UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 40-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☑ **ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended: December 31, 2022 **Commission File Number: 001-35297**

FORTUNA SILVER MINES INC.

(Exact name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English (if applicable))

British Columbia, Canada
(Province or other jurisdiction of incorporation or organization)

1040	**N/A**
(Primary Standard Industrial Classification Code Number (if applicable))	(I.R.S. Employer Identification Number (if applicable))

200 Burrard Street, Suite 650
Vancouver, British Columbia V6C 3L6, Canada
604-484-4085
(Address and telephone number of Registrant's principal executive offices)

National Corporate Research, Ltd.
10 East 40th Street, 10th Floor
New York, New York 10016
212-947-7200
(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Shares	FSM	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act.

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None
(Title of Class)

For annual reports, indicate by check mark the information filed with this Form:

☑ Annual information form ☑ Audited annual financial statements

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

There were 290,221,971 common shares with no par value outstanding as of December 31, 2022.

Indicate by check mark whether the Registrant: (1) has filed all reports to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days.

Yes ☑ No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files).

Yes ☑ No ☐

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant Section 13(a) of the Exchange Act.

☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the Registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

☐

DISCLOSURE REGARDING CONTROLS AND PROCEDURES

Disclosure Controls and Procedures.

Disclosure controls and procedures are defined in Rule 13a-15(e) and Rule 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") as those controls and procedures designed to ensure that information required to be disclosed in the annual filings and interim filings and other reports filed or submitted by Fortuna Silver Mines Inc. (the "**Company**") under the Exchange Act is duly recorded, processed, summarized and reported, within the time periods specified in rules and forms of the United States Securities and Exchange Commission (the "**SEC**"). Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the Company's reports and filings is accumulated and communicated to management, including the Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") as appropriate, to allow timely decisions regarding required disclosure.

The Company evaluated, with the participation of its CEO and CFO, the effectiveness of its disclosure controls and procedures as of December 31, 2022. Based on that evaluation, the CEO and the CFO have concluded that, as of the end of the period covered by this Annual Report on Form 40-F, the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's annual filings and interim filings and other reports filed or submitted under the Exchange Act, is recorded, processed, summarized and reported within time periods specified in SEC rules and forms and is accumulated and communicated to management, including the CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Notwithstanding the foregoing, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that the Company's disclosure controls and procedures will detect or uncover every situation involving the failure of persons within the Company and its subsidiaries to disclose material information otherwise required to be set forth in the Company's periodic reports. The Company's disclosure controls and procedures are designed to provide reasonable assurance of achieving their objective of ensuring that information required to be disclosed in the reports that the Company files or submits under the Exchange Act is communicated to management to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control Over Financial Reporting.

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as such term is defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) and has designed such internal controls over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board.

In designing and evaluating the Company's internal control over financial reporting, the Company's management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its reasonable judgment in evaluating the cost-benefit relationship of possible controls and procedures. Because of its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2022. In making this assessment, management used the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2022.

See “Management’s Report on Internal Control Over Financial Reporting” in the Management’s Discussion and Analysis for the fiscal years ended December 31, 2022 and 2021, included as Exhibit 99.3 to this Annual Report on Form 40-F. The Company’s auditors have issued an attestation report on management’s assessment of the Company’s internal control over financial reporting. See “Attestation Report of the Registered Public Accounting Firm” below.

Attestation Report of the Independent Registered Public Accounting Firm. The Company’s internal control over financial reporting as of December 31, 2022 has been audited by KPMG LLP, Independent Registered Public Accounting Firm, Vancouver, BC, Canada, Audit Firm ID 85. The required report is included in the “Report of Independent Registered Public Accounting Firm,” that accompanies the Company’s audited consolidated financial statements as at and for the fiscal years ended December 31, 2022 and 2021, filed as part of this Annual Report on Form 40-F in Exhibit 99.2.

Changes in Internal Control Over Financial Reporting. During the fiscal year ended December 31, 2022, there were no changes in the Company’s internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

NOTICES PURSUANT TO REGULATION BTR

None.

IDENTIFICATION OF THE AUDIT COMMITTEE

The Company has a separately-designated standing audit committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. The members of the audit committee are Kylie Dickson, Alfredo Sillau and David Farrell. The board of directors has determined that each of Kylie Dickson, Alfredo Sillau and David Farrell is independent, as that term is defined in Rule 10A-3 under the Exchange Act and the Listed Company Manual of the New York Stock Exchange.

AUDIT COMMITTEE FINANCIAL EXPERT

The board of directors of the Company has determined that Kylie Dickson, a member of the Company’s audit committee, qualifies as an audit committee financial expert for purposes of paragraph (8) of General Instruction B to Form 40-F. The SEC has indicated that the designation of Kylie Dickson as an audit committee financial expert does not: (i) make her an “expert” for any purpose, (ii) impose any duties, obligations or liabilities on her that are greater than those imposed on members of the audit committee and the board of directors who do not carry this designation, and (iii) or affect the duties, obligations or liabilities of any other member of the audit committee or the board of directors.

CODE OF ETHICS

The Company has adopted a “code of ethics” (as that term is defined in Form 40-F), entitled the “Code of Business Conduct and Ethics and Whistle-Blower Policy”, that applies to all of its directors, officers, employees, and consultants including its principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions.

The Code of Business Conduct and Ethics and Whistle-Blower Policy is available for viewing on the Company’s website at www.fortunasilver.com under “About Fortuna / Our Governance”.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The required disclosure is included under the heading “Audit Committee” in the Company’s Annual Information Form for the fiscal year ended December 31, 2022, filed as part of this Annual Report on Form 40-F in Exhibit 99.1.

PRE-APPROVAL POLICIES AND PROCEDURES

The auditors of the Company obtain, as necessary, the pre-approval of the Audit Committee for any anticipated additional services required of the auditors for the coming fiscal year. If other service requirements arise during the year, the Audit Committee will pre-approve such services at that time, prior to the commencement of such services. During the fiscal year ended December 31, 2022, the Audit Committee did not approve any audit-related, tax or other services pursuant to paragraph (c) (7) (i) (C) of Rule 2-01 of Regulation S-X, with the exception of certain financial statement preparation services relating to the statutory audits of certain of the Company's subsidiaries, the fees for which represented less than 5% of total fees for the fiscal year ended December 31, 2022.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements required to be disclosed in this Annual Report on Form 40-F.

MINE SAFETY DISCLOSURE

The Company is currently not required to disclose the information required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

NEW YORK STOCK EXCHANGE CORPORATE GOVERNANCE

The Company is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act and Rule 405 under the United States Securities Act of 1933, as amended, and the Company's common shares are listed on the New York Stock Exchange (the "**NYSE**"). Sections 103.00, 303A.00 and 303A.11 of the NYSE Listed Company Manual permit foreign private issuers to follow home country practices in lieu of certain provisions of the NYSE Listed Company Manual. A foreign private issuer that follows home country practices in lieu of certain provisions of the NYSE Listed Company Manual must disclose any significant ways in which its corporate governance practices differ from those followed by domestic companies either on its website or in the annual report that it distributes to shareholders in the United States. A description of the significant ways in which the Company's governance practices differ from those followed by domestic companies pursuant to NYSE standards is disclosed on the Company's website at www.fortunasilver.com under "Company / Corporate Governance / New York Stock Exchange".

The Company's corporate governance practices, as described on its website, are consistent with the laws, customs and practices in Canada.

INCORPORATION BY REFERENCE

Exhibits 99.1, 99.2 and 99.3 to this Annual Report on Form 40-F for the year ended December 31, 2022 are incorporated by reference into the Registration Statement on Form F-10 (Commission File No. 333-237897) of the Company.

UNDERTAKING

The Company undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the SEC staff, and to furnish promptly, when requested to do so by the SEC staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

A Form F-X signed by the Company and its agent for service of process has been previously filed with the SEC together with the Company's Registration Statement on Form 40-F (File No. 001-35297) in connection with its securities registered on such form.

Any changes to the name or address of the agent for service of process of the Company shall be communicated promptly to the SEC by an amendment to the Form F-X referencing the file number of the Company.

SIGNATURE

Pursuant to the requirements of the Exchange Act, the Company certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

Date: March 30, 2023

FORTUNA SILVER MINES INC.

By: *"Jorge Ganoza Durant"*
Name: Jorge Ganoza Durant
Title: President, Chief Executive Officer & Director

EXHIBIT INDEX

Exhibit		Description
99.1		Annual Information Form for the year ended December 31, 2022
99.2		Audited Consolidated Financial Statements as at and for the years ended December 31, 2022 and 2021, including the Reports of Independent Registered Public Accounting Firm with respect thereto
99.3		Management's Discussion and Analysis for the years ended December 31, 2022 and 2021
99.4		Consent of KPMG LLP (PCAOB ID 85)
99.5		Consent of Eric Chapman
99.6		Consent of Amri Sinuhaji
99.7		Consent of Raul Espinoza
99.8		Consent of Mathieu Veillette
99.9		Consent of Dmitry Tolstov
99.10		Consent of Paul Criddle
99.11		Consent of Paul Weedon
99.12		Consent of Hans Andersen
99.13		Consent of Geoff Bailey
99.14		Consent of Shane McLeay
99.15		Consent of David Morgan
99.16		Consent of Lycopodium Minerals Canada Ltd.
99.17		Consent of Matthew Cobb
99.18		Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.19		Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
99.20		Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.21		Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS		XBRL Instance
101.SCH		XBRL Taxonomy Extension Schema
101.CAL		XBRL Taxonomy Extension Calculation Linkbase
101.DEF		XBRL Taxonomy Extension Definition Linkbase
101.LAB		XBRL Taxonomy Extension Label Linkbase
101.PRE		XBRL Taxonomy Extension Presentation Linkbase
104		Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

EXHIBIT 99.1

ANNUAL INFORMATION FORM

ANNUAL INFORMATION FORM

For the Fiscal Year Ended December 31, 2022

DATED: March 28, 2023

CORPORATE OFFICE:

Suite 650, 200 Burrard Street
Vancouver, BC V6C 3L6, Canada
Tel: 604.484.4085
Fax: 604.484.4029

MANAGEMENT HEAD OFFICE:

Piso 5, Av. Jorge Chávez #154
Miraflores, Lima, Peru
Tel: 511.616.6060, ext. 2

TABLE OF CONTENTS

PRELIMINARY NOTES

This Annual Information Form ("AIF") is dated March 28, 2023 and presents information about Fortuna Silver Mines Inc. (referred to herein as the **"Company"** or **"Fortuna").** Except as otherwise indicated, the information contained herein is presented as at December 31, 2022, being the date of the Company's most recently completed financial year end.

Fortuna has a number of direct and indirect subsidiaries which own and operate assets and conduct activities in different jurisdictions. The terms "**Fortuna**" or the "**Company**" are use in this AIF for simplicity of the discussion provided herein and may include references to subsidiaries that have an affiliation with Fortuna, without necessarily identifying the specific nature of such affiliation.

Cautionary Statement – Forward-Looking Statements

Certain statements contained in this AIF and the documents incorporated by reference into this AIF constitute forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and Section 21E of the United States Securities Exchange Act of 1934, as amended (the "Exchange Act"), and forward-looking information within the meaning of applicable Canadian securities legislation (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 AIF include, without limitation, statements relating to:

- Mineral Reserves and Mineral Resources at the Caylloma, Lindero, San Jose and Yaramoko mines and at the Séguéla and Arizaro Projects, as they involve implied assessment, based on estimates and assumptions that the Mineral Reserves and Mineral Resources described exist in the quantities predicted or estimated and can be profitably produced in the future;
- estimated rates of production for gold silver and the other metals that we produce, timing of production and the cash costs and all-in sustaining cash costs (" **AISC**") estimates;
- the Company's plans and expectations for its material properties and future exploration, development and operating activities including, without limitation, capital expenditures, exploration activities and budgets, forecasts and schedule estimates, as well as their impact on the results of operations or financial condition of the Company;
- the anticipated steps, timeline and costs for completing construction and commissioning of the mine at the Séguéla Project and the timing for the ramp-up in production of the mine to design capacity;
- timing for delivery of materials and equipment for the Company's properties;
- the sufficiency of the Company's cash on hand and available credit lines and estimated cash flows to fund planned capital and exploration programs at its properties;
- the Company's financial performance being closely linked to the prices of silver and gold and other metals;
- rising costs caused by the effect of the Ukraine - Russian conflict, causing increased rates of inflation and pressures on the global supply chain;
- the ability of the Company to successfully contest and revoke the resolution of the Secretaria de Medio Ambiente y Recursos Naturales ("**SEMARNAT**") related to the revocation of the environmental impact authorization ("**EIA**") for the San Jose Mine;
- the anticipated rates of returns from mining projects, as reflected in preliminary economic assessments, pre-feasibility and feasibility studies or other reports prepared in relation to development of projects;
- future sales of the metals and concentrates or other products that the Company produces, the availability and location of refineries and sales counterparts, and any plans and expectations with respect to hedging;
- undisclosed risks and liabilities relating to the acquisition of Roxgold and the loss of key employees related to same;
- possible future challenges presented by epidemics, pandemics, such as COVID-19, and health crises which may adversely affect the Company's business and operations, and financial condition;

- expectations with respect to further variants of the COVID-19 virus on the Company’s operations, assumptions related to vaccines and their effectiveness, , and the impact on the global supply chain of the delivery of goods and services;
- the effectiveness of the preventative measures and safety protocols put in place by the Company to curb the spread of COVID-19;
- the payments due under, and the maturity dates of the Company’s financial liabilities, lease obligations and other contractual commitments;
- the expiry dates of bank letters of guarantee;
- compliance with environmental, health, safety and other regulations;
- the Company’s commitment to sustainable development, by conducting its operations in an environmentally and socially responsible manner, including complying with its Sustainability Framework, its environmental, social and governance (“**ESG**”) policies and targets and other operational and governance policies;
- the ability of the Company to reduce its greenhouse gas ("**GHG**") emissions, to transition to a lower carbon economy and the impact of its operations on climate change;
- the timing of the release and attainment of the Company’s climate-related goals;
- complying with anti-corruption laws;
- litigation matters;
- estimated mine closure costs, including remediation and reclamation and timing thereof; and
- future income tax rate.

Often, but not always, these forward-looking statements can be identified by the use of words such as “anticipates”, “believes”, “plans”, “estimates”, “expects”, “forecasts”, “scheduled”, “targets”, “possible”, “strategy”, “potential”, “intends”, “advance”, “goal”, “objective”, “projects”, “budget”, “calculates” or statements that events, “will”, “may”, “could” or “should” occur or be achieved and similar expressions, including negative variations.

The forward-looking statements in this AIF also include financial outlooks and other forward-looking metrics relating to Fortuna and its business, including references to financial and business prospects and future results of operations, including production, and cost guidance and anticipated future financial performance. Such information, which may be considered future oriented financial information or financial outlooks within the meaning of applicable Canadian securities legislation (collectively, “**FOFI**”), has been approved by management of the Company and is based on assumptions which management believes were reasonable on the date such FOFI was prepared, having regard to the industry, business, financial conditions, plans and prospects of Fortuna and its business and properties. These projections are provided to describe the prospective performance of the Company's business. Nevertheless, readers are cautioned that such information is highly subjective and should not be relied on as necessarily indicative of future results and that actual results may differ significantly from such projections. FOFI constitutes forward-looking statements and is subject to the same assumptions, uncertainties, risk factors and qualifications as set forth below.

