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TSX-V: FVI

FORTUNA'S PERUVIAN OPERATIONS NOT AFFECTED BY NATIONAL STRIKE

July 2, 2008 - Fortuna Silver Mines Inc. (TSX-V: FVI / Lima Exchange: FVI) wishes to confirm that operations at our Caylloma Mine in southern Peru are unaffected by the miners' union strike which started on Monday this week. All of our mine and office personnel are conducting their activities normally as the mine is non-unionized.

In addition, we are pleased to inform that at Caylloma the processing plant throughput average for the month of June is 950 tpd, up from 750 tpd in January. Currently, the Company is working on optimizing the crushing and mill circuits at the plant to be able to reach 1100 tpd by year's end.

Fortuna Silver

Fortuna Silver Mines Inc. 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 southern 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 Alberto Ganoza Durant
President, CEO and Director
Fortuna Silver Mines Inc.

Symbol: TSX-V: FVI / Lima: FVI

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