

JAGUAR MINING INC.
as Borrower

- and -

MINERAÇÃO SERRAS DO OESTE LTDA.
as Guarantor

- and -

SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP
as Lender

SECOND CREDIT AGREEMENT MODIFICATION AGREEMENT

Dated as of June 9, 2017

SECOND CREDIT AGREEMENT MODIFICATION AGREEMENT

THIS SECOND CREDIT AGREEMENT MODIFICATION AGREEMENT made as of June 9, 2017

BETWEEN:

JAGUAR MINING INC., a corporation organized and existing under the laws of the Province of Ontario

(hereinafter referred to as the "**Borrower**")

AND:

MINERAÇÃO SERRAS DO OESTE LTDA., a company existing under the laws of Brazil

(hereinafter referred to as the "**Guarantor**")

AND:

SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP, a limited partnership organized and existing under the laws of the Province of Ontario

(hereinafter referred to as the "**Lender**")

BACKGROUND:

WHEREAS the Borrower, the Guarantor and Mineração Turmalina Ltda ("**MTL**" and together with the Guarantor, the "**Original Guarantors**") and the Lender entered into a credit agreement dated as of November 7, 2016 (the "**Original Credit Agreement**"), pursuant to which the Lenders advanced to the Borrower a \$10,000,000 senior secured credit facility on November 8, 2016;

AND WHEREAS the Borrower, the Original Guarantors and the Lender entered into a first credit agreement modification agreement dated as of February 27, 2017 (the "**First Credit Agreement Modification Agreement**") pursuant to which, among other things, on and subject to the terms and conditions set forth therein, the Lender consented to the MTL/MSOL Merger (as defined in the First Credit Agreement Modification Agreement) pursuant to which MTL merged into the Guarantor with all of MTL's assets and liabilities being transferred into and assumed by the Guarantor, and ceasing to exist and being replaced by the Guarantor;

AND WHEREAS the Original Credit Agreement as modified by the First Credit Agreement Modification Agreement is referred to in this Agreement as the "**Credit Agreement**";

AND WHEREAS as of the date hereof, and after giving effect to the various prepayments made by the Borrower prior to the date hereof, the outstanding principal balance of the Facility under the Credit Agreement was \$7,666,666.67;

AND WHEREAS the Borrower has requested that the Lender make available an additional Advance of \$5,000,000 pursuant to the Credit Agreement, and in consideration therefor, the Borrower has agreed to grant to the Lender the New Funding Fee Shares (as defined below) and pay a structuring fee in the amount of \$50,000;

AND WHEREAS the Lender has agreed to the foregoing, on and subject to the terms of this Agreement.

AGREEMENTS:

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto covenant and agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Defined Terms

Unless otherwise defined herein, all defined terms shall for all purposes of this Agreement, or any amendment, substitution, supplement, replacement, restatement or addition hereto, have the meanings given in the Credit Agreement.

1.2 Other Usages

References to "this Agreement", "the Agreement", "hereof", "herein", "hereto" and like references refer to this Agreement and not to any particular Article, Section or other subdivision of this Agreement. Any references herein to any agreements or documents shall mean such agreements or documents as amended, supplemented, restated or otherwise modified from time to time in accordance with the terms hereof and thereof.

1.3 Headings

The division of this Agreement into Articles and Sections and the insertion of headings in this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Applicable Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any legal action or proceeding with respect to this Agreement may be brought in the courts of the Province of Ontario and, by execution and delivery of this Agreement, the parties hereby accept for themselves and in respect of their property, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts. Each party irrevocably consents to the service of process out of any of the aforementioned courts in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to such party to the address prescribed by Sections 9.1 or 9.2 of the Credit Agreement, as applicable, such service to become effective five Business Day after such mailing. Nothing herein shall limit the right of any party to serve process in any manner permitted by law or to commence legal proceedings or otherwise proceed against any other party in any other jurisdiction.

1.5 Time of the Essence

Time shall in all respects be of the essence of this Agreement.

1.6 Schedules

The following Schedule is incorporated into this Agreement by reference and is deemed to be a part hereof:

Schedule B - Security Documents.