Material Risks and Assumptions

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:

- operational risks associated with mining and mineral processing;
- uncertainty relating to Mineral Resource (as defined herein) and Mineral Reserve (as defined herein) estimates;
- uncertainty relating to capital and operating costs, production schedules and economic returns;
- uncertainties related to development projects such as the Séguéla Project, including the possibility that actual capital and operating costs and economic returns will differ significantly from those estimated for such projects prior to production;
- uncertainty relating to the costs of the construction, the financing of construction and timing for the completion of the Séguéla Project;

- risks relating to the Company's ability to replace its Mineral Reserves;
- risks associated with mineral exploration and project development;
- risks associated with political instability and changes to the regulations governing the Company's business operations;
- uncertainty relating to the repatriation of funds as a result of currency controls;
- environmental matters including obtaining or renewing environmental permits and potential liability claims;
- changes in national and local government legislation, taxation, controls, regulations and political or economic developments in countries in which the Company does or may carry on business;
- risks associated with war, hostilities or other conflicts, such as the Ukrainian – Russian conflict, and the impact it may have on global economic activity;
- risks relating to the termination of the Company's mining concessions in certain circumstances;
- risks related to International Labour Organization ("**ILO**") Convention 169 compliance;
- developing and maintaining relationships with local communities and stakeholders;
- risks associated with losing control of public perception as a result of social media and other web-based applications;
- potential opposition to the Company's exploration, development and operational activities;
- risks related to the Company's ability to obtain adequate financing for planned exploration and development activities;
- substantial reliance on the Lindero Mine, the Yaramoko Mine, the San Jose Mine and the Caylloma Mine for revenues;
- property title matters;
- risks relating to the integration of businesses and assets acquired by the Company;
- failure to meet covenants under the 2021 Credit Facility (as defined herein), or an event of default which may reduce the Company's liquidity and adversely affect its business;
- impairments;
- restrictions on the 2021 Credit Facility being temporary in nature;
- reliance on key personnel;
- uncertainty relating to potential conflicts of interest involving the Company's directors and officers;
- risks associated with the Company's reliance on local counsel and advisors and its management and Board (as defined herein) in foreign jurisdictions;
- adequacy of insurance coverage;
- operational safety and security risks;
- risks related to the Company's compliance with the Sarbanes-Oxley Act;
- risks related to the foreign corrupt practices regulations and anti-bribery laws;
- legal proceedings and potential legal proceedings;
- uncertainties relating to general economic conditions;
- competition;
- fluctuations in metal prices;
- risks associated with entering into commodity forward and option contracts for base metals production;
- fluctuations in currency exchange rates;
- the Company's ability to manage the various challenges (both anticipated and not) presented by COVID-19 to its business, operations and financial condition;
- tax audits and reassessments;
- risks related to hedging;
- uncertainty relating to concentrate treatment charges and transportation costs;
- sufficiency of monies allotted by the Company for land reclamation;
- risks associated with dependence upon information technology systems, which are subject to disruption, damage, failure and risks with implementation and integration;
- the possibility of a resurgence of the COVID-19 virus, spread of new variants or mutations thereof, or outbreak of other communicable disease, epidemic or pandemic in areas in which Fortuna operates, which could affect global economic growth and impact the Company's business, operations, financial condition and share price;

- uncertainty relating to nature and climate conditions;
- risks associated with climate change legislation;
- our ability to manage physical and transition risks related to climate change and successfully adapt our business strategy to a low carbon global economy;
- the anticipated nature and effect of climate related risks;
- risks related to the volatility of the trading price of the Company's common shares ("**Common Shares**") and the Company's senior subordinated unsecured convertible debentures in the aggregate principal amount of US$45.9 million (the "**Debentures**");
- dilution from future equity or convertible debt financings;
- risks related to future insufficient liquidity resulting from a decline in the price of the Common Shares or Debentures;
- uncertainty relating to the Company's ability to pay dividends in the future;
- risks relating to the market for the Company's securities;
- risks relating to the Debentures of the Company;
- uncertainty relating to the enforcement of U.S. judgments against the Company; and
- risk factors referred to in the "Risk Factors" section in this AIF, and the documents incorporated by reference herein (if any).

Forward-looking statements contained in this AIF are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to:

- all required third party contractual, regulatory and governmental approvals will be obtained and maintained for the exploration, development, construction and production of its properties;
- there being no significant disruptions affecting operations, whether relating to labor, supply, power, damage to equipment or other matter;
- the world-wide economic and social impact of COVID-19 is managed, and the duration and extent of the coronavirus pandemic is minimized or not long-term;
- there being no material and negative impact to the various contractors, suppliers and subcontractors at the Company's mine sites as a result of the Ukrainian – Russian conflict, COVID-19 or otherwise that would impair their ability to provide goods and services;
- permitting, construction, development and expansion proceeding on a basis consistent with the Company's current expectations;
- expected trends and specific assumptions regarding metal prices and currency exchange rates;
- prices for and availability of fuel, electricity, parts and equipment and other key supplies remaining consistent with current levels;
- production forecasts meeting expectations;
- any investigations, claims, and legal, labor and tax proceedings arising in the ordinary course of business will not have a material effect on the results of operations or financial condition of the Company. and
- the accuracy of the Company's current Mineral Resource and Mineral Reserve estimates.

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 not to be as anticipated, estimated or intended. These forward-looking statements are made as of the date of this AIF. 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, readers are cautioned not to place undue reliance on forward-looking statements. Except as required by law, the Company does not assume the obligation to revise or update these forward looking-statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events.

Notice Regarding Non-IFRS Measures

Fortuna's audited consolidated financial statements of the Company for the years ended December 31, 2022 and 2021 (the "**2022 Financial Statements**") which are referred to in this AIF have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), as issued by the International Accounting Standards Board.

However, this AIF includes certain financial measures and ratios that are not defined under IFRS and are not disclosed in the 2022 Financial Statements, including but not limited to: cash cost per tonne of processed ore; cash cost per ounce of gold sold; AISC per payable ounce of gold sold; and AISC per payable ounce of silver equivalent sold.

These non-IFRS financial measures and non-IFRS ratios are widely reported in the mining industry as benchmarks for performance and are used by management to monitor and evaluate the Company's operating performance and ability to generate cash. The Company believes that, in addition to financial measures and ratios prepared in accordance with IFRS, certain investors use these non-IFRS financial measures and ratios to evaluate the Company's performance. However, the measures do not have a standardized meaning under IFRS and may not be comparable to similar financial measures disclosed by other companies. Accordingly, non-IFRS financial measures and non-IFRS ratios should not be considered in isolation or as a substitute for measures and ratios of the Company's performance prepared in accordance with IFRS.

Except as otherwise described below, the Company has calculated these non-IFRS financial measures and non-IFRS ratios consistently for all periods presented.

To facilitate a better understanding of these measures and ratios as calculated by the Company, descriptions are provided below. In addition, see "Non-IFRS Financial Measures" in the Company's management's discussion and analysis for the fiscal year ended December 31, 2022 ("**2022 MD&A**"), which section is incorporated by reference in this AIF, for additional information regarding each non-IFRS financial measure and non-IFRS ratio disclosed in this AIF, including an explanation of their composition; an explanation of how such measures and ratios provide useful information to an investor and the additional purposes, if any, for which management of Fortuna uses such measures and ratios; and a qualitative reconciliation of each non-IFRS financial measure to the most directly comparable financial measure that is disclosed in the Company's 2022 Financial Statements. The 2022 MD&A may be accessed on SEDAR at www.sedar.com and on EDGAR at www.sec.gov under the Company's profile, Fortuna Silver Mines Inc.

Equivalent Ounces Sold

At our San Jose and Caylloma Mines, production and sales of other metals are treated as a silver equivalent in determining a combined precious metal production or sales unit, commonly referred to as silver equivalent ounces. Silver equivalent ounces are calculated by converting other metal production to its silver equivalent using relative metal/silver metal prices at realized prices and adding the converted metal production expressed in silver ounces to the ounces of silver production. The Lindero and Yaramoko Mines do not make use of an equivalent ounce sold measure as all material production is gold.

Cash Cost and AISC

In this AIF, the Company has disclosed certain cash cost and AISC figures on a per unit basis, with each such per unit measure being a non-IFRS ratio.

Cash cost is a non-IFRS measure that is an industry-standard method of comparing certain costs on a per unit basis. Cash costs include all direct and indirect operating cash costs related directly to the physical activities of producing metals, including mining and processing costs, third-party refining and treatment charges, on-site general and administrative expenses, applicable production taxes and royalties which are not based on sales or taxable income calculations , net of by-product credits, but are exclusive of the impact of non-cash items that are included as part of the cost of sales that is calculated in the consolidated Income Statement including depreciation and depletion, reclamation, capital, development and exploration costs.

The most directly comparable financial measure to cash cost that is defined in IFRS and disclosed in the Company's 2022 Financial Statements is cost of sales. Unit based cash cost ratios contained in this AIF include:

- cash cost per ounce of gold sold;
- cash cost per tonne of processed ore; and
- cash cost per silver equivalent ounce.

AISC: The Company, in conjunction with an initiative undertaken within the gold mining industry, has adopted AISC and all-in sustaining cost measures based on guidance published by World Gold Council. The Company conforms its AISC and all-in cash cost definitions to that set out in the guidance and the Company presents the cash cost figures on a sold ounce basis.

AISC is a non-IFRS measure that includes total production cash costs incurred at the applicable mining operation but excludes mining royalty recognized as income tax within the scope of IAS-12, as well as non-sustaining capital expenditures. Sustaining capital expenditures, corporate selling, general and administrative expenses, and brownfield exploration expenditures are added to the cash cost. AISC is estimated at realized metal prices.

The most directly comparable financial measure to AISC that is defined in IFRS and disclosed in the Company's 2022 Financial Statements is cost of sales. Unit based AISC ratios contained in this AIF include:

- all-in sustaining cash cost per ounce of gold sold; and
- all-in sustaining cash cost per ounce of payable silver equivalent sold.

Cautionary Note to United States Investors Concerning Estimates of Reserves and Resources

The Company is a Canadian "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act and is permitted to prepare the technical information contained herein in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of the securities laws currently in effect in the United States.

Technical disclosure regarding our properties included herein and, in the documents, incorporated herein by reference, if applicable, was prepared in accordance with National Instrument 43-101 — Standards of Disclosure for Mineral Projects ("**NI 43-101**"). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. NI 43-101 differs significantly from the disclosure requirements of the Securities and Exchange Commission (the "**SEC**") generally applicable to U.S. companies. Accordingly, information contained herein is not comparable to similar information made public by U.S. companies reporting pursuant to SEC disclosure requirements.

Documents Incorporated by Reference

The information provided in this AIF is supplemented by disclosure contained in the documents listed below which are incorporated by reference into this AIF. These documents must be read together with the AIF in order to provide full, true and plain disclosure of all material facts relating to Fortuna. The documents listed below are not contained within or attached to this document. The documents may be accessed on SEDAR at www.sedar.com and on EDGAR at www.sec.gov under the Company's profile for Fortuna Silver Mines Inc.

Document	Effective Date	Date Filed on SEDAR website	Document Category on the SEDAR website
Technical Report, San Jose Mine, Mexico	February 22, 2019	March 28, 2019	Technical Report(s)
Technical Report, Caylloma Mine, Peru	March 8, 2019	March 28, 2019	Technical Report(s)
Technical Report, Séguéla Project, Côte d'Ivoire	May 26, 2021	March 18, 2022	Technical Report(s)
Technical Report, Yaramoko Gold Mine, Burkina Faso	December 31, 2022	March 24, 2023	Technical Report(s)
Technical Report, Lindero Mine and Arizaro Project, Argentina	December 31, 2022	March 28, 2023	Technical Report(s)

Scientific and Technical Information

Eric Chapman, Senior Vice President of Technical Services of the Company, is a "Qualified Person" as defined by NI 43-101. Mr. Chapman is responsible for ensuring that the technical information contained in this AIF is an accurate summary of the original reports and data provided to or developed by the Company and he has reviewed and approved the scientific and technical information contained in this AIF.

Currency

Unless otherwise noted, all dollar amounts in this AIF are expressed in United States dollars. References to "$" or "US$" in this AIF are to United States dollars and references to CAD$ are to Canadian dollars.

CORPORATE STRUCTURE

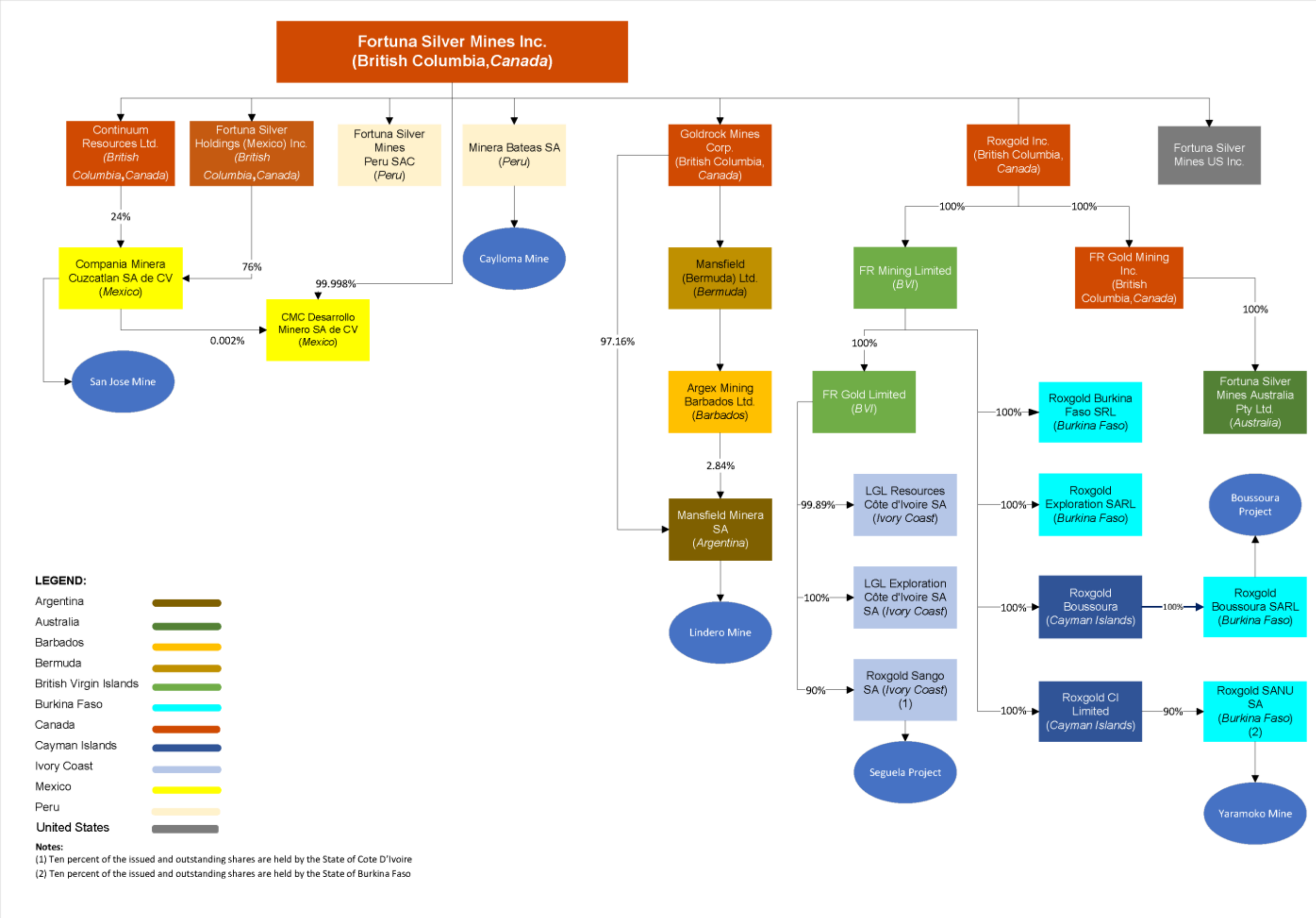
Name, Address and Incorporation

The Company was incorporated on September 4, 1990 pursuant to the Company Act (British Columbia) under the name Jopec Resources Ltd. and subsequently transitioned under the Business Corporations Act (British Columbia). On February 3, 1999, the Company changed its name to Fortuna Ventures Inc. and on June 28, 2005 to Fortuna Silver Mines Inc.

The management head office of the Company is located at Piso 5, Av. Jorge Chávez #154, Miraflores, Lima, Peru. The corporate head and registered office of the Company is located at 200 Burrard Street, Suite 650, Vancouver, BC V6C 3L6.

Intercorporate Relationships

The chart below illustrates the Company's intercorporate relationships with its subsidiaries including the name, jurisdiction of incorporation and the Company's respective percentage ownership of each subsidiary:



Notes:

1. In some jurisdictions where the Company operates, laws require that a company operating mineral properties must have more than one shareholder. For those jurisdictions, a nominal interest may be held by an individual or other affiliated entity and this may not be represented on the above chart.
2. All ownership of subsidiaries is 100% unless otherwise indicated.
3. 10% of the issued and outstanding shares of Roxgold Sanu S.A. are held by the State of Burkina Faso
4. 10% of the issued and outstanding shares of Roxgold Sango S.A. are held by the State of Côte d'Ivoire.

GENERAL DEVELOPMENT OF THE BUSINESS

Business of the Company

Fortuna is engaged in precious and base metals mining and related activities in Latin America and West Africa, including exploration, extraction, and processing. The Company's principal products are silver and gold, although it also produces and sells lead and zinc.

Upon the completion of the acquisition of Roxgold Inc. ("**Roxgold**") in July 2021 (the "**Roxgold Acquisition**"), the Company acquired the producing Yaramoko mine in Burkina Faso, the Séguéla advanced gold project in Côte d'Ivoire and certain exploration projects in Burkina Faso and Côte d'Ivoire.

As at December 31, 2022, Fortuna:

- operates the San Jose silver and gold mine (the "**San Jose Mine**") (100% ownership) in southern Mexico,
- operates the Lindero open pit gold mine (the "**Lindero Mine**") (100% ownership) in northern Argentina;
- operates the Yaramoko gold mine (the "**Yaramoko Mine**") (90% ownership) in southwestern Burkina Faso,
- operates the Caylloma silver, lead and zinc mine (the "**Caylloma Mine**") (100% ownership) in southern Peru, and
- is constructing an open pit gold mine at the Séguéla project (the "**Séguéla Project**") (90% ownership) in northwestern Côte d'Ivoire.

