



FORTUNA
SILVER MINES INC.

Q1 2020 Financial and Operational Results Webcast

NYSE: FSM | TSX: FVI | MAY 15, 2020



Lindero Project, Argentina

CAUTIONARY STATEMENT ON FORWARD LOOKING STATEMENTS / NON-GAAP FINANCIAL MEASURES



This corporate presentation 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 corporate presentation may include, without limitation, statements about the Company’s plans for its mines and mineral properties; operating cash flow, free cash flow, forecast metal production, mineral reserves, mineral resources, metal grades, recoveries, total cash cost, all-in sustaining costs; the temporary suspension of operation at the San Jose Mine and the temporary suspension of construction at the Lindero Project as a result of the COVID-19 pandemic; the impact of COVID-19 on the Company’s operations and debt levels and future plans and objectives based on forecasts of future operational or financial results; the proposed re-commencement of mining at the San Jose Mine; the proposed mobilization of workforce and re-commencement of construction at the Lindero Project; the timing of the construction and development of the Lindero Project, including the commissioning of the tertiary crusher and agglomeration plant; planned preparations for operations at Lindero, including expected timing of the placement of first ore on the leach pad and the first doré pour at the Lindero Project; targeted timing for production and commercial production at Lindero; planned production at Lindero in the first quarter of 2021; cost reductions due to COVID-19; the completion of the Company’s recently announced public equity offering; the Company’s business strategy, plans and outlook; the estimates of expected or anticipated economic returns from the Company’s mining operations including future sales of metals, concentrate or other products produced by the Company; the Company’s ability to achieve its production and cost guidance; capital expenditures at the Company’s operations; 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”, “scheduled”, “anticipated”, “projected”, “used”, “detailed”, “has been”, “gain”, “planned”, “reflecting”, “will”, “containing”, “remaining”, “expected”, “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; risks relating to a global pandemic, including COVID-19, which unless contained could cause a slowdown in global economic growth and impact the Company’s business, operations, financial condition and share price; the duration of the COVID-19 pandemic and the impact of COVID-19 on the Company’s business, operations and financial condition, including the Company’s ability operate or continue to operate at its sites; the Company’s ability to manage challenges presented by COVID-19; that the recently announced public equity offering may not complete as contemplated; uncertainty of production, development plans and cost estimates for the Caylloma mine, the San Jose mine and the Lindero Project; changes in prices for silver and other metals; technological and operational hazards in Fortuna’s mining and mine development activities; market risks related to the sale of the Company’s concentrates and metals; future development risks, including start-up delays and cost overruns at Lindero; risks inherent in mineral exploration; uncertainties inherent in the estimation of mineral reserves, mineral resources, and metal recoveries; the Company’s ability to replace mineral reserves; changes to current estimates of mineral reserves and resources; changes to production estimates; the Company’s ability to obtain adequate financing for further exploration and development programs and opportunities; governmental and other approvals; recoverability of value added tax and significant delays in the Company’s collection process; claims and legal proceedings, including adverse rulings in litigation against the Company; 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 dated March 26, 2020 and filed on SEDAR at www.sedar.com. 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, including the construction of the Lindero Project 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 corporate presentation also refers to non-GAAP financial measures, such as cash cost per tonne of processed ore; cash cost per payable ounce of silver; total production cost per tonne; all-in sustaining cash cost; all-in cash cost; adjusted net (loss) income; operating cash flow per share before changes in working capital; free cash flow; income taxes, and interest income; and adjusted EBITDA. 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.

Mr. 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 is responsible for ensuring that the information contained in this presentation is an accurate summary of the original reports and data provided to or developed by Fortuna Silver Mines Inc., and has reviewed and approved the scientific and technical information contained herein.

Dollar amounts expressed in US dollars, unless otherwise indicated.

NOTE ABOUT THE INFORMATION CONTAINED HEREIN AND THE NOVEL CORONAVIRUS



At the date of this presentation, the Caylloma Mine in Peru was operational with essential personnel due to a declaration of a period of mandatory national “social isolation” mandated by the government of Peru, and operations at the Lindero Project which had been temporarily suspended due to the “social isolation” mandated by the government of Argentina in response to the COVID-19 pandemic are scheduled to restart with a reduced on-site workforce in support of social distancing measures and under sanitary protocols. The Government of Mexico has suspended all non-essential activities, including mining until May 2020. As a result operations at the San Jose Mine in Mexico have also been temporarily suspended. The Company's operations and financial performance are dependent on it being able to operate at each of its mines and projects. Given the fast-changing situation with respect to the COVID-19 pandemic, including the areas suffering from the pandemic and the response of governments in implementing protective policies including travel bans, it is difficult to predict the exact nature and extent of the impact the pandemic may have on the Company and its business. The Company could be restricted from operating at its mines and projects for a material period of time, and its ability to transport and sell its concentrates could likewise be restricted. Any changes in the current situation relating to the COVID-19 pandemic and an increase in the current restrictions applicable to its operations could significantly impact the Company and its performance and thus would impact the accuracy of any forward-looking statements contained in this presentation, particularly with respect to the Lindero construction timelines, cost budget and timing for commencement of production at the Lindero Project (Refer to Slides 13, 14 and 15).

