

Santacruz Silver Produces 956,482 Silver Equivalent Ounces in Third Quarter

Vancouver, B.C. – Santacruz Silver Mining Ltd. (TSX.V:SCZ) (the “Company” or “Santacruz”) reports that the Company’s total production in the third quarter of 2019 reached 956,482 silver equivalent ounces, representing a 176% increase compared with Q2 2019 and a 381% increase compared to Q3 2018. The Q3 2019 production figure includes only 50% of the Zimapan mine’s quarterly production as Santacruz did not complete the acquisition of the final 50% of PCG Mining, S.A. de C.V. (“PCG Mining”) until October 4, 2019 (see press releases dated July 2 and October 7, 2019).

Highlights:

- Consolidated silver equivalent production increased by 176% as compared to Q2 2019 and 381% as compared to Q3 2018
- Zimapan Mine produced 1.2 million silver equivalent ounces during Q3 of which 50% is attributable to Santacruz
- Veta Grande silver equivalent production increased by 5% as compared to Q2 2019 and by 59% as compared to Q3 2018
- Rosario silver equivalent production decreased by 7% as compared to Q2 2019 and increased by 105% as compared to Q3 2018

Mr. Carlos Silva, Chief Operating Officer, stated “The acquisition of the initial 50% ownership of PCG Mining at the beginning of Q3 has resulted in a material positive impact on production during the quarter. With the recent acquisition of the remaining 50% of PCG Mining, we expect a further significant production increase in Q4 and into 2020 as a result of Grupo Penoles agreeing on October 29, 2019 to extend the Zimapan Mine lease to December 31, 2020. We continue to have positive discussions with Grupo Penoles, the owner of the Zimapan Mine, with respect to acquiring the mine outright.” Mr. Silva continued; “During Q3, production from Veta Grande increased steadily during the quarter while at Rosario production decreased by 7% but is expected to return to budgeted levels during Q4 and should not impact the Rosario mine plan for the year.”

2019 Third Quarter Consolidated Production Results

Summary of Production Results	2019 Q3	2019 Q2	2018 Q3
Material Processed (tonnes milled)	148,289	57,945	57,976
Silver eqv. ounce production ^{(1) (2)}	956,482	346,020	199,044
Silver production (ounces) ⁽²⁾	256,878	107,582	62,497
Gold production (ounces) ⁽²⁾	273	258	174
Lead production (tonnes) ⁽²⁾	918	388	238
Zinc production (tonnes) ⁽²⁾	2,393	946	526
Copper production (tonnes)	316	-	-
Average Head Grade (g/t Ag Eqv.) ⁽¹⁾	278	263	213
Development (metres)	3,333	1,759	1,581

2019 Third Quarter Zimapan Mine Production Results (amounts reflect Santacruz's 50% proportional ownership of PCG Mining)

Summary of Production Results	2019 Q3	2019 Q2	2018 Q3
Material Processed (tonnes milled)	82,242	-	-
Silver eqv. ounce production ⁽¹⁾	606,589	-	-
Silver production (ounces)	151,464	-	-
Silver head grade (g/t)	75	-	-
Gold head grade (g/t)	-	-	-
Lead head grade (%/t)	0.59	-	-
Zinc head grade (%/t)	2.28	-	-
Copper head grade (%/t)	0.48	-	-
Silver recovery (%)	75	-	-
Lead production (tonnes)	463	-	-
Zinc production (tonnes)	1,492	-	-
Copper production (tonnes)	316	-	-
Average Head Grade (g/t Ag Eqv.) ⁽¹⁾	286	-	-
Development (metres)	1,489	-	-

2019 Third Quarter Veta Grande Project Production Results

Summary of Production Results	2019 Q3	2019 Q2	2018 Q3
Material Processed (tonnes milled)	43,999	37,156	42,011
Silver eqv. ounce production ^{(1) (2)}	214,282	204,612	134,788
Silver production (ounces) ⁽²⁾	62,394	59,864	46,054
Silver head grade (g/t)	99	101	77
Gold head grade (g/t)	0.24	0.21	0.26
Lead head grade (%/t)	1.45	1.11	0.80
Zinc head grade (%/t)	2.11	2.12	1.94
Silver recovery (%) ⁽²⁾	45	50	44
Gold production (ounces) ⁽²⁾	139	120	99
Lead production (tonnes) ⁽²⁾	370	300	204
Zinc production (tonnes) ⁽²⁾	519	541	312
Average Head Grade (g/t Ag Eqv.) ⁽¹⁾	294	280	235
Development (metres)	870	828	1,070

2019 Third Quarter Rosario Project Production Results

Summary of Production Results	2019 Q3	2019 Q2	2018 Q3
Material Processed (tonnes milled)	22,048	20,789	15,965
Silver eqv. ounce production ^{(1) (2)}	131,961	141,409	64,256
Silver production (ounces) ⁽²⁾	43,020	47,717	16,894
Silver head grade (g/t)	65	74	41
Gold head grade (g/t)	0.25	0.28	0.26
Lead head grade (%/t)	0.40	0.44	0.23
Zinc head grade (%/t)	2.04	2.13	1.58
Silver recovery (%) ⁽²⁾	93	97	80
Gold production (ounces) ⁽²⁾	134	137	74
Lead production (tonnes)	83	87	34
Zinc production (tonnes) ⁽²⁾	383	405	213
Average Head Grade (g/t Ag Eqv.) ⁽¹⁾	213	231	156
Development (metres)	975	932	511

