto time) on the

date that is 7 days prior to the Sanction Hearing.

57. **THIS COURT ORDERS** that any Person who wishes to oppose the motion for the Sanction Order shall serve upon the lawyers for each of the Applicant, the Monitor, the Ad Hoc Committee, Global Resource Fund and upon all other parties on the Service List, and file with this Court, a copy of the materials to be used to oppose the motion for the Sanction Order by no later than 5:00 p.m. (Toronto time) on the date that is 4 days prior to the Sanction Hearing.

58. **THIS COURT ORDERS** that if the Sanction Hearing is adjourned, only those Persons who are listed on the Service List (including those Persons who have complied with paragraph 56 of this Order) shall be served with notice of the adjourned date of the Sanction Hearing.

SHARE OFFERING

59. **THIS COURT ORDERS** that the record date for determining Eligible Investors entitled to participate in the Share Offering shall be 5:00 p.m. (Toronto time) on December 19, 2013 (the "**Subscription Record Date**").

60. **THIS COURT ORDERS** that, subject to Section 5.2(c) of the Plan, only Eligible Investors as at the Subscription Record Date are entitled to participate in the Share Offering.

61. **THIS COURT ORDERS** that the Applicant, in consultation with the Monitor, is authorized to use the Election Forms (including the forms of Rep Letters), substantially in the form of the draft attached as **Schedule "D"** hereto, with such amendments and additional information as the Applicant, in consultation with the Monitor, may determine are necessary or desirable, subject to the prior consent of the Majority Consenting Noteholders.

62. **THIS COURT ORDERS** that, subject to Section 5.2(c) of the Plan, in order to be qualified to participate in the Share Offering, Eligible Investors will be required to:

(a) properly complete and duly execute an Election Form (including the appropriate form of Rep Letter); and

(b) forward their properly completed and executed Election Form (including the properly completed, duly executed Rep Letter) to the Participant Holder by 1:00 p.m. on the second Business Day before the Meeting, so that it can be delivered by the Participant Holder to the Solicitation/Election Agent on or prior to 5:00 p.m. on the second Business Day before the Meeting (the "**Election Deadline**") or such later date as the Applicant may determine is appropriate in the circumstances subject to the prior consent of the Majority Consenting Noteholders and the Monitor.

63. **THIS COURT ORDERS** that each Participant Holder shall:

(a) medallion/signature guarantee an Election Form for each Beneficial Noteholder which has an account (directly or through an agent or custodian) with such Participant Holder by applying or affixing such Participant Holder's Medallion/Signature Guarantee to the Election Form endorsed by the Participant Holder and restricted to the principal amount of Notes held by the Beneficial Noteholder as of December 31, 2013; and

(b) deliver all Election Forms received by it pursuant to paragraph 62 above so that such Election Forms are received by the Solicitation/Election Agent (with a copy to the Monitor) on or prior to the Election Deadline or such later date as the

Applicant may determine is appropriate in the circumstances subject to the prior consent of the Majority Consenting Noteholders and the Monitor.

64. **THIS COURT ORDERS** that Eligible Investors will not be permitted to participate in the Share Offering as Participating Eligible Investors if the Solicitation/Election Agent has not received the Election Form, properly completed, duly executed and medallion/signature guaranteed, by the Election Deadline or such later date as the Applicant may determine is appropriate in the circumstances, subject to the prior consent of the Majority Consenting Noteholders and the Monitor.

GENERAL

65. **THIS COURT ORDERS** that the Applicant and the Monitor, in consultation with the Majority Consenting Noteholders, may, in their discretion, generally or in individual circumstances, waive in writing the time limits imposed on any Creditor under this Order if each of the Applicant and the Monitor deem it advisable to do so, without prejudice to the requirement that all other Creditors must comply with the terms of this Order.

66. **THIS COURT ORDERS** that any notice or other communication to be given pursuant to this Order by or on behalf of any Person to the Monitor or to the Solicitation/Election Agent shall be in writing and will be sufficiently given only if by mail, courier, e-mail, fax or hand-delivery addressed to:

(a) in the case of the Monitor:

FTI Consulting Canada Inc.
TD Waterhouse Tower
Suite 2010
79 Wellington Street
Toronto, Ontario M5K 1G8

Attention: Greg Watson and Jodi Porepa
Fax: (416) 649-8101
Email: Greg.Watson@fticonsulting.com
Jodi.Porepa@fticonsulting.com

(b) in the case of the Solicitation/Election Agent:

Globic Advisors
One Liberty Plaza, 23rd Floor
New York, NY
10006

Attention: Robert Stevens
Fax: (212) 271-3252
Email: rstevens@globic.com

(c) in the case of the Ad Hoc Committee:

Goodmans LLP
Suite 3400
333 Bay Street
Bay Adelaide Centre
Toronto, Ontario M5H 2S7

Attention: Rob Chadwick and Melaney Wagner
Fax: (416) 979-1234
Email rchadwick@goodmans.ca
mwagner@goodmans.ca

67. **THIS COURT ORDERS** that notwithstanding any provision herein to the contrary, the Participant Holders, the Solicitation/Election Agent and the Monitor shall be entitled to rely upon any communication given pursuant to this Order (including any delivery of Election Forms, Master Proxies, Affected Creditor Proxies and Beneficial Noteholder Voting Instruction Forms) by e-mail or fax.

68. **THIS COURT ORDERS** that if any deadline set out in this Order falls on a day other than a Business Day, the deadline shall be extended to the next Business Day.

69. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary, supplement or replace this Order or for advice and directions concerning the discharge of their respective powers and duties under this Order or the interpretation or application of this Order.

70. **THIS COURT ORDERS** that any interested party, other than the Applicant or the Monitor, that wishes to amend or vary this Order shall bring a motion before this Court on a date to be set by this Court upon the granting of this Order (the "**Comeback Date**"), and any such interested party shall give notice to each of the Applicant, the Monitor, the Ad Hoc Committee, Global Resource Fund and any other party or parties likely to be affected by the order sought at least four (4) days in advance of the Comeback Date.

71. **THIS COURT ORDERS** that subject to any further Order of this Court, in the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Plan and this Order, the terms, conditions and provisions of the Plan shall govern and be paramount.

EFFECT, RECOGNITION AND ASSISTANCE

72. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada, outside Canada and against all Persons against whom it may be enforceable.

73. **THIS COURT REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Brazil or elsewhere to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in

carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

DEC 23 2013

MB

Schedule "A"

NOTICE TO AFFECTED CREDITORS OF JAGUAR MINING INC. OF THE MEETING AND SANCTION HEARING

NOTICE IS HEREBY GIVEN that a plan of compromise and arrangement (the "Plan") has been filed with the Ontario Superior Court of Justice (Commercial List) (the "Court") in respect of Jaguar Mining Inc. (the "Applicant") pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended.

NOTICE IS ALSO HEREBY GIVEN that a meeting of a single class of affected creditors (the "Meeting") will be held at 10:00 a.m. on [January 28, 2014] (or such other date as may be set and announced in accordance with the Meeting Order) at the offices of Norton Rose Fulbright Canada LLP, Royal Bank Plaza, South Tower, 200 Bay Street, Suite 3800, Toronto, Ontario, M5J 2Z4 for the purpose to consider and vote upon the Plan filed by the Applicant. The Meeting is being held pursuant to the Order of the Court made on [December 23, 2013] (the "Meeting Order"). A copy of the Meeting Order can found on the Monitor's website at: http://cfcanada.fticonsulting.com/jaguar. Capitalized terms used but not otherwise defined in this notice have the meaning ascribed to them in the Meeting Order.

The Monitor's contact details for additional information or materials related to the Meeting is:

FTI Consulting Canada Inc.
Court-appointed Monitor of
Jaguar Mining Inc.
TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Telephone: 416-649-8044
Fax: 416-649-8101
Email: jaguarmining@fticonsulting.com
Website: http://cfcanada.fticonsulting.com/jaguar

Schedule "B"

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JAGUAR MINING INC. ("JAGUAR")

AFFECTED CREDITOR PROXY

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Plan of Compromise and Arrangement of Jaguar dated as of December 23, 2013 (as may be amended, restated or supplemented from time to time, the **"Plan"**) filed pursuant to the *Companies' Creditors Arrangement Act* with the Ontario Superior Court of Justice (Commercial List) in the City of Toronto in the Province of Ontario or in the Meeting Order granted by the Court on December 23, 2013 (the **"Meeting Order"**).

Before completing this proxy, please read carefully the accompanying Instructions For Completion of Proxy.

THIS FORM OF PROXY IS FOR USE BY ALL AFFECTED UNSECURED CREDITORS OTHER THAN AFFECTED UNSECURED CREDITORS IN THEIR CAPACITIES AS BENEFICIAL NOTEHOLDERS. If you are a Beneficial Noteholder you should have been provided a Beneficial Noteholder Voting Instruction Form as part of the Information Package sent to you by your Participant Holder (such as a brokerage firm, trust company or other nominee). Beneficial Noteholders wishing to vote, in their capacities as Beneficial Noteholders, at the Meeting may do so only by completing the Beneficial Noteholder Voting Instruction Form. **In accordance with the Plan and the Meeting Order, this proxy may only be filed by Affected Unsecured Creditors (other than in their capacities as Beneficial Noteholders) having Voting Claims.**

THE UNDERSIGNED AFFECTED UNSECURED CREDITOR (in its capacity as an Affected Unsecured Creditor other than a Beneficial Noteholder) hereby revokes all proxies previously given in respect of the Plan (other than a proxy given in its capacity as a Beneficial Noteholder) and nominates, constitutes, and appoints:

_____
Print name of proxy

or, instead of the foregoing, [•] of FTI Consulting Canada Inc. in its capacity as court-appointed monitor of Jaguar, or such other Person as he, in his sole discretion, may designate, to attend on behalf of and act for the undersigned Affected Unsecured Creditor (other than in its capacity as a Beneficial Noteholder) at the Meeting to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling of such Meeting, and to vote the amount of the Voting Claim(s) of the undersigned (other than Voting Claims in respect of the undersigned in the undersigned's capacity as a Beneficial Noteholder) for voting purposes as determined by and accepted for voting purposes in accordance with the Meeting Order and as set out in the Plan as follows:

A.	**VOTE** (mark one only):	**FOR** ☐	**APPROVAL OF THE PLAN**
		AGAINST ☐	

B. Vote at the nominee's discretion and otherwise act for and on behalf of the undersigned Affected Unsecured Creditor (other than in its capacity as a Beneficial Noteholder) with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the Meeting or any adjournment, postponement or other rescheduling of the Meeting.

Dated this_____day of_____,201__.

Print Name of Affected Unsecured Creditor	Title of the authorized signing officer of the corporation, partnership or trust, if applicable
Signature of Affected Unsecured Creditor or, if the Affected Unsecured Creditor is a corporation, partnership or trust, signature of an authorized signing officer of the corporation, partnership or trust	Telephone number of Affected Unsecured Creditor or authorized signing officer
Mailing Address of Affected Unsecured Creditor	E-mail address of Affected Unsecured Creditor
Print Name of Witness, if Affected Unsecured Creditor is an individual	Signature of Witness

INSTRUCTIONS FOR COMPLETION OF PROXY

1. This proxy should be read in conjunction with the Plan, the Information Circular and the Meeting Order.

2. Each Affected Unsecured Creditor has the right to appoint a person (who need not be an Affected Unsecured Creditor) to attend, act and vote for and on behalf of the Affected Unsecured Creditor at the Meeting and such right (in respect of Voting Claims of Affected Unsecured Creditors except in their capacities as Beneficial Noteholders) may be exercised by inserting the name of the person to be appointed in the space provided on this proxy or by completing such other form of proxy acceptable to the Monitor or the Chair.

3. An Affected Unsecured Creditor who has given a proxy may revoke it (as to any matter on which a vote has not already been cast pursuant to its authority) by delivering written notice to the Monitor prior to the commencement of the Meeting.

4. If this proxy is not dated in the space provided, it shall be deemed to be dated as of the date on which it is received by the Monitor or the Chair presiding over the Meeting.

5. A valid proxy from the same Affected Unsecured Creditor bearing or deemed to bear a later date shall revoke this proxy (except if such proxy relates only to the Affected Unsecured Creditor's Voting Claim in its capacity as a Beneficial Noteholder). If more than one valid proxy from the same Affected Unsecured Creditor in the same capacity (i.e. as an Affected Unsecured Creditor, other than in its capacity as a Beneficial Noteholder) and bearing or deemed to bear the same date are received with conflicting instructions, such proxies shall not be counted for the purposes of the vote.

6. This proxy confers discretionary authority upon the persons named herein in respect of amendments, variations or supplements to the Plan or other matters that may properly come before the Meeting or any adjournment, postponement or other rescheduling of the Meeting.

7. The Person named in the proxy shall vote the Voting Claim of the Affected Unsecured Creditor (other than in its capacity as a Beneficial Noteholder) in accordance with the direction of the Affected Unsecured Creditor appointing them on any ballot that may be called for at the Meeting. **IF AN AFFECTED UNSECURED CREDITOR SUBMITS THIS PROXY AND FAILS TO INDICATE ON THIS PROXY A VOTE FOR OR AGAINST APPROVAL OF THE PLAN, THIS PROXY SHALL BE VOTED FOR APPROVAL OF THE PLAN, INCLUDING ANY AMENDMENTS, VARIATIONS OR SUPPLEMENTS THERETO.**

8. This proxy must be signed by the Affected Unsecured Creditor or by a person duly authorized (by power of attorney) to sign on the Affected Unsecured Creditor's behalf or, if the Affected Unsecured Creditor is a corporation, partnership or trust, by a duly authorized officer or attorney of the corporation, partnership or trust. If you are voting on behalf of a corporation, partnership or trust, you may be required to provide documentation evidencing your power and authority to sign this proxy.

9. A proxy, once duly completed, dated and signed, must be received by the Monitor by email to jaguarmining@fticonsulting.com, or if the completed proxy cannot be sent by email it shall be sent by facsimile, registered mail or courier to:

FTI Consulting Canada Inc.
TD Waterhouse Tower
Suite 2010
79 Wellington Street
Toronto, Ontario M5K 1G8

Fax:(416) 649-8101

THIS PROXY MUST BE RECEIVED BY THE MONITOR PRIOR TO 10:00 AM ON THE BUSINESS DAY BEFORE THE MEETING ON JANUARY 28, 2014, OR ANY ADJOURNMENT OR POSTPONEMENT THEREOF. IF YOU DO NOT DELIVER THIS PROXY TO THE MONITOR BY

10:00 AM ON JANUARY 27, 2014, YOUR VOTE MAY NOT BE COUNTED.