JORGE A. GANOZA

President, CEO and Director



San Jose Mine, Mexico

OUR COMPANY



15 years
generating
sustainable
shareholder value



Q1 2020 HIGHLIGHTS



Free Cash Flow¹

from ongoing
operations

\$14.2 M

Adjusted EBITDA margin

34%



Liquidity²

\$88.5 M

Debt to EBITDA ratio

2.4 : 1

Equity financing in May³

\$60 M



Lindero progress

94%⁴

Funding Remaining to
Commercial Production

\$75 - \$80 M^{4,5}

First doré pour
planned for

Q3 2020⁴



COVID-19

- 2020 guidance withdrawn⁶
- Planned \$23 M in budget reductions
- San Jose and Lindero to resume in May - June

ESG

- 2019 Sustainability Report⁷ published in May

Notes:

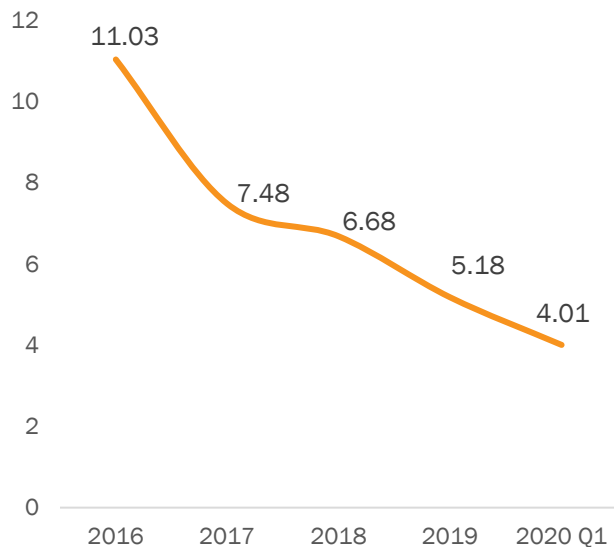
1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 30
2. Liquidity considers cash and cash equivalents as of March 31, 2020 and \$150 million fully drawn credit facility; debt to EBITDA as of March 31, 2020
3. Refer to Fortuna news release dated May 11, 2020, "[Fortuna Announces US\\$60 Million Bought Deal Financing](#)"
4. Refer to Fortuna news release dated May 8, 2020, "[Fortuna provides update on the resumption of construction activities at the Lindero gold Project, Argentina](#)"
5. Includes construction capital expenditures and advances to contractors
6. Refer to Fortuna news release dated April 2, 2020, "[Fortuna provides an update on its response to the worldwide spread of COVID-19](#)"
7. Refer to Fortuna news release dated May 6, 2020, "[Fortuna releases 2019 Sustainability Report](#)"

HSSE STATISTICS AND TRENDS

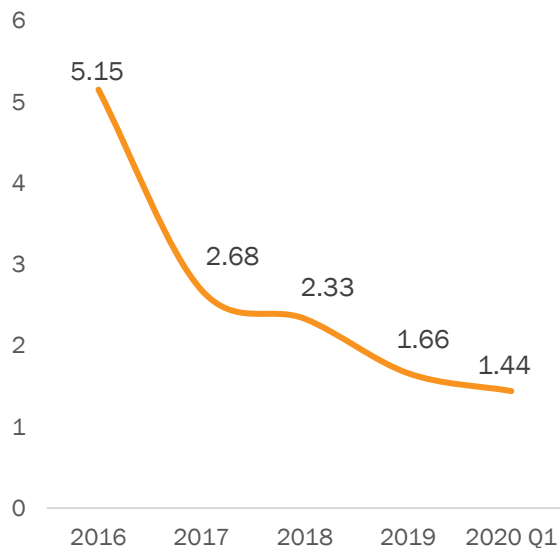


2016 – Q1 2020 (rolling 12 months): Sustained Improvement in Safety KPIs

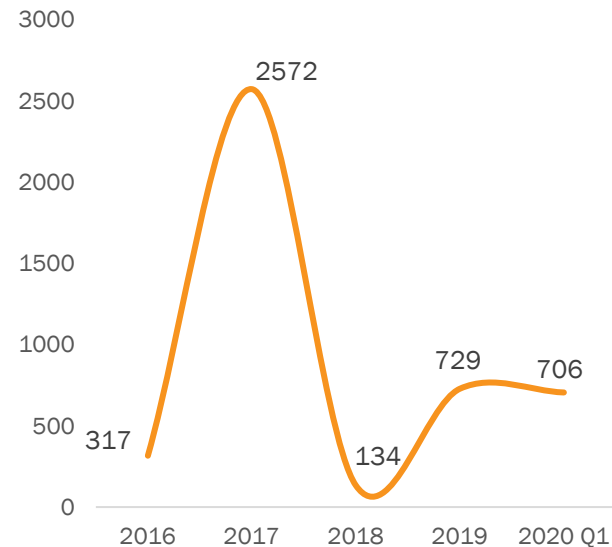
Total Recordable Injury Rate¹



Lost Time Injury Rate²



Severity Rate³



Notes:

1. Total Recordable Injury Rate = (lost time + medical treatment injuries) x 1,000,000 / man hours
2. Lost Time Injury Rate = (lost time injuries x 1,000,000) / man hours
3. Severity Rate = (days lost because of lost time injuries x 1,000,000) / man hours
4. Includes all employees and contractors of Fortuna and subsidiaries.

