Zacatecas Silver Reports Assay Results from Resampling of Drill Core Conducted As Part of Resource Confirmation Program and Engages Red Pennant Geoscience

VANCOUVER, BC, March 26, 2021 /CNW/ - **Zacatecas Silver Corp.** ("Zacatecas Silver" or the "Company", (TSXV: ZAC) is pleased to announce it has engaged Red Pennant Geoscience of British Columbia, Canada (Senior Principal Consultant, Michael O'Brien, P.Geo) to prepare a current resource estimate at the Panuco Silver Deposit at the Zacatecas Silver property, located in Zacatecas State, Mexico and that it has received assay results as part of a core re-sampling program being undertake with regards to the resource confirmation process.

Highlights:

- **Red Pennant Geoscience engaged to prepare a current resource estimate at the Panuco Silver Deposit**
- **Approximately 10% of the drill core sample intervals used in the historical resource estimate at Panuco have been re-sampled and re-assayed**
- **A 100kg composite sample of drill core used in the Panuco resource estimate sent to SGS Minerals Lakefield for benchmark metallurgical work, which has started**
- **A digital elevation model (DEM) with an estimated accuracy of < 1 m has been generated for the companies entire land-holding in Zacatecas using a combination of TerraSAR-X ground control points and Maxar satellite data. Accuracy is estimated to be closer to 50 cm at Panuco.**
- **All historical drill hole collars have been resurveyed and cross-referenced to the DEM.**
- **Detailed petrographic and XRD study of drill core has commenced for input into metallurgical test-work and deposit modelling.**
- **A 57 kg sample composite of historic Panuco drill core from one of the higher grade shoots has assayed higher than the grade described in the historic resource, with the sample returning assays of 198 g/t Ag Eq. (146 g/t Ag, 0.30 g/t Au, 0.13% Zn, and 0.42 % Pb) — based on US$ 16/oz Ag, US$ 1350 oz/Au, US$ 0.9/lb Pb and US$ 1.1/lb Zn and the recovery factors used in the historical resource.**

The Panuco Silver Deposit is located in the north of the Zacatecas Property and is the most advanced prospect. Panuco has an historic inferred mineral resource of 19,472,901 ounces Ag Eq. (cut-off 100 g/t Ag Eq.) from 3,954,729 tonnes at 153.2 g/t Ag Eq (136 g/t Ag, 0.14 g/t Au, 0.012% Pb, 0.11% Zn) (the "Historical Estimate"). See "Historical Resource Estimate Information" set forth below.

Re-sampling of 184 historic sample intervals — being approximately 10% of sample intervals used in the historical resource estimate at Panuco — has been completed.

Assay results have been received and the company is currently verifying data against the historical assay database. These assay results will form the backbone of a remodelled resource estimate. Drill core samples were prepared and assayed by ALS Laboratories (ISO 9001:2008).

As part of the resource remodelling, Zacatecas has also commenced a bench-scale metallurgical test of approximately 100 kg of mineralized drill core used in the Panuco resource. An integrated test program is being undertaken by SGS Minerals at Lakefield with a specific emphasis on flow-path options for optimised recovery of actual Panuco mineralization. No metallurgical work was done at Panuco under the Historical Estimate and instead recovery estimates used in the Historical Estimate based recovery assumptions on an outdated processing facility in the region that processed material from a different vein system, using gold (52.2%), silver (62.1%), lead (87.9%) and zinc (78.6%). These precious metals recoveries are lower than the recoveries used within various modern resource calculations by other companies in the region. Given the low tenor of precious metal recoveries, there is significant opportunity to strengthen the resource estimate with a modern bench-scale metallurgical test.

Worldview-3 high resolution satellite Imagery was acquired for an area covering Company licences, the areas between Company licences, and a 2 km wide edge buffer. This coverage ensured that geology, alteration, structure and mineralization, could be placed in a wider context and mapped between licences. The imagery provides 34 cm visible (panchromatic) and 1.36 m 8-band multi-spectral VNIR resolution —it has provided a detailed base image allowing for rapid field verification and geological mapping at Panuco and other targets within the Zacatecas land-holding.

