

Q4 and FY 2020 Financial and Operational Results Webcast

NYSE: FSM | TSX: FVI | March 12, 2021



FORTUNA
SILVER MINES INC.

Lindero gold Mine, 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, forecast total cash costs and all-in sustaining costs; the timing of the commencement of commercial production at the Lindero Mine; expectations with respect to the future impact of COVID-19 on the Company’s business and operations, any future waves of the COVID-19 pandemic or variants of the virus, assumptions related to the global supply of COVID-19 vaccines and the roll-out in each country in which the Company operates, and the effectiveness and results of any vaccines, as it relates to the Company’s ability to return to regular operations, ongoing changes in restrictions related to the pandemic that impact the Company’s operations and the anticipated duration of same; debt levels, future plans and objectives based on forecasts of future operational or financial results; the ability of the Company to continue with its current operations, or to maintain its operations should additional changes not presently anticipated with the COVID-19 pandemic occur; increase in costs related to COVID-19; 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; uncertainties related to new mining operations and development projects such as the Lindero Mine including the possibility that actual capital and operating costs and economic returns will differ significantly from those estimated for such projects prior to production; risks relating to a global pandemic, including COVID-19, which until contained could continue to 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 to operate or to continue to operate at its mine sites in light of government restrictions; the Company’s ability to manage the various challenges (both anticipated and not) presented by COVID-19 to its business, operations and financial condition; uncertainty of production, development plans and cost estimates for the Caylloma mine, the San Jose mine and the Lindero Mine; changes in prices for gold, 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 doré, concentrates and metals; future development risks, 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, acquisitions and opportunities; fluctuations in currencies and exchange rates; the imposition of capital control in countries in which the Company operates; 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 or social 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 the duration of the COVID-19 pandemic; there being no material and negative impact to the various contractors, suppliers and subcontractors at the Company’s mine sites as a result of COVID-19 or otherwise that would impair their ability to provide goods and services; 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 whether relating to labor, supply, power, damage to equipment or including to the commencement of commercial production at the Lindero Mine, or other matter; prices for and availability of fuel, electricity, parts and equipment and other key supplies remaining consistent with current levels 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; adjusted EBITDA and adjusted earnings per share. 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

JORGE A. GANOZA

President, CEO and Director



DELIVERING GROWTH IN A RISING PRECIOUS METALS MARKET

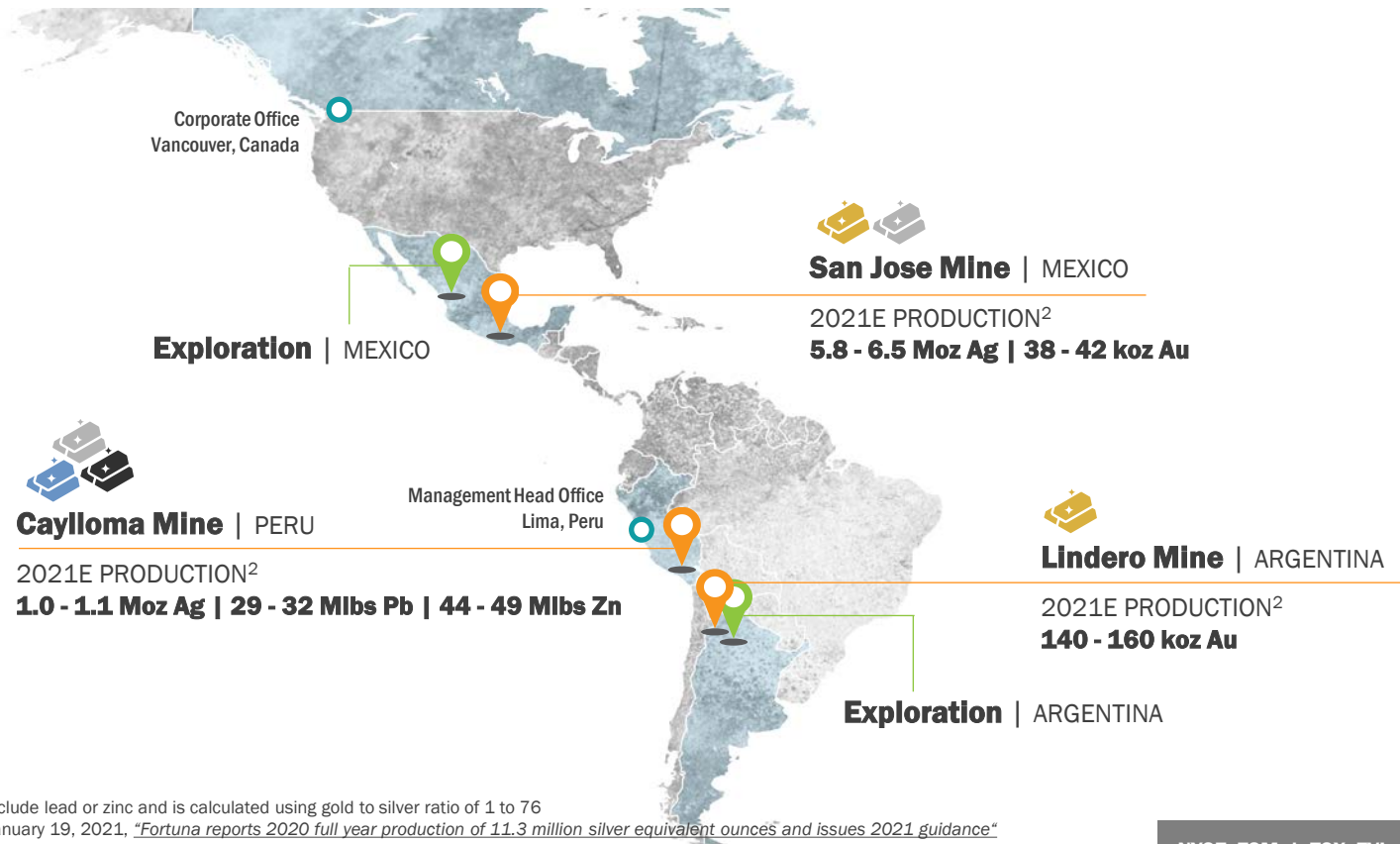


2021 Au Eq¹ production guidance² of 267 to 302 koz; projected increase of 79 to 103% over 2020

16 years
generating sustainable
shareholder value

3
operating mines

+3,200³
employees & contractors



Notes:

1. Gold equivalent production does not include lead or zinc and is calculated using gold to silver ratio of 1 to 76
2. Refer to Fortuna news release dated January 19, 2021, "[Fortuna reports 2020 full year production of 11.3 million silver equivalent ounces and issues 2021 guidance](#)"
3. Consolidated Company headcount as at December 31, 2020