Q1 2020 CONSOLIDATED PRODUCTION¹



Production Impacted by Lower Grades and a Two-day Illegal Road Blockade at the San Jose Mine²

SILVER PRODUCTION

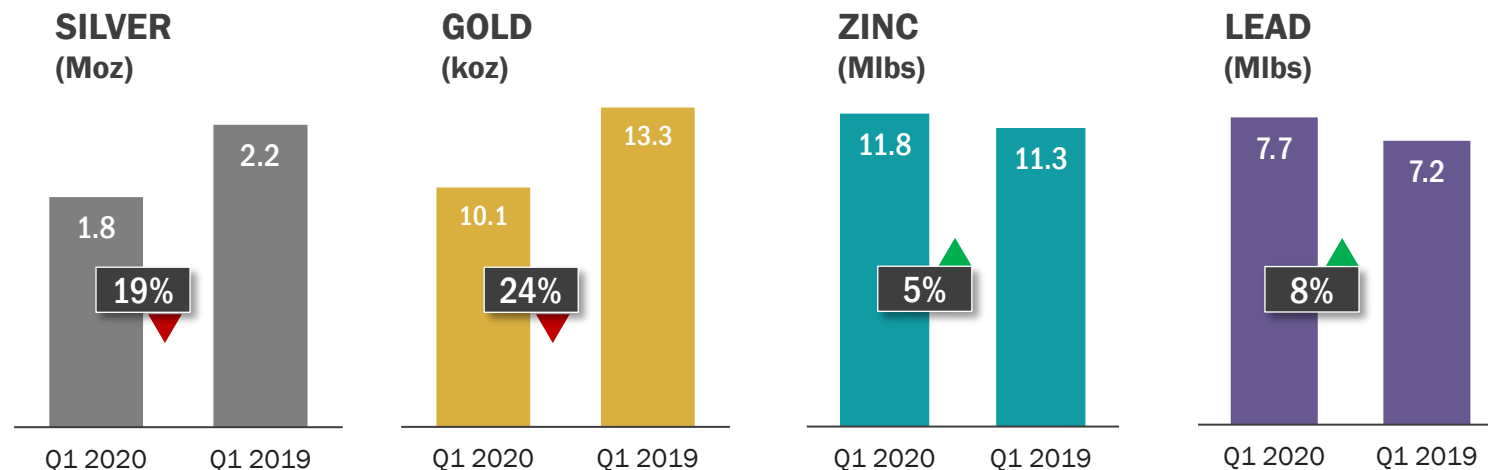
1.8 Moz

GOLD PRODUCTION

10.1 koz

or

2.6 Moz Ag Eq³



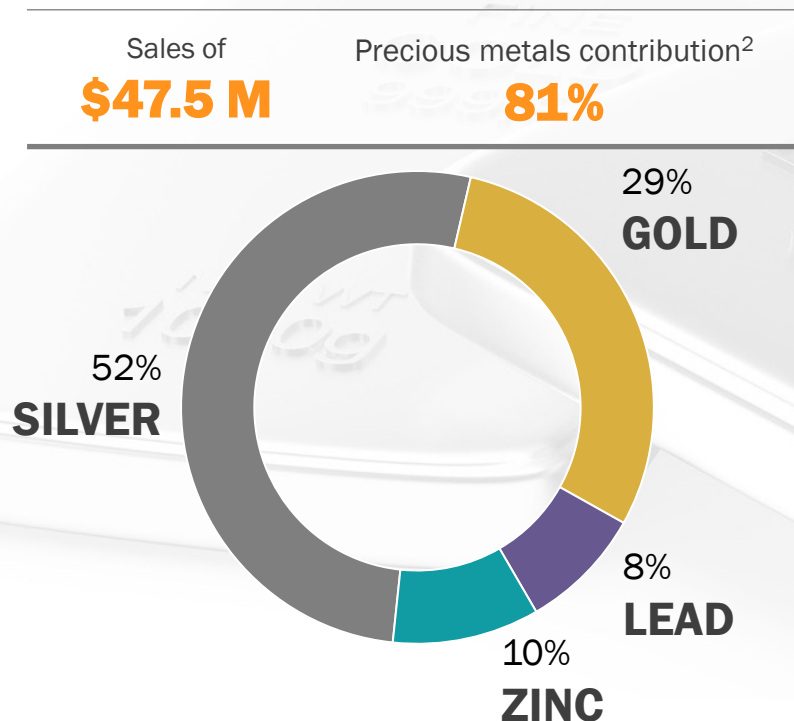
Notes:

1. Refer to Fortuna press release dated April 14, 2020, "[Fortuna reports production of 1.8 million ounces of silver and 10,101 ounces of gold for the first quarter of 2020](#)"
2. Refer to Fortuna press release dated March 24, 2020, "[Fortuna reports illegal road blockades affecting its San Jose Mine in Oaxaca](#)"
3. Ag Eq calculated using silver to gold ratio of 81 to 1 and does not include lead or zinc

