



SANTACRUZ

silver mining ltd



Mexico's next Mid-Tier Silver Producer

TSXV: SCZ
FSE: 1SZ

www.santacruzsilver.com

September 2013

DISCLAIMER

The information provided in this presentation is not intended to be a comprehensive review of all matters and developments concerning the Company. It should be read in conjunction with all other disclosure documents of the Company. The information contained herein is not a substitute for detailed investigation or analysis. No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented.

FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking statements” within the meaning of Canadian securities legislation and the United States Securities Litigation Reform Act of 1995. Such forward-looking statements concern the Company’s anticipated results and developments in the Company’s operations and financial condition in future periods, planned exploration and development of its properties, plans related to its business and other matters that may occur in the future. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as the following: expects, plans, anticipates, believes, intends, estimates, projects, assumes, potential and similar expressions, and include reference to events or conditions that will, would, may, could or should occur. These statements relate to analyses and other information that are based on expectations of future performance, including silver, gold, lead, zinc and copper production and planned work programs, cash flow forecasts, projected capital and operating costs, and metal price assumptions. Statements concerning mineral resource estimates may also constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if the property is developed. Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation: risks related to precious and base metal price fluctuations; risks related to fluctuations in the currency markets (particularly the Mexican peso, Canadian dollar and United States dollar); risks related to the inherently dangerous activity of mining, including conditions or events beyond our control, and operating or technical difficulties in mineral exploration, development and mining activities; uncertainty in the Company’s ability to raise financing and fund the exploration and development of its mineral properties; uncertainty as to actual capital costs, operating costs, production and economic returns, and uncertainty that development activities will result in profitable mining operations; risks related to reserves and mineral resource figures being estimates based on interpretations and assumptions which may result in less mineral production under actual conditions than is currently estimated and to diminishing quantities or grades of mineral reserves as properties are mined; risks related to governmental regulations and obtaining necessary licenses and permits; risks related to the business being subject to environmental laws and regulations which may increase costs of doing business and restrict our operations; risks related to mineral properties being subject to prior unregistered agreements, transfers, or claims and other defects in title; risks relating to inadequate insurance or inability to obtain insurance; risks related to potential litigation; risk related to the global economy; risks related to environmental laws; risks related to the Company’s status as a foreign private issuer; risks related to all of the Company’s properties being located in Mexico including political, economic, social and regulatory instability and all country risks related to Mexico. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking statements. The Company’s forward-looking statements are based on beliefs, expectations and opinions of management on the date the statements are made. For the reasons set forth above, actual results may vary from those implied or projected by forward-looking statements and therefore investors should not place undue reliance on such statements. All monetary figures are expressed in United States dollars unless otherwise specified.

Technical Reports for the Rosario, San Felipe and Gavilanes projects were prepared by Gustavson Associates, LLC in Lakewood Colorado, independent consultants to Santacruz Silver Mining Ltd. The qualified persons who prepared and supervised these reports under National Instrument (NI 43-101) Standards of Disclosure for Mineral Projects, are Donald E. Hulse P.E., SME-RM, Patrick F. Daniels, SME-PM, and M. Claiborne Newton III Ph.D, C.P.G. of ECSI LLC in Blacksburg Virginia. Under NI 43-101 the Qualified Person who review and approved the technical information on this presentation is Mr. Donald Hulse, who is an independent consultant for Santacruz Silver Mining Ltd.



Company Overview

- Emerging growth Mexican mid-tier silver producer, listed on TSX.V Exchange, “SCZ”.
- Experienced management team with proven track record of building mines and exploration discoveries in Mexico.
- High grade, low capex and advanced Projects profile.
- 3 High grade polymetallic properties 100% owned in Mexico, all with significant exploration potential.
 - ✓ Rosario (Charcas, San Luis Potosi state)
 - ✓ San Felipe (San Felipe, Sonora state), which is held pursuant an option agreement.
 - ✓ Gavilanes (San Dimas, Durango state)

Production time line goal by project:

Project	Mining District / State	Status / Production Targeted Timeline
Rosario	Charcas, San Luis Potosí	In Production, aiming to reach 500 tpd capacity by Q1 2014.
San Felipe	San Felipe Hermosillo Sonora	Proceeding to PEA by end 2013/ early 2014 Production target in 2015
Gavilanes	San Dimas Durango	Aiming to complete a resource estimate report by year-end 2013 Production target by 2016/2017

Company Highlights

- Building Mexico's next mid-tier silver producer.
- Rosario Mine continues to ramp-up production toward year-end 2013.*
- Rosario to achieve 500 tpd full capacity within Q1 2014.
- San Felipe expected PEA by 2013 year end/ early 2014. (Phase I @ 700 tpd, Phase II @ 1,500 tpd)
- Gavilanes project aiming for a NI 43-101 Resources Estimate Report by end of 2013 based on executed drilling campaigns.
- For 2013, Santacruz is focused on ramping up Rosario Mine to full production capacity and to increase resources in respect of its three properties.**

*The production decision 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 complete and detailed analysis as would be included in a feasibility study. The risks associated with this decision are set forth in the "Risk Factors" section of the Company's most recent Annual Information Form, filed on SEDAR.

**This potential or target range of silver equivalent is conceptual in nature and is based upon the continuation of the visible mineralization from the areas where drilling has occurred. There has been insufficient exploration to determine whether the conceptual amount of mineralization (other than the existing NI43-101 resources in respect of the Rosario and San Felipe properties) can be delineated as mineral resources in accordance with NI 43-101. It is uncertain whether further exploration will result in the conceptual amount being delineated as a mineral resource.