Q4 2020 HIGHLIGHTS



Free Cash Flow¹

Record-breaking

\$34.5 M

Adjusted EBITDA margin

43%



Liquidity²

\$132 M

Net Debt³

(\$34 M)

Total Net Debt to
EBITDA ratio⁴

0.4 : 1



Lindero progress⁵

Au produced

13,435 oz

Ramp-up ongoing

Q1 2021



COVID-19

Temporary suspensions
during 2020⁶

- San Jose: 54 days
 - Caylloma: 21 days
 - Lindero: 60 days
- \$4.0 M direct cost in 2020
across all operations

Notes:
1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 33
2. Liquidity considers cash and cash equivalents as of December 31, 2020
3. Refer to slide 23 for more detail of Net Debt
4. Total Net Debt to EBITDA (ratio as defined in the Credit Facility) as of December 31, 2020
5. Refer to Fortuna news release dated March 10, 2021, "[Fortuna reports consolidated financial results for full year 2020](#)".
6. Refer to [MD&A year ended December 31, 2020](#), page 4

OUR SUSTAINABILITY WAY



We are optimizing our efforts and striving to become an ESG outperformer in the precious metals sector

We have:

- ✓ Updated our materiality analysis with an approach derived from the International Accounting Standards Board (IASB) for 2021 and 2022
- ✓ Integrated a set of 11 sustainability key performance indicators (KPIs) into our business management and budgeting
- ✓ Our Board approves our priority KPIs along with short- and long-term goals
- ✓ Management annual compensation and incentives aligned with the achievement of sustainability key goals
- ✓ Enhanced our disclosure in the upcoming 2020 Sustainability Report (to be released 31st March): GRI and SASB standards + first approach TCFD
- ✓ N° 1 Decile Rank Metals and Mining by ISS-ESG

GOOD GOVERNANCE:

Starts at the Board level and permeates throughout organization

- 100/100 ESG Governance Sustainalytics (2019)
- B+ in Corporate Governance and Business Ethics ISS-ESG
- 7.0 score (1st quartile) in Corporate Governance MSCI

Key policies:

Human Rights | Diversity | Anti-corruption | Occupational Health and Safety | Business Code of Conduct and Ethics and Whistle-blower | Supplier Business Code of Conduct and Ethics

OUR PEOPLE:

Pay special attention to their integrity and build positive relationships

- 0 fatalities
- 0 significant disputes with communities
- 17% women in management positions
- 69% of employees from local communities (Direct and indirect area of influence)

Next steps:

- Behavioral based corporate program with Dupont
- Social risk analysis for Community Relations Procedure
- Dialogue and engagement with communities' guidelines

OUR ENVIRONMENT:

Minimize our impact, preserve and restore it for the future

- 0 significant spills
- 15% reduction of water used per tonne of processed ore
- B- in eco-efficiency by ISS-ESG

Next steps:

- Alignment with Global Industry Standard on Tailings Management
- Climate change strategy

Note:

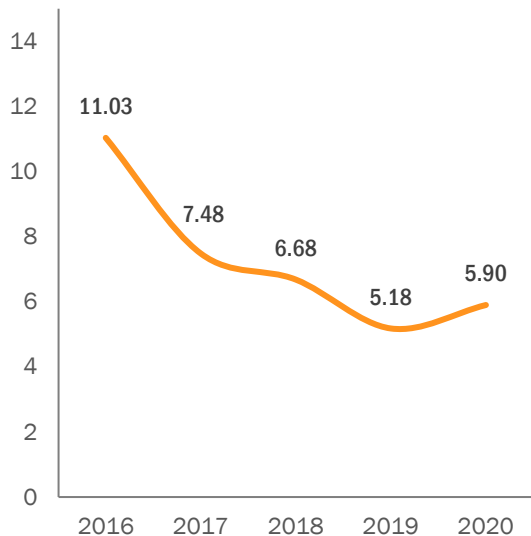
1. Data highlights correspond to 2020, unless otherwise specified

HSSE STATISTICS AND TRENDS

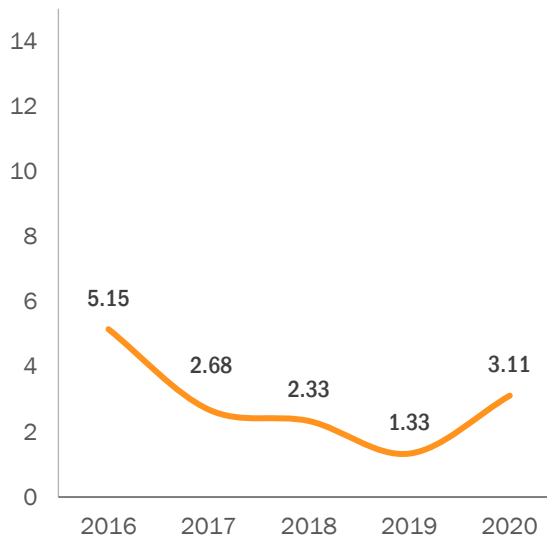
2016 – 2020



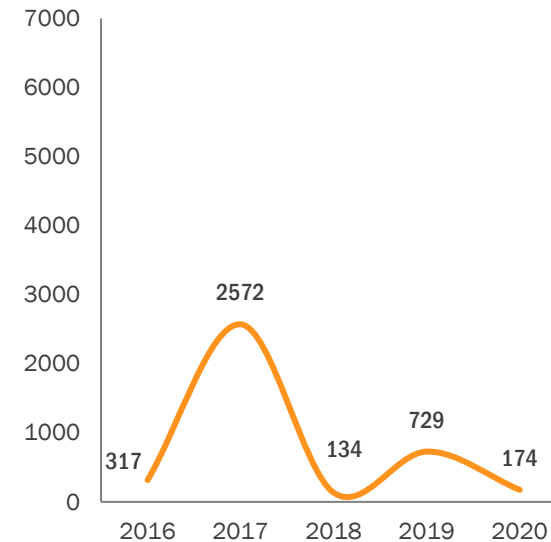
Total Recordable Injury Frequency Rate¹



Lost Time Injury Frequency Rate²



Lost Time Injury Severity Rate³



Notes:

1. Total Recordable Injury Frequency Rate = (lost time + medical treatment injuries) x 1,000,000 / man hours
2. Lost Time Injury Frequency Rate = (lost time injuries x 1,000,000) / man hours
3. Lost Time Injury 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.

