

Santacruz Silver Produces 22,641,051 Silver Equivalent Ounces in 2023

Vancouver, B.C. – Santacruz Silver Mining Ltd. (TSX.V:SCZ) ("Santacruz" or "the Company") reports its Q4 and annual 2023 production results from its Bolivar mine, Porco mine, Caballo Blanco Group of mines ("Caballo Blanco") and the San Lucas feed sourcing business ("San Lucas"), all located in Bolivia, and the Zimapan mine located in Mexico.

Highlights:

- Q4 2023 metals production included:
 - 1,719,737 ounces of silver;
 - 23,777 tonnes of zinc;
 - 3,129 tonnes of lead;
 - 290 tonnes of copper;
 - For silver equivalent production of 5,757,228 ounces.
- 2023 annual metals production included:
 - 7,004,582 ounces of silver;
 - 91,616 tonnes of zinc;
 - 12,366 tonnes of lead;
 - 1,254 tonnes of copper;
 - For silver equivalent production of 22,641,051 ounces.
- Zimapan mine continued to implement operational improvements and processed 204,507 tonnes of material in Q4 2023, a 6% increase from the previous quarter and the most on a quarterly basis this year.

Arturo Préstamo, Executive Chairman and Interim CEO of Santacruz, commented, "Our team's dedication enabled us to achieve steady quarterly operations, which resulted in 5.7 million silver equivalent ounces produced in the fourth quarter, and 22.6 million silver equivalent ounces produced in 2023. The improved production results in the fourth quarter at the Zimapan mine are a direct result of the comprehensive management and operational restructuring carried out in September and October. The objective of this restructuring process was to enhance production tonnage and operational efficiency across both mines and the mill. Further efficiencies are expected to be captured in Q1 2024."

Mr. Préstamo continued, "Complementing our successes in Mexico, in Bolivia, the Caballo Blanco Group of mines just achieved a significant milestone with the completion of the integration ramp connecting the Tres Amigos and Colquechaquita mines on time and on budget. The 1,177-meter ramp was designed to facilitate increased productivity and safety at both the Colquechaquita and Tres Amigos mines, and is expected to contribute to overall production improvements at Caballo Blanco."

Mr. Préstamo concluded, "I would like to commend the dedicated and professional management teams in Mexico and Bolivia for their instrumental role in achieving these significant milestones."

Santacruz processed 489,417 tonnes of material in Q4 2023, a 5% increase from the previous quarter. Silver equivalent ounce production increased 2% to 5,757,228 including 1,719,737 ounces of silver, 23,777 tonnes of zinc, 3,129 tonnes of lead, and 290 tonnes of copper. While average throughputs, head grades and recoveries varied slightly across all operations, the increase in material processed at Zimapan, and increases in mineralized material purchased by San Lucas drove consistent metal production quarter-on-quarter.

At Zimapan major maintenance to the grinding circuit allowed for increased plant throughput. In addition, two new underground loaders arrived at the mine in September, which enabled more efficient mining operations. As a result, the mine processed 204,507 tonnes of material, a 6% increase when compared to the previous quarter.

In mid-October, the SAG mill motor at Porco was removed to be rebuilt. A 25-day period of approximately 50% grinding capacity followed as the Company was able to feed the ball mills directly with fine material until the rebuilt motor was reinstalled and full production was attained on November 14, 2023. While the Company expected production at Porco to be reduced during the quarter, increased throughput in December was able to significantly offset the reductions experienced in October and November as result of the SAG mill maintenance.

When compared to Q4 2022 material processed was in line with the previous year. This resulted in silver equivalent ounce and all metal production being in line quarter-over-quarter, with the exception of copper. Average copper head grades in Q4 2023 were 25% lower and as a result copper production decreased.

Annual 2023 production results benefitted from a full Q1 2023 production from the Bolivian operations. Annual 2022 figures are affected by the partial quarter of Bolivian production in Q1 2022. On March 18, 2022, the Company closed the acquisition of the Bolivian assets from Glencore and the results of the operations of the Bolivian assets are included from that date.

The Company continues to progress the National Instrument 43-101 technical reports for all its assets, and they are expected to be completed by the end of Q1 2024.