Q1 2020 CONSOLIDATED SALES

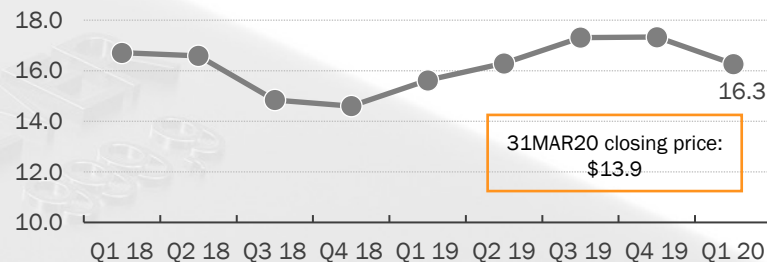


Provisional Sales Contribution by Metal

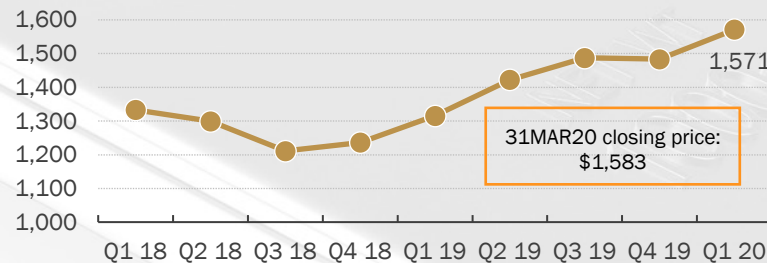


REALIZED PRECIOUS METALS PRICES¹

SILVER (\$/oz)



GOLD (\$/oz)



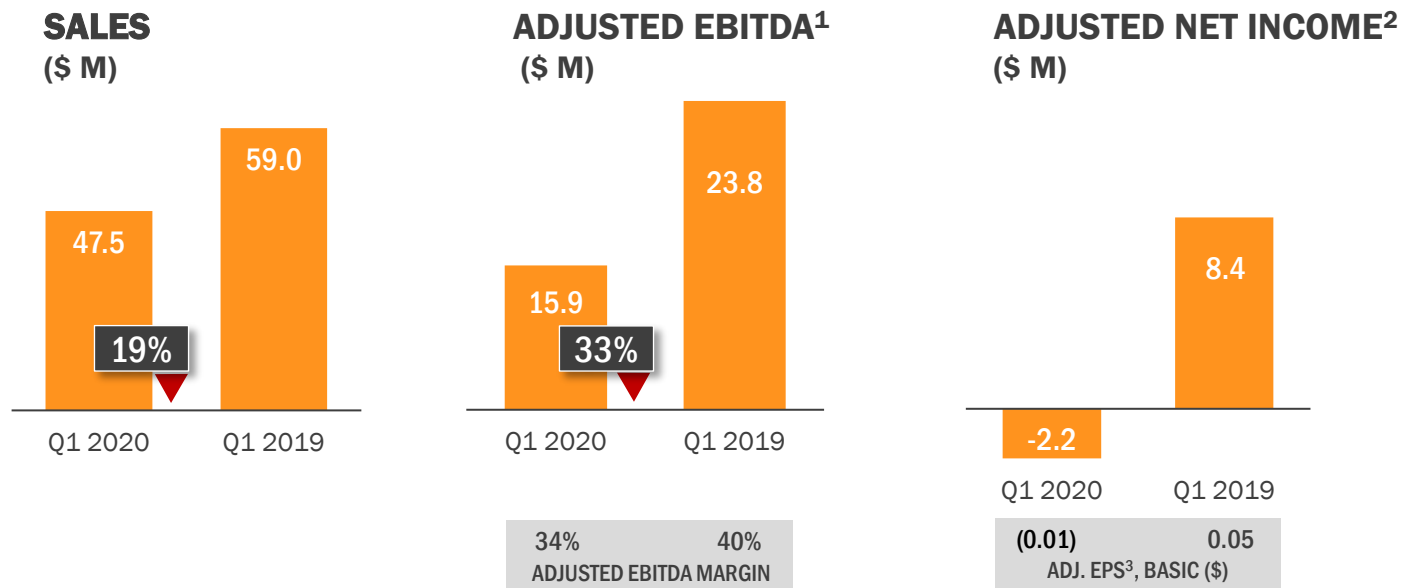
Notes:

1. Realized prices on provisional sales before adjustments; refer to slide 27
2. Totals may not add due to rounding

Q1 2020 CONSOLIDATED FINANCIAL HIGHLIGHTS



EBITDA Impacted by Lower Production at San Jose; \$4.9 Million Adjusted Pre-Tax Income



Notes:

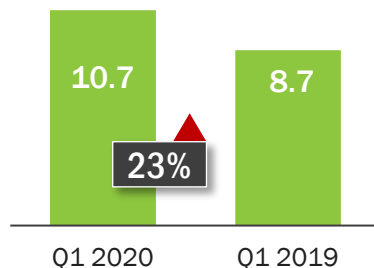
1. Earnings Before Interest, Taxes, Depreciation and Amortization; non-GAAP financial measure; refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 28 Adjusted EBITDA detail
2. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 29 for Adjusted Net Income detail
3. Adjusted Earnings Per Share; non-GAAP financial measures; refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 29 for Adjusted Net Income detail