Board of Directors and Management

Arturo Préstamo – President and CEO

Graduate of the University of Monterrey with a Masters in Business degree from EGADE University and a Masters in Finance degree from IPADE Business University. +9 years of executive and operational experience in Mexico's mining industry.

Francisco Ramos- COO and Director

Mining and Metallurgical Engineer with a Masters degree from University of Guanajuato. With more than 30 years of experience in the mining industry. Mr. Ramos has built 8 mines in Mexico.

Robert (Rob) McMorran-CFO

Founder of Malaspina Consultants Inc., an accounting service provider to junior resource companies. Mr. McMorran is a chartered accountant and has +25 years of experience in dealing with financial, reporting and administration of public companies. He was CFO of the highly successful Canada Dominion Resources Group family of flow-through limited partnerships from 1998-2006.

Dante Rodriguez-VP Explorations

Geological Engineer with +25 years of experience with Luismin (now Goldcorp), being part of significant discoveries on Tayoltita and San Martin mines (Gold and Silver world class deposits).

Craig A. Angus -Director

Founder of Nevsun Resources Ltd., a Canadian based, African focused gold producer. In addition, he founded and is Chairman of Sunridge Gold Corp., and also founded Potash North Resource Corp.

James A. Hutton – Director

Designed and executed in excess of \$1,400,000,000 in flow-through share resource financings for the Canadian energy and mining sectors. Founded the Canada Dominion Resources Group of flow-through limited partnerships.

Marc Prefontaine - Director

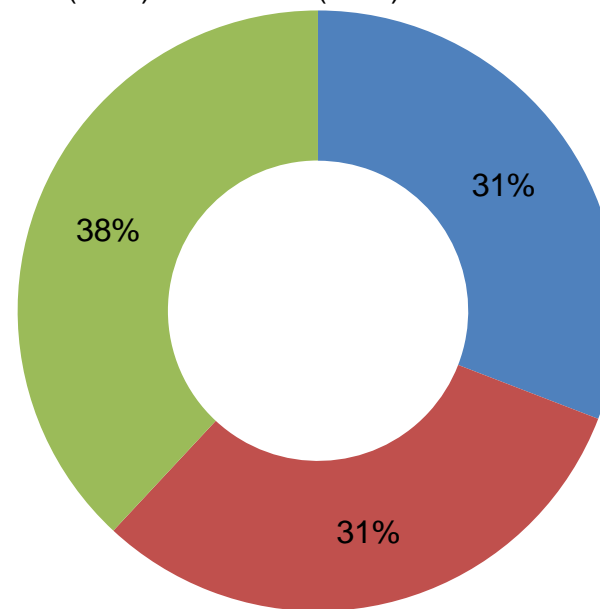
Geologist with +25 years experience. Former President and CEO of Grayd Resource Corporation.

Share Capital Structure (Sep 2013)

Outstanding Shares	91,230,984
Warrants	3,527,552
Stock Options	6,606,666
Fully Diluted	101,365,202
Market Capitalization	\$130 Million

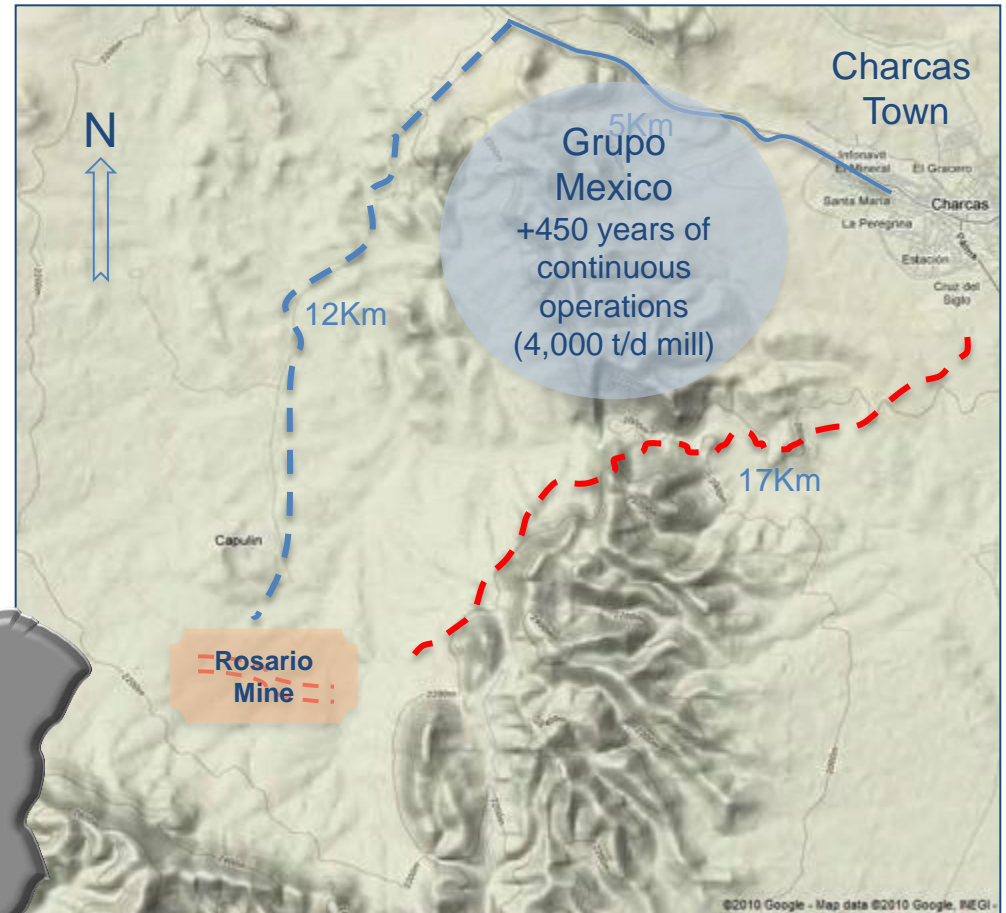
Share Distribution (approximate)

