



## Fortuna Provides Property Update

**December 19, 2005: Fortuna Silver Mines Inc. (TSX-V: FVI)** is pleased to provide an update on its activities over the past quarter. Since acquiring the Caylloma Silver Mine in June, Fortuna has moved steadily towards its objective of establishing itself as a significant silver producer in a rising metal market. As part of this strategy the Company now has interests in several advanced projects in Peru and Mexico, the two most significant silver producing countries in the world.

### Peru

At the 100% owned Caylloma Silver Mine in southern Peru, Fortuna continues to advance through the engineering phase towards development and production. The Company will be spending up to \$2 million on exploration drilling over the next year with the goal of expanding the current NI 43-101 compliant estimate of 7 million ounces silver in proven and probable reserves (776,350 tonnes at 9.2 opt) and 14 million ounces silver in inferred resources (1,146,599 tonnes at 12.4 opt), plus significant lead and zinc byproduct credits.

The Caylloma geology office is also reworking the existing ore deposit and production models for the polymetallic Animas vein, to include broad zones of silver-lead-zinc mineralization that were not considered in the current resource estimate. An underground core drilling program (94 holes totaling 1928m) has been completed, and the Company expects the results of the new interpretation during the first quarter of 2006. The Animas structure is at least 3800m long and locally up to 20m wide and may be amenable to bulk tonnage mining methods. A full technical report outlining the original 600 tpd production model is available on the Company's website at [www.fortunasilver.com](http://www.fortunasilver.com).

A surface core drilling program is scheduled to commence in mid December to test the continuity of the La Plata-Cimoide mineralized shoot, which remains open along strike and to depth. This structure hosts proven and probable reserves of 52,987 tonnes grading 437 g/t Ag and 2.33 g/t Au, plus inferred resources 40,243 tonnes grading 709 g/t Ag and 2.9 g/t Au (See Technical Report filed by the Company on SEDAR June 24, 2005.)

Drilling conducted during 2003 on the La Plata-Cimoide vein by the previous owner returned significant grades, which are tabulated below. These results have been reviewed by a qualified person and are part of the current Caylloma technical report. (See Technical Report filed by the Company on SEDAR June 24, 2005.)

DDH	Ag (g/t)	Au (g/t)	True Thickness (m)
LP-01-03	160	Nil	0.65
LP-08-03	320	2.93	0.75
LP-09-03	823	Nil	0.75
LP-03-03	787	3.00	1.3

Fortuna is also working to consolidate a commanding land position in one of the most productive silver-gold vein camps in Peru. The recently announced acquisition of the Julia vein (Dec. 5, 2005 press release), situated just 10km from Caylloma, includes chip sample results up to 16.87 g/t Au and 64 g/t Ag over 2.31 meters across the vein. The Company has also acquired an additional ground surrounding the historic Sukuytambo Mine, which last produced in the 1980's and reported historic head grades ranging from 180 to 466 g/t silver and 4 g/t gold. Field crews will be exploring these projects in the new year, with the goal of determining the viability of these prospects to become small high grade satellite operations to the Caylloma mill, which is located within easy trucking distance.

## **Mexico**

Through its option agreement with Continuum Resources Ltd. Fortuna can earn a controlling interest in the San Jose Silver-Gold Project in Oaxaca, Mexico (see Nov. 16, 2005 press release). San Jose is a significant high grade silver-gold exploration target which is currently being exploited by a small scale (100 tpd) underground mining operation. During 2004 and 2005, Continuum collected channel samples from underground and conducted core drilling from surface to partially define a high grade mineralized shoot, which remains open to depth and along strike.

Significant underground sample and drill results are summarized below. For more detailed information, location maps and sections, please see Continuum's press releases dated February 18, January 18, March 21 and May 10, and the Continuum website at [www.continuumresources.com](http://www.continuumresources.com).

### Drill Hole results:

<b>Drill Hole</b>	<b>True width (m)</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>
<b>SJO-1</b>	3.55	1.49	427
	1.73	3.49	763
	1.06	2.29	441
	2.79	2.22	321
<b>SJO-2</b>	1.80	1.41	348
	11.02	3.05	379
<b>SJO-3</b>	3.70	7.47	721
	8.06	7.36	703
	0.68	6.77	710
<b>SJO-9</b>	1.35	0.43	135
	4.40	1.63	285
<b>SJO-10</b>	3.10	2.8	582
<b>SJO-11</b>	8.06	1.10	210
<b>SJO-12</b>	2.12	0.18	34
<b>SJO-13</b>	3.18	0.85	135
<b>SJO-14</b>	2.22	2.38	589
<b>SJO-15</b>	6.91	2.02	216

Underground Sample results:

<b>Channel</b>	<b>True Width (m)</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>
<b>A</b>	2.65	11.51	1454
<b>B</b>	2.40	5.58	785
<b>C</b>	2.60	9.13	980
<b>D</b>	1.70	14.07	1473
<b>E</b>	3.25	18.89	1075
<b>F</b>	2.70	12.71	936
<b>G</b>	2.80	17.84	1794
<b>H</b>	14.80	6.52	482

This mineralized shoot is one of 3 conceptual targets along a 3km long vein system which remain to be drill tested, and management believes there is excellent potential to expand this resource along strike and to depth with additional work.

Under terms of the agreement, Fortuna will be spending US\$1 million on drilling before August 2006, with the goal of proving up additional tonnage. The agreement also provides Fortuna with access to Continuum's 10 other silver-gold vein projects in the district.

**Guatemala**

The Tambor Gold project was optioned from Radius Gold in 2004, and the Company had plans for an extensive program of drilling and underground development on this high grade gold deposit. However, in light of recent acquisitions and a primary focus on silver, the Company has decided to drop the Tambor option.

**Acquisitions**

Fortuna is constantly evaluating new opportunities in order to meet our corporate objective of building significant silver inventory and future cash flow, by acquiring advanced projects and near term producers accretive to shareholder value. Through this aggressive growth strategy, the Company has obtained interests in two significant projects in less than a year, with high expectations for additional success in the coming months. We look forward to continued growth through the advancement and development of our existing projects and future acquisitions.

Qualified Person: Mr. Peter Thiersch, M.Sc. P.Geo., President of Fortuna, is the Qualified Person for the Company, as defined by National Instrument 43-101, and is responsible for the accuracy of this press release.

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 adequacy or accuracy of this release.*

ON BEHALF OF THE BOARD

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