

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
OR ARRANGEMENT OF JAGUAR MINING INC.

**THIRD REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.
IN ITS CAPACITY AS MONITOR**

February 3, 2014

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in its capacity as Monitor

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INTRODUCTION

1. On December 23, 2013 (the “**Filing Date**”), Jaguar Mining Inc. (“**Jaguar**”, the “**Applicant**” or the “**Company**”) filed for and obtained protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). Pursuant to the Order of this Honourable Court dated December 23, 2013 (the “**Initial Order**”), FTI Consulting Canada Inc. was appointed as the Monitor of Jaguar (the “**Monitor**”) in the CCAA proceedings (the “**CCAA Proceedings**”). The Initial Order provided, *inter alia*, for a stay of proceedings through to and including January 22, 2014 or such other date as this Honourable Court may order (the “**Stay Period**”) for both Jaguar and its Subsidiaries.

2. On the Filing Date, the Court also issued an Order authorizing the Company to establish a process for the identification and determination of claims against the Company and its present and former directors and officers (the “**Claims Procedure Order**”), and an Order authorizing the Company to file a plan of compromise and arrangement and to convene a

meeting of its Affected Unsecured Creditors to consider and vote on such plan (the “**Meeting Order**”).

3. On January 14, 2014, the Court issued an Order (the “**Stay Extension Order**”) approving an extension of the Stay Period to and including February 28, 2014, and amending the Initial Order to adopt the E-Service Protocol established by the Commercial List. Pursuant to the endorsement granted in respect of the Stay Extension Order, the Honourable Justice Thorburn noted that:

- (a) the granting of the Stay Extension Order is without prejudice to the right of the Plaintiffs in the 2012 Litigation to bring a motion to lift the stay of proceedings in the CCAA Proceedings; and
- (b) the sealing provision in the Initial Order with respect to the sealing of Confidential Exhibits “A” and “B” (as defined therein) is continued.

4. The following appendices have been attached to this third report of the Monitor (the “**Monitor’s Third Report**”):

- (a) Appendix “A” – Pre-Filing Report (as defined herein, without appendices);
- (b) Appendix “B” – Monitor’s First Report (as defined herein, without appendices);
- (c) Appendix “C” – Monitor’s Second Report (as defined herein, without appendices);
- (d) Appendix “D” – Scrutineer’s report regarding attendance at the Meeting held at 4:45 p.m. on January 31, 2014;

- (e) Appendix “E” – Plan Resolution (as defined herein);
- (f) Appendix “F” – Amended and Restated Plan (as defined herein);
- (g) Appendix “G” – Scrutineer’s report regarding voting results on motion to approve the Plan Resolution;
- (h) Appendix “H” – Affidavit of Greg Watson sworn February 3, 2014; and
- (i) Appendix “I” – Affidavit of Michael De Lellis sworn February 3, 2014.

PURPOSE

5. The purpose of this Monitor’s Third Report is to provide this Honourable Court with the following:

- (a) an update on the status of the CCAA Proceedings;
- (b) an update on the state of Jaguar’s financial affairs, including an update regarding Jaguar’s actual receipts and disbursements for the period from January 4, 2014 to January 24, 2014;
- (c) an update regarding the Monitor’s view regarding the validity and enforceability of certain security granted by Jaguar in favour of Global Resource Fund;
- (d) an update on the status of the claims process undertaken by the Applicant, with the assistance of the Monitor, pursuant to the Claims Procedure Order, the Meeting Order and the plan of compromise and arrangement that was filed with this Honourable Court on December 23, 2013 (the “**Plan**”);

- (e) an update regarding the 2012 Litigation;
- (f) a summary of the voting results of the Meeting;
- (g) a summary of the key amendments to the Plan that are contained in the Amended and Restated Plan;
- (h) a summary of the key terms in the Escrow Agreement;
- (i) information relating to the Applicant's request for an Order, *inter alia*, sanctioning and approving the Amended and Restated Plan;
- (j) a summary of the Monitor's activities since the Filing Date;
- (k) information relating to the Monitor's and its legal counsel's professional fees; and
- (l) the Monitor's conclusions and recommendations.

TERMS OF REFERENCE

6. In preparing this report, the Monitor has relied upon unaudited financial information, other information available to the Monitor, where appropriate the Applicant's books and records, certain financial information prepared by Jaguar (including the Liquidation Analysis), certain minutes of the Board of Directors and the special committees established by the Board of Directors from time to time, discussions with the Applicant and its financial advisors in connection with the Plan, the Amended and Restated Plan, and the strategic review conducted by the Applicant (with the assistance of the Applicant's financial advisors) over the course of approximately the last two years as well as materials prepared by the Applicant and the Applicant's financial advisors, including various process updates, briefing notes and discussion materials. The Monitor has had discussions with various parties, including the Applicant's

senior management, counsel to the Applicant, counsel to the Ad Hoc Committee, counsel to the special committee established by the Board of Directors in October 2013, the Trustees, the Solicitation/Election Agent (as defined in the Meeting Order), the Applicant's financial advisor and counsel to the Plaintiffs in the 2012 Litigation.

7. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Future oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.

8. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars. Capitalized terms not otherwise defined herein have the meanings defined in the Monitor's Second Report or the Amended and Restated Plan, as applicable.

GENERAL BACKGROUND

9. The Applicant is the parent company in the Jaguar Group that is engaged in the acquisition, exploration, development and operation of gold producing properties in Brazil. The Jaguar Group also owns additional mineral resources at its approximate 210,000-hectare land base in Brazil. The parent company does not carry on active gold mining operations (other than through its Subsidiaries) and its registered office is located in Toronto, Canada.

10. Jaguar is a public company with shares listed on the Toronto Stock Exchange ("TSX") under the symbol "JAG" prior to the CCAA Proceedings. As of the Filing Date, 86,396,356 common shares were issued and outstanding and trading on the TSX. Trading of the common shares of Jaguar has been suspended since December 23, 2013 and the Monitor

understands that trading will remain suspended until the Applicant's scheduled delisting on February 10, 2014.

11. To avoid unnecessary duplication, please refer to the pre-filing report of the proposed Monitor dated December 21, 2013 (the "**Pre-Filing Report**"); the affidavit of David M. Petroff, the Chief Executive Officer of the Applicant, sworn December 23, 2013 and filed in support of the CCAA Proceedings; the First Report of the Monitor dated January 13, 2014 (the "**Monitor's First Report**"); the affidavit of T. Douglas Willock, the Chief Financial Officer of the Company, sworn January 8, 2014 and filed in support of the motion for an extension of the Stay Period to and including February 28, 2014; the Second Report of the Monitor dated January 24, 2014 (the "**Monitor's Second Report**"); and the affidavit of T. Douglas Willock, the Chief Financial Officer of the Applicant, sworn February 2, 2014 and filed in support of the granting of a sanction order (the "**Second Willock Affidavit**") for additional information relating to the background of the Applicant and the Jaguar Group. Copies of the Pre-Filing Report, the Monitor's First Report and the Monitor's Second Report, in each case without appendices, are attached hereto as Appendices "A", "B" and "C", respectively.

STATUS OF THE CCAA PROCEEDING

12. In the Monitor's Second Report, the Monitor reported on, among other things, the status of the CCAA Proceedings, including the Plan and the Applicant's business affairs and financial affairs.

ACTUAL RECEIPTS AND DISBURSEMENTS FOR THE PERIOD FROM JANUARY 4, 2014 TO JANUARY 24, 2014

13. Since the Filing Date, the Monitor has been working with the Company to review disbursements and manage its cash spend during the CCAA Proceedings. Given the nature of the CCAA Proceedings and the fact that the Company has no operations, the majority of the projected cash outflow during the CCAA Proceedings consists of professional fees.

14. The Company's actual net cash flow for the period from January 4, 2014 to January 24, 2014 (the "Current Period") can be found below. Actual net cash flows for the Current Period were approximately \$700,000 lower than forecast and are summarized as follows:

\$000 CAD	Forecast	Actual	Difference
Cash Inflow			
Other	1,350	59	(1,291)
Total Cash Inflow	\$ 1,350	\$ 59	\$ (1,291)
Cash Outflow			
Payroll & Benefits	(65)	(77)	(12)
Board & Committee Fees	(46)	(18)	28
Rent, Communications & Utilities	(8)	(1)	7
Interest Fees	-	-	-
Legal & Professional Fees	(105)	(60)	45
Other	(60)	(68)	(9)
Total Cash Outflow	\$ (283)	\$ (225)	\$ 58
Restructuring Costs			
Legal & Professional Fees	(1,318)	(789)	530
Total Restructuring Fees	\$ (1,318)	\$ (789)	\$ 530
Net Cash Flow	\$ (252)	\$ (954)	\$ (703)
Opening Cash Balance	3,397	3,397	0
Net Cash Flow	(252)	(954)	(703)
Unrealized FX gain/(loss)	-	109	109
Ending Cash Balance	\$ 3,145	\$ 2,552	\$ (593)

15. The variance in actual receipts and disbursements is comprised primarily of the following:

- (a) A negative variance of approximately \$1.3 million, which consists of:

- (i) a permanent positive variance of approximately \$59,000 that relates to a GST refund not contemplated in the January 4 Forecast; and
 - (ii) a temporary negative variance of approximately \$1.35 million that relates to the timing of certain funds being transferred from the Subsidiaries to Jaguar pursuant to existing intercompany loan agreements. This variance is expected to reverse in the coming weeks once the funds are transferred from the Subsidiaries; and
- (b) A positive variance of approximately \$575,000 in Legal & Professional fees. This variance is temporary in nature and is expected to reverse as bills are received by Jaguar.

UPDATE REGARDING REVIEW OF SECURITY GRANTED BY JAGUAR IN FAVOUR OF GLOBAL RESOURCE FUND

16. 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) is an Excluded Claim under the Amended and Restated Plan.

17. As more particularly described in the Monitor's Second Report:

- (a) Global Resource Fund established the Renvest Facility in the amount of \$30,000,000 United States dollars pursuant to the Credit Agreement between the Applicant as borrower, the Subsidiaries as guarantors, and Global Resource Fund as lender;

- (b) the Monitor is advised that the obligations under the Renvest Facility are secured by a general security agreement from the Applicant in favour of Global Resource Fund as well as certain collateral security granted by the Subsidiaries;
- (c) the Monitor is advised that the Applicant's primary personal property that will exist immediately prior to the Implementation Time are the Subsidiary Shares; and
- (d) the Monitor is advised that Jaguar and the Subsidiaries took the necessary steps to grant a security interest in the Subsidiary Shares in favour of Global Resource Fund pursuant to various "Quota Pledge Agreements" that are governed by the laws of Brazil (the "**Subsidiary Share Security**").

18. Osler, Hoskin & Harcourt LLP, on behalf of the Monitor, retained Lima Netto Carvalho Abreu Mayrink Sociedade de Advogados ("**Lima Netto**") in Brazil to review the validity and enforceability of the Subsidiary Share Security.

19. Lima Netto rendered an opinion with respect to the validity and enforceability of the Subsidiary Share Security under the laws of Brazil. Subject to the assumptions and qualifications contained therein, this opinion states, among other things, that the Subsidiary Share Security is valid and enforceable and, in a scenario or circumstance in which bankruptcy, liquidation or creditor arrangement provisions in Brazil are not applicable, all measures, filings and registration procedures have been performed and effected to grant Global Resource Fund priority over other creditors of Jaguar with respect to the Subsidiary Shares.

CLAIMS PROCEDURE

20. On the Filing Date, the Court issued the Claims Procedure Order authorizing the Company to establish a process for the identification and determination of claims against the Company and its present and former directors and officers.

21. As more particularly described in the Monitor's First Report, the Monitor published the required notices:

(a) in the Globe and Mail on December 31, 2013 and January 7, 2014; and

(b) in the Wall Street Journal on December 30, 2013 and January 6, 2014;

pursuant to and in accordance with the Initial Order, the Claims Procedure Order and the Meeting Order.

22. In accordance with the Claims Procedure Order, the Monitor provided approximately 35 Claims Packages (as defined in the Claims Procedure Order) to the Applicant's Known Unsecured Creditors (as defined in the Claims Procedure Order).

23. No Claims Packages were required to be sent to the Noteholders and neither the Noteholders nor the Trustees were required to file Proofs of Claim (as defined in the Claims Procedure Order) in respect of any Claims pertaining to the Notes. Pursuant to the Claims Procedure Order, on December 30, 2013, the Applicant sent to each of the Trustees (as agents for the Noteholders), with copies to the Monitor and 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 under the Amended and Restated Plan.

Review of Status of Claims Procedure for Unsecured Creditors

24. Among other things, the Claims Procedure Order established 5:00 p.m. on January 22, 2014 as the Claims Bar Date or seven calendar days after termination, repudiation or resiliation of an applicable agreement or other event giving rise to a Restructuring Period Claim as the Restructuring Period Claims Bar Date (as defined in the Claims Procedure Order).

25. The Monitor received 14 Proofs of Claim from Affected Unsecured Creditors (other than Noteholders) against the Applicant on or before the Claims Bar Date. The Applicant, with the assistance of the Monitor, has reviewed the 14 Proofs of Claim received on or before the Claims Bar Date. As at January 30, 2014:

- (a) 5 claims have been accepted as submitted;
- (b) 4 claims have been partially accepted and partially disallowed;
- (c) 3 claims have been disallowed as submitted; and
- (d) 2 claims are director indemnification claims, which will be dealt with pending the final outcome of the claims procedure.

26. Set out below are tables summarizing the number and value of claims submitted, accepted and disputed against the Applicant from Affected Unsecured Creditors (other than Noteholders) as at January 30, 2014:

	# of Claims Submitted	\$ of Claims Submitted
Claims ^A	14	\$ 613,168
Total Claims	14	\$ 613,168

	# of Claims Accepted	\$ of Claims Accepted
Claims	9	\$ 554,402
Total Claims	9	\$ 554,402

	# of Claims in Dispute	\$ of Claims in Dispute
Claims	7	\$ 58,767
Total Claims	7	\$ 58,767

Note A: Total Claims include two indemnification claims submitted by existing and former Directors and Officers. The claims will be dealt with pending the final outcome of the Claims Procedure.

27. The Applicant, with the assistance of the Monitor, continues to be engaged in discussions with the remaining holders of outstanding claims.

Review of Status of Claims Procedure for Directors and Officers

28. The Claims Procedure Order also called for claims against the Directors and/or Officers of the Applicant. In addition, the Amended and Restated Plan contemplates the release of certain claims against certain of the Directors and/or Officers of the Applicant. As at January 30, 2014, the Monitor has not received any claims against the Directors and/or Officers of the Applicant.

29. If the Monitor receives any Director/Officer Claims after the Claims Bar Date, the Monitor intends to respond to these claims in accordance with the Claims Procedure Order.

Review of Status of Claims Procedure for Noteholders

30. In response to the notice sent by the Applicant to each of the Trustees (as described in paragraph 23 herein), the Monitor received confirmation on January 15, 2014 from

each of the Trustees regarding the accrued amounts (including all principal and interest) owing directly by the Applicant under each of the Indentures up to the applicable record date under the Amended and Restated Plan. Set out below is a table summarizing those results in Canadian dollars as at the Record Date:

	\$ of Claims
2014 Notes	\$ 180,226,524
2016 Notes	\$ 111,249,989
Total Claims	\$ 291,476,513

UPDATE REGARDING THE 2012 LITIGATION

31. The Plaintiffs in the 2012 Litigation did not submit a Proof of Claim on or prior to the Claims Bar Date. As described in the Monitor's Second Report, the Plaintiffs in the 2012 Litigation are of the view that their claim in respect of the 2012 Litigation is an Excluded Claim under the Plan. In this regard, the Plaintiffs in the 2012 Litigation reserved their rights to argue that their claims set out in the 2012 Litigation cannot be compromised under the Plan. The Applicant disagrees with any argument that the claims of the Plaintiffs in the 2012 Litigation cannot be compromised under the Plan.

32. The Monitor and its counsel have participated in discussions with counsel to the Plaintiffs in the 2012 Litigation, the Applicant and the Ad Hoc Committee regarding a potential settlement with respect to the claims asserted by the Plaintiffs in the 2012 Litigation. Despite progress being made towards a consensual settlement among the parties, the matter has not been resolved at this time.

33. On January 31, 2014, the Monitor received a request from counsel to the Plaintiffs in the 2012 Litigation to adjourn the Meeting, along with a copy of a draft, unfiled notice of motion setting out certain requested relief. Given the ongoing discussions between counsel to the Applicant, the Ad Hoc Committee and the Plaintiffs in the 2012 Litigation, the Meeting was adjourned to 4:45 p.m. on January 31, 2014 to allow such discussions to continue.

34. The Amended and Restated Plan that was considered and voted on at the Meeting on January 31, 2014 includes a framework that could facilitate the implementation of a potential resolution of this matter provided that both the Applicant and the Majority Consenting Noteholders agree to any such resolution. In addition, and as more particularly described below, the Monitor notes that the outcome of the vote on the Amended and Restated Plan at the Meeting would not be affected even if the Plaintiffs in the 2012 Litigation had a valid Voting Claim in an amount equal to the Aggregate Damage Claim Amount (as defined below and being the total amount of damages being asserted by the Plaintiffs in the 2012 Litigation) that was voted against the Amended and Restated Plan.

35. Canadian counsel to the Plaintiffs in the 2012 Litigation filed a draft Notice of Motion with this Honourable Court on January 31, 2014 (the “**Draft Titcomb Notice of Motion**”), which has not been served on the Service List as of the date of this Monitor’s Third Report, requesting an order that, *inter alia*: (a) lifts the stay of proceedings; (b) declares that the claim of the Plaintiffs in the 2012 Litigation is an Excluded Claim; (c) amends the Amended and Restated Plan to prevent the release of certain claims; (d) exempts the Plaintiffs in the 2012 Litigation from filing their claim or, alternatively, allows the Plaintiffs in the 2012 Litigation to file their claim late; and (e) challenges the classification of the Creditors in the Amended and Restated Plan.

36. Based on the Draft Titcomb Notice of Motion, the total amount of damages asserted by the Plaintiffs in the 2012 Litigation is \$85,000,000 (the “**Aggregate Damage Claim Amount**”). The Aggregate Damage Claim Amount is comprised, in part, by alleged damages in the amount of (a) \$7,112,000 in connection with a wrongful dismissal claim (the “**Wrongful Dismissal Damage Claim Amount**”); (b) \$20,000,000 in connection with a breach of contract claim; and (c) \$25,000,000 United States dollars in connection with a claim based on alleged oppressive actions.

37. On February 3, 2014, the Monitor and counsel for the Monitor, the Applicant, the Ad Hoc Committee and the Plaintiffs in the 2012 Litigation appeared before the Honourable Justice Morawetz. After hearing submissions from counsel, the Honourable Justice Morawetz scheduled the Applicant’s motion to sanction and approve the Amended and Restated Plan for Thursday, February 6, 2014 (the “**Sanction Hearing**”). To the extent that counsel to the Applicant, the Ad Hoc Committee and the Plaintiffs in the 2012 Litigation are unable to reach a consensual settlement of the outstanding issues among them, counsel for the Plaintiffs in the 2012 Litigation will be afforded an opportunity to make submissions for relief at the Sanction Hearing.

CREDITORS’ MEETING

38. As described in the Monitor’s Second Report, the Monitor adjourned the Meeting to Friday, January 31, 2014 at 10:00 a.m. pursuant to and in accordance with the Meeting Order. This change in the date of the Meeting was set out in a press release issued by the Applicant on Saturday, January 25, 2014. The Monitor subsequently delivered notices of the adjournment by email to the Service List on Saturday, January 25, 2014 and posted this press release on the Monitor’s website in accordance with the Meeting Order on Monday, January 27, 2014.

39. In accordance with the Meeting Order, the Monitor:
- (a) caused a copy of the Information Package (as defined in the Meeting Order), the Meeting Order and the Pre-Filing Report to be posted on the Monitor's website;
 - (b) sent the Information Package (other than the Affected Creditors Proxy, as such term is defined in the Meeting Order) to the Solicitation/Election Agent following the granting of the Meeting Order by this Honourable Court; and
 - (c) sent the Information Package (without the instructions to Participant Holders, Beneficial Noteholder Voting Instruction Form, Master Proxy and the Election Form, as such terms are defined in the Meeting Order) to all Affected Unsecured Creditors (other than Noteholders) known to the Applicant (and as the Applicant has advised the Monitor).
40. In advance of the Meeting, the Monitor also served and filed the Monitor's Second Report on January 24, 2014 in accordance with section 23(1)(d.1) of the CCAA.
41. The Monitor commenced the Meeting on January 31, 2014 at 10:00 a.m. Following consultation with the Applicant and Goodmans LLP, on behalf of the Majority Consenting Noteholders, the Chair (as defined herein) adjourned the Meeting until 2:00 p.m. on the same day to allow counsel to the Applicant, the Ad Hoc Committee and the Plaintiffs in the 2012 Litigation to discuss and advance outstanding matters. The Monitor delivered notice of this adjournment by email to the Service List.
42. Following consultation with the Applicant and Goodmans LLP, on behalf of the Majority Consenting Noteholders, the Chair subsequently adjourned the Meeting from 2:00 p.m.

to 4:00 p.m. in order to provide more time for discussions to occur among the parties; the Monitor delivered notice of such adjournment by email to the Service List.

43. Immediately prior to the scheduled commencement of the Meeting in the late afternoon, counsel to the Monitor sent an email to counsel to the Plaintiffs in the 2012 Litigation to inform him that the Meeting would be proceeding at 4:00 p.m. The Chair commenced the Meeting at 4:00 p.m., but adjourned once again to 4:45 p.m. after consultation with the Applicant and Goodmans LLP, on behalf of the Majority Consenting Noteholders, to allow the Applicant to finalize the Amended and Restated Plan. The Chair reconvened the Meeting at 4:45 p.m. and concluded the Meeting at approximately 5:05 p.m.

44. In accordance with the Meeting Order and the Amended and Restated Plan, each Affected Unsecured Creditor was entitled to one vote as a member of the Affected Creditors Class.

45. The Meeting Order requires the Monitor to file this Monitor's Third Report with the Court by no later than one Business Day after the Meeting or any adjournment thereof, as applicable, with respect to the results of the vote, including whether:

- (a) the Amended and Restated 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.

Conduct of the Meeting

46. The Meeting was held at the offices of Norton Rose Fullbright Canada LLP, 200 Bay Street, Suite 3800, Toronto, Ontario, Canada M5J 2Z4 on January 31, 2014 commencing at 4:45 p.m.

47. In accordance with the Meeting Order, Greg Watson, an officer of FTI, acted as the chair (the “**Chair**”) of the Meeting. Michael Kennedy of FTI acted as secretary of the Meeting (the “**Secretary**”) and Jodi Porepa of FTI acted as scrutineer (the “**Scrutineer**”).

48. The Chair held 81 proxies from Affected Unsecured Creditors thereby satisfying the requirement that a quorum of at least one Affected Unsecured Creditor was present either in person or by proxy. Accordingly, the Chair declared that the Meeting was properly constituted. The Scrutineer’s report with respect to attendance at the Meeting at 4:45 p.m. is attached hereto as Appendix “D”.

49. At the Meeting, the Applicant presented the Chair with a supplement to the Plan that included an amended and restated version of the Plan (the “**Amended and Restated Plan**”) and an amended and restated Information Package with, among other things, (a) a draft copy of the Articles of Reorganization contemplated by the Amended and Restated Plan, (b) the form of Monitor’s certificate to be delivered pursuant to Section 12.6 of the Amended and Restated Plan, (c) a summary of the escrow arrangements established to administer the Disputed Distribution Claims Reserve, (d) a summary of the escrow arrangements established with the Escrow Agent and (e) a draft of the proposed form of Sanction Order (collectively, the “**Plan Supplement**”).

Results of the Voting at the Meeting

50. The Chair, as a proxy for one or more Affected Unsecured Creditors, proposed a motion that the resolution with respect to the Amended and Restated Plan (the “**Plan Resolution**”) be approved, ratified and confirmed. A copy of the Plan Resolution is attached hereto as Appendix “E”. A copy of the Amended and Restated Plan in the form posted on the Monitor’s website was provided to the Secretary to be attached to the minutes of the Meeting and is attached hereto as Appendix “F”.

51. Greg Watson of FTI Consulting Canada Inc., in its capacity as Monitor, as a proxy for one or more Affected Unsecured Creditors, seconded the motion to approve the Plan Resolution and a vote by confidential written ballot was called for by the Chair.

52. The Affected Unsecured Creditors or their proxies voted as a single class as provided for in the Amended and Restated Plan and the Meeting Order. The Scrutineer tabulated the votes cast in respect of the Amended and Restated Plan and the Chair reported the results at the Meeting. The Scrutineer’s report showed that the Plan Resolution has been duly carried by a majority of votes at the Meeting, comprising in excess of two-thirds in value and the Chair declared the Plan Resolution approved by the holders of Affected Unsecured Claims.

53. The Monitor notes that it received 81 proxies by 10 a.m. on January 30, 2014. The Monitor also received and accepted 1 additional proxy submitted after 10 a.m. on January 30, 2014, the deadline set for submission of proxies once the Meeting had been adjourned. This one proxy voted in favour of the Plan and did not alter the outcome of the vote.

54. A summary of the Voting Claims of Affected Unsecured Creditors or their proxy holders on the motion to approve the Plan Resolution is as follows:

	Number	Value	% Number	% Value
In Favour	81	\$ 227,628,000	100%	100%
Against	-	\$ -	0%	0%
Total	81	\$227,628,000	100%	100%

55. The Scrutineer's report on the results of the vote on the motion to approve the Plan Resolution also noted that 1 Affected Unsecured Creditor with a Disputed Voting Claim voted for the motion to approve the Plan Resolution and such vote did not affect the outcome of the vote. A summary of the Voting Claims and Disputed Voting Claims of the Affected Unsecured Creditors or their proxy holders on the motion to approve the Plan Resolution is included below. A copy of the Scrutineer's report on the results of the voting on the motion to approve the Plan Resolution is attached hereto as Appendix "G".

	Number	Value	% Number	% Value
In Favour	82	\$ 227,693,744	100%	100%
Against	-	\$ -	0%	0%
Total	82	\$227,693,744	100%	100%

56. The Chair declared that the requisite majority required by the Meeting Order and section 6 of the CCAA had been obtained and the Plan Resolution was approved by the Affected Unsecured Creditors.

57. The Meeting was terminated at approximately 5:05 p.m.

Additional Considerations Regarding the Voting at the Meeting

58. In response to the Draft Titcomb Notice of Motion, the Monitor calculated the results of the vote on the motion to approve the Plan Resolution to consider the impact, if any, on the voting results if the Plaintiffs in the 2012 Litigation were to submit a late claim in the claims procedure and were to vote against the Amended and Restated Plan. The Monitor considered the

impact if the Plaintiffs in the 2012 Litigation voted (a) the Wrongful Dismissal Damage Claim Amount, being the lowest head of damages specified in the Notice of Motion, and (b) the Aggregate Damage Claim Amount, being the total amount of damages asserted by the Plaintiffs in the 2012 Litigation (which the Monitor notes is higher than the heads of damages particularized in the Draft Titcomb Notice of Motion).