ARTICLE 2 AMENDMENTS TO FACILITY

2.1 Amendments to the Original Credit Agreement

- (a) Section 1.1 of the Original Credit Agreement, as previously amended by the First Credit Agreement Modification Agreement, is hereby further amended as follows:
- (i) by deleting the definition of "Advance" and replacing it with the following:
"**Advance**" means any advance of the Facility contemplated herein;"
 - (ii) by deleting the definition of "Commitment" and replacing it with the following:
"**Commitment**" means the aggregate principal amount of \$15,000,000, consisting of the Tranche 1 Advance and the Tranche 2 Advance, which the Lender has agreed to make available on and subject to the terms of this Agreement;"
 - (iii) by deleting the definition of "Funding Closing Date" and replacing it with the following:
"**Funding Closing Date**" means the date of the Tranche 1 Advance made pursuant to the terms of this Agreement;"
 - (iv) by adding the following definitions immediately prior to the definition of "IFRS":
"**Initial Funding Fee Shares**" has the meaning attributed to such term in Section 2.9 hereof;
"**Initial Structuring Fee**" has the meaning attributed to such term in Section 2.7 hereof;"
 - (v) by deleting the definition of "Maturity Date" and replacing it with the following:
"**Maturity Date**" means, with respect to the Tranche 1 Advance, May 7, 2019, and with respect to the Tranche 2 Advance, June 30, 2020;"
 - (vi) by adding the following definitions immediately prior to the definition of "Obligations":
"**New Funding Fee Shares**" has the meaning attributed to such term in Section 2.9;
"**New Structuring Fee**" has the meaning attributed to such term in Section 2.7 hereof;"
 - (vii) by deleting Subsection (i) of the definition of "Permitted Indebtedness" and replacing it with the following:

(i) any Indebtedness under Capital Leases or Purchase Money Obligations incurred after the date of this Agreement to purchase equipment, provided that such Indebtedness obtained does not exceed \$5,000,000 in the aggregate during any 24 month period following the Tranche 2 Advance Closing Date, that any security granted therefor is limited to the equipment so leased or financed and that the aggregate of all down payments made by the Borrower or its Subsidiaries do not exceed twenty five (25%) percent of the aggregate capital value of all such equipment at any time;”

(viii) by adding the following definition immediately prior to the definition of “Secured Assets”:

“**Second Credit Agreement Modification Agreement**” means the second credit agreement modification agreement dated as of June 9, 2017 between the Borrower, the Guarantor and the Lender;”

(ix) by adding the following definitions immediately prior to the definition of “Voting Shares”:

“**Tranche 1 Advance**” means the principal amount of \$10,000,000 advanced by the Lender to the Borrower on November 8, 2016;

“**Tranche 2 Advance**” means the advance of up to \$5,000,000 to be made by the Lender to the Borrower upon the satisfaction or waiver by the Lender in writing of the conditions precedent referred to in the Second Credit Agreement Modification Agreement;

“**Tranche 2 Advance Additional Brazilian Law Security Documents**” means all such amendments to those Security Documents listed in Schedule B hereto under the heading “Brazilian Law Security Documents” as the Lender or its counsel may require to ensure the continuing perfection of such Security Documents and to ensure that such Security Documents secure all indebtedness, liabilities and obligations of the Credit Parties pursuant to this Agreement and the other Facility Documents, as amended, supplemented, restated or otherwise modified from time to time;

“**Tranche 2 Advance Closing Date**” means the closing date of the Tranche 2 Advance requested by the Borrower in a Notice of Borrowing, which shall be no later than June 9, 2017, or such other date or dates as may be agreed to by the Lender and the Borrower in writing;

“**Tranche 2 Advance Promissory Note**” means the promissory note listed in Schedule B hereto under the heading “Canadian Law Security Documents - Tranche 2”;

(b) Section 2.1 of the Original Credit Agreement is hereby deleted in its entirety and replaced with the following:

“The Facility

2.1 Subject to the terms and conditions hereof, the Lender hereby confirms in favour of the Borrower that it has established a multi-advance, term credit facility (the “**Facility**”) in an amount equal to the Commitment, which has been and shall be made available to the Borrower, or as the Borrower may direct, by way of Advances made, or to be made, in accordance with this Agreement.

