

Santacruz Silver Reports Third Quarter 2024 Results

Q3 2024 Revenue Increased 21% Year-over-Year to \$78 Million

Q3 2024 EBITDA Increased 242% Year-over-Year to \$16 Million

Q3 2024 Cash and Cash Equivalents Increased 505% Year-over-Year to \$18 Million

Filed NI 43-101 Compliant Mineral Resource and Reserve Estimates for Three Bolivian Producing Mines

Webinar Scheduled for Wednesday, November 27th at 2:00 pm ET

Vancouver, B.C. – Santacruz Silver Mining Ltd. (TSX.V:SCZ) (OTCQB:SCZMF) (FSE:1SZ) ("Santacruz" or "the Company") reports its financial and operating results for the three and nine months ended September 30, 2024 ("Q3 2024"). The full version of the financial statements and accompanying Management's Discussion and Analysis (the "MD&A") can be viewed on the Company's website at www.santacruzsilver.com or on SEDAR+ at www.sedarplus.ca.

Arturo Préstamo, Executive Chairman and CEO of Santacruz, commented, "Following the successful restructuring of the Share Purchase Agreement (SPA) with Glencore, the Company has significantly enhanced its financial position. This achievement, coupled with strong operational performance and solid revenue growth, led to a successful third quarter, highlighted by \$78 million in revenue, \$16 million in EBITDA, and \$18 million in cash and cash equivalents. These results reflect our continued focus on improving the productivity of our mines and milling facilities, aiming to enhance the quality of our concentrates while optimizing costs."

Mr. Préstamo continued; "In addition to our solid financial performance, we successfully maintained a stable All-In Sustaining Cost (AISC) and remain committed to disciplined cost optimization initiatives. Furthermore, significant investments were made in underground equipment in Mexico to support the growth momentum achieved over the past quarters. This strategic focus not only strengthens our operational and financial stability but also positions us to create sustained long-term value for our shareholders."

Q3 2024 Highlights (all amounts in US\$000's unless otherwise stated)

- **Revenues** increased 21% or \$13,836 to \$78,244 in Q3 2024, compared to \$64,408 in Q3 2023, primarily due from:
 - An increase of \$13,453 in revenues from the Bolivia Operating Mines due to a 22% increase in the average realized price per ounce of silver equivalent ounces sold and further impacted by a 10% increase in the volume of silver equivalent ounces sold from Q3 2023.
 - An increase of \$3,345 in revenues from the Zimapan Mine due to a 7% increase in the average realized price per ounce of silver equivalent ounces sold and further impacted by a 6% increase in the volume of silver equivalent ounces sold from Q3 2023.

- **Adjusted EBITDA** increased 242% or \$11,181 to \$15,810 in Q3 2024, compared to \$4,628 in Q3 2023. The increase was primarily due to higher silver production, improvements in milling facilities to increase silver recovery in the lead concentrate, and the rise in silver prices.
- **Cash and Cash Equivalent** increased 505% or \$15,238 to \$18,242 in Q3 2024, compared to \$3,014 in Q3 2023. The increase was primarily due to higher revenue from increased silver production and favorable silver and zinc prices.
- **Working Capital** was \$24,191 at the end of Q3 2024, improving from a deficit of \$43,168 as of December 31, 2023.
- **Bolivia Assets Mineral Resources and Reserves:** In August 2024, Santacruz filed National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) compliant Mineral Resource and Reserve estimates for its three Bolivian producing assets (Bolivar mine, Porco mine, and Caballo Blanco Group of mines (“Caballo Blanco”)) together with the Bolivar mine and the Porco mine (the “Bolivian Producing Mines”). Subsequent to the quarter-end, in October 2024, Santacruz also filed the NI 43-101 Mineral Resource estimate for the Soracaya exploration project in Bolivia.
- **Silver Recovery Focus:** In Q3 2024, the feed for the Don Diego milling facility supplied by the Caballo Blanco Group was adjusted to improve silver recovery to the lead concentrate, where silver payabilities are highest for Santacruz. Initial results show significant gains in silver recovery to the lead concentrate, with this new processing approach being adopted as the new standard going forward for consistent recovery performance and to maximize the value of the Company’s mineral resources.