The Company also has various greenfields exploration properties at different stages of development in Côte d'Ivoire, Mexico, Argentina and Burkina Faso, including the advanced stage exploration project at Boussoura located in the province of Poni in Burkina Faso.

Three-Year History and Recent Developments

Over the three most recently completed financial years, the significant events described below contributed to the development of the Company's business.

2020 Developments

The Company reported full year production results for 2020 from its then three operating mines: the San Jose Mine in Mexico, the Lindero Mine in Argentina, and the Caylloma Mine in Peru. In 2020, the Company produced 7,133,717 ounces of silver (19% decrease over 2019), 55,349 ounces of gold (10% increase over 2019), 29,627,923 pounds of lead (3% increase over 2019) and 45,545,299 pounds of zinc (in line with 2019).

During 2020, in response to the pandemic, the Governments of Mexico, Peru and Argentina implemented measures to curb the spread of COVID-19, which included among others, the closure of international borders, temporary suspension of non-essential activities and the declaration of mandatory quarantine periods. Certain of these measures were subsequently eliminated or relaxed during the year. However, the Company's operations were negatively impacted by the spread of the COVID-19 pandemic. Operations at the San Jose Mine were suspended for 54 days in the second quarter as a result of a government mandated national quarantine in Mexico, and construction activities were suspended at the Lindero Mine for 60 days during the first and second quarter due to a government mandated period of national social isolation in Argentina. In response to a period of social isolation mandated by the Peruvian government in the first and second quarter of 2020, operations were able to continue at the Caylloma Mine, initially by drawing ore from the coarse ore stockpile during the first quarter, and as the stockpile decreased the mine was subsequently re-started in the second quarter using a reduced taskforce in compliance with applicable Peruvian Government requirements. However, operations were voluntarily suspended for 21 days at the Caylloma Mine in the third quarter to, among other things sanitize and disinfect the mine and make infrastructure improvements to accommodate social distancing guidelines.

As the situation with respect to the COVID-19 pandemic was extremely uncertain and involved government mandated restrictions on operations, the Company was unable to determine the impact of COVID-19 on its production and cost guidance for 2020, and on April 2, 2020, it withdrew its production and cost guidance for the remainder of 2020.

On May 11, 2020, the Company announced that it had entered into an agreement with a syndicate of underwriters led by Scotia Capital Inc. and BMO Nesbitt Burns Inc., and including PI Financial Corp., CIBC World Markets Inc. and National Bank Financial Inc. (collectively, the "**2020 Underwriters**") who had agreed to purchase, on a "bought deal" basis, an aggregate of 20,000,000 Common Shares at a purchase price of $3.00 per share (the "**Offering Price**") for gross proceeds to the Company of $60.0 million (the "**2020 Financing**"). The 2020 Financing was subject to an over-allotment option (the "**Over-Allotment Option**") granted to the 2020 Underwriters to purchase up to an additional 3,000,000 Common Shares at the Offering Price to cover over-allotments if any, and for market stabilization purposes. The 2020 Financing was completed on May 20, 2020. The Company issued an aggregate of 23,000,000 Common Shares for gross proceeds to the Company of $69.0 million, which included the exercise by the 2020 Underwriters of the Over-Allotment Option in full.

On June 4, 2020, the Company secured amendments to its existing $150 million senior secured credit facility, including amendments to the financial covenants contained in the credit facility in response to the constraints on the Company's operations resulting from the COVID-19 pandemic.

On September 3, 2020, the Company announced the start of irrigation and leaching of ore placed on the heap leach pad at the Lindero project, and on October 20, 2020 announced the first gold pour at Lindero producing 728 ounces of gold. Construction at the Lindero Mine was substantially complete by the end of December 2020.

2021 Developments

The Company reported full year production results for 2021 from its four operating mines: the San Jose Mine in Mexico, the Lindero Mine in Argentina, the Yaramoko Mine in Burkina Faso, and the Caylloma Mine in Peru. In 2021, the Company produced 207,192 ounces of gold (274% increase over 2020), 7,498,701 ounces of silver (5% increase over 2020), 32,989,973 pounds of lead (11% increase over 2020) and 47,549,301 pounds of zinc (4% increase 2020). Production results for each mine in 2021 compared to 2020 are as follows:

San Jose Mine: in 2021, the Company produced 6,425,029 ounces of silver, an increase over 2020 of 4%, and 39,406 ounces of gold, an increase over 2020 of 4%. Average head grades for silver and gold for the year were 209 g/t and 1.29 g/t, respectively, both a decrease of 7% over the respective head grades in 2020. Cash cost per tonne of processed ore[1] for 2021 increased to $75.80 per tonne compared to $68.79 per tonne for 2020 due to higher mine preparation and support and higher indirect costs.

Lindero Mine: in 2021, the Company produced 104,161 ounces of gold, comprised of 99,313 ounces in doré, 730 ounces of gold contained in precipitate/sludge and 4,118 ounces of gold-in-carbon (GIC) inventory, an increase of 675% over the 13,435 ounces produced in 2020. Cash cost per ounce of gold sold[1] for the first full year of production in 2021 was $617.

Yaramoko Mine: as a result of the Roxgold Acquisition completed in July 2021, the Company acquired the Yaramoko Mine. From July 2, 2021, the Company produced 57,538 ounces of gold with an average gold head grade of 7.13 g/t. Cash cost per ounce of gold sold[1] for the second semester of 2021 was $739.

Caylloma Mine: in 2021, the Company produced 1,073,62 ounces of silver, an increase over 2020 of 11%. Annual average head grade for silver was 76 g/t. Base metal production at the Caylloma Mine in 2021 totaled 33.0 million pounds of lead, an increase of 11% over 2020, and 47.5 million pounds of zinc, an increase of 4% over 2020. Average head grades for lead and zinc were 3.16% and 4.56%, respectively, for the year. Gold production for 2021 totaled 6,086 ounces, an increase of 48% over 2020, with an average head grade of 0.49 g/t. Cash cost per tonne of processed ore[1] for the full year 2021 increased to $88.41 per tonne compared to $77.19 per tonne

1 Refer to "*Notice Regarding Non-IFRS Measures*" section above.

for 2020 due to higher mine preparation and support and higher indirect costs related to administration and energy.

On February 8, 2021, the Company announced the resignation of Simon Ridgway as a director and Chairman of the Board. David Laing was appointed as an independent Chair of the Board of the Company (the "**Board**").

On March 29, 2021, the Company announced the results from a successful 4,670 meters of step-out and infill drilling over 22 drill holes at the San Jose Mine which established continuity of high-grade mineralization in the upper levels of the Trinidad Footwall structures.

In 2009, the SEMARNAT granted an EIA to Fortuna's Mexican subsidiary, Compañía Minera Cuzcatlán ("**CMC**"), which authorized the construction, execution and maintenance of the San Jose Mine for a period of 12 years effective until October 23, 2021. In May 2021, CMC filed an application to extend the term of the EIA for an additional period of 10 years. On November 10, 2021 CMC received written notification from SEMARNAT that the application to extend the EIA had been denied. CMC appealed the decision of SEMARNAT and obtained the protection of the Mexican courts to continue to operate the San Jose mine beyond the expiry date of the EIA. On December 20, 2021, the Company announced that SEMARNAT had granted a 12 year extension to the EIA at the San Jose mine. On January 28, 2022, the Company announced that it had received a notice from SEMARNAT which advised that SEMARNAT had made a typographical error in the extension to the term of the EIA for the San Jose Mine and that the correct extension term is two years. CMC initiated legal proceedings to challenge and revoke the allegation of the typographical error and to reconfirm the 12 year extension granted by SEMARNAT in December 2021. The Mexican Federal Administrative Court admitted the Company's legal proceedings and granted an injunction in favour of the Company, which suspended the reduction of the term of the EIA from 12 years to two years during the course of the legal proceedings. See "2022 Developments" and "2023 Developments" below for further updates on this matter.

On July 2, 2021, the Company completed its acquisition of all of the issued and outstanding common shares ("**Roxgold Shares**") of Roxgold by way of a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia) pursuant to an arrangement agreement between the Company and Roxgold dated effective April 26, 2021 (the "**Arrangement Agreement**"). Under the terms of the Arrangement Agreement, holders of Roxgold Shares received 0.283 of a common share of Fortuna and CAD$0.01 in cash for each Roxgold Share held. Upon completion of the Roxgold Acquisition, Fortuna issued an aggregate of 106,106,225 common shares of Fortuna and CAD$374,934 in cash and Roxgold became a wholly-owned subsidiary of Fortuna. As a result of the Roxgold Acquisition, the Company acquired the producing Yaramoko mine in Burkina Faso, the Séguéla advanced gold project in Côte d'Ivoire and certain exploration projects in Burkina Faso and Côte d'Ivoire.
See "Business of the Company".

In connection with the Roxgold Acquisition, Kate Harcourt was appointed a director of the Company and a member of the Sustainability Committee of the Company (the "**Sustainability Committee**") on July 2, 2021. Additionally, various changes in the Company's executive officers were made during the second half of 2021 to reflect the expansion of the Company's operations into West Africa.

On September 7, 2021, the Company announced continued high grade results from extension and scout drilling at the Séguéla Project in Côte d'Ivoire and the Boussoura project on Burkina Faso. Exploration activities at the Séguéla Project included a 7,115 meter step-out drilling program at the Koula deposit; a 1,774 meter 11 hole program at the Sunbird prospect and a 2,070 meter 11 hole program at the Gabbro North prospect. Exploration activities at the Boussoura project included a 5,958 meter 47 hole program at the Fofora Main prospect and a 3,419 meter 12 hole program at the Galgouli prospect.

On September 29, 2021, the Company announced the decision to proceed with the construction of an open pit mine at the Séguéla Project in Côte d'Ivoire with long lead items procured and development teams established on the ground. The updated Séguéla Project budgeted total capital investment is $173.5 million. The anticipated construction schedule is approximately 20 months, with ramp-up to design capacity expected in the third quarter of 2023.

On October 7, 2021, the Company and the Mexican Geological Service ("**SGM**") entered into a settlement agreement related to a disputed royalty on one of the mining concessions at the San Jose mine in Mexico. Pursuant to the settlement agreement, the Company paid to the SGM the amount of $9.6 million plus value added tax to end any prior dispute and agreed to pay to the SGM a three percent royalty on the billing value of minerals obtained from the concession from May 1, 2021 on an ongoing basis. The terms of the royalty are set out in a royalty agreement between the parties dated March 18, 2022. The remaining terms of the settlement are confidential, and the Company has not admitted any liability.

In November 2021, the Company entered into a fourth amended and restated credit agreement (the "**2021 Credit Facility**") with a syndicate of banks led by BNP Paribas, and including the Bank of Nova Scotia, Bank of Montreal and Societe Generale which converted the Company's non-revolving and revolving facility into a revolving credit facility and increased the amount of the facility from $120 million to $200 million, subject to certain terms and conditions. The 2021 Credit Facility has a term of four years maturing in November 2025 and steps down to $150 million after three years. Interest initially accrued on LIBOR loans under the 2021 Credit Facility at LIBOR plus an applicable margin (now SOFR loans plus an applicable margin) of between two and three percent, which varied according to the consolidated leverage levels of the Company. The Company's principal operating subsidiaries in Mexico, Peru, Côte d'Ivoire and Burkina Faso, and their respective direct and indirect holding companies, have pledged all of their respective assets to secure their respective guarantees of such payment, including the shares of the Company's principal operating subsidiaries in Mexico and Peru. The Company's principal operating subsidiary in Burkina Faso has pledged its bank accounts to secure the obligations under its guarantee and the holding companies of the Company's principal operating subsidiaries in Burkina Faso and Côte d'Ivoire and Burkina Faso have pledged the shares of those principal operating subsidiaries to secure the obligations under their guarantees. The 2021 Credit Facility was amended in 2022. See "2022 Developments" below for further details.

On December 9, 2021, the Company announced results from the exploration programs at the: Séguéla Project; the San Jose Mine; the Arizaro project in Argentina; and the Caylloma Mine.

2022 Developments

The Company reported full year production results for 2022 from its four operating mines: the San Jose Mine in Mexico, the Lindero Mine in Argentina, the Yaramoko Mine in Burkina Faso, and the Caylloma Mine in Peru. In 2022, the Company produced 259,427 ounces of gold (25% increase over 2021), 6,907,275 ounces of silver (8% decrease over 2021), 34,588,324 pounds of lead (5% increase over 2021) and 46,175,821 pounds of zinc (3% decrease over 2021). Production results for each mine in 2022 compared to 2021 are as follows:

San Jose Mine: in 2022, the Company produced 5,762,562 ounces of silver, a decrease over 2021 of 10 %, and 34,124 ounces of gold, a decrease over 2021 of 13%. Average head grades for silver and gold for the year were 191 g/t and 1.14 g/t, respectively, a decrease of 9% and 12% over the respective head grades in 2021. Cash cost per tonne of processed ore[2] for 2022 increased to $81.33 per tonne compared to $75.80 per tonne for 2021, due to higher mine preparation, support and indirect costs.

Lindero Mine: in 2022, the Company produced 118,418 ounces of gold, comprised of 116,191 ounces in doré and 2,227 ounces of gold-in-carbon (GIC), an increase of 14% over the 104,161 ounces produced in 2021. Cash cost per ounce of gold sold[1] for 2022 increased to $740 per ounce compared to $617 per ounce in 2021, due to higher operating costs primarily due to inflation and lower stripping capitalization.

Yaramoko Mine: in 2022, the Company produced 106,108 ounces of gold achieving the mid-point of the annual guidance range. The average gold head grade for the year was 6.37 g/t in line with the planned estimate for the year,. Cash cost per ounce of gold sold[1] for 2022 was $840 per ounce compared to $739 per ounce from the date of acquisition on July 2, 2021 to December 31, 2021, primarily due to higher mining service costs related to inflation and variation in orebody sequence.

2 Refer to "*Notice Regarding Non-IFRS Measures*" section above.

Caylloma Mine: in 2022, the Company produced 1,144,713 ounces of silver, an increase over 2021 of 7%. Average head silver head grade was 80 g/t, an increase over 2021 of 5%. Base metal production at the Caylloma Mine in 2022 totaled 46.2 million pounds of zinc and 34.6 million pounds of lead, both exceeding the upper range of annual guidance. Average head grades for zinc and lead were 4.32% and 3.27%, respectively, for the year. Cash cost per tonne of processed ore[1] for 2022 increased to $92.96 per tonne compared to $88.41 per tonne for 2021 mainly due to higher mine costs caused by inflation.

One of the Company's main focuses for 2022 was the construction of the mine at Séguéla. Construction at the Séguéla Project advanced during 2022 in accordance with the project timeline and budget, despite worldwide supply chain challenges. The Séguéla Project was 29% complete at the end of 2021 and by the end of January 2023 it was approximately 90% complete and remains on track for first gold pour in mid-2023. See "Outlook for 2023 – 2023 Plan for Transition of Séguéla Project from Construction to Operations".

On February 4, 2022, the Company announced that CMC had received a notice from SEMARNAT which advised that SEMARNAT had made a typographical error in the extension to the term of the EIA for the San Jose Mine and that the correct extension term is two years. CMC initiated legal proceedings to challenge and revoke the allegation of the typographical error and to reconfirm the 12 year extension granted by SEMARNAT in December 2021. The Mexican Federal Administrative Court admitted CMC's legal proceedings and granted an injunction in favour of the Company, which suspended the reduction of the term of the EIA from 12 years to two years during the course of the legal proceedings. On November 7, 2022, the Company received notice that the Mexican Federal Administrative Court had issued a judgment in favour of the Company, which re-confirmed that the extension of the term of the EIA for the San Jose Mine is for a period of 12 years. See "2023 Developments" below for further updates on this matter.

On March 15, 2022, the Company announced a maiden inferred mineral resource estimate for the Sunbird discovery located at the Séguéla Project. It is estimated that the Sunbird deposit contains an inferred mineral resource of 3.4 million tonnes at an average grade of 3.16 g/t gold containing 350,000 gold ounces. The inferred mineral resource does not materially change the existing mineral resource estimate at Séguéla. See "Schedule "E" – Material Properties – Séguéla Project, Côte d'Ivoire – Exploration Work Subsequent to the Séguéla Technical Report".

On May 2, 2022, the Company initiated a share repurchase program to purchase up to five percent of its issued and outstanding common shares, expiring on the earlier of May 1, 2023 and the date on which Fortuna has acquired the maximum number of common shares allowable under the Normal Course Issuer Bid ("**NCIB**") or the date on which Fortuna otherwise decides not to make any further repurchases under the NCIB. From the commencement of the share repurchase program to December 31, 2022, in accordance with the Company's NCIB, the Company re-purchased an aggregate of 2,201,404 common shares at a weighted average price of $2.69 per share via open market purchases through the facilities of the New York Stock Exchange ("**NYSE**") for a total repurchase value of approximately $5.9 million, all of which shares were subsequently returned to treasury and cancelled. The Company will continue to evaluate further share purchases with respect to this program when it believes the share price undervalues the Company and based on cash requirements.