Prior Advance

2.1(1) The Credit Parties acknowledge the Tranche 1 Advance made by the Lender to the Borrower, the particulars of which are set out in the definition thereof.

Funding

2.1(2) Subject to the terms and conditions hereof, the Tranche 2 Advance shall be made on the Tranche 2 Advance Closing Date by way of wire transfer or other electronic funds transfer of the applicable funds."

(c) Section 2.3 of the Original Credit Agreement is hereby deleted in its entirety and replaced with the following:

"Notice of Borrowing

2.3 The Borrower shall provide a Notice of Borrowing to the Lender in respect of each Advance on or before the requested Advance date. Each Notice of Borrowing shall be irrevocable."

(d) Section 2.4 of the Original Credit Agreement is hereby deleted in its entirety and replaced with the following:

"Term

Except as otherwise provided herein, the outstanding principal amount of each Advance of the Facility, together with all accrued but unpaid interest, bonus and other costs, fees or charges payable hereunder from time to time in respect thereto, will be immediately due and payable by the Borrower to the Lender on the applicable Maturity Date for each such Advance."

(e) Section 2.5 of the Original Credit Agreement is hereby deleted in its entirety and replaced with the following:

"Use of Proceeds

Except with the prior written consent of the Lender, the Borrower shall use the proceeds of the Facility only as follows:

(a) as to the Tranche 1 Advance, as follows:

- (i) for the development and operation of the Projects;
- (ii) in payment of the Lender's fees and expenses payable pursuant to Section 7.4 below; and
- (iii) for general corporate and working capital purposes of the Credit Parties; and

(b) as to the Tranche 2 Advance, as follows:

- (i) for the acquisition of mobile equipment and other capital investments required for the development and operation of the Projects;
- (ii) in payment of the New Structuring Fee; and

- (ii) in payment of the Lender's fees and expenses payable pursuant to Section 7.4 below."
- (f) Section 2.6 of the Original Credit Agreement is hereby amended by adding the word, "each" after the words "Interest shall accrue on the principal amount of the Facility from the date of".
- (g) Sections 2.7 of the Original Credit Agreement is hereby deleted in its entirety and replaced with the following:

"Structuring Fee

The Credit Parties and the Lender acknowledge that in consideration for the structuring and syndication of the Tranche 1 Advance, the Borrower previously paid to the Lender a structuring fee (the "**Initial Structuring Fee**") comprised of a cash payment in the amount of \$100,000 (which amount was paid by the Borrower to the Lender concurrently with the execution and delivery of the Term Sheet). In consideration for the structuring and syndication of the Tranche 2 Advance, the Borrower will pay to the Lender a further structuring fee (the "**New Structuring Fee**" and together with the Initial Structuring Fee, collectively, the "**Structuring Fee**") comprised of a cash payment in the amount of \$50,000. The New Structuring Fee shall be paid concurrently with the Tranche 2 Advance. In all circumstances, the Initial Structuring Fee and the New Structuring Fee shall be non-refundable."

- (h) Section 2.8 of the Original Credit Agreement is hereby deleted in its entirety and replaced with the following:

"2.8 [Intentionally Deleted].
- (i) Section 2.9 of the Original Credit Agreement is hereby deleted in its entirety and replaced with the following:

"Funding Fee Shares

The Credit Parties and the Lender acknowledge that, in consideration for the Lender entering into this Agreement and providing the Tranche 1 Advance hereunder, the Borrower previously delivered to the Lender share certificates representing an aggregate of 650,000 Common Shares (the "**Initial Funding Fee Shares**") registered as the Lender previously directed. As additional consideration for the Lender agreeing to the amendment of the Credit Agreement and providing the Tranche 2 Advance hereunder, and concurrently with the Tranche 2 Advance, the Borrower will deliver to the Lender one or more share certificates representing 375,000 Common Shares (the "**New Funding Fee Shares**", and together with the Initial Funding Fee Shares, the "**Funding Fee Shares**") registered in the name of the Lender or as the Lender may direct. The Funding Fee Shares shall be subject to a maximum hold period under Applicable Securities Legislation of four months and one day from their date of issue."