Selected consolidated financial and operating information for Q3 2024 are presented below. All financial information is prepared in accordance with International Financial Reporting Standards (“IFRS”), and all dollar amounts are expressed in thousands of US dollars, except per unit amounts, unless otherwise indicated.

2024 Third Quarter Highlights

	2024-Q3	2024-Q2	Change Q3 vs Q2	2023-Q3	Change Q3 vs Q3	2024-YTD	2023-YTD	Change '24 vs '23
Operational								
Material Processed (tonnes milled)	491,260	500,755	(2%)	467,563	5%	1,462,359	1,394,029	5%
Silver Equivalent Produced (ounces) ⁽¹⁾	4,644,013	4,819,552	(4%)	4,695,999	(1%)	13,941,687	14,023,809	(1%)
Silver Ounces Produced	1,703,388	1,671,359	2%	1,728,863	(1%)	4,956,696	5,284,845	(6%)
Zinc Tonnes Produced	23,143	25,052	(8%)	23,095	0%	71,042	67,839	5%
Lead Tonnes Produced	3,027	2,908	4%	3,370	(10%)	8,888	9,237	(4%)
Copper Tonnes Produced	270	284	(5%)	252	7%	809	964	(16%)
Silver Equivalent Sold (payable ounces) ⁽²⁾	3,601,754	3,402,139	6%	3,822,782	(6%)	10,636,832	12,291,464	(13%)
Cash Cost of Production per Tonne ⁽³⁾	110.50	95.11	16%	93.73	18%	99.66	92.48	8%
Cash Cost per Silver Equivalent Ounce Sold (\$/oz) ⁽³⁾	22.38	21.66	3%	21.68	3%	21.74	19.34	12%
All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold (\$/oz) ⁽³⁾	27.40	24.91	10%	25.98	5%	25.53	23.10	11%
Average Realized Price per Ounce of Silver Equivalent Sold (\$/oz) ^{(3) (4)}	29.86	30.40	(2%)	25.31	18%	27.75	23.04	20%
Financial								
Revenues	78,244	70,485	11%	64,408	21%	201,318	193,640	4%
Gross Profit	14,767	15,690	(6%)	7,394	100%	30,920	33,050	(6%)
Net Income (loss)	4,062	1,539	164%	(4,298)	(195%)	134,626	(123)	109552%
Net Earnings (Loss) Per Share – Basic and Diluted (\$/share)	0.01	0.00	0%	(0.01)	(182%)	0.38	(0.00)	17024%
Adjusted EBITDA ⁽³⁾	15,810	16,893	6%	4,628	242%	32,141	26,369	22%
Cash and Cash Equivalent	18,242	7,308	150%	3,014	505%	18,242	3,014	505%
Working Capital (Deficiency)	24,191	14,976	62%	(27,354)	(188%)	24,191	(27,354)	188%

Notes for both tables above:

- ⁽¹⁾ Silver Equivalent Produced (ounces) have been calculated using prices of \$23.85/oz, \$1.21/lb, \$0.94/lb and \$3.91/lb for silver, zinc, lead and copper respectively applied to the metal production divided by the silver price as stated here.
- ⁽²⁾ Silver Equivalent Sold (payable ounces) have been calculated using the Average Realized Price per Ounce of Silver Equivalent Sold stated in the table above, applied to the payable metal content of the concentrates sold from Bolivar, Porco, the Caballo Blanco Group, San Lucas and Zimapan.
- ⁽³⁾ The Company reports non-GAAP measures, which include Cash Cost of Production per Tonne, Cash Cost per Silver Equivalent Ounce Sold, All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold, Average Realized Price per Ounce of Silver Equivalent Sold, and Adjusted EBITDA. These measures are widely used in the mining industry as a benchmark for performance but do not have a standardized meaning and may differ from methods used by other companies with similar descriptions. See "Non-GAAP Measures" section in the Company's Q3 2024 Management Discussion and Analysis for definitions.
- ⁽⁴⁾ Average Realized Price per Ounce of Silver Equivalent Sold is prior to all treatment, smelting and refining charges.

