



TSX.V: SCZ
FSE: 1SZ
OTCQX: SZSMF

January 14, 2016

**Santacruz Silver Announces Expiry of CrediPresto Exclusive Mandate Period re Debt Agreement;
Solicitation of Restructuring Debt Agreement;
Extension of Agreement with JMET LLC**

Vancouver, B.C. - Santacruz Silver Mining Ltd. ("Santacruz" or the "Company") (TSX.V:SCZ) reports that the exclusive mandate period provided to the CrediPresto Group in connection with the previously announced proposed Loan Facility with the CrediPresto Syndicate (see news release November 24, 2015) has expired. The terms of the proposed Loan Facility contemplated the Company and the CrediPresto Syndicate closing the transaction on or before December 31, 2015. In connection with this event the Company has opened discussions with other groups in addition to the CrediPresto Syndicate with respect to restructuring and replacing the current corporate debt.

In addition, the Company has entered into an amended agreement with JMET LLC, under the Pre-Paid Forward Silver Purchase Agreement (the "JMET Agreement"). Under the amended terms the Company now has an extension until June 2016 before the commencement of the scheduled monthly deliveries.

Arturo Préstamo, President and Chief Executive Officer, stated: "While we are disappointed that we were unable to close the Loan Facility in the time frame expected, we continue to work with the CrediPresto Syndicate on this matter, while concurrently pursuing discussions with other interested parties so as to secure a new debt agreement in a timely manner. We are grateful to JMET and appreciate their consideration to extend the timing of the start of the silver deliveries under our agreement. This extension should allow the Company the necessary time required to complete a new debt agreement that will help bring the Company into a more solid financial position."

About Santacruz Silver Mining Ltd.

Santacruz is a Mexican focused silver company with a producing silver mine (Rosario); the right to operate a silver mine and mill facility (Veta Grande); an advanced-stage project (San Felipe) and an exploration project (Gavilanes). 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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Forward looking information

Certain statements contained in this news release, such as the completion of a new debt agreement, the Company's production and development plans for its mineral properties, and its corporate objectives, constitute "forward-looking information" as such term is used in applicable Canadian securities laws. 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, including, that the Company's financial condition and development plans do not change as a result of unforeseen events, that the Company is able to complete a new debt agreement in a timely manner or at all, future metal prices and that the demand and market outlook for metals do not decline significantly. 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, that unforeseen events result in delays or cessation in planned work, that the Company is able to complete a new debt agreement in a timely manner or at all, that the Company's financial condition and development plans change, delays in regulatory approval, risks associated with the interpretation of data, 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.

Financial outlook information contained herein about the Company's prospective financial position is based on assumptions about future events, as described above, based on management's assessment of the relevant information currently available. The purpose of such financial outlook is to provide information about management's current expectations as to the anticipated results of its proposed business activities. Readers are cautioned that any such financial outlook information contained herein should not be used for purposes other than for which it is disclosed herein.