Q1 2020 AISC¹ Ag Eq

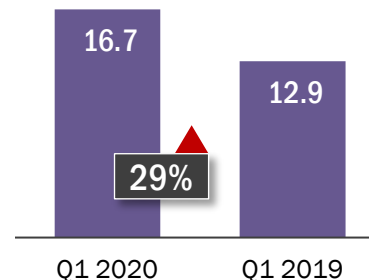


San Jose AISC Impacted by Lower Production | Caylloma AISC Impacted by Lower Zinc Prices and Commercial Terms

SAN JOSE MINE
(\$/oz Ag Eq)^{2,3}



CAYLLOMA MINE
(\$/oz Ag Eq)^{2,4}



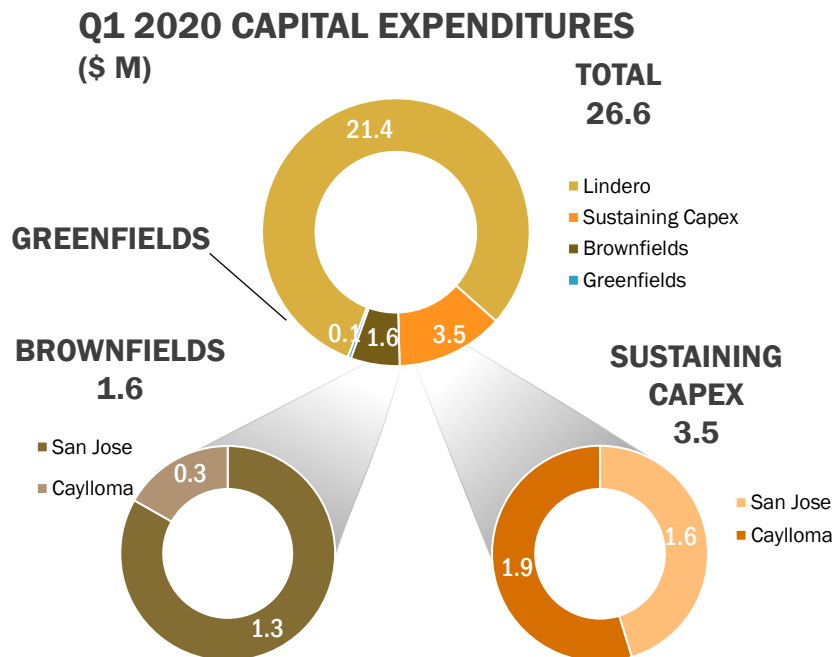
Notes:

1. AISC per payable ounce of silver equivalent production includes production cash cost, commercial and government royalties/mining tax, worker's participation, subsidiary G&A, corporate G&A, sustaining capital expenditures, and Brownfields exploration; Non-GAAP financial measure; refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
2. Q1 2020 AISC (\$/oz Ag Eq) estimated at metal prices of \$1,571/oz Au, \$16.27/oz Ag, \$0.85/lb Pb and \$0.98 /lb Zn
3. Ag Eq calculated using ratios of Ag:Au = 96.7:1 for Q1 20 and 84.2:1 for Q1 19
4. Ag Eq calculated using ratios of Ag:Au = 90.5:1 ; Ag:Pb (lbs) = 1:20.7 ; Ag:Zn (lbs) = 1:17.9 for Q1 20 and Ag:Au = 84.5:1 ; Ag:Pb (lbs) = 1:16.9 ; Ag:Zn (lbs) = 1:12.7

Q1 2020 CONSOLIDATED CAPITAL EXPENDITURES



Lindero Halted on March 19 Due to COVID-19; Mobilization Scheduled for 2nd Half May to Resume Construction



CONSOLIDATED CAPITAL EXPENDITURES (\$ M)

	Q1 2020
Lindero Construction	21.4
Sustaining CAPEX ¹	3.5
Brownfields exploration ²	1.6
Greenfields exploration ²	0.1
Total	26.6

- Notes:
- Capital expenditures
 - Temporarily suspended all Greenfields and Brownfields exploration activities; refer to Fortuna news releases dated March 17, 2020, "[Fortuna provides an update on the status of its operations in response to the worldwide spread of COVID-19](#)" and April 2, 2020 "[Fortuna provides an update on its response to the worldwide spread of COVID-19](#)"
 - Totals may not add due to rounding
 - The Company has initiated capital expenditures reductions for 2020 of \$23 million

CURRENT ASSET PORTFOLIO



PRODUCTION

San Jose Mine, Mexico
*National guideline May 14, 2020;
Mining to resume on May 18th or
June 1st, 2020*

Caylloma Mine
In operation

DEVELOPMENT

Lindero Gold Project
Mobilization scheduled for 2nd half May in order for construction to resume