Q4 2020 CONSOLIDATED PRODUCTION



Higher gold production driven by Lindero

SILVER PRODUCTION¹

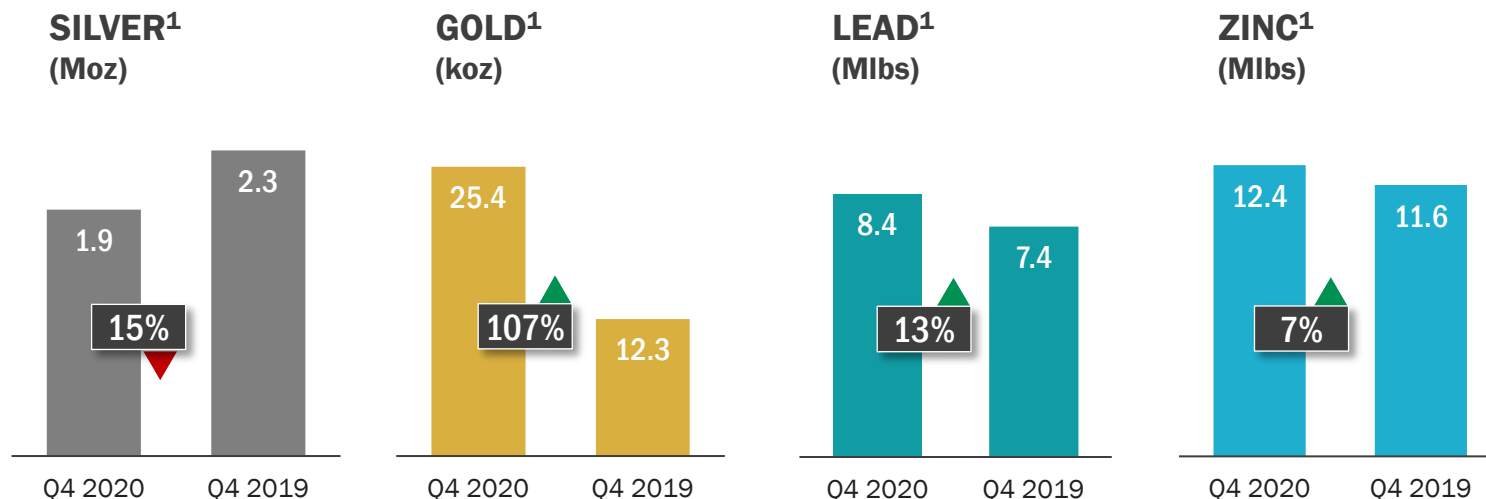
1.9 Moz

GOLD PRODUCTION¹

25.4 koz

or

3.8 Moz Ag Eq²



Notes:

1. Refer to Fortuna press release dated January 19, 2021, "Fortuna reports 2020 full year production of 11.3 million silver equivalent ounces and issues 2021 guidance"

2. Ag Eq calculated using silver to gold ratio of 76 to 1 and does not include lead or zinc

FULL YEAR 2020 CONSOLIDATED PRODUCTION¹



Higher gold production driven by Lindero | Lower silver production due to COVID-19 temporary suspension of operations at San Jose

SILVER PRODUCTION

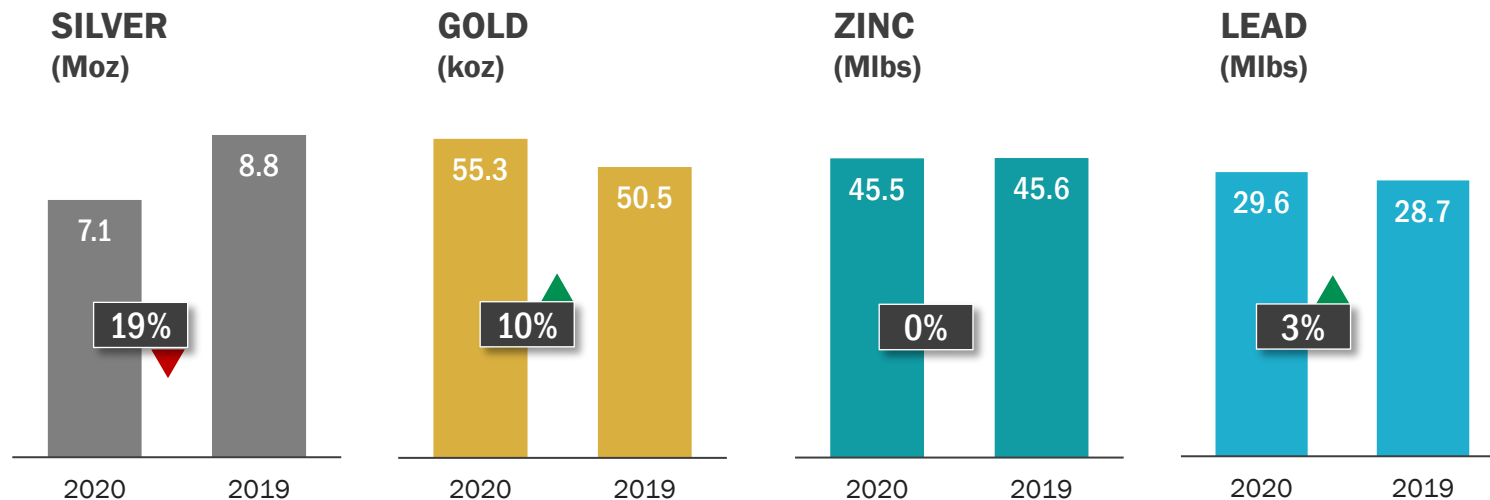
7.1 Moz

GOLD PRODUCTION

55.3 koz

or

11.3 Moz Ag Eq²



Notes:

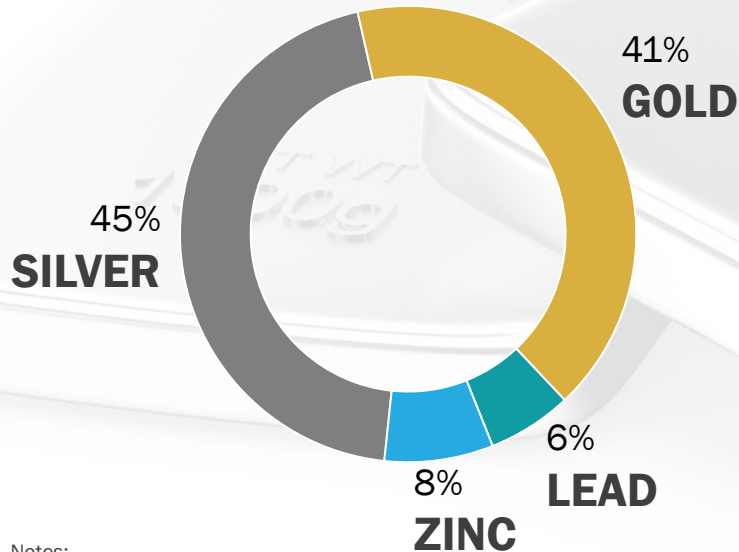
1. Refer to Fortuna press release dated January 19, 2020, "Fortuna reports 2020 full year production of 11.3 million silver equivalent ounces and issues 2021 guidance"
2. Ag Eq calculated using silver to gold ratio of 76 to 1 and does not include lead or zinc