59. A summary of the Voting Claims and Disputed Voting Claims on this motion, assuming a late claim was filed in the amount equal to the Wrongful Dismissal Damage Claim (being \$7,112,000) and was voted against the Amended and Restated Plan, is included below:

	Number	Value	% Number	% Value
In Favour	82	\$ 227,693,744	99%	97%
Against	1	\$ 7,112,000	1%	3%
Total	83	\$234,805,744	100%	100%

60. A summary of the Voting Claims and Disputed Voting Claims on this motion, assuming a late claim was filed in the amount equal to the Aggregate Damage Claim Amount (being \$85,000,000) and was voted against the Amended and Restated Plan, is included below:

	Number	Value	% Number	% Value
In Favour	82	\$ 227,693,744	99%	73%
Against	1	\$ 85,000,000	1%	27%
Total	83	\$312,693,744	100%	100%

61. The Monitor's calculation of results of the vote on the motion to approve the Plan Resolution, considering the possibility that the Plaintiffs in the 2012 Litigation were to submit a late claim in the claims procedure and to vote against the Plan, indicates that in all scenarios, such vote does not affect the outcome of the Meeting. The requisite majority required by the Meeting Order and section 6 of the CCAA would still be obtained and the Plan Resolution would still be approved by the Affected Unsecured Creditors.

SUMMARY OF KEY TERMS IN THE AMENDED AND RESTATED PLAN

62. The Second Willock Affidavit provides a detailed explanation of the key amendments to the Plan contained in the Amended and Restated Plan. These key amendments include the following:

- (a) the definition of “Excluded Claims” has been expanded to include:
 - (i) any claims against a Director and/or Officer that the Majority Consenting Noteholders and the Applicant have agreed, prior to the Implementation Date, will constitute Excluded Claims for the purpose of the Amended and Restated Plan (the “**Agreed Excluded Director/Officer Litigation Claims**”);
 - (ii) any claims against Jaguar that the Majority Consenting Noteholders and the Applicant have agreed, prior to the Implementation Date, will constitute Excluded Claims for the purposes of the Amended and Restated Plan (the “**Agreed Excluded Jaguar Litigation Claims**”); and
 - (iii) the claim of the Canada Revenue Agency (the “**CRA**”) as described in the proof of claim dated January 21, 2014 in the amount of \$5,969.13 with respect to certain GST/HST amounts that the CRA asserts are unpaid and held in trust by the Applicant, which was filed by the CRA in the CCAA Proceeding;
- (b) various amendments to confirm that (i) the Agreed Excluded Director/Officer Litigation Claims and the Agreed Excluded Jaguar Litigation Claims (collectively, the “**Agreed Excluded Litigation Claims**”) are not being

compromised, released, discharged, cancelled and barred, provided that the post Implementation Date recovery in respect of the Agreed Excluded Litigation Claims is limited solely to proceeds from applicable insurance policies, and (ii) Persons with such claims shall have no right to seek or obtain recovery on such claims from any other Persons, including the Applicant, the Subsidiaries, or any Directors or Officers;

- (c) confirmation that nothing in the Amended and Restated Plan shall prejudice, compromise, release or otherwise affect any right or defence of any insurer in respect of a Director/Officer Insurance Policy or Jaguar Insurance Policy or any insured in respect of an Agreed Excluded Litigation Claim or a Section 5.1(2) Director/Officer Claim; and
- (d) the Amended and Restated Plan now provides that recovery in respect of Section 5.1(2) Director/Officer Claims is limited to proceeds from applicable insurance policies in respect of all Directors and Officers and not only the Named Directors and Officers.

63. In addition, the Monitor notes the following in respect of the Amended and Restated Plan:

- (a) the definition of “Excluded Claims” now provides that no claims that have been or may be asserted by any Persons that have asserted an Agreed Excluded Director/Officer Litigation Claim and/or an Agreed Excluded Jaguar Litigation Claim, as agreed to by the Majority Consenting Noteholders and the Applicant prior to the Implementation Date (collectively, the “**Agreed Excluded Litigation Claimants**”) shall constitute claims that cannot be compromised pursuant to

subsection 19(2) of the CCAA for the purposes of the to the Amended and Restated Plan;

(b) the “Subscription Record Date” has been changed from the date of the Initial Order to December 19, 2013; and

(c) the conditions precedent to the Amended and Restated Plan have been modified so that:

(i) the Third Amended and Restated Share Appreciation Rights Plan of Jaguar, effective as of December 8, 2010, shall be addressed in a manner acceptable to the Applicant and the Majority Consenting Noteholders, in addition to the DSU Plan and the RSU Plan; and

(ii) a new condition precedent has been added to the Amended and Restated Plan requiring that no insurer under a Director/Officer Insurance Policy or a Jaguar Insurance Policy shall have an unresolved objection, filed in the CCAA Proceedings, to the implementation of the Amended and Restated Plan.

64. With respect to the expansion of the definition of “Excluded Claims” to include Agreed Excluded Director/Officer Litigation Claims and Agreed Excluded Jaguar Litigation Claims, the Monitor notes that a determination by the Applicant and the Majority Consenting Noteholders of any such excluded claims may occur prior at any time to the Implementation Date. Accordingly, the determination of which claims, if any, may be treated as either an Agreed Excluded Director/Officer Litigation Claim or an Agreed Excluded Jaguar Litigation Claim may be made after the date of the Sanction Hearing and the date upon which submissions may be

made by counsel to the Plaintiffs in the 2012 Litigation in respect of the Draft Titcomb Notice of Motion.

65. With respect to the new condition precedent described in paragraph 63(c)(ii) above, the Monitor has been advised that the Applicant's counsel has served the applicable insurers under the Director/Officer Insurance Policy and the Jaguar Insurance Policy with its motion record for the Sanction Hearing and has engaged in discussions with counsel to certain of those insurers.

66. The Monitor also notes that the Amended and Restated Plan continues to provide that Director/Officer Claims against Directors and/or Officers that are not Named Directors and Officers (collectively, the "**Other Directors and/or Officers**") will not be compromised, released, discharged, cancelled or barred. In addition, only the Named Directors and Officers get the benefit of the injunctive relief provided by section 11.2 of the Amended and Restated Plan. As described in the Second Willock Affidavit, the Amended and Restated Plan expanded the definition of Named Directors and Officers to include all Directors and Officers except for the Plaintiffs in the 2012 Litigation and other Directors and/or Officers, if any, that have commenced proceedings against the Applicant or any of its affiliates.

67. Similarly, the Amended and Restated Plan now contains a carve out to the definition of "Director/Officer Indemnity Claims" to preserve any existing or future right of any current director of Jaguar (as of the date of the Amended and Restated Plan) who is a defendant to any Agreed Excluded Director/Officer Litigation Claims against Jaguar for indemnification of reasonable defence costs incurred by such current director of Jaguar solely to the extent that such defence costs are not covered by insurance and for which such Director or Officer of Jaguar is entitled to be indemnified by Jaguar.

SUMMARY OF KEY TERMS IN THE ESROW AGREEMENT

68. As contemplated in the Amended and Restated Plan, the Applicant and the applicable Participating Eligible Investors and Funding Backstop Parties have entered into an escrow agreement (the “**Escrow Agreement**”) with Shorecrest Group Ltd. (the “**Escrow Agent**”). Pursuant to the Escrow Agreement, Participating Eligible Investors and Funding Backstop Parties (the “**Share Offering Participants**”) will deposit funds, pursuant to the Share Offering, in escrow with the Escrow Agent. The Escrow Agent will release the deposited funds (the “**Escrow Funds**”) pursuant to the terms of the Escrow Agreement. As further described in the Plan Supplement, the Escrow Agreement provides that the Escrow Agent will, *inter alia*:

- (a) release the Escrow Funds to, or as may be directed by, the Applicant if the Share Offering becomes effective;
- (b) release the Escrow Funds to the Share Offering Participants if the Amended and Restated Plan or the Backstop Agreement has been terminated or if the Share Offering has not become effective in accordance with its terms on or before the Outside Date;
- (c) if the Backstop Agreement has been terminated with respect to an individual Backstop Party or if a Participating Eligible Investor is no longer an Electing Eligible Investor under the Amended and Restated Plan, release the applicable Escrowed Funds to such Backstop Party or Participating Eligible Investor;
- (d) return any funds deposited by a Share Offering Participant that are in excess of its obligations under the Share Offering; and

- (e) return any funds deposited by an Electing Eligible Investor that deposits only a portion of its Electing Eligible Investor Funding Amount by the Electing Eligible Investor Funding Deadline (in which case such party shall cease to be an Electing Eligible Investor as of the Electing Eligible Funding Deadline).

REQUEST FOR SANCTIONING THE AMENDED AND RESTATED PLAN

69. The Monitor outlined the details of the Plan, reported on liquidation or bankruptcy alternatives should the Plan not be approved and implemented and provided its view on the fairness and reasonableness of the Plan in the Monitor's Second Report. In this Monitor's Third Report, the Monitor has outlined the details of the Amended and Restated Plan. Based on all of the factors more particularly described in the Monitor's Second Report and herein, on balance, the Monitor holds the view that:

- (a) it appears that the likely alternative to the Amended and Restated Plan would be an expedited liquidation, which could have an adverse effect on the Company and its stakeholders such that the recoveries under a liquidation scenario could result in less value to the stakeholders than what is contemplated under the Amended and Restated Plan (except with respect to holders of Equity Claims as they do not receive any recoveries in respect of such claims under the Amended and Restated Plan or in a liquidation scenario); and
- (b) the Amended and Restated Plan is fair and reasonable, including the fact that the Amended and Restated Plan provides for no recoveries to holders of Equity Claims.

70. As described above, 100% in number and 100% in value of the Affected Unsecured Creditors present in person or by proxy and voting at the Meeting voted to approve the Amended and Restated Plan, and the Amended and Restated Plan was therefore approved by the Affected Unsecured Creditors. There were no Affected Unsecured Creditors that voted against the Amended and Restated Plan.

71. The Amended and Restated Plan satisfies the requirements of the CCAA, in particular the requirements contained in section 6 thereof.

MONITOR'S ACTIVITIES

72. Since its appointment, the Monitor has been involved with numerous aspects of the CCAA Proceedings with a view to fulfilling its statutory and court-ordered duties and obligations, as well as assisting the Applicant and its stakeholders in addressing restructuring issues. FTI Consulting Canada Inc. described some of the more significant matters that it was involved in prior to the Filing Date in the Pre-Filing Report. In addition, the Monitor described some of the more significant matters that it was involved in since the Filing Date until January 13, 2014 in the Monitor's First Report. Since then, some of the more significant matters that the Monitor has been involved in, and assisted with, include, but are not limited to, the following:

- (a) posting various materials relating to the CCAA Proceedings on its website <http://cfcanada.fticonsulting.com/jaguar> and continuing to update the website by posting, among other things, the Monitor's reports, motion materials, and Orders granted in the CCAA Proceedings;
- (b) maintaining a toll free hotline number (416-649-8044 / 1-855-754-5840) and a dedicated email inbox (jaguarmining@fticonsulting.com) to allow creditors and

other interested parties to contact the Monitor to obtain additional information concerning the CCAA Proceedings and responding in a timely manner to over 55 calls and emails received by the Monitor as of the date of this Monitor's Third Report;

- (c) participating in numerous meetings and discussions with senior management of the Applicant and the Applicant's legal and financial advisors in connection with the Applicant's business and financial affairs, generally, and in connection with the preparation of the Applicant's cash flow forecasts;
- (d) participating in numerous meetings and discussions with the Applicant, the Applicant's legal and financial advisors, the Solicitation/Election Agent, the Trustees and counsel to the Ad Hoc Committee in connection with matters related to the Plan, the Amended and Restated Plan, the Claims Procedure Order and Meeting Order;
- (e) assisting the Applicant with the review of the Applicant's receipts and disbursements, the preparation of cash flow forecasts and the reporting thereon;
- (f) engaging with and providing regular updates to counsel for Global Resource Fund;
- (g) engaging with, and assisting the Applicant in negotiations with, counsel to the Plaintiffs in the 2012 Litigation;
- (h) assisting the Applicant with developing the form of Stay Extension Order and Sanction Order;

- (i) delivering, publishing and making otherwise available various notices of the Meeting and the Meeting materials;
- (j) preparing and delivering the Monitor's Second Report in accordance with section 23(1)(d.1) of the CCAA, and this Monitor's Third Report;
- (k) reviewing materials relating to the Renvest Facility, and corresponding with counsel in Brazil with respect to the review of the validity and enforceability of the Subsidiary Share Security;
- (l) assisting the Applicant in preparing for, and conducting, the Meeting;
- (m) assisting the Applicant with the review and resolution of various claims asserted in and outside of the claims process set out in the Claims Procedure Order; and
- (n) responding to enquiries from creditors regarding the Plan and the claims process set out in the Claims Procedure Order;

PROFESSIONAL FEES

73. The Monitor and its counsel have maintained detailed records of their professional costs and time during the course of the CCAA Proceedings, as detailed in the Affidavit of Greg Watson sworn February 3, 2014 and the Affidavit of Michael De Lellis sworn February 3, 2014 (collectively, the "**Fee Affidavits**"). The Monitor has reviewed the fees of its counsel and believes they are reasonable. Copies of the Fee Affidavits are attached to this Monitor's Third Report as Appendix "H" and "I", respectively.

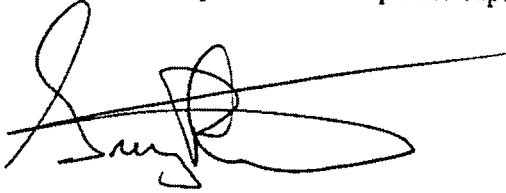
CONCLUSIONS AND RECOMMENDATION

74. It is the Monitor's view that the Company continues to act with due diligence and in good faith and has not breached any requirements under the CCAA or any Order of the Court. The Monitor is also of the view that the Amended and Restated Plan is fair and reasonable and recommends that the Amended and Restated Plan be sanctioned.

75. The Monitor also respectfully requests that this Honourable Court approve the Pre-Filing Report, the Monitor's First Report and the Monitor's Second Report and the activities of the proposed Monitor and Monitor described therein, as well as the fees and disbursements of the Monitor and its counsel (as particularized in the Fee Affidavits).

Dated this 3rd day of February, 2014.

FTI Consulting Canada Inc.
in its capacity as the Monitor of Jaguar Mining Inc.
and not in its personal or corporate capacity

A handwritten signature in black ink, appearing to read 'Greg Watson', with a long horizontal line extending to the right.

Greg Watson
Senior Managing Director

A handwritten signature in black ink, appearing to read 'Jodi B. Porepa'.

Jodi B. Porepa
Managing Director

Appendix "A"

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
OR ARRANGEMENT OF JAGUAR MINING INC.

**PRE-FILING REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.
IN ITS CAPACITY AS PROPOSED MONITOR**

December 21, 2013

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Solicitors for FTI Consulting Canada Inc.,
in its capacity as Proposed Monitor

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

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**PRE-FILING REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.
IN ITS CAPACITY AS PROPOSED MONITOR**

INTRODUCTION

1. FTI Consulting Canada Inc. ("**FTI**" or the "**Proposed Monitor**") has been informed that Jaguar Mining Inc. (the "**Applicant**") intends to make an application under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for:

- (a) an initial order (the "**Initial Order**") granting, *inter alia*, a stay of proceedings against the Applicant until and including January 22, 2014 and appointing FTI as the monitor of the Applicant (the "**Monitor**");
- (b) an order (the "**Claims Procedure Order**") establishing a process for the identification and determination of claims against the Applicant and its present and former directors and officers; and
- (c) an order (the "**Meeting Order**") authorizing the Applicant to file a plan of compromise and arrangement (the "**CCAA Plan**") and to convene a meeting of its affected creditors to consider and vote on the CCAA Plan.

2. The proceeding to be commenced by the Applicant under the CCAA will be referred to herein as the “**CCAA Proceeding**”.

PURPOSE

3. The purpose of this report is to provide the Court with the following:
- (a) FTI’s qualifications to act as Monitor (if appointed);
 - (b) an overview of the Applicant and its current situation;
 - (c) a summary of the activities that FTI has been involved in to date with respect to the business and affairs of the Applicant;
 - (d) FTI’s comments regarding the proposed extension of the stay of proceedings to the Applicant’s Subsidiaries with respect to the Applicant Related Liabilities (as defined herein);
 - (e) FTI’s comments regarding the proposed Administration Charge and Directors’ Charge;
 - (f) FTI’s comments regarding the proposed approval of the Financial Advisors engagement;
 - (g) FTI’s comments regarding the timing set out in the Claims Procedure Order and the Meeting Order;
 - (h) FTI’s comments regarding the role of the Solicitation/Election Agent (as defined in the proposed form of Initial Order) in connection with obtaining proxies and/or voting information and subscription election forms from Registered Holders

and/or Beneficial Noteholders (as such terms are defined in the proposed form of Meeting Order) who are entitled to vote on the CCAA Plan;

- (i) FTI's comments regarding the proposed consent requirement in favour of certain holders of the Notes with respect to the process for dealing with Disputed Claims and Disputed Director/Officer Claims (as such terms are defined in the proposed form of Claims Procedure Order);
- (j) FTI's comments regarding the proposed payment of certain pre-filing amounts;
- (k) FTI's comments regarding the Applicant's consolidated 10 week cash flow projections of its receipts and disbursements to February 28, 2014 (the "**Cash Flow Forecast**") and the reasonableness thereof, in accordance with section 23(1)(b) of the CCAA; and
- (l) FTI's conclusions and recommendations.

TERMS OF REFERENCE

4. In preparing this report, FTI has relied upon unaudited financial information, other information available to FTI, where appropriate the Applicant's books and records, and discussions with various parties, including the Applicant's senior management, counsel to the Applicants, counsel to the Ad Hoc Committee, counsel to the Special Committee, the Trustees (as defined in the proposed form of Claims Procedure Order) and the proposed Solicitation/Election Agent.

5. FTI has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Future oriented financial information reported or relied on in

preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.

6. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms not otherwise defined herein have the meanings defined in the affidavit of David M. Petroff, the Chief Executive Officer of the Applicant, filed in support of the CCAA Proceeding (the "**Petroff Affidavit**").

FTI'S QUALIFICATIONS TO ACT AS MONITOR

7. FTI was retained by the Applicant on December 13, 2013 to provide certain financial advisory and consulting services.

8. FTI is a trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and is not subject to any of the restrictions on who may be appointed as monitor set out in section 11.7(2) of the CCAA.

9. FTI has provided its consent to act as Monitor in the CCAA Proceeding (a copy of which is attached hereto as Appendix "A").

OVERVIEW OF THE APPLICANT AND ITS CURRENT SITUATION

10. The Applicant is the parent company in the Jaguar Group that is engaged in the acquisition, exploration, development and operation of gold producing properties in Brazil. The Applicant also owns additional mineral resources at its approximate 210,000-hectare land base in Brazil. The parent company itself does not carry on active gold mining operations and is located in Toronto, Canada.

11. The Applicant is a public company with shares listed on the Toronto Stock Exchange (“TSX”) under the symbol “JAG”. As of the date of this filing, 86,396,356 common shares were issued and outstanding and trading on the TSX.

12. Certain events and occurrences over the last 20 months have led the Applicant and its business to its current situation:

- (a) Since 2012, there has been a turnover of the Applicant’s senior management and Board of Directors. A new chief executive officer was appointed in 2012, along with a new chief financial officer and chief operating officer in 2013;
- (b) In May 2012, the Applicant announced the implementation of a comprehensive restructuring and turnaround plan;
- (c) In May 2013, the Applicant engaged a financial advisor to consider strategic alternatives for the Jaguar Group;
- (d) In June 2013, the Applicant entered into discussions with the Ad Hoc Committee regarding a recapitalization and financing proposal;
- (e) In October 2013, an independent committee comprised of three members of the Board of Directors (the “**Special Committee**”) was established by the Board of Directors to consider strategic matters relating to the Applicant;
- (f) In November 2013, the Applicant issued press releases that its Board of Directors had approved a term sheet outlining the terms of a recapitalization plan, and that it had entered into a Support Agreement;

- (g) On December 2, 2013, the Applicant committed an event of default under the 4.5% Notes Indenture as a result of the non-payment of approximately \$3.7 million of interest. As a result of this event of default certain remedies became available, including possible acceleration of the principal amount and accrued and unpaid interest on the convertible notes issued pursuant to the 4.5% Notes Indenture. As at November 30, 2013, that principal and accrued interest under the 4.5% Notes Indenture totalled approximately \$169.3 million; and
- (h) On December 13, 2013, FTI was retained by the Applicant to provide certain financial advisory and consulting services.

13. In summary, FTI has been advised that the Applicant would have no means of repaying or refinancing the obligations under the convertible notes issued pursuant to the 4.5% Notes Indenture if they were accelerated or the obligations under the Renvest Facility and the 2016 Notes if they were accelerated as a result of the event of default under the 4.5% Notes Indenture, that the Applicant is facing a foreseeable liquidity crisis and that the Applicant's proposed resolution to these issues cannot be implemented in the current circumstances without a Court-supervised process.

ACTIVITIES OF THE PROPOSED MONITOR

14. Since being retained, FTI has been involved in numerous activities, including:
- (a) attending at the Applicant's premises;
 - (b) participating in numerous meetings and discussions with senior management of the Applicant and the Applicant's legal and financial advisors in connection with

the Applicant's business and financial affairs, generally, and in connection with the preparation of the Cash Flow Forecast;

- (c) participating in numerous meetings and discussions with the Applicant, counsel to the Applicant, the Solicitation/Election Agent, the Trustees and counsel to the Ad Hoc Committee in connection with the proposed forms of Initial Order, Claims Procedure Order and Meeting Order;
- (d) engaging legal counsel, who has also participated in certain of the above-noted meetings and discussions;
- (e) reviewing and considering various documentation in connection with the CCAA Proceeding; and
- (f) preparing this report.

15. Given FTI's recent engagement, FTI will not be commenting on the following in this report:

- (a) the prior strategic review completed by the Applicant over the last seven (7) months, with the assistance of its financial and legal advisors;
- (b) the Renvest Facility and the validity, enforceability and perfection of the security granted by the Applicant in favour of Global Resource Fund in connection therewith;
- (c) the litigation commenced on March 27, 2012 by, among others, the former chief executive officer of the Applicant, which is more particularly described in the Petroff Affidavit (the "**2012 Litigation**");

- (d) the development of the CCAA Plan and Information Circular (as defined in the proposed form of Meeting Order) and the terms and conditions contained therein;
or
- (e) the terms and conditions of the Support Agreement and the Backstop Agreement, which are incidental to the CCAA Plan.

16. If this Honourable Court approves the appointment of FTI as Monitor, FTI will report further on the status of the CCAA Proceeding and will provide its statutory report to the Court on the CCAA Plan pursuant to the terms of the CCAA at the appropriate time.

17. To avoid unnecessary duplication, this report will not discuss certain information contained in the Petroff Affidavit, including information in connection with the Jaguar Group, its liquidity and leverage concerns, efforts to improve the Applicant's operating results, strategic alternatives and the CCAA Plan. Accordingly, this report should be read in conjunction with the Petroff Affidavit.

STAY OF PROCEEDINGS

18. The CCAA Proceeding is in respect of the Applicant, which does not carry on active gold mining operations. The Subsidiaries are not applicants in the CCAA Proceeding. FTI is advised that the principal objective of the CCAA Proceeding is to effect a recapitalization and financing transaction on an expedited basis to provide a stronger financial foundation for the Applicant and the Subsidiaries going forward and additional liquidity to allow the Applicant and the Subsidiaries to work towards their operational and financial goals.

19. In addition to the stay of proceedings against the Applicant, the Applicant is also seeking an extension of the stay of proceedings to:

- (a) prevent the commencement or continuation of a Proceeding (as defined in the proposed form of Initial Order) against or in respect of any of 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 Applicant's business (collectively, the "**Applicant Related Liabilities**") and any Subsidiary Property (as defined in the proposed form of Initial Order) with respect to any Applicant Related Liabilities; and
- (b) stay and suspend any and all such proceedings that may be currently underway by any person pending further Order of this Honourable Court.

20. FTI understands that the Applicant may be a party to certain agreements with some or all of the Subsidiaries or be the beneficiary of a guarantee or other indemnity provided by the Subsidiaries to support obligations of the Applicant. In particular, FTI has been advised that the Subsidiaries have provided a guarantee under the Renvest Facility.

21. In addition, these agreements, guarantees and/or indemnities may contain cross default provisions, which could entitle the co-contracting parties to take enforcement steps against the Subsidiaries and the Subsidiary Property in certain circumstances. The proposed extension of the stay of proceedings to the Applicant Related Liabilities is intended to provide protection to the Applicant and the Subsidiaries in the event that a creditor or co-contracting party takes enforcement steps against the Subsidiaries due to, among other things, the granting of the Initial Order, the commencement of the CCAA Proceeding by the Applicant, or any other existing event of default such as the event of default under the 4.5% Notes Indenture (as more particularly described in the Petroff Affidavit).

22. The Applicant further advised FTI that the Subsidiaries are vital to the Applicant as the active gold mining operations of the Jaguar Group are carried out through the Subsidiaries and not the Applicant. Accordingly, the Applicant has advised FTI that the protections sought in the proposed form of Initial Order on behalf of the Subsidiaries and the Subsidiary Property are vital to the Applicant's ongoing viability.

23. Based on the foregoing, FTI supports the extension of the stay of proceedings to prevent the commencement or continuation of a Proceeding against or in respect of any of the Subsidiaries with respect to any Applicant Related Liabilities and any Subsidiary Property with respect to any Applicant Related Liabilities.

COURT-ORDERED CHARGES

24. The proposed form of Initial Order provides for an administration charge on the Property (as such term is defined in the proposed form of Initial Order), which shall not exceed an aggregate amount of \$5 million, and that is bifurcated into:

- (a) a first-ranking charge on the Applicant's Property in an amount not to exceed \$500,000 (the "**Primary Administration Charge**") to secure the fees and disbursements incurred in connection with services rendered to the Applicant both before and after the commencement of the CCAA Proceeding by domestic and foreign counsel to the Applicant, the Proposed Monitor, domestic and foreign counsel to the Proposed Monitor, independent counsel to the Special Committee, domestic and foreign counsel to the Ad Hoc Committee, and the Financial Advisors; and
- (b) a charge on the Applicant's Property in an amount not to exceed \$4,500,000 (the "**Subordinated Administration Charge**") to secure the fees and disbursements

incurred in connection with services rendered to the Applicant both before and after the commencement of the CCAA Proceeding by domestic and foreign counsel to the Applicant, the Proposed Monitor, domestic and foreign counsel to the Proposed Monitor, independent counsel to the Special Committee, domestic and foreign counsel to the Ad Hoc Committee, and the Financial Advisors, which will rank behind the Primary Administration Charge, the Directors' Charge (as defined herein) and the security granted by the Applicant to secure the obligations under the Renvest Facility prior to the commencement of the CCAA Proceeding (the "**Renvest Security**").