- (j) Section 3.1 of the Original Credit Agreement is hereby deleted in its entirety and replaced with the following:

"Voluntary Prepayment

The Borrower may prepay the outstanding balance of each Advance under the Facility in whole or in part, at any time before the applicable Maturity Date for such Advance, without penalty, provided that the equivalent of not less than twelve months of interest on

the amount so prepaid (including all payments of interest made prior to the date of any such prepayment) shall have been paid to the Lender, and further provided that such prepayment of any Advance under the Facility is made on the last Business Day of a calendar month and that the Borrower has delivered to the Lender not less than three (3) Business Days' prior written notice of its intention to prepay all or part of the balance of the applicable Advance under the Facility under this Section 3.1".

- (k) Section 3.2 of the Original Credit Agreement is hereby deleted in its entirety and replaced with the following:

"Mandatory Repayments and Prepayments of the Facility

3.2 The Borrower shall pay to the Lender principal repayments of the Facility as follows:

- (a) as to the Tranche 1 Advance, commencing on November 30, 2016 and on the last Business Day of each calendar month thereafter, the Borrower shall pay equal monthly principal repayments, each in the amount of \$333,333.33; and
- (b) as to the Tranche 2 Advance, commencing on June 30, 2017 and on the last Business Day of each calendar month thereafter, the Borrower shall pay equal monthly principal repayments, each in the amount of \$138,888.89."

- (l) Section 8.1 of the Original Credit Agreement (as previously amended by the First Credit Agreement Modification Agreement) is hereby amended by adding the following Subsection immediately after Subsection 8.1(c):

"(c.2) if the Borrower fails to satisfy, fulfill or otherwise meet to the satisfaction of the Lender on or before the Tranche 2 Advance Closing Date (or such later date as set forth in Section 4.2 of the Second Credit Agreement Modification Agreement), any of the conditions to the continuing availability of the Tranche 2 Advance set out under Section 4.2 of the Second Credit Agreement Modification Agreement;

- (m) Section 9.1 of the Original Credit Agreement is hereby amended by deleting reference to "67 Yonge Street, Suite 1203, Toronto, Ontario M5E 1J8" and replacing it with "100 King Street West, Suite 5600, Toronto, Ontario M5X 1C9". For greater certainty, corresponding amendments shall be deemed to have been made to all Facility Documents to the extent that references are made to the address of the Borrower or the requirements for delivery of notices to the Borrower.

- (n) Schedule B (Security Documents) of the Original Credit Agreement (as previously amended by the First Credit Agreement Modification Agreement) is hereby amended by deleting that Schedule in its entirety and replacing it with Schedule B (Security Documents) hereto.

ARTICLE 3

MINIMUM WORKING CAPITAL COVENANT AND MANDATORY PREPAYMENT WAIVERS

3.1 Minimum Working Capital Covenant Waiver

The Lender hereby waives any breach of Section 7.1(m)(i) of the Original Credit Agreement as a result of the failure of the Credit Parties to maintain at all times, on a consolidated basis and as determined by reference to the previously filed (or, if applicable pursuant to Section 7.5 of the

Original Credit Agreement, delivered) reports and the unconsolidated monthly reports referred to in Section 7.1(l) of the Original Credit Agreement, Working Capital in excess of \$1 for the period commencing on April 1, 2017 and ending on June 29, 2017.

3.2 Mandatory Prepayment Waiver

Notwithstanding Section 3.5 of the Original Credit Agreement, the Lender hereby waives its right under Section 3.5 of the Original Credit Agreement to receive the proceeds of any equity financing announced or completed by the Borrower between the date of this Agreement and November 30, 2017, up to the maximum aggregate gross proceeds of \$30,000,000.