■ Institutional (31%) ■ Retail (31%) ■ Inside Holders (38%)



Rosario Property Location

180 Km North of San Luis Potosí, State Capital of San Luis Potosí on highway 57.



- Charcas municipality, one of Mexico's most recognized mining districts.
- Rosario Mine is nearby Grupo Mexico's (formerly Asarco) historical and current producing mine.

Rosario Mine Overview / Milestones

On time and Budget

- Production: Achieved on schedule in Q2 2013¹.
- Ownership : 100%.
- LOW CAPEX: US\$12.5 Million
- Resources to date:**

	Tonnage	Ag E		Au		Ag		Pb		Zn	
Classification	K-Tonne	gpt	k-oz	gpt	oz	gpt	k-oz	pct	lbsx1000	pct	lbsX1000
Measured	270	381	3,306	0.940	8,162	210	1,825	1.17	6,952	3.69	21,997
Indicated	711	303	6,931	0.882	20,159	163	3,718	1.18	18,430	2.60	40,690
Meas+Ind	981	325	10,236	0.898	28,320	176	5,543	1.17	25,383	2.90	62,687
Inferred	386	203	2,523	0.810	10,053	91	1,126	0.73	6,206	2.10	17,874

- Estimated Mine life: Today +6 years @ 500 t/d average.
- Deposit: Mesothermal, vein, low sulphidation system.
- Mining Method: Long Hole and Shrinkage Stoping

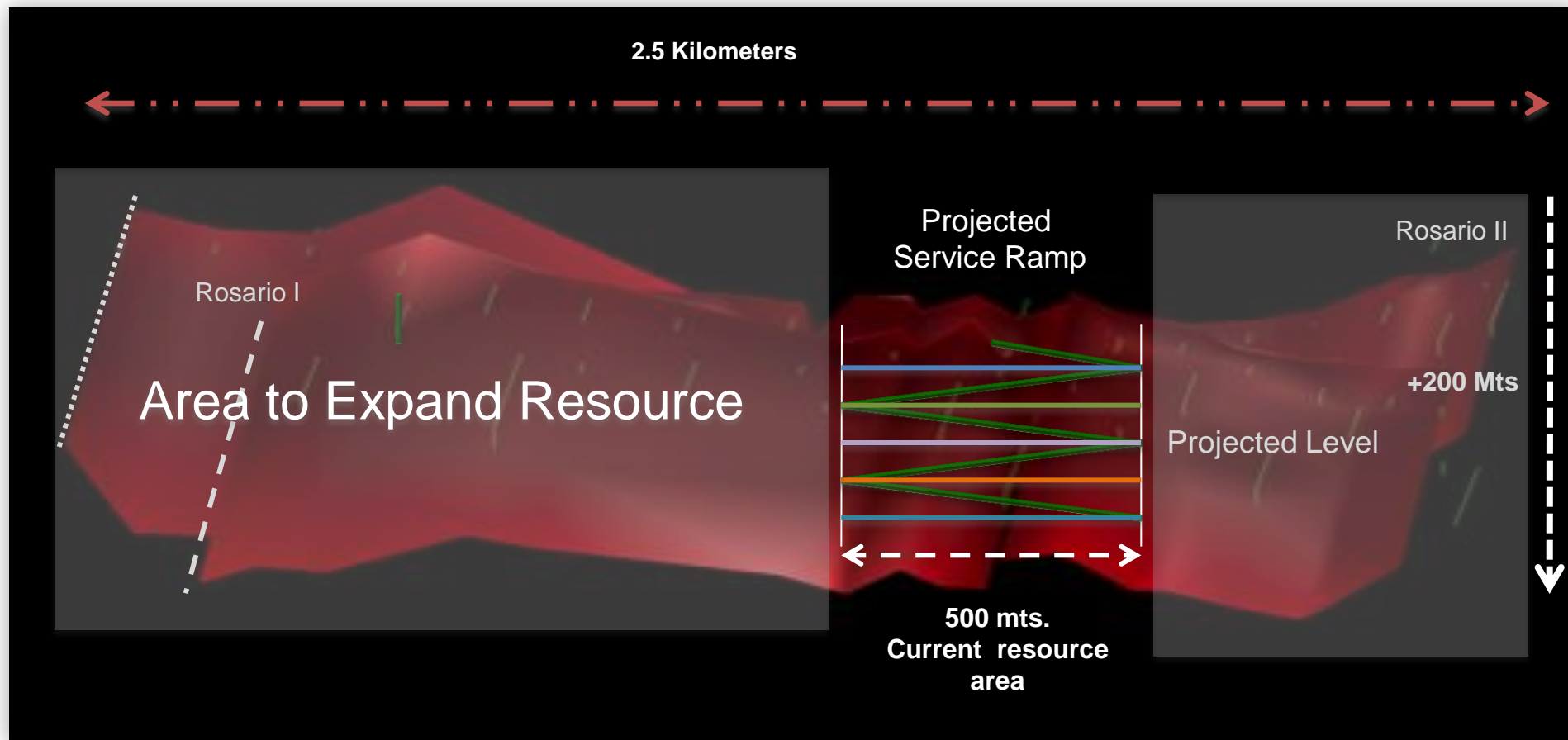
1) The production decision was not based on a feasibility study of mineral reserves demonstrating economic and technical viability. Accordingly, there is increased uncertainty and economic and technical risks of failure associated with this production decision. Production and economic variables may vary considerably, due to the absence of a complete and detailed analysis as would be included in a feasibility study. The risks associated with this decision are set forth in the "Risk Factors" section of the Company's most recent Annual Information Form, filed on SEDAR.

