

**JOINT TAX ELECTION INSTRUCTIONS FOR FORMER ROXGOLD INC.
SHAREHOLDERS: SECTION 85 TAX ELECTION INSTRUCTIONS LETTER**

**INFORMATION FOR ELIGIBLE SHAREHOLDERS ABOUT HOW TO
COMPLETE A SECTION 85 TAX ELECTION FOR THE EXCHANGE OF
ROXGOLD INC. COMMON SHARES FOR FORTUNA SILVER MINES
INC. COMMON SHARES**

**IN RESPECT OF THE ARRANGEMENT AGREEMENT DATED April 26,
2021**

**The tax election process is time sensitive. Your immediate
attention is required.**

The deadline for action is September 30, 2021

This document is based upon the current provisions of the Income Tax Act and the regulations thereunder, in force as of the date hereof and the Company's understanding of the current published administrative and assessing practices of the Canada Revenue Agency (the "CRA").

The information included in this notice is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Shareholder.

Shareholders should consult their own tax advisors with respect to the Canadian federal income tax consequences of the Arrangement Agreement having regard to their own particular circumstances, and any other consequences to them of such transaction under Canadian federal, provincial, local and foreign tax laws.

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Introduction

The information in this document is provided to assist former Roxgold Inc. (“Roxgold”) shareholders who are eligible (“Eligible Holder¹”) to make a joint tax election with Fortuna Silver Mines Inc. (“Fortuna”) under Section 85 of the Tax Act. **This information does not apply to Roxgold shareholders that were either non-residents of Canada or tax-exempt or to Roxgold optionholders.** Terms not specifically defined in these instructions have the meaning ascribed to them in the Roxgold Management Information Circular dated May 26, 2021 (the “Arrangement”). The full text of the information circular can be found at www.sedar.com.

After receiving a properly completed questionnaire, a Section 85 tax election (“Tax Election”) and any applicable similar joint election under the Québec Tax Act (“Quebec Act”) will be compiled using the information that the Eligible Holder has provided. Fortuna will execute the Tax Election form(s) and send an electronic copy to the Eligible Holder using the email address provided in the questionnaire. It is the responsibility of Eligible Holders to review the Tax Election form(s). If you do not agree with the content, calculations or any disclosures, contact the email address indicated in this tax instruction letter immediately. If you are satisfied, sign and file the Tax Election form(s) with the CRA (and Revenu Québec, if applicable) in a timely manner, as any late tax elections filed will be your responsibility.

For further information, you may wish to review Information Circular 76-19R3 or Interpretation Bulletin IT-291R3 issued by the CRA. The text can be located on the CRA’s website (<https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/ic76-19r3/transfer-property-a-corporation-under-section-85.html>)

Summary of Share Exchange

On April 26, 2021, Fortuna and Roxgold entered into the Arrangement Agreement², which describes the definitive agreement between the parties with respect to the Plan of Arrangement (“Share Exchange”).

The transactions that are the subject matter of this Tax Election Instructions Letter relate to the arrangement described in the Share Exchange, under which Roxgold shareholders exchange each Roxgold common share issued and outstanding for 0.283 Fortuna common shares and \$0.001 in cash.

Section 85 Tax Election – Option to File

An Eligible Holder whose Roxgold common shares are exchanged for Fortuna common shares shall be entitled to make a joint election, pursuant to Section 85 of the Tax Act. It is possible for the Eligible Holders to defer or to recognize some or all of the capital gains on disposition of the Roxgold common shares by making the Tax Election and filing such Tax Election with the CRA.

¹ Eligible Holder means a beneficial holder of Company Shares that is: (i) a resident of Canada for the purposes of the Tax Act and not exempt under Part I of the Tax Act; or (ii) a partnership, any member of which is resident in Canada for the purposes of the Tax Act

² Arrangement Agreement means the arrangement agreement between Fortuna and Roxgold dated April 26th, 2021, a copy of which has been filed under Fortuna’s and Roxgold’s profile at www.sedar.com

The Tax Election is a joint election filed by the Eligible Holder and Fortuna (the “Parties”). The Parties can establish an agreed upon amount of proceeds of disposition of the Roxgold shares for Canadian tax purposes known as the Agreed Amount. Pursuant to the provisions of the Tax Act, an Eligible Holder’s Agreed Amount may not be: (a) less than the greater of: (i) the amount of cash received by the Eligible Holder from Fortuna in respect of the Roxgold Shares disposed of that are the subject of the election; and (ii) the lesser of (I) the Eligible Holder’s adjusted cost base of the Roxgold Shares disposed of that are the subject of the election and (II) the fair market value of such Roxgold Shares at the time of disposition; or (b) greater than the fair market value, at the time of disposition, of the Roxgold Shares disposed of that are the subject of the election.

