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Fortuna Reports Production Results for Second Quarter

July 13, 2010: Fortuna Silver Mines Inc. (TSX: FVI / Lima Stock Exchange: FVI) – is pleased to announce its production figures for second quarter 2010 for its Caylloma Mine located in Arequipa, Peru. An update on the on-going construction activities of the Company's second mine being constructed at the San Jose silver – gold project in Oaxaca, Mexico will be issued in the upcoming days. The 1,500 tpd underground mine at San Jose is scheduled to commence production on the third quarter of 2011.

Second Quarter Highlights

- Silver production of 470,310 ounces; 5% increase over Q2 2009
- Zinc production of 6,320,248 pounds; 16% decrease over Q2 2009
- Lead production of 4,966,619 pounds; 25% decrease over Q2 2009
- Copper production of 266,331 pounds; 10% decrease over Q1 2010

Operating Highlights

	Q2 - 2010	Q1 - 2010	Q2 - 2009
Processed ore (t)	108,010	101,503	100,881
Head grade			
Ag (g/t)	156.35	167.23	160.42
Zn (%)	3.02	3.44	3.82
Pb (%)	2.30	2.87	3.20
Cu (%)	0.21	0.25	0.26
Recovery (%)			
Ag ⁽¹⁾	87	88	86
Zn	88	89	89
Pb	91	92	93
Cu	54	53	--
Metal produced			
Ag (oz) ⁽²⁾	470,310	479,821	450,020
Zn (lb)	6,320,248	6,868,810	7,527,015
Pb (lb)	4,966,619	5,920,139	6,587,799
Cu (lb)	266,331	295,854	--

(1) Ag recovery in Pb and Cu concentrate

(2) Ag production in Pb and Cu concentrate

Silver production for the second quarter was 470,310 ounces, 12 per cent higher when compared against the budget for the period and 5 per cent higher than silver production for the second quarter of 2009. The decrease in head grade for lead and zinc is due to the low base metal content of the silver ore from level 6 of the Animas Vein, which is being blended into the mill feed.

A NI 43-101 Technical Report dated August 11, 2009 on Reserves and Resources for the Caylloma Mine is available on the Company's website at www.fortunasilver.com.

Qualified Person

Mr. Miroslav Kalinaj, P. Geo., is the Company's Qualified Person as defined by National Instrument 43-101 and is responsible for the accuracy of 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 BOARD

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 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.