25. Notwithstanding the foregoing, the proposed form of Initial Order clarifies that each of the Financial Advisors shall only be entitled to the benefit of the Primary Administration Charge to the extent it relates to their respective monthly work fees as set out in the terms and conditions of their respective FA Engagement Letters.

26. The proposed form of Initial Order also provides for a charge on the Applicant's Property in an amount not to exceed \$150,000 (the "**Directors' Charge**") to protect the directors and officers against obligations and liabilities that they may incur as directors and officers of the Applicant after the commencement of the CCAA Proceeding, except to the extent that the obligation or liability is incurred as a result of the director's or officer's gross negligence or wilful misconduct. The benefit of the Directors' Charge will only be available to the extent that a liability is not covered by the D&O Insurance. The Directors' Charge will rank subsequent to the Primary Administration Charge, but in priority to the Renvest Security and the Subordinated Administration Charge.

27. The effect of the proposed Court-ordered charges in relation to each other is the following ranking:

- (a) First - the Primary Administration Charge (to the maximum amount of \$500,000);
- (b) Second – the Directors’ Charge (to the maximum amount of \$150,000);
- (c) Third – the Renvest Security; and
- (d) Fourth - the Subordinated Administration Charge (to the maximum amount of \$4,500,000).

28. FTI has worked with the Applicant to determine the proposed quantum of the Court-ordered charges. Accordingly, FTI believes that the above noted proposed Court-ordered charges and rankings are required and reasonable in the circumstances of the CCAA Proceeding in order to preserve going concern operations of the Applicant and, accordingly, supports the granting of and the proposed ranking of the charges.

29. FTI is further advised by the Applicant that after conducting Personal Property Security Registration System searches in Ontario current to December 16, 2013, the only party that was revealed as having a registration against the Applicant was Global Resource Fund, and Global Resource Fund will receive notice of the CCAA Proceeding.

APPROVAL OF THE FINANCIAL ADVISORS ENGAGEMENT

30. The Applicant is seeking the approval of the FA Engagement Letters. Copies of the Canaccord Engagement Letter and the Houlihan Engagement Letter are attached as confidential exhibits to the Petroff Affidavit.

31. The Applicant has advised FTI that the Financial Advisors have worked extensively with the Applicant in its pre-CCAA restructuring efforts and have extensive knowledge of the options that the Applicant has considered. Accordingly, the Applicant has advised FTI that the approval of the engagement of the Financial Advisors is appropriate in the circumstances.

TIMELINE SET OUT IN THE CLAIMS PROCEDURE ORDER AND MEETING ORDER

32. FTI views the timeline set out in the proposed forms of Claims Procedure Order and Meeting Order (the “**Proposed Timeline**”) as compressed and aggressive, especially in regards to (a) the amount of time given to creditors to file their Proofs of Claim; (b) the time of year, in particular as a result of the holiday season in late December, 2013; and (c) the amount of time between the Claims Bar Date (as defined in the proposed form of Claims Procedure Order) and the proposed Sanction Hearing (as defined in the proposed Meeting Order). However, on balance, FTI is supportive of the Proposed Timeline as a result of the following factors:

- (a) FTI is advised by the Applicant that, with the assistance of the Applicant’s legal and financial advisors, the Applicant has previously conducted a process to evaluate strategic restructuring alternatives (including refinancing and piecemeal sale alternatives), which process did not result in any restructuring or refinancing alternatives that the Applicant believed would be feasible;
- (b) FTI is advised that the Applicant is facing a liquidity crisis, is insolvent, is in default of the 4.5% Notes Indenture and is unable to pay them, would have no means of repaying or refinancing the Renvest Facility and the 2016 Notes if they were accelerated as a result of the event of default under the 4.5% Notes Indenture, and is expected to cease to have sufficient cash resources to continue

operations in the first quarter of 2014 without pursuing and implementing the CCAA Plan;

- (c) FTI is advised by the Applicant, the Trustees and the Solicitation/Election Agent that each of them will be able to fulfil their obligations pursuant to the proposed form of Claims Procedure Order and Meeting Order in accordance with the Proposed Timeline;
- (d) the Applicant is a holding company with little or no business operations, little or no trade debt, six (6) employees, and it is anticipated that the Applicant will substantially discharge its obligations (other than under the Notes) in the ordinary course of business during the CCAA Proceeding;
- (e) FTI is advised that the only unsecured creditors that are intended to be affected by the CCAA Plan are the holders of the Notes and any unsecured creditors or persons with contingent liability claims who are determined to have valid claims, all of which will be dealt with pursuant to and in accordance with the Claims Procedure Order. As more particularly described in the Petroff Affidavit, FTI notes that there may exist certain contingent liabilities relating to the 2012 Litigation;
- (f) FTI is advised by the Applicant that holders of Notes representing approximately 93% of the outstanding principal amounts of the Notes (the “**Consenting Noteholders**”) support the Proposed Timeline pursuant to the Support Agreements; and

- (g) FTI is advised by the Applicant that the Support Agreement contains a provision requiring the implementation of the CCAA Plan by February 28, 2014 and if such date is not met or not waived, the holders of Notes that are party thereto are permitted to terminate the Support Agreement.

33. Although FTI and its counsel have not had an opportunity to conduct a comprehensive review of the Support Agreement, FTI understands that the Support Agreement sets out an agreement among the Applicant, the Subsidiaries and the Consenting Noteholders regarding the principal aspects of a series of transactions which formed the basis of the CCAA Plan.

34. In addition, the Support Agreement, as amended, contains certain milestone dates that permit the holder of Notes that are party thereto to terminate the Support Agreement if such dates are not met or not waived. Such milestone dates include:

- (a) initiation of the CCAA Proceeding by December 23, 2013;
- (b) approval of the Initial Order by December 23, 2013;
- (c) meeting of creditors entitled to vote on the CCAA Plan by no later than January 28, 2014;
- (d) sanction of the CCAA Plan by the Court by January 30, 2014; and
- (e) implementation of the CCAA Plan by February 28, 2014.

The Support Agreement provides that certain milestone dates may be changed to such other dates as the Applicant and the Consenting Noteholders may agree in writing.

35. FTI further understands that the Applicant has been working closely with the Ad Hoc Committee for several months to establish the Proposed Timeline and the CCAA Plan and that they have previously extended such milestone dates, as required.

36. FTI will closely monitor the activities of the Applicant and the milestone dates, and will provide a report to this Honourable Court if issues arise in connection with the ability of the Applicant to meet the Proposed Timeline or the milestone dates set out in the Support Agreement.

ROLE OF THE SOLICITATION/ELECTION AGENT

37. Pursuant to the proposed form of Initial Order, the Applicant is authorized to retain the Solicitation/Election Agent to permit it to obtain proxies and/or voting information and subscription election forms from Registered Holders and/or Beneficial Noteholders in respect of the CCAA Plan and any amendments thereto.

38. Given (a) the compressed and aggressive timeline set out in the proposed form of Claims Procedure Order and Meeting Order, (b) the Solicitation/Election Agent's experience in working with the Participant Holders (as defined in the proposed form of Meeting Order), and (c) the consultative and oversight role of the Monitor set out in the proposed form of Meeting Order in connection with the noteholder solicitation process described therein, FTI is of the view that the Solicitation/Election Agent's role in the CCAA Proceeding is reasonable and appropriate.

39. As more particularly described above, FTI has had discussions with the Solicitation/Election Agent, who has advised that it anticipates being able to meet the Proposed Timeline in connection with obtaining proxies and/or voting information and subscription election forms from the Registered Holders and the Beneficial Noteholders. If appointed as Monitor, FTI will consult with and oversee the activities of the Solicitation/Election Agent as

provided for in the proposed form of Meeting Order in connection with the noteholder solicitation process and report to the Court and/or seek advice or direction in the event the Solicitation/Election Agent is unable to meet the Proposed Timeline.

PROPOSED CONSENT REQUIREMENT IN DISPUTED CLAIMS PROCESS

40. Pursuant to the proposed form of Claims Procedure Order, the Monitor and the Applicant shall not accept, admit, settle, resolve, value (for any purpose) or revise any Disputed Claim or Disputed Director/Officer Claim (as defined in the proposed form of Claims Procedure Order), or any part thereof, that exceeds \$250,000 without the consent of the Majority Consenting Noteholders.

41. As more particularly described in the proposed form of Claims Procedure Order, the Majority Consenting Noteholders are comprised of Consenting Noteholders who have executed the Support Agreement who together equal to at least a majority of the aggregate principal amount of all Notes held by all Consenting Noteholders. FTI understands that the Applicant is of the view that the requirement to obtain the consent of the Majority Consenting Noteholders prior to the settlement of any Disputed Claims and Disputed Director/Officer Claims is reasonable given that the CCAA Plan is intended to primarily compromise amounts owed to the holders of the Notes and, accordingly, any settlement of such Disputed Claims or Disputed Director/Officer Claims would have a direct economic impact on the Majority Consenting Noteholders.

42. FTI intends to be involved in the settlement of any such Disputed Claims or Disputed Director/Officer Claims. In addition, FTI notes that nothing in the proposed form of Claims Procedure Order fetters the ability of the Monitor to apply to this Honourable Court for

advice and direction in respect of any matter, including the resolution or settlement of any such Disputed Claims or Disputed Director/Officer Claims.

PAYMENT OF PRE-FILING AMOUNTS

43. The proposed form of Initial Order grants the Applicant the authority to pay certain specified expenses whether incurred prior to, or after, the commencement of the CCAA Proceeding, including the fees and disbursements of any Assistants (as defined in the proposed form of Initial Order) retained or employed by the Applicant in respect of the CCAA Proceeding or in respect of the Applicant's public listing requirements, at their standard rates and charges. FTI has been advised that the majority of these expenses relate to professional and legal services.

44. FTI is advised by the Applicant that certain pre-filing amounts that relate to professional services provided by certain accounting, legal and financial advisory service providers in various jurisdictions to both the Applicant and the Ad Hoc Committee should be paid as non-payment of these amounts may have a significant detrimental impact on the Jaguar Group. As more particularly described in the Petroff Affidavit, the Applicant is of the view that there is a significant risk that its service providers will not continue to provide services if their respective pre-filing amounts are not paid.

45. Based on the foregoing, FTI believes that granting the Applicant the authorization to pay certain pre-filing amounts in accordance with existing payment practices as specified in the proposed form of Initial Order is reasonable in the circumstances of the CCAA Proceeding.

APPLICANT'S CASH FLOW FORECAST

Cash Flow Projections

46. The Applicant, with the assistance of the Proposed Monitor, has prepared the Cash Flow Forecast. The Cash Flow Forecast is for a 10 week period as the expiration of the 10

week period corresponds with the Outside Date of February 28, 2014 in the Support Agreement for implementation of the CCAA Plan.

47. As more particularly described in the Petroff Affidavit, funds are transferred between the bank accounts of the Applicant and the bank accounts of the Subsidiaries in the ordinary course of business in accordance with the terms of certain intercompany loan arrangements. It is contemplated that the continued operation of these intercompany loan arrangements throughout the CCAA Proceeding is necessary to provide the Applicant with an important source of cash, which is reflected in the Cash Flow Forecast set out below.

48. The Cash Flow Forecast, together with the management's report on the cash-flow statement as required by section 10(2)(b) of the CCAA, is attached hereto as Appendix "B". The Cash Flow Forecast shows a negative cash flow of approximately \$3.9 million in the period from December 23, 2013 to February 28, 2014 and is summarized below:

	\$000 CAD
Cash Inflow	
Other	\$ 1,350
Total Cash Inflow	\$ 1,350
Cash Outflow	
Payroll & Benefits	\$ (325)
Board & Committee Fees	\$ (248)
Rent, Communications & Utilities	\$ (32)
Interest Fees	\$ (561)
Legal & Professional Fees	\$ (372)
Other	\$ (83)
Total Cash Outflow	\$ (1,621)
Restructuring Costs	
Legal & Professional Fees	\$ (3,592)
Total Restructuring Fees	\$ (3,592)
Net Cash Flow	\$ (3,863)
Opening Cash Balance	\$ 4,126
Net Cash Flow	\$ (3,863)
Ending Cash Balance	\$ 263

49. It is anticipated that the Applicant's projected liquidity requirements through to the proposed implementation of the CCAA Plan during the CCAA Proceeding will be met by existing cash available to the Applicant.

Proposed Monitor's Report on the Reasonableness of the Cash Flow Projections

50. Section 23(1)(b) of the CCAA states that the Proposed Monitor shall:

“review the company's cash-flow statement as to its reasonableness and file a report with the court on the Proposed Monitor's findings”

51. Pursuant to section 23(1)(b) of the CCAA and in accordance with the Canadian Association of Insolvency and Restructuring Professionals Standards of Practice 09-1 (“**CAIRP SOP 09-1**”), the Proposed Monitor hereby reports as follows:

- (a) The Cash Flow Forecast has been prepared by the management of the Applicant for the purpose described in Note 1, using Probable and Hypothetical Assumptions as set out in Notes 2-5;
- (b) The Proposed Monitor's review consisted of inquiries, analytical procedures and discussion related to information supplied by certain of the management and employees of the Applicant. Since Hypothetical Assumptions need not be supported, the Proposed Monitor's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposed Monitor has also reviewed the support provided by management of the Applicant for the Probable Assumptions, and the preparation and presentation of the Cash-Flow Statement;

- (c) Based on its review, nothing has come to the attention of the Proposed Monitor that causes it to believe, that in all material respects:
 - (i) the Hypothetical Assumptions are not consistent with the purpose of the Cash Flow Forecast;
 - (ii) as at the date of this report, the Probable Assumptions developed by management are not suitably supported and consistent with the plans of the Applicant or do not provide a reasonable basis for the Cash Flow Forecast, given the Hypothetical Assumptions; or
 - (iii) The Cash Flow Forecast does not reflect the Probable and Hypothetical Assumptions;
- (d) Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the Hypothetical Assumptions occur, and the variations may be material. Accordingly, the Proposed Monitor expresses no assurance as to whether the Cash Flow Forecast will be achieved. The Proposed Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon by the Proposed Monitor in preparing this report; and
- (e) The Cash Flow Forecast has been prepared solely for the purpose described in Note 1 on the face of the Cash Flow Forecast and readers are cautioned that it may not be appropriate for other purposes.

CONCLUSIONS AND RECOMMENDATIONS

52. FTI is advised that the Applicant is facing a liquidity crisis, is insolvent, is in default of the 4.5% Notes Indenture and is unable to pay them, would have no means of repaying or refinancing the Renvest Facility and the 2016 Notes if they were accelerated as a result of the event of default under the 4.5% Notes Indenture, and is expected to cease to have sufficient cash resources to continue operations in the first quarter of 2014.

53. FTI is further advised that the Applicant has previously conducted a process to evaluate strategic restructuring alternatives, including refinancing and piecemeal sale alternatives, which process did not result in any restructuring or refinancing alternatives that the Applicant believed would be feasible.

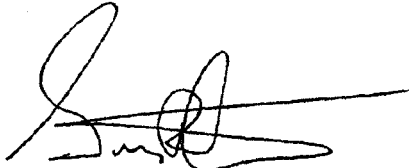
54. The CCAA Proceeding would provide the Applicant with the opportunity to continue as a going concern for the continued benefit of its various stakeholders.

55. Based on the foregoing, the Proposed Monitor respectfully recommends that this Honourable Court grant the following orders that are being sought by the Applicant:

- (a) the Initial Order;
- (b) the Claims Procedure Order; and
- (c) the Meeting Order.

Dated this 21st day of December, 2013.

FTI Consulting Canada Inc.
in its capacity as the Proposed Monitor of Jaguar Mining Inc.
and not in its personal or corporate capacity

A handwritten signature in black ink, appearing to read 'Greg Watson', with a long horizontal line extending to the right.

Greg Watson
Senior Managing Director

A handwritten signature in black ink, appearing to read 'Jodi B. Porepa', with a long horizontal line extending to the right.

Jodi B. Porepa
Managing Director

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:

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

PRE-FILING REPORT OF THE PROPOSED MONITOR

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Lawyers for the Proposed Monitor, FTI Consulting
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Appendix "B"

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
OR ARRANGEMENT OF JAGUAR MINING INC.

**FIRST REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.
IN ITS CAPACITY AS MONITOR**

January 13, 2014

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Solicitors for FTI Consulting Canada Inc.,
in its capacity as Monitor

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
OR ARRANGEMENT OF JAGUAR MINING INC.

**FIRST REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.
IN ITS CAPACITY AS MONITOR**

INTRODUCTION

1. On December 23, 2013 (the "**Filing Date**"), Jaguar Mining Inc. ("**Jaguar**", the "**Applicant**" or the "**Company**") filed for and obtained protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). Pursuant to the Order of this Honourable Court dated December 23, 2013 (the "**Initial Order**"), FTI Consulting Canada Inc. was appointed as the Monitor of Jaguar (the "**Monitor**") in the CCAA proceedings (the "**CCAA Proceedings**"). The Initial Order provided, *inter alia*, for a stay of proceedings through to and including January 22, 2014 for both Jaguar and its Subsidiaries. A copy of the Initial Order and the corresponding endorsement of the Honourable Justice Morawetz are attached as Appendices "A" and "B" hereto, respectively.

2. On the Filing Date, the Court also issued an Order authorizing the Company to establish a process for the identification and determination of claims against the Company and its present and former directors and officers (the "**Claims Procedure Order**"), and an Order

authorizing the Company to file a plan of compromise and arrangement (the “**CCAA Plan**”) and to convene a meeting of its affected unsecured creditors to consider and vote on the CCAA Plan (the “**Meeting Order**”). Copies of each of the Claims Procedure Order and the Meeting Order are attached as Appendices “C” and “D” hereto, respectively.

3. A comeback date has been scheduled for January 14, 2013. The Company also intends to bring a motion on January 14, 2014 for an order that, among other things, grants an extension of the Stay Period (as defined in the Initial Order) up to and including February 28, 2014.

PURPOSE

4. The purpose of this report is to provide the Court with the following:
- (a) a summary of the Monitor’s activities since the commencement of the CCAA Proceedings;
 - (b) information pertaining to certain activities of the Company since the commencement of the CCAA Proceedings, including in respect of:
 - (i) the Company’s listing on the Toronto Stock Exchange;
 - (ii) the Company’s personnel; and
 - (iii) the proposed date of the hearing to sanction the CCAA Plan;
 - (c) the Monitor’s comments regarding the Company’s actual receipts and disbursements for the two week period from December 23, 2013 to January 3, 2014;

- (d) the Monitor's comments regarding the Company's post-filing consolidated cash position and liquidity as detailed in the Company's January 4 Forecast (as defined below);
- (e) an update regarding the 2012 Litigation and correspondence with the Plaintiffs in the 2012 Litigation (as defined below);
- (f) an update regarding the confidential nature of the FA Engagement Letters; and
- (g) the Monitor's conclusions and recommendations regarding the Company's motion for an order that, among other things, grants an extension of the Stay Period up to and including February 28, 2014.

TERMS OF REFERENCE

5. In preparing this report, the Monitor has relied upon unaudited financial information, other information available to the Monitor, where appropriate the Applicant's books and records, and discussions with various parties, including the Applicant's senior management, counsel to the Applicant, counsel to the Ad Hoc Committee, counsel to the Special Committee, the Trustees (as defined in the Claims Procedure Order) and the Solicitation/Election Agent.

6. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Future oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.

7. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars. Capitalized terms not otherwise defined herein have the meanings defined in the pre-filing report of the proposed Monitor dated December 21, 2013 (the "**Pre-Filing**

Report”), the affidavit of David M. Petroff, the Chief Executive Officer of the Applicant, sworn December 23, 2013 and filed in support of the CCAA Proceedings (the “**Petroff Affidavit**”) and the affidavit of T. Douglas Willock, the Chief Financial Officer of the Company, sworn January 8, 2014 (the “**Willock Affidavit**”) and filed in support of the extension of the Stay Period, as applicable.

GENERAL BACKGROUND

8. The Applicant is the parent company in the Jaguar Group that is engaged in the acquisition, exploration, development and operation of gold producing properties in Brazil. The Jaguar Group also owns additional mineral resources at its approximate 210,000-hectare land base in Brazil. The parent company itself does not carry on active gold mining operations and its registered office is located in Toronto, Canada.

9. Jaguar is a public company with shares listed on the Toronto Stock Exchange (“**TSX**”) under the symbol “**JAG**” prior to the CCAA Proceedings. As of the date of the filing, 86,396,356 common shares were issued and outstanding and trading on the TSX.

10. To avoid unnecessary duplication, please refer to the Pre-Filing Report, the Petroff Affidavit and the Willock Affidavit for additional information relating to the background of the Applicant and the Jaguar Group.

ACTIVITIES OF THE MONITOR

11. Since the commencement of the CCAA Proceedings, the Monitor has been engaged in numerous activities in connection with its obligations under the Initial Order, the Claims Procedure Order and the Meeting Order.

12. Pursuant to the Initial Order, the Claims Procedure Order and the Meeting Order, and as more particularly described below, the Monitor published notices in the Wall Street Journal and the Globe and Mail. Copies of the notices published by the Monitor are attached as Appendices “E”, “F” and “G” hereto:

- (a) The notice pursuant to the Initial Order was published in the Globe & Mail on December 31, 2013 and in the Wall Street Journal on December 30, 2013;
- (b) The notice pursuant to the Claims Procedure Order was published in the Globe & Mail on December 31, 2013 and January 7, 2014, and in the Wall Street Journal on December 30, 2013 and January 6, 2014; and
- (c) The notice pursuant to the Meeting Order was published in the Globe & Mail on December 31, 2013 and January 7, 2014, and in the Wall Street Journal on December 30, 2013 and January 6, 2014.

13. As more particularly described below, on December 23, 2013 the Monitor reached out to U.S. Counsel (as defined below) to the Plaintiffs in the 2012 Litigation. Copies of the prescribed statutory notice, Initial Order, Claims Procedure Order and Meeting Order were subsequently sent to U.S. Counsel *via* email on December 23, 2013 and December 24, 2013. The Monitor also sent U.S. Counsel emails on December 27, 2013 containing hyperlinks to the Monitor’s Website (as defined below) to enable U.S. Counsel to access the Information Package and Claims Package.

14. By December 27, 2013, the Monitor completed its mailing of the notice of the CCAA Proceedings. The mailing was sent to all known creditors that have a claim against the Applicant of more than \$1,000.00.

15. On December 24, 2013 copies of the Information Package were sent to the Solicitation/Election Agent.
16. By December 27, 2013, copies of the Information Package were sent to each of the Known Unsecured Creditors.
17. By December 27, 2013 the Monitor posted a copy of all required documents pursuant to each of the Initial Order, the Claims Procedure Order and the Meeting Order on the Monitor's Website.
18. In addition, the Monitor made various materials relating to the CCAA Proceedings available on a website being maintained by the Monitor at: <http://cfcanada.fticonsulting.com/jaguar> (the "Monitor's Website"), including the Pre-Filing Report, the Company's application materials, the Initial Order, the Claims Procedure Order, the Meeting Order, the Claims Package, the Information Package, a list of the Company's known creditors as at December 23, 2013 and the service list. The Monitor will continue to update the Monitor's Website by posting Monitor's reports, motion materials and Orders granted in the CCAA Proceedings.
19. The Monitor has also established a hotline (416-649-8044) and a toll-free line (1-855-754-5840) to allow creditors and other interested parties to contact the Monitor to obtain additional information concerning the CCAA Proceedings. As of the date of this report, the Monitor has received approximately ten (10) calls and emails. The Monitor continues to respond to these enquiries in a timely manner.

OTHER ACTIVITIES OF THE MONITOR SINCE THE FILING DATE

20. As was set out in both the Pre-Filing Report and the Petroff Affidavit, and as stated in submissions during the initial hearing on December 23, 2013, Jaguar does not carry on active gold mining operations in Canada. Instead, the Company's operations are carried on through its subsidiaries in Brazil.

21. As such, it has been a priority of the Monitor to establish communication protocols and reporting mechanisms with Jaguar in both Canada and Brazil. It is the Monitor's view that establishing and maintaining these protocols are essential in order for the Monitor to fulfill its powers, duties and obligations under the Initial Order.

22. To date, Jaguar's management has been cooperative in establishing the necessary communication and reporting protocols described above.

23. The Monitor has also held in person meetings with senior management in Toronto and a conference call with staff of the Jaguar Group in Toronto and Brazil in order to outline the Monitor's responsibilities and identify information required by the Monitor from the Company immediately and on an ongoing basis.

24. In addition, the Monitor and/or its counsel have participated in numerous meetings and discussions with Jaguar, counsel to Jaguar, the Solicitation/Election Agent, the Trustees, counsel to the Ad Hoc Committee and the Financial Advisors. The Monitor and/or its counsel have also had conversations with the majority of those parties who appeared at the initial hearing on December 23, 2013 to determine whether any such parties intended to seek relief on the comeback date.

ACTIVITIES OF JAGUAR SINCE COMMENCEMENT OF THE CCAA PROCEEDINGS

25. As more particularly described in the Willock Affidavit, the Company has been active since the commencement of the CCAA Proceedings.

TORONTO STOCK EXCHANGE

26. On January 9, 2014, the Company advised the Monitor that it had received notice from the TSX of the TSX's intention to delist the Company's securities effective at the close of market on February 10, 2014. Trading in the common shares of Jaguar has been suspended since December 23, 2013 and the Monitor understands that trading will remain suspended until the delisting.

27. The Company has commenced the application process for listing its common shares on the TSX Venture Exchange (the "TSX-V"). There can be no assurance that a listing on the TSX-V, or another exchange, will be obtained before Jaguar is delisted from the TSX or at all.

28. On January 10, 2014, the Company issued a press release confirming the above.

JAGUAR PERSONNEL

29. On December 19, 2013, the Company's General Counsel and Corporate Secretary announced her resignation effective January 17, 2014. The Company intends to obtain additional support from its external legal counsel as an interim measure during these CCAA Proceedings.

30. No other changes in senior management have been reported by the Company to the Monitor.

HEARING DATE TO SANCTION THE CCAA PLAN

31. The Company has advised the Monitor that the Company has reserved time with this Honourable Court on February 3, 2014 to hear the Company's motion to sanction the CCAA Plan, provided that such CCAA Plan is approved by the requisite majority of creditors at the meeting of the Company's affected unsecured creditors to consider and vote on the CCAA Plan.

32. As described in the Pre-Filing Report, one of the milestone dates in the Support Agreement required the CCAA Plan to have been sanctioned by the Court by January 30, 2014.

33. The Monitor understands that efforts are still being made by the Company to try to reserve time with this Honourable Court on January 30, 2014 to hear the Company's motion to sanction the CCAA Plan. However, if such efforts are not successful, counsel to the Ad Hoc Committee has informed the Monitor that the Support Agreement will be amended so that the references in the Support Agreement to the sanction of the CCAA Plan by January 30, 2014 will be changed to February 3, 2014.

ACTUAL RECEIPTS AND DISBURSEMENTS FOR THE PERIOD FROM DECEMBER 23, 2013 TO JANUARY 3, 2014

34. Since the Filing Date, the Monitor has been working with the Company to review disbursements and manage its cash spend during the CCAA Proceedings. Given the nature of the CCAA Proceedings and the fact that the Company has no operations, the majority of the projected cash outflow during the CCAA Proceedings consists of professional fees.

