

Fortuna Silver Mines Inc.

June 28, 2005

Fortuna completes mine acquisition, private placement and name change

Fortuna Silver Mines Inc. (formerly Fortuna Ventures Inc.) is pleased to confirm the completion of its acquisition of the Caylloma Silver Mine in southern Peru, a private placement financing, and the Company's name change to Fortuna Silver Mines Inc.

Caylloma hosts an NI 43-101 compliant estimate of 7 million ounces of silver in proven and probable reserves, plus 14 million ounces of silver in inferred resources. The acquisition also includes a 350 man camp, a 600 tpd mill and over 8,000 hectares of mining concessions.

As set out in the Company's news release of June 8, 2005, Fortuna has agreed to purchase a 100% interest in the Caylloma Silver Mine in consideration of cash payments totalling US\$7.55 million and the issuance of shares and warrants totalling 10.803% of the fully diluted capital of the Company. The initial securities issued to the vendors are 574,744 common shares of the Company and warrants to purchase 862,117 common shares exercisable at \$0.345 per share for two years.

The Company has also completed a private placement of 1.5 million units at \$0.70 per unit. Each unit consists of one common share and one warrant to purchase an additional share at \$0.75 for one year, raising gross proceeds of \$1.05 million.

All of the above securities have a four-month hold period from the date of issuance, expiring on October 28, 2005.

The Company has also changed its name, effective immediately, to Fortuna Silver Mines Inc., and will continue to trade under the symbol FVI.

Fortuna Silver Mines Inc. is an emerging silver-gold and base metal producer focused on Latin America. The Company's main assets are the Caylloma Silver Mine in Peru and the Tambor Gold Project in Guatemala. Fortuna expects to be a 2 million ounce per year silver producer in 2006, and is aggressively pursuing additional acquisitions. For more information, please call 604-484-4085 or visit our website www.fortunasilvermines.com.

The TSX Venture Exchange has not reviewed and does not take responsibility for the adequacy or accuracy of this release.

ON BEHALF OF THE BOARD,

“signed”

Peter Thiersch, President
Fortuna Silver Mines Inc.
TSX-V: FVI