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TSX-V: FVI

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FORTUNA INCREASES PRIVATE PLACEMENT TO \$19 MILLION

March 2, 2006: Fortuna Silver Mines Inc. (TSX.V: FVI), Mr. Jorge Ganoza, President of Fortuna is pleased to announce that the Company has agreed to increase the size of its previously announced brokered private placement. Fortuna will now issue up to 12,700,000 units (“Units”) priced at \$1.50 per Unit, for gross proceeds of up to \$19,050,000, inclusive of any over-allotment option. The other terms of the private placement are the same as announced in Fortuna’s March 1 press release. The offering is co-lead by Pacific International Securities Inc. and Salman Partners Inc., and includes Sprott Securities Inc. as co-agent.

The net proceeds of the placement will be used to make capital expenditures related to re-opening the Caylloma Mine in Peru, for exploration of the Company’s properties in Peru and Mexico, and for general working capital purposes.

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 Gold-Silver 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

“Jorge Ganoza Durant”

Jorge Ganoza Durant, President
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