



News Release

Rosario Mine Achieves Commercial Production

VANCOUVER, B.C – April 18, 2013 – Santacruz Silver Mining Ltd. (TSXV:SCZ) is pleased to announce that it has reached commercial production at the Rosario Mine in Charcas, San Luis Potosi, Mexico.

The commissioning of various mill circuits commenced in December 2012 and was ongoing through January 2013. During February and early March the Company ran low grade mill feed through the mill circuits and confirmed that all circuits were functioning to specification. The initial mill feed used for commissioning was extracted from veins exposed on surface at the Rosario Mine. In the last half of March the Company began milling ore and making final adjustments to the mill circuits with the result that effective April 1, 2013 the Rosario Mine is in commercial production. In addition, Santacruz has negotiated the purchase of approximately 5,000 tons of ore from a nearby private mining operation to ensure continuous mill operation.

The initial production capacity of the mill facility is currently 300 tons per day (“tpd”). Substantially all additional milling equipment is onsite, which will allow for the next expansion phase to reach a projected production capacity to 700 tpd. This Phase 2 Expansion is planned to be completed by year-end.

The Company is working two adits to provide immediate access to the Rosario I and Rosario II veins near the surface. These adits, one accessing the veins from the southeast and the second from the northwest are supplying initial plant feed. In parallel the Company is developing an underground ramp of approximately 120 meters to intersect the Rosario I and Rosario II veins. Santacruz is anticipating intersecting the veins within one month, after which the ramp development will continue parallel to the veins down dip in the footwall.

Long term planning has developed a flexible sublevel mining method, which will accommodate the variably dipping veins with minimum dilution. This will allow efficient and safe mining of the Rosario I and Rosario II veins.

Average throughput for the mill is targeted at 150 tpd for Q2 and Q3 of 2013 increasing towards 200 tpd in late Q4. In Q2 2014 Santacruz is targeting a further throughput increase to 500 tpd when the underground development is scheduled to be completed and additional working faces on the main Rosario I and Rosario II veins become operational.

President Arturo Prestamo states “We are very pleased with the on-site developments to date that have brought Rosario to commercial production on time and under budget. Our staff should be commended for a job well done for constructing the Rosario mill on time and under budget with capital expenditures coming in approximately 20% lower than our original budget of US\$12.5 million. Our COO, Francisco Ramos, has once again done an extraordinary job building and leading a strong and motivated operational team. This is an important milestone for the Company as it sets the platform for future growth as we work towards our goal of becoming a mid-tier silver producer.”

Santacruz Silver currently employs approximately 250 staff and contractors at the Rosario Mine. The Company anticipates production of 500,000 silver equivalent ounces at the Rosario Mine in the calendar year 2013.

Qualified Person

Donald E. Hulse P.E., SME-RM of Gustavson Associates LLC, is a qualified person under NI 43-101 and is independent of the Company, and has reviewed and approved the technical information contained in this press release.

About Santacruz Silver Mining Ltd.

Santacruz is a Mexican focused silver Company with a producing project (Rosario) and two advanced-stage exploration projects (San Felipe and Gavilanes). The Company is managed by a technical team of professionals with proven track records in discovering, developing and operating 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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The production decision for the Rosario Project was not based on a feasibility study of mineral reserves demonstrating economic and technical viability. 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 completed and detailed analysis as would be included in a feasibility study. The risks associated with this decision are set forth in the Company's AIF under the heading "Risk Factors".

Forward looking information

Certain statements contained in this news release, such as potential mineralization on the Company's properties, and anticipated production levels 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 The Company undertakes no obligation to update these forward-looking statements, other than as required by applicable law.

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