** See the report entitled "NI 43-101 Technical Report on Resources, Rosario Mine, San Luis Potosí, Mexico" dated December 19, 2012 and filed SEDAR on December 28, 2012.

Rosario Mill in Production



Long Section Views (Rosario I & II Veins)



- Expressions of the Rosario I and II veins are extended for more than 2.5 Kilometers along strike.
- The current resources represent approximately 500 meters of strike only.
- Drilling has tested both veins to +200 meters depth.

NOTE: Only the main veins (Rosario I and II) are included in the resource analysis; there is additional potential to increase resources and to confirm other zones.

San Felipe Property Location

Located 130 Kilometers North East from Hermosillo City, State Capital of Sonora. Driving 80 Km North West to Moctezuma town, turning north 60 Km arriving at San Felipe de Jesus Town. Access is paved to the property limit.

Hermosillo has an International airport, with flights from major Mexican and west coast United States cities.

Estimated driving time from the airport to San Felipe project less than 2 hours.



San Felipe Project Overview

- NI 43-101 M&I resources¹ of 4M tons @ 70 Ag g/t, 5% Zn, 2.77% Pb, 0.28% Cu
- Water, environmental and local ejido permits granted.
- PEA study expected by year-end 2013/ early 2014. (Phase I @ 700 tpd, Phase II @ 1,500 tpd)
- San Felipe project, polymetallic veins of Ag, Zn, Pb and Cu, 7 main veins are clearly identified.
- A total of 18,500 meters drilled in 168 holes have been completed previously.
- 25,000 meters of diamond drilling planned for 2013/2014;
 - Phase 1: 12,500 m completed
 - Phase 2: 12,500 m underway.
- Targeting production by 2015
- Data supports mine-life extension through open pit operations.
- Mining method will be evaluated in the PEA.
- Vein thicknesses average more than 3 meters.
- Access and well developed infrastructure.



1) The NI 43-101 technical report on the San Felipe project was prepared by Gustavson Associates, LLC on Aug 30, 2012 and updated on December 19, 2012. The updated report titled "Updated NI 43-101 Technical Report on Resources San Felipe Project" the San Felipe Report was filed on SEDAR December 28, 2012. The report author is Donald E. Hulse, P.E., SME-RM.

Local Geology (San Felipe)