The Tax Election is optional. Each Eligible Shareholder is encouraged to review their own situation and make a determination with respect to the filing of a Tax Election. Shareholders who do not complete and file a Tax Election form in a timely manner in relation to the Share Exchange in accordance with the procedures set out in this Tax Election Instructions Letter may not benefit from the Section 85 rollover provisions of the Tax Act and their shares will automatically be disposed of at their fair market value.

A similar joint election exists pursuant to the Quebec Act for taxpayers resident in Québec.

Execution and Delivery Regarding the Section 85 Tax Election

Fortuna has agreed to make a Tax Election with Eligible Shareholders, subject to the limitations set out in subsections 85(1) and 85(2) of the Tax Act and on the condition that complete information is received from the shareholder in a timely manner.

Each Eligible Shareholder who wishes to make a Tax Election must complete the Tax Election Questionnaire provided and submit it by September 30, 2021. If the Tax Election Questionnaire is not completed by the shareholder in accordance with the procedures set out in this Tax Election Instructions Letter and submitted by September 30, 2021, Fortuna will have no obligation to make a Tax Election with such shareholder and therefore, the shareholder may not benefit from Section 85 provisions of the Tax Act and, if applicable, the corresponding provisions of the Quebec Act.

Once a Tax Election form and any applicable similar joint election under the Quebec Act has been prepared by Fortuna and received by the Eligible Holder from Fortuna, the shareholder is solely responsible for ensuring that the Tax Election form and any applicable similar joint election under the Quebec Act is completed correctly (including confirming and validating the completeness and accuracy of the forms, including all numbers appearing on the forms), signed and filed with the CRA and Revenu Québec by the applicable deadline.

Neither Fortuna nor any successor corporation assumes any responsibility or liability to any shareholder in assisting any shareholder in filing the Tax Election form or any applicable similar joint election under the Quebec Act, nor, except for the obligation to sign and return duly completed joint election forms which are received by September 30, 2021, for any taxes, interest or penalties resulting from the failure of the shareholder to properly complete or file such joint election forms in the form and manner and within the time prescribed by the Tax Act or Quebec Act.

Tax Election Questionnaire

The Tax Election Questionnaire must be fully completed and submitted to Fortuna by September 30, 2021. Shareholders are required to input answers to a number of questions (such as name, mailing address, number of common shares exchanged, etc.) and submit this information to Fortuna at the following email address:

ca_fortuna_s85_questionnaire_help@pwc.com

This email address may be contacted for any questions you may have regarding the information you are required to provide or the process undertaken in the preparation of the Tax Election form and any applicable similar joint election under the Quebec Act.

Deadlines

The deadline for shareholders to submit the questionnaire to complete a tax election is September 30th, 2021.

The deadline for filing the Tax Election form and any applicable similar joint election under the Quebec Act with the tax authorities is the earlier of:

- (a) **June 30, 2022**, being Fortuna's expected Canadian corporate income tax return filing deadline, or
- (b) **Eligible Shareholder's deadline for filing** their own Canadian income tax return for the taxation year that includes July 2, 2021, the effective date of the Share Exchange.

Individuals will generally have to file the tax election on or before their regular income tax filing deadline of **April 30 or June 15, 2022 (as applicable)**

Corporations and Trusts may be required to file the Tax Election form earlier than Fortuna's corporate income tax return filing deadline of June 30, 2022 depending on the taxation year end of the corporation or trust

Partnerships will generally have to file the tax election on or before their partnership return filing deadline of March 31 or May 31, 2022, if they have a December 31st, 2021 year-end, and depending on the entity nature of their partners. This date may also vary depending on the partnership's fiscal year end. Eligible Holders who hold their shares through a partnership should consult with their tax advisors.