Fourth Quarter 2023 Production Summary – Consolidated

	2023-Q4	2023-Q3	Change Q4 vs Q3 (%)	2022-Q4	Change Q4 vs Q4 (%)	2023 YTD	2022 YTD ⁽¹⁾⁽²⁾	Change '23 vs '22 (%)
Material Processed (tonnes milled)	489,417	467,563	5	482,626	1	1,883,446	1,646,271	14
Silver Equivalent Produced (AgEq ounces) ⁽³⁾	5,757,228	5,669,905	2	5,744,128	-	22,641,051	18,112,725	25
Silver Ounces Produced	1,719,737	1,728,863	(1)	1,793,936	(4)	7,004,582	5,599,223	25
Zinc Tonnes Produced	23,777	23,095	3	23,111	3	91,616	72,533	26
Lead Tonnes Produced	3,129	3,370	(7)	2,900	8	12,366	10,065	23
Copper Tonnes Produced	290	252	15	386	(25)	1,254	1,287	(31)
Development Metres	10,573	10,838	(3)	10,653	(1)	42,906	34,455	25

Fourth Quarter 2023 Production Summary – By Mine

	Bolivar ⁽⁴⁾	Porco ⁽⁴⁾	Caballo Blanco Group ⁽⁵⁾	San Lucas Feed Sourcing ⁽⁶⁾	Zimapan
Material Processed (tonnes milled)	74,742	47,057	79,768	83,343	204,507
Silver Equivalent Produced (AgEq ounces) ⁽³⁾	1,239,099	565,611	1,193,534	1,596,427	1,162,558
Silver Ounces Produced	490,269	142,625	350,050	350,770	386,023
Zinc Tonnes Produced	4,673	2,667	5,095	7,801	3,540
Lead Tonnes Produced	357	157	685	548	1,383
Copper Tonnes Produced	N/A	N/A	N/A	N/A	290
Average head grades per mine:					
Silver (g/t)	223	112	149	157	79
Zinc (%)	6.86	6.01	6.87	10.16	2.29
Lead (%)	0.67	0.46	1.11	0.99	0.83
Copper (%)	N/A	N/A	N/A	N/A	0.30
Metal recovery per mine:					
Silver (%)	92	84	92	83	74
Zinc (%)	91	94	93	92	75
Lead (%)	72	73	77	66	82
Copper (%)	N/A	N/A	N/A	N/A	47
Development Metres	2,784	1,795	3,744	N/A	2,250

- (1) On March 18, 2022 the Company closed the acquisition of all Bolivian assets from Glencore and the results of the Bolivian Operations are included in the consolidated results of the Company from that date.
- (2) Bolivian production from March 18, 2022 to December 31, 2022.
- (3) Silver Equivalent Produced (ounces) have been calculated using prices of \$21.86/oz, \$1.52/lb, \$0.91/lb and \$3.67/lb for silver, zinc, lead and copper respectively applied to the metal production divided by the silver price.
- (4) Bolivar and Porco are presented at 100% production, whereas the Company records 45% of revenues and expenses in its consolidated financial statements.
- (5) The Caballo Blanco Group consists of the Colquechaquita, Tres Amigos and Reserva mines.
- (6) San Lucas sources mineralized material from regional suppliers and utilizes processing capacity at the Bolivar, Porco and Don Diego plants.

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.

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 feed sourcing business are also in Bolivia. The Zimapan mine is located in Mexico.

'signed'

Arturo Préstamo Elizondo,
Executive Chairman and Interim 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 expected benefits of the integration ramp at Caballo Blanco.

These forward-looking statements involve numerous risks and uncertainties and actual results might differ materially from results suggested in any forward-looking statements. These risks and uncertainties include, among other things,

risks that the integration ramp at Caballo Blanco will not provide the benefits currently expected by management, 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, that the Company will derive the expected benefits from the integration ramp.

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.