Q4 2020 CONSOLIDATED SALES



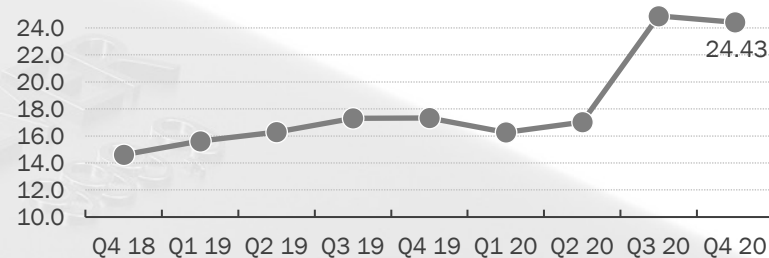
Provisional sales contribution by metal

Sales² of **\$103.5 M** Precious metals contribution³ **86%**

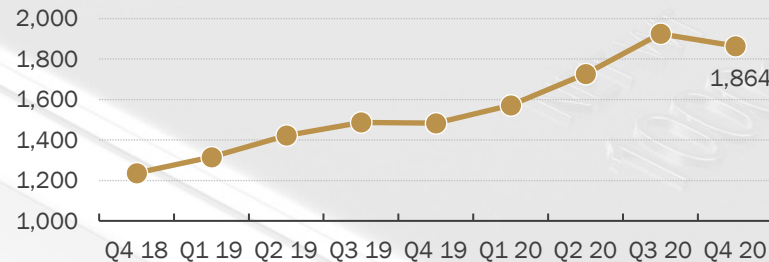


REALIZED PRECIOUS METALS PRICES¹

SILVER (\$/oz)



GOLD (\$/oz)



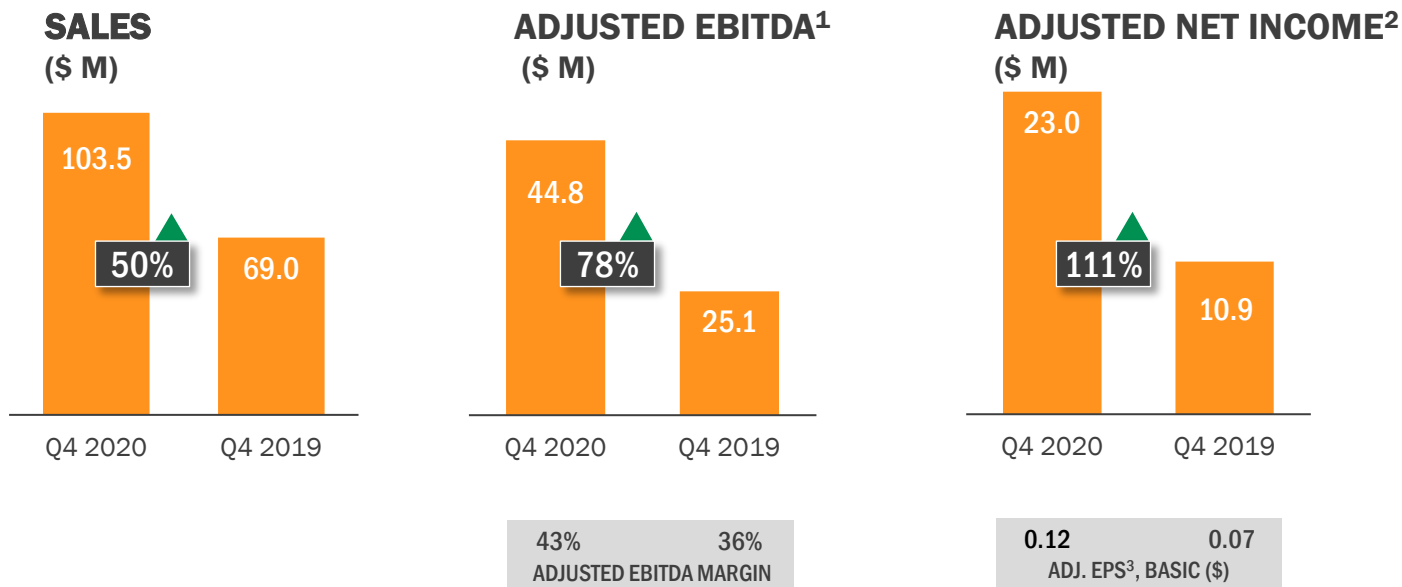
Notes:

1. Realized prices on provisional sales before adjustments; refer to slide 28
2. Net sales
3. Contribution based on provisional sales
4. Totals may not add due to rounding

Q4 2020 CONSOLIDATED FINANCIAL HIGHLIGHTS



Sales and margins driven by strong precious metal prices and first gold sales from Lindero



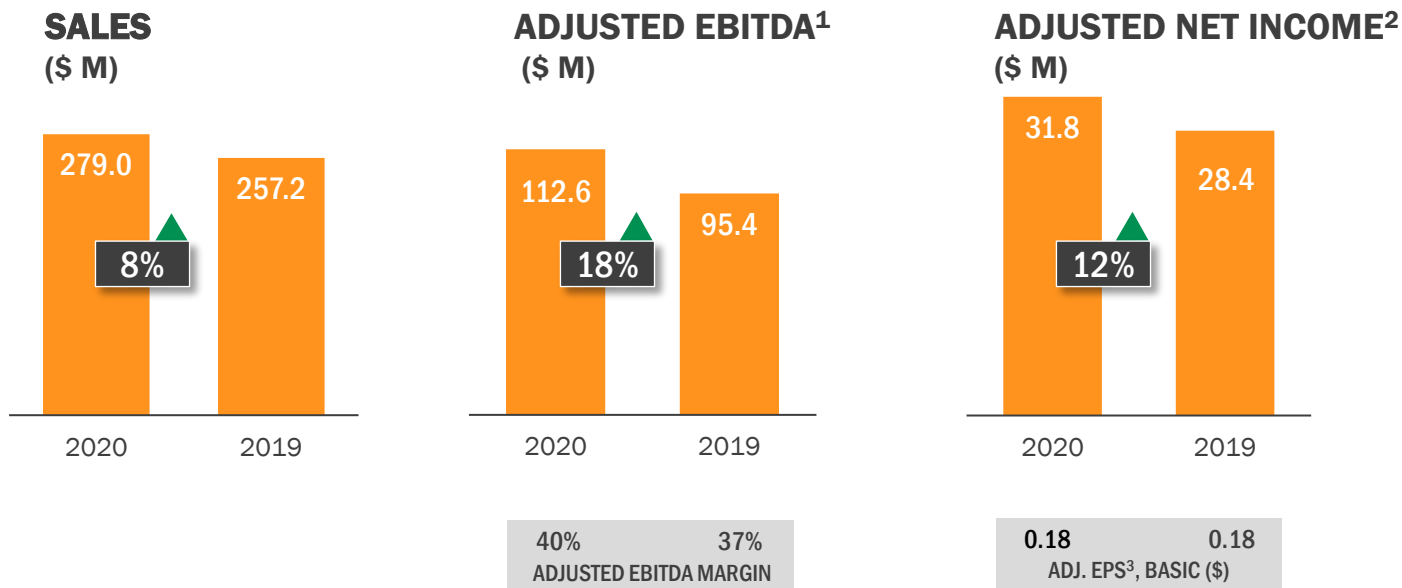
Notes:

