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Fortuna reports production of 2.1 million ounces of silver and 14,547 ounces of gold for second quarter 2017

Vancouver, July 13, 2017-- Fortuna Silver Mines, Inc. (NYSE: FSM) (TSX: FVI) is pleased to announce second quarter 2017 production results from its two operating mines in Latin America, the San Jose Mine in Mexico and the Caylloma Mine in Peru. The company produced 2.1 million ounces of silver, 14,547 ounces of gold, plus base metal by-products. Silver and gold production for the first six months totaled 4.2 million ounces and 27,747 ounces respectively; being 1 percent and 4 percent above the company's mid-year projection. Fortuna is on schedule to produce 8.1 million ounces of silver and 52.4 thousand ounces of gold or 11.2 million Ag Eq* ounces in 2017 (see [Fortuna news release dated January 11, 2017](#)).

Second Quarter Production Highlights

- Silver production of 2,116,863 ounces; 36 % increase over Q2 2016
- Gold production of 14,547 ounces; 55 % increase over Q2 2016
- Lead production of 7,170,027 pounds; 19 % decrease over Q2 2016
- Zinc production of 10,613,417 pounds; 5 % decrease over Q2 2016
- Cash cost** for San Jose is US\$61.7/t
- Cash cost** for Caylloma is US\$85.4/t

(*) Ag Eq calculated using silver to gold ratio of 60 to 1 and does not include lead nor zinc

(**) Preliminary estimates of cash operating costs per tonne, subject to modification on final cost consolidation

Consolidated Operating Highlights

	Second Quarter 2017			Second Quarter 2016		
	Caylloma, Peru	San Jose, Mexico	Consolidated	Caylloma, Peru	San Jose, Mexico	Consolidated
Processed Ore						
Tonnes milled	131,974	268,456		129,958	185,080	
Average tpd milled	1,483	3,016		1,460	2,152	
Silver*						
Grade (g/t)	64	238		89	226	
Recovery (%)	84.55	91.84		85.55	91.99	
Production (oz)	229,594	1,887,269	2,116,863	318,229	1,234,988	1,553,217

(*) Metallurgical recovery for silver at Caylloma Mine is calculated based on silver contents in lead concentrate

	Second Quarter 2017			Second Quarter 2016		
	Caylloma, Peru	San Jose, Mexico	Consolidated	Caylloma, Peru	San Jose, Mexico	Consolidated
Gold						
Grade (g/t)	0.19	1.82		0.19	1.70	
Recovery (%)	16.60	91.55		14.94	91.65	
Production (oz)	137	14,410	14,547	119	9,246	9,365
Lead						
Grade (%)	2.70			3.28		
Recovery (%)	91.25			93.77		
Production (lbs)	7,170,027		7,170,027	8,825,104		8,825,104
Zinc						
Grade (%)	4.04			4.41		
Recovery (%)	90.36			88.56		
Production (lbs)	10,613,417		10,613,417	11,201,688		11,201,688

San Jose Mine, Mexico

The San Jose Mine produced 1,887,269 ounces of silver and 14,410 ounces of gold in the second quarter, 3 % and 12 % above budget respectively. Silver and gold production for the first six months totaled 3.7 million ounces and 27,526 ounces respectively; being 1 percent and 4 percent above the mine's mid-year projection. Average head grades for silver and gold in the second quarter were 238 g/t and 1.82 g/t, 3 % and 12 % above budget respectively.

Mine production was sourced from Trinidad Central and Trinidad North with each area contributing 60 % and 40 % of ore respectively. The processing plant treated 3,016 tpd, a 40 % increase year over year.

Caylloma Mine, Peru

The Caylloma Mine produced 229,594 ounces of silver in the second quarter, 2 % above budget. Average silver head grade of 64 g/t, 3 % below budget, was offset by higher metallurgical recovery of 84.55 %, 6 % above budget. Silver production for the first six months totaled 469,818 ounces; in line with the mine's mid-year projection.

Lead and zinc production were 7,170,027 pounds and 10,613,417 pounds respectively, 3 % and 5 % above budget. Base metals production for the first six months totaled 14,380,733 pounds of lead and 21,429,706 pounds; being 4% and 7% above the mine's mid-year projection. Average head grades for lead and zinc in the second quarter were 2.70% and 4.04%, 6 % and 5 % above budget respectively.

Mine production was sourced primarily from the Animas NE and Animas Central areas with each area contributing 57 % and 33 % of ore respectively. The processing plant treated 1,483 tpd, a 2 % increase year over year.

Qualified Person

Edwin A. Gutierrez, Technical Services Corporate Manager, is the Qualified Person for Fortuna Silver Mines Inc. as defined by National Instrument 43-101. Mr. Gutierrez is a Registered Member of the Society for Mining, Metallurgy and Exploration, Inc. (SME Registered Member Number 4119110RM) and is responsible for ensuring that the information contained in this news release is an accurate summary of the original reports and data provided to or developed by Fortuna Silver Mines.

About Fortuna Silver Mines Inc.

Fortuna is a growth oriented, precious metals producer focused on mining opportunities in Latin America. Our primary assets are the Caylloma silver Mine in southern Peru, the San Jose silver-gold Mine in Mexico and the Lindero gold Project in Argentina. The company is selectively pursuing acquisition opportunities throughout the Americas and in select other areas. For more information, please visit our website at www.fortunasilver.com.

Jorge A. Ganoza
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Trading symbols: NYSE: FSM | TSX: FVI

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Forward looking Statements

This news release contains forward looking statements which constitute “forward looking information” within the meaning of applicable Canadian securities legislation and “forward looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 (collectively, “Forward looking Statements”). All statements included herein, other than statements of historical fact, are Forward looking Statements and are subject to a variety of known and unknown risks and uncertainties which could cause actual events or results to differ materially from those reflected in the Forward looking Statements. The Forward looking Statements in this news release may include, without limitation, statements about the Company’s plans for its mines and mineral properties; the Company’s business strategy, plans and outlook; the merit of the Company’s mines and mineral properties; mineral resource and reserve estimates; timelines; the future financial or operating performance of the Company; expenditures; approvals and other matters. Often, but not always, these Forward looking Statements can be identified by the use of words such as “estimated”, “potential”, “open”, “future”, “assumed”, “projected”, “used”, “detailed”, “has been”, “gain”, “planned”, “reflecting”, “will”, “containing”, “remaining”, “to be”, or statements that events, “could” or “should” occur or be achieved and similar expressions, including negative variations.

Forward looking Statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by the Forward looking Statements. Such uncertainties and factors include, among others, 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 estimation of mineral reserves, mineral resources, and metal recoveries; governmental and other approvals; political unrest or instability in countries

where Fortuna is active; labor relations issues; as well as those factors discussed under "Risk Factors" in the Company's Annual Information Form. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in Forward looking Statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward looking Statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to expectations regarding mine production costs; expected trends in mineral prices and currency exchange rates; the accuracy of the Company's current mineral resource and reserve estimates; that the Company's activities will be in accordance with the Company's public statements and stated goals; that there will be no material adverse change affecting the Company or its properties; that all required approvals will be obtained; that there will be no significant disruptions affecting operations and such other assumptions as set out herein. Forward looking Statements are made as of the date hereof and the Company disclaims any obligation to update any Forward looking Statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that Forward looking Statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on Forward looking Statements.