35. The Company's actual net cash flow for the period from December 23, 2013 to January 3, 2014 (the "Current Period") together with an explanation of key variances as

compared to the Cash Flow Forecast is described below. Actual net cash flows for the Current Period were approximately \$2 million higher than forecast and are summarized as follows:

\$000 CAD	Forecast	Actual	Difference
Cash Inflow			
Other	-	1,002	1,002
Total Cash Inflow	\$ -	\$ 1,002	\$ 1,002
Cash Outflow	-	-	-
Payroll & Benefits	(65)	(77)	(12)
Board & Committee Fees	(124)	(95)	29
Rent, Communications & Utilities	-	(10)	(10)
Interest Fees	(280)	(280)	-
Legal & Professional Fees	(60)	(50)	10
Other	(64)	-	64
Total Cash Outflow	\$ (593)	\$ (512)	\$ 81
Restructuring Costs	-	-	-
Legal & Professional Fees	(1,075)	(153)	922
Total Restructuring Fees	\$ (1,075)	\$ (153)	\$ 922
Net Cash Flow	\$ (1,668)	\$ 337	\$ 2,005
Opening Cash Balance	4,126	3,029	(1,097)
Net Cash Flow	(1,668)	337	2,005
Unrealized FX gain/(loss)	-	31	31
Ending Cash Balance	\$ 2,459	\$ 3,397	\$ 939

36. The variance in actual receipts and disbursements is comprised primarily of the following:

- (a) A positive variance of approximately \$1 million in cash resulting from a transfer to Jaguar from the Subsidiaries pursuant to existing inter company loan agreements. Jaguar expected such funds to be transferred prior to the Filing Date, however, due to timing issues, the funds were received after the Filing Date; and

- (b) A positive variance of approximately \$920,000 in Legal & Professional Fees. This variance is temporary in nature and is expected to reverse as bills are received by Jaguar.

THE COMPANY’S REVISED CASH FLOW FORECAST

37. The Company has prepared a revised cash flow forecast for the period from January 4, 2014 to February 28, 2014 (the “**January 4 Forecast**”). A copy of the January 4 Forecast is attached as Appendix “H” hereto. The January 4 Forecast shows a negative net cash flow of approximately \$3.2 million, and is summarized below:

	\$000 CAD
Cash Inflow	
Other	\$ 1,350
Total Cash Inflow	\$ 1,350
Cash Outflow	
Payroll & Benefits	\$ (300)
Board & Committee Fees	\$ (139)
Rent, Communications & Utilities	\$ (33)
Interest Fees	\$ (533)
Legal & Professional Fees	\$ (321)
Other	\$ (75)
Total Cash Outflow	\$ (1,401)
Restructuring Costs	
Legal & Professional Fees	\$ (3,195)
Total Restructuring Fees	\$ (3,195)
Net Cash Flow	\$ (3,246)
Opening Cash Balance	\$ 3,397
Net Cash Flow	\$ (3,246)
Ending Cash Balance	\$ 151

38. It is anticipated that the Applicant’s projected liquidity requirements through to the proposed implementation of the CCAA Plan during the CCAA Proceedings will be met by existing cash available to the Applicant, provided that the implementation of the CCAA Plan occurs prior to February 28, 2014.

THE 2012 LITIGATION

39. Since the Filing Date, the Monitor has reached out to U.S. counsel (“U.S. Counsel”) for Daniel R. Titcomb, Robert J. Lloyd, James M. Roller, William E. Dow, Jeffrey Kirchhoff and Brazilian Resources Inc. (collectively, the “**Plaintiffs in the 2012 Litigation**”). The Monitor notified U.S. Counsel to the Plaintiffs in the 2012 Litigation of the recent commencement of the CCAA Proceedings and provided U.S. Counsel with copies of the Initial Order, the Claims Procedure Order and the Meeting Order in addition to a link to the Monitor’s Website for additional information. Copies of the Claims Package and Information Package were also sent *via* email to U.S. Counsel to the Plaintiffs in the 2012 Litigation, and hard copies were couriered directly to the Plaintiffs in the 2012 Litigation.

40. The Monitor was informed that on December 27, 2013, U.S. Counsel to the Plaintiffs in the 2012 Litigation filed a motion (the “**Motion to Stay**”) to stay and suspend all deadlines in the 2012 Litigation until such later date when this Honourable Court lifts the stay of proceedings granted pursuant to the Initial Order or orders relief from such stay of proceedings, the CCAA Proceedings are concluded or the Plaintiffs in the 2012 Litigation have been granted relief from the stay of proceedings by a court of competent jurisdiction. On the same date, U.S. counsel to Jaguar filed a response and did not object to the Motion to Stay. On December 30, 2013, the United States District Court for the District of New Hampshire granted a stay. U.S. counsel to Jaguar and to the Plaintiffs in the 2012 Litigation are to file a status report on or before March 27, 2014.

41. The Monitor also understands that Plaintiffs in the 2012 Litigation engaged Canadian legal counsel. On January 9, 2014 Canadian counsel for the Plaintiffs in the 2012 Litigation served a notice of appearance in the CCAA Proceedings.

FA ENGAGEMENT LETTER UPDATE

42. Copies of each of the FA Engagement Letters were attached as confidential exhibits to the Petroff Affidavit. Pursuant to the Initial Order, the FA Engagement Letters were sealed pending further Order of this Honourable Court.

43. The Monitor has been advised that counsel to the Applicant and counsel to the Ad Hoc Committee will each be making further submissions on January 14, 2014 regarding the confidential nature of the Canaccord Engagement Letters and the Houlihan Engagement Letter in order to seek a continuation of the sealing of the FA Engagement Letters under the Initial Order.

CONCLUSIONS AND RECOMMENDATION

44. The initial 30-day Stay Period granted by this Honourable Court under the Initial Order expires on January 22, 2014. In order to allow the Company sufficient time to continue towards its restructuring goals, Jaguar is requesting that the Stay Period be extended to February 28, 2014.

45. The Monitor believes that Jaguar has been, and is, acting in good faith and with due diligence.

46. The Monitor further believes that the proposed extension is fair and reasonable in the circumstances as it is consistent with the various milestone dates identified throughout the Initial Order, the Claims Procedure Order, the Meeting Order and the Support Agreement.

47. In addition, the Monitor is of the view that the Company will require the protection of the stay of proceedings through to and including February 28, 2014 in order to

carry out the Claims process, the meeting of the Company's affected unsecured creditors, and the implementation of the CCAA Plan.

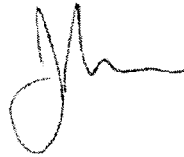
48. For the reasons set out above, the Monitor supports and recommends the Company's request for an extension of the Stay Period up to and including February 28, 2014.

Dated this 13th day of January, 2014.

FTI Consulting Canada Inc.
in its capacity as the Monitor of Jaguar Mining Inc.
and not in its personal or corporate capacity

A handwritten signature in black ink, appearing to read 'Greg Watson', with a stylized flourish extending to the right.

Greg Watson
Senior Managing Director

A handwritten signature in black ink, appearing to read 'Jodi B. Porepa', with a large loop on the left and a horizontal line extending to the right.

Jodi B. Porepa
Managing Director

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

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

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

FIRST REPORT OF THE MONITOR

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Lawyers for the Monitor, FTI Consulting Canada Inc.

Appendix "C"

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
OR ARRANGEMENT OF JAGUAR MINING INC.

**SECOND REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.
IN ITS CAPACITY AS MONITOR**

January 24, 2014

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in its capacity as Monitor

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
OR ARRANGEMENT OF JAGUAR MINING INC.

**SECOND REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA INC.
IN ITS CAPACITY AS MONITOR**

INTRODUCTION

1. On December 23, 2013 (the "**Filing Date**"), Jaguar Mining Inc. ("**Jaguar**", the "**Applicant**" or the "**Company**") filed for and obtained protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). Pursuant to the Order of this Honourable Court dated December 23, 2013 (the "**Initial Order**"), FTI Consulting Canada Inc. was appointed as the Monitor of Jaguar (the "**Monitor**") in the CCAA proceedings (the "**CCAA Proceedings**"). The Initial Order provided, *inter alia*, for a stay of proceedings through to and including January 22, 2014 or such other date as this Honourable Court may order (the "**Stay Period**") for both Jaguar and its Subsidiaries. A copy of the Initial Order (without schedules) and the corresponding endorsement of the Honourable Justice Morawetz are attached as Appendices "A" and "B" hereto, respectively.

2. On the Filing Date, the Court also issued an Order authorizing the Company to establish a process for the identification and determination of claims against the Company and its

present and former directors and officers (the “**Claims Procedure Order**”), and an Order authorizing the Company to file a plan of compromise or arrangement and to convene a meeting of its affected unsecured creditors to consider and vote on the Plan (the “**Meeting Order**”). Copies of each of the Claims Procedure Order (without schedules), the Meeting Order (without schedules) and the plan of compromise or arrangement that was filed with this Honourable Court on December 23, 2013 (the “**Plan**”) are attached as Appendices “C”, “D” and “E” hereto, respectively.

3. On January 14, 2013, the Court issued an Order (the “**Stay Extension Order**”) approving an extension of the Stay Period to and including February 28, 2014, and amending the Initial Order to adopt the E-Service Protocol established by the Commercial List. Pursuant to the endorsement granted in respect of the Stay Extension Order, the Honourable Justice Thorburn noted that:

- (a) the granting of the Stay Extension Order is without prejudice to the right of the Plaintiffs in the 2012 Litigation (as defined herein) to bring a motion to lift the stay of proceedings in this CCAA Proceeding; and
- (b) the sealing provision in the Initial Order with respect to the sealing of Confidential Exhibits “A” and “B” (as defined therein) is continued.

4. A copy of the Stay Extension Order and the corresponding endorsement of the Honourable Justice Thorburn are attached as Appendices “F” and “G” hereto.

5. The following appendices have been attached to this second report of the Monitor (the “**Monitor’s Second Report**”):

- (a) Appendix A - Initial Order (without schedules);

- (b) Appendix B – Endorsement;
- (c) Appendix C – Claims Procedure Order (without schedules);
- (d) Appendix D – Meeting Order (without schedules);
- (e) Appendix E – the Plan;
- (f) Appendix F – Stay Extension Order;
- (g) Appendix G – Endorsement; and
- (h) Appendix H – January 4 Forecast (as defined herein).

PURPOSE

6. This Monitor’s Second Report has been prepared pursuant to and as directed by section 23(1)(d.1) of the CCAA. The purpose of the Monitor’s Second Report is to provide information to this Honourable Court and the Applicant’s stakeholders in respect of the following:

- (a) an update on the state of Jaguar’s business affairs;
- (b) an update on the state of Jaguar’s financial affairs, including:
 - (i) an update regarding Jaguar’s actual receipts and disbursements for the period from January 4, 2014 to January 17, 2014; and
 - (ii) an update regarding Jaguar’s post-filing consolidated cash position and liquidity as detailed in the Company’s January 4 Forecast;

- (c) an overview of the Renvest Facility (as defined herein) and an update regarding the Monitor's view regarding the validity, enforceability and perfection of the security granted by Jaguar in favour of Global Resource Fund in connection therewith;
- (d) an overview of the Plan filed on December 23, 2013 and distributed along with the Company's Information Circular and Proxy Statement (the "**Information Circular**") to the Company's Affected Unsecured Creditors who will ultimately vote on a resolution to approve the Plan at a meeting to be held on January 31, 2014 (the "**Meeting**");
- (e) an overview of the strategic review completed by Jaguar with the assistance of its financial and legal advisors prior to the CCAA Proceedings;
- (f) an overview of the liquidation or bankruptcy alternatives should the Plan not be approved and implemented;
- (g) the Monitor's commentary on the Plan; and
- (h) the Monitor's recommendation in respect of the Plan.

TERMS OF REFERENCE

7. In preparing this report, the Monitor has relied upon unaudited financial information, other information available to the Monitor, where appropriate the Applicant's books and records, certain financial information prepared by Jaguar (including the Liquidation Analysis, as defined below), certain minutes of the board of directors (the "**Board of Directors**") and the special committees established by the Board of Directors from time to time, discussions with the Applicant and its financial advisors in connection with the Plan and the strategic review

conducted by the Applicant (with the assistance of the Applicant's financial advisors) over the course of approximately the last two years and materials prepared by the Applicant and the Applicant's financial advisors, including various process updates, briefing notes and discussion materials. The Monitor has had discussions with various parties, including the Applicant's senior management, counsel to the Applicant, counsel to the Ad Hoc Committee, counsel to the special committee established by the Board of Directors in May 2013, the Trustees, the Solicitation/Election Agent (as defined in the Meeting Order), the Applicant's financial advisor and counsel to the Plaintiffs in the 2012 Litigation.

8. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Future oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.

9. Unless otherwise stated, all monetary amounts contained herein are expressed in United States Dollars. Capitalized terms not otherwise defined herein have the meanings defined in the Plan.

GENERAL BACKGROUND

10. The Applicant is the parent company in the Jaguar Group (as defined in the Information Circular) that is engaged in the acquisition, exploration, development and operation of gold producing properties in Brazil. The Jaguar Group also owns additional mineral resources at its approximate 210,000-hectare land base in Brazil. The parent company itself does not carry on active gold mining operations (other than through its Subsidiaries) and its registered office is located in Toronto, Canada.

11. Jaguar is a public company with shares listed on the Toronto Stock Exchange (“TSX”) under the symbol “JAG” prior to the CCAA Proceedings. As of the Filing Date, 86,396,356 common shares were issued and outstanding and trading on the TSX. Trading of the common shares of Jaguar has been suspended since December 23, 2013 and the Monitor understands that trading will remain suspended until the Applicant’s expected delisting on February 10, 2014.

12. To avoid unnecessary duplication, please refer to the pre-filing report of the proposed Monitor dated December 21, 2013 (the “**Pre-Filing Report**”), the affidavit of David M. Petroff, the Chief Executive Officer of the Applicant, sworn December 23, 2013 and filed in support of the CCAA Proceedings (the “**Petroff Affidavit**”), the First Report of the Monitor dated January 13, 2014 (the “**Monitor’s First Report**”) and the affidavit of T. Douglas Willock, the Chief Financial Officer of the Company, sworn January 8, 2014 (the “**Willock Affidavit**”) and filed in support of the extension of the Stay Period to and including February 28, 2014 for additional information relating to the background of the Applicant and the Jaguar Group.

JAGUAR’S BUSINESS AFFAIRS

13. The Applicant’s business affairs over approximately the last two years include:
- (a) in November 2011, an independent committee comprised of three members of the Board of Directors was established to consider strategic matters relating to the Applicant and the Applicant retained J.P. Morgan Securities LLC (“**JPM**”) as its financial advisor;

- (b) since 2012, there has been a turnover of the Applicant's senior management and Board of Directors. A new chief executive officer was appointed in 2012, along with a new chief financial officer and chief operating officer in 2013;
- (c) in May 2012, the Applicant announced the implementation of a comprehensive restructuring and turnaround plan and Canaccord Genuity Corp. ("Canaccord") was retained to act as the Applicant's financial advisor in connection with a potential sale, transfer, divestiture, joint venture or similar transaction involving the Applicant's interest in the Gurupi Project;
- (d) in May 2013, the Applicant retained Canaccord in connection with the design and implementation of a recapitalization strategy for Jaguar;
- (e) in August 2013, the Applicant entered into discussions with the Ad Hoc Committee regarding a recapitalization and financing proposal;
- (f) in November 2013, the Applicant issued press releases indicating that its Board of Directors had approved a term sheet outlining the terms of a recapitalization plan, and that it had entered into the Support Agreement. The press release described the terms of the recapitalization plan;
- (g) on December 2, 2013, the Applicant committed an event of default under the 4.5% Convertible Note Indenture as a result of the non-payment of approximately \$3.7 million of interest. As a result of this event of default certain remedies became available, including possible acceleration of the principal amount and accrued and unpaid interest on the convertible notes issued pursuant to the 4.5%

Convertible Note Indenture. As at November 30, 2013, that principal and accrued interest totalled approximately \$169.3 million; and

- (h) on December 13, 2013, FTI Consulting Canada Inc. was retained by the Applicant to provide certain financial advisory and consulting services.

14. The Monitor's First Report contained a further update on Jaguar's activities since the commencement of the CCAA Proceedings as they relate to:

- (a) notice received by the Applicant of the TSX's intention to delist the Applicant's securities effective at the close of market on February 10, 2014; and
- (b) changes to the Applicant's General Counsel and Corporate Secretary and the intention to obtain additional support from its existing external legal counsel as an interim measure.

15. Since the commencement of the CCAA Proceedings, U.S counsel and Canadian counsel to the Plaintiffs in the 2012 Litigation (as defined herein) have reached out to the Monitor, the Company and the Ad Hoc Committee. The parties continue to hold discussions in respect of the potential claim of the Plaintiffs in the 2012 Litigation and its treatment under the Plan.

16. In addition, the Applicant and the Monitor have continued to maintain open lines of communication with multiple third parties and/or creditors, including:

- (a) legal counsel to Global Resource Fund;
- (b) the Canada Revenue Agency;

- (c) third parties with potential claims;
- (d) counsel to the Ad Hoc Committee;
- (e) the financial advisor to the Ad Hoc Committee; and
- (f) existing service providers.

17. The Monitor is satisfied that since the Filing Date, creditors, employees and service providers to Jaguar continue to be dealt with in the normal course. Jaguar continues to fulfill its interest payment obligations in respect of the Renvest Facility, and the Renvest Facility remains current.

18. In addition to the communication and reporting mechanisms established and identified in the Monitor's First Report, the Monitor has continued to monitor the activities of the Applicant in Toronto, Canada. The Monitor has also engaged in further discussions with management in Belo Horizonte, Brazil.

19. Nothing has come to the attention of the Monitor that would suggest that the Company has not been in compliance with the terms of the Initial Order, the Claims Procedure Order, the Meeting Order and/or the CCAA generally.

JAGUAR'S FINANCIAL AFFAIRS

20. Since the Filing Date, the Monitor has continued reviewing the actual receipts and disbursements of Jaguar as well as Jaguar's cash flow statements.

ACTUAL RECEIPTS AND DISBURSEMENTS FOR THE PERIOD FROM JANUARY 4, 2014 TO JANUARY 17, 2014

21. Since the Filing Date, the Monitor has been working with the Company to review disbursements and manage its cash spend during the CCAA Proceedings. Given the nature of the CCAA Proceedings and the fact that the Company has no operations, the majority of the projected cash outflow during the CCAA Proceedings consists of professional fees.

22. The Company's actual net cash flow for the period from January 4, 2014 to January 17, 2014 (the "Current Period") together with an explanation of key variances as compared to the Cash Flow Forecast can be found below. Actual net cash flows for the Current Period were approximately \$690,000 higher than forecast and are summarized as follows:

\$000 CAD	Forecast	Actual	Difference
Cash Inflow			
Other	-	59	59
Total Cash Inflow	\$ -	\$ 59	\$ 59
Cash Outflow			
Payroll & Benefits	(65)	(77)	(12)
Board & Committee Fees	(46)	(18)	28
Rent, Communications & Utilities	(8)	(1)	7
Interest Fees	-	-	-
Legal & Professional Fees	(105)	(60)	45
Other	(60)	(55)	5
Total Cash Outflow	\$ (283)	\$ (211)	\$ 72
Restructuring Costs			
Legal & Professional Fees	(749)	(190)	559
Total Restructuring Fees	\$ (749)	\$ (190)	\$ 559
Net Cash Flow	\$ (1,032)	\$ (342)	\$ 690
Opening Cash Balance	3,397	3,397	0
Net Cash Flow	(1,032)	(342)	690
Unrealized FX gain/(loss)	-	76	76
Ending Cash Balance	\$ 2,365	\$ 3,131	\$ 766

23. The variance in actual receipts and disbursements is comprised primarily of a positive variance of approximately \$600,000 in Legal & Professional Fees. This variance is temporary in nature and is expected to reverse as bills are received by Jaguar.

THE COMPANY'S REVISED CASH FLOW FORECAST

24. The Company had prepared a revised cash flow forecast for the period from January 4, 2014 to February 28, 2014 (the "**January 4 Forecast**"). A copy of the January 4 Forecast was attached to the Monitor's First Report and has been attached as Appendix "H" hereto.

25. It is anticipated that the Applicant's projected liquidity requirements through to the proposed implementation of the CCAA Plan during the CCAA Proceedings will be met by existing cash available to the Applicant, provided that the implementation of the CCAA Plan occurs prior to February 28, 2014.

26. Nothing has come to the Monitor's attention to indicate that there has been any change in the Applicant's financial situation since the commencement of the CCAA Proceedings. As identified from the outset, the Applicant advised that it would have no means of repaying or re-financing its obligations if they were accelerated, and that the Applicant was facing a foreseeable liquidity crisis that could not be resolved without a Court-supervised solution.

OVERVIEW OF THE RENVEST FACILITY AND THE RELATED SECURITY GRANTED BY JAGUAR

27. Global Resource Fund established a non-revolving bridge loan facility (the "**Renvest Facility**") in the amount of \$30,000,000 pursuant to a credit agreement dated December 17, 2012 (the "**Credit Agreement**"). The Credit Agreement is between the Applicant as borrower, the Subsidiaries as guarantors, and Global Resource Fund as lender.

28. As more particularly described in the Information Circular, the Company made (a) an initial drawdown of \$5,000,000 on the Renvest Facility on January 25, 2013 and it concurrently issued 570,919 Common Shares to Global Resource Fund; and (b) a subsequent drawdown of the remaining \$25,000,000 on the Renvest Facility on June 26, 2013 and it also issued another 1,315,789 Common Shares to Global Resource Fund. Interest applies to the outstanding balance of all amounts drawn down from the Renvest Facility at a fixed rate of 11% per annum, payable monthly in arrears. The Renvest Facility matures in July, 2014.

29. The Monitor is advised that the obligations under the Renvest Facility are secured by a general security agreement from the Applicant in favour of Global Resource Fund as well as certain collateral security granted by the Subsidiaries.

30. The Monitor is advised by counsel to the Applicant that the Applicant's assets solely consist of (a) bank accounts in the name of the Applicant that are located in Toronto, Ontario; (b) claims being pursued by the Applicant against third parties in the United States; and (c) uncertificated shares in the Brazilian Subsidiaries (the "**Subsidiary Shares**").

31. As evidenced by the January 4 Forecast, the majority of the monies in the Applicant's bank accounts will be utilized as part of the CCAA Proceedings and are also subject to the Charges granted pursuant to the Initial Order. In addition, the Plan does not purport to affect the claims being pursued by the Applicant against third parties in the United States. The Applicant's primary personal property that will exist immediately prior to the Implementation Time are the Subsidiary Shares.

32. The Monitor has been informed that Jaguar and the Subsidiaries took the necessary steps to grant a security interest in the Subsidiary Shares in favour of Global Resource Fund pursuant to various "Quota Pledge Agreements" that are governed by the laws of Brazil

(the “**Subsidiary Share Security**”). The Monitor is in the process of retaining Brazilian counsel to review the validity, enforceability and perfection of the Subsidiary Share Security. The Monitor has discussed the scope of the proposed review of the Subsidiary Share Security with counsel to both the Applicant and the Ad Hoc Committee. The Applicant was provided with a security opinion dated January 25, 2013 by its Brazilian counsel in respect of, among other things, the Subsidiary Share Security (the “**Applicant’s Existing Subsidiary Share Security Opinion**”). Given the limited financial resources of the Applicant, the parties agreed that the Monitor would retain independent Brazilian counsel to review the Applicant’s Existing Subsidiary Share Security Opinion and take whatever additional steps were necessary to confirm that the Subsidiary Share Security is valid, enforceable and perfected. The Monitor will report to this Honourable Court on this matter upon being advised by its independent Brazilian counsel.

OVERVIEW OF THE PLAN

33. The Plan is the result of extensive negotiations between the Applicant and the Ad Hoc Committee and their respective financial and legal advisors. The Monitor was not involved in the development of the Plan.

Summary of the Plan

34. As reported in the Monitor’s First Report, this Honourable Court granted the Meeting Order on December 23, 2013, which accepted the Plan for filing and authorized the Applicant to convene the Meeting.

35. 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 Applicant and effect a recapitalization and financing transaction on an expedited basis to provide a stronger financial

foundation and additional liquidity for the Jaguar Group. The additional liquidity for the Jaguar Group will allow it 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.

36. As more particularly described in the Information Circular, the Plan contemplates, among other things, that:

- (a) the entire outstanding principal amount of the Notes (being approximately \$268.5 million) and potentially certain other unsecured claims would be compromised and extinguished in exchange for equity in Jaguar; and
- (b) approximately \$50 million of new equity will be raised by way of a backstopped share offering (the “**Share Offering**”) to Eligible Investors.

37. Accordingly, the Plan is expected to result in (a) a reduction of total pro forma debt from approximately \$323 million as at September 30, 2013 to approximately \$54.5 million upon completion of the Plan and (b) a reduction of projected annual cash interest payments by approximately \$13.1 million.

38. In order to achieve the above results, the Plan contemplates that several events and transactions will occur or be deemed to have occurred in the specific sequence set out in the Plan, commencing at the Implementation Time, including:

- (a) the Articles of Reorganization will be filed under the *Business Corporations Act* (Ontario) to amend the Applicant’s articles and effect a consolidation of issued and outstanding existing Common Shares (as more particularly described below);

- (b) the Shareholder Rights Plan and all rights issued pursuant to it, any and all Existing Share Options and the Stock Option Plan will be cancelled;
- (c) the deferred share unit plan for non-executive directors (the “**DSU Plan**”) and/or the restricted share unit plan for senior officers, employees and consultants (the “**RSU Plan**”) will be dealt with in a manner acceptable to the Majority Consenting Noteholders, which may include termination of those plans;
- (d) all Equity Claims will be compromised, released, discharged and cancelled;
- (e) the Applicant will issue the New Common Shares (as more particularly described herein) in exchange for the full and final settlement and extinguishment of the Noteholders Allowed Claim and other Affected Unsecured Claims as at the Implementation Date, the cancellation of the Notes and Indentures (except to the extent expressly set forth in section 6.07 of the Indentures dealing with the Trustees’ claims), and the receipt of consideration from the Participating Eligible Investors and the Funding Backstop Parties;
- (f) the releases and injunctions referred to in section 11 of the Plan shall become effective; and
- (g) the directors of Jaguar immediately prior to the Implementation Time will be deemed to have resigned and the New Board will be deemed to have been appointed.

39. The primary stakeholders being affected by the Plan are:

- (a) the Affected Unsecured Creditors holding Affected Unsecured Claims, which are all Claims against the Applicant that are not Equity Claims and, for greater certainty, are not Excluded Claims. The primary Affected Unsecured Creditors are the Noteholders, ordinary trade creditors of the Applicant, and Daniel R. Titcomb, Robert J. Lloyd, James M. Roller, William E. Dow, Jeffrey Kirchhoff and Brazilian Resources Inc. (collectively, the “**Plaintiffs in the 2012 Litigation**”) in connection with that portion of the litigation commenced on March 27, 2012 (the “**2012 Litigation**”), if any, that is not based on an Equity Claim, in each case to the extent that the Claims of such parties are proven in accordance with the Claims Procedure Order;
- (b) the Existing Shareholders; and
- (c) the holders of Equity Claims.