Effective June 27, 2022, the Board approved the appointment of Ms. Salma Seetaroo as an additional Director of the Company. Ms. Seetaroo brings her skills and experience in commodities, financing, investment banking, and project development in West Africa. She has spent the last 17 years working on debt, equity, and special situations investments in Africa as an investment banker.

On August 17, 2022, the Company announced the voluntary resignation of Paul Criddle from the position of Chief Operating Officer – West Africa effective September 30, 2022. David Whittle, formerly the Vice-President Operations – West Africa, assumed the role of Chief Operating Officer – West Africa effective October 1, 2022.

On December 5, 2022, the Company announced that additional exploration drilling at the Sunbird deposit has resulted in an upgraded mineral resource estimate, including a maiden indicated mineral resource of 3.2 million tonnes at an average grade of 2.66 g/t gold containing 279,000 ounces and an inferred mineral resource of 4.2 million tonnes at an average grade of 3.73 g/t gold containing 506,000 ounces. The indicated mineral resource and increased inferred mineral resource do not materially change the existing mineral resource estimate at Séguéla. See

"Schedule E" – Material Properties – Séguéla Project, Côte d'Ivoire – Exploration Work Subsequent to the Séguéla Technical Report".

On December 15, 2022, the Company announced that it had entered into an amendment to the 2021 Credit Facility which increased the maximum facility amount by US$50 million to US$250 million. The maturity date of the 2021 Credit Facility remains unchanged and matures in November 2025.

Key amendments to the 2021 Credit Facility include:

- Addition of an uncommitted US$50 million accordion option which can increase the aggregate principal amount under the credit facility to US$300 million, exercisable on or after June 1, 2023 and before October 2024;
- An increase in the step-down level of the facility from US$150 million to US$175 million in November 2024;
- Potential annual extensions of both the maturity date and the step-down date
- Replacement of discontinued LIBOR based interest rates by secured overnight financing rate based rates published by the Federal Reserve Bank of New York and the inclusion of market standard benchmark interest rate replacement provisions; and
- 25 basis points increase in the benchmark loan interest rate margins and 9 to 12 basis points increase in the commitment fee rate; the actual margin and rate will be determined based on the Company's net senior secured leverage ratio.

2023 Recent Developments

On January 5, 2023, the Company announced that CMC had received notice of a resolution (the "**SEMARNAT Resolution**") issued by SEMARNAT which provides that SEMARNAT has annulled and is re-assessing the 12 year extension to the EIA for the San Jose Mine that it granted to CMC in December 2021.

Management of the Company believes that the SEMARNAT Resolution is unfounded and has no merits.

CMC initiated legal proceedings (the "**Mexican Legal Proceedings**") in the Mexican Federal Administrative Court (the "**Court**") to contest and revoke the annulment of the San Jose EIA. The Court has admitted the Mexican Legal Proceedings, and on March 14, 2023, the Company announced that Court has granted a permanent injunction which allows the San Jose Mine to continue to operate under the terms of the 12-year EIA until the determination of the Mexican Legal Proceedings. See "Risk Factors – The Company is subject to extensive government regulations and permit requirements". Until the determination of the Mexican Legal Proceedings, the Company has agreed with its lenders to certain temporary restrictions under the 2021 Credit Facility. See "Risk Factors – Temporary restrictions on the 2021 credit facility".

Outlook for 2023

2023 Production and Cost Guidance

The Company's production and cost guidance for 2023 is set out below.

Mine	Silver (Moz)	Gold (koz)	Lead (Mlbs)	Zinc (Mlbs)	Cash Cost[1,3,5,6]	AISC[1,2,3,5,7]
SILVER					**($/oz Ag Eq)**	**($/oz Ag Eq)**
San Jose, Mexico	5.3 - 5.8	34 – 37	-	-	10.2 - 11.3	14.7 - 16.2
Caylloma, Peru	1.0 - 1.1	-	29 - 32	43 - 48	10.4 - 11.5	19.0 - 21.0
GOLD					**($/oz Au)**	**($/oz Au)**
Lindero, Argentina	-	96 – 106	-	-	820 - 920	1,430 - 1,580
Yaramoko, Burkina Faso	-	92 – 102	-	-	960 - 1,060	1,550 - 1,710
Séguéla[4], Côte d´Ivoire	-	60 – 75	-	-	450 - 580	880 - 1,080
CONSOLIDATED TOTAL	**6.3 - 6.9[6]**	**282 – 320[6]**	**29 – 32[6]**	**43 - 48[6]**		

Notes:

1. Cash Cost and all-in sustaining cost (AISC) are non-IFRS financial measures which are not standardized financial measures under the financial reporting framework used to prepare the financial statements of the Company and might not be comparable to similar financial measures disclosed by other issuers. Refer to the note under "Notice Regarding Non-IFRS Measures" below
2. AISC includes production cash cost, commercial and government royalties, mining tax, export duties (as applicable), worker's participation (as applicable), subsidiary G&A, sustaining capital expenditures, and Brownfields exploration and is estimated at metal prices of $1,700/oz Au, $21/oz Ag, $2,000/t Pb, and $3,200/t Zn. AISC excludes government mining royalty recognized as income tax within the scope of IAS-12
3. Silver equivalent is calculated at metal prices of $1,700/oz Au, $21/oz Ag, $2,000/t Pb and $3,200/t Zn
4. Séguéla's production and cost guidance is based on first gold pour in mid-2023. Any material changes to the construction or commissioning schedule may have a material impact on Séguéla's production and cost guidance.
5. Totals may not add due to rounding
6. The Company anticipates gold equivalent production for 2023 of between 412,000 to 463,000 ounces, a projected increase of between 3 to 15 percent over 2022. Gold equivalent includes gold, silver, lead and zinc and is calculated using the following metal prices: $1,700/oz Au, $21/oz Ag, $2,000/t Pb and $3,200/t Zn or Au:Ag = 1:81.00, Au:Pb = 1:0.85, Au:Zn = 1:0.53
7. Historical non-IFRS measure cost comparatives: The following table provides the historical cash costs and historical AISC for the four operating mines for the year ended December 31, 2022 as follows:

Mine	Cash Cost[a,b,c]	AISC[a,b,c]
SILVER	**($/oz Ag Eq)**	**($/oz Ag Eq)**
San Jose, Mexico	10.56	15.11
Caylloma, Peru	12.34	17.97
GOLD	**($/oz Au)**	**($/oz Au)**
Lindero, Argentina	740	1,142
Yaramoko, Burkina Faso	840	1,529

(a) Cash cost and AISC are non-IFRS financial measures; refer to the note under "Notice Regarding Non-IFRS Measures" below

(b) Silver equivalent for San Jose was calculated using realized metal prices of $1,802/oz Au, $21.75/oz Ag for the year ended December 31, 2022, and using a silver to gold ratio of 82.9:1

Silver equivalent for Caylloma was calculated using realized metal prices of $1,802/oz Au, $21.75/oz Ag, $0.98/lb Pb and $1.57/lb Zn for the year ended December 31, 2022 and using a silver to gold ratio of 82.5:1, silver to lead ratio of 1:22.2 pounds and silver to zinc ratio of 1:13.9 pounds

(c) Further details on the cash costs and AISC for the year ended December 31, 2022 are disclosed on pages 35, 38, 40, and 41 (with respect to cash costs) and pages 36, 39, and 42 (with respect to AISC) of the Company's management discussion and analysis ("MD&A") for the year ended December 31, 2022 dated as of March 15, 2023 ("2021 MD&A") which is available under Fortuna's SEDAR profile at www.sedar.com and EDGAR profile at www.sec.gov and is incorporated by reference into this news release, and the note under "Notice Regarding Non-IFRS Measures" below

San Jose Mine, Mexico - production guidance for 2023

During 2023, the Company plans to process approximately 1.03 million tonnes of ore averaging 186 g/t silver and 1.19 g/t gold from the San Jose Mine. Silver and gold production reflect the declining grade profile of Mineral Reserves. Capital investment is estimated at $18.4 million, including $15.1 million for sustaining capital expenditures and $3.3 million for Brownfields exploration programs. Major sustaining capital investment projects include $8.4 million for mine development and $1.7 million for underground mine equipment spare parts and overhauling.

Lindero Mine, Argentina – production guidance for 2023

During 2023, the Company plans to place approximately 6.3 million tonnes of ore averaging 0.67 g/t gold, containing an estimated 136,100 ounces of gold on the leach pad at the Lindero Mine. Capital investments are estimated at $42.7 million, including $30.3 million for sustaining capital expenditures, $12.1 million of capitalized stripping and $0.3 million for Brownfields exploration programs. Major sustaining capital investment projects include $17.5 million for leach pad Phase II expansion, $7.6 million for heavy equipment replacement and overhaul, and $1.2 million for plant spare parts.

Yaramoko Mine, Burkina Faso – production guidance for 2023

During 2023, the Company plans to process approximately 526,088 tonnes of ore averaging 5.9 g/t Au from the Yaramoko Mine. Capital investments are estimated at $40.8 million, including $37.4 million for sustaining capital expenditures and $3.3 million for Brownfields exploration programs. Major sustaining capital investment projects include $30.8 million for mine development, $2.5 million for ventilation infrastructure extension, $1.3 million for 109 open pit preparation, and $0.5 million for QV prime equipment.

Caylloma Mine, Peru – production guidance for 2023

During 2023, the Company plans to process approximately 542,000 tonnes of ore averaging 73 g/t silver, 2.86% lead, and 4.28% zinc from the Caylloma Mine. Capital investments are estimated at $23.6 million, including $21.0 million for sustaining capital expenditures and $2.6 million for Brownfields exploration programs. Major sustaining capital investment projects include $7.1 million for mine development, $3.9 million for underground water pumping system, $2.7 million for Caylloma Mine sub-station power grid enhancement, $1.4 million for plant power sub-station, Phase II, and $1.1 million for new paste backfill system, Phase I.

2023 Plan for Transition of Séguéla Project from Construction to Operations

As at the date of this AIF, construction activities at the Séguéla Project are almost complete. Operational readiness is the focus, as commissioning of the processing plant commenced in the latter part of the first quarter of 2023. The Séguéla Project is well positioned for this transition which also represents a significant milestone for the Company. Mota-Engil, the mining contractor, has established their temporary facilities on site to support initial mining activities with construction of the permanent mining services area infrastructure progressing well. The mining fleet required for initial mining activities is on site, commissioned and operating.

In preparation of the transition to operations:

- Recruitment and onboarding of staff was well underway and an experienced core leadership team is now in place
- Mine equipment continues to be delivered to site and training of operations is underway
- Grade control drilling and mining activities commenced in the first quarter of 2023
- The processing plant commissioning plan is on track, commissioning teams and vendor representatives started to arrive on site in the latter part of the first quarter of 2023
- Spare parts, first fills, reagents and consumables have started to arrive at site
- Mining preparations were completed at the Antenna Stage 1 pit including ground clearing and clearing of pit haul road areas
- Commencement of mining activities
- Commencement of process plant commissioning

The main construction goals/milestones to be achieved in 2023 towards first gold pour include:

Q2 2023:

- First blast
- First ore to the ROM pad
- Processing plant practical completion in April
- First ore fed to the crusher in April
- First gold pour

Q3 2023:

- Ramp-up to design capacity

Once production commences in mid-2023, Séguéla is expected to process approximately 739,466 tonnes of ore averaging 3.3 g/t Au over the rest of the year, with capital investments estimated at $22.7 million, including $18.8 million for sustaining capital expenditures and $3.9 million for Brownfields exploration programs.

Major sustaining capital investment projects include $10.0 million for mine development, $2.8 million for tailings storage facility lift, and $1.7 million for Sunbird Deposit infill drilling.

As of December 31, 2022, the Séguéla Project had approximately $27.0 million in remaining spend of the project’s $173.5 million capital expenditures budget. The project remains on time and on budget as at the date of this AIF.

2023 Exploration Outlook

Brownfields Exploration

Fortuna´s consolidated Brownfields exploration budget for 2023 for its four mines and Séguéla totals $21.8 million, which includes 128,000 meters of reverse circulation, diamond core and air core exploration drilling.

Séguéla Project, Côte d’Ivoire

The Brownfields exploration program budget for 2023 at the Séguéla Project is $12.2 million, which includes 87,200 meters of drilling to upgrade resource confidence and further extend the Sunbird Deposit along strike and at depth; test for further depth extensions at the Koula, Ancien and Antenna deposits; further drilling to test and infill the recent Kestral, Barana and Badior prospects and continued generation and testing of near-mine targets.

San Jose Mine, Mexico

The Brownfields exploration program budget for 2023 at the San Jose Mine is $3.3 million, which includes 5,500 meters of diamond drilling, focused on extensions to the Magdalena, Trinidad and Victoria systems, as well as work along the Taviche corridor.

Lindero Mine, Argentina

The Brownfields exploration program for 2023 at the Lindero Mine of $0.3 million will be focused on reviewing the Arizaro project, located 3.5 kilometers to the southeast of the mine. Exploration at Lindero will also extend to regional prospect evaluation and portfolio reviews.

Yaramoko Mine, Burkina Faso

The Brownfields exploration program budget for 2023 at the Yaramoko Mine is $3.3 million, which includes 29,200 meters of exploration drilling, testing of several surface geochemistry anomalies generated in 2022, in addition to testing strike and depth projections of the 55 Zone.

Caylloma Mine, Peru

The Brownfields exploration program budget for 2023 at the Caylloma Mine is $2.6 million, which includes 6,560 meters of drilling to test down-dip extensions of ore shoots 1 and 3 at the Animas silver-polymetallic vein, as well as regional exploration work and target generation at the Antacollo, Santa Rosa and San Cristobal silver veins.

Greenfields Exploration

Reconnaissance exploration and evaluation of potential new projects will continue to be actively pursued during 2023, with a focus on new project generation and corporate growth in our active operating regions, supported by a budget of $3.9 million.

Updated Mineral Reserve and Mineral Resource Estimates

During the past three years, the Company has released updated Mineral Reserve and Mineral Resource estimates for its properties as follows:

- for the Lindero project as at March 31, 2019 – released in April 2019;
- for the Caylloma Mine and the San Jose Mine as at December 31, 2019 – released in March 2020;
- for the Caylloma Mine, the San Jose Mine and the Lindero Mine as at December 31, 2020 – released in March 2021;
- for the Company's four mines and the Séguéla Project as at December 31, 2021 – released in March 2022;
- for the Yaramoko Mine as at June 30, 2022 – released in January 2023;
- for the Séguéla Project as of March 31, 2021, with the exception of the Sunbird Deposit which is reported as of November 21, 2022 – released in May 2021 and December 2022 respectively; and
- for the Company's four mines as at December 31, 2022 – released in March 2023.