Supplemental Table: Full Year Quarterly Production Results

	2023-Q4	2023-Q3	2023-Q2	2023-Q1	2023
Material Processed (tonnes milled)					
Bolivar ⁽²⁾	74,742	77,298	66,689	74,353	293,082
Porco ⁽²⁾	47,057	47,786	46,085	49,909	190,837
Caballo Blanco Group	79,768	76,864	74,268	85,817	316,718
San Lucas	83,343	73,456	85,258	71,448	313,506
Zimapan	204,507	192,158	171,668	200,970	769,303
Consolidated	489,417	467,563	443,969	482,497	1,883,447
Silver Equivalent Produced (ounces) ⁽¹⁾					
Bolivar ⁽²⁾	1,239,099	1,343,000	961,580	1,249,153	4,792,833
Porco ⁽²⁾	565,611	625,401	689,902	679,144	2,560,057
Caballo Blanco Group	1,193,534	1,118,711	1,211,475	1,436,322	4,960,043
San Lucas	1,596,427	1,399,187	1,827,724	1,195,164	6,018,502
Zimapan	1,162,558	1,183,606	878,854	1,084,600	4,309,618
Consolidated	5,757,228	5,669,905	5,569,535	5,644,383	22,641,051
Silver Ounces Produced					
Bolivar ⁽²⁾	490,269	502,931	424,664	555,914	1,973,779
Porco ⁽²⁾	142,625	165,066	195,509	162,015	665,216
Caballo Blanco Group	350,050	319,674	399,811	475,026	1,544,561
San Lucas	350,770	362,443	495,344	255,623	1,464,180
Zimapan	386,023	378,748	271,133	320,942	1,356,846
Consolidated	1,719,737	1,728,863	1,786,461	1,769,520	7,004,582
Zinc Tonnes Produced					
Bolivar ⁽²⁾	4,673	5,214	3,323	4,313	17,523
Porco ⁽²⁾	2,667	2,891	3,098	3,245	11,901
Caballo Blanco Group	5,095	4,805	4,804	5,650	20,355
San Lucas	7,801	6,454	8,315	5,848	28,418
Zimapan	3,540	3,731	2,741	3,407	13,419
Consolidated	23,777	23,095	22,281	22,463	91,616
Lead Tonnes Produced					
Bolivar ⁽²⁾	357	449	302	353	1,461
Porco ⁽²⁾	157	190	214	217	777
Caballo Blanco Group	685	684	825	1,043	3,237
San Lucas	548	522	635	473	2,177
Zimapan	1,383	1,526	849	957	4,714
Consolidated	3,129	3,370	2,824	3,043	12,366
Average Silver head grade per mine (g/t)					
Bolivar ⁽²⁾	223	221	217	250	228
Porco ⁽²⁾	112	119	154	122	128
Caballo Blanco Group	149	144	182	187	167
San Lucas	157	183	216	125	171
Zimapan	79	80	69	70	75
Average Zinc head grade per mine (%)					
Bolivar ⁽²⁾	6.86	7.41	5.57	6.40	6.64
Porco ⁽²⁾	6.01	6.40	7.15	6.89	6.65
Caballo Blanco Group	6.87	6.80	6.98	7.01	6.92
San Lucas	10.16	9.55	10.69	8.90	9.82
Zimapan	2.29	2.49	2.25	2.20	2.31
Average Lead head grade per mine (%)					
Bolivar ⁽²⁾	0.67	0.79	0.62	0.65	0.69
Porco ⁽²⁾	0.46	0.52	0.58	0.58	0.54
Caballo Blanco Group	1.11	1.22	1.44	1.50	1.33
San Lucas	0.99	1.06	1.21	0.94	1.05
Zimapan	0.83	0.97	0.67	0.63	0.78

	2023-Q4	2023-Q3	2023-Q2	2023-Q1	2023
Average Silver recovery per mine (%)					
Bolivar ⁽²⁾	92	92	91	93	92
Porco ⁽²⁾	84	90	86	83	86
Caballo Blanco Group	92	90	92	92	91
San Lucas	83	84	84	89	85
Zimapan	74	76	71	71	73
Average Zinc recovery per mine (%)					
Bolivar ⁽²⁾	91	91	90	91	91
Porco ⁽²⁾	94	95	94	94	94
Caballo Blanco Group	93	92	93	94	93
San Lucas	92	92	91	92	92
Zimapan	75	78	71	77	76
Average Lead recovery per mine (%)					
Bolivar ⁽²⁾	72	74	74	73	73
Porco ⁽²⁾	73	76	80	75	76
Caballo Blanco Group	77	73	77	81	77
San Lucas	66	67	62	70	66
Zimapan	82	82	74	76	79

⁽¹⁾ Silver Equivalent Produced (ounces) have been calculated using prices of \$21.86/oz, \$1.52/lb, \$0.91/lb and \$3.67/lb for silver, zinc, lead and copper respectively applied to the metal production divided by the silver price.

⁽²⁾ Bolivar and Porco are presented at 100% whereas the Company records 45% of revenues and expenses in its consolidated financial statements.