



JAGUAR NICKEL ADOPTS SHAREHOLDER RIGHTS PLAN AND RESPONDS TO REQUEST FOR SHAREHOLDER MEETING

TORONTO, CANADA – September 19, 2006 – JAGUAR NICKEL INC. (“the Company”) (JNI – TSX) announced today that its Board of Directors has approved the adoption of a shareholder rights plan (the "Rights Plan"), effective 6:00 p.m. on September 19, 2006, subject to acceptance by the Toronto Stock Exchange. The Board adopted the Rights Plan to ensure the fair and equal treatment of all shareholders in connection with any offer to acquire shares of the Company.

The Board has been actively reviewing various strategic alternatives for the Company and is concerned that the accumulation of a significant block of shares by one or more individual parties without an offer being made to all shareholders could have a prejudicial effect on the ongoing strategic alternative review and could deter interested parties from proceeding with potential beneficial transactions involving the Company.

The Rights Plan will be in effect for a maximum of 180 days, following which it will expire automatically. Upon receipt of all required regulatory approvals with respect to the Rights Plan, rights will be issued and attached to all outstanding common shares of the Company. A separate rights certificate will not be issued until such time as the rights become exercisable (which is referred to as the "separation time"). The rights will become exercisable only if a person, together with its affiliates, associates and joint actors, acquires or announces its intention to acquire beneficial ownership of common shares which when aggregated with its current holdings total 15% or more of the outstanding common shares (determined in the manner set out in the Rights Plan), other than by a Permitted Bid (as defined in the Rights Plan). Following an acquisition of shares otherwise prohibited by the Rights Plan, each right held by a person other than the acquiring person and its affiliates, associates and joint actors would, upon exercise, entitle the holder to purchase that number of common shares which have a current market value equal to twice the exercise price payable for such shares.

The Company also announced today that it has received a letter from Northern Financial Corporation and Romspen Investment Corporation requesting a special meeting of the shareholders of the Company to remove the current directors of the Company and replace them with five nominees related to Northern and Romspen. The board of the Company has referred this request to legal counsel for review and will deal with it in due course in accordance with applicable legal requirements.

About Jaguar Nickel

Jaguar Nickel is a well funded Canadian mineral exploration and development company. It has entered into an exploration alliance with BHP Billiton for the exploration and development of nickel mining properties in Canada, Alaska, the mid-continental United States and Greenland, excluding certain properties currently held by BHP Billiton. Jaguar's shares are traded on the TSX under the symbol JNI.

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Trading Symbol on the TSX: "JNI"

The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this release. This news release may contain certain forward looking statements which involve known and unknown risks, delays, and uncertainties not under the Company's control which may cause actual results, performances or achievements of the Company to be materially different from those implied by such forward looking statements.