10. The Monitor is authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any proxy is completed and executed, and may waive strict compliance with the requirements in connection with the deadlines imposed herewith.

Schedule "C"

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JAGUAR MINING INC.
("JAGUAR")

BENEFICIAL NOTEHOLDER VOTING INSTRUCTION FORM

~~4.5% Senior Unsecured Convertible Notes due November 1, 2014~~
5.5% Senior Unsecured Convertible Notes due March 31, 2016
CUSIP: 47009MAG8 AND 47009MAJ2

Noteholder Voting Record Date: **December 19, 2013**

Master Proxy Deadline Date: **January 24, 2014 at 5 p.m. N.Y.C. Time**

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Plan of Compromise and Arrangement of Jaguar dated as of December 23, 2013 (as may be amended, restated or supplemented from time to time, the "**Plan**") filed pursuant to the *Companies' Creditors Arrangement Act* with the Ontario Superior Court of Justice (Commercial List) (the "**Court**") in the City of Toronto in the Province of Ontario or in the Meeting Order granted by the Court on December 23, 2013 (the "**Meeting Order**").

Before completing this Beneficial Noteholder Voting Instruction Form, please read carefully the accompanying 'Instructions for Completion of Voting Instruction Form'.

THIS BENEFICIAL NOTEHOLDER VOTING INSTRUCTION FORM IS FOR USE BY ALL AFFECTED UNSECURED CREDITORS IN THEIR CAPACITIES AS BENEFICIAL NOTEHOLDERS. If you are an Affected Unsecured Creditor in a capacity other than as a Beneficial Noteholder you should have been provided an Affected Creditor Proxy as part of the Information Package sent to you by the Monitor. Affected Unsecured Creditors who are entitled to vote in a capacity other than as a Beneficial Noteholder and who wish to vote in such capacities at the Meeting may do so only by completing the Affected Creditor Proxy. **In accordance with the Plan and the Meeting Order, this Beneficial Noteholder Voting Instruction Form may only be filed by Affected Unsecured Creditors in their capacities as Beneficial Noteholders having Voting Claims.** To be counted, this Beneficial Noteholder Voting Instruction Form should be returned to your Participant Holder (such as a brokerage firm, trust company or other nominee) in sufficient time to allow the information contained in this Beneficial Noteholder Voting Instruction Form to be included in the Master Proxy completed by your respective Participant Holder and delivered to the Solicitation Agent by January 24, 2014 at 5 p.m.

In connection with the Master Proxy, the Participant Holder will appoint [•] of FTI Consulting Canada Inc. in its capacity as court-appointed monitor of Jaguar, or such other Person as he, in his sole discretion, may designate (the "**Monitor Proxy**") to attend on behalf of and act for the Participant Holder at the Meeting to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling of such Meeting, and to vote the amount of your Voting Claim (in your capacity as a Beneficial Noteholder) for voting purposes as determined by and accepted for voting purposes in accordance with the Meeting Order and as set out in the Plan. If you do not want your Participant Holder to appoint the Monitor Proxy to act on the Participant Holder's behalf with respect to your Voting Claim (in your capacity as a Beneficial Noteholder), you should contact your Participant Holder and you **should not** complete this Beneficial Noteholder Voting Instruction Form.

Item 1. **Noteholder's Claim to be Voted at the Meeting**

If an amount has not been provided by your Participant Holder, bank, broker or nominee on a label below, please insert amount in box below. If you do not see a label below, your Participant Holder, bank, broker, or nominee may have affixed the label to another page, including the back of a page. If your Notes are held by a Participant Holder, bank, broker, or nominee on your behalf and you do not know the amount of Notes held or the amount provided on the label is incorrect, please contact your bank, broker, or nominee immediately.

[Put Label Here]

Name(s) _____

CUSIP No _____

Amount Held $_____

(Should be in increments of $1,000)

Item 2. **Vote**

THE UNDERSIGNED Beneficial Noteholder (in its capacity as such) hereby directs the Participant Holder to appoint the Monitor Proxy to attend on behalf of and act for the Participant Holder (on behalf of the undersigned in its capacity as a Beneficial Noteholder) at the Meeting to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling of such Meeting, and to vote the amount of the undersigned's Voting Claim(s) (in its capacity as a Beneficial Noteholder) for voting purposes as determined by and accepted for voting purposes in accordance with the Meeting Order and as set out in the Plan as follows:

A.	**VOTE** (mark one only):	**FOR** ☐ **AGAINST** ☐	**APPROVAL OF THE PLAN**

B. Vote at Monitor Proxy's discretion and otherwise act for and on behalf the Participant Holder (on behalf of the undersigned in its capacity as a Beneficial Noteholder) with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the Meeting or any adjournment, postponement or other rescheduling of the Meeting. ☐

Item 3. ***Certification.***

By returning this Beneficial Noteholder Voting Instruction Form, the undersigned Beneficial Noteholder of the Notes set out in Item 1 hereof certifies that (a) it has full power and authority to vote for or against the Plan, (b) it was a Beneficial Noteholder as of the Noteholder Voting Record Date, (c) it has received, in addition to this Beneficial Noteholder Voting Instruction Form, an Election Form and one copy of the

Information Circular and Notice of Meeting, (d) it understands that the solicitation of votes for the Plan is subject to all the terms and conditions set forth in the Information Circular, (e) it authorizes its Participant Holder to treat this Beneficial Noteholder Voting Instruction Form as a direction to include it on the Master Proxy.

Name of Beneficial Noteholder (print):					
Participant Holder					
~~Signature: X~~				~~Date:~~	
Authorized Contact:				Title:	
Address:					
City:		State/Province:		Zip/Postal:	
Telephone:		E-Mail:			

PLEASE RETURN THIS BALLOT IMMEDIATELY IN THE ENVELOPE PROVIDED BY YOUR BANK, BROKER, OR NOMINEE IN TIME FOR RECEIPT BY JANUARY 24, 2014

INSTRUCTIONS FOR COMPLETION OF VOTING INSTRUCTION FORM

1. This Beneficial Noteholder Voting Instruction Form should be read in conjunction with the Plan, the Information Circular and the Meeting Order.

2. Each Beneficial Noteholder has the right to appoint a person (who need not be a Unsecured Creditor) to attend, act and vote for and on behalf of the Beneficial Noteholder at the Meeting. If you do not want your Participant Holder to appoint the Monitor Proxy to act on the Participant Holder's behalf (and indirectly on your behalf) with respect to your Voting Claim in your capacity as a Beneficial Noteholder, you should contact the Participant Holder and you should not complete this Beneficial Noteholder Voting Instruction Form.

3. A Beneficial Noteholder who has completed a Beneficial Noteholder Voting Instruction Form may revoke it (as to any matter on which a vote has not already been cast pursuant to its authority) by delivering written notice to the Monitor and Globic Advisors Inc., in its capacity as Solicitation Agent prior to the commencement of the Meeting.

4. If this Beneficial Noteholder Voting Instruction Form is not dated in the space provided, it shall be deemed to be dated as of the date on which it is received by the Participant Holder.

5. A valid Beneficial Noteholder Voting Instruction Form from the same Beneficial Noteholder bearing or deemed to bear a later date shall revoke this Beneficial Noteholder Voting Instruction Form. If more than one valid Beneficial Noteholder Voting Instruction Form from the same Beneficial Noteholder and bearing or deemed to bear the same date are received with conflicting instructions, such Beneficial Noteholder Voting Instruction Forms shall not be counted for the purposes of completing the Participant Holder's Master Proxy and, therefore, for the purposes of any vote at the Meeting.

6. Your Participant Holder is required to complete its Master Proxy in respect of your Voting Claim (in your capacity as a Beneficial Noteholder) in accordance with your directions herein. **IF A BENEFICIAL NOTEHOLDER SUBMITS THIS BENEFICIAL NOTEHOLDER VOTING INFORMATION FORM AND FAILS TO INDICATE ON THIS BENEFICIAL NOTEHOLDER VOTING INFORMATION FORM A VOTE FOR OR AGAINST APPROVAL OF THE PLAN, THE MASTER PROXY SHALL BE COMPLETED TO INDICATE THAT THE BENEFICIAL NOTEHOLDER VOTED FOR APPROVAL OF THE PLAN, INCLUDING ANY AMENDMENTS, VARIATIONS OR SUPPLEMENTS THERETO.**

7. This Beneficial Noteholder Voting Instruction Form must be signed by the Beneficial Noteholder or by a person duly authorized (by power of attorney) to sign on the Beneficial Noteholder's behalf or, if the Beneficial Noteholder is a corporation, partnership or trust, by a duly authorized officer or attorney of the corporation, partnership or trust. If you are voting on behalf of a corporation, partnership or trust, you may be required to provide documentation evidencing your power and authority to sign this Beneficial Noteholder Voting Instruction Form.

8. To be counted, a Beneficial Noteholder Voting Instruction Form must be duly completed, dated and signed and returned to your Participant Holder (such as a brokerage firm, trust company or other nominee) in sufficient time to allow the information contained in this Beneficial Noteholder Voting Instruction Form to be included in the Master Proxy completed by your respective Participant Holder and provided to the Solicitation Agent on or before 5:00 p.m. on January 24, 2014. If this Beneficial Noteholder Voting Instruction Form was delivered to you with a return envelope, please return it in the envelope provided to you.

9. If you have any questions regarding this Beneficial Noteholder Voting Instruction Form, please call Robert Stevens of Globic Advisors Inc., in its capacity as Solicitation Agent, at 1-800-974-5771.

10. **The Court has ordered that the Participant Holder verify your Beneficial Noteholder's Beneficial Noteholder Voting Instruction Form and include the amounts of your holdings on its Master Proxy for delivery to the Solicitation Agent at or before 5:00 p.m. on the second Business Day before the Meeting. All Master Proxies must be received by the Monitor by no later than 10:00 a.m. on the Business Day before the Meeting or, if the Meeting is adjourned or postponed, by 10:00 a.m. on the last Business Day preceding the date to which the meeting is adjourned or postponed. PLEASE ALLOW SUFFICIENT TIME FOR YOUR BENEFICIAL NOTEHOLDER VOTING INSTRUCTION FORM TO REACH YOUR PARTICIPANT HOLDER, FOR YOUR PARTICIPANT HOLDER TO PROCESS AND SUBMIT THE MASTER PROXY TO THE SOLICITATION AGENT AND FOR THE SOLICITATION AGENT TO DELIVER ALL MASTER PROXIES TO THE MONITOR. IF YOU DO NOT DELIVER YOUR BENEFICIAL NOTEHOLDER VOTING INSTRUCTION FORM IN TIME FOR YOUR PARTICIPANT HOLDER TO PROCESS AND SUBMIT THE MASTER PROXY, INCLUDING YOUR VOTE, TO THE SOLICITATION AGENT BY 5:00PM ON JANUARY 24, 2014, YOUR VOTE MAY NOT BE COUNTED.**

11. The Chair shall have the discretion to accept for voting purposes any duly completed Beneficial Noteholder Voting Instruction Form filed at the Meeting with the Chair (or the Chair's designee) prior to the commencement of the Meeting.

Schedule "D"

SCHEDULE "F"

SHARE OFFERING ELECTION FORM

JAGUAR MINING INC.

4.5% SENIOR UNSECURED CONVERTIBLE NOTES DUE NOVEMBER 1, 2014

5.5% SENIOR UNSECURED CONVERTIBLE NOTES DUE MARCH 31, 2016

CUSIP: 47009MAG8 AND 47009MAJ2

IN CONNECTION WITH A PLAN OF ARRANGEMENT UNDER
THE *COMPANIES' CREDITORS ARRANGEMENT ACT* ATTACHED AS SCHEDULE "E" TO THE MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT OF JAGUAR MINING INC. DATED DECEMBER 23, 2013 (THE "CIRCULAR").

Election Record Date:	December 19, 2013
Election Calculation Date:	December 31, 2013
Election Deadline:	January 24, 2014 at 5 p.m. New York Time

YOU ARE STRONGLY URGED TO READ THE ACCOMPANYING NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR AND PROXY STATEMENT, INCLUDING THE SCHEDULES ATTACHED THERETO, BEFORE COMPLETING THIS ELECTION FORM. CAPITALIZED TERMS USED BUT NOT DEFINED IN THIS ELECTION FORM HAVE THEIR RESPECTIVE MEANINGS SET OUT IN THE CIRCULAR.

Election Forms (including Rep Letters) must be returned to Globic Advisors Inc. (the "**Election Agent**") as follows:

By Hand Delivery, Registered Mail, Courier, Fax or E-mail to:

Globic Advisors Inc.
One Liberty Plaza, 23rd Floor
New York, NY 10006
Attention: Robert Stevens
Fax: 212-271-3252
E-mail: rstevens@globic.com

Delivery to an address other than as set forth above will not constitute valid delivery. If delivery is made by way of fax or e-mail, delivery of originals is to follow by hand delivery, registered mail or courier.

ALL PROPERLY COMPLETED, DULY EXECUTED AND MEDALLION/SIGNATURE GUARANTEED ELECTION FORMS MUST BE RECEIVED BY THE ELECTION AGENT PRIOR TO 5:00 P.M. (NEW YORK TIME), ON JANUARY 24, 2014, OR SUCH LATER DATE OR TIME AS JAGUAR MINING INC. MAY ADVISE IN WRITING (THE "ELECTION DEADLINE").

ELECTION FORMS WILL NOT BE ACCEPTED AND ELIGIBLE INVESTORS (OTHER THAN BACKSTOP PARTIES, IN THEIR CAPACITIES AS SUCH) WILL NOT BE PERMITTED TO PARTICIPATE IN THE SHARE OFFERING IF THE ELECTION AGENT HAS NOT RECEIVED A PROPERLY COMPLETED, DULY EXECUTED AND MEDALLION/SIGNATURE GUARANTEED ELECTION FORM (INCLUDING A DULY EXECUTED REP LETTER) PRIOR TO 5:00 P.M. (NEW YORK TIME) ON THE ELECTION DEADLINE.

