

Santacruz Silver Reports Q1 2021 Production of 706,978 Silver Equivalent Ounces

Vancouver, B.C. – Santacruz Silver Mining Ltd. (TSX.V:SCZ) (the “Company” or “Santacruz”) reports its operating results from the Zimapan Mine located in Zimapan, Hidalgo, Mexico and the Rosario Project located in Charcas, San Luis Potosi, Mexico, for the first quarter 2021 (“Q1”). The Company is not including production from the Veta Grande Project in this report as operations at Veta Grande were suspended during Q1 2020.

Production Highlights:

- Silver equivalent ounces produced 706,978
- Silver head grades increase 9.4 % at Zimapan Mine as compared to Q1 and Q4 2020
- Increased tonnage throughput from Lomo del Toro zone of the Zimapan Mine from 4,000 during January and February to 6,000 tonnes for the month of March
- New mining method introduced in late March at Rosario that is expected to significantly reduce costs by less handling of waste material.

Carlos Silva, Santacruz’s COO stated, “As we keep advancing our workings deeper into the higher-grade Lomo del Toro manto and increase the tonnage mined from this zone, we are seeing a corresponding increase in head grades at our Zimapan Mine. We are progressing well towards our objective of reaching 15,000 tonnes per month of mill feed from this higher-grade area by the end of the second quarter”. Mr Silva continued; “We expect further efficiencies at our Rosario Project during Q2 as a result of a revised mining plan which results in less waste material being handled. These very encouraging improvements were unfortunately partially offset by an unstable power supply from Mexico’s Comision Federal de Electricidad (Mexico’s power supply Company). The unstable power supply impacted the mill throughput at both mines in February as motors for the ball mills were damaged. The matter was resolved in early March but mill throughput was materially reduced for eight days”.

COVID-19 Update

The Company continues to take all appropriate measures to prevent COVID-19 among the work force and local communities and to monitor the effectiveness of these measures in mitigating any potential impact on business activities. The Company’s actions have been successful to date and the pandemic has not had any material impact on the business.

CONSOLIDATED PRODUCTION RESULTS

	2021 Q1	2020 Q4	2020 Q1
Material Processed (tonnes milled)	176,239	191,043	157,400
Silver eqv. ounce production	706,978	943,103	902,765
Silver production (ounces)	325,376	318,764	274,678
Gold production (ounces)	72	71	83
Lead production (tonnes)	945	970	965
Zinc production (tonnes)	2,285	2,838	2,674
Copper production (tonnes)	354	365	438
Average Head Grade (g/t Ag Eqv.)	176	221	241
Development (metres)	2,212	2,891	2,170

ZIMAPAN MINE PRODUCTION RESULTS

	2021 Q1	2020 Q4	2020 Q1
Material Processed (tonnes milled)	156,433	171,313	139,903
Silver eqv. ounce production	646,085	858,362	829,514
Silver production (ounces)	294,099	277,154	245,344
Silver head grade (g/t)	85	77	77
Gold head grade (g/t)	-	-	-
Lead head grade (%/t)	0.63	0.63	0.73
Zinc head grade (%/t)	1.99	2.25	2.41
Copper head grade (%/t)	0.31	0.32	0.43
Silver recovery (%)	69.0	65.5	71.2
Gold production (ounces)	-	-	-
Lead production (tonnes)	892	900	913
Zinc production (tonnes)	2,067	2,620	2,443
Copper production (tonnes)	354	365	438
Average Head Grade (g/t Ag Eqv.)	182	228	250
Development (metres)	1,724	2,095	1,418

ROSARIO MINE PRODUCTION RESULTS

	2021 Q1	2020 Q4	2020 Q1
Material Processed (tonnes milled)	19,806	19,730	17,497
Silver eqv. ounce production	60,893	84,741	73,251
Silver production (ounces)	31,277	41,610	29,334
Silver head grade (g/t)	61	74	63
Gold head grade (g/t)	0.19	0.18	0.22
Lead head grade (%/t)	0.34	0.40	0.36
Zinc head grade (%/t)	1.51	1.38	1.78
Copper head grade (%/t)	-	-	-
Silver recovery (%)	80.3	88.3	82.4
Gold production (ounces)	59.4	61.6	68.7
Lead production (tonnes)	78.0	89.6	82.0
Zinc production (tonnes)	73.0	79.8	73.9
Copper production (tonnes)	-	-	-
Average Head Grade (g/t Ag Eqv.)	72	71	84
Development (metres)	488	70	52

* In the above tables Ag Eq has been calculated as follows:

2021 Ag Eq was calculated using metal prices of: Ag \$25.00/oz, Au \$1,925/oz, Pb \$0.85/lb, Zn \$1.05/lb and Cu \$3.00/lb.
 2020 Ag Eq was calculated using metal prices of: Ag \$17.85/oz, Au \$1,480/oz, Pb \$0.92/lb, Zn \$1.09/lb and Cu \$2.80/lb.

Silver Equivalent Comparative Production

As noted in the tables above, there is a significant reduction in silver equivalent ounces produced in Q1 2021 as compared to that produced in Q1 and Q4 2020. This negative change in production is due in large part to the metal prices used for this calculation in 2021 as compared to 2020. For example, had the Company used the 2020 metal price deck for its silver equivalent production calculation at the Zimapan Mine in Q1 2021, the reported silver equivalent ounces produced would have been 868,750, an increase of 9.1% over the current reported balance. On a comparative basis



within any particular fiscal year or between periods in different fiscal years where the metal price decks are relatively equivalent, this computation is useful for comparing production from one period to another. When the price decks are not relatively equivalent, the usefulness of this production indicator is diminished.

About Santacruz Silver Mining Ltd.

Santacruz is a Mexican focused silver company with two producing silver projects (Zimapan and Rosario) and two exploration properties, the La Pechuga property and Santa Gorgonia prospect. 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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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 production at the Zimapan Mine and Rosario Project and the Company's plans to grow it. 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 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, the risk that any of the assumptions referred to above prove not to be valid or reliable; 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.