



**PRESS RELEASE**

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**BRAZILIAN RESOURCES DISCUSSES RECAPITALIZATION,  
BUSINESS PLAN AND DELISTING FROM NEX**

**Brazilian Resources, Inc.** (“**BRAZILIAN**” or the “**Company**”) intends to raise gross proceeds of up to Cdn.\$5 million in a private placement (the “**Offering**”) from a limited number of accredited investors. BRAZILIAN has engaged Kingsdale Capital Markets, Inc. as an advisor and as agent for the offering in Canada. The funds will be used to develop a base metals project in Brazil and for working capital.

The Offering consists of up to Cdn.\$2 million of equity and up to Cdn.\$3 million of convertible debentures. The equity component is comprised of up to 20 million units at a price of Cdn.\$0.10 per unit. Each unit consists of one common share and one purchase warrant, each warrant entitling the holder to purchase an additional common share at Cdn.\$0.15 per share for a period of three years from the closing date. Up to Cdn.\$3 million convertible debentures may be issued with an annual interest rate of 10% and maturity of three years from the closing date. Fifty percent of the principal amount of the debentures are convertible before maturity into common shares at a conversion price of Cdn.\$0.20. The principal amount of the debentures will be secured by a portion of the common shares of Jaguar Mining Inc. (“**Jaguar**”) owned by BRAZILIAN. The Company anticipates closing the Offering early in the week of August 1, 2005.

Because the size of the Offering exceeds the Cdn.\$350,000 annual limitation prescribed by the policy of the NEX Board, BRAZILIAN intends to voluntarily delist its common shares from the NEX Board of the TSX Venture Exchange upon closing. In its role as advisor, Kingsdale Capital Markets, Inc. will be looking at a broad range of strategic alternatives for the Company.

**Investment in Jaguar Mining Inc.**

BRAZILIAN’s primary asset is its investment in Jaguar (JAG – TSX), its former subsidiary, with a book value of US\$5.8 million at March 31, 2005. BRAZILIAN holds 15.3% of Jaguar’s common shares with a current market value of US\$13.7 million. BRAZILIAN intends to retain significant holdings in Jaguar for the foreseeable future.

Jaguar produced 15,100 ounces of gold in Brazil during 2004, its first year of operations, and has announced a goal of approximately 50,000 ounces of production during 2005.

**Investment in Prometalica**

During February 2004, BRAZILIAN became the holder of rights to subscribe to 49% of the quota shares of an existing corporation in Brazil, Prometalica Mineração Ltda. (“**Prometalica**”). The other major shareholder is IMS Empreendimentos Ltda. (50%), a Brazilian mine engineering firm. Prometalica intends to develop basic and precious mineral resources through a project known as Monte Cristo. BRAZILIAN intends to use proceeds from the Offering to purchase its subscribed capital in Prometalica in the amount of US\$3.5 million. BRAZILIAN is also responsible for providing a guarantee of US\$3.85 million to the institution providing financing for the Monte Cristo project.

Monte Cristo is an advanced stage project, and a feasibility study is nearing completion. BRAZILIAN intends to file a NI 43-101 technical report within 30 days of closing the Offering.

**Other projects in Brazil**

BRAZILIAN is currently revising and/or renewing prior agreements related to its planned development of food irradiation facilities in Brazil. Its business plan calls for development of five cobalt food irradiation plants in Brazil's major food producing areas. Each facility is estimated to cost US\$3 to \$5 million to permit and develop. The Company is using relationships developed during its eleven-year history in Brazil to locate other business opportunities.

BRAZILIAN is a resource and infrastructure development company currently trading on the NEX Board of the TSX Venture Exchange. BRAZILIAN has 80,579,488 common shares outstanding (88,447,281 fully diluted), and holds 4,820,709 common shares of Jaguar Mining Inc., a gold producing company listed on the Toronto Stock Exchange.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

The statements that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

BRAZILIAN's and Jaguar's securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered, sold or resold in the United States or to a U.S. person absent registration or an applicable exemption from the registration requirements. This release is not an offer of securities for sale in the United States or elsewhere.