Silver Equivalent Ounces Produced

For Q3 2024, the Company processed 491,260 tonnes of mineralized material, producing 4,644,013 silver equivalent ounces. This total includes 1,703,388 ounces of silver and 23,143 tonnes of zinc. Full Q3 2024 production results were released in a press release dated October 24, 2024.

Q3 2024 vs Q3 2023

Compared to Q3 2023, processed material rose by 5%; however, silver equivalent production experienced a slight decrease of 1%. This decline was primarily attributed to reduced zinc production at the Bolivar and Caballo Blanco Group operations, partially offset by increased zinc production from San Lucas and Zimapan. This highlights the stability and diversification of the Company's asset base, enabling us to offset declines in production at certain operations with increased production from others. This strategic balance is essential for maintaining overall production stability and ensuring consistent performance across our operations.

Q3 2024 vs Q2 2024

Compared to Q2 2024, processed material decreased by 2%, resulting in a 4% decline in silver equivalent production, primarily due to lower zinc production. However, this impact was partially offset by a 2% increase in silver production—a key objective for Santacruz. This improvement in silver production is especially positive given the recent rise in silver prices and favorable market outlook.

Webinar Details

CEO Arturo Préstamo and Interim CFO Andres Bedregal will present at a webinar hosted by Adelaide Capital on Wednesday, November 27th at 2:00 pm ET. Investors and shareholders are invited to participate in the webinar.

Registration Link: <https://streamyard.com/watch/i2kvpaMigzMg>

The webinar will also be live-streamed on the Adelaide Capital YouTube Channel, where a replay will be available after the event: <https://bit.ly/adcap-youtube>.

Questions can be submitted during the session or in advance to olenka@adcap.ca.

About Santacruz Silver Mining Ltd.

Santacruz Silver is engaged in the operation, acquisition, exploration, and development of mineral properties in Latin America. The Bolivian operations are comprised of the Bolivar, Porco and the Caballo Blanco Group, which consists of the Tres Amigos, Reserva and Colquechaquita mines. The Soracaya exploration project and San Lucas ore sourcing and trading business are also in Bolivia. The Zimapan mine is in Mexico.

Qualified Person

Wayne Corso, a consultant to the Company, is a qualified person under NI 43-101 and has approved the scientific and technical information related to operational matters contained in this news release.

'signed'

Arturo Préstamo Elizondo,
Executive Chairman and CEO

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Forward Looking Information

This news release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs of management of the Company regarding future events. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as “intends”, “expects” or “anticipates”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would” or will “potentially” or “likely” occur. This information and these statements, referred to herein as “forward-looking statements”, are not historical facts, are made as of the date of this news release and include without limitation, statements regarding the ability of the Company to successfully complete any capital projects, the expected economic or operational results derived from those projects, and the impacts of any such projects on the Company.

These forward-looking statements and information reflect the Company’s current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic, competitive, political, regulatory, and social uncertainties and contingencies. These assumptions, include: the ability of the Company to successfully complete any capital projects, the expected economic or operational results derived from those projects, and the impacts of any such projects on the Company, risks related to changes in general economic, business and political conditions, including changes in the financial markets, changes in applicable laws, and compliance with extensive government regulation, as well as those risk factors discussed or referred to in the Company’s disclosure documents filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedarplus.ca.

In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, the ability of the Company to successfully complete any capital projects, the expected economic or operational results derived from those projects, and the impacts of any such projects on the Company.

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.