3.3 Waiver Limitations

The waivers provided for in this Article 3 shall be operative only until a Default or Event of Default has occurred, other than as would result but for the waivers provided for in this Article 3, and shall not prejudice any right or rights which the Lender now has or may have in the future in respect of any agreement, term or condition under or in connection with the Credit Agreement or the other Facility Documents. Further, this Waiver does not and shall not in any way constitute a waiver of any Default or Event of Default, other than as would result but for the waivers provided for in this Article 3, under the Credit Agreement, and the Lender expressly reserves all of its existing and future rights under the Credit Agreement and the other Facility Documents arising in respect of any Default or Event of Default.

ARTICLE 4 CONDITIONS TO TRANCHE 2 ADVANCE

4.1 Conditions Precedent to Tranche 2 Advance

The obligation of the Lender to make the Tranche 2 Advance under the Credit Agreement is subject to and conditional upon the following conditions precedent being satisfied, fulfilled or otherwise met to the satisfaction of the Lender and the Lender's Counsel on or before June 9, 2017:

- (a) receipt by the Lender of the following documents, each in full force and effect, and in form and substance satisfactory to the Lender and the Lender's Counsel:
 - (i) executed copies of all Facility Documents not previously delivered by the Credit Parties in connection with this Agreement, including the Tranche 2 Advance Promissory Note and the Tranche 2 Advance Additional Brazilian Law Security Documents;
 - (ii) certificates of status or other similar type of evidence of existence for each of the Credit Parties from all Relevant Jurisdictions;
 - (iii) true and complete copies of the Constatting Documents of each of the Credit Parties;
 - (iv) certified copies of directors' resolutions for each of the Credit Parties with respect to its authorization, execution and delivery of the Facility Documents to which it is a party being delivered in connection herewith and the performance of all obligations thereunder;
 - (v) certificates of a director, managing partner or authorized officer, as applicable, of each of the Credit Parties, in each case certifying the names and the true

signatures of the officers authorized to sign the Facility Documents to which it is a party;

- (vi) all requisite regulatory approvals, including Exchange and other approvals to the transactions contemplated herein;
 - (vii) releases, discharges and postponements (in registrable form where appropriate) covering all Security Interests or other encumbrances affecting the Secured Assets to be secured by the Security Documents described in Schedule B hereto which are not Permitted Encumbrances;
 - (viii) legal opinions of counsel to the Credit Parties in all of the Relevant Jurisdictions with respect to, *inter alia*, the subsistence of the Loan Parties, and the due authorization, execution and delivery, and enforceability, of this Agreement and the other Facility Documents referred to in Subsection 4.1(a)(i); and
 - (ix) an irrevocable direction to pay with respect to the Tranche 2 Advance;
- (b) there shall be no other Security Interests or other liens or encumbrances whatsoever attaching to the Secured Assets, other than Permitted Encumbrances;
 - (c) all of the representations and warranties of the Credit Parties contained in the Credit Agreement or in any other Facility Document are true and correct on and as of the Tranche 2 Advance Closing Date as though made on and as of such date and the Lender has received a Certificate of the Borrower so certifying to the Lender;
 - (d) all of the covenants and agreements of each of the Credit Parties contained herein or in any other Facility Document required to be fulfilled or satisfied on or before the Tranche 2 Advance Closing Date have been so fulfilled or satisfied;
 - (e) no Default or Event of Default has occurred and is continuing, and the Lender has received a Certificate of the Borrower so certifying to the Lender;
 - (f) the Lender has received payment of all fees and all reimbursable expenses so invoiced in connection with this Agreement in accordance with Section 7.4 of the Credit Agreement, which are payable by the Borrower to the Lender on or prior to the Tranche 2 Advance Closing Date;
 - (g) as at the Tranche 2 Advance Closing Date, no event or circumstance shall have occurred or exist that could reasonably be expected to have a Material Adverse Effect on any of the Borrower or its Subsidiaries, including but not limited to there being no pending or threatened litigation, proceedings or investigations which could reasonably be expected to have a Material Adverse Effect; and
 - (h) such other conditions precedent (including the delivery of such documents, certificates, opinions and agreements) as the Lender may reasonably require based on its due diligence review,

failing which the Lender shall have no further obligation to the Borrower hereunder and the Borrower shall promptly thereafter pay to the Lender all outstanding fees and expenses, including all out-of-pocket costs reasonably incurred by the Lender in connection with this Agreement.

