



**FORTUNA**  
SILVER MINES INC.

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TSX-V: FVI

## **FORTUNA COMPLETES \$10.2 MILLION FINANCING**

October 12, 2005: Fortuna Silver Mines Inc. (TSX-V:FVI) is pleased to report that it has closed the second tranche of its private placement previously announced on August 3, 2005 raising an additional \$3.0 million. In total, the placement raised \$10.2 million and was oversubscribed by \$1.2 million.

In the second tranche, the Company sold 4.0 million units via a non-brokered private placement at a price of \$0.75 per unit to raise gross proceeds of \$3.0 million. Each unit consists of one common share and one warrant entitling the holder to purchase one additional common share of the Company at \$1.00 in the first year and \$1.25 in the second year. In connection with certain of the subscriptions received, the Company paid finder's fees totalling \$153,587 cash and warrants to purchase up to 231,056 shares exercisable at \$0.80 per share for two years.

All of the above securities have a four-month hold period from the date of issuance, expiring on February 8, 2006.

The net proceeds of the placement will be used to make payments related to the acquisition of the Caylloma Mine in Peru, for exploration and development of the property, and for general working capital purposes.

Fortuna is a growth oriented, near term silver producer focused on Latin America. Our primary asset is the Caylloma Silver Mine in southern Peru, and we are aggressively pursuing additional acquisitions. For more information, please visit our website at [www.fortunasilver.com](http://www.fortunasilver.com)

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

### **ON BEHALF OF THE BOARD**

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