EXPLORATION

BROWNFIELDS¹

Lindero
Arizaro

San Jose
Trinidad vein | Victoria mineralized zone

Caylloma
Animas vein | San Cristobal silver vein

GREENFIELDS¹

Northern Argentina
Campo Casa Blanco

Mexico
Generative program to identify potential acquisition opportunities

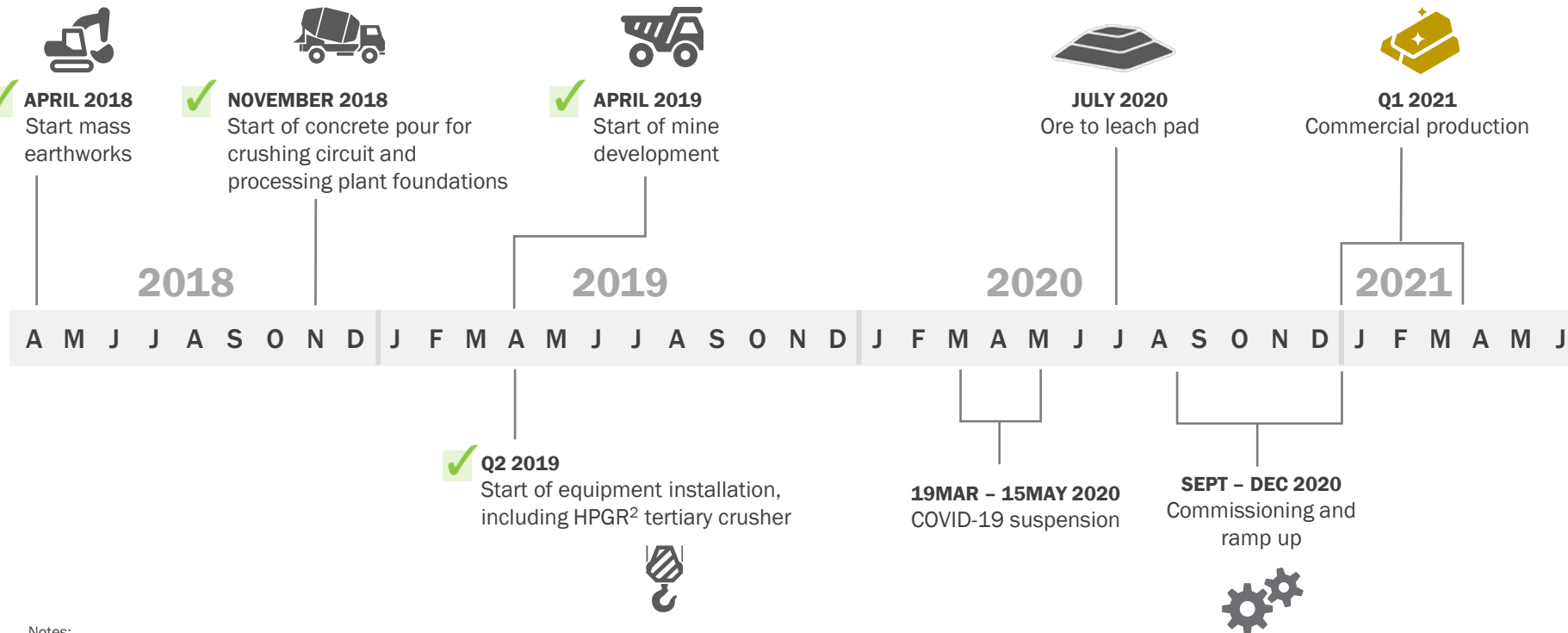
Note:

1. The Company has temporarily suspended all Greenfields and Brownfields exploration activities | Refer to news release dated March 17, 2020, "[Fortuna provides an update on the status of its operations in response to the worldwide spread of COVID-19](#)" and April 2, 2020 "[Fortuna provides an update on its response to the worldwide spread of COVID-19](#)" | Refer to slide 3, "Note about the information contained herein and the Novel Coronavirus".

LINDERO PROJECT, ARGENTINA



Project Construction Milestones¹



Notes:

1. Refer to Fortuna news release dated May 8, 2020, "[Fortuna provides update on the resumption of construction activities at the Lindero gold Project, Argentina](#)"
2. High Pressure Grinding Roll
3. Illustrative representation of Management's target schedule for production
4. [View Lindero photo gallery](#)

LINDERO PROJECT, ARGENTINA



First Doré Pour Planned for Q3 2020¹

- ✓ Overall project is 94% complete as of March 31, 2020
- ✓ Plan to resume construction and commissioning in June 2020
- ✓ Ore to leach pad scheduled for July 2020
- ✓ Commissioning/ ramp-up scheduled for September to December 2020
- ✓ Lowering risk through temporarily by-passing tertiary HPGR crushing until November 2020
- ✓ \$75 to \$80 million in funding remaining to completion (includes CAPEX, pre-production, working capital, and VAT)
- ✓ Commercial operations planned for Q1 2021



Crushing circuit pre-commissioning and commissioning activities

Note:

1. Refer to Fortuna news release dated May 8, 2020, "[Fortuna provides update on the resumption of construction activities at the Lindero gold Project, Argentina](#)"
2. [View Lindero photo construction gallery](#)

LINDERO PROJECT, ARGENTINA¹



Primary and Secondary Crushing Circuits Commissioning with Ore



Primary and secondary crushing circuits

Note:
1. Mobilization to project site underway (Refer to Fortuna news release dated May 8, 2020, "[Fortuna provides update on the resumption of construction activities at the Lindero gold Project, Argentina](#)" | [View Lindero photo construction gallery](#))

