

Santacruz Silver Reports Filing of Zimapan NI 43-101 Report and IRMA Certificate

Vancouver, B.C. – Santacruz Silver Mining Ltd. (TSX.V:SCZ) (the “Company” or “Santacruz”) announces that it is filing on SEDAR today an independent NI 43-101 Technical Report titled “Technical Report Zimapan Property Hidalgo Mexico” (the “Report”).

The Report, which was prepared as part of the filings required by the TSX Venture Exchange (the “TSXV”) in connection with the planned acquisition by the Company of the Zimapan property (see news release dated July 28, 2020), provides a project description of the Zimapan property located in Hidalgo State, Mexico. The Report was prepared in accordance with Form 43-101F1 of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (“NI 43-101”). The effective date of the Report is August 5, 2020. The Report was prepared by Van Phu Bui, P.Geol. and Stephen de Wit, P.Geol. whom are independent of the Company, the vendor and the property in accordance with TSXV requirements.

- The Zimapan property is located in the municipality of Zimapan, Hidalgo state, Mexico. The property is situated 241 road-km north of Mexico City and seven km northwest from the town of Zimapan.
- The property has had an extensive mining history dating back to the 1600’s.
- The property consists of 34 mining concessions covering an area of 5,138.76 ha.
- The mining infrastructure is comprised of the Carrizal mine, El Monte mine and the El Monte mineral processing plant – a conventional sulfide flotation facility capable of operating at 75,000 tonnes per month.
- There are fourteen known mineral zones that are hosted in Lower Cretaceous limestone and calcareous shales. The zones contain targets that range from 3-10 m in width that have been traced 40-1000 m along strike and 40-590 m down dip.
- The mineral zones are characterized as high temperature carbonate replacement deposits that consist of silver, lead, zinc and copper rich semi-massive and massive sulfide bodies that occur in proximity to quartz-monzonitic to monzonitic intrusions.
- The property has been in production since January 1, 2010 and as of December 31, 2019 Carrizal Mining mined approximately 5.88 million tonnes (MT) of mineralized material, including:
 - 3.43 MT at head grades ranging from 72.83 to 100.78 g/t Ag, 0.41 to 0.54 % Pb, 1.85 to 2.79 % Zn, and 0.49 to 0.67 % Cu from the Monte mine; and
 - 2.45 MT at head grades ranging from 82.45 to 123.52 g/t Ag, 0.60 to 1.18 % Pb, 2.02 to 4.44 % Zn, and 0.28 to 0.48 % Cu from the Carrizal mine.
- Between January 1, 2011 and February 28, 2020 Carrizal Mining completed approximately 30,005 m of underground production drilling – including 16,539 m completed at the El Monte mine and 13,466 m completed at the Carrizal mine. The focus of the drilling has been to replace near mine mineral sources.

The Company is also pleased to announce that its efforts that have been ongoing for a number of years to further strengthen the Company’s Social Responsibility (CSR) initiatives led to the Company undertaking the Initiative for Responsible Mining Assurance (“IRMA”) Standard for responsible mining. In recognition of these efforts, in February 2020 it received the corresponding IRMA certification and recognition, and is now preparing its procedures to be audited and reviewed during September 2020.

Carlos Silva, CEO of Santacruz, stated, “In light of the global demand for a more socially and environmentally responsible mining and as a result of our continuous works on these important matters, we have adopted the IRMA Standard Certification as it is a perfect fit for us as a public Company”. Mr. Silva continued; “The IRMA



Standard is based on four principles; Business Integrity, Social Responsibility, Environmental Responsibility and Planning for Positive Legacies, while offering a true independent third-party verification and certification against a comprehensive standard for our industry.”

Qualified Person

The scientific or technical information included in this news release has been reviewed and approved by Van Phu Bui, P.Geo., consulting geologist, who is an independent consultant geologist of the Company and is a qualified person within the meaning of NI 43-101.

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. Carrizal Mining is a private Mexican mining company that holds a 20% working interest in the Company's Zacatecas Project and has the right to operate the Zimapan Mine until December 31, 2020 under a mining lease agreement. On July 28, 2020 the Company announced that it had reached 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 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 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.

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 Zimapan property 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, 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 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 (including obtaining the necessary funding); risk of delays or inability to obtain the approval of the TSXV to 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 the 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.



Zimapan Mine

Production at the Zimapan Mine is not supported by a feasibility study on mineral reserves demonstrating economic and technical viability or any other independent economic study under NI 43-101. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with production operations at the Zimapan Mine. Production and economic variables may vary considerably due to the absence of a complete and detailed site analysis in accordance with NI 43-101.

'signed'

Arturo Préstamo Elizondo,
Executive Chairman

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