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 29 Adjusted EBITDA detail
2. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 31 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 31 for Adjusted Net Income detail

FULL YEAR 2020 CONSOLIDATED FINANCIAL HIGHLIGHTS



Sales and margins driven by strong precious metal prices and first gold sales from Lindero



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 30 Adjusted EBITDA detail
2. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 32 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 32 for Adjusted Net Income detail

Q4 2020 AISC¹ Ag Eq

San Jose impacted by lower production, commercial terms and sustaining Capex

Caylloma Ag Eq calculation impacted by metal price ratios, AISC impacted by commercial terms



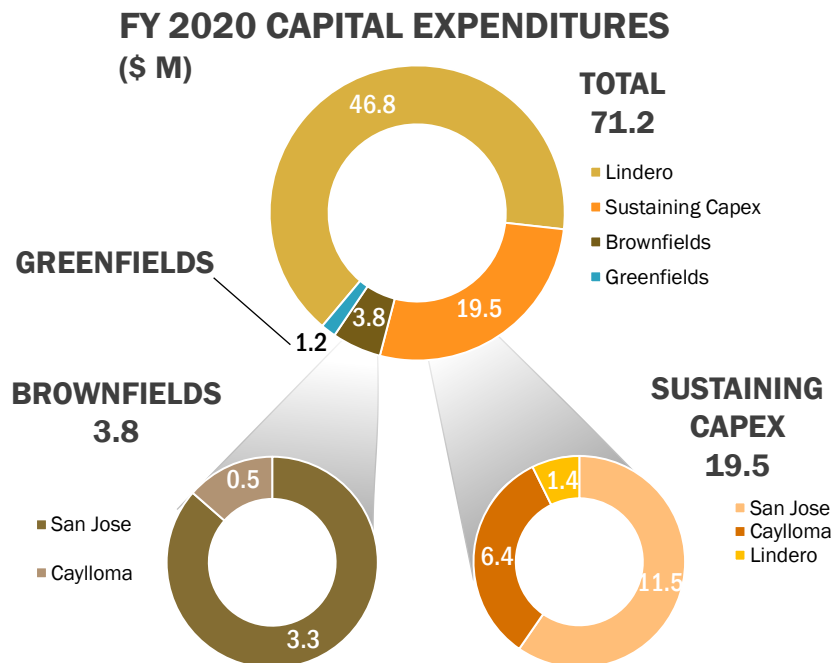
Notes:

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. Q4 2020 AISC (\$/oz Ag Eq) was calculated using realized metal prices of \$1,864/oz Au, \$24.43/oz Ag, \$0.86/lb Pb, and \$1.18/lb Zn | Q4 2019 AISC (\$/oz Ag Eq) was calculated using realized metal prices of \$1,483/oz Au, \$17.33/oz Ag, \$0.92/lb Pb, and \$1.08/lb Zn
3. Ag Eq calculated using ratios of Ag:Au = 76.7:1 for Q4 2020 and 85.5:1 for Q4 2019
4. Ag Eq calculated using ratios of Ag:Au = 76.8:1; Ag:Pb (lbs) = 1:28.2; Ag:Zn (lbs) = 1:20.6 for Q4 2020 and Ag:Au = 85.6:1; Ag:Pb (lbs) = 1:18.7; Ag:Zn (lbs) = 1:16.0 for Q4 2019

FULL YEAR 2020 CONSOLIDATED CAPITAL EXPENDITURES



Lindero Capex¹ of \$10.5 million during the fourth quarter



CONSOLIDATED CAPITAL EXPENDITURES (\$ M)

	2020
Lindero construction ⁴	46.8
Sustaining Capex	19.5
Brownfields exploration ²	3.8
Greenfields exploration ²	1.2
Total	71.2

Notes:

- Capital expenditure
- 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
- Total Lindero Mine costs in 2020, including construction Capex of \$46.8, was \$71.9M; refer to [MD&A year ended December 31, 2020](#), page 8

LINDERO MINE, ARGENTINA



Ramp-up update (as of end of February 2021)

- ✓ Mine operating at design capacity
- ✓ ADR plant operating at design capacity
- ✓ Primary and secondary crushing circuit at 67% of design capacity
- ✓ HPGR-agglomeration-stacking at 23% of design capacity
- ✓ Reserve model reconciling according to expectations; under 5% deviation in ounces, tonnage, and grade¹
- ✓ Au leaching kinetics performing according to design parameters



Lindero Mine, Argentina

Notes:

1. Refer to Fortuna news release dated January 19, 2021, "[Fortuna reports 2020 full year production of 11.3 million silver equivalent ounces and issues 2021 guidance](#)"

LUIS D. GANOZA

Chief Financial Officer



Lindero Mine fleet operators

Q4 AND FULL YEAR 2020 FINANCIAL HIGHLIGHTS



Fourth quarter EBITDA margin of 43%

(\$ M, except in earnings per share figure)

	Q4 2020	% Change / Q4 2019	2020	% Change / 2019
Sales	103.5	▲ 50%	279.0	▲ 8%
Net income	18.6	▼ (2%)	21.6	▼ (9%)
EPS, basic	0.10	▼ (17%)	0.12	▼ (20%)
Adjusted net income ¹	23.0	▲ 111%	31.8	▲ 12%
Adjusted EPS, basic	0.12	▲ 84%	0.18	▲ 2%
Adjusted EBITDA ²	44.8	▲ 78%	112.6	▲ 18%
Net cash provided by operating activities	31.3	▲ 91%	93.4	▲ 55%
Free Cash Flow from ongoing operations ³	34.5	▲ 439%	78.9	▲ 129%

- Strong financial results driven by higher precious metal prices and Lindero production
- Fourth quarter record Free Cash Flow from ongoing operations on the back of steady cash cost and capital discipline

