

FORTUNA SILVER MINES INC.
(the “Company”)

CHARTER OF THE COMPENSATION COMMITTEE

PURPOSE

The Compensation Committee has overall responsibility for recommending levels and forms of executive compensation that are competitive and motivating in order to attract, hold and inspire senior officers of the Company (“Management”) and directors.

RESPONSIBILITIES

Subject to the powers and duties of the Board, the Board hereby delegates to the Compensation Committee the following powers and duties to be performed by the Compensation Committee on behalf of and for the Board. Nothing in this Charter is intended to or does confer on any member a higher standard of care or diligence than that which applies to the directors as a whole.

The Compensation Committee:

- a. in respect of the CEO:
 - i. reviews and makes recommendations to the Board regarding the corporate goals and objectives relevant to CEO compensation; and
 - ii. provides to the Board an evaluation of the CEO’s performance in light thereof.
- b. based on reviews of compensation for directors and officers of other companies that it determines to be comparable to the Company in respect of size of market capitalization, stage of development, number and stage of exploration properties, and any other factors that the Committee deems relevant, makes recommendations to the Board with respect to CEO, CFO and director compensation, bonus plans for Management and key employees, incentive-compensation plans and equity-based plans.
- c. following the approval by the Board of any equity-based plan, and in accordance with Board guidelines if applicable:
 - i. reviews Management’s recommendations for the granting of equity-based compensation to Management and directors of the Company; and
 - ii. reviews the Company’s equity-based plans and makes recommendations to the Board with respect to any changes, with all amendments to such plans to be subject to Board approval.
- d. in respect of public disclosure of materials, reviews and approves:
 - i. the Statement of Executive Compensation, including the Report on Executive Compensation, for publication in the annual information circular; and

- ii. any other executive compensation disclosure prior to the Company publicly disclosing such information.
- e. The Compensation Committee also has such other powers and duties as are delegated to it by the Board.

COMPOSITION

The Compensation Committee is composed of a minimum of three Directors, all of whom are independent as defined in securities laws, rules, regulations and guidelines of applicable securities regulatory authorities, subject to any exemptions or relief that may be provided thereunder, and all of whom have relevant skills and/or experience in the Compensation Committee's areas of responsibility as may be required by the securities laws applicable to the Company, including those of any stock exchange on which the Company's securities are traded.

No member shall have served as the CEO of the Company, or of an affiliate, within the past five years, or as the CFO of the Company, or of an affiliate, within the past three years.

Appointment of Committee Members and Vacancies

Members of the Compensation Committee are appointed or confirmed by the Board annually and hold office at the pleasure of the Board. The Board fills any vacancy on, or any additional members to, the Compensation Committee.

Committee Chair

The Board appoints a Chair for the Compensation Committee.

STRUCTURE AND OPERATIONS

Meetings

The Chair of the Compensation Committee or the Chair of the Board or any two of its members may call a meeting of the Compensation Committee. The Compensation Committee meets at least once each fiscal year, and at such other times during each year as it deems appropriate.

Quorum

A majority of the members appointed to the Compensation Committee constitutes a quorum.

Notice of Meetings

The Chair of the Compensation Committee arranges to provide notice of the time and place of every meeting in writing (including by electronic means) to each member of the Compensation Committee at least two (2) business days prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting constitutes a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. The Chair also ensures that an agenda for the meeting and all required materials for review by the members

of the Compensation Committee are delivered to the members with sufficient time for their review, or that such requirement is waived.

Absence of Committee Chair

If the Chair of the Compensation Committee is not present at any meeting of the Compensation Committee, the other members of the Compensation Committee will choose a Chair to preside at the meeting.

Secretary of Committee

At each meeting the Compensation Committee appoints a secretary who need not be a director of the Company.

Attendance of the Company's Officers at Meetings

The Chair of the Compensation Committee or any two members of the Compensation Committee may invite one or more officers of the Company to attend any meeting of the Compensation Committee.

Delegation

The Compensation Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee, management or, to the extent otherwise permitted by applicable plans, laws or regulations, to any other body or individual.

Procedure and Records

Subject to any statute or constating documents of the Company, the Compensation Committee determines its own procedures at meetings and may conduct meetings by telephone and keeps records of its proceedings.

REPORTING AND ASSESSMENT

The Compensation Committee reports to the Board of Directors, and on an annual basis, presents to the Board a Committee Annual Report consisting of the Compensation Committee's review of its charter, the Committee's and its Chair's performance over the past year, and any recommendations the Compensation Committee makes in respect thereto.

ENGAGEMENT OF ADVISORS

The Compensation Committee may, at the request of the Board or on its own initiative, investigate relevant matters as it considers necessary or appropriate in the circumstances and is authorized to engage and compensate any outside advisors that it determines to be necessary to permit it to carry out its duties.

EFFECTIVE DATE

This Charter was approved by the Board on March 11, 2021.