



Fortuna and Continuum option additional exploration ground around San Jose Project, Mexico

February 12, 2007: Fortuna Silver Mines Inc. (FVI:TSX-V “Fortuna”). Mr. Jorge Ganoza, President of Fortuna, is pleased to announce that Fortuna and Continuum Resources Ltd. (“Continuum”) have signed an option agreement for a 100% interest in a 30,000 hectare mineral concession around the San Jose project area in Oaxaca, Mexico. San Jose is being explored and developed under a joint venture between Fortuna (76%) and Continuum (24%). Fortuna and Continuum now own directly or control through option-to-purchase agreements, mining concessions covering more than 47,000 hectares in the San Jose-Tavicche Mining District.

The addition of these 30,000 hectares around San Jose will allow Fortuna and Continuum to carry out an aggressive exploration program in this emerging high-grade, silver-gold camp. Exploration to date has identified a number of epithermal alteration areas and color anomalies in the district. The joint venture plans to mobilize reconnaissance crews to the property in the coming weeks.

The option agreement calls for staged payments totaling US\$ 0.5 million over a four year period, with a one time success payment of US\$ 1.3 million if and when commercial production is realized from the concession.

San Jose is a high-grade, epithermal silver-gold project. Fortuna’s recent drilling at the project returned a series of bonanza-style high grade intercepts outlining a mineralized shoot that remains open at depth and along strike (see Fortuna news release dated September 5th, 2006). Drilling is expected to resume shortly and two rigs are being mobilized to the property.

The San Jose Mine, located in the western portion of the district was in production at a rate of roughly 150 tonnes per day up to November 2006 when a 100% interest in the mine was acquired by Fortuna Silver Mines (76% ownership) and Continuum Resources (24%). Plans are currently being developed to resume production at the mine coincident with the development of a production decline to provide access to the deposit for mechanized mining. An aggressive exploration drilling program will be carried out concurrently to explore the depth extension of the high-grade Trinidad shoot.

Mr. Jorge Ganoza, President of Fortuna commented: “With the latest option agreement we have successfully secured a commanding land position in this emerging high-grade silver-gold vein camp. We have a very exciting year ahead of us at San Jose with generative exploration, exploration and definition drilling, and a production target for late 2007.”

Background

Fortuna is a growth oriented, silver and base metal producer focused on mining opportunities in Latin America. Our primary assets are the Caylloma Silver Mine in southern Peru and the San Jose Silver-Gold Project in Mexico. The Company is aggressively pursuing additional acquisition opportunities. 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

Jorge Ganoza Durant, President
Fortuna Silver Mines Inc.
Tel: 604-484-4085
Symbol: TSX-V:FVI