

☰ **January 25, 2019**

Prospero And Fortuna Sign Option Agreement For Pachuca SE Project, Hidalgo, Mexico

January 25, 2019 -- Vancouver, B.C. - Prospero Silver Corp (PSL.V; the "Company" or "Prospero") is pleased to announce that the the option agreement announced on December 10, 2018 (the "Option Agreement") between Prospero and Fortuna Silver Mines Inc. ("Fortuna") has been signed by both parties. The Option Agreement is subject to the acceptance of the TSX Venture Exchange.

On December 10, 2018 Prospero announced that Fortuna Silver Mines Inc. ("Fortuna") exercised its right to be granted an option to acquire up to a 70-per-cent interest in the Pachuca Southeast project located close to the historic mining city of Pachuca in Hidalgo state, Mexico, by spending a total of \$8-million (U.S.) in qualifying expenditures and completing a preliminary economic assessment, with a minimum spend of \$1-million in the first year.

On January 21, 2019 Prospero announced that a drill rig had arrived on site and drilling had begun. A six hole, 4,200m program is underway test a number of potential vein targets.

Pursuant to Multilateral Instrument 61-101 -- Protection of Minority Security Holders in Special Transactions ("MI 61-101"), which is incorporated by reference into the policies of the TSX Venture Exchange under Policy 5.9, the Option Agreement constitutes a "related party transaction" as a result of Fortuna presently holding in excess of 26% Prospero's outstanding common shares. Prospero is relying on the formal valuation exemption in Section 5.5(a) of MI 61-101 and upon the minority approval exemption in Section 5.7(a) of MI 61-101. These exemptions are available as, at the time the subject transaction was agreed to, neither the fair market value of the subject matter of, nor the fair market value consideration for the transaction, insofar as it involves interested parties, exceeded 25% of Prospero's market capitalization.

About Pachuca SE

The 6,669-hectare Pachuca Southeast land package is 24 kilometres southeast of the city of Pachuca, Hidalgo, along strike from the historic Pachuca-Real del Monte epithermal vein camp, one of the world's largest epithermal precious metal deposits. The local geology at Pachuca Southeast is typical of the high-level epithermal environment seen over the Pachuca-Real del Monte mines. Prospero's land package covers at least six to seven kilometres of linear, structurally controlled argillic alteration caps at surface, which Prospero's team considers are the surface expression of blind, low-sulphidation, epithermal-style veining. Infrastructure is excellent, with nearby major power lines and a major freeway.

Epithermal-style argillic alteration is associated with anomalous Au, Ag and Zn geochemistry, exposed in an erosional window into an andesitic and felsic volcanic pile. The anomalous geochemistry and clay alteration are essentially identical to that seen in the Vizcaina structure above the Pachuca Mine. Prospero's technical team have mapped hydrothermal alteration and geochemical anomalies associated with structures which indicate the alteration could host a preserved Pachuca-type epithermal deposit at depth. The first hole of Phase 2 will target Varal West, a series of silicified rhyolite reef structures with alunite alteration. Varal West is located approximately 1 km west and along strike of the veins intersected in PSE-18-02.

Qualified Person

Tawn Albinson, M.Sc., President of the Company, is a Qualified Person, as defined in NI 43-101,

and is responsible for the technical content of this news release. Mr. Albinson is a Member of the American Institute of Professional Geologists and a Certified Professional Geologist (CPG) No. 11368.

About Fortuna Silver Mines Inc.

Fortuna is a growth-oriented, precious metals producer focused on mining opportunities in Latin America. The company's primary assets are the Caylloma silver mine in southern Peru, the San Jose silver-gold mine in Mexico and the fully--permitted Lindero gold project in Argentina.

About Prospero Silver Corp.

Prospero is a Mexico-focused project generator listed on the TSX.V under the symbol PSL.V. Prospero's aim is to discover world-class precious metal projects in the major mineral belts of Mexico. The Company applies a unique blend of practical exploration experience, cutting-edge mineral deposit science, and an extensive knowledge of Mexico's geology to find new gold and silver systems. Our exploration programs are run by a small but highly-focused geological team based in Mexico.

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Forward-Looking Statement Cautions:

This press release contains certain "forward-looking statements" within the meaning of Canadian securities legislation, relating to, among other things, the contemplated TSX Venture Exchange acceptance of the Option Agreement, and the recently commenced 4,200m drilling program on the Pachuca SE property. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are statements that are not historical facts; they are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "aims," "potential," "goal," "objective," "prospective," and similar expressions, or that events or conditions "will," "would," "may," "can," "could" or "should" occur, or are those statements, which, by their nature, refer to future events. The Company cautions that Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made and they involve a number of risks and uncertainties. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Except to the extent required by applicable securities laws and the policies of the TSX Venture Exchange, the Company undertakes no obligation to update these forward-looking statements if management's beliefs, estimates or opinions, or other factors, should change. Factors that could cause future results to differ materially from those anticipated in these forward-looking statements include, possible, accidents and other risks associated with mineral exploration operations, the risk that the Company will encounter unanticipated geological factors, the possibility that the Company may not be able to secure permitting and other governmental clearances necessary to carry out the Company's exploration plans, the risk that the Company will not be able to raise the additional funds in the future to continue to carry out its business plans, and the risk of political uncertainties

and regulatory or legal changes that might interfere with the Company's business and prospects. The reader is urged to refer to the Company's reports, publicly available through the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com for a more complete discussion of such risk factors and their potential effects.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of securities of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The Company's securities have not been and will not be registered under the United States Securities Act of 1933 (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

File: <http://www.prosperosilver.com/i/pdf/2019-01-25-NR.pdf>

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For more information, send questions and comments to info@prosperosilver.com

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