Treatment of Stakeholders under the CCAA Plan

40. Following the Implementation Time, there will be 111,111,111 Common Shares, including:

- (a) the issuance, in the aggregate, of 110,111,111 Common Shares (collectively, the “**New Common Shares**”), which will be comprised of:
 - (i) the Share Offering, which will result in the issuance of 70,955,797 New Common Shares (the “**Offering Shares**”) and which will account for approximately 63.9% of the common equity of Jaguar;

- (ii) the issuance of 14,000,000 New Common Shares (the “**Unsecured Creditor Common Shares**”), which will account for approximately 12.6% of the common equity of Jaguar;
 - (iii) the issuance of 9,044,203 New Common Shares (the “**Accrued Interest Offering Shares**”), which will account for approximately 8.1% of the common equity of Jaguar;
 - (iv) the issuance of 5,000,000 New Common Shares (the “**Early Consent Shares**”), which will account for approximately 4.5% of the common equity of Jaguar; and
 - (v) the issuance of 11,111,111 New Common Shares (the “**Backstop Commitment Shares**”), which will account for approximately 10% of the common equity of Jaguar; and
- (b) a consolidation of Existing Shares that will result in each Existing Shareholder retaining a share of 1,000,000 replacement Common Shares, which will account for approximately 0.9% of the common equity of Jaguar.

41. However, no certificates representing fractional Common Shares shall be allocated under the Plan, and fractional share interests shall not entitle the owner thereof to vote or to any rights as a shareholder of the Applicant.

42. The number of post-Implementation Time Common Shares that will be distributed to the Affected Unsecured Creditors, the Existing Shareholders and the Funding Backstop Parties will vary depending on various factors, as more particularly described below.

43. The Plan contemplates that each Affected Unsecured Creditor will receive its Pro Rata Share of the Unsecured Creditor Common Shares. Pre-filing trade creditor claims (“**Trade Claims**”) constitute Affected Unsecured Claims under the Plan.

44. Affected Unsecured Creditors that are Noteholders will also receive additional shares in the following circumstances:

- (a) each Noteholder that executed the Support Agreement or a consent agreement thereto as of November 26, 2013 will receive its Pro Rata Share of the Early Consent Shares;
- (b) each Noteholder that is a Participating Eligible Investor and/or a Funding Backstop Party will receive its Pro Rata Share of the Accrued Interest Offering Shares. However, the Plan provides that such Noteholders cannot receive a greater number of Accrued Interest Offering Shares than Offering Shares;
- (c) each Noteholder that is a Participating Eligible Investor and/or Funding Backstop Party that receives less Accrued Interest Offering Shares than Offering Shares will receive, on a *pro rata* basis, Accrued Interest Offering Shares that are not allocated due to other Noteholders being limited from receiving a greater number of Accrued Interest Offering Shares than Offering Shares; and
- (d) each Noteholder that is a Funding Backstop Party will receive its Pro Rata Share of the Backstop Commitment Shares.

45. Each Funding Backstop Party that is not a Noteholder, if any, shall receive its Backstop Commitment Shares as a fee.

46. In addition to the above, each Participating Eligible Investor and Funding Backstop Party who decide to purchase Offering Shares will receive their Participating Eligible Investor Shares and/or Pro Rata Share of the Backstopped Shares, as the case may be.

47. As described above, each Existing Shareholder will retain its Existing Shares, subject to the Common Share Consolidation, which will result in each Existing Shareholder retaining its share of 1,000,000 post-consolidation Common Shares. The Monitor has been informed that this will facilitate the ability of the Applicant to meet the criteria for the minimum number of shareholders and board lot size required for a listing on certain public stock exchanges.

48. Holders of Equity Claims will not receive any consideration or distributions under the Plan in respect of their Equity Claims. However, Existing Shareholders will retain their Existing Shares, subject to the Common Share Consolidation, as described above.

49. The Plan does not affect the holders of Excluded Claims to the extent of those Excluded Claims. The claims of Global Resource Fund under the Renvest Facility are Excluded Claims. However, the Plan provides that all Crown Claims in respect of amounts that were outstanding at the Filing Date will be paid in full to the Crown within six months of the Sanction Order. The Plan further provides that the Applicant will pay all Employee Priority Claims to its employees and former employees immediately after the date of the Sanction Order.

Conditions Precedent

50. The implementation of the Plan is conditional upon the fulfillment, satisfaction or waiver (to the extent permitted) of numerous conditions. Set out below is a summary of some of the more material conditions precedent:

- (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, which condition cannot be waived under the Plan;
- (b) all senior officer and employee employment agreements shall have been modified to reflect the revised capital structure of the Applicant 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 agreements and no change of control payments shall be owing or payable to the Applicant's officers or employees in connection with the implementation of the Plan;
- (c) the DSU Plan and the RSU Plan shall have been addressed in a manner acceptable to the Applicant and the Majority Consenting Noteholders;
- (d) 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;
- (e) all conditions to implementation of the 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, which conditions can only be waived by the Applicant and the Majority Backstop Parties and include, *inter alia*:

- (i) the Backstoppers shall have completed their due diligence with respect to the Share Offering on or before seven Business Days prior to the Implementation Date and such due diligence shall be satisfactory to the Backstop Parties in their sole discretion;
 - (ii) the Share Offering must be completed on or before February 28, 2014, or such other date as the Applicant and the Backstoppers may agree to in writing (the “**Outside Date**”);
 - (iii) the Backstop Shortfall (as defined in the Backstop Agreement), after assumption of all or part of the Backstop Commitments of the Defaulting Backstoppers, Objecting Backstoppers and/or Breaching/Non-Delivering Backstoppers (each as defined in the Backstop Agreement), if any, shall not be material; and
 - (iv) the Consenting Noteholders shall not determine that there is no reasonable prospect that the conditions set forth in section 7 of the Backstop Agreement will be satisfied or waived by the Outside Date;
- (f) all conditions to implementation of the Plan set out in the Support Agreement shall have been satisfied or waived in accordance with their terms, such conditions including, *inter alia*:
- (i) the Credit Agreement, the other Credit Documents (as defined in the Credit Agreement) and the Brazilian Credit Agreements (as defined in the Support Agreement) shall have been amended (including, without limitation, by extending the applicable maturity dates) on or prior to ten

Business Days prior to the Implementation Date, on terms acceptable to the Majority Backstop Parties;

- (ii) the Consenting Noteholders shall be satisfied, in their sole discretion, with the results of their due diligence regarding the Applicant, the Subsidiaries and their respective businesses prior to the Voting Deadline;
- (iii) the milestone timeline set out in the Support Agreement and described in the Pre-Filing Report (as such milestone timeline may be amended) shall have been achieved;
- (iv) there shall not exist or have occurred any Material Adverse Change (as defined in the Support Agreement);
- (v) the Applicant must be satisfied by January 22, 2014 that the Transaction will proceed to completion on or before the Outside Date;
- (vi) the composition and size of the board of directors for Jaguar effective as of the Implementation Date shall be satisfactory to the Majority Backstop Parties;
- (vii) the Consenting Noteholders shall be satisfied that the New Common Shares, when issued and delivered, shall be duly authorized, validly issued and fully paid and non-assessable and in the issuance thereof shall be in compliance with applicable securities laws;
- (viii) the terms of any Management Incentive Plan (as defined in the Support Agreement) shall be acceptable to the Majority Backstop Parties; and

- (ix) the Consenting Noteholders must not have determined that there is no reasonable prospect of the conditions in the Support Agreement being satisfied or waived by the applicable deadlines;
- (g) the Support Agreement shall not have been terminated; and
- (h) 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.

Meeting and Voting

51. Pursuant to the Meeting Order, the Meeting was 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 at 10:00 a.m. in order to consider and vote on a resolution to approve the Plan. The Meeting will be adjourned by the Chair (as defined herein) to January 31, 2014 pursuant to and in accordance with the Meeting Order.

52. 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 Affected Unsecured Creditors holding Voting Claims or Disputed Voting Claims (or their respective duly appointed proxyholders), representatives of the Monitor, the Applicant, the Consenting Noteholders, the Trustees, all such parties' financial and legal advisors, Greg Watson or a representative designated by the Monitor to preside as chair of the Meeting (the "**Chair**"), the person designated by the Monitor to act as secretary at the Meeting and any scrutineers appointed by the Monitor (the "**Scrutineers**"). Any other person may be admitted to the Meeting only by invitation of the Applicant or the Chair.

53. For the purposes of considering and voting on the Plan, there will be one class of stakeholders that consists of the Affected Unsecured Creditors (the “**Affected Creditor Class**”).

54. For the purpose of voting at the Meeting, each Affected Unsecured Creditor will be entitled to one vote as a member of the Affected Creditor Class and the Voting Claim of each Beneficial Noteholder shall be deemed to be its Noteholder’s Allowed Claim as at December 19, 2013. Registered Holders of Notes, in their capacities as such, will not be entitled to vote at the Meeting.

55. An Affected Unsecured Creditor that holds a Disputed Voting Claim as of the date of the Meeting may attend the Meeting and the Disputed Voting Claim may be voted by the Affected Unsecured Creditor (or its duly appointed proxyholder) in accordance with the provisions of the Meeting 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 (as defined in the Claims Procedure Order) for distribution purposes. Such vote will be separately tabulated, provided that votes cast in respect of any Disputed Voting Claim will 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.

56. In order to be approved, the Plan must receive the affirmative vote of a majority in number of the 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 and who are voting in person or by proxy (the “**Required Majorities**”).

57. 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 Required Majorities. The

Monitor will file a report with the Court by no later than one 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.

58. Pursuant to the Meeting Order, if the votes cast by the holders of Disputed Voting Claims would affect whether the Plan has been approved by the Required Majorities:

- (a) the Applicant or the Monitor may request the Court to direct an expedited determination of any material Disputed Voting Claims, as applicable;
- (b) the Applicant may request that the Court defer the date of the Sanction Hearing (as defined in the Meeting Order);
- (c) the Applicant may request that the Court defer or extend any other time periods in the Meeting Order or the Plan; and/or
- (d) the Applicant or the Monitor may seek such further advice and direction as may be considered appropriate.

CCAA Plan Releases

Releases in favour of Released Parties

59. The Plan provides for releases on the Implementation Date in favour of, *inter alia*, 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 the Applicant (collectively, the “**Released Parties**”) in relation to any act, omission or occurrence existing or taking place on or prior to the Implementation Date, provided that:

- (a) a Released Party will not be released if it is adjudged to have committed fraud or wilful misconduct; and
- (b) the Applicant and the Subsidiaries will not be released from or in respect of any Excluded Claim, its obligations to Affected Unsecured Creditors under the Plan or its obligations under the Backstop Agreement and Support Agreement.

Releases in favour of Noteholder Released Parties

60. The Plan provides for releases at the Implementation Time in favour of, *inter alia*, each of the Noteholders, the Ad Hoc Committee, the Trustees, and each of their respective present and former shareholders, officers and directors, the Trustees’ counsel and the Advisors (collectively, the “**Noteholder Released Parties**”), provided that a Noteholder Released Party will not be released in respect of its obligations under the Plan, the Backstop Agreement, the Support Agreement, or any Election Form. A Noteholder Released Party will also not be released if it is adjudged to have committed fraud or wilful misconduct.

Compromise of Claims

61. On the Implementation Date, the following shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and/or barred:

- (a) all Affected Unsecured Claims; and

(b) all Equity Claims.

62. In addition, on the Implementation Date, the Plan provides that all Director/Officer Claims against the current directors and officers of the Applicant and such other directors and officers as agreed to by the Majority Consenting Noteholders on or before four days prior to the Meeting (collectively, the “**Named Directors and Officers**”), and for greater certainty, excluding:

- (a) Director/Officer Claims in respect of which a Director or Officer has been adjudged to have committed fraud or wilful misconduct; and
- (b) Section 5.1(2) Director/Officer Claims (though such claims are Excluded Claims, Section 5.1(2) Director/Officer Claims that are pursued against any Named Directors and Officers shall be limited to recovery from any insurance proceeds payable in respect thereof, as described below);

shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred.

63. The Plan also provides that on the Implementation Date, all Director/Officer Indemnity Claims shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred.

Other Matters

64. The CCAA Plan does not include any provision that sections 38 and 95 to 101 of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 do not apply in respect of the CCAA Plan.

Sanction

65. If the Plan is approved by the Required Majorities, the Applicants will apply to the court for the Sanction Order. The Applicant is currently scheduled to bring a motion for the Sanction Order on February 3, 2014.

MONITOR'S COMMENTARY ON THE PLAN

Conditions Precedent to the Plan

66. As more particularly described above, the Plan is subject to numerous conditions precedent that must be satisfied or waived prior to the relevant applicable time and in any event, prior to the Implementation Date. A number of the conditions precedent to the Plan are beyond the control of the Applicant.

67. The Monitor is informed by counsel to Jaguar and by counsel to the Ad Hoc Committee that discussions are ongoing between the applicable parties regarding the outstanding conditions precedent. In addition, while conditions precedent to the Plan continue to remain outstanding and may not be satisfied or waived, counsel to Jaguar and counsel to the Ad Hoc Committee both independently informed the Monitor that there are not any conditions precedent which are outstanding that, as of the date of this Monitor's Second Report, have no reasonable prospect of being satisfied.

Treatment of Directors and Officers

Claims to be Released

68. As more particularly described above, the Plan does not contemplate that Director/Officer Claims against Directors and/or Officers that are not Named Directors and

Officers (collectively, the “**Other Directors and/or Officers**”) will be compromised, released, discharged, cancelled and barred. As at the date hereof, the only Named Directors and Officers are the current Directors and Officers of the Company. Accordingly, all other Directors and Officers of the Company will not get the benefit of having Claims against them be compromised, released, discharged, cancelled and barred. However, the Plan does provide that Other Directors and/or Officers may become Named Directors and Officers if the Majority Consenting Noteholders so agree on or before four days prior to the Meeting, in which case, such Directors and Officers would then get the benefit of the release.

69. Similarly, the Plan provides that the Non-Released Director/Officer Claims will not be compromised, released, discharged, cancelled and barred. Non-Released Director/Officer Claims are defined in the Plan to be 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

Section 5.1(2) Director/Officer Claims

70. Section 5.1(2) of the CCAA provides for an exception to the principle that a plan of compromise or arrangement made in respect of a debtor company may include in its terms provision for the compromise of claims against directors of the debtor company that arose before the commencement of proceedings under the CCAA and that relate to the obligations of the debtor company where the directors are by law liable in their capacity as directors for the payment of such obligations. The exception provides that a provision for the compromise of claims against directors may not include claims that (a) relate to contractual rights of one or more

creditors; or (b) are based on allegations of misrepresentations made by directors to creditors or of wrongful or oppressive conduct by directors.

71. Although the Plan provides that Section 5.1(2) Director/Officer Claims are Excluded Claims, if such a Claim is pursued against any Named Directors and Officers, it shall be limited to recovery from any insurance proceeds payable in respect thereof. 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 right to be paid from the proceeds of an Insurance Policy by the applicable insurer(s).

Trade Claims

72. As described above, Trade Claims will constitute Affected Unsecured Claims under the Plan. Accordingly, holders of valid Trade Claims will receive their Pro Rata Share of the Unsecured Creditor Common Shares as full and final settlement of their Trade Claims under the Plan. The Plan does not provide for cash distributions in respect of Trade Claims.

Backstop Shortfall Risk

73. As described above, the Plan contemplates that approximately \$50 million of new equity will be raised by way of the Share Offering. The Share Offering is backstopped pursuant to the Backstop Agreement. However, the Backstop Agreement provides that the Backstop Parties may terminate their obligations under the Backstop Agreement in certain circumstances. In the event that Backstop Parties terminate their obligations under the Backstop Agreement and such obligations (and corresponding rights) are not assumed by another party pursuant to the Backstop Agreement, there will be a Backstop Shortfall. Accordingly, it is possible that the Share Offering may not generate the full \$50 million of anticipated new liquidity, and such result

may impact the liquidity of the Applicant following the Implementation Date. To the extent that the Backstop Shortfall is not material, the Backstop Parties are still required to fund their portion of the Share Offering. Conversely, if the Backstop Shortfall is material, then a condition precedent to the Plan will not have been satisfied and a waiver of such condition precedent would be required in order for the Plan to be implemented. The Monitor notes that there is no discussion of what is “material” in the Backstop Agreement in respect of the Backstop Shortfall.

Plaintiffs in the 2012 Litigation

74. Since the commencement of the CCAA Proceedings, U.S counsel and Canadian counsel to the Plaintiffs in the 2012 Litigation have had discussions with the Monitor, the Applicant, the Ad Hoc Committee and their respective counsel. During the motion on January 14, 2014 in connection the Applicant’s request for the Stay Extension Order, Canadian counsel to the Plaintiffs in the 2012 Litigation expressed their view that the claim of the Plaintiffs in the 2012 Litigation is an Excluded Claim under the Plan. The Monitor is informed that counsel to the Applicant and counsel to the Ad Hoc Committee do not agree with this position. The Monitor is participating in discussions with counsel to the Plaintiffs in the 2012 Litigation, the Applicant and the Ad Hoc Committee in respect of the claim of the Plaintiffs in the 2012 Litigation and its treatment under the Plan.

75. The Plaintiffs in the 2012 Litigation take the position that part of its claim is a Section 5.1(2) Director/Officer Claim. The Monitor notes that if the Plan is approved and the 2012 Litigation constitutes a Section 5.1(2) Director/Officer Claim, the Plaintiffs would be limited in recovery as against the Named Directors and Officers to any insurance proceeds payable in respect thereof.

OVERVIEW OF JAGUAR'S STRATEGIC REVIEW PROCESS

76. In November 2011, a special committee was established by the Board of Directors to consider strategic matters relating to Jaguar. That special committee received advice from its independent legal counsel, from Jaguar's legal counsel at that time¹ and from Jaguar's financial advisor, JPM.

77. The strategic alternatives that this special committee considered, included:

- (a) a Company sale;
- (b) an asset sale;
- (c) raising third party capital; and
- (d) a comprehensive restructuring.

78. In May 2012, Canaccord was subsequently retained by the Applicant to act as its financial advisor in connection with a potential sale, transfer, divestiture, joint venture or similar transaction involving the Applicant's interest in the Gurupi Project.

79. In addition, the Company implemented cost reduction initiatives, which included taking steps to place its Paciencia mine on care and maintenance in May 2012.

80. In order to fairly assess each of the alternatives, the special committee of the Board of Directors of the Applicant took into consideration a number of factors impacting each of the potential alternatives, including, but not restricted to, the following:

- (a) the average price of gold;

¹ The Monitor has been informed that Norton Rose Fulbright Canada LLP was retained in early 2013.

- (b) the existing depressed gold environment;
- (c) the existing regulatory and political landscape in Brazil;
- (d) the status of mine operations; and
- (e) the existing cash and human capital constraints

Company Sale (Sale of All or Substantially All of the Company's Assets)

81. The Monitor understands that the special committee of the Board of Directors of the Applicant actively pursued potential change of control transactions and additional acquisition opportunities beginning in late 2011 and ending in May 2012.

82. Starting in November 2011, Jaguar received a proposal for a change in control transaction from an interested party located in Asia (the "**November Interested Party**"). Ultimately, the Board of Directors determined that it was not in the best interests of the Company and its shareholders to accept the proposal and therefore they did not pursue the proposal further.

83. The Company did, however, initiate a process to assess potential change of control and/or other strategic transactions. The Company and its financial advisor at the time, JPM, contacted or were contacted by approximately twenty-two parties. Five of the parties executed confidentiality agreements and were provided access to a data room. Three of the parties conducted site visits in Brazil.

84. The special committee of the Board of Directors of the Applicant held seventeen meetings throughout the process described above. The process culminated in a proposal being submitted by one party, who was located in North America and interested in an acquisition.

Despite continued discussions, site visits and access to due diligence information over the following months, this interested party subsequently advised the Company of its intention not to continue pursuing the transaction in April 2012.

85. The Company subsequently reached out to the November Interested Party to determine if they were still interested in pursuing a change of control transaction. Despite ongoing communication and exchange of draft documents, the November Interested Party ultimately advised the special committee of the Board of Directors of the Applicant on May 8, 2012 that it had decided not to proceed with further acquisition discussions.

86. Shortly thereafter, the Board of Directors, based on recommendation of the special committee, terminated the strategic review process commenced in November 2011 (with the assistance of JPM) but continued discussions with a single party interested in a possible acquisition of one of Jaguar's producing mining operations. That special committee cited the following reasons as significant factors causing the termination of the strategic review process:

- (a) the decline of the S&P Global Index by approximately 31% since November 15, 2011, as this would have a direct negative impact on the equity prices of certain prospective bidders and their desire to proceed with a transaction; and
- (b) ongoing operational issues at its southern operations in Brazil (including the need to resolve certain issues and implementation of a comprehensive restructuring and turnaround plan).

Asset Sale

87. Ultimately, a decision was made to pursue a sales process for a single property (the Gurupi project) instead of a sale for all or substantially all of Jaguar's assets for reasons, including the following:

- (a) the lack of credible bids generated from the Company's strategic review process run from November 2011 until May 2012 in a more robust gold environment;
- (b) the reduction in the average price of gold;
- (c) the ongoing initiatives being undertaken by Jaguar to turn around the operations of the Company, including placement of the Paciencia mine on care and maintenance in May 2012;
- (d) the jurisdiction in which the mine sites are located; and
- (e) the limited time available and potential cost constraints on Jaguar.

88. As referred to above, Canaccord was initially retained by the Company on May 21, 2012 in connection with a potential sale, transfer, divestiture, joint venture or similar transaction involving Jaguar's interest in the Gurupi Project. As set out in the Petroff Affidavit, Jaguar and Canaccord analyzed the possibility of divesting the Gurupi property in order to provide increased liquidity to the Company. As more particularly described in the Petroff Affidavit, Gurupi is a development stage exploration property located in north eastern Brazil and covers an area of approximately 139,000 hectares.

89. Canaccord initiated and ran a sales process in respect of the Gurupi project between August 20, 2012 and November 16, 2012. Forty-nine parties were contacted and,

ultimately, six draft bids were received by Canaccord in respect of the Gurupi mine site sale process. The Monitor has been advised that the bids received were considered by the special committee of the Board of Directors of the Applicant to be inadequate as they (a) were insufficient in terms of value, and/or (b) contained significant conditions precedent. Furthermore, based on the bids received, the Company believed that proceeding with the Gurupi sale would not have yielded enough capital to deal with the Company's long term liquidity issues.

90. The Monitor understands that Jaguar determined that completing a sale of the Gurupi property was not viable due to a number of factors, including, but not limited to:

- (a) the reduction in the average price of gold and the then existing depressed gold environment;
- (b) the sales process did not yield any offers that the special committee of the Board of Directors of the Applicant believed were indicative of the potential value of this asset;
- (c) the jurisdiction in which the mine sites are located; and
- (d) the limited time available and potential cost constraints.

Third Party Capital

91. Canaccord was subsequently retained by the Applicant in May 2013 to assist Jaguar in connection with the design and implementation of a recapitalization.

92. The Monitor has been advised that Canaccord compiled a list of potentially interested financing parties. After further discussions with management and the financial advisor

to the Ad Hoc Committee, a more comprehensive list was generated. From this comprehensive list, Canaccord focused its efforts on parties with expertise in financially distressed financing and/or experience in the natural resource/mining space. The Monitor has been advised that the financial advisor to the Ad Hoc Committee also reached out to additional parties and directed them to follow up with Canaccord. The Monitor has been advised that this third party financing process was completed during a period of approximately seven months, which included the period prior to and following the Filing Date.

93. The Monitor is advised that Canaccord and the Ad Hoc Committee's financial advisors reached out to more than thirty financial and/or alternative lenders to address the Company's liquidity issues by seeking new money for working capital and capital investment purposes. Ten of these parties expressed an interest in exploring a transaction and Canaccord had detailed discussions with those ten parties regarding the potential financing opportunity.

94. The Monitor has been advised that there was a lack of credible interest and/or bids generated from the discussions led by Canaccord and the Ad Hoc Committee's financial advisor. The Monitor understands that Jaguar determined that raising third party financing was not viable due to a number of factors, including, but not limited to:

- (a) the jurisdiction in which the mine sites are located;
- (b) macro-fundamentals affecting the resource sector, in particular, gold producers;
- (c) the financial situation of the Company; and
- (d) the proposed timelines to complete the financing.

Comprehensive Restructuring

95. Given the failure of efforts to date, the lack of viable alternatives, the worsened gold economic environment, and the event of default that occurred on December 2, 2013, the Company has advised the Monitor that it concluded (after consultation with its financial and legal advisors) that the Plan is the most viable alternative for the Company to avoid liquidation. As more particularly described in the Information Circular, 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 the Renvest Facility and an expedited liquidation appears to be the likely alternative.

96. Accordingly, Jaguar and Canaccord considered a comprehensive restructuring plan involving a debt to equity exchange and an investment of new capital. Canaccord entered into initial discussions with financial advisors to the Ad Hoc Committee in August 2013, which culminated in the CCAA filing on December 23, 2013.

97. Based on discussions with Jaguar, Jaguar's counsel, Jaguar's financial advisor and based on a review of certain reports relied on by the special committees established by the Board of Directors from time to time, including a review of minutes of the Board of Directors, the Monitor believes that Jaguar has actively pursued each of the strategic alternatives discussed above. Since early 2011, the Company has attempted to run sales processes, provided for due diligence reviews and entered into discussions with multiple interested parties in respect of third party financing.

98. The Monitor notes that these processes were limited to focus on specific parties who invest in the mining space as a result of the circumstances facing the Company, including its then liquidity issues, the jurisdiction in which the mine sites are located and the gold economic environment. The Monitor further notes that the current market for gold is more challenging

than when such processes were undertaken. Therefore, it appears that the Plan is the only viable, going-concern alternative available to the Company.

LIQUIDATION OR BANKRUPTCY

99. The Company is a holding company with little or no assets other than certain bank accounts, claims being pursued in the United States and Subsidiary Shares. The Subsidiaries are the operating companies whose assets are located in Brazil. Any bankruptcy or liquidation of the Subsidiaries' assets would be governed by the laws of Brazil.

100. The Monitor has been advised by the Company and its advisors, and the financial advisors to the Ad Hoc Committee, that there are potentially multiple significant issues in a liquidation of the Brazilian Subsidiaries or forced sale of the Subsidiaries, including:

- (a) the crystallization of certain environmental liabilities including fines, penalties, and potential imprisonment terms;
- (b) the crystallization of certain labour-related liabilities that could potentially impact priorities, class definitions and payment requirement restrictions;
- (c) the jeopardization and potential suspension of existing mining concessions and additional difficulty in obtaining new mining applications; and
- (d) implications to existing financing agreements with Brazilian banks and/or specific terms included therein.