La Ventana
2.5 Km Outcrop



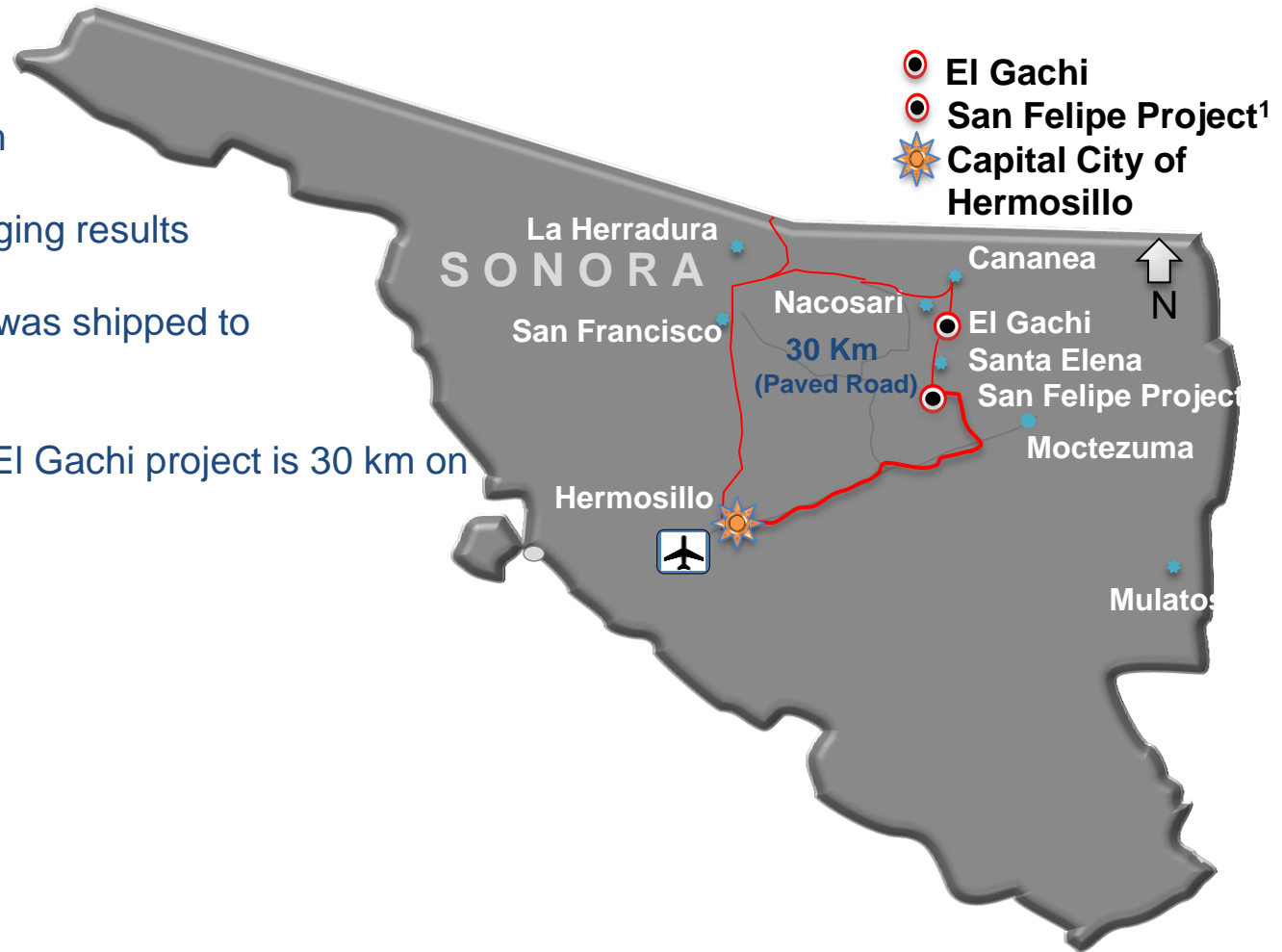
Selected Drill Result *

Drill	True Width (mts)	Ag Eq g/t	Ag g/t	Pb %	Zn %	Cu %
SCLL-01	1.75	419.42	119	0.47	9.39	0.21
SCLL-02	1.45	307.56	84	0.30	6.92	0.18
SCLL-03	4.72	434.60	110	0.28	10.07	0.30
SCLL-04	2.41	822.60	324	0.93	14.99	0.45
SCLL-05	6.46	720.82	212	0.55	15.83	0.44

- Well defined vein system associated with Skarn mineralized areas.
- Geological potential open at depth on all seven structures.
- Mesothermal deposit at San Felipe, and Contact type of deposit at Las Lamas and Santa Rosa.

El Gachi Option (Complement to San Felipe)

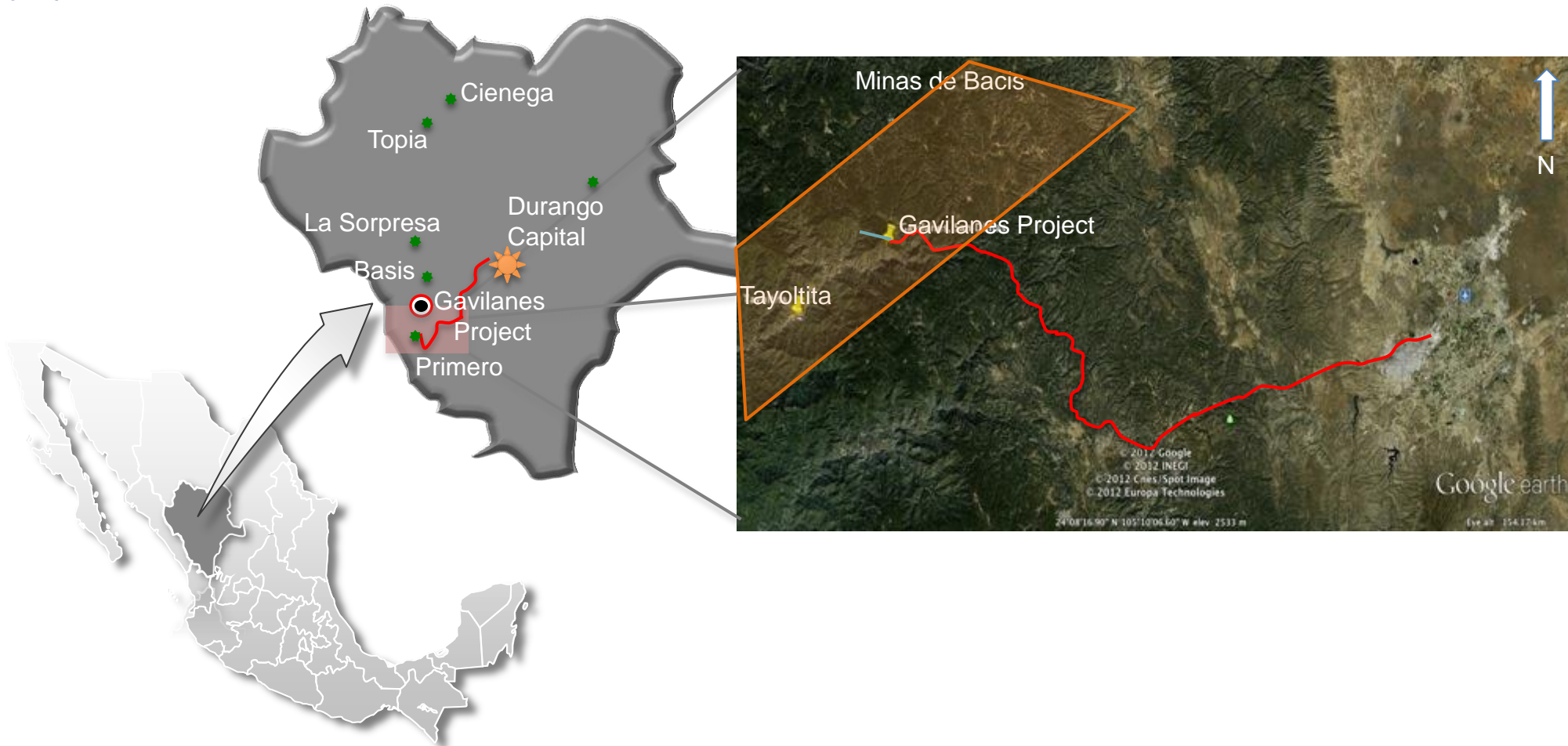
- Historical producing mine operated by Anaconda and Peñoles in the 60's and 70's, respectively.
- Land package; 48,057 hectares
- Manto and vein mineralized system
- Drilled by Hochschild with encouraging results
- High grade material from El Gachi was shipped to San Felipe in the 80s'.
- Distance between San Felipe and El Gachi project is 30 km on paved road.



