



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

December 29, 2015

Santacruz Silver Announces Short-Term Loan with Trafigura

Vancouver, B.C. - Santacruz Silver Mining Ltd. ("Santacruz" or the "Company") (TSX.V:SCZ) announces its subsidiary Impulsora Minera Santacruz S.A. de C.V. has entered into a short-term loan facility (the "Loan") with Trafigura Mexico, S.A. de C.V. ("Trafigura") in the principal amount of US\$ 725,000. The Loan bears interest at LIBOR plus a spread, payable monthly in arrears, with the principal to be repaid in six equal monthly installments commencing January 31, 2016. The Loan has been secured by certain personal assets of a director and officer of the Company.

In connection with this personal guarantee of the Loan, the Company will issue 3,000,000 bonus warrants (the "Warrants"), subject to the approval of the TSX Venture Exchange. The Warrants will have an exercise price of \$0.15 per share and expire three years following the approval of the TSX Venture Exchange.

Mr. Préstamo stated: "We have established a close relationship with Trafigura over the past year through concentrate offtake agreements. This prepayment for future concentrate deliveries will assist us to continue to advance our operations at the Veta Grande Project."

About Trafigura

Founded in 1993, the Trafigura Group has become one of the world's leading independent commodity traders, specializing in the oil, minerals and metals markets. The company has achieved substantial growth in recent years, growing revenue to USD97.2 billion in 2015. Primary trading activities are the supply and transport of oil and petroleum products and metals and minerals. The trading business is supported by industrial and financial assets including global oil products distribution company Puma Energy; joint venture company DT Group; global terminals operator Impala; Trafigura's Mining Group and Galena Asset Management.

The Trafigura Group is owned by 600 of its 5,300 employees who work in 37 countries around the world. The Group has been connecting its customers to the global economy for more than two decades, growing prosperity by advancing trade.

www.trafigura.com

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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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, such as advancement of operations at the Veta Grande Project, 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, 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'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.