4.2 Conditions Subsequent to Tranche 2 Advance

The continuing availability of the Tranche 2 Advance under the Credit Agreement is subject to and conditional upon the following conditions subsequent being satisfied, fulfilled or otherwise met to the satisfaction of the Lender and the Lender's Counsel on or before the applicable dates set forth below:

- (a) evidence that all Tranche 2 Advance Additional Brazilian Law Security Documents have been submitted for registration in all relevant registries in the Relevant Jurisdictions within 20 days of the execution thereof, as required by the Lender and the Lender's Counsel; and
- (b) evidence that all Tranche 2 Advance Additional Brazilian Law Security Documents have been duly and validly registered in all relevant registries in the Relevant Jurisdictions, as required by the Lender and the Lender's Counsel within 180 days of the Tranche 2 Advance Closing Date, except for registry of the mineral rights pledge agreements over all mineral rights under Mining Concession/Exploitation Permit status (Concessão / Portaria de Lavra) with the Departamento Nacional de Produção Mineral ("DNPM") for which failure to present evidence of registry shall be an Event of Default if it does not occur within 450 days of the Tranche 2 Advance Closing Date.

4.3 Waiver

The conditions in Sections 4.1 and 4.2 are inserted for the sole benefit of the Lender and may be waived by the Lender, in whole or in part, with or without conditions, as the Lender may determine in its sole and absolute discretion.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES, NO DEFAULT OR EVENT OF DEFAULT

5.1 Representations and Warranties

The Credit Parties hereby restate the representations and warranties set out in Section 6.1 of the Original Credit Agreement, as amended and supplemented pursuant to the First Credit Agreement Modification Agreement, effective as of the date hereof and the Tranche 2 Advance Closing Date, subject to the following qualifications:

- (a) all Debentures previously issued and outstanding were converted into Common Shares on or before November 8, 2016, all obligations of the Credit Parties under the Debenture Trust Indenture and all security and other documents granted or executed and delivered thereunder have now been satisfied in full, and each and every mortgage, charge, security interest, lien, claim or other encumbrance whatsoever granted or created pursuant to the Debenture Trust Indenture and all security and other documents granted or executed and delivered thereunder has now been irrevocably released and discharged;
- (b) all of the conditions subsequent applicable to the Tranche 1 Advance set forth in Section 5.2 of the Original Credit Agreement have been satisfied, except for those set forth in Section 5.2(d) of the Original Credit Agreement, which the Borrower believes, after having made all due inquiries, will be satisfied within the time periods contemplated therein;
- (c) as of the close of business on the last Business Day immediately preceding the Tranche 2 Advance Closing Date, the Borrower's issued and outstanding share capital consists of

307,115,675 Common Shares, each of which is validly issued and outstanding as fully paid and non-assessable Common Shares; and

- (d) the MTL/MSOL Merger documents were submitted for registration to the Minas Gerais Commercial Registry on March 13, 2017, and registration of same was confirmed by the Minas Gerais Commercial Registry on March 17, 2017.

5.2 No Default or Event of Default

The Borrower hereby confirms that no Default or Event of Default under the Credit Agreement or any other Facility Documents has occurred and is continuing.

5.3 Fulfillment of Covenants

The Borrower hereby confirms that the Credit Parties have fulfilled and satisfied each and every covenant and agreement of them in the Credit Agreement and every other Facility Document required to be fulfilled or satisfied on or before the date of this Agreement.

**ARTICLE 6
MISCELLANEOUS**

6.1 General Rule

Subject to the terms and conditions herein contained, the Credit Agreement is hereby amended to the extent necessary to give effect to the provisions of this Agreement and to incorporate the provisions of this Agreement into the Credit Agreement.