⁽¹⁾
$$\text{AgEqvOz} = \frac{(\text{Au} * \text{Pau}) + (\text{Ag} * \text{Pag}) + (\text{Pb} * \text{Ppb} * 2205) + (\text{Zn} * \text{Pzn} * 2205) + (\text{Cu} * \text{Pcu} * 2205)}{(\text{Pag})}$$

Metal Prices 2019: Ag \$15.25, Au \$1,281, Pb \$0.94, Zn \$1.20, Cu \$2.92

Metal Prices 2018: Ag \$17.00, Au \$1,295, Pb \$1.00, Zn \$1.35

⁽²⁾ The comparative figures for 2019 Q2 and 2018 Q3 have been restated from the originally disclosed amounts based on an internal review of past metallurgical reporting practice and the adoption by management of new procedures designed to more accurately calculate the relevant data.

About Santacruz Silver Mining Ltd.

Santacruz is a Mexican focused silver company with two producing silver projects, Veta Grande and Rosario, and two exploration properties, the Minillas property and Zacatecas properties. The Company also owns 100% of Carrizal Mining S.A. de C.V. Carrizal Mining is a private Mexican mining company that holds a 20% working interest in the Company's Veta Grande Project and has the right to operate the Zimapan Mine until December 31, 2020 under a mining lease agreement.

The Company is managed by a technical team of professionals with proven track records in developing, operating and discovering silver mines in Mexico. Our corporate objective is to become a mid-tier silver producer.

'signed'

Arturo Préstamo Elizondo,
President, Chief Executive Officer and Director

For further information please contact:

Arturo Prestamo
Santacruz Silver Mining Ltd.
Email: info@santacruzsilver.com
Telephone: (604) 569-1609

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward looking information

Certain statements contained in this news release constitute "forward-looking information" as such term is used in applicable Canadian securities laws, including statements relating to the potential acquisition of the Zimapan Mine by the Company from the owner. Forward-looking information is based on plans, expectations and estimates of management at the date the information is provided and is subject to certain factors and assumptions. In making the forward-looking statements included in this news release, the Company has applied several material assumptions, including that the Company's financial condition and development plans do not change as a result of unforeseen events, and that future metal prices and the demand and market outlook for metals will remain stable or improve. Forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause plans, estimates and actual results to vary materially from those projected in such forward-looking information. Factors that could cause the forward-looking information in this news release to change or to be inaccurate include, but are not limited to, the risk that any of the assumptions referred to above prove not to be valid or reliable; there can be no assurance that the Company will be successful in either negotiating any further extensions to the lease of the Zimapan Mine or acquiring outright the Zimapan Mine (including obtaining the necessary funding for the purchase price thereof), and therefore there is a risk that the allocation to the Company of production from the Zimapan Mine will discontinue after December 31, 2020, which would result in a significant reduction to future production results as compared to the results contained in this news release; delays and/or cessation in planned work; changes in the Company's financial condition and development plans; risks associated with the interpretation of data (including in respect of the third party mineralized material) regarding the geology, grade and continuity of mineral deposits; the uncertainty of the geology, grade and continuity of mineral deposits and the risk of unexpected variations in mineral resources, grade and/or recovery rates; market conditions and volatility and global economic conditions; risks related to gold, silver, base metal and other commodity price fluctuations; risks relating to environmental regulation and liability; the possibility that results will not be consistent with the Company's expectations, as well as the other risks and uncertainties applicable to mineral exploration and development activities and to the Company as set forth in the Company's continuous disclosure filings filed under the Company's profile at www.sedar.com. There can be no assurance that any forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. The Company undertakes no obligation to update forward-looking information or statements, other than as required by applicable law.

Rosario Project

The decisions to commence production at the Rosario Mine, Cinco Estrellas Property and Membrillo Prospect were not based on a feasibility study of mineral reserves demonstrating economic and technical viability, but rather on a more preliminary estimate of inferred mineral resources. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with this production decision. Production and economic variables may vary considerably, due to the absence of a complete and detailed site analysis according to and in accordance with NI 43-101.

Veta Grande Project

The decision to commence production at the Veta Grande Project was not based on a feasibility study on mineral reserves demonstrating economic and technical viability. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with this production decision. Production and economic variables may vary considerably due to the absence of a complete and detailed site analysis according to and in accordance with NI 43-101.

Zimapan Mine

Production at the Zimapan Mine is not supported by a feasibility study on mineral reserves demonstrating economic and technical viability or any other independent economic study under NI 43-101. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with production operations at the Zimapan Mine. Production and economic variables may vary considerably due to the absence of a complete and detailed site analysis according to and in accordance with NI 43-101. There is no assurance that the Company will be successful in negotiating and completing any acquisition of the Zimapan Mine. Any



transaction to acquire the Zimapan Mine will be subject to receipt of all necessary regulatory approvals, including Santacruz obtaining the approval of the TSX Venture Exchange.