A summary of the current Mineral Reserve and Mineral Resource estimates for the Company's four mines as at December 31, 2022 and for the Séguéla Project as at March 31, 2021, with the exception of the Sunbird Deposit which is as of December 2022 is as follows:

Highlights of Mineral Reserve and Mineral Resource Update

- Combined Proven and Probable Mineral Reserves are reported containing 2.8 Moz Au and 20.1 Moz Ag, representing a year-over-year decrease of 14 percent and 22 percent, respectively
- Combined Measured and Indicated Resources exclusive of Mineral Reserves are reported containing 1.1 Moz Au and 10.5 Moz Ag, representing a year-over-year increase of 32 percent in gold and no change in silver
- Combined Inferred Mineral Resources are reported containing 1.4 Moz Au and 26.5 Moz Ag reflecting a year-over-year increase of 39 percent and 1 percent, respectively
- Maiden Inferred Mineral Resources are reported for the Arizaro Project located 3.2 kilometers southeast of the Lindero Mine containing 280 koz Au

2022 Mineral Reserves and Mineral Resources

Mineral Reserves – Proven and Probable								**Contained Metal**	
Property		**Classification**	**Tonnes (000)**	**Ag (g/t)**	**Au (g/t)**	**Pb (%)**	**Zn (%)**	**Ag (Moz)**	**Au (koz)**
Silver Mines	**Caylloma, Peru**	Proven	43	213	0.78	2.62	2.30	0.3	1
		Probable	3,155	79	0.14	2.67	3.91	8.0	14
		Proven + Probable	3,198	81	0.15	2.66	3.88	8.3	15
	San Jose, Mexico	Proven	184	208	1.45	N/A	N/A	1.2	9
		Probable	1,957	168	1.14	N/A	N/A	10.6	72
		Proven + Probable	2,140	172	1.16	N/A	N/A	11.8	80
	Total	**Proven + Probable**	**5,338**	**117**	**0.56**	**N/A**	**N/A**	**20.1**	**96**
Gold Mines	**Lindero, Argentina**	Proven	25,505	N/A	0.61	N/A	N/A	0.0	504
		Probable	53,713	N/A	0.54	N/A	N/A	0.0	937
		Proven + Probable	79,218	N/A	0.57	N/A	N/A	0.0	1,441
	Yaramoko, Burkina Faso	Proven	123	N/A	3.42	N/A	N/A	0.0	13
		Probable	1,039	N/A	6.19	N/A	N/A	0.0	207
		Proven + Probable	1,161	N/A	5.89	N/A	N/A	0.0	220
	Total	**Proven + Probable**	**80,379**	**N/A**	**0.64**	**N/A**	**N/A**	**0.0**	**1,661**
Gold Project	**Séguéla, Côte d'Ivoire**	Probable	12,100	N/A	2.80	N/A	N/A	0.0	1,088
		Proven + Probable	**12,100**	**N/A**	**2.80**	**N/A**	**N/A**	**0.0**	**1,088**
Total		**Proven + Probable**						**20.1**	**2,844**

Mineral Resources – Measured and Indicated									Contained Metal	
Property		Classification	Tonnes (000)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	Ag (Moz)	Au (koz)
Silver Mines	Caylloma, Peru	Measured	669	83	0.31	1.82	3.23	1.8	7
		Indicated	2,170	79	0.21	1.58	3.04	5.5	15
		Measured + Indicated	2,839	80	0.24	1.64	3.08	7.3	22
	San Jose, Mexico	Measured	72	135	0.98	N/A	N/A	0.3	2
		Indicated	839	107	0.70	N/A	N/A	2.9	19
		Measured + Indicated	911	109	0.72	N/A	N/A	3.2	21
	Total	**Measured + Indicated**	**3,750**	**87**	**0.35**	**N/A**	**N/A**	**10.5**	**43**
Gold Mines	Lindero, Argentina	Measured	1,855	N/A	0.50	N/A	N/A	0.0	30
		Indicated	27,594	N/A	0.42	N/A	N/A	0.0	369
		Measured + Indicated	29,448	N/A	0.42	N/A	N/A	0.0	399
	Yaramoko, Burkina Faso	Measured	86	N/A	6.41	N/A	N/A	0.0	18
		Indicated	374	N/A	5.97	N/A	N/A	0.0	71
		Measured + Indicated	460	N/A	6.05	N/A	N/A	0.0	89
	Total	**Measured + Indicated**	**29,908**	**N/A**	**0.51**	**N/A**	**N/A**	**0.0**	**488**
Gold Project	Séguéla, Côte d'Ivoire	Indicated	7,071	N/A	2.30	N/A	N/A	0.0	523
		Measured + Indicated	**7,071**	**N/A**	**2.30**	**N/A**	**N/A**	**0.0**	**523**
Total		**Measured + Indicated**						**10.5**	**1,053**

Mineral Resources – Inferred									Contained Metal	
Property		Classification	Tonnes (000)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	Ag (Moz)	Au (koz)
Silver Mines	Caylloma, Peru	Inferred	5,003	105	0.45	2.23	3.42	16.9	72
	San Jose, Mexico	Inferred	2,524	118	0.83	N/A	N/A	9.6	67
	Total	**Inferred**	**7,527**	**109**	**0.58**	**N/A**	**N/A**	**26.5**	**139**
Gold Mines	Lindero, Argentina	Inferred	24,170	N/A	0.47	N/A	N/A	0.0	365
	Yaramoko, Burkina Faso	Inferred	141	N/A	5.51	N/A	N/A	0.0	25
	Total	**Inferred**	**24,311**	**N/A**	**0.50**	**N/A**	**N/A**	**0.0**	**390**
Gold Projects	Séguéla, Côte d'Ivoire	Inferred	5,708	N/A	3.33	N/A	N/A	0.0	610
	Arizaro, Argentina	Inferred	22,146	N/A	0.39	N/A	N/A	0.0	280
	Total	**Inferred**	**27,854**	**N/A**	**0.99**	**N/A**	**N/A**	**0.0**	**890**
Total		**Inferred**						**26.5**	**1,419**

Notes:

1. Mineral Reserves and Mineral Resources are as defined by the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves
2. Mineral Resources are exclusive of Mineral Reserves
3. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability
4. Factors that could materially affect the reported Mineral Resources or Mineral Reserves include changes in metal price and exchange rate assumptions; changes in local interpretations of mineralization; changes to assumed metallurgical recoveries, mining dilution and recovery; and assumptions as to the continued ability to access the site, retain mineral and surface rights titles, maintain environmental and other regulatory permits, and maintain the social license to operate
5. Mineral Resources and Reserves are estimated as of June 30, 2022 for the Caylloma and Yaramoko Mines, as of July 31, 2022 for the San Jose Mine, as of August 31, 2022 for the Lindero Mine, as of December 31, 2022 for the Arizaro Project, and as of March 31, 2021 for the Séguéla Project with the exception of the Sunbird Deposit which is estimated and reported as of

November 21, 2022. Mineral Resources and Reserves for all mines are reported as of December 31, 2022 taking into production related depletion to this date

6. Mineral Reserves for the San Jose Mine are based on underground mining within optimized stope designs using an estimated NSR break-even cut-off grade of US$68.7/t to US$74.0/t equivalent to 119 -133 g/t Ag Eq based on assumed metal prices of US$21/oz Ag and US$1,600/oz Au; estimated metallurgical recovery rates of 91% for Ag and 90% for Au and mining costs of US$35.37/t cut and fill (C&F) - US$30.00/t sub-level stoping (SLS); processing costs of US$16.76/t; and other costs including distribution, management, community support and general service costs of US$21.91/t based on actual operating costs. Average mining recovery is estimated to 92% (C&F) and 93% (SLS) and average mining dilution 11% (C&F) and 17% (SLS). Mineral Resources are reported at a 110 g/t Ag Eq cut-off grade based on the same parameters used for Mineral Reserves and a 15% upside in metal prices
7. Mineral Reserves for the Caylloma Mine are reported above NSR breakeven cut-off values based on underground mining methods including; mechanized (breasting) at US$86.60/t; mechanized (uppers) at US$77.33/t; semi-mechanized at US$90.19/t; and a conventional method at US$155.09/t; using assumed metal prices of US$21/oz Ag, US$1,600/oz Au, US$2,100/t Pb and US$2,600/t Zn; metallurgical recovery rates of 82% for Ag, 45% for Au, 88% for Pb and 89% for Zn . Mining, processing and administrative costs used to determine NSR cut-off values were estimated based on actual operating costs incurred from July 2021 through June 2022. Mining recovery is estimated to average 95% with average mining dilution of 12% depending on the mining methodology. Mineral Resources are reported at an NSR cut-off grade of US$65/t for veins classified as wide (Animas, Animas NE, Nancy, San Cristobal) and US$135/t for veins classified as narrow (all other veins) based on the same parameters used for Mineral Reserves, and a 15% upside in metal prices
8. Mineral Reserves for the Lindero Mine are reported based on open pit mining within a designed pit shell based on variable gold cut-off grades and gold recoveries by metallurgical type: Met type 1 cut-off 0.27 g/t Au, recovery 75.4%; Met type 2 cut-off 0.26 g/t Au, recovery 78.2%; Met type 3 cut-off 0.26 g/t Au, recovery 78.5%; and Met type 4 cut-off 0.30 g/t Au, recovery 68.5%. Mining recovery is estimated to average 100% and mining dilution 0% having been accounted for during block regularization to 10m x 10m x 8m size. The cut-off grades and pit designs are considered appropriate for long term gold prices of US$1,600/oz, estimated average mining costs of US$1.67/t of material, total processing and G&A costs of US$10.32/t of ore, and refinery costs net of pay factor of US$8.52/oz Au. Reported Proven Reserves include 7.9 Mt averaging 0.48 g/t Au of stockpiled material. Mineral Resources for Lindero are reported within a conceptual pit shell above a 0.23 g/t Au cut-off grade based on the same parameters used for Mineral Reserves and a 15% upside in metal prices. Mineral Resources for Arizaro are reported within a conceptual pit shell above a 0.25 g/t Au cut-off grade using the same gold price and costs as Lindero with an additional US$0.52/t of ore to account for haulage costs between the deposit and plant. A slope angle of 47° was used for defining the pit
9. Mineral Reserves for Yaramoko are reported at a cut-off grade of 1.26 g/t Au for the 55 Zone open pit, 0.74 g/t Au for the 109 Zone open pit, 4.1 g/t Au for 55 Zone and Bagassi South QV underground (SLS), 3.1 g/t Au for Bagassi South QVP (Shrinkage) based on an assumed gold price of US$1,600/oz, metallurgical recovery rates of 98.0%, 55 Zone and Bagassi South (QV) underground mining costs of US$135/t, processing cost of US$31/t and G&A costs of US$28/t, Bagassi South QVP underground mining cost of US$115/t, and processing cost of US$30/t, surface mining cost of US$3.49/t, processing cost of US$27/t and G&A costs of US$25/t for the 55 Zone, surface mining cost of US$3.66/t and processing cost of US$27/t for the 109 Zone. Underground average mining recovery is estimated at 86% (SLS) and 90% (Shrinkage) for Bagassi South, 92% (SLS) for 55 Zone stopes and 100% for sill drifts. A mining dilution factor of 10% has been applied for sill drifts, 0.6m and 0.4m dilution skin has been applied for SLS and shrinkage mining respectively. Surface mining recovery is estimated to average 100% and mining dilution 0% having been accounted for during block regularization to 5m x 5m x 5m size within an optimized pit shell and only Proven and Probable categories reported within the final pit designs. Yaramoko Mineral Resources are reported in situ at a gold grade cut-off grade of 0.9 g/t Au for the 55 Zone open pit, 0.5 g/t Au for the 109 Zone open pit, and 2.9 g/t Au for underground (55 Zone and Bagassi South), based on an assumed gold price of US$1,700/oz and the same costs, metallurgical recovery and constrained within an optimized pit shell. The Yaramoko Mine is subject to a 10% carried interest held by the government of Burkina Faso
10. Mineral Reserves for Séguéla are reported constrained within optimized pit shells at an incremental cut-off grade of 0.54 g/t Au for Antenna, 0.55 g/t Au for Agouti, 0.55 g/t Au for Boulder, 0.56 g/t Au for Koula and 0.56 g/t Au for Ancien deposits based on an assumed gold price of US$1,500/oz, metallurgical recovery rate of 94.5%, mining cost of US$2.87/t for Antenna, US$2.74/t for Agouti, US$2.81/t for Boulder, US$2.85/t for Koula and US$2.93/t for Ancien, processing and G&A costs of US$14.51/t and US$7.13/t respectively, mining owner cost of US$1.30/t, refining cost of US$2.60/oz and royalty rate of 6%. The Mineral Reserves pit design were completed based on overall slope angle recommendations of between 37° and 57° for Antenna, Koula and Agouti deposits from oxide to fresh weathering profiles, between 34° and 56° for Ancien deposit from oxide to fresh weathering profiles and 37° and 60° for Boulder deposit from oxide to fresh weathering profiles. The Mineral Reserves are reported in situ with modifying factors of 15% mining dilution and 90% mining recovery applied. Mineral Resources for Séguéla are reported in situ at a cut-off grade of 0.3 g/t Au for Antenna, 0.45 g/t Au for Sunbird and 0.5 g/t Au for the other satellite deposits, based on an assumed gold price of US$1,700/oz and constrained within preliminary pit shells. The Séguéla gold Project is subject to a 10% carried interest held by the government of Cote d'Ivoire
11. Eric Chapman is the Qualified Person responsible for Mineral Resources reported for the Arizaro Project, San Jose, Caylloma, and Lindero mines; Raul Espinoza is the Qualified Person responsible for Mineral Reserves reported for the San Jose, Caylloma, Lindero and Yaramoko mines; both being employees of Fortuna Silver Mines Inc. Matthew Cobb is the Qualified Person

responsible for Mineral Resources reported for the Yaramoko Mine and Séguéla gold Project, being an employee of Roxgold Inc. (a wholly-owned subsidiary of Fortuna). Shane McLeay (FAUSIMM #222752) is the Qualified Person responsible for Mineral Reserves for the Séguéla gold Project, being an employee of Entech Pty Ltd.

12. N/A = Not applicable
13. Totals may not add due to rounding

Lindero Mine, Argentina

As of December 31, 2022, the Lindero Mine has Proven and Probable Mineral Reserves of 79.2 Mt containing 1.4 Moz Au, in addition to Measured and Indicated Resources, exclusive of Mineral Reserves, of 29.5 Mt containing 399 koz Au, and Inferred Resources of 24.2 Mt containing 365koz Au.

Since December 31, 2021, Mineral Reserve tonnes decreased by 11 percent, while gold grade remained unchanged at 0.57 g/t Au. Changes are primarily due to mining related depletion and sterilization of 6.0 Mt of material containing 158 koz Au delivered to the heap leach pad in 2022 and an increase in the reporting cut-off grade due to higher operating costs resulting in a decrease of 3.4 Mt containing 30 koz Au.

Measured and Indicated Resource gold ounces, exclusive of Mineral Reserves, decreased slightly by 16 koz Au or 4 percent since December 31, 2021 to 400 koz Au year-over-year, due to an increase in the cut-off grade used for reporting resources as a result of increased operating costs.

Inferred Resources tonnes decreased by 2.9 Mt or 11 percent, to 24.2 Mt since December 31, 2021 with the gold grade increasing 9 percent to 0.47 g/t. The decrease in Inferred Resources is due to the aforementioned changes in cut-off grade used for reporting resources.

Yaramoko Mine, Burkina Faso

As of December 31, 2022, the Yaramoko Mine has Proven and Probable Mineral Reserves of 1.2 Mt containing 220 koz Au, in addition to Measured and Indicated Resources, exclusive of Mineral Reserves, of 0.5 Mt containing 89 koz Au, and Inferred Resources of 0.14 Mt containing 25 koz Au.

Since December 31, 2021, Proven and Probable Reserve tonnes decreased from 2.13 Mt to 1.16 Mt with gold grade decreasing by 13 percent. Measured and Indicated Resources exclusive of Mineral Reserves decreased slightly by 9 percent in tonnes and increased by 4 percent in gold grade. Inferred Resource gold ounces decreased by 29 percent. Reasons for the change in Mineral Reserves include:

- 55 Zone underground and Bagassi South underground: decrease of 12 percent or 53,000 ounces due to production related depletion and sterilization;
- 55 Zone open pit: decrease of 26 percent or 120,000 ounces due to a reduction of remnant mineralized material related to a survey discrepancy identified in the historical model that was corrected in the updated resource model evaluation;
- 55 Zone open pit: decrease of 10 percent or 46,000 ounces due to changes in pit size as material at depth cannot be economically extracted from surface due to increased strip ratios as a result of the depletion of the aforementioned remnant material;
- 55 Zone underground and Bagassi South underground: increase of 1 percent or 5,000 ounces due to updated geological interpretation as a result of brownfields drilling counteracting marginal increases in cut-off grades;
- 109 Zone open pit: gain of 2 percent or 9,000 ounces due to infill drilling and first time estimation of resources and reserves; and
- Bagassi South QV Prime: gain of 2 percent or 8,000 ounces in the Bagassi South underground mine due to a change in the proposed mining method to shrinkage stoping and subsequent re-evaluation of the Mineral Reserves.

Refer to Fortuna news release dated January 27, 2023, "*Fortuna reports on Yaramoko's updated reserves and resources evaluation work and its Brownfields exploration program*") for full details.

Reasons for the changes in Inferred Resources are related to geological reinterpretation and upgrading based on the exploration and infill drilling.

San Jose Mine, Mexico

As of December 31, 2022, the San Jose Mine has Proven and Probable Mineral Reserves of 2.1 Mt containing 11.8 Moz Ag and 80 koz Au, in addition to Inferred Resources of 2.5 Mt containing a further 9.6 Moz Ag and 67 koz Au.

Year-over-year, Mineral Reserves decreased 28 percent in terms of tonnes, while silver grade decreased 4 percent and gold grade decreased 1 percent after net changes of minus 950,000 tonnes resulting from production-related depletion, application of higher cut-off grades related to increases in operational costs amounting to a decrease of 267,000 tonnes and the upgrading and conversion of 370,000 tonnes of Inferred Resources to Mineral Reserves due to infill and exploration drilling. Silver and gold grades decreased slightly to 172 g/t and 1.16 g/t, respectively due to upgraded grades having lower average grades than those depleted in 2022.

Measured and Indicated Resource tonnes exclusive of Mineral Reserves remained relatively unchanged year-over-year with tonnes decreasing by 3 percent and silver and gold grades increasing by 10 percent due to an increase in the cut-off grade used for reporting resources because of increased operating costs.

Year-over-year, Inferred Resources decreased 16 percent in terms of tonnes, with grades decreasing for silver and gold by 6 percent and 11 percent, respectively. The net variation is due primarily to reductions resulting from the upgrading of Inferred Resources related to infill drilling and an increase of 106,000 tonnes due to exploration drilling activities.

