Fortuna’s San Jose Project Unaffected by Oaxaca Mudslides

September 30, 2010: Fortuna Silver Mines Inc. (TSX: FVI / Lima Stock Exchange: FVI): Fortuna’s construction operations at the San Jose silver-gold project, 40km south of the City of Oaxaca, are unaffected by the recent mudslides and flooding in the State of Oaxaca. Fortuna’s project team in Oaxaca continues to closely monitor the situation around the Company’s project and will provide assistance where it can and where needed for local communities that have been impacted by the recent storms.

Heavy rains from Hurricane Karl, which passed through southern Mexico last week, caused mudslides and flooding in Oaxaca State. The village of Santa Maria Tlahuitoltepec, roughly 70km due east of the City of Oaxaca, was hit particularly hard and the Oaxacan government is currently coordinating efforts to rescue villagers trapped by the flooding.

Muddy conditions related to the poor weather have temporarily slowed some earth moving activities at San Jose but these are not in the critical time path of the project. Construction remains on schedule for initial silver and gold production in Q3 of 2011. Fortuna will be providing a full update on construction progress at San Jose in the coming weeks.

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 Ag-Pb-Zn-Cu mine in Arequipa, Peru and the San Jose Ag-Au Project in Oaxaca, 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

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