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## Fortuna reports production of 2.3 million ounces of silver and 14,557 ounces of gold for the second quarter of 2018

**Vancouver, July 16, 2018-- Fortuna Silver Mines Inc. (NYSE: FSM) (TSX: FVI)** is pleased to report production results for the second quarter of 2018 from its two operating mines in Latin America, the San Jose Mine in Mexico and the Caylloma Mine in Peru. The Company produced 2.3 million ounces of silver and 14,557 ounces of gold plus base metal by-products. Silver and gold production for the first six months totaled 4.7 million ounces and 29,597 ounces respectively; being 13 percent and 20 percent above the Company's mid-year projection. Fortuna is on schedule to produce 8.3 million ounces of silver and 48.3 thousand ounces of gold or 11.4 million Ag Eq<sup>1</sup> ounces in 2018 in accordance with our production guidance (see [Fortuna news release dated January 17, 2018](#)).

### Second Quarter Production Highlights

- Silver production of 2,321,315 ounces; 10 percent increase over Q2 2017
- Gold production of 14,557 ounces; in line with Q2 2017
- Lead production of 7,186,541 pounds; in line with Q2 2017
- Zinc production of 11,436,243 pounds; 8 percent increase over Q2 2017
- Cash cost<sup>2</sup> for San Jose is US\$60.5/t
- Cash cost<sup>2</sup> for Caylloma is US\$76.9/t

### Consolidated Operating Highlights

|                           | Second Quarter 2018 |                  |              | Second Quarter 2017 |                  |              |
|---------------------------|---------------------|------------------|--------------|---------------------|------------------|--------------|
|                           | Caylloma, Peru      | San Jose, Mexico | Consolidated | Caylloma, Peru      | San Jose, Mexico | Consolidated |
| <b>Processed Ore</b>      |                     |                  |              |                     |                  |              |
| Tonnes milled             | 134,123             | 263,383          |              | 131,974             | 268,456          |              |
| Average tpd milled        | 1,507               | 2,987            |              | 1,483               | 3,016            |              |
| <b>Silver<sup>3</sup></b> |                     |                  |              |                     |                  |              |
| Grade (g/t)               | 65                  | 268              |              | 64                  | 238              |              |
| Recovery (%)              | 84.84               | 91.67            |              | 84.55               | 91.84            |              |
| Production (oz)           | 237,303             | 2,084,013        | 2,321,315    | 229,594             | 1,887,269        | 2,116,863    |

#### Notes:

1. Silver equivalent production does not include lead or zinc and is calculated using a silver to gold ratio of 65 to 1
2. Preliminary estimates of cash operating costs per tonne, subject to modification on final cost consolidation
3. Metallurgical recovery for silver at the Caylloma Mine is calculated based on silver content in lead concentrate

|                  | Second Quarter 2018 |                     |              | Second Quarter 2017 |                     |              |
|------------------|---------------------|---------------------|--------------|---------------------|---------------------|--------------|
|                  | Caylloma,<br>Peru   | San Jose,<br>Mexico | Consolidated | Caylloma,<br>Peru   | San Jose,<br>Mexico | Consolidated |
| <b>Gold</b>      |                     |                     |              |                     |                     |              |
| Grade (g/t)      | 0.17                | 1.86                |              | 0.19                | 1.82                |              |
| Recovery (%)     | 17.91               | 91.54               |              | 16.60               | 91.55               |              |
| Production (oz)  | 134                 | 14,422              | 14,557       | 137                 | 14,410              | 14,547       |
| <b>Lead</b>      |                     |                     |              |                     |                     |              |
| Grade (%)        | 2.65                |                     |              | 2.70                |                     |              |
| Recovery (%)     | 91.63               |                     |              | 91.25               |                     |              |
| Production (lbs) | 7,186,541           |                     | 7,186,541    | 7,170,027           |                     | 7,170,027    |
| <b>Zinc</b>      |                     |                     |              |                     |                     |              |
| Grade (%)        | 4.27                |                     |              | 4.04                |                     |              |
| Recovery (%)     | 90.57               |                     |              | 90.36               |                     |              |
| Production (lbs) | 11,436,243          |                     | 11,436,243   | 10,613,417          |                     | 10,613,417   |

#### San Jose Mine, Mexico

The San Jose Mine produced 2,084,013 ounces of silver and 14,422 ounces of gold in the second quarter of 2018, 9 percent and 17 percent above budget respectively. Average head grades for silver and gold were 268 g/t and 1.86 g/t, 10 percent and 19 percent above budget respectively. Silver and gold production for the first six months of 2018 totaled 4.3 million ounces and 29,304 ounces respectively; being 13 percent and 19 percent above the mine's mid-year projection.