1) See the San Felipe Report.

Gavilanes Property Location

Located in the San Dimas, Durango Mining District. 110 Km west from Durango City, and 23 Km North East from Tayoltita mine. Access to the property is by driving 90 Km south on highway 40, arriving at Estacion Coyotes, turning west 100 Km up to San Miguel de Cruces, 23km of dirt road takes you to the Gavilanes project.



Gavilanes Project Overview

- Successful 2012 drilling campaign on high grade silver veins and stockwork areas.
- Gavilanes will look to restart exploration by year-end 2013.
- Gavilanes is located between Minas de Basis and Tayoltita on the same mineralized trend.*
- Epithermal low sulphidation polymetallic mineralization containing high grades of Ag and Au (surface samples >1100 g/t Ag and >4 g/t Au).*
- 7 veins clearly identified with only 3 drilled to date (GSA, Descubridora, and San Nicolas).*
- Stockwork area called El Hundido has been clearly identified by diamond drilling.*
- Targeting resources estimate report by year-end 2013, based on executed drilling campaigns.

Selected Drill Samples**
(2012 Drilling Campaign at GSA Vein)

	True Width mts.	Ag Eq g/t	Ag g/t	Zn %	Pb %	Au g/t
SCGP-22	2.75	2549	2540	0.10	0.12	0.03
SCGP-21	1.55	567	212	8.09	3.79	0.72
SCGP-02	6.50	307	184	2.03	2.51	0.15
SCGP-27	4.01	766	716	0.51	0.67	0.12

Selected Drill Samples **
(2013 Drilling Campaign at El Hundido Stockwork)

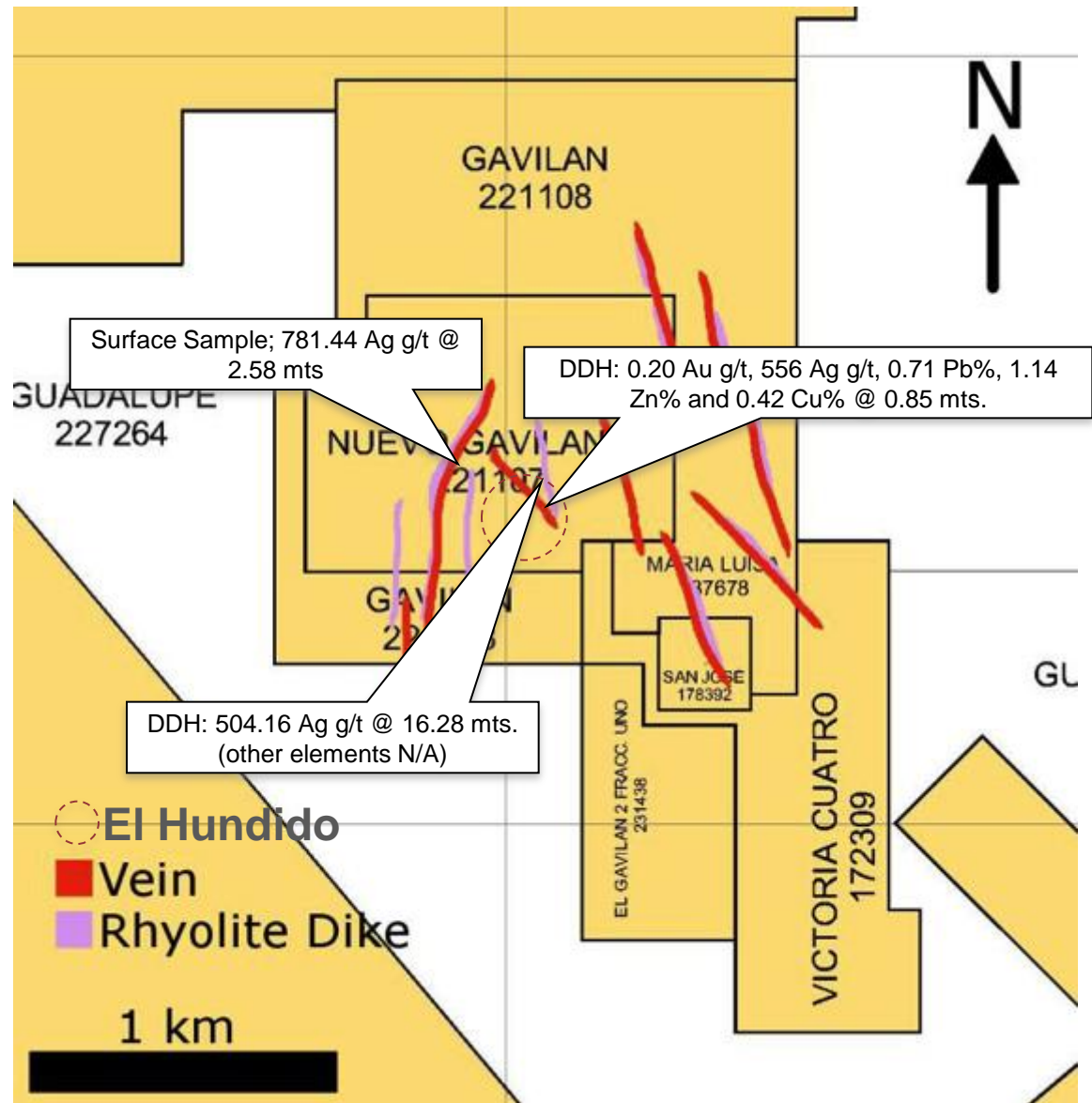
	True Width mts.	Ag Eq g/t	Ag g/t	Zn %	Pb %	Au g/t
SCHN-12	4.58	1,741	1,687	1.03	0.34	0.15
SCHN-12	3.20	1,064	1,048	0.26	0.14	0.03
SCHN-05	8.51	692	427	8.04	2.90	0.01