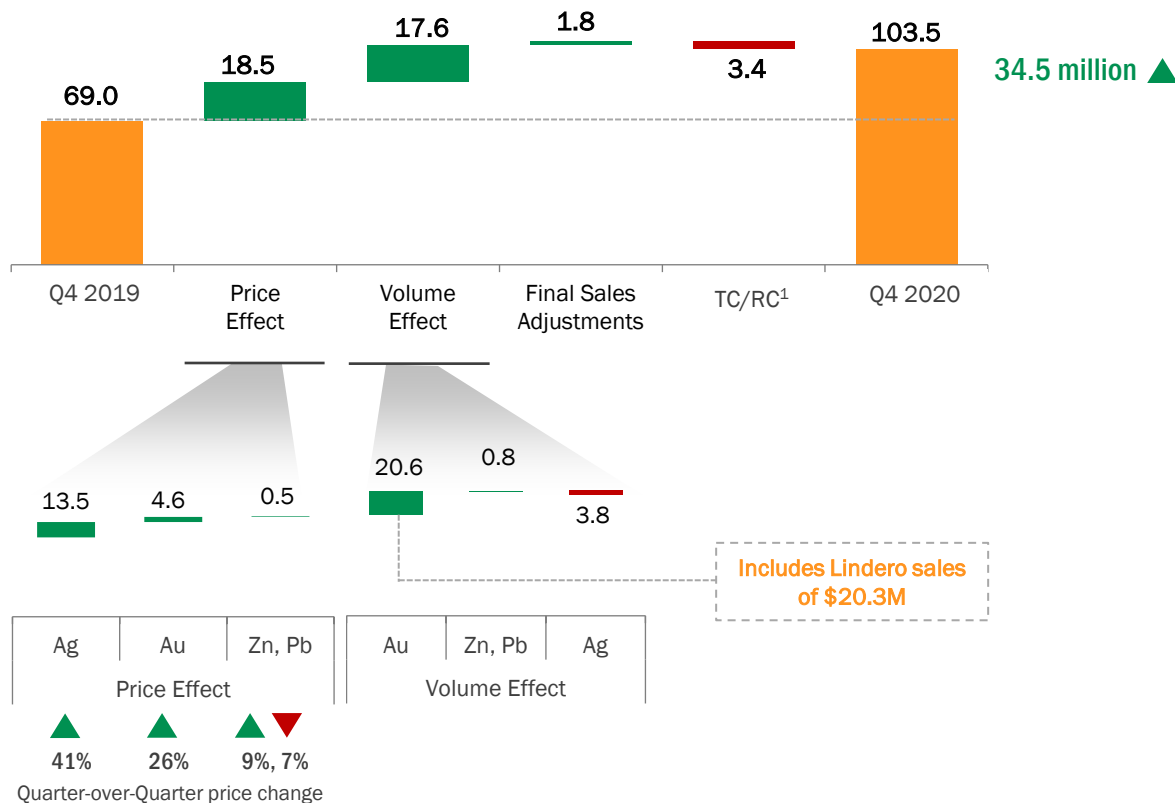
Notes:

1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures* | Refer to slides 31 and 32 for Adjusted Net Income detail
2. Earnings Before Interest, Taxes, Depreciation and Amortization; refer to slides 29 and 30 for Adjusted EBITDA detail
3. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures* | Refer to slides 33 and 34 for Free Cash Flow detail

Q4 2020 FINANCIAL HIGHLIGHTS



Higher sales driven by higher precious metal prices and \$20.3 million in sales from Lindero



Notes:
 1. Treatment charges / Refinement charges
 2. Refer to slide 28 for consolidated sales metrics
 3. Totals may not add due to rounding

Q4 AND FULL YEAR 2020 FINANCIAL HIGHLIGHTS



San Jose and Caylloma higher EBITDA driven by higher precious metal prices

CAYLLOMA MINE, PERU

(\$ M, except in cash cost figures)	Q4 2020	Q4 2019	% Change / Q4 2019	2020	2019	% Change / 2019
Adjusted EBITDA ¹	8.4	4.6	▲ 83%	19.2	22.3	▼ 14%
EBITDA Margin over sales	37%	25%		28%	31%	
Production cash cost (\$/t)	87.02	85.86	▲ 1%	81.29	86.15	▲ 6%
AISC (\$/oz Ag Eq) ²	19.51	15.40	▲ 27%	17.79	14.30	▲ 24%

SAN JOSE MINE, MEXICO

(\$ M, except in cash cost figures)	Q4 2020	Q4 2019	% Change / Q4 2019	2020	2019	% Change / 2019
Adjusted EBITDA ¹	33.3	26.2	▲ 27%	105.7	92.5	▲ 14%
EBITDA Margin over sales	55%	52%		55%	50%	
Production cash cost (\$/t)	71.45	70.19	▲ 2%	69.38	69.60	▼ 0%
AISC (\$/oz Ag Eq) ²	14.52	10.54	▲ 38%	12.15	9.83	▲ 24%

Notes:

1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slides 29 and 30 for Adjusted EBITDA
2. All-in sustaining cash cost per payable ounce of silver equivalent production; silver equivalent production calculated using realized prices; please refer to slide 28; non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*

Q4 AND FULL YEAR 2020 FINANCIAL HIGHLIGHTS



Lindero Mine's first quarter of production and sales

LINDERO MINE, ARGENTINA

	Q4 2020
Gold Production (oz)	13,435
Gold Sales (oz)	10,935
Sales \$M	20.3
Cash Cost of Sales ¹ (\$M)	7.5
Export duty (\$M)	1.5
Adjusted EBITDA ² (\$M)	11.3

- Recognition of sales in Income Statement from commissioning and ramp-up activities of \$20.3 million (early adoption of amendment to IAS 16)
- Cash cost of sales of \$7.5 million corresponds to full operating costs in the quarter
- Export duty of 8% nominal rate over sales
- Adjusted EBITDA excludes off-site in-country General and Administrative expenses of \$1.1 million

Notes:

1. Cash Cost of Sales includes right-of-use adjustment of \$0.5 million

2. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 29 for Adjusted EBITDA

Q4 AND FULL YEAR 2020 FINANCIAL HIGHLIGHTS



G&A and other financial items

General and Administrative expenses (\$ M)	Q4 2020	% Change over Q4 2019	2020	% Change over 2019
	Operating mines G&A	3.4	▼ (3%)	10.1
Corporate G&A	3.7	▲ 23%	10.8	▼ (5%)
Share-based payments	4.6	▲ 92%	12.4	▲ 107%
Workers' participation	0.5	▲ 0%	1.8	▲ 20%
Total General and Administrative expenses	12.2	▲ 30%	35.1	▲ 18%
Foreign exchange loss	4.7	▲ 232%	12.2	▼ (8)%
Effective tax rate on adjusted income before taxes	29%		55%	

