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Fortuna Silver Continues to Extend High-Grade Ag Ore Shoots at Caylloma Mine

April 14, 2011: Fortuna Silver Mines Inc. (TSX: FVI / Lima Stock Exchange: FVI) is pleased to announce additional assay results from the discovery of two high-grade silver ore shoots in the Bateas Vein, located in the central portion of the Caylloma Mine District. Preliminary results were previously announced in a news release dated December 15, 2010.

Highlights of underground channel sampling:

- **Gallery 309E: 160m interval averaging 1,225 g/t Ag, 0.06 g/t Au, 0.89% Pb, 1.23% Zn and 0.60% Cu over average vein width of 0.86m**
- **Gallery 315E: 57m interval averaging 1,336 g/t Ag, 0.08 g/t Au, 0.30% Pb, 0.44% Zn and 0.38% Cu over average vein width of 0.91m**
- **Chimney 308N: 122m interval averaging 876 g/t Ag, 0.06 g/t Au, 0.37% Pb, 0.51% Zn and 0.35% Cu over average vein width of 0.82m**
- **Chimney 310N: 46m interval averaging 768 g/t Ag, 0.14 g/t Au, 0.64% Pb, 0.98% Zn and 0.50% Cu over average vein width of 0.64m**

“The discovery of the high-grade silver ore shoots in the Bateas Vein is a strong validation of the continued exploration potential in this historic district,” commented Dr. Thomas Vehrs, Vice President of Exploration. “The district has been in semi-continuous production since the arrival of the Spaniards in the early 16th century and the potential for new discovery is still outstanding. We are currently exploring the lateral and depth extensions of the Bateas, San Cristobal, Animas and La Plata veins with a Caylloma Brownfields exploration budget totaling in excess of US\$6.5M for 2011.”

Longitudinal sections of the Bateas Vein illustrating the sample results and the newly discovered ore shoots are available on the Company’s website at http://www.fortunasilver.com/i/pdf/NR_Bateas-Vein-Long-Section_8apr2011.pdf.

Underground development is in-progress at the Bateas vein with the aim of incorporating the new ore shoots into the production plans for 2011. The new high-grade silver ore shoots were discovered through the extension of exploration and development drifts from current production areas on the 10th and 12th levels of the Bateas Vein. The exploration drifts have now cross-cut the strike width of the ore shoots and are being advanced to the northeast to explore for additional high-grade ore shoots. Vertical chimneys 308N and 310N have been completed between level 12 (4500m elevation) and level 10 (4620m elevation) confirming the vertical continuity of the high-grade shoots. Within the ore shoots, the vein ranges up to 2m in width with silver mineralization being present as tetrahedrite, pyrrargyrite, proustite and other Ag-bearing sulfosalts in a banded rhodonite-rhodochrosite-quartz vein matrix. Minor sphalerite, galena and chalcopyrite are also present in the vein.

The Caylloma Mine currently produces approximately 1,250 tpd with the production primarily being sourced from the Ag-bearing polymetallic Animas, Soledad, Santa Catalina and Silvia veins supplemented by high-grade silver ores from the Bateas Vein and the upper levels of the Animas Vein. In 2010, the Caylloma Mine produced 1.9M oz of silver in addition to appreciable quantities of lead, zinc and copper. Production for 2011 is forecast at the same level (see Fortuna news release dated Jan. 13, 2011).

Quality Assurance and Quality Control

Sample results reported for the underground workings are based on channel samples systematically collected perpendicular to the orientation of the vein. Samples are dried, prepared and analyzed at company-owned sample preparation and laboratory facilities at the Caylloma property. Silver and base metals are assayed by atomic absorption methods utilizing an aqua regia digestion. Gold is assayed by standard fire assay methods with an atomic absorption finish. Certified reference standards are blindly inserted into the sample stream at a frequency of 1 per 20 normal samples. Assay blanks are blindly inserted at a frequency of 1 per 30 samples and field duplicates are collected and analyzed at a frequency of 1 per 80 normal samples. Check assay samples and preparation duplicate samples are routinely submitted to ALS Chemex facilities in Lima to verify sample preparation and assay quality.

Qualified Person

Mr. Miroslav Kalinaj, P. Geo., is the Company's Qualified Person as defined by the National Instrument 43-101 and has verified the technical information in this news release.

Fortuna Silver Mines Inc.

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 selectively pursuing additional acquisition opportunities. For more information, please visit our website at www.fortunasilver.com.

ON BEHALF OF THE COMPANY

Jorge Ganoza
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Forward-Looking Statements

Certain statements in this press release constitute forward-looking statements and as such are based on an assumed set of economic conditions and courses of action. These include estimates of the time of commencement, commissioning and full production, future production levels, expectations regarding mine production costs, expected trends in mineral prices and statements that describe Fortuna's future plans, objectives or goals. There is a significant risk that actual results will vary, perhaps materially, from results projected depending on such factors as changes in general economic conditions and financial markets, changes in prices for silver and other metals, technological and operational hazards in Fortuna's mining and mine development activities, risks inherent in mineral exploration, uncertainties inherent in the calculation of mineral reserves, mineral resources, and metal recoveries, the timing and availability of financing, governmental and other approvals, political unrest or instability in countries where Fortuna is active, labor relations and other risk factors.