

December 18, 2023

Santacruz Silver Sells Non-Core Mexican Subsidiary

Vancouver, B.C. – Santacruz Silver Mining Ltd. (TSX.V:SCZ) ("Santacruz" or, the "Company") is pleased to announce that it has sold its shares in Santacruz Holdings Ltd., which has 100% ownership in Impulsora Minera Santacruz, S.A. de C.V., a non-core Mexican subsidiary of the Company, to a private Mexican group (the "Buyer").

The sale of this non-core asset is part of the Company's ongoing restructuring efforts as it aims to streamline its core business focus. The Company received a nominal cash consideration in addition to the Buyer agreeing to accept certain obligations and liabilities from the Company as consideration for the sale of Santacruz Holdings Ltd. (see note 9 of Santacruz's Q3 2023 financial statements filed on SEDAR+ on November 29, 2023).

Arturo Préstamo, Executive Chairman and Interim CEO of Santacruz, commented, "The divestment of this non-core asset is expected to reduce our current liabilities and strengthen our balance sheet. Going forward Santacruz will continue to assess opportunities to deleverage the Company and improve its financial position."

"In addition, the Company wishes to announce the retirement of its Chief Operating Officer, Wayne Corso, effective December 31, 2023. In support of ensuring a seamless transition, Mr. Corso has agreed to continue offering his expertise to the company as a consultant. His responsibilities will encompass overseeing ongoing projects, including providing guidance for key initiatives like the management of various operational aspects and acting as a Qualified Person for the Company."

Mr. Préstamo added, "Wayne made significant contributions during his tenure as COO, playing a fundamental role in incorporating the Bolivian operations into Santacruz and participating in the recent management restructuring at Zimapan. On behalf of the Board and management, we express our gratitude to Wayne for his valuable contributions and extend our best wishes for his future endeavors."

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.

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Arturo Préstamo Elizondo,
Executive Chairman and Interim CEO

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Forward looking information

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities legislation (collectively, "forward-looking statements"). The forward-looking statements herein are made as of the date of this press release only, and the Company does not assume any obligation to update or revise them to reflect new information, estimates or opinions, future events or results or otherwise, except as required by applicable law. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budgets", "scheduled", "estimates", "forecasts", "predicts", "projects", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases or may be identified by statements to the effect that certain actions "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. These forward-looking statements include, among other things, statements relating to the effects on the divestment on the Company's restructuring efforts; the expected effects of the divestment on the Company's current liabilities and balance sheet; and the Company's future efforts to continue to assess opportunities to deleverage the Company and improve its financial position.

Such forward-looking statements are based on a number of assumptions of management, including, without limitation, that the divestment will positively impact the Company's restructuring efforts, that the divestment will reduce the Company's current liabilities and strengthen its balance sheet, and that the Company will be able to adequately make further efforts to continue to assess opportunities to deleverage the Company and improve its financial position.

Additionally, forward-looking statements involve a variety of known and unknown risks, uncertainties and other factors which may cause the actual plans, intentions, activities, results, performance or achievements of the Company to be materially different from any future plans, intentions, activities, results, performance or achievements expressed or implied by such forward-looking statements. Such risks include, without limitation: risks that the divestment may not have the expected effect on the Company's restructuring efforts; risks that the divestment may not have the expected effect on the Company's current liabilities and balance sheet; risks that the Company may not be able to adequately make further efforts to continue to assess opportunities to deleverage the Company and improve its financial position; and 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

The forward-looking statements contained in this press release represent management's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements. Neither the Company nor any of its representatives make any representation or warranty, express or implied, as to the accuracy, sufficiency or completeness of the information in this press release. Neither the Company nor any of its representatives shall have any liability whatsoever, under contract, tort, trust or otherwise, to you or any person resulting from the use of the information in this press release by you or any of your representatives or for omissions from the information in this press release.