*A NI 43-101 technical report on the Gavilanes project titled "NI43-101 Technical Report on Gavilanes, Project, Geology, Mineralization and Historical Exploration Results (the Gavilanes Technical Report)" was prepared by Gustavson Associates, LLC on December 19, 2011, and filed on SEDAR February 8, 2012. The report author is Donald E. Hulse, P.E., SME-RM.

**Full drill results and discussion thereof are set out in the news release dated November 20, 2012 and June 13, 2013.

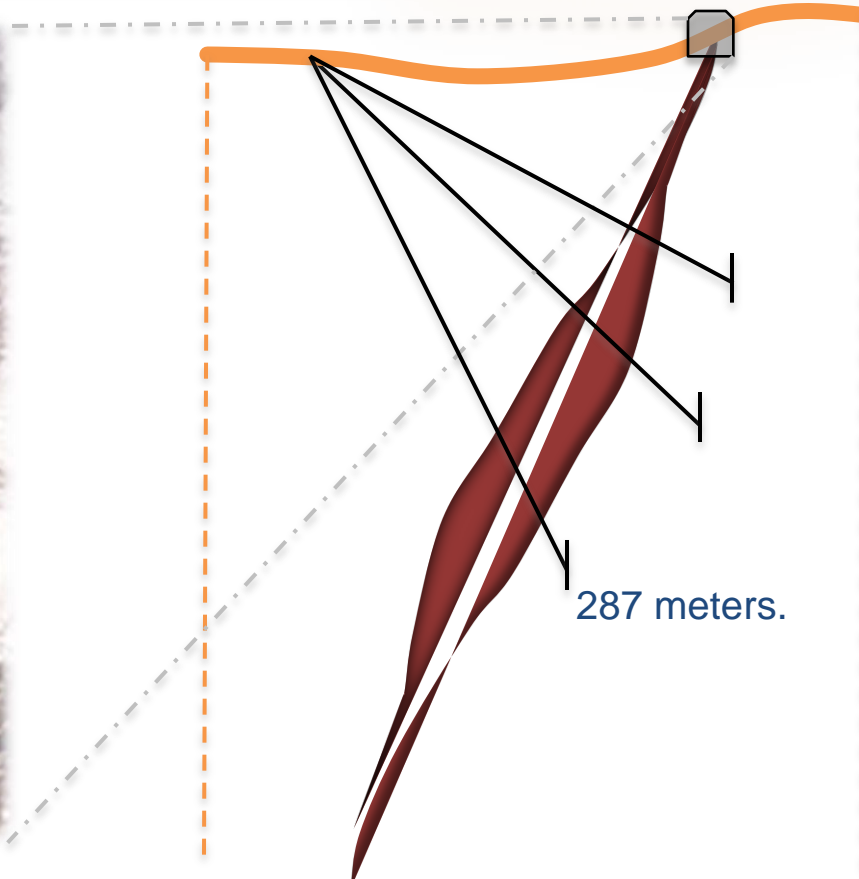
Gavilanes Map Showing Veins, Dikes and Property Boundaries

- 7 strong veins identified so far, plus high grade mineralized stockwork.
- Major veins, are the La Cruz, La Tuna, Providencia, El Muerto, Descubridora, San Nicolas, and Guadalupe-Soledad-Aranzazú (GSA) veins.
- El Hundido Stockwork
- Structures together have nearly 5,000m of strike length with average widths of about 1.5m.
- Samples from the various veins depicted run up to, 1,100+ g/t Ag, 4 g/t Au, 9% lead, 5 % zinc and 6% copper.*



* For full results see the Gavilanes Technical Report.