INSTRUCTIONS

For Completion of Election Form by Noteholders:

1. Complete Box 1 indicating the principal amount of Notes held by you as of December 31, 2013.

2. Indicate the principal dollar amount of Offering Shares that you wish to subscribe for in Box 2 of this Election Form. Each Eligible Investor who held Notes as of December 19, 2013 is entitled to subscribe for up to the principal dollar amount of Offering Shares based on the following formula (which formula may be adjusted pursuant to and in accordance with the Plan):

$$\frac{\text{all principal amounts outstanding and all accrued interest owing to an Eligible Investor under the Notes as at December 31, 2013}}{\text{\$274,873,125 (being all principal amounts outstanding and all accrued interest owing to all Noteholders under the Notes as at December 31, 2013)}} \times \$50{,}000{,}000$$

3. Complete and duly execute the signature block located in Box 4 of this Election Form.

4. Complete and duly execute the appropriate form of Rep Letter. There are two forms of Rep Letter attached to and forming part of this Election Form – each Noteholder should only complete one Rep Letter in the appropriate form:

   a. Offshore Investor Rep Letter (attached hereto as Appendix "A") – For use only by Noteholders purchasing New Common Shares in offshore transactions pursuant to Regulation S under the U.S. Securities Act of 1933, as amended; or

   b. Accredited Investor Rep Letter (attached hereto as Appendix "B") – For use only by Noteholders purchasing New Common Shares pursuant to Regulation D under the U.S. Securities Act of 1933, as amended.

5. Complete the registration and delivery instructions in Appendix "C".

6. If you are a Backstop Party and wish to make the Backstop Commitment Reduction Election, indicate your intention to do so by completing Box 3.

7. Co-ordinate with your DTC Participant/broker and have the DTC Participant/broker complete, sign and medallion/signature guarantee the signature block located in Box 4 of this Election Form.

8. DTC Participant/brokers – once step #7 is complete: Please return the fully completed, duly executed and medallion/signature guaranteed Election Form including the duly executed Rep Letter in the appropriate form to Globic Advisors Inc. at the address set forth above **prior to 5:00 p.m. (New York Time) on the Election Deadline**.

ELECTION FORM

JAGUAR MINING INC.

4.5% SENIOR UNSECURED CONVERTIBLE NOTES DUE NOVEMBER 1, 2014

5.5% SENIOR UNSECURED CONVERTIBLE NOTES DUE MARCH 31, 2016

CUSIP: 47009MAG8 AND 47009MAJ2

Election Record Date:	December 19, 2013
Election Calculation Date:	December 31, 2013
Election Deadline:	January 24, 2014 at 5 p.m. New York Time

This Election Form is for use by (i) the beneficial holders of the 4.5% senior unsecured convertible notes due November 1, 2014 ("**4.5% Convertible Notes**") of Jaguar Mining Inc. ("**Jaguar**") outstanding under the indenture dated September 15, 2009 between Jaguar, The Bank of New York Mellon, as trustee, and BNY Trust Company of Canada, as co-trustee, and (ii) the beneficial holders of the 5.5% senior unsecured convertible notes due March 31, 2016 ("**5.5% Convertible Notes**", together with the 4.5% Convertible Notes, the "**Notes**") of Jaguar outstanding under the indenture dated February 9, 2011 between Jaguar, The Bank of New York Mellon, as trustee, and BNY Trust Company of Canada, as co-trustee, in each case who held Notes on December 19, 2013. This Election Form is for use in connection with the proceedings commenced by Jaguar pursuant to the *Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended* (the "**CCAA**"). A copy of the plan of arrangement (as amended from time to time, the "**Plan**") is set out as Schedule "E" to the management information circular and proxy statement dated December 23, 2013 (the "**Circular**") for the Meeting (as defined below) accompanying this Election Form. A detailed description of the Plan and the transactions contemplated therein is set forth in the Circular.

Jaguar has called a meeting of the Affected Creditor Class to be held on January 28, 2014 (the "**Meeting**") for the purpose of considering and voting on the Plan Resolution. Jaguar has delivered to beneficial Noteholders, via their DTC Participant/broker, the Circular and accompanying form of proxy to vote at the Meeting. The terms of the Plan are incorporated by reference into this Election Form. All references to the Plan in this Election Form are qualified in their entirety by references to the full text and terms of the Plan. Capitalized terms used but not defined in this Election Form have their respective meanings set out in the Circular.

Important Information

In making your decision as to whether or not to participate in the Share Offering, you should rely only on the information contained in the Circular and in this Election Form. Jaguar has not authorized anyone to provide you with any different or supplemental information. If you receive any such information, you should not rely upon it.

The contents of the Circular or this Election Form should not be construed as legal, business or tax advice. You should consult your own legal counsel, business advisor and tax advisor as to those matters.

Only Noteholders who held Notes on December 19, 2013 are eligible to participate in the Share Offering. In order to participate in the Share Offering, each beneficial Noteholder who held Notes on December 19, 2013 must (i) duly execute the appropriate form of Rep Letter (attached as Appendices "A" and "B" hereto), (ii) properly complete the registration and delivery instructions in Appendix "C", (iii) properly complete, duly execute and coordinate with its broker/DTC Participant to medallion/signature guarantee this Election Form, and (iv) ensure that its broker/DTC Participant delivers this Election Form (including the duly executed Rep Letter) in accordance with the procedures set forth herein so that it is received by Globic Advisors Inc. at the address set forth above prior to 5:00 p.m. (New York Time) on the Election Deadline. Properly completed and executed Elections Forms (including the duly executed Rep Letter) that are not received prior to 5:00 p.m. (New York Time) on the Election Deadline will not be accepted and such beneficial Noteholders will not be permitted to participate in the Share Offering (provided that Backstop Parties, in their capacities as such, need only complete the appropriate Rep Letter to avoid being treated as a Non-Delivering Backstop Party and, to be treated as a Funding Backstop Party, Backstop Parties must otherwise comply with the terms of the Backstop Agreement and the Plan). For certainty, Backstop Parties must complete and execute this Election Form in order to participate in the Share Offering in their capacity as an Electing Investor.

This Election Form (including the forms of Rep Letters attached as Appendices "A" and "B" hereto) should be read carefully in its entirety before this Election Form is completed. You should contact your broker/DTC Participant for assistance concerning the completion of this Election Form.

By executing this Election Form, the undersigned acknowledges receipt of the Circular.

The Common Shares to be issued to Noteholders who participate in the Share Offering in accordance with the foregoing will only be issued in accordance with the Plan and upon the occurrence of the Implementation Date of the Plan. Such Common Shares will be registered and delivered in accordance with the registration and delivery details provided by the Noteholder in the Election Form.

NOTEHOLDERS WISHING TO PARTICIPATE IN THE SHARE OFFERING ARE REQUIRED TO COMPLETE BOX 1, 2 AND 4 IN ORDER TO PROPERLY COMPLETE THIS ELECTION FORM AND ARE REQUIRED TO SUBMIT A DULY EXECUTED REP LETTER.

BACKSTOP PARTIES WISHING TO PARTICIPATE IN THE SHARE OFFERING IN THEIR CAPACITY AS AN ELECTING INVESTOR MUST COMPLETE AND EXECUTE THIS ELECTION FORM IN ORDER TO PARTICIPATE IN THE SHARE OFFERING. BOX 3 IS ONLY APPLICABLE TO BACKSTOP PARTIES. BACKSTOP PARTIES WISHING ONLY TO PARTICIPATE IN THE SHARE OFFERING IN THEIR CAPACITY AS A BACKSTOP PARTY NEED ONLY COMPLETE THE APPLICABLE REP LETTER.

BOX 1 – EXISTING NOTES

The undersigned beneficial Noteholder hereby certifies that it held 4.5% Convertible Notes and/or 5.5% Convertible Notes on December 19, 2013.

The undersigned beneficial Noteholder hereby certifies that as of December 31, 2013, it beneficially holds 4.5% Convertible Notes in the principal amount of $_____ and/or 5.5% Convertible Notes in the principal amount of $_____ and will continue to hold such principal amount of Notes on the Election Deadline.

BOX 2 – ELECTION TO PURCHASE OFFERING SHARES OF JAGUAR BY ELIGIBLE INVESTORS

If you fail to make an election pursuant to this Election Form (and submit a completed and duly executed Rep Letter) prior to 5:00 p.m. (New York Time) on the Election Deadline, you will not be eligible to subscribe for Offering Shares.

☐ **ELECTION TO PURCHASE OFFERING SHARES IN AN AMOUNT SET FORTH BELOW.**

By checking this box, the undersigned Noteholder elects to purchase, at the Subscription Price per Offering Share, $_____ of Offering Shares, or, if such amount exceeds the undersigned's Pro Rata Share of Offering Shares, the undersigned's Pro Rata Share of Offering Shares. A Noteholder's Pro Rata Share of Offering Shares is to be calculated in accordance with the terms of the Plan based on the following formula (which formula may be adjusted pursuant to and in accordance with the Plan):

$$\frac{\text{all principal amounts outstanding and all accrued interest owing to an Eligible Investor under the Notes as at December 31, 2013}}{\text{\$274,873,125 (being all principal amounts outstanding and all accrued interest owing to all Noteholders under the Notes as at December 31, 2013)}} \times \$50{,}000{,}000$$

If you elect to purchase more than your Pro Rata Share of Offering Shares, your election will be reduced to your Pro Rata Share of Offering Shares.

BOX 3 – ELECTION TO REDUCE BACKSTOP COMMITMENTS BY BACKSTOP PARTIES

This election is only applicable for Backstop Parties. If you are a Backstop Party and you do not make an election to reduce your Backstop Commitment under the Backstop Agreement pursuant to the terms of the Backstop Agreement and the Plan, your Backstop Commitment will remain as indicated on your signature page to the Backstop Agreement.

☐ **ELECTION TO REDUCE BACKSTOP COMMITMENT BY AN AMOUNT EQUAL TO THE ELECTING ELIGIBLE INVESTOR FUNDING AMOUNT.**

By checking this box, the undersigned Noteholder exercises the Backstop Commitment Reduction Election and, subject to the undersigned Noteholder depositing its Electing Eligible Investor Funding Amount in escrow prior to the Electing Eligible Investor Funding Deadline, elects to reduce its Backstop Commitment under the Backstop Agreement by the amount of its Electing Eligible Investor Funding Amount, provided that, in no event will any Backstop Commitment be reduced below zero.

BOX 4 – TO BE COMPLETED BY THE BENEFICIAL NOTEHOLDER AND SIGNED AND MEDALLION GUARANTEED BY SUCH NOTEHOLDER'S DTC PARTICIPANT/BROKER:
******IMPORTANT – READ CAREFULLY******

This Election Form must be completed and executed by the beneficial Noteholder(s). If Notes to which this Election Form relates are held by two or more joint Noteholders, all such Noteholders must sign this Election Form. If signature is by a trustee, executor, administrator, guardian, attorney-in-fact, officer of a corporation or other person acting in a fiduciary or representative capacity, such person should so indicate when signing and must submit proper evidence satisfactory to Jaguar or its representatives of such person's authority so to act.

This portion of the Election Form must ALSO be properly completed and duly executed by the broker or applicable DTC Participant for the beneficial Noteholder. The broker or DTC Participant is required to signature/medallion guarantee the name and signature of the beneficial Noteholder set forth in this Box 4 by affixing its brokerage stamp to this Election Form, endorsed by the broker, and restricted to the principal amount of Notes beneficially held by the Noteholder as of December 31, 2013 as indicated by the Noteholder in Box 1 above. The broker or DTC Participant is required to mail or deliver this completed Election Form in accordance with the procedures set forth herein so that it is received by the Election Agent prior to 5:00 p.m. (New York Time) on the Election Deadline.

By completing and signing the below, the undersigned Noteholder hereby acknowledges and confirms the elections and certifications made under this Election Form and acknowledges and agrees to the terms and conditions set forth in this Election Form.

DATED at _____ this ____ day of _____, 20__.

Name of beneficial Noteholder: _____

Address of beneficial Noteholder: _____

Area Code and Telephone Number of beneficial Noteholder: _____

Email Address of beneficial Noteholder: _____

Authorized Signature of beneficial Noteholder: _____

Official Capacity or Title: _____

Name of individual whose signature
appears above if different than the name
of the beneficial Noteholder printed above: _____
(please print)

Name of DTC Participant/Broker for this beneficial Noteholder: _____

DTC Participant/Broker Number: _____

This beneficial Noteholder held 4.5% Convertible Notes and/or 5.5% Convertible Notes on December 19, 2013. (Check the applicable box below.)

☐ YES
☐ NO

Principal Amount of 4.5% Convertible Notes Held AS AT December 31, 2013 for this beneficial Noteholder:
_____

Principal Amount of 5.5% Convertible Notes Held AS AT December 31, 2013 for this beneficial Noteholder:
_____

DTC PARTICIPANT/BROKER SIGNATURE
AND MEDALLION GUARANTEED: _____

(Endorsed by broker and restricted to the number of Notes held AS AT December 31, 2013 by the beneficial Noteholder)

Dated: _____

OTHER TERMS, CONDITIONS AND ACKNOWLEDGEMENTS OF ELECTION FORM

1 Any subscriptions made pursuant to this Election Form will only be effected upon the implementation of the Plan.

2 The above Noteholder, by execution of this Election Form, hereby covenants, represents and warrants that such Noteholder: (i) is the sole beneficial owner of all of the issued and outstanding Notes indicated in Box 1 above free of all encumbrances; (ii) has full power and authority to execute and deliver this Election Form; (iii) upon completion, execution and delivery of this Election Form and prior to implementation of the Plan, will not, prior to such time, transfer or permit to be transferred any such Notes held by such Noteholder nor has any agreement been entered into to sell, assign or transfer any such Notes to any other person, in each case except to a transferee who has agreed to be fully bound as a signatory hereunder in respect of the transferred Notes by executing and delivering to Jaguar a joinder agreement, the form of which is attached hereto as Appendix "D", including executing and delivering to Jaguar an appropriate form of Rep Letter; and (iv) all information inserted into this Election Form (including all appendices hereto) by or on behalf of such Noteholder is accurate and all certifications, representations and warranties of the undersigned given in this Election Form (including all appendices hereto) will be true and correct immediately prior to the Implementation Time as if made at and as of that time.

3 The above Noteholder acknowledges that Jaguar provides no representation or advice as to the consequences, advantages or disadvantages of making an election hereunder.