101. The Company has also prepared a liquidation analysis to assist in this evaluation (the "**Liquidation Analysis**"). The Liquidation Analysis illustrates that in a liquidation scenario, the Noteholders would be in a better financial position under the Plan than if the Applicant were

liquidated and the Existing Shareholders, solely in their capacity as Existing Shareholders, would be in a better financial position under the Plan than if the Applicant were liquidated.

102. The Monitor is informed that the Liquidation Analysis was initially prepared by the Company with input from members of senior management who have a combined total of more than sixty years' experience in the mining industry between them. The Monitor has been advised that Canaccord reviewed and challenged the underlying assumptions in connection with the Liquidation Analysis and concluded that such assumptions are in the appropriate range given the parameters assumed therein, while noting that some assumptions are subject to sensitivity.

103. The Monitor reviewed the Liquidation Analysis, including the underlying assumptions in respect thereof, and held further discussions with Jaguar, counsel to Jaguar and Canaccord. Although the Monitor is not in a position to comment on the specific underlying assumptions that could impact the recovery to the stakeholders of a Brazilian company, nothing contained in the Liquidation Analysis appeared to the Monitor to be unreasonable. The Monitor further notes that certain of the issues in a liquidation of Jaguar entities would include, among others:

- (a) difficulties in realizing on inventory in the existing gold environment;
- (b) difficulties in recovering certain tax amounts owed under the Brazilian tax regime;
- (c) difficulties in realizing on property, plant and equipment and on mineral exploration projects in a depressed mining industry and within the legal and regulatory framework in Brazil; and

- (d) local laws regarding labour, environmental and other statutorily based regulatory claims.

104. The Liquidation Analysis indicates that in the event of a liquidation or bankruptcy of the Subsidiaries, it is unlikely that any value would be realized by Jaguar on account of its Subsidiary Shares and/or any potential value would be offset by the crystallization of additional liabilities listed above.

CONCLUSIONS AND RECOMMENDATION

105. It is the Monitor's view that the Company continues to pursue the Plan with due diligence and in good faith.

106. As more particularly described above, the Monitor notes that:

- (a) the Plan is subject to numerous conditions precedent that must be satisfied or waived prior to the relevant applicable time and a number of the conditions precedent to the Plan are beyond the control of the Applicant;
- (b) the Plan provides for discharges and releases of Director/Officer Claims against only Named Directors and Officers and no other Director and Officer;
- (c) the Plan limits the recourse available to holders of Section 5.1(2) Director/Officer Claims, to the extent that they claim against any Named Directors and Officers, to insurance proceeds;
- (d) it is possible that the Share Offering may not generate the full \$50 million of anticipated new liquidity; and

- (e) as a result of the circumstances facing the Company, including its liquidity issues, the geographic location of the mines and the gold economic environment, it appears that the Plan is the only viable, going-concern alternative available to the Company.

107. The Monitor is satisfied that the Company, its Board of Directors and their financial and legal advisors have considered and pursued strategic alternatives available to the Company. They have determined that the Plan represents the best opportunity to provide a stronger foundation for the Jaguar Group to obtain additional liquidity and to remain a going concern thereby preserving operations for many of its stakeholders, including the Noteholders, lenders, employees, customers and suppliers.

108. Nothing has come to the attention of the Monitor that would suggest that the Company has not been in compliance with the terms of the Initial Order, the Claims Procedure Order, the Meeting Order and/or the CCAA generally.

109. Noteholders representing approximately 93% of the outstanding principal amount of the Notes support proceeding with the recapitalization contemplated under the Plan.

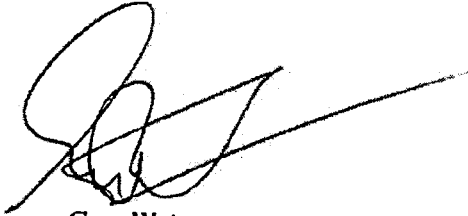
110. It appears that the likely alternative to the Plan would be an expedited liquidation. The Monitor notes that an expedited liquidation could have an adverse effect on the Company and its stakeholders such that the recoveries under a liquidation scenario could result in less value to the stakeholders than what is contemplated under the Plan, except with respect to holders of Equity Claims as they do not receive any recoveries in respect of such claims under the Plan or in a liquidation scenario.

111. If the Plan is approved by this Honourable Court, it will allow the Company to emerge from the CCAA Proceedings with a capital structure with significantly less debt and additional liquidity to continue to operate as a going concern.

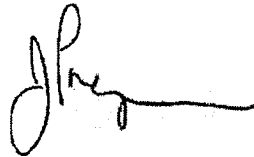
112. In consideration of all of the factors described herein, the Monitor recommends that the Meeting proceed in accordance with the terms of the Meeting Order and that Affected Unsecured Creditors vote in favour of the resolution to approve the Plan. It is the Monitor's view that the Plan is fair and reasonable, including the fact that the Plan provides for no recoveries to holders of Equity Claims.

Dated this 24th day of January, 2014.

FTI Consulting Canada Inc.
in its capacity as the Monitor of Jaguar Mining Inc.
and not in its personal or corporate capacity

A handwritten signature in black ink, appearing to be 'G. Watson', with a long horizontal stroke extending to the right.

Greg Watson
Senior Managing Director

A handwritten signature in black ink, appearing to be 'J. Porepa', with a long horizontal stroke extending to the right.

Jodi B. Porepa
Managing Director

**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

SECOND REPORT OF THE MONITOR

OSLER, HOSKIN & HARCOURT LLP
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1 First Canadian Place
Toronto, Ontario M5X 1B8

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Lawyers for the Monitor, FTI Consulting Canada Inc.

Appendix "D"

JAGUAR MINING INC.
CREDITORS' MEETING

January 31, 2014

4:45 p.m.

REPORT OF SCRUTINEER ON ATTENDANCE

All terms used but not defined herein shall have the meanings ascribed to them in the Claims Procedure Order of the Honourable Justice Morawetz dated December 23, 2013 (the "**Claims Procedure Order**").

The undersigned scrutineer hereby reports on the attendance of Affected Unsecured Creditors of Jaguar Mining Inc. ("**Jaguar**") holding Voting Claims and Disputed Voting Claims (as set out in the Claims Procedure Order) who were present and voting, either in person or by proxy, at the meeting of Affected Unsecured Creditors of Jaguar (the "**Meeting**") to consider and vote on the amended and restated plan of compromise and arrangement of Jaguar dated January 31, 2014 (the "**Amended and Restated Plan**").

The total number of Voting Claims represented in person or by proxy at the Meeting was 81, representing 100% of the total of 81 Voting Claims.

The total number of Disputed Voting Claims represented in person or by proxy at the Meeting was 1, representing 100% of the total of 1 Disputed Voting Claim.

The total number of Voting Claims and Disputed Voting Claims represented in person or by proxy at the Meeting was 82, representing 100% of the total of 82 Voting Claims and Disputed Voting Claims.

Accordingly, the undersigned scrutineer hereby reports that a quorum, consisting of one Creditor with a Voting Claim, was present at the Meeting.

DATED this 3rd day of February, 2014

A handwritten signature in cursive script, appearing to read 'J. Porepa', is written above a horizontal line.

Name of Scrutineer
(please print)

J. POREPA

Appendix "E"

**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 amended and restated on January 31, 2014”), and as may be further amended, restated or supplemented (the “**Amended and Restated Plan**”).

BE IT RESOLVED THAT:

- 1 The Amended and Restated Plan presented to Affected Unsecured Creditors at the Meeting be and hereby is authorized and approved.
- 1 Notwithstanding that this resolution has been passed and the Amended and Restated 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 Amended and Restated Plan.
- 2 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 Amended and Restated 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 "F"

**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.

**AMENDED AND RESTATED PLAN OF COMPROMISE AND ARRANGEMENT
PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT*
OF JAGUAR MINING INC.**

JANUARY 31, 2014

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 a plan of compromise and arrangement and to convene a meeting of affected creditors to consider and vote on the plan of compromise and arrangement, as may be amended, restated, modified or supplemented from time to time; 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) This Amended and Restated Plan of Compromise and Arrangement has been filed on January 31, 2014 with the consent of the Majority Consenting Noteholders (as hereinafter defined).
- (D) 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.
- (E) 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;

"Agreed Excluded Director/Officer Litigation Claims" means any claims against a Director and/or Officer that the Majority Consenting Noteholders and the Applicant have agreed, prior to the Implementation Date, and as set out on Schedule "A" hereto, will constitute Excluded Claims for the purposes of this Plan;

"Agreed Excluded Jaguar Litigation Claims" means any claims against Jaguar that the Majority Consenting Noteholders and the Applicant have agreed, prior to the Implementation Date, and as set out on Schedule "B" hereto, will constitute Excluded Claims for the purposes of this Plan;

"Agreed Excluded Litigation" means any proceeding commenced by any Agreed Excluded Litigation Claimant in respect of any Agreed Excluded Litigation Claims, subject to the terms of this Plan;

"Agreed Excluded Litigation Claimants" means any Persons and, if applicable, each of their respective parents, subsidiaries, associated, affiliated and related companies, corporations and Persons, and each of their directors, officers, employees, agents, affiliates, and trustees, that have asserted an Agreed Excluded Director/Officer Litigation Claim and/or an Agreed Excluded Jaguar Litigation Claim, as agreed to by the Majority Consenting Noteholders and the Applicant prior to the Implementation Date and as set out on Schedule "C" hereto;

"Agreed Excluded Litigation Claims" means, collectively, the Agreed Excluded Jaguar Litigation Claims and the Agreed Excluded Director/Officer Litigation Claims;

"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;

“CRA Claim” means the claim as described in the proof of claim, dated January 21, 2014, filed by Canada Revenue Agency in the CCAA Proceedings in the amount of \$5,969.13;

“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 Defence Costs Indemnity Claim” means any existing or future right of any current director (as at the date of this Plan) of Jaguar who is a defendant to any Agreed Excluded Director/Officer Litigation Claims against Jaguar for indemnification of reasonable defence costs incurred by such current director of Jaguar (whether or not a director of Jaguar at the time such claim for indemnification is made) in connection with defending against such Agreed Excluded Director/Officer Litigation Claims solely to the extent that such defence costs are not covered by insurance and for which such Director or Officer of Jaguar is entitled to be indemnified by 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 (i) 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 or (ii) any Agreed Excluded Litigation Claims and/or any Agreed Excluded Litigation, in each case for which such Director or Officer of Jaguar is entitled to be indemnified by Jaguar, other than a Director Defence Costs Indemnity Claim;

“Director/Officer Insurance Policy” means any insurance policy pursuant to which any Director or Officer is insured, in his or her capacity as a Director or Officer;

“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/SAR 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, the RSU Plan, and/or the SAR 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, provided that no claims that have been or may be asserted by any Agreed Excluded Litigation Claimant shall constitute claims that cannot be compromised pursuant to subsection 19(2) of the CCAA for purposes of this Plan;
- 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;
- xi. the Renvest Claim;

- xii. the Agreed Excluded Director/Officer Litigation Claims;
- xiii. the Agreed Excluded Jaguar Litigation Claims; and
- xiv. the CRA 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;

“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.;

“Jaguar Insurance Policy” means any insurance policy pursuant to which Jaguar is insured and any Director or Officer is insured, in his or her capacity as a Director or Officer;

“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 prior to the Meeting;

“New Board” means the board of directors in place from and after the Implementation Date, 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, but excluding any claims that have been or may be asserted by any Agreed Excluded Litigation Claimants;

“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 Amended and Restated 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 Allowed Claim calculated as at the Record Date bears to the aggregate of all Early Consenting Noteholders’ 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);

“Reinvest 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;

“SAR Plan” means the Third Amended and Restated Share Appreciation Rights Plan of Jaguar, effective as of December 8, 2010;

“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 claim against any Director and/or Officer 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; and provided further that no claims that have been or may be asserted by any Agreed Excluded Litigation Claimant shall constitute Section 5.1(2) Director/Officer Claims for the purposes of this Plan;

“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 December 19, 2013;

"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 11.1(a)(iii), 11.1(b)(i), 11.2, 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 in 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/SAR Notice is delivered, the DSU Plan, the RSU Plan and/or the SAR Plan, as set out in the DSU/RSU/SAR 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 and any Agreed Excluded Director/Officer Litigation Claims; provided that any Section 5.1(2) Director/Officer Claims and any Agreed Excluded Director/Officer Litigation Claims shall be limited to recovery from any insurance proceeds payable in respect of such Section 5.1(2) Director/Officer Claims or Agreed Excluded Director/Officer Litigation Claims, as applicable, pursuant to the Director/Officer Insurance Policies, and any Persons with any such Section 5.1(2) Director/Officer Claims or Agreed Excluded Director/Officer Litigation Claims shall have no right to, and shall not, make any claim or seek any recoveries from any Person (including Jaguar, any of its Subsidiaries or any Director or Officer), other than enforcing such Person's rights to be paid from the proceeds of a Director/Officer Insurance Policy by the applicable insurer(s); provided that nothing in this Plan shall prejudice, compromise, release or otherwise affect any right or defence of any insurer in respect of a Director/Officer Insurance Policy or any insured in respect of a Section 5.1(2) Director/Officer Claim or Agreed Excluded Director/Officer Litigation Claim; 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; provided that any Agreed Excluded Jaguar Litigation Claims shall be limited to recovery from any insurance proceeds payable in respect of such Agreed Excluded Jaguar Litigation Claims pursuant to the Jaguar Insurance Policies, and any Persons with any such Agreed Excluded Jaguar Litigation Claims against the Applicant shall have no right to, and shall not, make any claim or seek any recoveries from any Person (including Jaguar, any of its Subsidiaries or any Director or Officer), other than enforcing such Person's rights to be paid from the proceeds of a Jaguar Insurance Policy by the applicable insurer(s);

provided further that nothing in this Plan shall prejudice, compromise, release or otherwise affect any right or defence of any insurer in respect of a Jaguar Insurance Policy or any insured in respect of an Agreed Excluded Jaguar Litigation Claim; or

- (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, the Named Directors and Officers 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, the Named Directors and Officers 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, the Named Directors and Officers 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, the Named Directors and Officers 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. For greater certainty, the provisions of this Section 11.2 shall apply to Section 5.1(2)

Director/Officer Claims, Agreed Excluded Director/Officer Litigation Claims and Agreed Excluded Jaguar Litigation Claims in the same manner as Released Claims, except to the extent that the rights of a holder of such Section 5.1(2) Director/Officer Claims, Agreed Excluded Director/Officer Litigation Claims and/or Agreed Excluded Jaguar Litigation Claims to enforce such claims against an insurer in respect of a Directors/Officer Insurance Policy and/or a Jaguar Insurance Policy, as applicable, are expressly preserved pursuant to Section 11.1(a)(iii) and/or Section 11.1(b)(i) hereof.

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 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 the Applicant 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 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, the RSU Plan and the SAR 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 (which for greater certainty include the conditions set out in sections 9(a), (b) and (c) of 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 (which for greater certainty include the conditions set out in sections 7(a), (b) and (c) of the Backstop Agreement) shall have been satisfied or waived in accordance with their terms, and the Backstop Agreement shall not have been terminated;
- (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; and
- (n) No insurer under a Director/Officer Insurance Policy or a Jaguar Insurance Policy shall have an unresolved objection, filed in the CCAA Proceedings, to the implementation of this Plan.

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 Applicant (or counsel on its behalf) and Goodmans LLP on behalf of the Majority Consenting Noteholders and the Majority Backstop Parties 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 Applicant and Goodmans LLP on behalf of the Majority Consenting Noteholders and the Majority Backstop Parties, 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

FTI Consulting Canada Inc. is acting in its capacity as Monitor in the CCAA Proceedings with respect to the Applicant and this Plan and not in its personal or corporate capacity, and will not be responsible or liable for any obligations of the Applicant under the Plan or otherwise.

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.

Schedule "A"

Agreed Excluded Director/Officer Litigation Claims

Schedule "B"

Agreed Excluded Jaguar Litigation Claims

Schedule "C"

Agreed Excluded Litigation Claimants

Appendix "G"

JAGUAR MINING INC.
CREDITORS' MEETING

January 31, 2014

4:45 p.m.

REPORT OF SCRUTINEER ON VOTING

All terms used but not defined herein shall have the meaning ascribed to them in the Claims Procedure Order of the Honourable Justice Morawetz dated December 23, 2013 (the "Claims Procedure Order").

The undersigned scrutineer hereby reports on the results of voting by the Affected Unsecured Creditors of Jaguar Mining Inc. ("Jaguar") holding Voting Claims and Disputed Voting Claims (as set out in the Claims Procedure Order) who were present and voting, either in person or by proxy, at the meeting (the "Meeting") of the Affected Unsecured Creditors of Jaguar to consider and vote on the amended and restated plan of compromise and arrangement of Jaguar dated January 31, 2014 (the "Amended and Restated Plan").

1. The number of Affected Unsecured Creditors holding Voting Claims and Disputed Voting Claims and Value of Voting Claims and Disputed Voting Claims that voted FOR the Amended and Restated Plan pursuant to the Companies Creditors' Arrangement Act ("CCAA") is set out below:

Method of Voting	# of Voting Claims	\$ Value for Disputed Voting Claims
In Person	0	\$ -
By Proxy	81	\$ 227,628,000
Total¹	81	\$ 227,628,000

Method of Voting	# of Disputed Voting Claims	\$ Value for Disputed Voting Claims
In Person	0	\$ -
By Proxy	1	\$ 65,744
Total¹	1	\$ 65,744

Method of Voting	# of Voting Claims & Disputed Voting Claims	\$ Value for Voting Claims & Disputed Voting Claims
In Person	0	\$ -
By Proxy	82	\$ 227,693,744
Total¹	82	\$ 227,693,744

2. There were no Voting Claims and/or Disputed Voting Claims that Voted AGAINST the Amended and Restated Plan pursuant to the CCAA.
1. The Monitor received 81 proxies by 10:00 a.m. on January 30, 2014. The Monitor received and accepted 1 additional proxy submitted after 10:00 a.m. on January 30, 2014, the deadline set for submission of proxies once the Meeting had been adjourned. This 1 proxy voted in favour of the Plan and does not alter the outcome of the vote.

81 Affected Unsecured Creditors holding Voting Claims representing an aggregate value of \$227,628,000 of Voting Claims present and voting in person or by proxy at the Meeting voted FOR the resolution approving the Amended and Restated Plan pursuant to the CCAA. The number of Affected Unsecured Creditors holding Voting Claims that voted FOR the resolution approving the Amended and Restated Plan pursuant to the CCAA represents 100% of the total number of Affected Unsecured Creditors holding Voting Claims present and voting at the Meeting. The value of Voting Claims that voted FOR the resolution approving the Amended and Restated Plan under the CCAA represents 100% of the aggregate value of Voting Claims present and voting in person or by proxy at the Meeting.

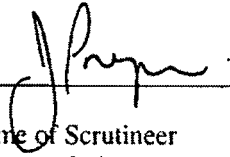
1 Affected Unsecured Creditor holding a Disputed Voting Claim representing an aggregate value of \$65,744 of the Disputed Voting Claims present and voting in person or by proxy at the Meeting voted FOR the resolution approving the Amended and Restated Plan pursuant to the CCAA. The number of Affected Unsecured Creditors holding Disputed Voting Claims that voted FOR the resolution approving the Amended and Restated Plan pursuant to the CCAA represents 100% of the total number of Affected Unsecured Creditors holding Disputed Voting Claims present and voting at the Meeting. The value of Disputed Voting Claims that voted FOR the resolution approving the Amended and Restated Plan under the CCAA represents 100% of the aggregate value of Disputed Voting Claims present and voting in person or by proxy at the Meeting.

82 Affected Unsecured Creditors holding Voting Claims and Disputed Voting Claims representing an aggregate value of \$227,693,744 of Voting Claims and Disputed Voting Claims present and voting in person or by proxy at the Meeting voted FOR the resolution approving the Amended and Restated Plan pursuant to the CCAA. The number of Affected Unsecured Creditors holding Voting Claims and Disputed Voting Claims that voted FOR the resolution approving the Amended and Restated Plan pursuant to the CCAA represents 100% of the total number of Affected Unsecured Creditors holding Voting Claims and Disputed Voting Claims present and voting at the Meeting. The value of Voting Claims and Disputed Voting Claims that voted FOR the resolution approving the Amended and Restated Plan under the CCAA represents 100% of the aggregate value of Voting Claims and Disputed Voting Claims present and voting in person or by proxy at the Meeting.

On the basis of the foregoing, a majority in number of the Voting Claims and Disputed Voting Claims representing more than 2/3 of the value of Voting Claims and Disputed Voting Claims present and voting at the Meeting have voted in favour of the resolution approving the Amended and Restated Plan pursuant to the CCAA.

1. The Monitor received 81 proxies by 10:00 a.m. on January 30, 2014. The Monitor received and accepted 1 additional proxy submitted after 10:00 a.m. on January 30, 2014, the deadline set for submission of proxies once the Meeting had been adjourned. This 1 proxy voted in favour of the Plan and does not alter the outcome of the vote.

DATED this 3rd day of February, 2014



Name of Scrutineer
(please print)

J. FORÉPA

1. The Monitor received 81 proxies by 10:00 a.m. on January 30, 2014. The Monitor received and accepted 1 additional proxy submitted after 10:00 a.m. on January 30, 2014, the deadline set for submission of proxies once the Meeting had been adjourned. This 1 proxy voted in favour of the Plan and does not alter the outcome of the vote.

Appendix "H"

**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 OR
ARRANGEMENT OF JAGUAR MINING INC.


**AFFIDAVIT OF GREG WATSON
(Sworn February 3, 2014)**

I, GREG WATSON, of the City of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY:**

1. I am a Senior Managing Director of FTI Consulting Canada Inc. ("FTI"), and, as such, I have knowledge to the matters of which I hereinafter depose.
2. On December 23, 2013 Jaguar obtained protection from its creditors under the *Companies Creditors' Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") pursuant to the initial order granted by the Honourable Justice Morawetz (the "Initial Order"). FTI was appointed as monitor (the "Monitor") of Jaguar. The proceedings commenced by Jaguar under the CCAA will be referred to herein as the "CCAA Proceedings".
3. This affidavit is made in support of a motion for, *inter alia*, the approval of the fees and disbursements of FTI for the period from December 23, 2013 to January 26, 2014. Attached and marked collectively as Exhibit "A" to this affidavit are true copies of the accounts rendered to Jaguar for the period of December 23, 2013 to January 26, 2014 (redacted for confidential information), in the total amount of \$266,629.92, including Harmonized Sales Tax ("HST").

4. Attached hereto as Exhibit "B" is a schedule summarizing each invoice in Exhibit "A", the fees, disbursements, HST and total fees charged for each invoice.
5. Attached hereto as Exhibit "C" is a schedule summarizing the billing rates and total amounts billed with respect to each member of FTI that rendered services in the CCAA Proceedings from December 23, 2013 to January 26, 2014.
6. To the best of my knowledge, the rates charged by FTI throughout the course of the CCAA Proceedings are comparable to the rates charged by other firms in the Toronto market for the provision of similar restructuring services.
7. The hours spent on this matter involved monitoring Jaguar and dealing with a number of CCAA issues (as more particularly described in the Monitor's reports) and I believe that the total hours incurred by FTI were reasonable and appropriate in the circumstances.
8. Additional professional time will be required to complete the CCAA Proceedings.
9. FTI requests that the Court approve its accounts for the period of December 23, 2013 to January 26, 2014 for fees in the amount of \$176,168.50 , expenses of \$59,787.18 and HST of \$30,674.24 .

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, on
February 3, 2014.



