

FORTUNA SILVER MINES INC.
(the "Company")

ENVIRONMENTAL POLICY

Policy Statement

Fortuna Silver Mines Inc. and all of its subsidiaries (“**Fortuna**”) are committed to implementing the highest standards of environmental performance in all areas of our operations – including in our exploration, mining, processing and closure activities. We believe that it is possible to design, construct, operate and close mining facilities based on the efficient and economic use of energy and materials and the protection of the environment in compliance with all applicable laws and international guidelines.

Our goal is to avoid, or where this is not possible, minimize the impact of our activities on the environment, to preserve it for future generations, and to ensure that when we close our operations that we return the land disturbed by our activities to as close to its natural state as reasonably possible.

We consult with local communities, regulatory and governmental authorities and other stakeholders to take into account their considerations relating to environmental management practices.

In addition, we aim to contribute to the conservation of biodiversity by respecting designated protected areas.

We strive for continual improvement of our environmental performance. Our environmental principles are embedded in a number of our internal procedures, business systems and processes.

Our Environmental Policy is guided by the following standards:

- ISO 14001:2015 - Environmental Management Standard
- our Tailings and Heap Leach Management Standard (as described below)

Our Approach

In order to fulfil our commitment to protecting the natural environment wherever we work, we are committed to strive to:

- explore, design, develop, operate, process and decommission our facilities in an environmentally sound manner;
- comply with all environmental standards established by applicable laws, standards and regulations in the countries and regions in which we operate as a minimum;
- promote the efficient use of energy and natural resources through recovery, recycling and reuse;

- protect water sources, reduce water use, recycle and reuse water wherever possible and ensure water is discharged according to regulatory requirements;
- integrate biodiversity conservation considerations and work together with other parties to contribute information, knowledge and practices to achieve common goals;
- not operate in protected areas according to international conventions;
- provide safe storage and disposal of all residual waste and process residue;
- commit to the efficient use of resources to minimize waste and prevent pollution;
- continuously review and improve our environmental management and performance to establish environmental objectives and targets, and to minimize, mitigate or counteract our environmental impacts;
- conduct environmental audits of operations and activities to promote compliance and to reduce liability, improve profitability and document findings and progress;
- implement effective management systems certified to ISO 14001:2015 at each of our mining operations to seek continual improvement in our environmental performance;
- encourage our partners, contractors and suppliers to implement effective management systems and integrate environmental best practices within their operations;
- provide training and supportive resources for our employees and contractors which empowers each person to contribute to high standards of environmental practices that meet all of our policies and applicable laws and regulations;
- provide our management and supervisors at each of our operations with the authority and resources necessary to carry out site specific environmental responsibility practices;
- provide environmental training, equipment and systems to our workforce to ensure the efficient use of resources;
- communicate transparently with employees, contractors, regulatory authorities, local communities and shareholders on environmental issues;
- promote the efficient use of energy and adopt energy efficient practices with the goal of reducing our carbon footprint;
- consistently assess our climate-related risk; and
- ensure that all tailings storage facilities (“TSF”) that we operate are subject to our Tailings and Heap Leach Management Standard, which requires that we locate, design, build, operate and close our TSF and our future heap leach facilities according to a risk-based approach with site-specific data or as otherwise specified by local regulatory requirements, whichever is more stringent.

Training and Communication

The Company will provide a copy of the current version of this Policy to new Employees when they are hired or contracted and will provide copies of significant changes as necessary.

We will include environmental protection information and provide training on the protection of the environment in our annual Ethics training sessions.

Monitoring and Reporting

We will continually review and evaluate environmental legislation, regulations and standards in the jurisdictions in which we operate.

We will develop and implement supporting policies, procedures, training and internal reporting structures to embed this Policy throughout the Company.

The Company expects all Employees to take steps to prevent any violation of this Policy. This includes identifying and raising potential issues before they lead to problems and seeking additional guidance when necessary.

Employees who become aware of a violation of this Policy must report the matter to their immediate supervisor/manager, or alternatively anonymously through the Whistleblower website at <http://fortuna.ethicspoint.com> as soon as possible. If an Employee reports the matter to their immediate supervisor/manager, that supervisor/manager must immediately communicate the information to the Human Resources Manager who will determine the most appropriate method to investigate the substance of the claims and ensure that there is appropriate monitoring of progress until the matter has been satisfactorily resolved.

Employees who raise genuine concerns will not be subject to retaliation or disciplinary action. Retaliation by anyone as a consequence of making a good faith report of a possible violation of the law or this Policy is strictly prohibited and will result in disciplinary action, including termination.

We will make our environmental protection performance available to the public through annual reporting initiatives.

Questions

Any questions regarding this Policy should be directed to the Chief Safety Officer/VP Operations of Fortuna.

Changes to this Policy

Fortuna reserves the right, at its absolute discretion, to change this Policy from time to time as it considers necessary.

This Policy was approved by the Board on November 12, 2019.