#### Caylloma Mine, Peru

The Caylloma Mine produced 237,303 ounces of silver in the second quarter of 2018, 16 percent above budget. Average silver head grade of 65 g/t, 13 percent above budget. Silver production for the first six months of 2018 totaled 452,848 ounces; 11 percent above the mine's mid-year projection.

Lead and zinc production for the second quarter of 2018 was 7,186,541 pounds and 11,436,243 pounds respectively, 11 percent above and in line with budget. Average head grades for lead and zinc were 2.65% and 4.27%, 9 percent above and in line with budget respectively. Base metals production for the first six months totaled 14,226,245 pounds of lead and 22,464,705 pounds of zinc; being 10 percent and 2 percent above the mine's mid-year projection.

### **Qualified Person**

Eric N. Chapman, M.Sc., Vice President of Technical Services, is the Qualified Person for Fortuna Silver Mines Inc. as defined by National Instrument 43-101. Mr. Chapman is a Professional Geoscientist of the Association of Professional Engineers and Geoscientists of the Province of British Columbia (Registration Number 36328) and has reviewed and approved the scientific and technical information contained in this news release.

### **About Fortuna Silver Mines Inc.**

Fortuna is a growth oriented, precious metals producer focused on mining opportunities in Latin America. Our primary assets are the Caylloma silver Mine in southern Peru, the San Jose silver-gold Mine in Mexico and the Lindero gold Project in Argentina. The company is selectively pursuing acquisition opportunities throughout the Americas and in select other areas. For more information, please visit our website at [www.fortunasilver.com](http://www.fortunasilver.com).

Jorge A. Ganoza  
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Fortuna Silver Mines Inc.

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### **Forward looking Statements**

*This news release contains forward looking statements which constitute “forward looking information” within the meaning of applicable Canadian securities legislation and “forward looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 (collectively, “Forward looking Statements”). All statements included herein, other than statements of historical fact, are Forward looking Statements and are subject to a variety of known and unknown risks and uncertainties which could cause actual events or results to differ materially from those reflected in the Forward looking Statements. The Forward looking Statements in this news release may include, without limitation, statements about the Company’s plans for its mines and mineral properties; the Company’s business strategy, plans and outlook; the merit of the Company’s mines and mineral properties; mineral resource and reserve estimates; timelines; the future financial or operating performance of the Company; expenditures; approvals and other matters. Often, but not always, these Forward looking Statements can be identified by the use of words such as “estimated”, “potential”, “open”, “future”, “assumed”, “projected”, “used”, “detailed”, “has been”, “gain”, “planned”, “reflecting”, “will”, “containing”, “remaining”, “to be”, or statements that events, “could” or “should” occur or be achieved and similar expressions, including negative variations.*

*Forward looking Statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by the Forward looking Statements. Such uncertainties and*

*factors include, among others, changes in general economic conditions and financial markets; changes in prices for silver and other metals; technological and operational hazards in Fortuna's mining and mine development activities; risks inherent in mineral exploration; uncertainties inherent in the estimation of mineral reserves, mineral resources, and metal recoveries; governmental and other approvals; political unrest or instability in countries where Fortuna is active; labor relations issues; as well as those factors discussed under "Risk Factors" in the Company's Annual Information Form. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward looking Statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.*

*Forward looking Statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to expectations regarding mine production costs; expected trends in mineral prices and currency exchange rates; the accuracy of the Company's current mineral resource and reserve estimates; that the Company's activities will be in accordance with the Company's public statements and stated goals; that there will be no material adverse change affecting the Company or its properties; that all required approvals will be obtained; that there will be no significant disruptions affecting operations and such other assumptions as set out herein. Forward looking Statements are made as of the date hereof and the Company disclaims any obligation to update any Forward looking Statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that Forward looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on Forward looking Statements.*

*This news release also refers to non-GAAP financial measures, such as cash cost per tonne of processed ore. These measures do not have a standardized meaning or method of calculation, even though the descriptions of such measures may be similar. These performance measures have no meaning under International Financial Reporting Standards (IFRS) and therefore, amounts presented may not be comparable to similar data presented by other mining companies.*