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Fortuna Options the Mario Ag-Au-Pb-Zn Property in Central Peru

May 30, 2011: Fortuna Silver Mines Inc. (TSX: FVI / Lima Stock Exchange: FVI) is pleased to announce the signing of an agreement with Crocodile Gold Corp. (TSX: CRK) granting Fortuna the exclusive right and option to acquire a 100% interest in the Mario Property of Crocodile Gold, located in the Department of Junin in central Peru. The option agreement is the first to be signed under Fortuna's project acquisition program which is focused on identifying high quality silver-rich targets in Latin America.

The Mario property covers highly prospective silver-gold-base metal mineralization occurring as massive sulfide replacement bodies, veins, mantos, hydrothermal breccias, disseminations and skarn-type bodies. The Property covers 3,850 contiguous hectares and is located in the highly prospective central Peru metallogenic province, which hosts numerous large Ag-Pb-Zn carbonate replacement style deposits such as El Porvenir, Cerro de Pasco and Atacocha. It has undergone several phases of historic exploration, most recently in 2006 by Franc-Or Resources Corp.

Mr. Jorge Ganoza, Fortuna's President and CEO, commented "The Mario Property is an exciting exploration project for the Company, located in one of the most prolific and productive silver-base metal provinces of Peru. This new growth opportunity comes as a result of the execution of our exploration team's project generation programs, being carried both in Peru and Mexico. The Company currently has four drill rigs working at the Caylloma Mine and the San Jose Project and looks forward to advancing the Mario Property to a drill stage prior to the end of the year".

Highlights of the historic drilling carried out at Mario include:

Hole_Id	From (m)	To (m)	Drill Int. (m)	Ag (g/t)	Au (ppb)	Pb (%)	Zn (%)
FO-06-02	1.45	8.90	7.45	192	440	1.21	1.77
FO-06-03	111.00	129.75	18.75	265	554	2.57	12.61
FO-06-05	59.20	131.40	72.20	44	974	0.55	0.66
FO-06-07	39.30	56.15	16.85	390	483	4.86	6.90
FO-07-25	174.30	177.70	3.40	309	119	0.36	0.52
FO-08-29	70.30	81.80	8.75	658	229	6.04	1.32
FO-08-29	111.10	117.00	5.90	523	875	5.56	6.85

FO-08-29	125.80	133.05	7.25	176	694	2.93	4.77
FO-08-34	107.10	149.85	42.75	31	1,047	0.54	0.55
PU-00-01	143.90	152.60	8.70	404	NA	3.16	11.34
PU-00-03	89.45	91.00	1.55	1,021	NA	13.96	2.98
PU-00-08	29.45	38.60	9.15	560	NA	6.35	26.10
PU-00-09	50.70	54.55	3.85	486	NA	4.91	7.87
PU-03-24	10.30	18.80	8.50	283	315	2.56	3.14
PU-03-28	72.20	85.80	13.60	303	2,918	3.96	11.05
PU-03-29	23.00	27.00	4.00	434	315	2.65	3.44
PU-03-38	141.70	145.90	4.20	475	417	4.24	1.88

Drill hole assay averages reproduced from news releases and technical reports previously published by Franc-Or Resources Corp ('FO-' Hole_Ids) and Sulliden Gold Corp. Ltd. ('PU-' Hole_Ids). NA= Not Assayed.

Past Exploration Results at the Mario Property

The Mario Property has been previously explored by Teck-Cominco (1995-99), Sulliden Gold Corp. Ltd. (2000-03) and Franc-Or Resources Corp. (2006-08), who subsequently amalgamated with Crocodile Gold in 2009. Past exploration has included geologic mapping, geochemical sampling, geophysical surveys and approximately 14,000 meters of drilling resulting in the identification of Ag-Au-Pb-Zn mineralization in the form of massive sulfide replacement bodies, veins, mantos, hydrothermal breccias, disseminations and skarn-type deposits.

Terms of the Purchase Option Agreement

The Purchase Option Agreement grants to Fortuna the exclusive right and option to purchase an undivided 100% interest in the Mario Property subject to the following terms:

1. Payment of US\$500,000 on signing of agreement
2. Payment of US\$500,000 on or before six months from the signing of the agreement
3. Payment of US\$500,000 on or before 12 months from the signing of the agreement
4. Payment of US\$2,500,000 on or before 24 months from the signing of the agreement

The purchase of the property by Fortuna is subject to a 1% net smelter return (NSR) royalty on production from the property payable to Crocodile Gold. Fortuna shall have the right to purchase the NSR royalty from Crocodile at any time during the five year period following the final option payment for the sum of US\$3,000,000. The property is also subject to a 2% NSR royalty on production payable to Teck Cominco and a 0.5% NSR royalty on production payable to Socrate Capital Inc., with each royalty in turn subject to certain buy-back provisions.

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
President, CEO and Director
Fortuna Silver Mines Inc.

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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.