4 The above beneficial Noteholder hereby acknowledges that the representations, warranties and covenants contained herein and in the Rep Letter delivered by such Noteholder including, without limitation, those set forth in Boxes 1 through 4 hereof, are made with the intent that they may be relied upon by Jaguar and its agents and counsel in determining the undersigned's eligibility to participate in the Share Offering. The above Noteholder further covenants that by the acceptance by Jaguar of the Noteholder's participation in the Share Offering in accordance herewith, he, she or it is representing and warranting that such representations and warranties are and will be true as at the Implementation Time of the Plan as if made at that time. The above Noteholder hereby agrees to indemnify Jaguar and its directors, officers and advisers (including their respective legal counsel) against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur caused or arising from reliance thereon in the event that such representations or warranties are untrue as at the Implementation Time of the Plan. The above Noteholder undertakes to immediately notify the Election Agent of any change in any statement or other information relating to the Noteholder set forth herein or in the Rep Letter which takes place prior to the Implementation Time.

5 Each Noteholder is required to (i) duly execute an appropriate form of Rep Letter, (ii) properly complete, duly execute and coordinate with its broker/DTC Participant to medallion/signature guarantee this Election Form, and (iii) ensure that its broker/DTC Participant mails or delivers this Election Form (including the duly executed Rep Letter) to the Election Agent via registered mail, by hand, by courier, by fax or by e-mail at the address indicated below prior to 5:00 p.m. (New York Time) on the Election Deadline:

Globic Advisors Inc.
One Liberty Plaza, 23rd Floor
New York, NY 10006
Attention: Robert Stevens
Fax: 212-271-3252
E-mail: rstevens@globic.com

Delivery to an address other than as set forth above will not constitute valid delivery. If delivery is made by way of fax or e-mail, delivery of originals must follow by hand delivery, registered mail or courier.

6 Not less than 10 Business Days prior to the expected Implementation Date of the Plan, each beneficial Noteholder that submitted a properly completed and duly executed Election Form (including a duly executed Rep Letter in the appropriate form) will receive a notice of confirmation from Jaguar or its agent as to:

(a) the expected Implementation Date;

(b) the number of Offering Shares that, subject to compliance with the procedures described in the Plan, will be acquired by such beneficial Noteholder on the Implementation Date pursuant to the Subscription Privilege; and

(c) the amount of funds (in cash) required to be deposited in escrow with the Escrow Agent by such beneficial Noteholder to purchase such Offering Shares pursuant to the Share Offering by no later than 11:00 a.m. on the seventh Business Day prior to the expected Implementation Date.

7 Electing Eligible Investors who have been accepted to participate in the Share Offering will be required, pursuant to the funding instructions that will be set out in more detail in the notice of confirmation referred to above in paragraph 6, to forward, in immediately available funds by wire transfer or certified cheque, an aggregate amount representing the full amount of the Electing Eligible Investor Funding Amount no later than 11:00 a.m. on the seventh Business Day prior to the expected Implementation Date, failing which such Electing Eligible Investor be deemed to have ceased, as of the Electing Eligible Investor Funding Deadline, to be an Electing Eligible Investor and its subscription for Offering Shares pursuant to the Subscription Privilege and right to receive Offering Shares and Accrued Interest Offering Shares shall be null and void.

8 It is understood that, upon receipt by Jaguar of this Election Form duly completed and signed in accordance with the instructions set forth herein and upon implementation of the Plan, Jaguar will deliver (at Jaguar's discretion) the Offering Shares to which the above Noteholder is entitled to receive under this Election Form in the form of either: (i) a share certificate; or (ii) a Direct Registration Advice, in accordance with the registration and delivery instructions set forth in Appendix "C" hereto.

9 Subject to and in accordance with the terms and conditions of the Plan, other affected unsecured creditors under the Plan, if any, may be eligible to participate in the Share Offering with the prior consent of the Monitor and the Majority Backstop Parties, in which case, each Eligible Investor's Pro Rata Share of the Offering Shares would be adjusted accordingly.

10 The contract arising out of this Election Form shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the undersigned Noteholder and Jaguar each irrevocably attorns to the jurisdiction of the courts of the Province of Ontario.

11 Time shall be of the essence hereof.

12 This Election Form (including the Rep Letters) and the Plan represent the entire agreement of the parties hereto relating to the subject matter hereof and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein or in the Plan and, in the case of the Backstop Parties, in the Backstop Agreement and in the case of Consenting Noteholders, the Support Agreement.

13 The above Noteholder hereby acknowledges that the New Common Shares have not been approved or disapproved by the United States Securities and Exchange Commission or securities regulatory authorities in any state of the United States and that the New Common Shares will not be registered under the United States Securities Act of 1933, as amended (the **"1933 Act"**), or the securities laws of any state of the United States and will instead be issued in reliance upon exemptions under the 1933 Act and applicable exemptions under state securities laws.

14 The above Noteholder hereby acknowledges and agrees that all costs incurred by the Noteholder (including any fees and disbursements of any counsel retained by the Noteholder) relating to the participation in the Share Offering by the Noteholder shall be borne by the Noteholder (other than, for greater certainty, counsel and advisors to the Ad Hoc Committee, which fees and disbursements shall be borne by Jaguar in accordance with the retainer letters executed with Jaguar and the Support Agreement).

15 The terms and provisions of this Election Form shall be binding upon and enure to the benefit of the above Noteholder and Jaguar and their respective heirs, executors, administrators, successors and permitted assigns, if any; provided that, this Election Form shall not be assignable by any party without prior written consent of the other parties, except as described in Paragraph 2(iii) above.

16 Jaguar has the right to reject the above Noteholder's election to participate in whole or in part at any time at or prior to the time it is required to give notice of confirmation of the Noteholder's participation in the Share Offering in accordance with paragraph 6 above if the Noteholder's Election Form (including its Rep Letter) is incomplete, deficient or invalid in any manner or if Jaguar determines, together with its agents and advisors, that the Noteholder is not an Eligible Investor.

17 The above Noteholder hereby agrees that this Election Form (including the Rep Letter) is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Noteholder.

18 The above Noteholder hereby consents to Jaguar's collection of the personal information relating to the Noteholder contained in this Election Form (including the Rep Letter) or gathered in connection with the Noteholder's participation in the Share Offering. The above Noteholder also hereby acknowledges that such

personal information will be used by Jaguar and its affiliates and agents in order to administer and manage the execution and the issuance of the New Common Shares to such Noteholder pursuant to the Plan and may be disclosed to third parties that provide administrative and other services in respect therein and to government agencies where it is permitted or required by law, including any applicable anti-money laundering legislation or similar laws. Jaguar acknowledges that it will maintain the confidentiality of such personal information in all other respects.

19 The covenants, representations and warranties contained herein shall survive the closing of the transactions contemplated hereby.

20 The parties hereto have required that this agreement and all documents and notices related hereto and/or resulting herefrom be drawn up in the English language. *Les parties aux présentes ont exigé que la présente convention ainsi que tous les documents et avis qui s'y rattachent et/ou qui en découleront soient rédigés en langue anglaise.*

APPENDIX A

[Offshore Investor Rep Letter]

APPENDIX B

[Accredited Investor Rep Letter]

APPENDIX C

Registration and Delivery Instructions

Share Certificate Registration

Register the Offering Shares as set forth below:	Deliver the Offering Shares as set forth below:
(Name)	(Name)
(Account reference, if applicable)	(Account reference, if applicable)
(Address)	(Contact Name)
	(Address)

Direct Registration Advice

Issue the DRS Advice in the name of:
(Name)
(Account Number)
(Street Address and Telephone Number)
(City and Province or State)
(Country and Postal (Zip) Code)
(Telephone – Business Hours)

APPENDIX D

Joinder Agreement

This joinder to the Election Form (the "**Joinder Agreement**") is provided as of _____, 20__, by _____ (the "**Transferee Noteholder**") to Jaguar Mining Inc. ("**Jaguar**") in consideration of the mutual covenants herein contained and benefits to be derived herefrom.

WHEREAS reference is made to a certain Election Form executed by _____ (the "**Transferor Noteholder**") on _____, 20__ (the "**Election Form**"). All capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Election Form;

WHEREAS certain 4.5% Convertible Notes in the principal amount of $_____ and/or 5.5% Convertible Notes in the principal amount of $_____ (the "**Transferred Notes**") have been transferred by the Transferor Noteholder to the Transferee Noteholder.

WHEREAS the Transferee Noteholder desires to become a party to, and to be bound by the terms of, the Election Form; and

WHEREAS pursuant to the terms of the Election Form, in order for the Transferee Noteholder to become a party to the Election Form, the Transferee Noteholder is required to execute this Joinder Agreement and an appropriate form of Rep Letter in the form attached to the Election Form;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Transferee Noteholder hereby agrees as follows:

1. Joinder and Assumption of Obligations

Effective as of the date of this Joinder Agreement, the Transferee Noteholder hereby acknowledges that the Transferee Noteholder has received and reviewed a copy of the Election Form and the Circular, and hereby:

(a) acknowledges and agrees to:

(i) join in the execution of, and become a party to, the Election Form, as indicated with its signature below;

(ii) subject to subsection (iii) below, be bound by all agreements of the Transferor Noteholder under the Election Form with the same force and effect as if such Transferee Noteholder was a signatory to the Election Form and was expressly named as a party therein; and

(iii) assume all rights and interests and perform all applicable duties and obligations of the Transferor Noteholder under the Election Form; and

(b) confirms each representation and warranty of the Transferor Noteholder under the Election Form with the same force and effect as if such Transferee Noteholder was a signatory to the Election Form and was expressly named as a party therein;

(c) executes an appropriate form of Rep Letter in the form attached to the Election Form; and

(d) completes the Registration and Delivery Instructions form attached to the Election Form.

2. Binding Effect

All of the terms and conditions of the Election Form shall remain in full force and effect as in effect prior to the date hereof.

3. Miscellaneous

(a) This Joinder Agreement, the Election Form and the Rep Letter express the entire understanding of the parties hereto with respect to the transactions contemplated hereby. No prior negotiations or discussions shall limit, modify, or otherwise affect the provisions hereof.

(b) Any determination that any provision of this Joinder Agreement or any application hereof is invalid, illegal or unenforceable in any respect and in any instance shall not affect the validity, legality, or enforceability of such provision in any other instance, or the validity, legality or enforceability of any other provisions of this Joinder Agreement.

(c) This Joinder Agreement shall be governed by, construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein (excluding any conflict of laws rule or principle which might refer such construction to the laws of another jurisdiction) and all actions or proceedings arising out of or relating to this Joinder Agreement shall be heard and determined exclusively in the courts of the Province of Ontario.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

By completing and signing the below, the undersigned Transferee Noteholder hereby acknowledges and confirms the elections and certifications made under this Joinder Agreement and the Election Form and acknowledges and agrees to the terms and conditions set forth in this Joinder Agreement and the Election Form.

DATED at _____ this ____ day of _____, 20__.

Name of Transferee Noteholder: _____

Address of Transferee Noteholder: _____

Area Code and Telephone Number of Transferee Noteholder: _____

Email Address of Transferee Noteholder: _____

Authorized Signature of Transferee Noteholder: _____

Official Capacity or Title:

_____

Name of individual whose signature appears above if different than the name of the Transferee Noteholder printed above: _____
(please print)

Name of DTC Participant/Broker for this Transferee Noteholder: _____

DTC Participant/Broker Number: _____

Principal Amount of the of 4.5% Convertible Notes Transferred Notes: _____

Principal Amount of the of 5.5% Convertible Notes Transferred Notes: _____

DTC PARTICIPANT/BROKER SIGNATURE AND MEDALLION GUARANTEED: _____

(Endorsed by prime broker and restricted to the number of Transferred Notes)

Dated:

6274695

Schedule "E"

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JAGUAR MINING INC. ("JAGUAR")

MASTER PROXY

4.5% Senior Unsecured Convertible Notes due November 1, 2014
5.5% Senior Unsecured Convertible Notes due March 31, 2016
CUSIP: 47009MAG8 AND 47009MAJ2

Voting Record Date:	**December 19, 2013**
Master Proxy Deadline Date:	**January 24, 2014 at 5 p.m. N.Y.C. Time**

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Plan of Compromise and Arrangement of the Jaguar dated as of December 23, 2013 (as may be amended, restated or supplemented from time to time, the "**Plan**") filed pursuant to the *Companies' Creditors Arrangement Act* with the Ontario Superior Court of Justice (Commercial List) (the "**Court**") in the City of Toronto in the Province of Ontario or in the Meeting Order granted by the Court on December 23, 2013 (the "**Meeting Order**")

INSTRUCTIONS: **DTC Participants holding the above-referenced securities through DTC** should complete this Master Proxy on their own behalf or on behalf of the Beneficial Noteholders for whom they hold the Notes, and return this Master Proxy to Globic Advisors Inc., as directed below, before 5:00 p.m on January 24, 2014. Beneficial Noteholders of Notes held through a Participant Holder (such as a brokerage firm, trust company or other nominee) should not use this Master Proxy. Such Beneficial Noteholders should contact the Monitor, their Participant Holder or Globic Advisors Inc. to obtain a copy of a Beneficial Noteholder Voting Instruction Form.

FOR ASSISTANCE in completing this form or for additional materials, please contact Robert Stevens of Globic Advisors Inc., in its capacity as Solicitation Agent, at 1-212-201-5346.

STEP 1: APPOINTMENT OF PROXY / VOTE OF NOTES

THE PARTICIPANT HOLDER, in its capacity as such, hereby revokes all proxies previously given in respect of the Plan (other than a proxy given in a capacity other than as a Noteholder) and nominates, constitutes, and appoints:

A) in respect of the Voting Claim(s) of Beneficial Noteholders, as listed below, [•] of FTI Consulting Canada Inc. in its capacity as court-appointed monitor of Jaguar, or such other Person as he, in his sole discretion, may designate (the "**Monitor Proxy**") (i) to attend on behalf of and act for the undersigned Participant Holder (on behalf of Beneficial Noteholders who have submitted a Beneficial Noteholder Voting Information Form to the undersigned Participant Holder) at the Meeting to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling of such Meeting, and to vote the amount of the Beneficial Noteholder's Voting Claim(s) in the manner indicated below for voting purposes as determined by and accepted for voting purposes in accordance with the Meeting Order and as set out in the Plan, and (ii) to vote at Monitor Proxy's discretion and otherwise act for and on behalf of the undersigned Participant Holder (on behalf of Beneficial Noteholders who have submitted a Beneficial Noteholder Voting Information Form to the undersigned Participant Holder) with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the Meeting or any adjournment, postponement or other rescheduling of the Meeting.

