

TSX.V: SCZ  
FSE: 1SZ  
OTCQX: SZSMF

VANCOUVER, Nov. 11, 2015 /CNW/ -[Santacruz Silver Mining Ltd.](#) (TSX.V:SCZ) (the "Company" or "Santacruz") announces the financial and operating results for the third quarter of 2015. The full version of the financial statements and accompanying management discussion and analysis can be viewed on the Company's website at [www.santacruzsilver.com](http://www.santacruzsilver.com) or on SEDAR at [www.sedar.com](http://www.sedar.com). All financial information is prepared in accordance with IFRS and all dollar amounts are expressed in US dollars unless otherwise indicated.

#### Q3 HIGHLIGHTS:

- Silver equivalent payable ounces sold of 231,332
- Revenues of \$2.59 million
- Gross loss from mining operations was (\$0.55) million
- Cash flow from mining operations was break even
- Cash operating cost per AgEq ounce sold was \$14.13/oz
- All-in sustaining cash cost (AISC) per AgEq ounce sold was \$17.55
- Average realized silver price per ounce of \$17.00/oz from Price Protection Program

"During the third quarter the Rosario Mine made significant steps towards continued improvements in operational performance. Over the quarter we transitioned from third party contract mining to our in-house mining operations team, which carried additional costs for third quarter, but benefits will be reflected in the following quarters and years to come. With this move we will be able to continue to reduce the mining costs at the Rosario Mine. In addition, the Company commenced using a new permanent tailings disposal system that utilizes dry-stacking technology in conjunction with the prior existing tailings structure. Operating costs are also expected to decrease as a result of the implementation of this system." said Arturo Préstamo, President and CEO. "Further, we are excited to begin delivering mill feed from the new Veta Grande project to the Rosario Mine milling facility. This additional mill throughput will also help to reduce the operating costs and increase production as we move forward during the fourth quarter. The completion of this process also accomplishes a second corporate objective, that being the diversification of the Company's operations base."

#### Third Quarter 2015 Financial Summary (Q3 2015 compared to Q2 2015)

Highlights (US\$000's except per share amount)	Q3 2015	Q2 2015	Q3 vs Q2 % change
Revenue	\$2,592	\$3,102	-18%
Mine Operating Income (Loss)	\$(1,575)	\$(555)	-537%
Cash Flow from Mining Operations	\$680	\$680	-100%
Income from Price Protection Program	\$666	\$0	118%
Net Loss	\$(2,628)	\$(2,628)	19%
Basic Loss per Share	\$(0.02)	\$(0.02)	0%

#### Third Quarter 2015 Mine Operations Summary (Q3 2015 compared to Q2 2015)

Highlights	Q3 2015	Q2 2015	Q3 vs Q2 % change
Ore Processed (tonnes milled)	25,007	26,492	-6%
Silver Equivalent Production (ounces) <sup>(1)</sup>	277,487	265,834	4%
Silver Equivalent Sold (payable ounces) <sup>(2)</sup>	231,332	247,135	-6%
Cash Cost per Silver Equivalent Sold (\$/oz.) <sup>(3)</sup>	\$14.13	\$13.01	-9%
Production Cost (\$/tonne) <sup>(3)</sup>	\$104.00	\$87.23	-19%
All-in Sustaining Cost per Silver Equivalent Sold (\$/oz.) <sup>(3)</sup>	\$17.55	\$16.86	-4%
Average Realized Silver Price (\$/oz.) <sup>(3)</sup>	\$17.00	\$17.00	0%

- (1) Silver equivalent ounces produced for
- (2) Silver and equivalent ounces 2015
- (3) The consolidated company reports prices for IFRS 2015 measures which were 1,250/oz., 1,850.83/lb. and 1,021.09/lb. realized silver equivalent, production cost, applied zinc sustaining respectively, applied net silver content the equivalent recovered and net average contained in silver concentrates produced and these measures are zinc concentrates which were used at the Rosario 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.

Operational Review

Many of the activities during the third quarter were initiated with the intention to see the results of those efforts in the fourth quarter of 2015 and into the calendar year 2016, including significant mine development on Level 3 of the Rosario Mine. The

Company is confident that in 2016 the combined mill feed from the Rosario Mine and the Veta Grande project will average 600 to 650 tpd. At these levels the Company will realize economies of scale from its operations thereby improving the cash flow. In addition, it is expected that improvements will be made during the month of December to the Veta Grande project mill allowing it to produce both a lead and a zinc concentrate. The Company's planned mining capacity at the Veta Grande project is 700 tpd. This will enable the Veta Grande project mill to run at 500 tpd and deliver 200 tpd of feed to Rosario mill.

#### About Santacruz Silver Mining Ltd.

Santacruz is a Mexican focused silver company with a producing mine (Rosario); two advanced-stage projects (San Felipe and Gavilanes) and an early-stage exploration project (El Gachi). 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,  
President, Chief Executive Officer and Director

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#### Forward looking information

Certain statements contained in this news release, such as planned production levels and costs, constitute "forward-looking information" as such term is used in applicable Canadian securities laws. 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, including, that the Company's financial condition and development plans do not change as a result of unforeseen events, that the Company obtains regulatory approval, future metal prices and the demand and market outlook for metals. 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 prove not to be valid or reliable, that occurrences such as those referred to above are realized and result in delays, or cessation in planned work, that the Company's financial condition and development plans change, delays in regulatory approval, risks associated with the interpretation of data, the geology, grade and continuity of mineral deposits, 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 Annual Information Form filed under the Company's profile at [www.sedar.com](http://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.

Financial outlook information contained herein about the Company's prospective cash flows and financial position is based on assumptions about future events, as described above, based on management's assessment of the relevant information currently available. The purpose of such financial outlook is to provide information about management's current expectations as to the anticipated results of its proposed business activities for the coming quarters. Readers are cautioned that any such financial outlook information contained herein should not be used for purposes other than for which it is disclosed herein.

#### Rosario Mine

The decision to commence production at the Rosario Mine was not based on a feasibility study of mineral reserves demonstrating economic and technical viability, but rather on a more preliminary estimate of inferred mineral resources. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with this production decision. Production and economic variables may vary considerably, due to the absence of a complete and detailed site analysis according to and in accordance with NI 43-101.

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