LINDERO PROJECT, ARGENTINA¹



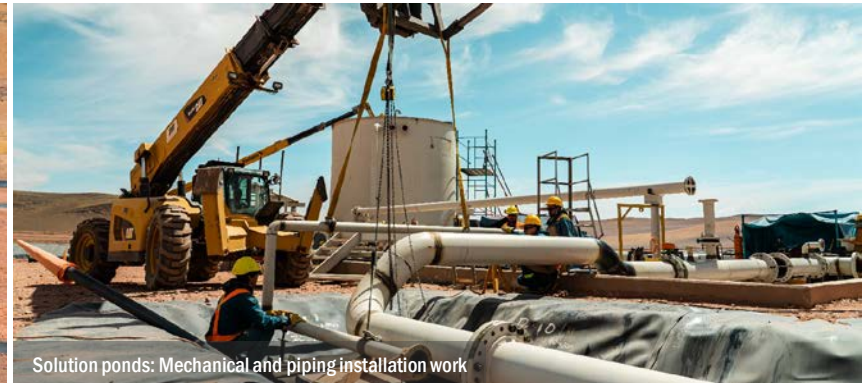
Leach Pad and Stacking System



Construction of 31-hectare start-up leach pad area and solution ponds has been completed



Leach pad: Stacking system installation work



Solution ponds: Mechanical and piping installation work

Note:

1. Mobilization to project site underway (Refer to Fortuna news release dated May 8, 2020, "[Fortuna provides update on the resumption of construction activities at the Lindero gold Project, Argentina](#)" | [View Lindero photo construction gallery](#))

LINDERO PROJECT, ARGENTINA¹

Process Area



Note:

1. Mobilization to project site underway (Refer to Fortuna news release dated May 8, 2020, "[Fortuna provides update on the resumption of construction activities at the Lindero gold Project, Argentina](#)" | [View Lindero photo construction gallery](#))

LUIS D. GANOZA

Chief Financial Officer



Lindero Project: Mine fleet operator training

Q1 2020 FINANCIAL HIGHLIGHTS



EBITDA Margin of 34% for First Quarter 2020

(\$ M, except in earnings per share figure)	Q1 2020	Q1 2019	% Change / Q1 2019
Sales	47.5	59.0	▼ (19%)
Net income (loss)	(4.5)	2.2	▼
EPS, basic	(0.03)	0.01	▼
Adjusted net income (loss) ¹	(2.2)	8.4	▼
Adjusted EPS, basic	(0.01)	0.05	▼
Adjusted EBITDA ²	15.9	23.8	▼ (33%)
Net cash provided by operating activities	13.2	3.9	▲ 238%
Free Cash Flow from ongoing operations ³	14.2	2.2	▲ 545%

- Decrease in sales due to lower production and lower base metal prices
- Decrease in EBITDA driven by lower sales
- Higher Free Cash Flow from ongoing operations due to positive changes in working capital related to a reduction in days of trade receivables

Notes:

1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures* | Refer to slide 29 for Adjusted Net Income detail
2. Earnings Before Interest, Taxes, Depreciation and Amortization; refer to slide 28 for Adjusted EBITDA detail
3. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures* | Refer to slide 30

Q1 2020 FINANCIAL HIGHLIGHTS



Lower Production, Negative Sales Adjustments and Higher Commercial Terms in the Quarter



Notes:
 1. Treatment charges / Refinement charges
 2. Refer to slide 27 for consolidated sales metrics
 3. Totals may not add due to rounding

Q1 2020 FINANCIAL HIGHLIGHTS



2020 Cash Cost Largely in Line with 2019

CONSOLIDATED

(\$ M)	Q1 2020	Q1 2019	% Change / Q1 2019
Adjusted Operating Income ¹	5.1	13.8	▼ (63%)
Adjusted EBITDA	15.9	23.8	▼ (33%)
EBITDA Margin over sales	34%	40%	

SAN JOSE MINE, MEXICO

(\$ M, except in cash cost figures)	Q1 2020	Q1 2019	% Change / Q1 2019
Adjusted EBITDA	15.4	19.4	▼ (21%)
Margin over sales	44%	49%	
Production cash cost (\$/t)	71.12	68.66	▲ 4%
AISC (\$/oz Ag Eq)	10.67	8.69	▲ 23%

CAYLLOMA MINE, PERU

(\$ M, except in cash cost figures)	Q1 2020	Q1 2019	% Change / Q1 2019
Adjusted EBITDA	1.5	8.5	▼ (82%)
Margin over sales	12%	43%	
Production cash cost (\$/t)	80.83	79.45	▲ 2%
AISC (\$/oz Ag Eq)	16.71	12.91	▲ 29%

Notes:

1. Refer to slide 29 for Adjusted Operating Income
2. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 28 for Adjusted EBITDA
3. All-in sustaining cash cost per payable ounce of silver equivalent production; silver equivalent production calculated using realized prices; please refer to slide 27; non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*

