



FORTUNA
SILVER MINES INC.

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TSX-V: FVI

New Management & Tier 1 Graduation

January 23, 2006: Fortuna Silver Mines Inc. (TSX.V: FVI), is pleased to announce that Mr. Jorge Ganoza Durant will assume the position of President of the Company, as Mr. Peter Thiersch steps aside to take on the role of Vice President Exploration.

Mr. Ganoza's appointment reflects Fortuna's prime focus on reopening the Caylloma Silver Mine in Peru in 2006. He is an experienced geological engineer with a background in business development, exploration and underground mining. Jorge represents the third generation of a Peruvian mining family that has owned and operated precious and base metal mines in Peru, Panama and Colombia.

In his new role as Vice President Exploration, Mr. Thiersch will focus on advancing the Company's San Jose project and others, in Mexico. Peter is a geologist with over 20 years experience in international mineral exploration and will remain as a director and Qualified Person for the Company, as defined by NI 43-101.

Mr. Thiersch commented that "It has been a busy and successful first year for Fortuna. Now, I'm pleased to be able to hand the reigns to Jorge, to reflect our primary focus on silver production, and devote my time to exploring in Mexico, which will also be an important part of our growth strategy moving forward."

Tier 1

Fortuna is also pleased to announce that having met all the requirements of the TSX Venture Exchange, the company has graduated to Tier 1 status, effective January 13, 2006. As a result, the securities currently held in escrow (pursuant to the Company's Caylloma Mine acquisition completed in June 2005), will now be released based on the Exchange's schedule for Tier 1 companies. Accordingly, an additional 297,557 securities will be released now, leaving 297,556 escrowed securities to be released on June 27, 2006 and the final 297,556 securities released on December 27, 2006.

Fortuna is a growth oriented, near term silver producer focused on Latin America. Our primary assets include 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

Peter Thiersch, President
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