The TerraSAR-X satellite was tasked to provide 20 ground control points at <1 m accuracy in X/Y/Z covering the entire 315 km^2 area of the Worldview-3 image. TerraSAR-X was tasked to acquire data on six different occasions for 25 km^2 panels at Panuco and El Cristo — allowing for identification of 10 ground control points in each area with a geospatial accuracy of <20 cm in X/Y/Z.

Satellite data was processed by Pacific Geomatics Ltd of Victoria, B.C., who also provided an AW3D enhanced 50 cm Digital Terrain Model and 1 m topographic contours for the entire area generated from Maxar satellite data. Using the <20 cm TerraSAR-X data, the <1 m TerraSAR-X data and the AW3D Digital Terrain Model — it has also been possible to ensure a spatial accuracy of the Worldview 3 image of better than 1 m throughout the companies entire land-holding.

Dr. Chris Wilson, Chief Operating Officer and a Director of Zacatecas comments, "The acquisition of such high resolution integrated satellite data has provided an exceptional GIS dataset that has allowed field geologists to rapidly re-map the Panuco and El Cristo projects. Interpretation of Worldview-3 data is providing excellent structural data for input into deposit models. The DEM has also provided an extremely accurate topographic surface for current re-modelling of the Panuco resource, and future drill targeting and resource estimation".

Detailed petrology and XRD study of drill core used in the historic Panuco resource estimate is ongoing and will initially provide detailed mineralogical data for input into the bench-scale metallurgical tests. Understanding vertical changes in mineralogy is also critical to modelling the vertical position in an intermediate sulphidation vein system — and thus prioritizing the highest value drill targets.

While the company's focus to-date has been on work in preparation of a establishing a current resource estimate, Zacatecas Silver is also pleased to report that geological team members are onsite conducting exploration work in preparation for expansion and exploration drilling at the Panuco Silver Deposit.

Detailed re-mapping of the El Cristo project — the northwest strike extension of the Veta Grande vein — has confirmed the presence of multiple epithermal veins over a strike length of at least 3 km. Reconnaissance review of other high priority silver targets throughout the large land package is ongoing.

Quality Assurance / Quality Control

All assays were subject to quality control measures appropriate for verification re-sampling of historical drill core for use in resource estimation. Samples were delivered to ALS Zacatecas in individually numbered bags sealed with unique single-use clip-lock seals — ensuring that chain of custody was maintained. Sample preparation, sub-sampling protocol and analysis followed industry-recognized standards of best practice for the style of mineralization and type of sample.

Samples were submitted in batches of 20 comprising 16 samples, a field blank, a CRM (certified reference material), one crush duplicate and one pulp duplicate. Samples were prepared by ALS Zacatecas who then couriered pulps to ALS Loughrea (Ireland) for analysis. Field blanks and CRM's assayed within tolerance limits. Crush and pulp duplicates showed good repeatability (precision) with respect to the original — demonstrating appropriate sub-sampling methodology and analytical technique.

Gold was analysed by fire assay with atomic absorption finish using a 50 g sample charge (ALS code Au-AA26) — with a reportable range of 0.01-100 ppm Au. Silver was assayed by fire assay with a gravimetric finish (ALS code Ag-GRA21) using a 30 g nominal sample weight — with reportable range of 5-10,000 ppm Ag. Samples were also submitted for 33 element analysis by ICP-AES following a 4 acid digest — with reportable ranges silver (0.5 to 100 ppm), lead (2 to 10,000 ppm), zinc (2-10,000 ppm) and copper (1-10,000 ppm Cu). Over-range samples were resubmitted for analysis using a 4 acid digest and ICP-AES finish with the following ranges: Ag 1-1500 ppm (Ag-OG62), lead 0.001-20% (Pb-OG62), zinc 0.001-30% (Zn-OG62) and Cu 0.001-40% (Cu-OG62).

Qualified Person

The technical content of this news release has been reviewed, verified and approved by Dr. Chris Wilson, B.Sc (Hons), PhD, FAusIMM (CP), FSEG. Chief Operating Officer and Director of Zacatecas Silver, a qualified person as defined by NI 43-101.