The Brownfields exploration program budget for 2023 at the San Jose Mine is US$3.3 million, which includes 5,500 meters of diamond drilling, focused on extensions to the Magdalena, Trinidad and Victoria systems, as well as work along the Taviche corridor.

Caylloma Mine, Peru

As of December 31, 2022, the Caylloma Mine has Proven and Probable Mineral Reserves of 3.2 Mt containing 8.3 Moz Ag, 15 koz Au, 85 kt Pb, and 124 kt Zn in addition to Inferred Resources of 5.0 Mt containing 16.9 Moz Ag, 72 koz Au, 112 kt Pb, and 171 kt Zn.

Year-over-year, Mineral Reserve tonnes increased by 1 percent, while silver grade decreased 4 percent to 81 g/t, lead grade increased 5 percent to 2.66 %, and zinc grade increased 5 percent to 3.88 %. Changes are primarily due to mining related depletion of 497,000 tonnes, upgrading and conversion of 548,000 tonnes of Inferred Resources to Mineral Reserves and the addition of 594,000 tonnes due to successful infill drill and exploration programs, respectively, focused on the Animas, Animas NE, Nancy and associated splay veins counteracted by a decrease by 336,000 tonnes due to higher cut-off values related to increases in operational costs and an additional decrease of 279,000 tonnes as a result of changes in estimation parameters, geological interpretation and commercial terms.

Measured and Indicated Resource tonnes, exclusive of Mineral Reserves, increased slightly by 4 percent year-over-year to 2.8 Mt with silver, lead and zinc grades decreasing slightly by 7 percent, 1 percent and 2 percent, respectively due to the same reasons as detailed for reserves.

Inferred Resources tonnes increased by 31 percent year-over-year. Silver and zinc grades decreased 9 percent and 2 percent, respectively whereas lead grades increased by 10 percent. The increase in Inferred Mineral Resources is primarily due to the inclusion of 1.9 Mt of new resources in relation to exploration drilling expanding identified mineralized material in the lower levels of the Animas and Animas NE veins counteracted by the infill drill program of the Animas and Animas NE veins resulting in the upgrading of Inferred Mineral Resources to Mineral Reserves.

Management is in the process of conducting a cost-benefit analysis to assess increasing plant throughput. This is supported by the expanded mineralization which remains open at depth in the Animas and Animas NE veins.

Séguéla Gold Project, Côte d'Ivoire

As of December 31, 2022, the Séguéla gold Project has Proven and Probable Mineral Reserves of 12.1 Mt containing 1.1 Moz Au, in addition to Indicated Resources of 7.1 Mt containing 523 koz Au and Inferred Resources of 5.7 Mt containing 610 koz Au. This includes a maiden indicated mineral resource of 3.2 million tonnes at an average grade of 2.66 g/t gold containing 279,000 ounces and an inferred mineral resource of 4.2 million tonnes at an average grade of 3.73 g/t gold containing 506,000 ounces at the Sunbird Deposit. The indicated mineral resource and increased inferred mineral resource do not materially change the existing mineral resource estimate at Séguéla. See "Schedule "E" – Material Properties – Séguéla Project, Côte d'Ivoire – Exploration Work Subsequent to the Séguéla Technical Report".

Infill drilling at the Sunbird Deposit is currently in progress with a 2023 program budget of US$1.7 million, which includes 9,500 meters of diamond drilling, aimed at upgrading Inferred to Indicated Resources with the ultimate intention of conversion to Mineral Reserves once sufficient studies are complete to determine modifying factors. See "Schedule "E" – Material Properties – Séguéla Project, Côte d'Ivoire – Exploration Work Subsequent to the Séguéla Technical Report".

Arizaro Project, Argentina

The Lindero property contains two known porphyry gold-copper deposits. The Lindero deposit, the focus of current mining activities at the Lindero Mine and the Arizaro deposit which is located 3.2 km southeast of the Lindero deposit.

The Company's updated Mineral Resource estimate as of December 31, 2022, includes a maiden Inferred Mineral Resource for the Arizaro Project located at the Lindero Property in Salta, Argentina. A total of 65 surface diamond drill holes totaling 16,166 meters were used in the modelling of the Inferred Mineral Resource.

As of December 31, 2022, the Arizaro Project has Inferred Mineral Resources of 22.1 Mt averaging 0.39 g/t Au containing 280 koz Au. Mineralization remains open at depth and along the trend of the northeast to southwest striking porphyry. See "Schedule "B" – Material Properties – Lindero Mine, Argentina."

DESCRIPTION OF THE BUSINESS

General

Summary. The Company is engaged in the mining of silver, gold and base metals and related activities in Latin America and West Africa, including exploration, extraction, and processing. The Company operates the San Jose Mine located in southern Mexico, the Lindero Mine located in northern Argentina, the Yaramoko Mine located in Burkina Faso, and the Caylloma Mine located in southern Peru. The Company is also constructing an open pit gold mine at the Séguéla Project in Côte d'Ivoire. Each of the Company's producing mines is generally considered to be a reportable segment.

The Company's gold production at the Lindero Mine and the Yaramoko Mine is in the form of gold doré bars. It has entered into non-exclusive precious metals purchase agreements with Auramet International LLC, a precious metals merchant headquartered in New Jersey, USA and Stonex Commodities DMCC, a precious metals trader headquartered in Dubai, United Arab Emirates. Refining arrangements are provided by Metalor USA Refining Corporation and Metalor Technologies SA. Gold doré is delivered to refineries in Switzerland and the United States, and subsequently transferred to the accounts of the buyers.

The silver-lead, zinc, and silver-gold concentrates produced by the Company at its San Jose Mine and its Caylloma Mine are sold to international metals traders who in turn deliver the products to different clients around the world.

The material sources of revenue for 2022 and 2021 are as follows:

	2022	2021
Gold doré	60%	47%[(1)]
By type of concentrate:		
Silver-lead concentrate	8%	10%
Zinc concentrate	7%	7%
Silver-gold concentrate	25%	36%
By metal contained in concentrate:		
Silver	50%	29%
Lead	11%	5%
Zinc	18%	7%
Gold	21%	59%

Note:

1. Includes gold doré produced at the Yaramoko Mine from July 2, 2021, being the date of the completion of the Roxgold Acquisition, to July 2, 2021.

Production Methods. The Lindero Mine is an open pit heap leach operation. Crushed ore is placed on a leach pad with the pregnant solution pumped to a sulphidization-acidification-recycle-thickening plant and an adsorption, desorption and recovery plant prior to electrowinning and refining where gold is poured to doré bars.

The Yaramoko Mine complex is an underground project with feed ore from two underground portals at the 55 Zone and Bagassi South mines, where long hole open stoping and cemented rock backfill is the mining method. The mined ore is fed to a traditional gold processing facility where the ore is crushed, milled and subject to carbon-in-leach ("**CIL**") extraction processes, prior to electrowinning and refining where gold is poured to doré bars.

The method of production both at the Caylloma Mine and the San Jose Mine consists of underground mining principally through cut and fill and longhole stoping mechanized operations. Extracted ore is trucked to a conventional crushing, milling and flotation processing plant which consists of zinc, and lead-silver flotation circuits for the Caylloma Mine, and a gold-silver circuit for the San Jose Mine.

Research and Development. The Company conducts feasibility work and operational enhancement evaluations in order to improve production processes and exploration and mining operations. The Company does not, in the normal course of business, conduct research and development activities in relation to products or services.

Specialized Skill and Knowledge. All aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, mining, metallurgy, engineering, environment issues, permitting, social issues, and accounting. While competition in the resource mining industry can make it difficult to locate and retain competent employees in such fields, the Company has been successful in finding and retaining personnel for the majority of its key processes. Management considers training and re-training of its staff to be a priority.

Competitive Conditions. The exploration and mining of precious metals and base metals is competitive. Competition relates to: the acquisition of mineral property interests that can be explored, developed and operated; technical experts that can find, develop and mine such mineral properties and interests; workers to operate the mineral properties; and capital to finance, exploration, development and operations, and customers to purchase products.

The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral property interests, the recruitment and retention of qualified employees; and for investment capital with which to fund its projects, and in the sale of its products.

***Employees*.** The Company and its subsidiaries had 2,420 direct employees and 3,059 indirect employees through contractors as at December 31, 2022.

***Foreign Operations*.** The Company's material mineral resource properties are located in Argentina, Burkina Faso, Côte d'Ivoire, Mexico and Peru. Through the Company's history of successfully developing and operating mines in foreign jurisdictions, Fortuna has developed various corporate governance policies, practices and frameworks to manage the social, economic and political risks and challenges associated with operating in foreign jurisdictions. See "Risk Factors" section for a detailed description of such risks.

Members of the Board and senior officers of the Company periodically visit the Company's operations in Latin America and West Africa. In 2022, the Board travelled to Côte d'Ivoire, Mexico and Peru. During these visits, members of the Board met with local employees, government officials and businesspersons; such interactions enhance the visiting directors' or officers' knowledge of local culture and business practices.

Additionally, in accordance with the Company's corporate governance practices, the Board regularly receives management and technical updates, risk assessment and progress reports in connection with the Company's operations, and in doing so, maintains effective oversight over its business and operations. For example, the Sustainability Committee meets at least quarterly and obtains such updates from management which is then reported by the Committee to the Board. Through these updates, assessments and reports, the Board gains familiarity with the conditions, laws and risks associated with the Company's foreign operations.

Sustainability Governance

Corporate vision, mission and values

The Company's business involves the exploration, design, development, operation and closure of mines that produce precious and base metals in Latin America and in West Africa. Our vision is to be valued by our stakeholders as a sustainable company and a leader in the precious metals industry and our mission is to create sustainable value through growth of our mineral reserves, metals production and the efficient operation of our assets, while remaining firmly committed to safety, and to social and environmental responsibility. To do so, we value:

- the health and safety of our employees. We do not tolerate unsafe actions or conditions.
- the environment. We adhere to strict environmental standards and mitigate our impact.
- our communities. We show respect for cultural diversity, and work as a strategic partner to enable the sustainable development of our neighboring communities.
- a commitment to excellence. We achieve high standards and the best practices.
- integrity. We act in accordance with our philosophy.

The Company's objective is to generate sustainable prosperity through its business operations which means, protecting the environment, providing a safe workplace for our employees and contractors, supporting the local communities in the areas in which the Company operates through education, employment, and infrastructure investment. The Company has built strong relationships with the stakeholders where it operates, in particular with local communities and institutions where we are dedicated to innovative, sustainable projects and partnerships that build trust in local communities while respecting their values, customs and traditions. The Company's operating practices are governed by the principles set out in its Code of Business Conduct and Ethics and Whistle-Blower Policy, which was adopted by the Board in order to promote integrity and honest and ethical conduct of the Company's business. It applies to all directors, officers, employees and consultants of the Company and its subsidiaries. In term of Board oversight, a Sustainability Committee composed of members of the Board of Directors was created to assist in fulfilling the Board's oversight responsibilities related to health, safety, security, environmental, sustainable development and social responsibility obligations and corporate objectives.

Materiality Assessment

The Company conducted an ESG Materiality Assessment in which the following ESG factors were assessed as having the greatest potential to impact company value and therefore to be of the most interest to our investors and the capital markets:

- **Environment** Mine Closure and Reclamation, Waste and Hazardous Materials Management; Water Management; Climate Change and GHG Emissions; Energy Management; Air Quality; Biodiversity Impacts. See "Sustainability – Environment".
- **Social**: Community Relations; Workforce Health and Safety, Security and Human Rights, Business Ethics and Transparency; Human Capital Management and Labor Relations; Rights of Indigenous Peoples; Supply Chain. See "Sustainability – Social"
- **Governance**: Corporate Governance and oversight; Risk Management. See "Sustainability – Corporate Vision Mission and Values and Strategic Sustainability Objectives".

Strategic Sustainability Objectives

Consistent with our Vision, Mission and Values and Materiality Assessment, we have identified Environment, Social and Governance as our three Strategic Sustainability Objectives which are supported by six Sustainability Pillars as set out below.

Strategic Sustainability Objectives	*Sustainability Pillars*
ENVIRONMENT Proactively manage environmental risks associated with our activities, with the primary goal of attaining zero harm.	1. **Environment:** Minimize our impact on the environment to preserve it for future generations
SOCIAL Create a culture of health, safety and social responsibility, a safe and supportive workplace, and develop constructive relationships with our stakeholders.	2. **Communities:** Be a catalyst for sustainable development independent of the presence of the Company in the community. 3. **Occupational Health & Safety:** Demonstrate commitment in everything we do. 4. **Human Resources:** Attract and train a workforce which draws on the local stakeholder community.
GOVERNANCE Implement high management and reporting standards, respect human rights and enhance ethical business practices.	5. **Systems and Disclosure:** Maintain sound ESG management systems and disclose pertinent and quality data. 6. **Human Rights and Ethics:** Be a responsible producer.

To support the implementation of the Company's Sustainability Framework, we have developed policies and position statements listed below, relating to environmental, social and governance (ESG) related matters:

- Human Rights Policy
- Diversity Policy
- Anti-corruption Policy
- Health and Safety Policy
- Environmental Policy
- Employee Relations Policy
- Community relations Policy
- Business Code of Conduct and Ethics and Whistle-blower Policy
- Supplier Business Code of Conduct and Ethics
- Climate Change Position Statement
- Global Industry Standard on Tailings Management Position Statement

We provide awareness and/or training session to our workforce on our ESG policies to facilitate their commitment to our sustainability objectives. Copies of the Company's main ESG policies and position statements can be found on the Company's website.

<u>Target settings and action plans</u>

The Company's five-year sustainability plan which was adopted in 2019 and updated in 2022, contains the Company's short, medium and long-term sustainability commitments. As a result of this plan, key performance indicators ("**KPIs**") related to sustainability have been integrated into the management of the Company's business. The Board approves the KPI goals and targets on an annual basis. The achievement of these goals is monitored monthly. Also, management eligible for annual performance incentives as part of their annual compensation are held accountable for the Company's sustainability performance through the achievement of leading and lagging specific indicators in health and safety, environment, community relations, climate change and corporate ESG performance. For 2023, the ESG performance metrics include safety, environment, social, climate change and have been extended to include tailings management. ESG metrics have an aggregate weighting of 35% in the Company's corporate short-term incentive indicators which exceeds the weighting for the other metrics relating to financials (10%), operational (30%) and growth (25%).

<u>Monitoring, reporting and disclosure</u>
The Company measures and discloses its sustainability performance using the Metals and Mining Industry Standard of the Sustainability Accounting Standards Board ("**SASB**"), the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**") and the Global Reporting Initiative ("**GRI**") guidelines.

Management provides reports on sustainability, including updates on environmental social and governance matters, and updates on sustainability key performance indicators to the Board of Directors at least on a quarterly basis through the Sustainability Committee.

The Company has a dedicated Health, Safety, Security, Environment and Community ("**HSSEC**") Corporate Committee comprised of members of senior and corporate management which meets at least once in a calendar quarter**.** The HSSEC Corporate Committee is tasked with assisting the Company's senior management in achieving its governance and management objectives in the areas of health, safety, security, environment and the community. Its responsibilities include ensuring alignment of corporate sustainability policies, framework, standards, goals and work plans throughout the Company and its subsidiaries and reviewing health, safety, security, environment and community management programs and their performance.

In addition, each operating subsidiary provides a report on its sustainability performance as part of its monthly production review. The Country or General Managers present operational progress, sustainability data, and progress toward KPIs and goals. In each case, performance is measured against operational KPIs and metrics control tools, and the indicators correspond to each of the six sustainability pillars.

On May 2, 2022, the Company announced the release of its fourth annual Sustainability Report which is available on its website. The Report discloses: material sustainable topics applicable to the Company and its operations; summarizes the actions that the Company is taking in terms of economic, social and environmental sustainability in the Company's mining operations; and provides detailed information on the Company's environmental, social, socio-economic and health and safety performance, and compares its environmental, health, social and governance performance against its performance in prior years. The Report was prepared in accordance with GRI and SASB Standards, and its climate-related disclosure was aligned with the recommendations of the TCFD.

2022 ESG Performance

<u>Environment</u>
The Company is committed to ensuring that the highest possible standards of environmental management are followed in all areas of its business activities. Environment is one of Fortuna's core values and is a pillar of our Sustainability Framework. Our Environmental Policy aims to prevent, avoid, minimize, mitigate, and, when

appropriate, offset our negative impacts on ecosystems, and to proactively manage environmental risks associated with our activities, with the primary goal of attaining zero harm.

All phases of the Company's operations are subject to environmental laws and regulations in the jurisdictions in which it operates, in addition to its own policy and standards. These environmental regulations provide directives and standards to avoid and/or limit spills, releases and emission of various substances related to industrial mining operations that could result in environmental contamination.