Commissioner for Taking Affidavits
Dave Rosenblatt




GREG WATSON

THIS IS EXHIBIT "A" REFERRED TO IN THE

AFFIDAVIT OF GREG WATSON

SWORN BEFORE ME ON FEBRUARY 3 , 2014



Dave Rosenthal

A COMMISSIONER FOR TAKING AFFIDAVITS



Invoice Remittance

Mr. Douglas Willock
Chief Financial Officer
Jaguar Mining, Inc.
67 Yonge Street, Suite 1203
Toronto, ON M5E 1J8

December 31, 2013
FTI Invoice No. 29000816
FTI Job No. 439204.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through December 31, 2013

	<i>CAD (\$)</i>
Professional Services.....	\$24,445.50
Expenses.....	<u>\$0.00</u>
Total Fees and Expenses.....	\$24,445.50
HST Registration No. 835718024RT0001	<u>\$3,177.92</u>
Total Amount Due this Period.....	\$27,623.42
Total Amount Due.....	<u><u>\$27,623.42</u></u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Mr. Douglas Willock
Chief Financial Officer
Jaguar Mining, Inc.
67 Yonge Street, Suite 1203
Toronto, ON M5E 1J8

December 31, 2013
FTI Invoice No. 29000816
FTI Job No. 439204.0001
Terms Payment on Presentation

Current Invoice Period: Charges Posted through December 31, 2013

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$830.00	4.0	\$3,320.00
Jodi Porepa	Managing Director	\$655.00	30.7	\$20,108.50
Michael Kennedy	Consultant	\$325.00	0.9	\$292.50
Linda Kelly	Administrative Professional	\$115.00	6.3	\$724.50
Total Hours and Fees			41.9	\$24,445.50

HST Registration No. 835718024RT0001 **\$3,177.92**

Invoice Total for Current Period **\$27,623.42**

Jaguar Mining Inc.
439204.0001 - December 31, 2013
Invoice # 29000816

Date	TK#	Name	Hours	Amount	Narrative
12/27/13	18441	Linda Kelly	1.10	\$ 126.50	Preparing and mailing of creditor packages for Jaguar Mining.
12/27/13	18441	Linda Kelly	0.60	\$ 69.00	Finalizing Court Notices to be published with the Globe and Mail.
12/24/13	18441	Linda Kelly	0.50	\$ 57.50	Correspondence with Globe and Mail and the Wall Street Journal regarding various proofs of Court Notices to be published.
12/23/13	18441	Linda Kelly	1.10	\$ 126.50	Edited the Monitor's website and posted documents to various sections of the website.
12/23/13	18441	Linda Kelly	1.40	\$ 161.00	Correspondence with the Globe and Mail and Wall Street Journal in relation to publishing various Court Notices. Review of proofs in respect of the previously mentioned Court Notices.
12/24/13	18441	Linda Kelly	0.40	\$ 46.00	Posted documents to the Monitor's website.
12/23/13	18441	Linda Kelly	0.40	\$ 46.00	Printing documents for Creditor Packages and prepared labels for the mailing of the the previously mentioned Creditor Packages.
12/23/13	18441	Linda Kelly	0.10	\$ 11.50	Set up the voice mail message for the Monitor's Hotline.
12/23/13	18441	Linda Kelly	0.50	\$ 57.50	Posted various documents to the Monitor's website.
12/30/13	18441	Linda Kelly	0.20	\$ 23.00	Posted various documents to the Monitor's website.
12/30/13	18003	Michael Kennedy	0.90	\$ 292.50	Further edits and adjustments to Milestones Schedule and continued review of multiple Court Orders.
12/27/13	15532	Jodi Porepa	3.60	\$ 2,358.00	Compliance with Order requirements. Discussions regarding US proceedings. Follow up on outstanding items.
12/31/13	15532	Jodi Porepa	3.30	\$ 2,161.50	Responded to third party inquiries. Call with the Company CFO regarding various issues. Call with Norton Rose. Review of proposed disbursements.
12/30/13	15532	Jodi Porepa	6.30	\$ 4,126.50	Responded to third party inquiries. Review of proposed disbursements. Review of Note Indenture Trustee calculation. Follow up on Initial Order requirements.
12/24/13	15532	Jodi Porepa	6.50	\$ 4,257.50	Coordination of Court Order requirements. Coordinating Notice requirements.
12/23/13	15532	Jodi Porepa	11.00	\$ 7,205.00	Attendance in Court. Follow up on Initial Order requirements. Update OSB requirements. Prepare templates for the Company.
12/23/13	14798	Gregory Watson	4.00	\$ 3,320.00	Status update on outstanding items and review of various documents.
TOTAL			41.90	\$ 24,445.50	



Invoice Remittance

Mr. Douglas Willock
Chief Financial Officer
Jaguar Mining, Inc.
67 Yonge Street, Suite 1203
Toronto, ON M5E 1J8

January 7, 2014
FTI Invoice No. 29000831
FTI Job No. 439204.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through January 5, 2014

	<i>CAD (\$)</i>
Professional Services.....	\$13,650.00
Expenses.....	<u>\$22,299.33</u>
Total Fees and Expenses.....	\$35,949.33
HST Registration No. 835718024RT0001	<u>\$4,673.41</u>
Total Amount Due this Period.....	\$40,622.74
Total Amount Due.....	<u><u>\$40,622.74</u></u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Mr. Douglas Willock
Chief Financial Officer
Jaguar Mining, Inc.
67 Yonge Street, Suite 1203
Toronto, ON M5E 1J8

January 7, 2014
FTI Invoice No. 29000831
FTI Job No. 439204.0001
Terms Payment on Presentation

Current Invoice Period: Charges Posted through January 5, 2014

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$830.00	1.0	\$830.00
Jodi Porepa	Managing Director	\$655.00	16.0	\$10,480.00
Michael Kennedy	Consultant	\$325.00	7.2	\$2,340.00
Total Hours and Fees			24.2	\$13,650.00
Other/Miscellaneous				\$22,299.33
Total Expenses				\$22,299.33
HST Registration No. 835718024RT0001				\$4,673.41
Invoice Total for Current Period				\$40,622.74

Jaguar Mining Inc.
439204.0001 - January 5, 2014
Invoice # 29000831

Date	TK#	Name	Hours	Amount	Narrative
01/02/14	18003	Michael Kennedy	4.30	\$ 1,397.50	Review of Claims and Meetings Order. Internal FTI meeting regarding the same. Email and phone correspondence with the Globe & Mail and the Wall Street Journal regarding further Court Notices to be published.
01/03/14	18003	Michael Kennedy	2.90	\$ 942.50	Review of Court Orders and finalization of timeline. Drafted and updated the Claims Register.
01/05/14	15532	Jodi Porepa	3.00	\$ 1,965.00	Review of the Information Circular. Responded to third party inquiries. Review of various legal documents.
01/04/14	15532	Jodi Porepa	1.40	\$ 917.00	Review of the Information Circular.
01/03/14	15532	Jodi Porepa	5.50	\$ 3,602.50	Review of proposed disbursements. Discussions with the Company. Review of Notices to be published. Review of legal documents. Review of documents from the data room.
01/02/14	15532	Jodi Porepa	6.10	\$ 3,995.50	Review of disbursements. Discussion with Company. Review of advertisements. Review of legal documents.
01/02/14	14798	Gregory Watson	1.00	\$ 830.00	Review of outstanding items.
TOTAL			24.20	\$ 13,650.00	



Invoice Remittance

Mr. Douglas Willock
Chief Financial Officer
Jaguar Mining, Inc.
67 Yonge Street, Suite 1203
Toronto, ON M5E 1J8

January 14, 2014
FTI Invoice No. 29000833
FTI Job No. 439204.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through January 12, 2014

	<i>CAD (\$)</i>
Professional Services.....	\$31,945.50
Expenses.....	<u>\$0.00</u>
Total Fees and Expenses.....	\$31,945.50
HST Registration No. 835718024RT0001	<u>\$4,152.92</u>
Total Amount Due this Period.....	\$36,098.42
Total Amount Due.....	<u>\$36,098.42</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Mr. Douglas Willock
Chief Financial Officer
Jaguar Mining, Inc.
67 Yonge Street, Suite 1203
Toronto, ON M5E 1J8

January 14, 2014
FTI Invoice No. 29000833
FTI Job No. 439204.0001
Terms Payment on Presentation

Current Invoice Period: Charges Posted through January 12, 2014

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$830.00	4.0	\$3,320.00
Jodi Porepa	Managing Director	\$655.00	41.0	\$26,855.00
Michael Kennedy	Consultant	\$325.00	5.2	\$1,690.00
Linda Kelly	Administrative Professional	\$115.00	0.7	\$80.50
Total Hours and Fees			50.9	\$31,945.50

HST Registration No. 835718024RT0001 **\$4,152.92**

Invoice Total for Current Period **\$36,098.42**

Jaguar Mining Inc.
439204.0001 - January 12, 2014
Invoice # 29000833

Date	TK#	Name	Hours	Amount	Narrative
01/06/14	18441	Linda Kelly	0.30	\$ 34.50	Prepared and posted documents to the Monitor's website.
01/09/14	18441	Linda Kelly	0.40	\$ 46.00	Administrative work related to legal documents.
01/06/14	18003	Michael Kennedy	2.80	\$ 910.00	Call with Jaguar Mining. Draft and edits to Claims Register.
01/09/14	18003	Michael Kennedy	0.20	\$ 65.00	Prepared documents for posting to the Monitor's website.
01/10/14	18003	Michael Kennedy	2.20	\$ 715.00	Review of specific payments for approval. Review of historical payments and correspondence for future reference. Review into the company Receipts & Disbursements. Additions to the Claims Register.
01/06/14	15532	Jodi Porepa	6.80	\$ 4,454.00	Calls with Company regarding proposed disbursements. Follow up on various claims received. Review of the Company Motion Materials. Call with Secured Creditors. Discussions regarding disbursements. Follow up on disbursements.
01/07/14	15532	Jodi Porepa	6.20	\$ 4,061.00	Status update call. Review of various emails.
01/08/14	15532	Jodi Porepa	6.60	\$ 4,323.00	Review of disbursements. Review of variance analysis. Follow up on next report and specific requirements. Follow up on Noteholder Claim. Follow up on valuation material. Discussions with Counsel. Draft of Report. Discussion regarding updated Cash Flow Forecast.
01/09/14	15532	Jodi Porepa	8.50	\$ 5,567.50	Responded to various third party inquiries. Review of disbursements. Drafting of Report. Reviewed and provided comments on variance analysis. Reviewed and provided comments on Cash Flow Forecast. Review of disbursements. Discussions with Norton Rose and the Company
01/10/14	15532	Jodi Porepa	7.00	\$ 4,585.00	Drafting of Report. Reviewed and provided comments on variance analysis. Reviewed and provide comments on cash flow forecast. Review of specific proposed disbursements.
01/11/14	15532	Jodi Porepa	3.20	\$ 2,096.00	Reviewed and updated Report. Follow up on emails. Respond to third party inquiries.
01/12/14	15532	Jodi Porepa	2.70	\$ 1,768.50	Reviewed and updated Report. Follow up on emails. Respond to third party inquiries.
01/08/14	14798	Gregory Watson	2.00	\$ 1,660.00	Review of outstanding matters.
01/09/14	14798	Gregory Watson	2.00	\$ 1,660.00	Participation in calls with various professionals.
TOTAL			50.90	\$ 31,945.50	



Invoice Remittance

Mr. Douglas Willock
Chief Financial Officer
Jaguar Mining, Inc.
67 Yonge Street, Suite 1203
Toronto, ON M5E 1J8

January 21, 2014
FTI Invoice No. 29000835
FTI Job No. 439204.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through January 19, 2014

CAD (\$)

Professional Services.....	\$55,297.50
Expenses.....	<u>\$37,487.85</u>
Total Fees and Expenses.....	\$92,785.35
HST Registration No. 835718024RT0001	<u>\$12,062.10</u>
Total Amount Due this Period.....	\$104,847.45
Previous Balance Due.....	<u>\$36,098.42</u>
Total Amount Due.....	<u><u>\$140,945.87</u></u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Mr. Douglas Willock
Chief Financial Officer
Jaguar Mining, Inc.
67 Yonge Street, Suite 1203
Toronto, ON M5E 1J8

January 21, 2014
FTI Invoice No. 29000835
FTI Job No. 439204.0001
Terms Payment on Presentation

Current Invoice Period: Charges Posted through January 19, 2014

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$830.00	11.0	\$9,130.00
Jodi Porepa	Managing Director	\$655.00	65.4	\$42,837.00
Michael Kennedy	Consultant	\$325.00	10.0	\$3,250.00
Linda Kelly	Administrative Professional	\$115.00	0.7	\$80.50
Total Hours and Fees			87.1	\$55,297.50
Other/Miscellaneous				\$37,487.85
Total Expenses				\$37,487.85
HST Registration No. 835718024RT0001				\$12,062.10
Invoice Total for Current Period				\$104,847.45

Jaguar Mining Inc.
439204.0001 - January 19, 2014
Invoice # 29000835

Date	TK#	Name	Hours	Amount	Narrative
01/14/14	18441	Linda Kelly	0.20	\$ 23.00	Updated the Monitor's website for legal documents.
01/13/14	18441	Linda Kelly	0.20	\$ 23.00	Updated the Monitor's website for legal documents.
01/15/14	18441	Linda Kelly	0.20	\$ 23.00	Updated the Monitor's website for legal documents.
01/17/14	18441	Linda Kelly	0.10	\$ 11.50	Updated the Monitor's website for legal documents.
01/13/14	18003	Michael Kennedy	2.10	\$ 682.50	Review of previous weeks receipts and disbursements. Adjusted Professional Fee variance to correspond with updated Cash Flow Forecast. Internal FTI meeting regarding various file items.
01/14/14	18003	Michael Kennedy	2.20	\$ 715.00	Prepared various updates to the Monitor's website. Drafted status updates for both the extension of the Stay of Proceedings as well as the delisting of public shares. Review of the Information Circular. Responded to various third party inquiries.
01/15/14	18003	Michael Kennedy	1.80	\$ 585.00	Additional adjustments to the Monitor's website. Further review of the Plan of Implementation. Returned voicemails on the Monitor's Hotline. Updated Claims Register
01/16/14	18003	Michael Kennedy	2.20	\$ 715.00	Further edits and adjustments to Professional Fee Variance Analysis. Reviewed and reconciled actual disbursements. Reviewed payment approvals from FTI for specific time period. Updated the Claims Register.
01/17/14	18003	Michael Kennedy	1.70	\$ 552.50	Updated the Claims Register. Prepared a cumulative update for the Professional Fee Variance. Returned voicemails regarding various third party inquiries. Updates to Monitor's website.
01/19/14	15532	Jodi Porepa	10.40	\$ 6,812.00	Reviewed and drafted various Reports.
01/18/14	15532	Jodi Porepa	9.80	\$ 6,419.00	Reviewed and drafted various Reports.
01/17/14	15532	Jodi Porepa	7.60	\$ 4,978.00	Review of various Reports. Respond to third party inquiries.
01/16/14	15532	Jodi Porepa	7.60	\$ 4,978.00	Review of variance analysis. Review of legal documents. Drafted Report.
01/15/14	15532	Jodi Porepa	10.50	\$ 6,877.50	Review of variance analysis. Review of various legal documents. Draft of Report. Calls with Oslers and Norton Rose. Review of proposed disbursements. Various calls with Company.
01/14/14	15532	Jodi Porepa	8.80	\$ 5,764.00	Attendance in Court. Review of email correspondence. Review of legal documents. Review of proposed disbursements. Review of variance analysis. Review of Court materials.
01/13/14	15532	Jodi Porepa	10.70	\$ 7,008.50	Drafted and finalized report. Discussions with Oslers, Norton Rose, and the Company
01/13/14	14798	Gregory Watson	1.00	\$ 830.00	Review draft of Report.
01/14/14	14798	Gregory Watson	1.00	\$ 830.00	Discussion with Oslers.
01/15/14	14798	Gregory Watson	1.00	\$ 830.00	Status update and review of various documents.
01/16/14	14798	Gregory Watson	4.00	\$ 3,320.00	Review of various information. Review of legal documents. Review of Court Report.
01/17/14	14798	Gregory Watson	4.00	\$ 3,320.00	Review of various information. Review of legal documents. Review of Court Report.
TOTAL			87.10	\$ 55,297.50	



Invoice Remittance

Mr. Douglas Willock
Chief Financial Officer
Jaguar Mining, Inc.
67 Yonge Street, Suite 1203
Toronto, ON M5E 1J8

January 28, 2014
FTI Invoice No. 29000840
FTI Job No. 439204.0001
Terms: Payment on Presentation

Current Invoice Period: Charges Posted through January 26, 2014

	<i>CAD (\$)</i>
Professional Services.....	\$50,830.00
Expenses.....	<u>\$0.00</u>
Total Fees and Expenses.....	\$50,830.00
HST Registration No. 835718024RT0001	<u>\$6,607.90</u>
Total Amount Due this Period.....	\$57,437.90
Total Amount Due.....	<u>\$57,437.90</u>

Please Wire Transfer To:

Bank of Nova Scotia
Scotia Plaza, 44 King Street West
Toronto, ONT M5H 1H1
Swift Code: NOSCCATT
Bank Number: 002
Beneficiary: FTI Consulting Canada Inc.
Beneficiary account number: 476960861715



Invoice Summary

Mr. Douglas Willock
Chief Financial Officer
Jaguar Mining, Inc.
67 Yonge Street, Suite 1203
Toronto, ON M5E 1J8

January 28, 2014
FTI Invoice No. 29000840
FTI Job No. 439204.0001
Terms Payment on Presentation

Current Invoice Period: Charges Posted through January 26, 2014

Name	Title	Rate	Hours	Total
Gregory Watson	Senior Managing Director	\$830.00	10.0	\$8,300.00
Jodi Porepa	Managing Director	\$655.00	55.6	\$36,418.00
Michael Kennedy	Consultant	\$325.00	18.7	\$6,077.50
Linda Kelly	Administrative Professional	\$115.00	0.3	\$34.50
Total Hours and Fees			84.6	\$50,830.00

HST Registration No. 835718024RT0001 **\$6,607.90**

Invoice Total for Current Period **\$57,437.90**

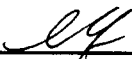
Jaguar Mining Inc.
439204.0001 - January 26, 2014
Invoice # 29000840

Date	TK#	Name	Hours	Amount	Narrative
01/21/14	18441	Linda Kelly	0.30	\$ 34.50	Updates to the Monitor's website.
01/20/14	18003	Michael Kennedy	3.50	\$ 1,137.50	Compiled a schedule of Company press releases from 2011 until the current period. Updated the Claims Register to include the most recent claims received. Internal FTI meeting regarding the variance analysis. Responded to various third party inquiries.
01/21/14	18003	Michael Kennedy	7.10	\$ 2,307.50	Completed the Professional Fee variance analysis for the current period. Adjusted notes on the current variance analysis. Returned voicemails on the Monitor's Hotline. Collected invoices and information regarding proposed payments.
01/22/14	18003	Michael Kennedy	5.10	\$ 1,657.50	Reviewed proposed payments contemplated in the variance analysis.. Multiple edits and adjustments to the Claims Register. Returned voicemails on the Monitor's Hotline.
01/23/14	18003	Michael Kennedy	1.90	\$ 617.50	Returned voicemails on the Monitor's Hotline. Follow up with CRA regarding specific claims details. Updated the Claims Register. Review of proposed disbursements with the Company.
01/24/14	18003	Michael Kennedy	1.10	\$ 357.50	Review of specific payments for the coming weeks.
01/20/14	15532	Jodi Porepa	11.20	\$ 7,336.00	Review of various Court documents. Responded to third party inquiries. Review of Draft of Report.
01/21/14	15532	Jodi Porepa	11.60	\$ 7,598.00	Drafted and finalized Report. Review of specific Court documents. Discussions with Oslers and Norton Rose. Follow up with Company.
01/22/14	15532	Jodi Porepa	13.00	\$ 8,515.00	Drafted and finalized Report. Review of various Court documents. Conference call to discuss liquidation analysis.
01/23/14	15532	Jodi Porepa	10.30	\$ 6,746.50	Drafted and finalized Report. Review of various Court documents.
01/24/14	15532	Jodi Porepa	8.00	\$ 5,240.00	Drafted and finalized Report. Review of various Court documents.
01/26/14	15532	Jodi Porepa	1.50	\$ 982.50	Review of claims. Responded to third party requests. Send press release for posting to the Monitor's website.
01/20/14	14798	Gregory Watson	3.00	\$ 2,490.00	Review of Report.
01/21/14	14798	Gregory Watson	4.00	\$ 3,320.00	Review of Report and various Court documents.
01/23/14	14798	Gregory Watson	1.00	\$ 830.00	Review of Report and various Court documents.
01/24/14	14798	Gregory Watson	2.00	\$ 1,660.00	Review of Report and various Court documents.
TOTAL			84.60	\$ 50,830.00	

THIS IS EXHIBIT "B" REFERRED TO IN THE

AFFIDAVIT OF GREG WATSON

SWORN BEFORE ME ON FEBRUARY 3 , 2014



Dave Rosenblatt

A COMMISSIONER FOR TAKING AFFIDAVITS

Summary of FTI Monitor Fees

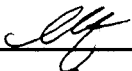
Services Rendered December 23 , 2013 - January 26, 2014

Invoice #	Date	Fees	Expenses	HST	Total
29000816	December 31, 2013	\$ 24,445.50	\$ -	\$ 3,177.92	\$ 27,623.42
29000831	January 7, 2014	\$ 13,650.00	\$ 22,299.33	\$ 4,673.41	\$ 40,622.74
29000833	January 14, 2014	\$ 31,945.50	\$ -	\$ 4,152.92	\$ 36,098.42
29000835	January 21, 2014	\$ 55,297.50	\$ 37,487.85	\$ 12,062.10	\$ 104,847.45
29000840	January 28, 2014	\$ 50,830.00	\$ -	\$ 6,607.90	\$ 57,437.90
TOTAL		\$ 176,168.50	\$ 59,787.18	\$ 30,674.24	\$ 266,629.92

THIS IS EXHIBIT "C" REFERRED TO IN THE

AFFIDAVIT OF GREG WATSON

SWORN BEFORE ME ON FEBRUARY 3 , 2014



Dave Rosenblat

A COMMISSIONER FOR TAKING AFFIDAVITS

Summary of FTI Monitor Fees

Services Rendered December 23 , 2013 - January 26, 2014

Professional	Title	Hours	Hourly Rate	Total
Gregory Watson	Senior Managing Director	30.00	\$ 830.00	\$ 24,900.00
Jodi Porepa	Managing Director	208.70	\$ 655.00	\$ 136,698.50
Michael Kennedy	Consultant	42.00	\$ 325.00	\$ 13,650.00
Linda Kelly	Administrative Professional	8.00	\$ 115.00	\$ 920.00
TOTAL		288.70		\$ 176,168.50

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

**AFFIDAVIT OF GREG WATSON
(SWORN FEBRUARY 3, 2014)**

OSLER, HOSKIN & HARCOURT LLP
P.O. Box 50, 100 King Street West
1 First Canadian Place
Toronto, Ontario M5X 1B8

Marc Wasserman (LSUC#: 44066M)
Tel: 416.862.4908
Email: mwasserman@osler.com

Michael De Lellis (LSUC#:48038U)
Tel: 416.862.5997
Fax: 416.862.6666

Lawyers for the Monitor, FTI Consulting Canada Inc.

Appendix “I”

**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 OR
ARRANGEMENT OF JAGUAR MINING INC.


**AFFIDAVIT OF MICHAEL DE LELLIS
(Sworn February 3, 2014)**

I, MICHAEL DE LELLIS, of the City of Toronto, in the Province of Ontario, **MAKE
OATH AND SAY:**

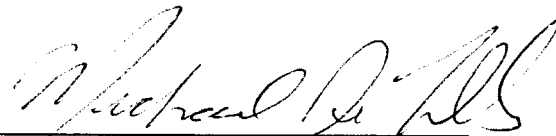
1. I am a Partner in the law firm of Osler, Hoskin & Harcourt LLP (“Osler”), solicitors for FTI Consulting Canada Inc. (“FTI”), in its capacity as the court appointed monitor for Jaguar Mining Inc. (“Jaguar”), and, as such, I have knowledge of the matters to which I hereinafter depose.
2. On December 23, 2013 Jaguar obtained protection from its creditors under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “CCAA”) pursuant to the initial order granted by the Honourable Justice Morawetz (the “Initial Order”). FTI was appointed as monitor (the “Monitor”) of Jaguar. The proceedings commenced by Jaguar under the CCAA will be referred to herein as the “CCAA Proceedings”.
3. This affidavit is made in support of a motion for, *inter alia*, the approval of the fees and disbursements of Osler for the period from December 23, 2013 to January 24, 2014.

4. During the period from December 23, 2013 to January 24, 2014 Osler docketed 317.60 hours in respect of the CCAA Proceeding and billed a total of \$206,752.97, amounting to legal fees of \$180,089.50 and disbursements and other charges of \$2,877.73 plus Goods and Services Tax ("GST") of \$23,785.74. Attached and marked collectively as Exhibit "A" to this affidavit are true copies of the accounts rendered to FTI in connection with the CCAA Proceedings for the period of December 23, 2013 to January 24, 2014 (redacted for confidential information).
5. Attached hereto as Exhibit "B" is a schedule summarizing each invoice in Exhibit "A", the fees, disbursements, GST and total fees charged for each invoice.
6. Attached hereto as Exhibit "C" is a schedule summarizing the billing rates of each of the members of Osler who acted on behalf of FTI in the CCAA Proceedings from December 23, 2013 to January 24, 2014, as well as the average hourly rate for the legal services provided by Osler.
7. The hourly billing rates applied in the invoices of Osler are Osler's normal hourly rates which were in effect from December 23, 2013 to January 24, 2014 and are comparable to the hourly rates charged by Osler for services rendered in relation to similar proceedings.
8. The rates charged by Osler throughout the course of the CCAA Proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.
9. Osler's fees and disbursements for the period up to and including the effective date of the Monitor's discharge will be calculated and billed at Osler's standard rates.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, on
February 3, 2014.




Commissioner for Taking Affidavits
Dave Rosenblatt



MICHAEL DE LELLIS

THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF MICHAEL DE LELLIS
SWORN BEFORE ME ON FEBRUARY 3, 2014



Dave Eisenblatt

A COMMISSIONER FOR TAKING AFFIDAVITS

Osler, Hoskin & Harcourt LLP
1 First Canadian Place
PO BOX 50
Toronto ON M5X 1B8
CANADA
416.362.2111 MAIN
416.862.6666 FACSIMILE

OSLER

FTI Consulting Canada Inc.
TD Waterhouse Tower, 79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, ON M5K 1G8
CANADA

Invoice No.: 11620826
Date: January 20, 2014
Client No.: 223352

GST/HST No.: 121983217 RT0001

Attention: Greg Watson
Senior Managing Director

Contact: Marc Wasserman
Direct Dial: (416) 862-4908
E-mail: MWasserman@Osler.com

For professional services rendered for Jaguar Mining Inc. (Formerly Project Norton) (F#1149288).

OUR FEE HEREIN
REIMBURSABLE EXPENSES
HST @ 13%
TOTAL (CAD):

██████████ 4,710.00
408.30
██████████ 665.36
██████████ 5,783.68

PAYMENT DUE ON RECEIPT



We are committed to protecting the environment. Please provide your email address to payments@osler.com to receive invoices and reminder statements electronically.



REMITTANCE ADVICE

Canadian Dollar EFT and Wire Payments:

TD Canada Trust
180 TD Square, 317 – 7th Avenue S.W.
Calgary, Alberta T2P 2Y9
Transit No: 80629-0004
Account No: 5219313
SWIFT Code: TDOMCATTOR

Cheque Payments:

Osler, Hoskin & Harcourt LLP
FINANCE & ACCOUNTING (RECEIPTS)
1 First Canadian Place
PO BOX 50
Toronto, Ontario M5X 1B8
Canada

Invoice No.: 11620826
Client No.: 223352
Amount: 22,491.86 CAD

Email payment details to payments@osler.com,
referencing invoice number(s) being paid.

Please return remittance advice(s) with
cheque.

osler.com

FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Jeremy E. Dacks	6.00	720	4,320.00
Michael De Lellis	14.10	640	9,024.00
Marc Wasserman	6.90	720	4,968.00
<u>ASSOCIATE</u>			
David Rosenblat	3.20	370	1,184.00
TOTAL FEES (CAD):	30.20		19,496.00

FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

Dec-23-13	Jeremy E. Dacks	Preparing for and attending court application for initial order; further discussions and correspondence with J. Porepa concerning stakeholders communications.	4.20
Dec-23-13	Michael De Lellis	Reviewing correspondence; corresponding with J. Dacks; corresponding with J. Porepa at FTI Consulting Canada Inc.	1.50
Dec-23-13	David Rosenblat	Preparing materials for court appearance; reviewing update from J. Dacks on court appearance.	0.60
Dec-23-13	Marc Wasserman	Email correspondence with J. Dacks regarding attendance on court motion; discussions with J. Dacks regarding same.	0.70

TOTAL HOURS: 30.20

EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<u>EXPENSES - TAXABLE</u>	
Printing Costs	408.30
TOTAL (CAD):	408.30

Osler, Hoskin & Harcourt LLP
1 First Canadian Place
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Toronto ON M5X 1B8
CANADA
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416.362.6666 FACSIMILE

OSLER

FTI Consulting Canada Inc.
TD Waterhouse Tower, 79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, ON M5K 1G8
CANADA

Invoice No.: 11622358
Date: January 22, 2014
Client No.: 223352

GST/HST No.: 121983217 RT0001


Attention: Greg Watson
Senior Managing Director

Contact: Marc Wasserman
Direct Dial: (416) 862-4908
E-mail: MWasserman@Osler.com

For professional services rendered for Jaguar Mining Inc. (Formerly Project Norton) (F#1149288).

OUR FEE HEREIN	109,120.00
REIMBURSABLE EXPENSES	1,779.85
HST @ 13%	14,416.98
TOTAL (CAD):	125,316.83

PAYMENT DUE ON RECEIPT

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FINANCE & ACCOUNTING (RECEIPTS)
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Toronto, Ontario M5X 1B8
Canada

Invoice No.: 11622358
Client No.: 223352
Amount: 125,316.83 CAD

Email payment details to payments@osler.com,
referencing invoice number(s) being paid.