Notes Issued Under The 4.5% Convertible Note Indenture

CUSIP: 47009MAG8

Votes **FOR** the Plan		Votes **AGAINST** the Plan	
Number of Owners	**Principal Amount**	**Number of Owners**	**Principal Amount**
	$		$

Notes Issued Under The 5.5% Convertible Note Indenture

CUSIP: 47009MAJ2

Votes **FOR** the Plan		Votes **AGAINST** the Plan	
Number of Owners	**Principal Amount**	**Number of Owners**	**Principal Amount**
	$		$

B) in respect of the Voting Claim(s) of Beneficial Noteholders, as listed below, the applicable individual identified below (i) to attend on behalf of and act for the undersigned Participant Holder (on behalf of Beneficial Noteholders indicated below) at the Meeting to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling of such Meeting, and to vote the applicable amount of the Beneficial Noteholder's Claim(s), as listed below, (plus accrued interest to December 19, 2013) for voting purposes as determined by and accepted for voting purposes in accordance with the Meeting Order and as set out in the Plan, and (ii) to vote at such applicable individual's discretion and otherwise act for and on behalf of the undersigned Participant Holder (on behalf of Beneficial Noteholders listed below) with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the Meeting or any adjournment, postponement or other rescheduling of the Meeting.

Name of Beneficial Noteholder	Name of Proxy	Principal Amount

Please feel free to attach additional schedules as is necessary.

Any claims listed in clause (B) above shall **not** be included in clause (A) above, as it is anticipated that claims referenced in clause (B) above will be voted by the appointed person at the Meeting.

STEP 2: EXECUTION BY AUTHORIZED SIGNATORY

By signing below, the Participant Holder hereby certifies that (i) the summary above is a true and accurate schedule of the Beneficial Noteholders as of the Voting Record Date who have delivered Beneficial Noteholder Voting Instruction Forms to the undersigned Participant Holder, if applicable, and (ii) the undersigned Participant Holder is the holder, through a position held at DTC, of the Notes set forth above.

Date Submitted: _____, 201__

Participant No. _____

Print Name of Participant Holder: _____

Authorized Employee Contact (Print Name): _____

Title: _____ Tel. No.: _____

E-Mail: _____

Signature: X _____

MEDALLION STAMP BELOW

STEP 3. DELIVERY OF MASTER PROXY

The Master Proxy should be delivered to the Solicitation Agent by facsimile or other electronic delivery before or on the deadline provided that originals are received by the Solicitation Agent on the following business day.

Attn: Robert Stevens
One Liberty Plaza, 23rd Floor
New York, New York 10006
Telephone: (212) 201-5346,
Facsimile: (212) 271-3252
E-mail: rstevens@globic.com

DELIVERY OF THIS MASTER PROXY OTHER THAN AS SET FORTH ABOVE WILL NOT CONSTITUTE A VALID DELIVERY.

Copies of this and other documents should be retained for your files.

The Court has ordered that you verify each Beneficial Noteholder's Beneficial Noteholder Voting Instruction Form and include the amounts of their holdings on this Master Proxy for delivery to the Solicitation Agent at or before 5:00 p.m. on January 24, 2014. All Master Proxies must be received by the Monitor by no later than 10:00 a.m. on the Business Day before the Meeting or, if the Meeting is adjourned or postponed, by 10:00 a.m. on the last Business Day preceding the date to which the Meeting is adjourned or postponed.

The Monitor is authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any proxy is completed and executed, and may waive strict compliance with the requirements in connection with the deadlines imposed herewith.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JAGUAR MINING INC. (the "Applicant")

Court File No: CV-13-10383-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

MEETING ORDER

Norton Rose Fulbright Canada LLP
Royal Bank Plaza, South Tower, Suite 3800
200 Bay Street, P.O. Box 84
Toronto, Ontario M5J 2Z4 CANADA

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Fax: 416.216.3930

Lawyers for the Applicant

APPENDIX E
CLAIMS PROCEDURE ORDER

Court File No. CV-13-10383-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 23RD
	)	
JUSTICE MORAWETZ	)	DAY OF DECEMBER, 2013

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF JAGUAR MINING INC.

Applicant

CLAIMS PROCEDURE ORDER

THIS MOTION made by Jaguar Mining Inc. (the "**Applicant**") for an order establishing a claims procedure for the identification and quantification of certain claims against the Applicant was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Affidavit of David M. Petroff sworn December 23, 2013 (the "**Petroff Affidavit**"), the Pre-Filing Report of FTI Consulting Canada Inc. in its capacity as the proposed monitor of the Applicant (the "**Monitor**") dated December 21, 2013, and on hearing from counsel for the Applicant, the Monitor, the Ad Hoc Committee (as defined in the Petroff Affidavit), Global Resource Fund and such other counsel as were present, no one else appearing although duly served as appears from the affidavit of service, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion

Record herein be and is hereby abridged and that the motion is properly returnable today and service upon any interested party other than those parties served is hereby dispensed with.

DEFINITIONS AND INTERPRETATION

2. **THIS COURT ORDERS** that, for the purposes of this Order (the "**Claims Procedure Order**"), in addition to terms defined elsewhere herein, the following terms shall have the following meanings:

(a) "**4.5% Convertible Note Indenture**" means the Indenture dated as of September 15, 2009 among the Applicant as issuer, The Bank of New York Mellon as trustee and BNY Trust Company of Canada as co-trustee pursuant to which the Applicant issued the 4.5% Convertible Notes;

(b) "**4.5% Convertible Notes**" means the 4.5% senior unsecured convertible notes issued by the Applicant due November 1, 2014;

(c) "**5.5% Convertible Note Indenture**" means the Indenture dated as of February 9, 2011 among the Applicant as issuer, The Bank of New York Mellon as trustee and BNY Trust Company of Canada as co-trustee pursuant to which the Applicant issued the 5.5% Convertible Notes;

(d) "**5.5% Convertible Notes**" means the 5.5% senior unsecured convertible notes issued by the Applicant due March 31, 2016;

(e) "**Affected Unsecured Claims**" means all Claims against the Applicant that are not Equity Claims;

(f) "**Affected Unsecured Creditor**" means the holder of an Affected Unsecured

Claim in respect of and to the extent of such Affected Unsecured Claim, whether a Known Unsecured Creditor or an Unknown Unsecured Creditor;

(g) "**Business Day**" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario and New York, New York;

(h) "**Calendar Day**" means a day, including Saturday, Sunday and any statutory holidays in the Province of Ontario, Canada;

(i) "**CCAA**" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

(j) "**CCAA Proceedings**" means the within proceedings commenced by the Applicant under the CCAA;

(k) "**Claim**" means:

(i) any right or claim, including any Tax Claim, of any Person that may be asserted or made in whole or in part against the Applicant, in any capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever of the Applicant, and any interest accrued thereon or costs payable in respect thereof, in existence on the Filing Date, or which is based on an event, fact, act or omission which occurred in whole or in part prior to the Filing Date, whether at law or in equity, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty

(including, any legal, statutory, equitable or fiduciary duty) or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and together with any security enforcement costs or legal costs associated with any such claim, and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, warranty, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any claim arising from or caused by the termination, disclaimer, resiliation, assignment or repudiation by the Applicant of any contract, lease or other agreement, whether written or oral, any claim made or asserted against the Applicant through any affiliate, subsidiary, associated or related person, or any right or ability of any Person to advance a claim for an accounting, reconciliation, contribution, indemnity, restitution or otherwise with respect to any matter, grievance, action (including any class action or proceeding before an administrative tribunal), cause or chose in action, whether existing at present or commenced in the future, and including any other claims that would have been claims provable in bankruptcy had the Applicant become bankrupt on the Filing Date, including for greater certainty any Equity Claim and any claim against the Applicant for indemnification by any Director or Officer in respect of a Director/Officer Claim but excluding any such indemnification claims covered by the Directors' Charge (each,

a "**Pre-filing Claim**", and collectively, the "**Pre-filing Claims**");

(ii) any right or claim of any Person against the Applicant in connection with any indebtedness, liability or obligation of any kind whatsoever owed by the Applicant to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach by the Applicant on or after the Filing Date of any contract, lease or other agreement whether written or oral (each, a "**Restructuring Period Claim**", and collectively, the "**Restructuring Period Claims**"); and

(iii) any right or claim of any Person against one or more of the Directors and/or Officers of the Applicant howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, including any right of contribution or indemnity, for which any Director or Officer of the Applicant is alleged to be by statute or otherwise by law liable to pay in his or her capacity as a Director or Officer (each a "**Director/Officer Claim**", and collectively, the "**Director/Officer Claims**"),

in each case other than any Excluded Claim;

(l) "**Claims Bar Date**" means 5:00 p.m. on January 22, 2014;

(m) **"Claims Package"** means the materials to be provided by the Applicant to Persons who may have a Claim in accordance with this Claims Procedure Order, which materials shall include a blank Proof of Claim, an Instruction Letter, and such other materials as the Applicant, with the consent of the Monitor, may consider appropriate or desirable;

(n) "**Consenting Noteholder**" means any Noteholder that has executed the Support Agreement (including a consent agreement substantially in the form of Schedule C thereto), in respect of whom the Support Agreement has not been terminated;

(o) "**Court**" means the Superior Court of Justice (Commercial List) in the City of Toronto in the Province of Ontario;

(p) "**Creditor**" means any Person having a Claim and includes without limitation the transferee or assignee of a Claim transferred and recognized as a Creditor in accordance with paragraphs 42, 43, and 44 hereof or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through such Person;

(q) "**Crown Claim**" means any claim of Her Majesty in right of Canada or a province of Canada, for all amounts that were outstanding at the Filing Date and are of a kind that could be subject to a demand under:

(i) subsection 224(1.2) of the ITA;

(ii) any provision of the Canada Pension Plan or of the Employment Insurance Act that refers to subsection 224(1.2) of the ITA and provides

for the collection of a contribution, as defined in the Canada Pension Plan, or an employee's premium, or employer's premium, as defined in the Employment Insurance Act, and of any related interest, penalties or other amounts; or

(iii) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the ITA, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:

(A) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the ITA; or

(B) is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection;

(r) "**Director/Officer Claim**" has the meaning ascribed to that term in paragraph 2(k)(iii) of this Claims Procedure Order;

(s) "**Directors**" means all current and former directors (or their estates) of the Applicant in such capacity and "**Director**" means any one of them;

(t) "**Disputed Claim**" means a Disputed Voting Claim or a Disputed Distribution Claim;

(u) "**Disputed Director/Officer Claim**" means a Director/Officer Claim which is validly disputed in accordance with the Claims Procedure Order and which remains subject to adjudication in accordance with this Claims Procedure Order;

(v) "**Disputed Distribution Claim**" means an Affected Unsecured Claim (including a contingent Affected Unsecured Claim which may crystallize upon the occurrence of an event or events occurring after the Filing Date) or such portion thereof which has not been allowed as a Distribution Claim, which is validly disputed for distribution purposes in accordance with this Claims Procedure Order and which remains subject to adjudication for distribution purposes in accordance with this Claims Procedure Order;

(w) "**Disputed Voting Claim**" means an Affected Unsecured Claim (including a contingent Affected Unsecured Claim which may crystallize upon the occurrence of an event or events occurring after the Filing Date) or such portion thereof which has not been allowed as a Voting Claim, which is validly disputed for voting purposes in accordance with this Claims Procedure Order and which remains subject to adjudication for voting purposes in accordance with this Claims Procedure Order;

(x) "**Distribution Claim**" means the amount of the Affected Unsecured Claim of an Affected Unsecured Creditor against the Applicant as finally accepted and determined for distribution purposes in accordance with this Claims Procedure Order and the CCAA;

(y) "**Election Form**" has the meaning ascribed to that term in the Plan;

(z) **"Employee Priority Claims"** means the following claims of the Applicant's employees and former employees:

(i) Claims equal to the amounts that such employees and former employees would have been qualified to receive under paragraph 136(l)(d) of the *Bankruptcy and Insolvency Act* (Canada) if the Applicant had become bankrupt on the Filing Date; and

(ii) Claims for wages, salaries, commissions or compensation for services rendered by them after the Filing Date and on or before the Court sanctions the Plan, together with, in the case of travelling salespersons, disbursements properly incurred by them in and about the Applicant's business during the same period;

(aa) "**Equity Claim**" has the meaning set forth in Section 2(1) of the CCAA;

(bb) "**Excluded Claim**" means

(i) any claims secured by any of the Charges;

(ii) any Section 5.1(2) Director/Officer Claims (as such term is defined in the Plan);

(iii) any claims that cannot be compromised pursuant to subsection 19(2) of the CCAA;

(iv) any claims of the Subsidiaries against the Applicant;

(v) any Secured Claims;

(vi) any Employee Priority Claims;

(vii) any Crown Claims

(viii) the Trustees' claims under Section 6.07 of the 4.5% Convertible Note Indenture and the 5.5% Convertible Note Indenture, if any;

(ix) any claims of Persons who, at the Filing Date, are senior officers or employees of the Applicant, in respect of their employment arrangements or any termination of such arrangements;

(x) the Renvest Claim; and

(xi) any Post-Filing Claims.