The Company conducts regular environmental risk assessments of its operations. The overall objective is to assess key environmental risks and their associated controls and to assess regulatory compliance. Environmental statistics are collected from each of our operations on a monthly basis. To the best of management's knowledge, the Company is in compliance in all material respects with all environmental laws and regulations applicable to its exploration, development, construction and operating activities, including the renewal of environmental permits where applicable. Refer to the section "*Risk Factors*" below for additional information in respect of the financial and operational effects of such environmental laws and regulations on the Company, and for a discussion on the litigation related to the environmental impact authorization for the San Jose mine.

Targets for environmental management KPIs are set each year and were also one of the factors used in determining management compensation.

In terms of performance, the Company's environmental management highlights for 2022 are:

- Zero significant environmental fines
- Zero tailings dam incidents
- Zero significant spills
- GHG emissions intensity per kiloton of processed ore in 2022 comparable to 2021 data
- Freshwater consumption intensity per ton of processed ore in 2022 comparable to 2021 data

<u>Tailings management</u>
As part of the Company's risk management protocols, the Company continually assesses its tailings facility management systems and infrastructures. At the Company's mine sites a total of seven tailings facilities are under the responsibility of the Company, including five tailings facilities in operation or use, one closed and one under construction. As of December 31, 2022, none of the tailings storage facilities showed any signs of structural damage. On December 21, 2022, the Company published its Global Industry Standard on Tailings Management ("**GISTM**") position statement, which articulates Fortuna's approach to tailings management along with its implementation commitments. The objective is to improve the Company's existing tailings standards which is based on the standards of the Canadian Dam Association ("**CDA**") and the Australian National Committee on Large Dams ("**ANCOLD**"), and use GISTM to guide the adaptation to a broader tailings management. Under this refined tailings management approach, the Company commits to adopt GISTM and achieve compliance to applicable GISTM requirements for all new tailings storage facilities ("**TSF**s") during their first year of operation. The Company will continue to conduct the necessary studies to assess and fulfill GISTM applicable requirements for all existing TSFs owned and operated by the Company, in order to implement the standards over the next five years and ensure compliance of all applicable requirements of GISTM for all company owned TSFs by 2027.

<u>Mine closure</u>
The environmental permits under which the Company operates require it to reclaim certain lands that it disturbs during mining operations. Reclamation and closure activities can be significant and include land rehabilitation, decommissioning of mine facilities, environmental monitoring and sometimes ongoing care and maintenance. Costs of mine closures and reclamation of mine sites vary considerably due to factors such as quantity of material to reclaim and land to rehabilitate, location, climate, environmental vulnerability, mining method, minerals being mined, waste characteristics, and labor costs. Closure cost estimates are reviewed regularly to reflect changing circumstances and adjusted according to inflation and work requirements.

Regulatory environmental requirements and best practices require the Company to establish mine closure plans and to review and update same periodically when required. Except as set out below, there have been no significant changes in laws, regulations and governmental reclamation obligations in respect of the San Jose Mine, the Lindero Mine, the Yaramoko Mine, the Caylloma Mine and the Séguéla Project during the financial year ended December 31, 2022. After taking into account the application of asset retirement obligation rules for accounting purposes, the Company currently estimates the present value of the rehabilitation costs for the San Jose Mine, the Lindero Mine, the Yaramoko Mine, the Caylloma Mine and the Séguéla Project to be approximately US$60 million over the life of each respective mine, with the majority of the expenditures to be incurred at the end of production, as more particularly described in note 15 to the 2022 Financial Statements. The Company is expecting to incur progressive reclamation costs throughout the life of its mines.

In 2022, the Peruvian Mine Closing Law was amended to require mining companies to provide the Peruvian Government with a guarantee in respect of a mine's closure plan. In 2022, the Company provided a bank letter of guarantee of $10.8 million to the Peruvian Government in respect of the closure plan for the Caylloma Mine as it relates to final closure activities and post-closure activities and related taxes.

<u>Climate Change</u>

In April 2022, the Company disclosed its commitments towards the reduction of GHG emissions and the transition to a lower carbon economy under a formal Position Statement. In this Position Statement, the Company recognizes that climate change is a major global challenge that could have significant impacts on operations, host communities, the resources used in production, the economy and society in general. Climate change is a systemic risk with the potential to affect our mine infrastructure and operations; the regulatory frameworks under which we operate; and the demand for the minerals we produce. It is an increasingly important issue for Fortuna's stakeholders, including investors who are seeking to understand the impact of climate change across their portfolios.

It recognizes the current climate change science, supports the goals of the Paris Agreement and the recommendations of the TCFD. The Company is committed to analyzing the risks and opportunities of climate change on our business activities, to integrating climate change factors into our long-term strategic planning and developing short-term tactical climate change action plans. Our approach to climate change management is guided by three key pillars, which align to the climate change factors that were identified in a Climate Change Materiality Assessment as having the greatest potential to influence the Company's value: (1) reduce GHG emissions by promoting resource efficiency and increasing the use of renewable energy sources; (2) build resilience to the physical risks of climate change at our operations and projects; and (3) continuously improve the performance of our governance and climate change action plans based on climate change science, regulatory and voluntary frameworks and international standards.

The Company's climate change governance is supported by a robust framework that incorporates climate change factors into decision-making, including Board oversight and senior management accountability which is reflected as follows:

- The Sustainability Committee of Fortuna's Board of Directors has oversight of climate change factors.
- The Senior Vice-President of Sustainability is accountable for identifying, assessing, managing and reporting on climate change factors to senior management and the Board of Directors on a regular basis.
- The HSSEC Corporate Committee is responsible for taking responsibility for the management and performance at the operational level through the implementation of Fortuna's climate change action plans.

The Company is committed to enhancing the integration of climate-related risks into its enterprise risk management processes to ensure that the unique nature of climate-related risks is appropriately considered and prioritized. The Company will identify and assess climate-related risks and opportunities over the short, medium, and long term, and develop climate change action plans at the corporate level and at site level, based on risk and opportunity assessments.

The main climate change related activities achieved in 2022 were:

- The inclusion of climate change into the Company's Enterprise Risk Management system and the mapping of its climate risks.

- The launch of a study to define the Company's GHG baseline and reduction opportunities as well as a decarbonization roadmap and targets to be disclosed in 2023.

The Company will continue to monitor the performance of its climate change action plans using appropriate climate-related metrics and targets. The Company is committed to setting short-term and long-term GHG emissions reduction targets in the near term, as well as other climate-related targets as appropriate.

Social

Health and Safety

The Company is committed to ensuring the highest possible standards of health and safety management and to provide safe and healthy working conditions in all areas of our operations. We believe that all work-related accidents, injuries and diseases are preventable. We do not tolerate unsafe acts or conditions. Occupational health and safety is one of Fortuna's core values and a is a pillar of our Sustainability Framework. The Company's Health and Safety Policy aims to support the attainment of a safe, healthy working environment, as well as a zero harm workplace for our employees, contractors, and visitors, at of our all mining operations, exploration sites, and offices.

Health and safety statistics are collected from each of our operations on a monthly basis. Targets for health and safety KPIs are set each year and are one factor used in determining annual performance incentives as part of management's compensation for 2022, including Total Recordable Injury Frequency Rate ("**TRIFR"**). In the event that a fatality occurs at any company location, the entire safety metric defaults to zero.

In 2022, our health and safety performance is highlighted by:

- One fatality from a work-related incident at the Lindero Mine in January 2022. Please refer to the Company's news release dated January 28, 2022 for full details.
- Zero cases of work-related illnesses
- A reduction of the number of LTIs (defined below) from six in 2021 to five in 2022 (using OSHA injury definition)
- A reduction in the TRIFR and the LTIFR (defined below) lost time injury frequency rate compared to 2021 data
- San José Mine – achieved ISO 45001 certification of its occupational health and safety management systems

In 2022, based on lessons learned from health and safety (HS) events, the Company continued to roll out its HS management plan and added some programs and systems such as the critical risk management system and new corporate standards to improve its performance.

The following statistics are for employees and contractors at the mine sites and on a consolidated basis. The terms set out below have the following meanings:

"**FI**" means fatal incidents
"**LTI**" means lost time injury
"**RWI**" means restricted work injury (Occupational Health and Safety Administration ("**OHSA**") definition)
"**MTI**" means medical treatment injury
"**TRI**" means total recordable injuries
"**TRIFR**" means total recordable frequency incident rate = (number of FI+LTI+RWI+MTI) x 1,000,000/ worked-hours
"**LTIFR**" means lost time incident frequency rate = (number of LTI x 1,000,000) / worked-hours
"**LTISR**" means lost time incident severity rate = (number of days lost x 1,000,000/ worked-hours)

Indicators	Lindero Mine		San José Mine		Caylloma Mine		Yaramoko Mine [1]		All 4 operations	
Year	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022
LTIFR [3]	1.52	0.50	0.34	0.74	0.73	0.00	0.00	0.00	0.67	0.30
TRIFR	6.07	3.03	3.72	3.68	2.18	1.,78	0.81	2.45	3.36	2.71
LTISR [3]	288.82	94.32	139.97	56.98	55.54	0.00	0.00	0.00	127.57	36.63

Indicators	Corporate Offices		Séguéla Project [2]		Fortuna Silver Mines Inc. (4 operations, Offices and Séguéla)	
Year	2021	2022	2021	2022	2021	2022
LTIFR [3]	0.00	0.00	NA	0.71	0.66	0.39
TRIFR	0.81	0.00	NA	1.07	3.32	2.32
LTISR [3]	0.00	0.00	NA	32.14	126.01	33.47

Notes to the tables:
1. The information provided for Yaramoko in 2021 was for the last 6 months of the year.
2. Séguéla was not taken into account in 2021. In 2022 it was in the construction phase in 2022.
3. 2021 LTIFR and LTISR results adjusted from 2021 AIF report to take into account OHSA classification.

Company's Response to COVID-19

In 2022, the Company continued its monitoring and prevention measures related to COVID-19 and modified and adapted its preventative control measures to the evolution and location of the virus prevalence. These measures included awareness programs, application of COVID-19 antigen or PCR testing, the acquisition of equipment for the prevention and control of COVID-19 in our subsidiaries. Monitoring of the wellness of our workers is ongoing. Although cases of COVID were recorded in our operations in 2022, these did not have a material impact on our operations.

Community relations

The Company is committed to ensuring the highest possible standards of social management in all areas of its business activities, in order to maintain its social license to operate and create value for its stakeholders. Communities are one of Fortuna's core values and is a pillar of its Sustainability Framework. The Company has created a Community Relations Policy which aims to foster a participative approach to community relations through respectful dialogue that builds trust, genuine collaboration and mutually beneficial relationships. In addition, it seeks to formulate strategies and procedures to manage social risks and the impacts and opportunities associated with our operations in consultation with local communities, while enhancing our contributions to local socio-economic development.

In 2022, our community relations performance is highlighted by:

- Zero significant disputes with local communities
- Zero confirmed cases of human rights violations
- 42.3% of employees hired from local communities (nearby communities)
- Caylloma Mine in Peru received the "Companies that transform 2022 Award" from the United States Agency for International Development, the Instituto Peruano de Administración de Empresas and Radio Programas del Peru.

2023 ESG Outlook

During the last three years, the Company has updated its Sustainability framework and management systems such as its Sustainability and HSSEC Corporate committees, ESG policies, linked ESG short-term incentives to additional material issues such as tailings management, corporate standards, etc., to ensure the continuous improvement of the Company and its ability to manage ESG risks and opportunities and to adapt to stakeholders' expectations.

In 2023, the Company's objective from an ESG perspective is to continue the implementation of these initiatives and enhance their performance at the subsidiary level. New programs will be implemented to maintain the increasing level of performance expected by our stakeholders. The main 2023 initiatives are:

- Climate Change - the Company intends to conduct climate-related scenario analysis and set short-term and long-term GHG emissions reductions.
- Tailings management - the Company intends to finalize the implementation of its TSF governance standard including the implementation of an Independent Tailings Review Board (ITRB), and update and approve a TSF Technical Standard and Water Management Standard.
- Health and safety - the Company intends to accelerate the implementation of its Critical Risk Management program in all of its operations and implement a new risk-based awareness program to reinforce a safety culture throughout the organization.
- Environment - update and/or create new standards related to mine closure plans and biodiversity.
- Community relations - the company intends to improve its grievance mechanisms, community engagement and development standards and practices guidelines.
- ESG disclosure - the Company intends to refine its ESG data collection and management system and enhance its ESG reporting, through its annual sustainability report and SASB and TCFD data reporting.

Risk Factors

The Company's ability to generate revenues and profits from its natural resource properties is subject to a number of risks and uncertainties including those listed below, any of which, individually or together could cause actual events to differ materially from those described in forward-looking statements and forward-looking information.

The risks described below are a summary only and are not exhaustive of the risks relating to Fortuna and its business and operations. There may be additional risks not presently known to the Company, or that the Company currently considers immaterial, which may also impair its business and operations.

Risks Relating to the Company's Business Operations

The Company's operations are subject to operating hazards and risks incidental to mining activities.

The operations of the Company are subject to all of the hazards and risks normally incidental to mining exploration, development and operational activities, including fire, explosions, floods, structural collapses, industrial accidents, unusual or unexpected geological conditions, ground control problems, power outages, pollution, industrial water shortages, inclement weather, cave-ins and mechanical equipment failure. Any such hazards could result in work stoppages, damage to or destruction of mines and other facilities, damage to life and property, environmental damage and possible legal liability for any or all damages. While the Company maintains insurance against certain risks, potential claims could exceed policy limits or be excluded from coverage. There are also risks against which Fortuna cannot or may elect not to insure. The potential costs which could be associated with any liabilities not covered by insurance or in excess of insurance coverage may have a material adverse effect on the Company's business, financial condition or results of operations.

Mineral resources, mineral reserves and precious metal recoveries are estimated.

There is a degree of uncertainty attributable to the estimation of mineral resources, mineral reserves and expected mineral grades. The mineral resource and mineral reserve estimates included or incorporated by reference in this AIF have been determined and valued based on assumed or estimated future prices, cut-off grades and operating costs. However, until mineral deposits are actually mined and processed, mineral resources and mineral reserves must be considered as estimates only. Any such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices.

Mineral resources and mineral reserves may require revision based on actual production experience. Market fluctuations in the price of metals, as well as increased production costs and reduced recovery rates, may render certain mineral reserves uneconomic and may ultimately result in a restatement of mineral resources and/or mineral reserves. Short-term operating factors relating to the mineral resources and mineral reserves, such as the need for sequential development of ore bodies, may adversely affect the Company's profitability in any accounting period. Estimates of operating costs are based on assumptions including those relating to inflation and currency exchange, which may prove incorrect. Estimates of mineralization can be imprecise and depend upon geometallurgical assumptions, geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. In addition, the grade and/or quantity of precious metals ultimately recovered may differ from that indicated by drilling results. There can be no assurance that precious metals recovered in small scale tests will be duplicated in large scale tests under onsite conditions or at production scale. Amendments to mine plans and production profiles may be required as the amount of mineral resources changes or upon receipt of further information during the implementation phase of the particular project. Extended declines in market prices for gold, silver and other metals may render portions of the Company's mineralization uneconomic and result in reduced reported mineralization. Any material reduction in estimates of mineralization, or in the Company's ability to develop its properties and extract and sell such minerals, could have a material adverse effect on the Company's business, financial condition or results of operations.

The Company's capital and operating costs, production schedules and economic returns are based on certain assumptions which may prove to be inaccurate.

The Company's expected capital and operating costs, production schedules and estimates, anticipated economic returns and other projections, estimates and forecasts for its mineral properties that are included or incorporated by reference in this AIF or included in any technical reports, scoping studies, pre-feasibility studies and feasibility studies prepared for or by the Company are based on assumed or estimated future metals prices, cut-off grades, operating costs, capital costs, metallurgical recoveries, that the actual ore mined is amenable to mining or treatment, environmental considerations, labour volumes, permitting and other factors, any of which may prove to be inaccurate. As a result, technical reports, scoping studies, pre-feasibility studies and feasibility studies prepared for or by the Company may prove to be unreliable.

The Company's capital and operating costs are affected by the cost and availability of commodities and goods such as steel, cement, explosives, fuel, electrical power and supplies, including reagents. Significant declines in market prices for gold, silver and other metals could have an adverse effect on the Company's economic projections. Management assumes that the materials and supplies required for operations will be available for purchase and that the Company will have access to the required amount of sufficiently skilled labour. As the Company relies on certain third-party suppliers and contractors, these factors can be outside its control and an increase in the costs of, or a lack of availability of, commodities, goods and labour may have an adverse impact on the Company's financial condition. The Company may experience difficulty in obtaining the necessary permits for its exploration, development or operational activities, if such permits are obtained at all, and may face penalties as a result of violations of permits or other environmental laws, which may cause delays and increases to projected budgets. Any of these discrepancies from the Company's expected capital and operating costs, production schedules and economic returns could cause a material adverse effect on the Company's business, financial condition or results of operations.

