

TSX.V: SCZ
FSE: 1SZ

April 19, 2021

Santacruz Provides Update on Zimapan Acquisition

Vancouver, B.C. -- Santacruz Silver Mining Ltd. (TSX.V:SCZ) (the "**Company**" or "**Santacruz**") announces that the acquisition of the Zimapan mine assets from Minera Cedros, S.A. de C.V. ("**Minera Cedros**"), together with the US\$17.6 million loan facility from Trafigura Mexico, S.A. de C.V. (the "**Trafigura Loan Facility**"), are now expected to close on or about April 23, 2021.

Pursuant to the definitive purchase agreement dated February 24, 2021 (the "**Purchase Agreement**") between the Company's wholly-owned subsidiary, Carrizal Mining, S.A. de C.V. ("**Carrizal**"), and Minera Cedros, closing of the acquisition of the Zimapan mine, including payment by Carrizal of US\$15 million of the purchase price, is required to occur within 60 days of the date of the Purchase Agreement, being April 26, 2021. The US\$15M payment will be funded by the Trafigura Loan Facility. The balance of the total US\$20 million (plus applicable Mexican Value Added Tax of US\$3.2 million) purchase price for the Zimapan mine, after payment of US\$5 million in advances to date by Carrizal to Minera Cedros, will be US\$3.2 million which will be payable to Minera Cedros within 5 months of the closing date in accordance with the Purchase Agreement.

About Santacruz Silver Mining Ltd.

Santacruz is a Mexican focused silver company that currently owns and operates the Rosario Project. The Company also owns 100% of Carrizal Mining S.A. de C.V. On February 25, 2021 the Company announced that it had entered into a definitive agreement with Minera Cedros, S.A. de C.V. ("**Minera Cedros**"), a wholly owned subsidiary of Industrias Peñoles, S.A.B. de C.V., to acquire outright the Zimapan Mine and all assets related to the Zimapan Mine and mill for US\$20.0 million (plus applicable IVA of US\$3.2 million), subject to a number of conditions, including receipt of all necessary regulatory approvals including approval of the TSX Venture Exchange ("**TSXV**") to the transaction which will constitute a "Fundamental Acquisition" pursuant to TSXV Policy 5.3.

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,
Executive Chairman

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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 agreement with Minera Cedros and the acquisition of the Zimapan Mine by the Company. 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, that the Company will receive all required regulatory approvals 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, unanticipated delays in obtaining or failure to obtain regulatory or stock exchange approvals; 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 completing the acquisition of the Zimapan Mine; market conditions and volatility and global economic conditions, including increased volatility and potentially negative capital raising conditions resulting from the continued COVID-19 pandemic and risks relating to the extent and duration of such pandemic and its impact on global markets; risk of delay and/or cessation in planned work or changes in the Company's financial condition and development plans; risks associated with the interpretation of data (including in respect of 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; 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.