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TSX-V: FVI

Fortuna outlines bonanza Ag-Au shoot at the San Jose project, Mexico.

September 5, 2006: Fortuna Silver Mines Inc. (FVI:TSX-V). Mr. Jorge Ganoza, President of Fortuna, is pleased to present results from the Company's recently completed phase one drill program on the San Jose silver-gold project in Oaxaca, Mexico. Multiple high grade intercepts over considerable widths have outlined a bonanza style high grade mineralized shoot that remains open at depth. Upon receipt of all pending assays the Company will design a second phase program that will include further drilling, expected to begin in October.

Fortuna completed a total of 11,904m of core drilling in 37 holes using 2 rigs, between January and June of 2006. The program was designed to test the San Jose vein system over 2km strike distance, on 100m sections, to depths of 300 to 400 meters below surface. A schematic long section will be made available shortly on Fortuna's website at www.fortunasilver.com.

Complete results for the 24 holes in the Trinidad area are tabulated below (including data for 9 holes previously released May 15, 2006). Results for the remaining 13 holes along strike to the south in the San Ignacio area are pending.

SAN JOSE PROJECT 2006 DRILL PROGRAM TRINIDAD ZONE ASSAY SUMMARY

Hole	Target	From (m)	To (m)	Au (g/t)	Ag (g/t)	Interval (m)
SJO-16 *	D1	161.35	166.08	1.48	239	4.73
SJO-17	E1	No Significant Interval				
SJO-18 *	C1 <i>incl</i>	240.92	251.48	7.28	616	13.86
		245.85	246.91	27.00	2020	1.06
SJO-19 *	D2	252.21	257.70	1.21	164	5.49
		406.27	410.59	2.18	167	4.32
		422.00	426.80	1.39	121	4.80
SJO-20 *	C2 <i>incl</i>	339.70	341.34	2.94	714	1.64
		368.90	373.01	10.52	1772	4.11
		371.21	371.98	31.50	6140	0.77
SJO-21 *	B1	222.25	222.89	1.06	220	0.64
		246.50	255.90	2.70	479	9.40
		262.47	268.48	0.53	128	6.53
SJO-22 *	B2	373.50	374.35	1.93	201	0.85
		387.63	390.00	2.55	568	2.37
		414.17	415.97	3.61	394	1.80

Hole	Target	From (m)	To (m)	Au (g/t)	Ag (g/t)	Interval (m)
SJO-30 *	A1	253.85	255.30	1.12	155	1.45
		264.80	265.55	0.67	118	0.75
SJO-32 *	A2	347.53	349.03	0.61	131	1.50
		356.80	358.11	0.62	110	1.31
SJO-35 *	A3	No Significant Interval				
SJO-39	E3 <i>incl</i>	42.75	47.65	5.90	843	4.90
		42.75	44.00	12.55	1510	1.25
SJO-40	F2	No Significant Interval				
SJO-41	E0a	No Significant Interval – lost in old workings				
SJO-42	F1	No Significant Interval				
SJO-43	E0b	No Significant Interval – lost in old workings				
SJO-44	F0	No Significant Interval – lost in old workings				
SJO-45	F3	194.86	195.55	2.72	443	0.69
SJO-46	D4	371.00	373.30	5.64	869	2.30
		401.66	404.59	1.20	272	2.93
		414.60	424.82	5.33	347	10.22
		480.31	487.44	3.99	397	7.13
SJO-47	F4	No Significant Interval				
SJO-48	E4	186.78	188.23	3.05	108	1.45
SJO-49	D3	No Significant Interval - lost before target				
SJO-50	B3 <i>incl</i>	331.90	335.80	1.96	338	3.90
		331.90	332.40	6.06	1415	0.50
SJO-51	D5 <i>incl</i>	328.50	346.41	2.48	298	17.91
		328.50	330.00	7.15	1315	1.50
		394.84	399.00	1.76	261	4.16
		404.06	407.03	1.51	335	2.97
	<i>incl</i>	424.20	448.45	10.09	1005	24.25
		429.17	440.16	20.93	2106	10.99
		429.17	433.98	41.98	4234	4.81
		431.30	432.15	126.00	13218	0.85
SJO-52	E5	370.20	372.78	1.14	223	2.58

Note that true widths vary between roughly 70-85% of the drill core intervals tabulated above.

* Results previously released May 15, 2006.

All samples were analyzed for 31 elements using ICP techniques, and for silver and gold using fire assay with a gravimetric finish, by ALS Chemex of North Vancouver BC. Core samples were logged and cut on site at San Jose, air freighted to Chemex's sample prep lab in Guadalajara, Mexico, and then forwarded to Chemex's North Vancouver facility for assaying. A comprehensive QA-QC program was conducted using blanks and standards to ensure accuracy in the sampling program.

Mr. Peter Thiersch, Vice President of Exploration for the Company, commented: "Drilling has consistently returned potentially mineable silver and gold grades over considerable widths, with many drill holes cutting multiple veins. It is apparent that drilling has outlined a bonanza style mineralized shoot at Trinidad roughly 500m along strike by 200m vertical, below existing workings, with a high grade core at least 250m long, which remains open to depth."

Fortuna can earn a controlling interest in the San Jose project from Continuum Resources Ltd., by spending \$2 million on drilling by December 2007, completing a NI 43-101 compliant resource estimate, and making a cash payment to Continuum based on the ounces of silver or silver equivalent set out in the resource estimate.

The deposit currently has an inferred resource of 527,283 tonnes grading 396 g/t Ag and 3.5 g/t Au (based on 4,845m of drilling in 15 holes conducted by Continuum) as outlined in the April 2006 Technical Report available on SEDAR.

Qualified Person: Mr. Peter Thiersch, M.Sc. P.Geo., Vice-President, Exploration of Fortuna Silver Mines Inc., is the Qualified Person for Fortuna, as defined by National Instrument 43-101, and was responsible for the design and management of the San Jose drill program.

Fortuna is a growth oriented, near term silver producer focused on Latin America. Our primary assets are the Caylloma Silver Mine in southern Peru, and the San Jose Silver-Gold Project in Mexico, and we are aggressively pursuing additional acquisitions. For more information, please visit our website at www.fortunasilver.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

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