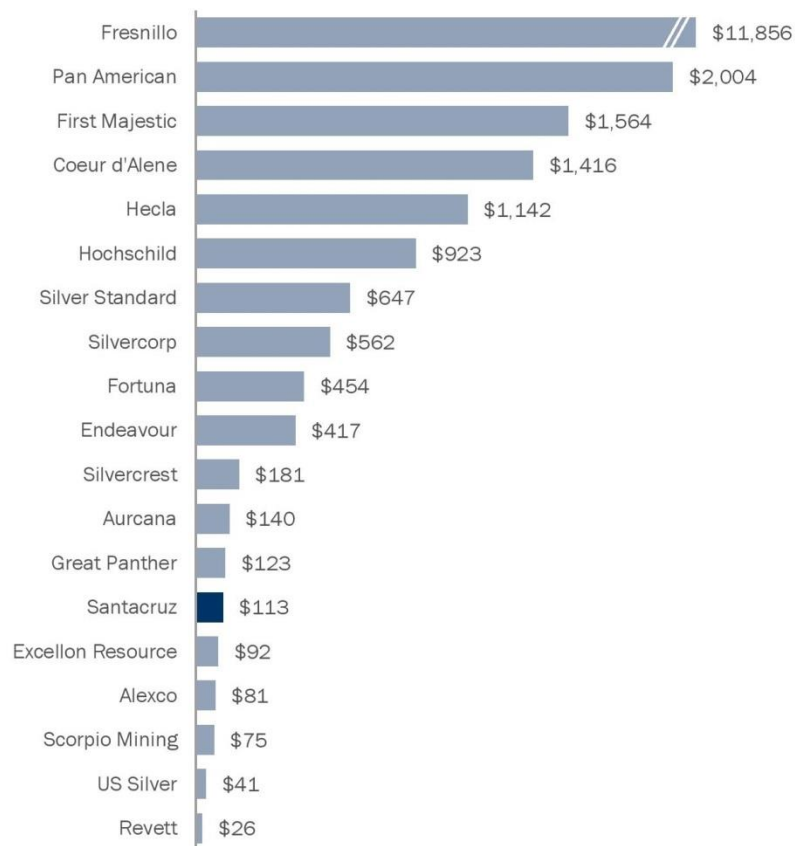
Local Geology (Gavilanes)



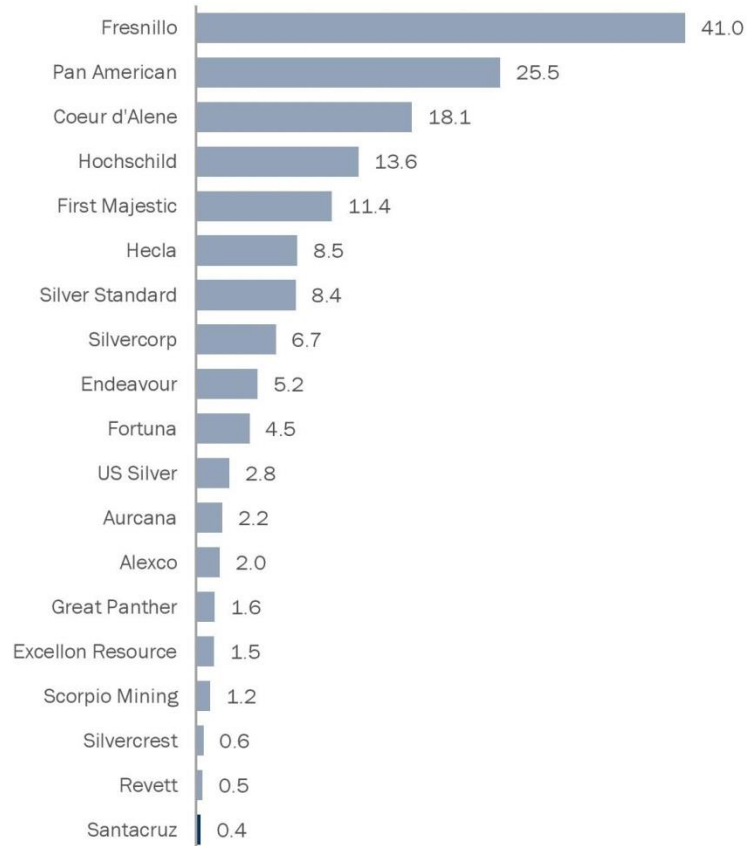
- Epithermal mineralization associated to veins from dikes of rhyolitic composition.
- Mineralization is found mainly in veins and gaps of quartz with galena-chalcopyrite-argentite-sphalerite.
- San Dimas mining district is one of Mexico's great epithermal silver deposits on Mexico's famous silver belt.
- Access to El Hundido skarn area is projected by 150 meters of mine development (Atocha historical Drill hole cuts over El Hundido with 36.9 meters wide 322 g/t Ag).

Silver Producer Landscape

Market Capitalization (C\$MM)



Ag Production 2013E (Moz)



Corporate Goals 2013



- Continue ramp-up Rosario to 500 tpd by Q1 2014.*
- Gavilanes aiming to complete a resource estimate report by year-end 2013.
- PEA Study for San Felipe by year-end 2013/ early 2014. (Phase I @ 700 tpd, Phase II @ 1,500 tpd)
- Increase silver equivalent resources in respect of its three properties.**



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