- FX loss related to construction VAT receivable in Argentina, partially mitigated by investment gains¹ of \$3.3 million in 2020 and \$11 million in 2019

Notes:

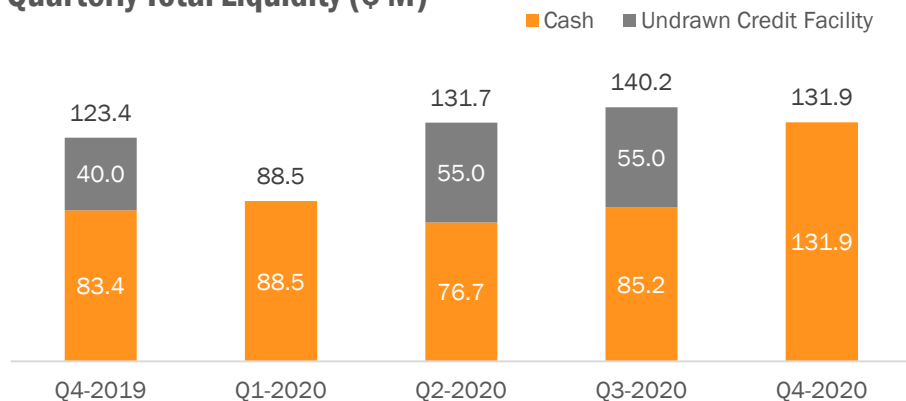
1. Investment gains related to Argentine peso-denominated cross-border trades

Q4 FINANCIAL HIGHLIGHTS

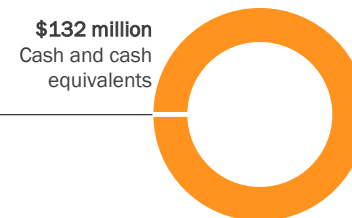


Balance sheet and liquidity as of December 31, 2020

Quarterly Total Liquidity (\$ M)



Total Liquidity: \$131.9 million



\$132 million
Cash and cash
equivalents

- Total Financial Debt¹: \$166 million
- Total Net Debt to EBITDA²: 0.4 : 1

Total (Net Debt) /
Net Cash

(73) (107) (64) (56) (34)

- Total Liquidity reflects strong cash flow generation and completion of Lindero construction

Notes:

1. Financial debt includes interest-bearing principal; excludes bank letters of guarantee, and other items
2. Total Net Debt to EBITDA (as defined under the Credit Facility) as of December 31, 2020. Non-GAAP financial measure, refer to slide 2 for Cautionary Statement on Non-GAAP Financial Measures; refer to slide 29 for Adjusted EBITDA

2021 ANNUAL GUIDANCE



PRODUCTION¹

6.8 – 7.6 Moz
Silver

178 - 202 koz
Gold

44 – 49 Mlbs
Zinc

29 – 32 Mlbs
Lead

COST GUIDANCE¹

Cash Cost¹

AISC^{1,2}

San Jose Mine

68 – 75
(\$/t)

12.2 – 14.5
(\$/oz Ag Eq)

Caylloma Mine

85 – 93
(\$/t)

19.4 – 23.0
(\$/oz Ag Eq)

Lindero Mine

365 – 430
(\$/oz Au)

730 – 860
(\$/oz Au)

CAPEX¹

\$23.5 million
San Jose Mine

\$21.7 million
Caylloma Mine

\$20.8 million
Lindero Mine

Notes:

1. Refer to Fortuna news release dated January 19, 2021, "Fortuna reports 2020 full year production of 11.3 million silver equivalent ounces and issues 2021 guidance"
2. Refer to slide 2 for Cautionary statements for non-GAAP financial measures | All-in sustaining cost (AISC) is a non-GAAP financial measure, refer to Forward-looking Statements regarding non-GAAP financial measures at the end of this news release; AISC includes production cash cost, commercial and government royalties, mining tax, export duties (as applicable), worker's participation (as applicable), subsidiary G&A, sustaining capital expenditures, and Brownfields exploration and is estimated at metal prices of US\$1,800/oz Au, US\$22/oz Ag, US\$1,900/t Pb, and US\$2,300/t Zn

CONTACT

CARLOS BACA, Investor Relations Manager | +51.1.616.6060, ext. 2 | info@fortunasilver.com | fortunasilver.com



APPENDIX



FULL YEAR 2020 FINANCIAL HIGHLIGHTS



Higher sales driven by higher precious metal prices and Lindero sales, partially offset lower production at San Jose



Notes:
 1. Treatment charges / Refinement charges
 2. Refer to slide 28 for consolidated sales metrics
 3. Totals may not add due to rounding

CONSOLIDATED SALES METRICS



	Q4 2020	Q4 2019	% Change	2020	2019	% Change
Metal Sold						
Ag (oz)	1,985,783	2,221,330	(11%)	7,194,362	8,798,054	(18%)
Au (oz)	23,297	12,157	92%	53,375	50,374	6%
Pb ('000 lb)	8,386	7,559	11%	29,582	28,969	2%
Zn ('000 lb)	12,154	11,974	2%	45,154	45,781	(1%)
Realized Price						
Ag (US\$/oz)	24.43	17.33	41%	21.18	16.20	31%
Au (US\$/oz)	1,864	1,483	26%	1,805	1,393	30%
Pb (US\$/lb)	0.86	0.92	(7%)	0.83	0.91	(8%)
Zn (US\$/lb)	1.18	1.08	9%	1.03	1.15	(11%)

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

Q4 2020 ADJUSTED EBITDA¹



Non-GAAP financial measures

Expressed in \$ M	Q4 2020	Q4 2019
Net Income	18.6	19.0
Add Back:		
Community support provision and accruals	(0.4)	(0.1)
Inventory adjustment	-	1.3
Foreign exchange loss, Lindero Mine	3.2	1.0
Net finance items	0.2	(0.1)
Depreciation, depletion, and amortization	13.9	11.6
Income taxes	9.1	1.1
Share of loss from associates	-	0.1
Investment income	-	(11.0)
Other non-cash items	0.2	2.2
Adjusted EBITDA	44.8	25.1

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

FULL YEAR 2020 ADJUSTED EBITDA¹



Non-GAAP financial measures

Expressed in \$ M	2020	2019
Net Income	21.6	23.8
Add Back:		
Community support provision and accruals	(0.4)	(0.3)
Inventory adjustment	-	1.3
Foreign exchange loss, Lindero Mine	11.8	11.5
Net finance items	1.2	(0.3)
Depreciation, depletion, and amortization	45.7	46.0
Income taxes	37.4	20.2
Share of loss from associates	0.1	0.2
Investment income	(3.3)	(11.0)
Other non-cash items	(1.5)	4.0
Adjusted EBITDA	112.6	95.4