Please return remittance advice(s) with
cheque.

osler.com

FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Michael De Lellis	89.00	660	58,740.00
Shelley W. Obal	3.00	890	2,670.00
Marc Wasserman	17.70	740	13,098.00
<u>ASSOCIATE</u>			
David Rosenblat	85.10	375	31,912.50
<u>PARAPROFESSIONALS</u>			
	3.80		1,237.50
<u>CORPORATE SEARCHES FIXED FEES</u>			
Corporate Searches by Eugene L. Williams			136.00
Corporate Searches by Elizabeth E. Buchanan			1,326.00
TOTAL FEES (CAD):	198.60		109,120.00

FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Jan-02-14	David Rosenblat	Reviewing current draft of Plan.	2.00
Jan-03-14	David Rosenblat	Continuing review of current draft of Plan; developing summary of what parties will be entitled to pursuant to the current draft Plan.	4.70
Jan-06-14	Michael De Lellis	Reviewing correspondence; corresponding with J. Porepa of FTI with respect to the Monitor's First Report; meeting with M. Wasserman to discuss the Monitor's First Report; reviewing materials and activities since the granting of the orders and drafting an outline of the Monitor's First Report along with a reporting email to M. Wasserman with respect to same; reviewing a draft form of order and noting comments to same; reviewing a draft form of affidavit; reviewing a draft form of factum.	4.00
Jan-06-14	David Rosenblat	Developing chart summarizing share allocation pursuant to the Plan, Backstop Agreement and Support Agreement; developing chart that summarizes entitlements and distributions pursuant to the Support Agreement; revising Support Agreement Overview; preparing comments on Backstop Agreement and Support Agreement.	3.90

Jan-07-14	Michael De Lellis	<p>Reviewing correspondence; reviewing [REDACTED] [REDACTED], discussing issues with M. Wasserman; participating in a conference call with M. Wasserman and with G. Watson and J. Porepa of FTI; [REDACTED] [REDACTED], corresponding with J. Porepa of FTI with respect to the Renvest security; reviewing Recapitalization Term Sheet.</p>	5.50
Jan-07-14	David Rosenblat	<p>Consolidating information regarding entitlements pursuant to the Plan as currently drafted and the Support Agreement; drafting email to M. Wasserman and M. De Lellis with comments on Support Agreement and Backstop Agreement; revising Backstop Agreement overview.</p>	2.40
Jan-07-14	Marc Wasserman	<p>Attending update call with M. De Lellis, G. Watson and J. Porepa; engaged in discussions with M. De Lellis regarding report and materials needed for upcoming stay extension motion; engaged in discussions with M. De Lellis regarding draft materials from company in respect thereof.</p>	1.50
Jan-08-14	Michael De Lellis	<p>Reviewing correspondence; [REDACTED] [REDACTED] multiple correspondence with E. Cobb at Norton Rose regarding Motion materials, court scheduling and issues to be discussed in the Monitor's Report; reviewing the Support Agreement and three related Amending Agreements and noting issues for consideration with respect to same; considering structure of the Monitor's First Report and corresponding with J. Porepa at FTI with respect to the proposed content of same; conducting a preliminary review of the Renvest Credit Agreement and multiple Amending Agreements with respect to same and noting issues for the Monitor's consideration; drafting correspondence to J. Porepa with respect to additional information needed with respect to being able to provide a security opinion; meeting with D. Rosenblat to discuss security review; [REDACTED] [REDACTED] [REDACTED]</p>	7.50
Jan-08-14	Lisa Gidari	<p>Exchanging emails and discussion with D. Rosenblat regarding file and receiving instructions; conducting preliminary corporate searches; discussing file and searches with B. Buchanan; ordering Ontario PPSA searches (8).</p>	1.20
Jan-08-14	David Rosenblat	<p>[REDACTED] [REDACTED] ordering searches for the purposes of security review; corresponding with L. Gidari and B. Buchanan regarding searches to be completed and required timelines; discussing security review project with M. De Lellis; reviewing security documentation.</p>	3.50

Jan-09-14	Corporate Searches by Elizabeth E. Buchanan	Receiving instructions from D. Rosenblat; conducting corporate history and preparing chart respecting Jaguar Mining Inc. and five predecessor names; conducting Bank Act, Official Receiver and Execution searches in Toronto and province wide respecting same; arranging for local bankruptcy search and reporting thereon.	
Jan-09-14	Michael De Lellis	Reviewing correspondence; reviewing the Backstop Agreement and Amendment Agreements thereto and noting issues for consideration; reviewing aspects of the Information Circular; reviewing the CCAA Plan and noting issues for consideration; multiple meetings with D. Rosenblat to discuss various issues relating to the security review; reviewing a credit agreement issues list and noting issues for the Monitor's Report; participating in a conference call with M. Wagner at Goodmans; participating in a conference call with J. Porepa at FTI; reviewing Factum.	8.40
Jan-09-14	Lisa Gidari	Exchanging emails and discussing file with D. Rosenblat and B. Buchanan regarding searches; receiving and reviewing corporate history; receiving and reviewing searches; ordering additional PPSA searches.	0.60
Jan-09-14	Kevin MacEachern	Attending at Superior Court; conducting bankruptcy search.	0.50
Jan-09-14	David Rosenblat	Reviewing security documentation; summarizing comments in email to M. De Lellis; discussing security documentation and outstanding items with M. De Lellis; contacting J. Porepa regarding outstanding documentation; reviewing and summarizing share allocation pursuant to draft Plan and discussing potential issues with M. De Lellis.	7.60
Jan-09-14	Marc Wasserman	Engaged in discussions with M. De Lellis regarding draft report for stay extension and sanction; brief review of materials in respect thereof.	1.50
Jan-10-14	Michael De Lellis	Reviewing correspondence; participating in a conference call with M. Wasserman, FTI and Canaccord [REDACTED] meeting with M. Wasserman to discuss Plan issues; multiple correspondence and conference calls with J. Porepa of FTI with respect to the draft Monitor's First Report; multiple meetings with D. Rosenblat with respect to the security review analysis; reviewing PPSA searches; reviewing a security review issues lists considering structure and issues to be discussed in the Monitor's Second Report relating to the CCAA Plan. [REDACTED] [REDACTED] reviewing GSA and various related security agreements and responding to inquiries from D. Rosenblat with respect thereto; reviewing the Monitor's draft First Report, noting revisions and comments to same; drafting a revised report and corresponding with J. Porepa with respect to same.	8.30

Jan-10-14	Lisa Gidari	Exchanging emails and discussing file with D. Rosenblat and receiving instructions; reviewing Ontario PPSA and non PPSA searches; drafting and finalizing summaries; organizing searches; discussing searches with B. Buchanan.	1.00
Jan-10-14	David Rosenblat	Reviewing newly received security documentation; searching for precedent monitor reports regarding sanction orders and first meeting; discussing newly received security documentation with M. De Lellis; reviewing and commenting on draft First Report of the Monitor; contacting Jaguar regarding outstanding security documentation.	7.40
Jan-10-14	Marc Wasserman	Attending update call with Genuity [REDACTED] discussing reports with M. De Lellis.	1.00
Jan-11-14	David Rosenblat	Reviewing and commenting on updated draft First Report of the Monitor.	1.10
Jan-12-14	Michael De Lellis	Reviewing correspondence; [REDACTED] [REDACTED] [REDACTED] [REDACTED], drafting a revised Monitor's First Report and corresponding with respect to same; multiple correspondence with J. Porepa of FTI with respect to various issues; [REDACTED] [REDACTED] corresponding with D. Rosenblat with respect to security review issues.	4.10
Jan-12-14	David Rosenblat	Reviewing newly received security documentation; preparing security review document; documenting outstanding items, concerns and follow-up issues to be discussed with Jaguar and the Monitor.	7.80

Jan-13-14	Michael De Lellis	<p>Reviewing correspondence; corresponding with J. Porepa of FTI with respect to the Monitor's First Report; drafting revisions to the Monitor's First Report; finalizing the Monitor's First Report and attending to issues relating to service of same; [REDACTED] multiple correspondence with M. Wasserman with respect to various issues; corresponding with Minden Gross; reviewing correspondence from Minden Gross and considering issues with respect to same; participating in conference call with M. Wagner of Goodmans with respect to various issues; participating in conference call with J. Porepa of FTI with respect to various issues. [REDACTED] multiple correspondence with Jaguar in respect of required responses to information requests; meeting with D. Rosenblat to discuss security reviews, issues with respect to same and potential courses of action; participating in conference call with E. Cobb to discuss outstanding information required to complete the security review; reviewing various security documents and noting issues with respect to same; participating in a conference call with J. Porepa of FTI and M. Wasserman.</p>	9.00
Jan-13-14	David Rosenblat	<p>Meeting with M. De Lellis to review current draft of First Report of the Monitor and remaining changes to be made; finalizing First Report of the Monitor; serving First Report of the Monitor; [REDACTED] finalizing materials for January 14 hearing; attending call with E. Cobb; developing issues list; [REDACTED]</p>	8.10
Jan-13-14	Marc Wasserman	<p>Engaged in discussions with M. De Lellis regarding status of report; engaged in discussions with respect to upcoming motion for stay extension; preparing for same; reviewing documentation in respect thereof.</p>	2.90
Jan-14-14	Corporate Searches by Elizabeth E. Buchanan	<p>Receiving instructions from D. Rosenblat; obtaining certified copies of charter documents respecting Jaguar Mining Inc. and reporting thereon.</p>	

Jan-14-14	Michael De Lellis	<p>Reviewing correspondence; participating in conference call with Norton Rose to discuss various issues in connection with the upcoming motion; participating in a conference call with M. Wagner of Goodmans [REDACTED]</p> <p>[REDACTED] participating in conference call with M. Wasserman, J. Porepa of FTI and Canadian counsel to Mr. Titcomb; preparing for court attendance; attending motion for stay extension; meeting with counsel to the Ad Hoc Committee, counsel to Jaguar and Canadian counsel to Mr. Titcomb to discuss outstanding issues; reviewing various security documentation and notice issues with respect to same; participating in meeting with M. Wasserman and D. Rosenblat to discuss security review issues and Plan Report issues; meeting with D. Rosenblat to discuss opinion issues; participating in a conference call with E. Cobb of Norton Rose and M. Wagner of Goodmans [REDACTED] multiple correspondence with J. Porepa with respect to various issues; commencing to draft a report on the CCAA Plan and considering issues with respect to same.</p>	11.50
Jan-14-14	Lisa Gidari	<p>Exchanging emails and discussing file with D. Rosenblat and B. Buchanan; receiving instructions; ordering, obtaining and reviewing New Brunswick PPSA search.</p>	0.50
Jan-14-14	David Rosenblat	<p>Attending call with Monitor and counsel to the Applicant; corresponding with E. Cobb regarding Applicant's property interests; coordinating additional personal property searches; [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] reviewing New Brunswick personal property search results; meeting with M. De Lellis and M. Wasserman to review next steps in preparation of potential security opinion and upcoming Monitor reports; attending call with E. Cobb, M. Wagner and M. De Lellis [REDACTED]</p> <p>[REDACTED], contacting J. Porepa regarding Hedging Agreement documentation; developing Second Report of the Monitor.</p>	7.10
Jan-14-14	Marc Wasserman	<p>Attending court for stay extension and preparing for same; engaged in discussions regarding Titcomb issues; discussions with M. De Lellis regarding report for plan; engaged in discussions with G. Watson and J. Porepa regarding same; engaged in discussions with D. Ullmann and M. De Lellis regarding Titcomb issues.</p>	4.00
Jan-14-14	Corporate Searches by Eugene L. Williams	<p>Receiving instructions from D. Rosenblat; verifying the corporate history for Jaguar Mining Inc. and four additional corporations and reporting thereon.</p>	

Jan-15-14	Michael De Lellis	Reviewing correspondence; participating in multiple conference calls with E. Cobb at Norton Rose to discuss various issues; participating in conference call with Canadian counsel to Titcomb; participating in multiple conference calls with J. Porepa at FTI to discuss various issues; responding to various email correspondence; multiple meetings with D. Rosenblat to discuss diligence and drafting issues; reviewing the CCAA Plan and noting comments for the Monitor's Second Report; reviewing the Information Circular and noting comments for the Monitor's Second Report; reviewing the Support Agreement and Backstop Agreement and noting comments for the Monitor's Second Report; drafting the Monitor's Second Report.	11.60
Jan-15-14	Shelley W. Obal	Reviewing background material and considering issues relating to director release.	3.00
Jan-15-14	David Rosenblat	Drafting Second Report of the Monitor; discussing ██████████ with L. Gidari; corresponding with J. Porepa regarding Hedging Agreements; reviewing implications of revised e-service protocol; meeting with M. De Lellis to review next steps in drafting the Second Report of the Monitor; drafting email to J. Porepa regarding status of security review.	11.60
Jan-15-14	Marc Wasserman	Engaged in discussions with M. De Lellis regarding report for creditor meeting; reviewing documentation in respect thereof including plan; engaged in multiple discussions with J. Porepa regarding same; engaged in discussions with D. Ullmann regarding Titcomb litigation; engaged in discussions with E. Cobb and M. Wagner ██████████ discussing issues on security opinion with D. Rosenblat and M. De Lellis.	3.70
Jan-16-14	Michael De Lellis	Reviewing correspondence; drafting the Monitor's Second Report and reviewing various materials in connection with same; reviewing materials related to the prior strategic review conducted by the Applicant and its advisors; participating in multiple conference calls with E. Cobb at Norton Rose to discuss various issues; participating in multiple conference calls and correspondence with J. Porepa at FTI to discuss various issues; meeting with M. Wasserman and D. Rosenblat to discuss CCAA Plan issues and drafting issues with respect to the Monitor's Second Report; multiple meetings with D. Rosenblat to discuss drafting issues.	9.60
Jan-16-14	David Rosenblat	Drafting Second Report of the Monitor; meeting with M. De Lellis and M. Wasserman to review currently drafted portion of Second Report of the Monitor and outstanding items; attending call with J. Porepa, M. De Lellis and M. Wasserman to discuss Second Report of the Monitor; reviewing Backstop Agreement and Support Agreement for the purposes of drafting the Second Report of the Monitor.	10.50

Jan-16-14	Marc Wasserman	Engaged in discussions [REDACTED] with R. Schwill, E. Cobb, T. Reyes, M. Wagner [REDACTED]; reviewing draft report and providing comments thereon; engaged in multiple internal discussions with respect thereto; engaged in multiple discussions with J. Porepa regarding same.	3.10
Jan-17-14	Michael De Lellis	Reviewing correspondence; reviewing and drafting revisions to the Monitor's Second Report; participating in conference call with M. Wasserman, T. Reyes and E. Cobb from Norton Rose; participating in conference call with M. Wasserman and R. Chadwick from Goodmans; meeting with M. Wasserman to discuss the Monitor's Second Report and issues with respect to same; participating in conference call with J. Porepa from FTI and M. Levin and M. Greaves of Canaccord; drafting reporting email with respect to various conditions precedent to the Plan; multiple correspondence and conference calls with J. Porepa from FTI with respect to various issues; participating in conference call with M. Wasserman and G. Watson from FTI; drafting email to M. Levin from Canaccord with respect to outstanding information required; multiple meetings with D. Rosenblat to discuss drafting issues; participating in conference call with E. Cobb of Norton Rose with respect to outstanding conditions precedent; participating in conference call with M. Wagner of Goodmans with respect to outstanding conditions precedent and timing issues.	9.50
Jan-17-14	David Rosenblat	Drafting Second Report of the Monitor; meeting with M. De Lellis and M. Wasserman to review plan, current portions of Second Report of the Monitor and next steps in preparing the Second Report of the Monitor; searching for public disclosure regarding 2012 Jaguar strategic review.	7.40

TOTAL HOURS: **198.60**

EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<u>EXPENSES - TAXABLE</u>	
Printing Costs	1,217.85
Cyberbahn Fees for Searches/Certificates/Filings	179.00
OnCorp Fees for Searches/Certificates/Filings	317.00
Title-Related Searches-Toronto	66.00
TOTAL (CAD):	1,779.85

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OSLER

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Toronto, ON M5K 1G8
CANADA

Invoice No.: 11622756
Date: January 30, 2014
Client No.: 223352

GST/HST No.: 121983217 RT0001

Attention: Greg Watson
Senior Managing Director

Contact: Marc Wasserman
Direct Dial: (416) 862-4908
E-mail: MWasserman@Osler.com

For professional services rendered for Jaguar Mining Inc. (Formerly Project Norton) (F#1149288).

OUR FEE HEREIN	66,259.50
REIMBURSABLE EXPENSES	689.58
HST @ 13%	8,703.38
TOTAL (CAD):	75,652.46

PAYMENT DUE ON RECEIPT



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FINANCE & ACCOUNTING (RECEIPTS)
1 First Canadian Place
PO BOX 50
Toronto, Ontario M5X 1B8
Canada

Invoice No.: 11622756
Client No.: 223352
Amount: 75,652.46 CAD

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Please return remittance advice(s) with
cheque.

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FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Michael De Lellis	48.90	660	32,274.00
Shelley W. Obal	1.60	890	1,424.00
Marc Wasserman	26.60	740	19,684.00
<u>ASSOCIATE</u>			
David Rosenblat	33.90	375	12,712.50
<u>PARAPROFESSIONAL</u>			
Kevin MacEachern	1.00	165	165.00
TOTAL FEES (CAD):	112.00		66,259.50

FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Jan-17-14	Marc Wasserman	Engaged in multiple discussions throughout the day regarding status of report and meeting; reviewing same; providing comments thereon; discussions with M. De Lellis and J. Porepa regarding same.	3.00
Jan-18-14	Michael De Lellis	Reviewing correspondence; multiple correspondence with J. Porepa of FTI with respect to various issues; drafting reporting email to M. Levin of Canaccord; corresponding with S. Obal with respect to [REDACTED] corresponding with D. Rosenblat.	1.30
Jan-18-14	David Rosenblat	Reviewing, commenting on and revising initial draft of second report of the Monitor.	4.90
Jan-19-14	Michael De Lellis	Reviewing correspondence; multiple correspondence and conference calls with J. Porepa of FTI with respect to various issues; multiple correspondence with D. Rosenblat with respect to drafting issues; reviewing D. Rosenblat's comments to the Monitor's Second Report; reviewing and drafting revisions to the Monitor's Second Report and corresponding with respect to same; participating in a conference call with M. Wasserman and G. Watson and J. Porepa of FTI; participating in a conference call with J. Porepa of FTI; participating in a conference call with J. Porepa of FTI and M. Levin and M. Greaves of Canaccord and E. Cobb of Norton Rose; participating in a conference call with M. Wasserman with respect to the status of information received from the Applicant and its financial advisor.	9.00
Jan-19-14	David Rosenblat	Drafting additional portions of Second Report of the Monitor.	1.70

Jan-19-14	Marc Wasserman	Engaged in discussions with J. Porepa, G. Watson and M. De Lellis regarding status of materials received and report; discussions with M. De Lellis regarding same.	0.50
Jan-20-14	Michael De Lellis	Reviewing correspondence; drafting timeline; corresponding with M. Wagner of Goodmans; multiple correspondence with E. Cobb of Norton Rose; participating in conference call with G. Watson and J. Porepa of FTI and M. Wasserman; participating in conference call with M. Wasserman, FTI and Norton Rose; reviewing comments to the draft Monitor's Second Report from J. Porepa of FTI; drafting revisions to the Monitor's Second Report; meeting with D. Rosenblat to discuss diligence issues; multiple correspondence and conference calls with J. Porepa of FTI to discuss strategic issues; reviewing information provided by Canaccord and Norton Rose with respect to the Strategic Review Process; reviewing and revising diligence chart prepared by D. Rosenblat; participating in conference call with M. Wasserman and G. Watson and J. Porepa of FTI; reviewing information with respect to the potential claim of the Plaintiffs in the 2012 litigation.	8.40
Jan-20-14	Shelley W. Obal	[REDACTED]	1.60
Jan-20-14	David Rosenblat	Reviewing and revising Second Report of the Monitor; incorporating comments received from the Monitor into current draft of the second report; reviewing information regarding the 2012 litigation; meeting with M. De Lellis to review current report; reviewing newly received documentation from [REDACTED]	7.60
Jan-20-14	Marc Wasserman	Engaged throughout the day in reviewing draft report; discussions with M. De Lellis regarding same; engaged in multiple discussions with G. Watson regarding status of documentation and reviewing same; discussions with J. Porepa regarding same; reviewing materials provided as back-up for report; engaged in conference [REDACTED] with Goodmans, Norton Rose, Davies; various email correspondence with respect thereto.	4.90
Jan-21-14	Michael De Lellis	Reviewing correspondence; [REDACTED] meeting with M. Wasserman and D. Rosenblat to discuss the Monitor's Second Report; reviewing and drafting revisions to the Monitor's Second Report; multiple correspondence and conference calls with J. Porepa of FTI with respect to various issues; multiple correspondence and conference calls with E. Cobb of Norton Rose with respect to various issues; participating in conference call with M. Wasserman, J. Porepa of FTI, Goodmans, Norton Rose and Canaccord to discuss outstanding information requests and timing issues.	11.10
Jan-21-14	Kevin MacEachern	Attending at Commercial Court; filing affidavit of service.	0.50

Jan-21-14	David Rosenblat	<p>Reviewing newly received materials from [REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED] drafting additional components of Second Report of the Monitor; meeting with M. De Lellis to review new portions of Second Report of the Monitor; revising Second Report of the Monitor per comments received from M. De Lellis.</p>	11.30
Jan-21-14	Marc Wasserman	<p>Engaged in call with R. Chadwick and G. Watson regarding [REDACTED]</p> <p>[REDACTED] engaged in conference call with FTI, Genuity, Goodmans and Norton Rose regarding [REDACTED] reviewing draft report and providing comments to M. De Lellis; multiple discussions with G. Watson.</p>	3.70
Jan-22-14	Michael De Lellis	<p>Reviewing correspondence; reviewing comments received in respect of the draft Monitor's Second Report; meeting with M. Wasserman to discuss various issues; multiple correspondence with J. Porepa at FTI to discuss various issues; meeting with M. Wasserman and J. Porepa at FTI to review, draft revisions to and finalize an initial draft of the Monitor's Second Report; corresponding with Goodmans, Norton Rose and Canaccord [REDACTED]</p> <p>multiple correspondence with E. Cobb at Norton Rose.</p>	8.10
Jan-22-14	David Rosenblat	<p>Reviewing, commenting on and revising update draft of the Second Report of the Monitor; incorporating comments received regarding the Second Report of the Monitor; reviewing correspondence; meeting with M. De Lellis to review comments on Second Report of the Monitor; assembling appendices for Second Report of the Monitor.</p>	4.60
Jan-22-14	Marc Wasserman	<p>Attending to matters throughout the day with respect to drafting and finalizing report; engaged in multiple conference calls with J. Porepa regarding same; meeting with J. Porepa and M. De Lellis regarding same; engaged in discussions with G. Watson; engaged in discussions regarding Brazilian counsel.</p>	7.10
Jan-23-14	Michael De Lellis	<p>Reviewing correspondence; [REDACTED]</p> <p>[REDACTED] drafting revisions to the Monitor's Second Report; engaged in multiple conference calls and correspondence with Goodmans, Norton Rose and FTI with respect to [REDACTED]</p> <p>[REDACTED] responding to inquiries from Goodmans and Norton Rose; reviewing updated claims information; engaged in conference calls and correspondence with Canaccord with respect to [REDACTED]</p> <p>[REDACTED]</p>	6.50
Jan-23-14	David Rosenblat	<p>Further revising Second Report of the Monitor; meeting with M. De Lellis to review current draft report.</p>	1.50

Jan-23-14	Marc Wasserman	Engaged in reviewing and revising report; engaged in discussions with Goodmans [REDACTED], engaged in discussions with Norton Rose and Canaccord [REDACTED] discussions with J. Porepa and G. Watson [REDACTED].	3.90
Jan-24-14	Michael De Lellis	Reviewing correspondence; engaged in correspondence and conference calls with Goodmans, Norton Rose, Canaccord and FTI with respect to [REDACTED], drafting revisions and finalizing the Monitor's Second Report; reviewing draft Press Release with respect to the change in the Meeting Date and corresponding with respect thereto; drafting email to the Service List with respect to the change in Meeting Date and corresponding with J. Porepa of FTI to arrange for it to be posted on the Monitor's Website.	4.50
Jan-24-14	Kevin MacEachern	Attending at Commercial Court; filing second report of the monitor.	0.50
Jan-24-14	David Rosenblat	Reviewing comments received on Second Report of the Monitor; finalizing Second Report of the Monitor; serving final Second Report of the Monitor.	2.30
Jan-24-14	Marc Wasserman	Finalizing report; engaged in discussions with M. De Lellis regarding same; [REDACTED]; incorporating comments and circulating report for final sign-off; discussions with G. Watson; discussions with M. Levine.	3.50

TOTAL HOURS:


112.00

EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<u>EXPENSES - TAXABLE</u>	
Corporate Search Charges	3.00
Courier Expenses	15.70
On-line Database Services	75.00
Printing Costs	506.25
Telecommunications - External	39.68
Execution Search	49.95
TOTAL (CAD):	689.58

THIS IS EXHIBIT "B" REFERRED TO IN THE

AFFIDAVIT OF MICHAEL DE LELLIS
SWORN BEFORE ME ON FEBRUARY 3, 2014



Dave Rosenblatt

A COMMISSIONER FOR TAKING AFFIDAVITS

EXHIBIT "B"

Osler - Summary of Invoices

Invoice #	Date	Fee	Disbursements	Taxes	Total
11620826	20-Jan-14	\$ 4,710.00	\$ 408.30	\$ 665.38	\$ 5,783.68
11622358	22-Jan-14	\$ 109,120.00	\$ 1,779.85	\$ 14,416.98	\$ 125,316.83
11622756	30-Jan-14	\$ 66,259.50	\$ 689.58	\$ 8,703.38	\$ 75,652.46
TOTALS		\$ 180,089.50	\$ 2,877.73	\$ 23,785.74	\$ 206,752.97

THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF MICHAEL DE LELLIS
SWORN BEFORE ME ON FEBRUARY 3, 2014



Dave Rosenblatt

A COMMISSIONER FOR TAKING AFFIDAVITS

EXHIBIT "C"

Osler Fees –December 23, 2013 to January 24, 2014

Name	Hours	Hourly Rate*	Product
Marc Wasserman	0.7	\$720	504.00
Marc Wasserman	44.3	\$740	32,782.00
Jeremy Dacks	4.2	\$720	3,024.00
Michael De Lellis	1.5	\$640	960.00
Michael De Lellis	137.90	\$660	91,014.00
Shelley Obal	4.6	\$890	4,094.00
David Rosenblat	0.6	\$370	222.00
David Rosenblat	119.00	\$375	44,625.00
Lisa Gidari	3.3	\$350	1,155.00
Kevin MacEachern	1.5	\$165	247.50
Elizabeth Buchanan	-	-	1,326.00
Eugene Williams	-	-	136.00
Total	317.60		180,089.50

**The average hourly rate for the legal services provided by Osler is \$562.43*

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

**AFFIDAVIT OF MICHAEL DE LELLIS
(SWORN FEBRUARY 3, 2014)**

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Lawyers for the Monitor, FTI Consulting Canada Inc.

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

Court File No: CV-13-10383-00C]

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

THIRD REPORT OF THE MONITOR

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