(cc) "**Filing Date**" means the date of the Initial Order;

(dd) "**Government Authority**" means any federal, provincial, state or local government, agency or instrumentality thereof or similar entity, howsoever designated or constituted exercising executive, legislative, judicial, regulatory or administrative functions in Canada, the United States, or elsewhere;

(ee) "**Implementation Date**" shall have the meaning ascribed thereto in the Plan;

(ff) "**Indentures**" means the 4.5% Convertible Note Indenture and the 5.5% Convertible Note Indenture;

(gg) "**Initial Order**" means the Initial Order of the Honourable Justice Morawetz made December 23, 2013, as amended, restated or varied from time to time;

(hh) "**Instruction Letter**" means the instruction letter to Unsecured Creditors,

substantially in the form attached as Schedule "B" hereto, regarding the completion of a Proof of Claim by an Unsecured Creditor and the claims procedure described herein;

(ii) "**ITA**" means the Income Tax Act, R.S.C. 1985, c.1 (5th Supp.);

(jj) "**Known Unsecured Creditor**" means an Affected Unsecured Creditor whose Claim against the Applicant is known to the Applicant as of the date of this Claims Procedure Order;

(kk) "**Majority Consenting Noteholders**" means Consenting Noteholders holding at least a majority of the aggregate principal amount of all Notes held by all Consenting Noteholders at the applicable time, in respect of which the Applicant and the Monitor shall be entitled to rely on written confirmation from Goodmans LLP that the Majority Consenting Noteholders have agreed, waived, consented to or approved a particular matter, and Goodmans LLP shall be entitled to rely on a communication in any form acceptable to Goodmans LLP, in its sole discretion, from any Consenting Noteholder for the purpose of determining whether such Consenting Noteholder has agreed, waived, consented to or approved a particular matter, and the principal amount of Notes held by such Consenting Noteholder;

(ll) "**Meeting**" means a meeting of the Affected Unsecured Creditors of the Applicant called for the purpose of considering and voting in respect of a Plan;

(mm) "**Meeting Order**" means the Order under the CCAA dated December 23, 2013 that, among other things, sets the date for the Meeting, as same may be

amended, restated or varied from time to time;

(nn) "**Noteholder**" means a holder of 4.5% Convertible Notes and/or 5.5% Convertible Notes;

(oo) "**Noteholders Allowed Claim**" means all principal amounts outstanding and all accrued interest under the Notes as at the applicable record date under the Plan as determined in accordance with paragraph 14 of this Claims Procedure Order for purposes of voting on and receiving distributions under the Plan;

(pp) "**Notice of Dispute of Revision or Disallowance**" means the notice referred to in paragraph 22 or 35 hereof, as applicable, substantially in the form attached as Schedule "E" hereto, which must be delivered to the Monitor by any Unsecured Creditor or a Person asserting a Director/Officer Claim wishing to dispute a Notice of Revision or Disallowance, with reasons for its dispute;

(qq) "**Notice of Revision or Disallowance**" means the notice referred to in paragraph 21 or 34 hereof, as applicable, substantially in the form of Schedule "D" advising an Unsecured Creditor or a Person asserting a Director/Officer Claim that the Applicant, with the consent of the Monitor, has revised or rejected all or part of such Unsecured Creditor's Claim set out in its Proof of Claim;

(rr) "**Notice to Creditors**" means the notice for publication by the Monitor as described in paragraph 16 hereof, substantially in the form attached hereto as Schedule "A";

(ss) "**Officers**" means all current and former officers (or their estates) of the Applicant in such capacity and "**Officer**" means any one of them;

(tt) "**Person**" means any individual, corporation, firm, limited or unlimited liability company, general or limited partnership, association (incorporated or unincorporated), trust, unincorporated organization, joint venture, trade union, Government Authority or any agency, regulatory body or officer thereof or any other entity, wherever situate or domiciled, and whether or not having legal status;

(uu) "**Plan**" means the plan of compromise and arrangement to be filed by the Applicant pursuant to the CCAA and the Meeting Order as the same may be amended, supplemented or restated from time to time in accordance with the terms thereof;

(vv) "**Post-Filing Claim**" means any claims against the Applicant that arose from the provision of authorized goods and services provided or otherwise incurred on or after the Filing Date in the ordinary course of business, but specifically excluding any Restructuring Period Claim;

(ww) "**Pre-filing Claim**" has the meaning ascribed to that term in paragraph 2(k)(i) of this Claims Procedure Order;

(xx) "**Proof of Claim**" means the Proof of Claim referred to in paragraph 18 hereof to be filed by Affected Unsecured Creditors, substantially in the form attached hereto as Schedule "C";

(yy) "**Renvest Claim**" means any claim for amounts owing by the Applicant to Global Resource Fund, pursuant to a credit agreement made as of December 17, 2012 between the Applicant, as borrower, the Subsidiaries, as guarantors, and Global

Resource Fund, as lender, (the "Credit Agreement") or pursuant to any Credit Document (as such term is defined in the Credit Agreement).

(zz) "**Restructuring Period Claim**" has the meaning ascribed to that term in paragraph 2(k)(ii) of this Claims Procedure Order;

(aaa) "**Restructuring Period Claims Bar Date**" means seven (7) Calendar Days after termination, repudiation or resiliation of the applicable agreement or other event giving rise to the applicable Restructuring Period Claim;

(bbb) "**Secured Claim**" means that portion of a Claim that is (i) secured by security validly charging or encumbering property or assets of the Applicant (including statutory and possessory liens that create security interests) up to the value of such collateral, and (ii) duly and properly perfected in accordance with the relevant legislation in the appropriate jurisdiction as of the Filing Date;

(ccc) "**Subsidiaries**" means, collectively, MCT Mineração Ltda., Mineração Turmalina Ltda. and Mineração Serras do Oeste Ltda.;

(ddd) "**Support Agreement**" means the Support Agreement made as of November 13, 2013 between the Applicant, the Subsidiaries and the Noteholders party thereto, together with any consent agreements executed by other Noteholders from time to time, substantially in the form of Schedule C thereto;

(eee) "**Tax**" or "**Taxes**" means any and all taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever, including all interest, penalties, fines, additions to tax or other additional amounts in respect thereof, and including those levied on, or measured by, or referred to as, income, gross

receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Quebec and other government pension plan premiums or contributions;

(fff) "**Tax Claim**" means any Claim against the Applicant for any Taxes in respect of any taxation year or period;

(ggg) "**Trustees**" means The Bank of New York Mellon, as trustee, and BNY Trust Company of Canada, as co-trustee, under each of the Indentures;

(hhh) "**Unknown Unsecured Creditor**" means an Affected Unsecured Creditor other than a Known Unsecured Creditor;

(iii) "**Unsecured Creditor**" means a Known Unsecured Creditor or an Unknown Unsecured Creditor;

(jjj) "**Voting Claim**" means the amount of the Affected Unsecured Claim of an Affected Unsecured Creditor against the Applicant as finally accepted and determined for voting at the Meeting, in accordance with the provisions of this Claims Procedure Order and the CCAA.

3. **THIS COURT ORDERS** that all capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Initial Order.

4. **THIS COURT ORDERS** that all references as to time herein shall mean local time in Toronto, Ontario, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.

5. **THIS COURT ORDERS** that all references to the word "including" shall mean "including without limitation".

6. **THIS COURT ORDERS** that all references to the singular herein include the plural, the plural include the singular, and any gender includes the other gender.

GENERAL PROVISIONS

7. **THIS COURT ORDERS** that the Applicant and the Monitor are hereby authorized (i) to use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed, and may, where they are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Procedure Order as to completion and execution of such forms, and (ii) to request any further documentation from a Creditor that the Applicant or the Monitor may require in order to enable them to determine the validity of a Claim.

8. **THIS COURT ORDERS** that all Claims shall be denominated in Canadian dollars. Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada noon exchange rate in effect on the Filing Date. For greater certainty, U.S. dollar denominated claims shall be converted at the Bank of Canada Canadian/U.S. dollar noon exchange rate in effect on the Filing Date.

9. **THIS COURT ORDERS** that, except as otherwise set out herein, interest and penalties that would otherwise accrue after the Filing Date shall not be included in any Claim.

10. **THIS COURT ORDERS** that copies of all forms delivered hereunder, as applicable, and determinations of Claims by the Court shall be maintained by the Monitor.

11. **THIS COURT ORDERS** that, notwithstanding anything to the contrary herein, the Applicant may, with the consent of the Monitor, refer an Affected Unsecured Creditor's Claim or (with the consent of the Monitor, the Applicant and the relevant Director or Officer) a Director/Officer Claim for resolution to the Court, where in the Applicant's view such a referral is preferable or necessary for the resolution or the valuation of the Claim.

12. **THIS COURT ORDERS** that the Applicant may, with the consent of the Majority Consenting Noteholders and the Monitor, apply to this Court for an Order appointing a claims officer to resolve Disputed Claims and/or Disputed Director/Officer Claims on such terms and in accordance with such process as may be ordered by this Court.

MONITOR'S ROLE

13. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Initial Order, shall assist the Applicant in connection with the administration of the claims procedure provided for herein, including the determination of Claims of Creditors and the referral of a particular Claim to the Court, as requested by the Applicant from time to time, and is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Claims Procedure Order.

CLAIMS PROCEDURE FOR NOTEHOLDERS

14. **THIS COURT ORDERS** that neither the Applicant nor the Monitor shall be required to send Claims Packages to the Noteholders and that neither the Noteholders nor the Trustees shall be required to file Proofs of Claim in respect of any Claims pertaining to

the Notes. Within 3 Business Days of the date of this Claims Procedure Order, the Applicant shall send to each of the Trustees (as agents for the Noteholders), with copies to the Monitor and to the advisors to the Ad Hoc Committee, a notice stating the accrued amounts (including all principal and interest) owing directly by the Applicant under each of the Indentures up to the applicable record date and/or distribution date under the Plan. Each of the Trustees shall confirm to the Monitor whether such amounts are accurate within 7 Business Days of receipt of the Applicant's notice. If such amounts are confirmed by the Trustees, or in the absence of any response by a Trustee within 7 Business Days of receipt of the Applicant's notice, such amounts shall be deemed to be the accrued amounts owing directly by the Applicant under the Indentures for the purposes of voting on and receiving distributions under the Plan, unless the amounts of Claims under an Indenture are otherwise agreed to in writing by the Applicant, the Trustee, the Monitor and the Majority Consenting Noteholders, in which case such agreement shall govern. If a Trustee indicates that it cannot confirm the accrued amounts owing directly by the Applicant under an Indenture up to the applicable record date and/or distribution date under the Plan, such amounts shall be determined by the Court for the purposes of voting on and receiving distributions under the Plan, unless the amounts of such Claims are otherwise agreed to in writing by the Applicant, the Trustee, the Monitor, and the Majority Consenting Noteholders, in which case such agreement shall govern. The amount of the Claim of the Noteholders as determined in accordance with this paragraph shall be the "**Noteholders Allowed Claim**".

15. **THIS COURT ORDERS** that the Noteholders Allowed Claim shall constitute a Voting Claim and a Distribution Claim for purposes of voting on and receiving distributions under the Plan.

NOTICE TO CREDITORS

16. **THIS COURT ORDERS** that the Monitor shall publish the Notice to Creditors for at least two (2) Business Days in *The Globe & Mail* (National Edition) and *The Wall Street Journal*: (i) as soon as practicable after the granting of this Claims Procedure Order, and (ii) on or within one Business Day of January 6, 2014.

CLAIMS PROCEDURE FOR UNSECURED CREDITORS

(i) Claims Package

17. **THIS COURT ORDERS** that, subject to paragraph 14 hereof, the Monitor shall send a Claims Package to (i) each of the Known Unsecured Creditors by prepaid ordinary mail to the address last shown on the books and records of the Applicant before 11:59 p.m. on the date that is three (3) Business Days after the date hereof; and (ii) any Unknown Unsecured Creditor who makes a request therefor prior to the Claims Bar Date.

18. **THIS COURT ORDERS** that, subject to paragraph 14 hereof, any Unsecured Creditor that wishes to assert a Claim must file a completed Proof of Claim such that it is received by the Monitor by no later than the Claims Bar Date.

19. **THIS COURT ORDERS** that, notwithstanding anything to the contrary in paragraphs 17, 18 and 20 hereof, the following shall apply with respect to any Restructuring Period Claims:

    (a) any notices of disclaimer or resiliation delivered to Creditors by the Applicant or the Monitor after the Filing Date shall be accompanied by a Claims Package;

    (b) the Monitor shall send a Claims Package to any Creditor who makes a request therefor in respect of a Restructuring Period Claim prior to the Restructuring

Period Claims Bar Date;

(c) any Creditor that wishes to assert a Restructuring Period Claim must return a completed Proof of Claim to the Monitor such that it is received by the Monitor by no later than 5:00 p.m. on the Restructuring Period Claims Bar Date;

(d) any Creditor that does not return a Proof of Claim to the Monitor by 5:00 p.m. on the Restructuring Period Claims Bar Date shall not be entitled to attend or vote at the Meeting and shall not be entitled to receive any distribution from any Plan and any and all Restructuring Period Claims of such Creditor shall be forever extinguished and barred without any further act or notification.

(ii) Adjudication of Claims against the Applicant

20. **THIS COURT ORDERS** that, subject to paragraph 14 hereof, any Unsecured Creditor that does not file a Proof of Claim such that it is received by the Monitor by the Claims Bar Date with respect to a Claim against the Applicant shall not be entitled to attend or vote at the Meeting and shall not be entitled to receive any distribution from any Plan and any and all such Claims of such Unsecured Creditor shall be forever extinguished and barred without any further act or notification and irrespective of whether or not such Unsecured Creditor received a Claims Package.

21. **THIS COURT ORDERS** that the Applicant, with the assistance of the Monitor, shall review all Proofs of Claim received by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, and shall accept, revise or reject the amount of each Claim against the Applicant set out therein for voting and/or distribution purposes. The Monitor shall notify each Unsecured Creditor who has delivered a Proof of Claim by the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable, as to

whether such Unsecured Creditor's Claim against the Applicant as set out therein has been revised or rejected for voting purposes (and/or for distribution purposes if the Applicant, with the assistance of the Monitor, elects to do so), and the reasons therefor, by sending a Notice of Revision or Disallowance.

22. **THIS COURT ORDERS** that any Unsecured Creditor who wishes to dispute a Notice of Revision or Disallowance sent pursuant to the immediately preceding paragraph shall deliver a Notice of Dispute of Revision or Disallowance to the Monitor by no later than 5:00 p.m. on the date that is seven (7) Calendar Days after the date of delivery to the applicable Unsecured Creditor of the Notice of Revision or Disallowance.

23. **THIS COURT ORDERS** that where an Unsecured Creditor that receives a Notice of Revision or Disallowance pursuant to paragraph 21 above does not file a Notice of Dispute of Revision or Disallowance by the time set out in paragraph 22 above, the value of such Unsecured Creditor's Voting Claim and Distribution Claim (if the Notice of Revision or Disallowance also dealt with the Distribution Claim) shall be deemed to be as set out in the Notice of Revision or Disallowance and any and all of the Unsecured Creditor's rights to dispute the Claim(s) as valued on the Notice of Revision or Disallowance or to otherwise assert or pursue such Claims in an amount that exceeds the amount set forth on the Notice of Revision or Disallowance, in each case for voting purposes and distribution purposes (if the Notice of Revision or Disallowance dealt with the Distribution Claim), shall be forever extinguished and barred without further act or notification.