Q1 2020 FINANCIAL HIGHLIGHTS



G&A and Effective Tax Rate

(\$ M)	Q1 2020	% Change over Q1 2019
Operating mines G&A	2.4	▲ 4%
Corporate G&A	2.3	▼ (15%)
Share-based payments	-1.4	▼ (208%)
Workers participation	0.3	▲ 50%
Total G&A	3.6	▼ (45%)
Effective tax rate on adjusted income before taxes	145%	

Q1 2020 FINANCIAL HIGHLIGHTS



Strengthening Balance Sheet and Liquidity

Actions taken:

- ✓ *Agreement in principle to amend \$150 million credit facility financial covenants¹*
 - Additional covenant flexibility up to Q1 2021
- ✓ *\$23 million in budget reductions*
 - \$12 million CAPEX and Brownfields projects
 - \$11 million OPEX and expense reductions
- ✓ *\$60 million equity financing announced on May 11, 2020*

Debt and liquidity position:

- Total Liquidity: \$88.5 million, as of March 31, 2020
- \$150 million credit facility fully drawn
- Total Financial Debt²: \$196.0 million, as of March 31, 2020
- Debt to EBITDA³: 2.4:1 as of March 31, 2020

Notes:

1. Refer to Fortuna news release dated May 5, 2020, "[Fortuna announces proposed amendments to financial covenants in credit facility](#)"
2. Financial Debt includes interest-bearing principal; excludes bank letters of guarantee and other items
3. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 28 for Adjusted EBITDA

CONTACT

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APPENDIX



San Jose Mine, Mexico

Q1 CONSOLIDATED SALES METRICS



	Q1 2020	Q1 2019	% Change
Metal Sold			
Ag (oz)	1,806,032	2,094,156	(14%)
Au (oz)	10,206	12,276	(17%)
Pb ('000 lb)	6,616	7,231	(9%)
Zn ('000 lb)	10,512	11,269	(7%)
Provisional Realized Price			
Ag (\$/oz)	16.27	15.62	4%
Au (\$/oz)	1,571	1,316	19%
Pb (\$/lb)	0.85	0.92	(8%)
Zn (\$/lb)	0.98	1.23	(20%)

Note: Realized prices based on provisional sales before final price adjustments

Q1 2020 ADJUSTED EBITDA¹



Non-GAAP Financial Measures

Expressed in \$ M	Three months ended March 31,	
	Q1 2020	Q1 2019
Net Income	(4.5)	2.2
Add Back:		
Inventory adjustment	(0.1)	-
Foreign exchange loss, Lindero project	3.3	2.9
Net finance items	0.3	(0.2)
Depreciation, depletion, and amortization	11.6	9.1
Income taxes	7.1	7.3
Share of loss from associates	-	0.1
Investment income	(1.1)	-
Other non-cash items	(0.6)	2.4
Adjusted EBITDA	15.9	23.8

Notes:

1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
2. Totals may not add due to rounding

Q1 2020 ADJUSTED INCOME STATEMENT



Non-GAAP Financial Measures¹

Three months ended March 31,

Expressed in \$ M	Q1 2020	Adjustments	Q1 2020 Adjusted	Q1 2019	Adjustments	Q1 2019 Adjusted
Sales	47.5	-	47.5	59.0	-	59.0
Cost of sales	40.1	0.2	40.3	37.5	(0.0)	37.5
Mine operating income	7.5	(0.2)	7.3	21.5	0.0	21.5
General and administration	3.6	0.0	3.6	6.5	0.1	6.6
Exploration and evaluation	0.4	-	0.4	0.2	-	0.2
Share of loss from associates	0.0	(0.0)	-	0.1	(0.1)	0.0
Foreign exchange loss	1.3	(3.2)	(1.9)	3.7	(2.9)	0.8
Other expenses, net	0.3	(0.3)	0.0	0.1	0.0	0.1
Operating Income	1.8	3.3	5.1	10.9	2.9	13.8
Investment income	1.1	(1.1)	0.0	-	-	-
Interest and finance (costs) income, net	(0.4)	0.1	(0.3)	0.1	0.1	0.2
Loss on derivatives	-	-	-	(1.6)	2.3	0.8
Income before taxes	2.6	2.3	4.9	9.5	5.3	14.8
Current income tax expense	5.9	0.0	5.9	8.6	0.0	8.6
Deferred income tax expense (recovery)	1.2	0.0	1.1	(1.3)	(0.9)	(2.2)
Net income and adjusted net income	(4.5)	2.3	(2.2)	2.2	6.2	8.4

Notes:

1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*

Q1 2020 Free Cash Flow^{1,2}



Non-GAAP Financial Measures²

Expressed in \$ M	Three months ended March 31,	
	Q1 2020	Q1 2019
Net cash provided by operating activities	13.2	3.9
Less: Change in long-term receivables	(0.2)	-
Less: Additions to mineral properties, plant and equipment	(4.9)	(7.0)
Less: Contractor advances for plant and equipment	-	(0.2)
Add: Advances applied to plant and equipment	-	0.1
Less: Current income tax expense	(5.9)	(8.6)
Add: Income taxes paid	12.0	14.0
Free Cash Flow from ongoing operations	14.2	2.2

Note:

1. Free Cash Flow calculated on the basis of current income tax rather than taxes paid
2. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
3. From ongoing operations including San Jose and Caylloma and excludes Greenfields exploration