About Zacatecas Silver Corp.

The Zacatecas Silver property is located in Zacatecas State, Mexico, within the highly prospective Fresnillo Silver Belt, which has produced over 6.2 billion ounces of silver. The company holds 7826 ha (19,338 acres) of ground that is highly prospective for low and intermediate sulphidation silver-base metal mineralization and potentially low sulphidation gold-dominant mineralization.

The property is 25 km south-east of MAG Silver Corp.'s Juanicipio Mine and Fresnillo PLC's Fresnillo Mine. The property shares common boundaries with Pan American

Silver Corp. claims and El Orito which is owned by Endeavour Silver. There are four main high-grade silver target areas within the Zacatecas concessions: the Panuco Deposit, Muleros, El Cristo and San Manuel-San Gill. The Property also includes El Oro, El Orito, La Cantera, Monserrat, El Peñón, San Judas and San Juan silver-base metal vein targets. These targets are relatively unexplored and will be the focus of rapid reconnaissance review

On behalf of the Company
Bryan Slusarchuk
Chief Executive Officer and Director

Historical Mineral Resource Estimate Information

In 2019 Santacruz Silver Mining Ltd. completed an updated historical resource estimate as set forth in the technical report titled "Technical Report – Veta Grande Project, Zacatecas State, Mexico" dated 20th of August 2019. The report was prepared by Van Phu Bui, P. Geo and Michael O'Brien, P. Geo, and filed on www.sedar.com ("2019 Panuco Historical Resource"). The 2019 Panuco Historical Resource reported 3,954,729 tonnes at 153 g/t Ag Eq. (136 g/t Ag, 0.14 g/t Au, 0.012 % Pb, 0.11% Zn) for a total of 19,472,901 ounces Ag Eq. (cut-off 100 g/t Ag Eq.). The 2019 Panuco Historical Resource used "inferred mineral resources", which is a category set forth under CIM Definition Standards for Mineral Resources & Mineral Reserves adopted on May 10, 2014.

The 2019 Panuco Historical Resource was calculating using 75 drill collars, 866 down hole surveys and 2,607 assayed samples. A surface trench database totalling 183 trenches with 1,813 samples was used. Resource blocks were defined using with dimensions of 20 m along strike and down dip, and 1 m across strike. Grades for gold, silver, lead and zinc were interpolated into blocks using the following estimation algorithms: central — ordinary kriging and NW and Tres Cruces — inverse distance squared. Assumptions used in the 2019 Panuco Historical Resource include the following metal prices: gold price of US $1,350/oz, silver price of US $16/oz, lead price of US $0.90/lb and zinc price of US $1.10/lb. The 2019 Panuco Historical Resource assumed recovering similar to the Veta Grande System being: gold at 52.2%, silver at 62.1%, lead at 87.9% and zinc at 78.6%. The Company considers the 2019 Panuco Historical Resource relevant due to its identification and modelling of the Panuco deposit.

The Company has not done sufficient work to classify the 2019 Panuco Historical Resource as a current mineral resource or mineral reserves, and the Company is not treating the historical estimate as current mineral resources or mineral reserves. Although the historical resource estimate is considered reliable, 8% of the drill core intervals used in the resource calculations was re-sampled and submitted these to ALS for independent assay. Further, additional data verification including resurveying of select diamond drill holes collars; review of graphic drill core logs, comparison of these logs with remaining half-cut core, and a cross-check of select geological logs agonist database entries; and a check of original ALS assay certificates against the assays and drill hole database. Remodelling of the current Panuco resource is ongoing pending receipt of check sample assays.

Forward-Looking Statements

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. Zacatecas Silver cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by many material factors, many of which are beyond their respective control. Such factors include, among other things: risks and uncertainties relating to Zacatecas Silver's limited operating history, its proposed exploration and development activities on is Zacatecas Properties and the need to comply with environmental and governmental regulations. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, Zacatecas Silver does not undertake to publicly update or revise forward-looking information.

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