(iii) Resolution of Claims against the Applicant

24. **THIS COURT ORDERS** that in the event that the Applicant, with the assistance of the

Monitor, is unable to resolve a dispute regarding any Disputed Voting Claim with an Unsecured Creditor, the Applicant shall so notify the Monitor and the Unsecured Creditor. Thereafter, the Disputed Voting Claim shall be referred to the Court for resolution or to such alternative dispute resolution as may be ordered by the Court or as agreed to by the Monitor, the Applicant and the applicable Creditor; provided, however that to the extent a Claim is referred under this paragraph to the Court or an alternative dispute resolution, it shall be on the basis that the value of the Claim shall be resolved or adjudicated both for voting and distribution purposes (and that it shall remain open to the parties to agree that the Creditor's Voting Claim may be settled by the Unsecured Creditor and the Applicant without prejudice to a future hearing by the Court or an alternative dispute resolution to determine the Creditor's Distribution Claim in accordance with paragraph 29 hereof). The Court or an alternative dispute resolution, as the case may be, shall resolve the dispute between the Applicant and the Unsecured Creditor.

25. **THIS COURT ORDERS** that where the value of an Unsecured Creditor's Voting Claim has not been finally determined in accordance with this Claims Procedure Order by the date of the Meeting, the ability of such Unsecured Creditor to vote its Disputed Voting Claim and the effect of casting any such vote shall be governed by the Meeting Order.

26. **THIS COURT ORDERS** that the Applicant, with the assistance of the Monitor, shall review and consider the Proofs of Claim filed in accordance with this Claims Procedure Order in order to determine the Distribution Claims of Unsecured Creditors. The Monitor shall notify each Unsecured Creditor who filed a Proof of Claim and who did not receive a Notice of Revision or Disallowance for distribution purposes pursuant to paragraph 21 herein as to whether such Unsecured Creditor's Claim as set out in such Unsecured

Creditor's Proof of Claim has been revised or rejected for distribution purposes, and the reasons therefor, by delivery of a Notice of Revision or Disallowance.

27. **THIS COURT ORDERS** that any Unsecured Creditor who wishes to dispute a Notice of Revision or Disallowance for distribution purposes sent pursuant to the immediately preceding paragraph shall deliver a Notice of Dispute of Revision or Disallowance to the Monitor such that it is received by the Monitor by no later than 5:00 p.m. on the date that is seven (7) Calendar Days after the date of delivery to the applicable Unsecured Creditor of the Notice of Revision or Disallowance referred to in paragraph 26.

28. **THIS COURT ORDERS** that where an Unsecured Creditor that receives a Notice of Revision or Disallowance pursuant to paragraph 26 above does not file a Notice of Dispute of Revision or Disallowance for distribution purposes by the time set out in paragraph 27 above, the value of such Unsecured Creditor's Distribution Claim shall be deemed to be as set out in the Notice of Revision or Disallowance for distribution purposes and any and all of the Unsecured Creditor's rights to dispute the Distribution Claim as valued on the Notice of Revision or Disallowance or to otherwise assert or pursue such Distribution Claim in an amount that exceeds the amount set forth on the Notice of Revision or Disallowance shall be forever extinguished and barred without further act or notification.

29. **THIS COURT ORDERS** that in the event that the Applicant, with the assistance of the Monitor, is unable to resolve a dispute regarding any Distribution Claim with an Unsecured Creditor, the Applicant shall so notify the Monitor and the Unsecured Creditor. Thereafter, the Disputed Distribution Claim shall be referred to the Court for resolution or to such alternative dispute resolution as may be ordered by the Court or as

agreed to by the Monitor, the Applicant and the applicable Creditor. The Court or an alternative dispute resolution, as the case may be, shall resolve the dispute between the Applicant and the Unsecured Creditor.

30. **THIS COURT ORDERS** that, notwithstanding anything to the contrary in this Order, in respect of any Disputed Claim with an Unsecured Creditor that exceeds $250,000, the Monitor and the Applicant shall not accept, admit, settle, resolve, value (for any purpose) or revise such Disputed Claim or any part thereof without the consent of the Majority Consenting Noteholders or a further Order of the Court.

(iv) Adjudication of Director/Officer Claims

31. **THIS COURT ORDERS** that, for greater certainty, the procedures in paragraphs 20 - 30 shall not apply to adjudication of Director/Officer Claims.

32. **THIS COURT ORDERS** that if a Person does not file a Proof of Claim with the Monitor such that it is received by the Monitor by the Claims Bar Date with respect to a Director/Officer Claim, any and all such Claims of such Person shall be forever extinguished and barred without any further act or notification and irrespective of whether or not such Person received a Claims Package and the Directors and Officers shall have no liability whatsoever in respect of such Director/Officer Claims.

33. **THIS COURT ORDERS** that the Monitor shall forthwith provide the relevant Director or Officer (and his or her counsel) with a copy of any Proofs of Claim received in respect of Director/Officer Claims.

34. **THIS COURT ORDERS** that the Applicant, with the assistance of the Monitor and the relevant Director or Officer, shall review all Proofs of Claim received by the Claims Bar Date in respect of Director/Officer Claims and shall accept, revise or reject the amount of

each Director/Officer Claim set out therein. The Monitor, with the consent of the Applicant, shall notify each Person who has delivered a Proof of Claim by the Claims Bar Date in respect of Director/Officer Claims as to whether such Person's Claim as set out therein has been revised or rejected and the reasons therefor by sending a Notice of Revision or Disallowance. The Monitor shall provide a copy of such Notice of Revision or Disallowance to any counsel to a Director or Officer.

35. **THIS COURT ORDERS** that any Person who wishes to dispute a Notice of Revision or Disallowance sent pursuant to the immediately preceding paragraph shall deliver a Notice of Dispute of Revision or Disallowance to the Monitor such that it is received by the Monitor by no later than 5:00 p.m. on the date that is seven (7) Calendar Days after the date of delivery to the applicable Person of the Notice of Revision or Disallowance. The Monitor shall provide a copy of such Notice of Dispute of Revision or Disallowance to any counsel to a Director or Officer upon the receipt of such Notice of Dispute of revision or Disallowance.

36. **THIS COURT ORDERS** that where a Person that receives a Notice of Revision or Disallowance pursuant to paragraph 34 above does not file a Notice of Dispute of Revision or Disallowance by the time set out in paragraph 35 above, the value of such Person's Director/Officer Claim shall be deemed to be as set out in the Notice of Revision or Disallowance and any and all of such Person's rights to dispute the Director/Officer Claim(s) as valued on the Notice of Revision or Disallowance or to otherwise assert or pursue such Director/Officer Claims in an amount that exceeds the amount set forth on the Notice of Revision or Disallowance shall be forever extinguished and barred without further act or notification.

(v) Resolution of Director/Officer Claims

37. **THIS COURT ORDERS** that in the event that the Applicant determines that it is necessary to finally determine the amount of a Director/Officer Claim and the Applicant, with the assistance of the Monitor and the consent of the applicable Directors and Officers, is unable to resolve a dispute regarding such Director/Officer Claim with the Person asserting such Director/Officer Claim, the Applicant shall so notify the Monitor and such Person. Thereafter, the Disputed Director/Officer Claim shall be referred to the Court for resolution or to such alternative dispute resolution as may be ordered by the Court or as agreed to by the Monitor, the Applicant and the applicable Person. The Court or an alternative dispute resolution, as the case may be, shall resolve the dispute.

38. **THIS COURT ORDERS** that, notwithstanding anything to the contrary in this Order, in respect of any Disputed Director/Officer Claim that exceeds $250,000, the Monitor and the Applicant shall not accept, admit, settle, resolve, value (for any purpose) or revise such Disputed Director/Officer Claim or any part thereof without the consent of the Majority Consenting Noteholders or a further Order of the Court.

EXCLUDED CLAIMS

39. **THIS COURT ORDERS** that, for greater certainty, no Person holding an Excluded Claim shall be required to file a Proof of Claim in respect of such Excluded Claim, and such Person shall be unaffected by this Order in respect of such Excluded Claim.

SET-OFF

40. **THIS COURT ORDERS** that the Applicant may set-off (whether by way of legal, equitable or contractual set-off) against payments or other distributions to be made pursuant to the Plan to any Creditor, any claims of any nature whatsoever that the Applicant may have against such Creditor, however, neither the failure to do so nor the

allowance of any Claim hereunder shall constitute a waiver or release by the Applicant of any such claim that the Applicant may have against such Creditor.

NOTICE OF TRANSFEREES

41. **THIS COURT ORDERS** that, subject to paragraph 43, if after the Filing Date, the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Monitor nor the Applicant shall be obligated to give notice or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the Applicant and the Monitor in writing at least three (3) Business Days before the Meeting and thereafter such transferee or assignee shall for the purposes hereof constitute the "Creditor" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Claims Procedure Order prior to receipt and acknowledgement by the Applicant and the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which the Applicant may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to the Applicant. Reference to transfer in this Claims Procedure Order includes a transfer or assignment whether absolute or intended as security.

42. **THIS COURT ORDERS** that, subject to any restrictions contained in Applicable Laws, a Creditor (other than a Noteholder) may transfer or assign the whole of its Claim after the Meeting provided that the Applicant or the Monitor shall not be obliged to make

distributions to any such transferee or assignee or otherwise deal with such transferee or assignee as a Creditor in respect thereof unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment and such other documentation as the Applicant and the Monitor may reasonably require, has been received by the Applicant and the Monitor at least two Business Days before the Implementation Date, or such other date as the Monitor may agree, failing which the original transferor shall have all applicable rights as the "Creditor" with respect to such Claim as if no transfer of the Claim had occurred. Thereafter, such transferee or assignee shall, for all purposes in accordance with the Claims Procedure Order constitute the Creditor in respect of the transferred or assigned Claim and shall be bound by notices given and steps taken in respect of such Claim. For greater certainty, the Applicant shall not recognize partial transfers or assignments of Claims.

43. **THIS COURT ORDERS** that nothing in this Claims Procedure Order shall restrict Noteholders who have beneficial ownership of a Claim in respect of Notes from transferring or assigning such Claim, in whole or in part, in connection with a transfer of such Noteholders' Notes, and any such transfer or assignment shall be governed by the provisions of the Plan and this Claims Procedure Order, provided that nothing in this paragraph shall limit or restrict the application of the provisions of the Support Agreement or the Election Form with respect to transfers of Notes, and provided further that if such transfer or assignment occurs after any applicable record date, the Applicant, the Monitor and their agents shall have no obligation to deal with such transferee or assignee as a Creditor in respect thereof for purposes of dealing with any matter in respect of which such record date was set, and the Applicant, the Monitor and their agents shall deal with the Noteholder who beneficially owned such notes as of such

record date in respect of any such matter. Noteholders who assign or acquire their Claims after the Implementation Date shall be wholly responsible for ensuring that plan distributions intended to be included within such assignments are in fact delivered to the assignee and neither the Applicant, the Monitor, CDS, DTC, the Trustees nor their agents, as applicable, shall have any liability in connection therewith.

SERVICE AND NOTICES

44. **THIS COURT ORDERS** that the Applicant and the Monitor may, unless otherwise specified by this Claims Procedure Order, serve and deliver the Claims Package, any letters, notices or other documents to Creditors or any other interested Person by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or email to such Persons at the physical or electronic address, as applicable, last shown on the books and records of the Applicant or set out in such Creditor's Proof of Claim. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within Ontario, the fifth Business Day after mailing within Canada (other than within Ontario) or the United States, and the tenth Business Day after mailing internationally; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by facsimile transmission or email by 5:00 p.m. on a Business Day, on such Business Day and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

45. **THIS COURT ORDERS** that any notice or communication required to be provided or delivered by a Creditor to the Monitor or the Applicant under this Claims Procedure Order shall be in writing in substantially the form, if any, provided for in this Claims Procedure Order and will be sufficiently given only if delivered by prepaid registered

mail, courier, personal delivery, facsimile transmission or email addressed to:

If to the Applicant:

c/o Jaguar Mining Inc.
67 Yonge Street, Suite 1203
Toronto, Ontario, M5E 1J8
Attention: David M. Petroff, Chief Executive Officer

Email: david.petroff@jaguarmining.com.br

With a copy to:

Norton Rose Fulbright Canada LLP
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3800, P.O. Box 84
Toronto, Ontario, M5J 2Z4
Attention: Walied Soliman

Fax: (416) 216-3930
Email: Walied.Soliman@nortonrosefulbright.com

If to the Monitor:

FTI Consulting Canada Inc., Court-appointed Monitor of Jaguar Mining Inc.

Claims Process

TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8
Attention: Greg Watson and Jodi Porepa

Fax: (416) 649-8101
Email: Greg.Watson@fticonsulting.com / Jodi.Porepa@fticonsulting.com

With a copy to:

Osler, Hoskin & Harcourt LLP
100 King Street West
1 First Canadian Place
Suite 4600, P.O. Box 50
Toronto ON M5X 1B8
Attention: Marc Wasserman and Michael De Lellis

Fax: (416) 862-6666
Email: Mwasserman@osler.com / Mdelellis@osler.com

If to the Ad Hoc Committee

Goodmans LLP
Suite 3400
333 Bay Street
Bay Adelaide Centre
Toronto, Ontario M5H 2S7
Attention: Rob Chadwick and Melaney Wagner

Fax: (416) 979-1234
Email rchadwick@goodmans.ca / mwagner@goodmans.ca

Any such notice or communication delivered by a Creditor shall be deemed to be received upon actual receipt by the Monitor thereof during normal business hours on a Business Day or if delivered outside of normal business hours, the next Business Day.

46. **THIS COURT ORDERS** that if during any period during which notices or other communications are being given pursuant to this Claims Procedure Order a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this Claims Procedure Order.

47. **THIS COURT ORDERS** that in the event that this Claims Procedure Order is later amended by further Order of the Court, the Applicant or the Monitor may post such further Order on the Monitor's website and such posting shall constitute adequate notice to Creditors of such amended claims procedure.

MISCELLANEOUS

48. **THIS COURT ORDERS** that the Applicant shall not oppose the Ad Hoc Committee

seeking standing in any proceeding before this Court, a claims officer, or otherwise in respect of the determination of any Claims.

49. **THIS COURT ORDERS** that nothing in this Claims Procedure Order shall constitute or be deemed to constitute an allocation or assignment of Claims or Excluded Claims into particular affected or unaffected classes for the purpose of a Plan and, for greater certainty, the treatment of Claims, Excluded Claims, or any other claims and the classification of creditors for voting and distribution purposes shall be subject to the terms of any proposed Plan, the Meeting Order or further Order of this Court.

50. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court to amend, vary, supplement or replace this Order or for advice and directions concerning the discharge of their respective powers and duties under this Order or the interpretation or application of this Order.