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

Q4 2020 ADJUSTED NET INCOME¹



Non-GAAP financial measures

Expressed in \$ M	Q4 2020	Adjustments	Q4 2020 Adjusted	Q4 2019	Adjustments	Q4 2019 Adjusted
Sales	103.5	-	103.5	69.0	-	69.0
Cost of sales	56.6	(0.1)	56.5	45.5	(1.1)	44.4
Mine operating income	46.9	0.1	47.0	23.4	1.1	24.6
General and Administration	12.1	-	12.1	9.4	-	9.4
Exploration and evaluation	0.6	-	0.6	0.4	-	0.4
Share of loss from associates	-	-	-	0.1	(0.1)	-
Foreign exchange loss	4.7	(3.2)	1.5	1.4	(1.0)	0.4
Other expenses, net	1.3	(1.4)	(0.1)	3.2	(3.0)	0.2
Operating Income	28.2	4.7	32.9	9.0	5.2	14.2
Investment income	-	-	-	11.0	(11.0)	-
Interest and finance costs, net	(0.3)	-	(0.3)	-	0.1	0.1
Loss on derivatives	(0.2)	0.2	-	-	-	-
Income before taxes	27.7	4.9	32.6	20.1	(5.7)	14.3
Income tax	9.1	0.4	9.6	1.1	2.3	3.4
Net income and adjusted net income	18.6	4.5	23.0	19.0	(8.0)	10.9

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

FULL YEAR 2020 ADJUSTED NET INCOME¹



Non-GAAP financial measures

Expressed in \$ M	2020	Adjustments	2020 Adjusted	2019	Adjustments	2019 Adjusted
Sales	279.0	-	279.0	257.2	-	257.2
Cost of sales	168.8	-	168.8	172.6	(0.9)	171.7
Mine operating income	110.2	-	110.2	84.6	0.9	85.5
General and Administration	35.1	0.1	35.2	29.8	0.1	29.9
Exploration and evaluation	1.2	-	1.2	2.4	-	2.4
Share of loss from associates	0.1	(0.1)	-	0.2	(0.2)	-
Foreign exchange loss (gain)	12.2	(12.4)	(0.2)	13.3	(11.5)	1.8
Other expenses, net	4.4	(1.6)	2.8	4.6	(4.3)	0.3
Operating Income	57.2	14.0	71.3	34.2	16.8	51.1
Investment income	3.3	(3.3)	-	11.0	(11.0)	-
Interest and finance costs, net	(1.4)	0.2	(1.2)	-	0.4	0.4
Loss on derivatives	(0.2)	0.2	-	(1.2)	2.6	1.4
Income before taxes	59.0	11.1	70.1	44.0	8.8	52.9
Income tax	37.4	0.8	38.2	20.2	4.2	24.4
Net income and adjusted net income	21.6	10.3	31.8	23.8	4.6	28.4

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

Q4 2020 Free Cash Flow^{1,2}



Non-GAAP financial measures

Expressed in \$ M	(Restated) ³	
	Q4 2020	Q4 2019
Net cash provided by operating activities	31.3	16.4
Less: Change in long-term receivables	0.9	(1.5)
Less: Additions to sustaining capital	(9.2)	(7.6)
Add: Adoption to IAS 16, Proceeds before intended use	21.9	2.8
Less: Lindero Pre-production costs	(2.7)	-
Less: Current income tax expense	(13.3)	(8.2)
Add: Income taxes paid	5.6	4.5
Free Cash Flow from ongoing operations	34.5	6.4

Note:

- Free Cash Flow calculated on the basis of current income tax rather than taxes paid
- Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
- In Q4 2020, the Company adopted the amendments to IAS 16, Property, Plant and Equipment – Proceeds before Intended Use, on a modified retrospective basis. Prior to the beginning of the fourth quarter, the Lindero Mine was under construction and was not classified as an ongoing operation for the purposes of the free cash flow calculation. The addback considers \$21.9 million of costs incurred during the construction period for the first nine months of 2020 and \$2.8 million of costs incurred during the fourth quarter of 2019 related to the production of ore stockpile and operating supplies both which were reclassified from capital works in progress to inventories under the amended standard and included in operating working capital.

FULL YEAR 2020 Free Cash Flow^{1,2}



Non-GAAP financial measures

Expressed in \$ M	(Restated) ³	
	2020	2019
Net cash provided by operating activities	93.4	60.2
Less: Change in long-term receivables	(0.1)	(1.5)
Less: Additions to sustaining capital	(23.0)	(26.0)
Less: Contractor advances for plant and equipment	-	(0.6)
Add: Advances applied to plant and equipment	-	0.7
Add: Adoption to IAS 16, Proceeds before intended use	21.9	2.8
Less: Lindero Pre-production costs	(2.7)	-
Less: Current income tax expense	(38.8)	(32.6)
Add: Income taxes paid	28.2	31.5
Free Cash Flow from ongoing operations	78.9	34.5

Note:

- Free Cash Flow calculated on the basis of current income tax rather than taxes paid
- Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
- In Q4 2020, the Company adopted the amendments to IAS 16, Property, Plant and Equipment – Proceeds before Intended Use, on a modified retrospective basis. Prior to the beginning of the fourth quarter, the Lindero Mine was under construction and was not classified as an ongoing operation for the purposes of the free cash flow calculation. The addback considers \$21.9 million of costs incurred during the construction period for the first nine months of 2020 and \$2.8 million of costs incurred during the fourth quarter of 2019 related to the production of ore stockpile and operating supplies both which were reclassified from capital works in progress to inventories under the amended standard and included in operating working capital.

FULL YEAR 2020 AISC¹ Ag Eq

San Jose impacted by lower production due to COVID-19 temporary suspension and mining royalties

Caylloma impacted Ag Eq calculation impacted by metal price ratios, AISC impacted by commercial terms



Notes:

- 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*
- 2020 AISC (\$/oz Ag Eq) was calculated using realized metal prices of \$1,805/oz Au, \$21.18/oz Ag, \$0.83/lb Pb and \$1.03 /lb Zn. ; 2019 AISC (\$/oz Ag Eq) was calculated using realized metal prices of \$1,393/oz Au, \$16.20/oz Ag, \$0.91/lb Pb and \$1.15 /lb Zn
- Ag Eq calculated using ratios of Ag:Au = 84.0:1 for 2020 and 86.0:1 for 2019
- Ag Eq calculated using ratios of Ag:Au = 90.2:1 ; Ag:Pb (lbs) = 1:24.9 ; Ag:Zn (lbs) = 1:20.0 for 2020 and Ag:Au = 85.8:1 ; Ag:Pb (lbs) = 1:17.9 ; Ag:Zn (lbs) = 1:14.1 for 2019