

**Carrizal Mining Enters Agreement For Extension of Mine Lease on Zimapan Mine;
Santacruz Schedules 2019 Annual General Meeting**

Vancouver, B.C. – Santacruz Silver Mining Ltd. (TSX.V:SCZ) (the “Company” or “Santacruz”) reports that its 50% owned subsidiary company, Carrizal Mining, S.A. de C.V. (“Carrizal”) has entered into an agreement with Minera Cedros, S.A. de C.V. (“Minera Cedros”), a wholly-own subsidiary of Grupo Peñoles, S.A.B. de C.V., to extend the expiry date of the current Zimapan Mine lease agreement (see press release dated July 2, 2019) from July 31, 2019 to December 31, 2019.

Arturo Prestamo, Santacruz’s CEO stated, “We are pleased that Mineral Cedros has agreed to extend the current expiry date of the Zimapan Mine lease agreement as this provides Carrizal and Minera Cedros additional time to negotiate the potential acquisition of the Zimapan Mine by Carrizal from Minera Cedros.”

Pursuant to the terms of the existing Zimapan Mine lease agreement, Carrizal must make monthly payments to Minera Cedros based on 4% of the net smelter receipts from the concentrates produced by the Zimapan Mine for each respective month, subject to the minimum payment each month being US\$45,000 and the maximum payment being US\$60,000.

There is no assurance that Carrizal will be successful in completing the 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.

The Company also reports that it has scheduled its annual general meeting for October 1, 2019. In addition to dealing with routine annual approvals, shareholders will be asked to vote on approval of the Company's acquisition of the remaining 50% of the outstanding shares of PCG Mining, S.A. de C.V. (see press release dated July 2, 2019). Further details will be included in the Company's information circular to be sent to shareholders and filed on www.sedar.com.

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 50% of PCG Mining, S.A. de C.V, a holding company that owns 100% of Carrizal Mining S.A. de C.V. Carrizal Mining is a private Mexican mining company, the principal asset of which is a 20% working interest in the Company's Veta Grande Project. Carrizal Mining also has the right to operate the Zimapan Mine until December 31, 2019 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

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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 potential acquisition of the Zimapan Mine. 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, but not limited to, assumptions as to the ability of Carrizal to negotiate the acquisition of the Zimapan Mine on terms acceptable to Carrizal, or at all; the Company's financial condition and development plans do not change as a result of unforeseen events; third party mineralized material to be milled by the Company will have properties consistent with management's expectations; 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, the risk that any of the assumptions referred to prove not to be valid or reliable, which could result in lower revenue, higher cost, or lower production levels; delays and/or the inability of Carrizal to negotiate the acquisition of the Zimapan Mine; changes in the Company's financial condition and development plans; delays in or failure to obtain regulatory approvals; 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 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 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.