51. **THIS COURT ORDERS** that any interested party, other than the Applicant or the Monitor, that wishes to amend or vary this Order shall bring a motion before this Court on a date to be set by this Court upon the granting of this Order (the "**Comeback Date**"), and any such interested party shall give notice to the Applicant, the Monitor, the Ad Hoc Committee, Global Resource Fund and any other party or parties likely to be affected by the order sought at least four (4) Calendar Days in advance of the Comeback Date.

52. **THIS COURT ORDERS** that subject to any further Order of this Court, in the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Plan and this Order, the terms, conditions and provisions of the Plan shall govern and be paramount.

53. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada, outside Canada and against all Persons against whom it may be enforceable.

54. **THIS COURT REQUESTS** the aid and recognition of any court, tribunal, or any judicial, regulatory or administrative body having jurisdiction in Canada, the United States of America, Brazil or any other foreign jurisdiction, to act in aid of and to be complementary to this Court in carrying out the terms of this Claims Procedure Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

DEC 23 2013

MB

SCHEDULE "A"

NOTICE TO CREDITORS OF JAGUAR MINING INC. (THE "APPLICANT") AND/OR ITS DIRECTORS OR OFFICERS

RE: NOTICE OF CLAIMS BAR DATE IN COMPANIES' CREDITORS ARRANGEMENT ACT ("CCAA") PROCEEDINGS

NOTICE IS HEREBY GIVEN that pursuant to an Order of the Ontario Superior Court of Justice made December ●, 2013 (the "**Order**"), a claims procedure has been commenced for the purpose of identifying and determining all claims against the Applicant and the Directors and Officers (including former directors and officers) of the Applicant that are to be affected in the Applicant's Plan of Compromise and Arrangement under the CCAA.

PLEASE TAKE NOTICE that the claims procedure applies only to the Claims described in the Order. A copy of the Order and other public information concerning CCAA Proceedings can be found at the following website: http://cfcanada.fticonsulting.com/jaguar. Any creditor (other than Noteholders in respect of Claims pertaining to the Notes) who has not received a Claims Package and who believes that he or she has a Claim against the Applicant or a Director or Officer (including a former director or officer) under the Order must contact the Monitor in order to obtain a Proof of Claim form.

THE CLAIMS BAR DATE is **5:00 p.m. (Toronto Time) on January 22, 2014**. Proofs of Claim in respect of Pre-filing Claims and Director/Officer Claims (other than Claims of Noteholders pertaining to the Notes) must be completed and filed with the Monitor on or before the Claims Bar Date.

THE RESTRUCTURING PERIOD CLAIMS BAR DATE is **5:00pm (Toronto Time) on the date that is seven (7) Calendar Days after termination, repudiation or resiliation of the agreement or other event giving rise to the Restructuring Period Claim.** Proofs of Claim in respect of Restructuring Period Claims must be completed and filed with the Monitor on or before the Restructuring Period Claims Bar Date.

HOLDERS OF CLAIMS who do not file a Proof of Claim by the Claims Bar Date (other than Noteholders in respect of Claims pertaining to the Notes) or the Restructuring Period Claims Bar Date, as applicable, shall not be entitled to vote at any meeting of creditors regarding the plan of compromise and arrangement being proposed by the Applicant or to participate in any distribution under such plan, and any Claims such creditor may have against the Applicant and/or any of the Directors or Officers (including former directors and officers) of the Applicant shall be forever extinguished and barred.

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CREDITORS REQUIRING INFORMATION or claim documentation may contact the Monitor at the following address by prepaid registered mail, courier, personal delivery, facsimile transmission, email or telephone:

FTI Consulting Canada Inc., Court-appointed Monitor of Jaguar Mining Inc.

Claims Process

TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Telephone: 416-649-8044
Fax: 416-649-8101
Email: jaguarmining@fticonsulting.com

SCHEDULE "B"

INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE FOR UNSECURED CREDITORS OF JAGUAR MINING INC. (THE "APPLICANT")

CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) dated December ●, 2013 (as such Order may be amended from time to time the "**Claims Procedure Order**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "**CCAA**"), the Applicant and FTI Consulting Canada Inc., in its capacity as Court-appointed Monitor of the Applicant (the "**Monitor**"), have been authorized to conduct a claims procedure (the "**Claims Procedure**"). A copy of the Claims Procedure Order and other public information concerning these proceedings can be obtained from the Monitor's website at: http://cfcanada.fticonsulting.com/jaguar.

This letter provides general instructions for completing a Proof of Claim form. Defined terms not defined within this instruction letter shall have the meaning ascribed thereto in the Claims Procedure Order.

The Claims Procedure is intended to identify and determine the amount of any claims against the Applicant and the Directors or Officers (including former directors and officers) of the Applicant, whether unliquidated, contingent or otherwise, that are to be affected in the plan of compromise and arrangement being pursued by the Applicant under the CCAA. Please review the Claims Procedure Order for the full terms of the Claims Procedure.

All notices and inquiries with respect to the Claims Procedure should be directed to the Monitor by prepaid registered mail, courier, personal delivery, facsimile transmission or email at the address below:

FTI Consulting Canada Inc., Court-appointed Monitor of Jaguar Mining Inc.

Claims Process

TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Telephone: 416-649-8044
Fax: 416-649-8101
Email: jaguarmining@fticonsulting.com

FOR CREDITORS SUBMITTING A PROOF OF CLAIM

If you believe that you have a Claim against the Applicant or a Director or Officer (including a former director or officer) of the Applicant (other than Noteholders in respect of Claims pertaining to the Notes), you must complete and file a Proof of Claim form with the Monitor. All Proofs of Claim for Pre-filing Claims (i.e. Claims against the Applicant arising prior to December ●, 2013) and all Director/Officer Claims **must be received by the Monitor before 5:00 p.m. (Toronto Time) on January 22, 2014** (the "**Claims Bar Date**"), unless the Court orders that the Proof of Claim be accepted after that date. If you do not file a Proof of Claim in respect of any such Claims by the Claims Bar Date, you shall not be entitled to vote at the meeting of creditors regarding the plan of compromise and arrangement being proposed by the Applicant or participate in any distribution under such plan in respect of such Claims and any such Claims shall be forever extinguished and barred.

All Proofs of Claim for Restructuring Period Claims (i.e. Claims against the Applicant arising on or after December ●, 2013) **must be received by the Monitor on the date that is seven (7) Calendar Days after termination, repudiation or resiliation of the agreement or other event giving rise to the Restructuring Period Claim** (the "**Restructuring Period Claims Bar Date**"), unless the Court orders that the Proof of Claim be accepted after that date. If you do not file a Proof of Claim in respect of any such Restructuring Period Claims by the Restructuring Period Claims Bar Date, you shall not be entitled to vote at any meeting of creditors regarding the plan of compromise and arrangement being proposed by the Applicant or participate in any distribution under such plan in respect of such Claims and any such Claims you may have against the Applicant and/or any of the Directors and Officers (including former directors and officers) of the Applicant shall be forever extinguished and barred.

All Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada United States/Canadian Dollar noon exchange rate in effect as of the date of the Initial Order.

ADDITIONAL FORMS

Additional Proof of Claim forms can be obtained from the Monitor's website at http://cfcanada.fticonsulting.com/jaguar or by contacting the Monitor.

DATED this _____ day of _____, 20____.

SCHEDULE "C"

Court File No. ●

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF JAGUAR MINING INC.

PROOF OF CLAIM

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1. **PARTICULARS OF CREDITOR**

   (a) Full Legal Name of Creditor: _____

   (b) Full Mailing Address of Creditor: _____

   _____

   _____

   _____

   (c) Telephone Number of Creditor: _____

   (d) Facsimile Number of Creditor: _____

   (e) E-mail Address of Creditor: _____

   (f) Attention (Contact Person): _____

2. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes ☐ No ☐

(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

3. **PROOF OF CLAIM**

THE UNDERSIGNED CERTIFIES AS FOLLOWS:

(a) That I am a Creditor of/hold the position of _____ of the Creditor and have knowledge of all the circumstances connected with the Claim described herein;

(b) That I have knowledge of all the circumstances connected with the Claim described and set out below;

(c) The Applicant and/or the Director(s) or Officer(s) of the Applicant was and still is indebted to the Creditor as follows *(Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada Canadian Dollar noon exchange rate in effect as of the date of the Initial Order.)*

(i) Pre-filing Claims against the Applicant:

$_____

(ii) Restructuring Period Claims against the Applicant:

$_____

(iii) Director/Officer Claims against the Directors and/or Officers of the Applicant:

$_____

(iv) TOTAL CLAIM:

$_____

Total of (i), (ii) and (iii)

4. **NATURE OF CLAIM AGAINST THE APPLICANT**

(CHECK AND COMPLETE APPROPRIATE CATEGORY)

☐ Unsecured Claim of $_____

☐ Secured Claim of $ _____

In respect of this debt, I hold security over the assets of the Applicant valued at $_____, the particulars of which security and value are attached to this Proof of Claim form.

(If the Claim is secured, provide full particulars of the security, including the date on which the security was given the value for which you ascribe to the assets charged by your security, the basis for such valuation and attach a copy of the security documents evidencing the security.)

5. **PARTICULARS OF CLAIM:**

The particulars of the undersigned's total Claim (including Pre-filing Claims, Restructuring Period Claims, and Director/Officer Claims) are attached.

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. If a claim is made against any Directors or Officer, specify the applicable Directors or Officers and the legal basis for the Claim against them.)

6. **FILING OF CLAIM**

For Pre-filing Claims, this Proof of Claim must be returned to and received by the Monitor by **5:00 p.m. (Toronto Time) on the Claims Bar Date (January 22, 2014)**.

For Restructuring Period Claims, Claim must be returned to and received by the Monitor by **5:00 p.m. (Toronto Time) on the date that is seven (7) Calendar Days after termination, repudiation or resiliation of the agreement or other event giving rise to the Restructuring Period Claim**.

In both cases, completed forms must be delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email at the address below to the Monitor at the following address:

FTI Consulting Canada Inc., Court-appointed Monitor of Jaguar Mining Inc.

Claims Process

TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Telephone: 416-649-8044
Fax: 416-649-8101
Email: jaguarmining@fticonsulting.com

Dated at _____ this _____ day of _____, 20____.

DOCSTOR: 2891358\6

SCHEDULE "D"

Court File No. ●

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF JAGUAR MINING INC.

NOTICE OF REVISION OR DISALLOWANCE

TO: **[insert name and address of creditor]**

The Applicant has reviewed your Proof of Claim dated _____, 2013, and has revised or rejected your Claim in respect of _____ for the following reasons:

Subject to further dispute by you in accordance with the provisions of the Claims Procedure

Order, your Claim will be allowed as follows:

Pre-filing Claim per Proof of Claim	Revised/Rejected For Voting/Distribution	Allowed as Revised for Voting/Distribution

Restructuring Period Claim per Proof of Claim	Revised/ Rejected For Voting/Distribution	Allowed as Revised For Voting/Distribution

Director/ Officer Claim per Proof of Claim	Revised/ Rejected For Voting/Distribution	Allowed as Revised For Voting/Distribution

If you intend to dispute this Notice of Revision or Disallowance, you must notify the Monitor of such intent by delivery to the Monitor of a Notice of Dispute of Revision or Disallowance in accordance with the Claims Procedure Order such that it is received by the Monitor by 5:00 p.m. no later than seven (7) Calendar Days after you receive such Notice of Revision or Disallowance at the following address by prepaid registered mail, courier, personal delivery, facsimile transmission, email or telephone:

FTI Consulting Canada Inc., Court-appointed Monitor of Jaguar Mining Inc.

Claims Process

TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Telephone: 416-649-8044
Fax: 416-649-8101
Email: jaguarmining@fticonsulting.com

If you do not deliver a Notice of Dispute of Revision or Disallowance in accordance with the Claims Procedure Order, the value of your Claim shall be deemed to be as set out in this Notice of Revision or Disallowance.

DATED at _____ this _____ day of _____, 20____.

SCHEDULE "E"

Court File No. ●

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF JAGUAR MINING INC.

NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE

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1. **PARTICULARS OF CREDITOR**

   (a) Full Legal Name of Creditor: _____

   (b) Full Mailing Address of Creditor: _____

   _____

   _____

   _____

   (c) Telephone Number of Creditor: _____

   (d) Facsimile Number of Creditor: _____

   (e) E-mail Address of Creditor: _____

   (f) Attention (Contact Person): _____

2. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes ☐ No ☐

(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

3. **DISPUTE OF REVISION OR DISALLOWANCE OF CLAIM FOR VOTING AND/OR DISTRIBUTION PURPOSES:**

(Any Claims denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada Canadian Dollar noon exchange rate in effect as of the date of the Initial Order.)

We hereby disagree with the value of our Claim as set out in the Notice of Revision or Disallowance dated _____, as set out below:

Type of Claim (i.e. Claim against Applicant or Director/Officer)	**Claim per Notice of Claim**		**Disputed for**		**Claim per Creditor**	
	Voting	Distribution	Voting	Distribution	Voting	Distribution
_____	$	$	☐	☐	$	$

(Insert particulars of Claim per Notice of Revision or Disallowance, and the value of your Claim as asserted by you).

4. **REASONS FOR DISPUTE:**

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. The particulars provided must support the value of the Claim as stated by you in item 3, above.)

_____

_____

_____

DOCSTOR: 2891358\6

_____

_____

_____

_____

_____

If you intend to dispute the Notice of Revision or Disallowance, you must notify the Monitor of such intent by delivery to the Monitor of a Notice of Dispute of Revision or Disallowance in accordance with the Claims Procedure Order such that it is received by the Monitor by 5:00 p.m. no later than seven (7) Calendar Days after you receive such Notice of Revision or Disallowance at the following address by prepaid registered mail, courier, personal delivery, facsimile transmission, email or telephone:

FTI Consulting Canada Inc., Court-appointed Monitor of Jaguar Mining Inc.

Claims Process

TD South Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Telephone: 416-649-8044
Fax: 416-649-8101
Email: jaguarmining@fticonsulting.com

Dated at _____ this _____ day of _____, 20____.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF JAGUAR MINING INC. (the "Applicant")

Court File No: CV-13-10383-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

CLAIMS PROCEDURE ORDER

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Royal Bank Plaza, South Tower, Suite 3800
200 Bay Street, P.O. Box 84
Toronto, Ontario M5J 2Z4 CANADA

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Fax: 416.216.3930

Lawyers for the Applicant


JAGUAR
MINING INC.