



## **Jaguar Nickel Reports First Quarter Of Fiscal 2007 Result**

TORONTO, May 11, 2007 - Jaguar Nickel Inc. ("Jaguar" or the "Company") (TSX: JNI) today reported results for its first quarter ended March 31, 2007 of its 2007 fiscal year. The net loss for the quarter was \$716,912, primarily relating to a mark to market unrealized net loss on the Company's investment portfolio. This compared to a net profit of \$2,064,715 in 2006, relating largely to a gain recorded on the sale of mining assets.

For the three months ended March 31, 2007 the Company generated an unrealized net loss on investments of \$640,707. There is no comparative result for 2006, given the Company's change in business to that of a merchant bank in the first quarter of the current year. The net unrealized loss on investments in Q1 of 2007 was due to a decline in the market value of the Company's investments as at March 31, 2007. The Company's investment portfolio is recorded on a mark to market basis and will experience, at various times, unrealized gains or losses based on current equity market conditions. In the first quarter of 2006, the Company recorded a gain of \$2,681,830 on the sale of its wholly owned Guatemalan subsidiary, Jaguar Nickel, S.A.

Interest revenue for the three months was \$189,540, a 27% decrease, compared to interest income of \$206,435 of the prior year. The decrease is due to Jaguar's shift in investment focus as a merchant bank, moving funds away from short-term deposits to equity investments.

Total expenses decreased significantly from \$823,550 in Q1 of 2006 to \$265,745 in Q1 of 2007. The \$557,805 decrease in expenses is related to the change in focus of the Company, resulting in substantially lower management salaries and consulting fees, as well as most other cost categories. Operating as a merchant bank, the Company incurred \$74,058 of transaction costs relating to investments.

On February 23, 2007 Jaguar announced its intention to change the focus of the Company from a mineral exploration company to a merchant bank, focused on creating value for Jaguar's shareholders by making investments in undervalued companies in various industry sectors. The Company believes that management has very good merchant banking experience, which will assist it in making undervalued investments and realizing on such investments, passively or proactively, depending on the circumstances of the particular company. Proactive involvement by Jaguar could involve working with management or the directors of the particular company to implement necessary changes to create shareholder value, or by initiating change at the board level, or by implementing a change of control transaction.

Jaguar has commenced operations in the quarter as a merchant bank by making investments in securities of publicly traded companies, which the Company believes are undervalued. Jaguar intends to assist in the creation of shareholder value in these companies.

#### About Jaguar

Jaguar is a Canadian merchant bank that invests in undervalued small capitalization companies in a variety of industry sectors. Jaguar's shares are traded on the TSX under the symbol JNI.

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

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