6.2 Future References to the Credit Agreement

On and after the date of this Agreement, (i) each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", or words of like import referring to the Credit Agreement, and each reference in any related document to the "Credit Agreement", "thereunder", "thereof", or words of like import referring to the Credit Agreement, and (ii) each reference in the other Credit Documents to the Credit Agreement, shall mean and be a reference to the Credit Agreement as amended hereby. The Credit Agreement, as amended hereby, is and shall continue to be in full force and effect and is hereby in all respects ratified and confirmed.

6.3 Enurement

This Agreement shall enure to the benefit of and shall be binding upon the parties hereto and their respective successors and permitted assigns.

6.4 Conflict

If any provision of this Agreement is inconsistent or conflicts with any provision of the Credit Agreement, the relevant provision of this Agreement shall prevail and be paramount.

6.5 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument.

6.6 Currency

Unless otherwise indicated herein, any reference in this Agreement to "Dollars", "dollars" or "\$" shall be deemed to be a reference to lawful money of the United States of America and any reference to any payments to be made by any Credit Party shall be deemed to be a reference to payments made in lawful money of the United States of America.

6.7 Entire Agreement

This Agreement amends and modifies the Credit Agreement and together with it and the agreements referred to therein and delivered pursuant thereto, constitute the entire agreement between the parties hereto and supersedes any prior agreements, undertakings, declarations, representations and understandings, both written and verbal, in respect of the subject matter hereof.

6.8 Amendments

This Agreement may only be amended or modified by further written instrument, executed and delivered by each of the parties hereto.

[signature pages follow]

IN WITNESS WHEREOF the parties hereto have executed this Agreement under the hands of their proper officers duly authorized on their behalf as of the date first above written.

JAGUAR MINING INC.

Per: "Hashim Ahmed" (signed)

MINERAÇÃO SERRAS DO OESTE LTDA.

Per: "Rodney Lamond" (signed)
Authorized Signatory

**SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP,
by its general partner, Sprott Resource Lending Corp.**

Per: "Narinder Nagra" (signed)
Authorized Signatory

**SPROTT PRIVATE RESOURCE LENDING (COLLECTOR), LP,
by its general partner, Sprott Resource Lending Corp.**

Per: "Andrew Steuter" (signed)
Authorized Signatory

**SCHEDULE B
SECURITY DOCUMENTS**

The Security Documents shall include the following:

Canadian Law Security Documents

A. *Tranche 1*

1. a promissory note in the principal amount of the Tranche 1 Advance made by the Borrower in favour of the Lender; and
2. a general security agreement of the Borrower governed by the laws of the Province of Ontario, pursuant to which the Borrower shall grant to and in favour of the Lender a first priority security interest over all of its present and after-acquired personal property, subject only to Permitted Encumbrances.

B. *Tranche 2*

1. a promissory note in the principal amount of the Tranche 2 Advance made by the Borrower in favour of the Lender.

Brazilian Law Security Documents

1. an unlimited guarantee of the Guarantor, as amended;
2. a quota pledge agreement with respect to the outstanding quotas of the Guarantor, as amended;
3. a machinery and equipment pledge by the Guarantor in respect of all present and after-acquired tangible assets with an original cost to the Guarantor equal to or greater than \$75,000, as amended;
4. a pledge of accounts and receivables by the Guarantor, as amended;
5. a conditional assignment by the Guarantor, as amended;
6. a mortgage over all present and after-acquired real property by the Guarantor, as amended;
7. a mineral rights pledge agreement over all mineral rights under Mining Concession/Exploitation Permit status (Concessão/Portaria de Lavra) held by the Guarantor, as amended, provided that the Guarantor's mineral rights # 806.057/03 (under availability status), 806.253/09, 806.254/09, 806.702/10, 806.704/10, 806.706/10, 850.864/11, 806.241/14, 806.002/15, 806.003/15 (which are related to the Avanco Agreement) and 832.682/2010 (where the Guarantor is a leaseholder/tenant, such mineral right belonging to Namisa – Nacional Minérios S.A.) are expressly excluded from this Agreement and shall not be subject to any form or kind of Security Interest; and
8. a gold pledge agreement over all gold and other precious metals derived from the Projects by the Guarantor, as amended.