The Company has in the past, and may in the future, provide estimates and projections of its future production, costs and financial results. Any such information is forward looking. Neither the Company's auditors nor any other independent expert or outside party compiles or examines these forward looking statements. Accordingly, no such person expresses any opinion or any other form of assurance with respect thereto. Such estimates are made by the Company's management and technical personnel and are qualified by, and subject to the assumptions, contained or referred to in the filing, release or presentation in which they are made, including assumptions about the availability, accessibility, sufficiency and quality of mineralized material, the Company's costs of production, the market prices of silver, gold and other metals, the Company's ability to sustain and increase production levels, the ability to produce and sell marketable concentrates, the sufficiency of its infrastructure, the performance of its personnel and equipment, its ability to maintain and obtain mining interests and permits, the state of governments and community relations, and its compliance with existing and future laws and regulations. Actual results and experience may differ materially from these assumptions. Failure to achieve estimates or material increases costs could have a material adverse impact on the Company's future cashflows, profitability, results of operations and financial condition. Any such production, cost, or financial results estimates speak only as of the date on which they are made, and the Company disclaims any intent or obligation to update such estimates, whether as a result of new information, future events or otherwise. Accordingly, such forward-looking statements should be considered in the context in which they are made and undue reliance should not be placed on them.

Uncertainties related to new mining operations.

Without limiting the generality of the foregoing, Fortuna is in the final stages of the construction of an open pit mine at the Séguéla Project. Any such development or expansion project which is progressed to commercial operations will face a number of risks inherent in new mining operations.

The successful completion of the Company's development and expansion projects requires the construction and operation of mines, processing plants and related infrastructure. As a result, the Company is and will continue to be subject to all of the risks associated with establishing new mining operations, including:

- the timing and cost, which can be considerable, of the construction of mining and processing facilities;
- the availability and cost of skilled labour, mining equipment and principal supplies needed for operations;
- the availability and cost of appropriate smelting and refining arrangements;
- the need to maintain necessary environmental and other governmental approvals and permits;
- the availability of funds to finance construction and development activities;
- potential opposition from governments, non-governmental organizations, environmental groups, local groups or other stakeholders, which may delay or prevent development activities; and
- potential increases in construction and operating costs due to changes in the cost of labour, fuel, power, materials and supplies.

It is not unusual in the mining industry for new mining operations to experience unexpected difficulties during the start-up phase or the initial production phase, resulting in production suspensions, delays and requiring more capital than anticipated. It is also common in new mining operations to experience unexpected problems, delays and costs during mine development and ramp-up to full production capacity. Such factors can add to the costs of the mine development, production and operations and/or impair production and mining activities, thereby affecting the Company's cashflows and profitability. Any unexpected complications and delays in the completion and successful functioning of these operational elements may result in additional costs being incurred by the Company beyond those already incurred and budgeted. There can be no assurance that current or future development and expansion plans in respect of the Séguéla Project will be successful or completed on time or on budget.

Development projects such as the Séguéla Project are uncertain and it is possible that actual capital and operating costs, production schedules and economic returns will differ significantly from those estimated for a project prior to production.

Despite budget forecasting and planning activities undertaken by the Company, actual future capital and costs, production schedules and economic returns of the Company's development projects may differ significantly from those anticipated. Accordingly, there are no assurances that any future development activities will result in profitable operations.

The economic feasibility of the Company's development and expansion projects is based on many factors such as: estimation of mineral reserves, anticipated metallurgical recoveries, environmental considerations and permitting, future market prices of silver, gold and other metals, and anticipated capital and operating costs of such projects. The Séguéla Project has no operating history upon which to base estimates of future production and cash operating costs. Particularly for development projects, estimates of proven and probable mineral reserves and cash operating costs are, to a large extent, based upon the interpretation of geologic data obtained from drill holes and other sampling techniques, and feasibility studies that derive estimates of cash operating costs based upon anticipated tonnage and grades of ore to be mined and processed, the configuration of the ore body, expected recovery rates of minerals from the ore, estimated operating costs, anticipated climactic conditions and other factors. As a result, it is possible that actual capital and operating costs and economic returns will significantly differ from those currently estimated for the Séguéla Project prior to production.

Estimates of future capital and operating costs, production and economic returns of the Company's development projects may differ significantly from those ultimately realized due to a variety of factors, including those discussed above in respect of the Company's capital and operating costs, production schedules and economic returns, as well as in respect of uncertainties related to new mining operations, including but not limited to unanticipated changes in grades and tonnes of ore to be mined and processed, unanticipated adverse geological conditions, unanticipated metallurgical recovery problems and incorrect data on which engineering assumptions are made. Further, technical considerations, delays in obtaining government approvals and necessary permits, the inability to obtain financing and/or the unanticipated costs associated with the development and construction of such projects could prevent or delay the development of such properties. Accordingly, the Company's ability to meet development and production schedules and cost estimates for its development projects such as the Séguéla Project cannot be assured. Delays in development or production, or material increases in costs, could have an adverse impact on Fortuna's future cash flows, profitability, results of operation and financial condition.

The Company is negotiating the terms of the Mining Convention with the State of Côte d'Ivoire which is intended to stabilize the taxation, customs and foreign exchange regime applicable to the Séguéla Project. The Séguéla Technical Report includes certain assumptions related to duties, levies and taxes which are based on precedent mining conventions. There can be no assurance that the Mining Convention for the Séguéla Project will be granted based on the assumptions disclosed in the Technical Report. In this case the economic returns for the Project may differ from those estimated in the Technical Report, which may have an adverse impact on Fortuna's future cashflows, profitability, results of operations and financial condition.

The Company may be unable to replace its mineral reserves.

The Company must continually replace its mineral reserves depleted by production to maintain production levels over the long term. Mineral reserves can be replaced by expanding known ore bodies, locating new deposits or making acquisitions. Exploration is highly speculative in nature and involves many risks and is frequently unsuccessful. Substantial expenditures are required to complete drilling programs which may take several years to complete in order to establish mineral reserves. As a result, there is no assurance that current or future exploration programs will be successful. There is a risk that depletion of the Company's mineral reserves will not be offset by discoveries or acquisitions. The Company's mineral base may decline if mineral reserves are mined without adequate replacement and the Company may not be able to sustain production beyond the current mine lives, based on current production rates. If the Company's mineral reserves are not replaced either by the development of additional mineral reserves and/or additions to mineral reserves, there may be an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition, and this may be compounded by requirements to expend funds for reclamation and decommissioning. As at December 31 2022, the life of the Mineral Reserves at the Yaramoko Mine is three years, and is two and one-half years at the San Jose Mine. These mines may be required to close at the end of their respective mine lives, in the event that the Company's exploration programs are unsuccessful in expanding existing reserves or locating new deposits at these mines.

The development of the Company's properties requires substantial exploration, expenditures and the development of infrastructure.

Development of the Company's non-producing properties, including the Séguéla Project, and the expansion of existing producing projects will only follow upon obtaining satisfactory exploration and engineering results that confirm economically recoverable and saleable volumes of minerals and metal as well as the legality of such development. The business of mineral exploration and development is speculative in nature and involves a high degree of risk, as few properties which are explored are ultimately developed into producing mines. Even with a combination of careful evaluation, experience and knowledge, there is no assurance that the Company's mineral exploration and development activities will result in any discoveries of mineral reserves. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish mineral resources and mineral reserves through drilling and development and for mining and processing facilities and infrastructure. No assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis. The economic feasibility of developing a mineral property is based on several other factors including anticipated metallurgical recoveries, the cost of operations, environmental considerations and permitting, future metal prices, and timely completion of the development plan.

In addition, completion of the development of the Company's advanced projects is subject to various requirements, including the availability and timing of acceptable arrangements for power, water, transportation, access and facilities. The lack of, or delay in, availability of any one or more of these items could prevent or delay development of the Company's advanced projects. There can be no assurance that adequate infrastructure, including road access, will be built, that it will be built in a timely manner or that the cost of such infrastructure will be reasonable or that it will sufficiently satisfy the requirements of the advanced projects. As well, accidents or sabotage could affect the provision or maintenance of adequate infrastructure.

The Company's operations are subject to extensive environmental regulation.

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, vulnerable, threatened and endangered species and habitats and reclamation of lands disturbed by mining operations. The Company's ability to obtain, maintain and renew permits and approvals and to successfully develop and operate mines may be adversely affected by real or perceived impacts associated with the Company's activities or of other mining companies that affect the environment, human health and safety. Environmental hazards may exist on the Company's properties which are unknown to the Company at present and were caused by previous or existing owners or operators of the properties, for which the Company could be held liable.

Tailings Facilities

There are seven tailings facilities under management at the Company's mine sites. This includes five operating tailings storage facilities, including two tailings dam facilities at the Caylloma Mine, one tailings dam storage facility and one dry stack tailings facility at the San Jose Mine and one tailings storage facility at the Yaramoko Mine. In addition, the Company has two non-operating facilities at its mine sites, a closed tailings dam facility at the Caylloma Mine and a tailings storage facility which is under construction at the Séguéla mine. All of these tailings storage facilities are subject to the Company's tailings governance standards which is based on GISTM. As part of the Company's risk management protocols, the Company continually assesses its tailings facility management systems. Since 2019, the Company executed comprehensive annual reviews and inspections of all of its tailings facilities. By the end of 2022, no tailings storage facilities under management showed any sign of structural damage. In December 2022, the Company published its Global Industry Standard on Tailings Management (GISTM) position statement, which articulates Fortuna's approach to tailings management along with its implementation commitments. The objective is to improve its existing tailings standards that were based on the CDA and ANCOLD, using GISTM to guide the adaptation of a broader tailings management process. While the Company believes that appropriate steps have been taken to prevent safety incidents, there are inherent risks involved with tailings facilities, including among other things, seismic activity, particularly in seismically active regions such as Peru, and the ability of field investigations completed prior to construction of the old TSFs to detect weak foundation materials. There can be no assurance that a tailings dam or other tailings facility safety incident will not occur in the case of an extreme natural event. Such an incident could have a material adverse effect on the Company's business, results of operations and financial condition**.**

Use of Cyanide

As part of their industrial process, operations at the Lindero, Caylloma and Yaramoko Mines involve the use of sodium cyanide, a hazardous material, to leach metal bearing ore and then collect the resulting metal-bearing solution. Although ore treatment plants are designed to be effluent-free with no industrial wastewater released into the environment, there is an inherent risk of an unintended discharge of hazardous materials for example from a heap leach or tailings facility. If sodium cyanide escapes from industrial infrastructure or is detected in surface and groundwater downstream, the Company could be subject to liability for remediation costs, which could be significant and may not be insured against. In addition, metal production could be delayed or halted to prevent further discharges and to allow for remediation. Such delays or cessations in production could be long-term or, in some cases, permanent, and any interference with production could result in a significant reduction in, or loss of, cash flow and value for the Company. While appropriate steps may be taken to prevent discharges of sodium cyanide and other hazardous materials into the ground water, surface water, and the downstream environment, there is inherent risk in the operation and there can be no assurance that a release of hazardous materials will not occur.

Whether it is during transport, storage or its use, cyanide management systems have been implemented outlining the responsibilities and procedures to be followed to ensure that a safe environment is maintained for all employees, nearby communities and the environment. This includes risk assessment, appropriate infrastructure design, training, audits, inspections, stakeholder consultation and emergency preparedness.

The Company's operations are subject to political and other risks in the regions in which it operates.

The Company currently conducts, or plans to conduct, exploration, development and production activity in a number of regions, including Peru, Mexico, Argentina and West Africa (including Burkina Faso and Côte d'Ivoire). The Company's mining investments and operations are subject to various political, economic and social risks normally associated with the conduct of business in foreign jurisdictions, which include:

- cancellation or renegotiation of contracts by government authorities;
- changes in foreign laws or regulations, including those relating to taxation, royalties, mineral title, imports and/or exports, environmental controls and permitting;
- expropriation or nationalization of property;
- inflationary risks, including the inflation of costs that are not off-set by a currency devaluation;
- restrictions on the ability of local operating companies to sell gold, silver or other minerals offshore for U.S. dollars, and on the ability of companies to hold U.S. dollars or other foreign currencies;
- restrictions on the purchase of foreign currencies and on the remittance of dividend and interest payments offshore;
- limitations on the repatriations of earnings;
- opposition to mining development projects from governments, non-governmental organizations, environmental groups, local groups or other stakeholders;
- mining companies are increasingly required to consider and provide benefits to the communities and countries in which they operate;
- uncertain political and economic environments, including increased risk of civil strife, social unrest, acts of war, guerrilla activities, insurrection and terrorism;
- lack of certainty with respect to foreign legal systems, corruption and other factors that are inconsistent with the rule of law;
- reliance on advisors, consultants and employees in foreign jurisdictions to carry out the Company's planned exploration, operations, development and exploration activities, including in connection planned with regulatory, permitting and other governmental requirements; and
- other risks arising out of foreign sovereignty over the areas in which the Company's operations are conducted.

Such risks could potentially arise in any country in which the Company operates. These risks may limit or disrupt operating mines or projects, restrict the movement of funds, cause the Company to have to expend more funds than previously expected or required, and may materially adversely affect the Company's business, financial condition or results of operations. The Company may also evaluate business opportunities in other jurisdictions where such risks may exist.

Challenges also exist with respect to inconsistent application of the rule of law in certain of the jurisdictions in which the Company operates, as court systems in regions such as West Africa may offer less certainty as to the judicial outcome or a more protracted judicial process than is the case in more established economies. Businesses can become involved in lengthy court cases over simple issues when rulings are not clearly defined, and any inconsistencies in the drafting of laws and excessive delays in the legal process for resolving issues or disputes compound such problems. In addition, enforcement of laws may depend on and be subject to the interpretation placed upon such laws by the relevant local authority, and such authority may adopt an interpretation of an aspect of local law which differs from the advice that has been given to the Company by local lawyers or even previously by the relevant local authority itself. Furthermore, there is limited relevant case law providing guidance on how courts would interpret such laws and the application of such laws to the Company's contracts, joint ventures, licenses, license applications or other arrangements. Thus, there can be no assurance that contracts, joint ventures, licenses, license applications or other legal arrangements will not be adversely affected by the actions of government authorities.

Accordingly, the Company could face risks such as: (i) effective legal redress in the courts of certain jurisdictions in which the Company operates being more difficult to obtain, whether in respect of a breach of law or regulation, or in a contract or an ownership dispute, (ii) a higher degree of discretion on the part of governmental authorities and therefore less certainty, (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations, (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions, or (v) relative inexperience of the judiciary and courts in such matters.

Additionally, the introduction of new tax laws, regulations or rules, or changes to, or differing interpretation of, or application of, existing tax laws, regulations or rules in any of the countries in which the Company operates, could result in an increase in the Company's taxes, or other governmental charges, duties or impositions. No assurance can be given that new tax laws, rules or regulations will not be enacted or that existing tax laws will not be changed, interpreted or applied in a manner that could result in the Company's profits being subject to additional taxation or that could otherwise have an adverse material effect on the Company.

On August 16, 2022, the Argentine Tax Authority ("**AFIP**") published General Resolution No.5248/2022 (the "**Resolution**") which established a one-time "windfall income tax prepayment" for companies that have obtained extraordinary income derived from the general increase in international prices. The Resolution was published by AFIP without prior notice.

The windfall income tax prepayment applies to companies that meet certain income tax or net income tax (before the deduction of accumulated tax losses) thresholds for 2021 or 2022. The aggregate amount of the windfall income tax prepayment payable by Mansfield calculated in accordance with the Resolution is approximately $5.5 to $6 million.

The windfall income tax prepayment is to be paid in three equal and consecutive monthly instalments, starting on October 22, 2022, and is payable in addition to income tax instalments currently being paid by corporate taxpayers on account of their income tax obligations. The windfall income tax prepayment is an advance payment of income taxes due to be paid in 2023.

Based on the historical accumulated losses of Mansfield for fiscal 2021 which can be carried forward for 2022, Mansfield was not liable for income tax, and based upon current corporate income tax laws and the ability of the Company to deduct historical accumulated losses, it is projected that no income tax will be required to be paid for fiscal 2022.

To protect Mansfield's position from having to pay the windfall income tax prepayment as an advance income tax for 2022, which based on management's projections is not payable, Mansfield applied to the Federal Court of Salta Province for a preliminary injunction to prevent the AFIP from issuing a demand or other similar measure for the collection of the Windfall Income Tax Prepayment. On October 3, 2022, Mansfield was notified that the Court had granted the preliminary injunction. As a result, Mansfield did not pay any of the three instalments. In addition, Mansfield also filed an administrative claim with the AFIP to challenge the constitutionality of the Resolution, which was rejected by AFIP on November 2, 2022.

In response, Mansfield filed new legal proceedings in the Federal Court of Salta, against the AFIP to protect its position and challenge the rejection of its administrative claim. In this legal proceeding, Mansfield has also applied for a preliminary injunction to prevent the AFIP from issuing a demand or other similar measure for the collection of the Windfall Income Tax Prepayment or interest. On February 15, 2023, Mansfield was notified that the Court had granted the requested preliminary injunction.

Mansfield has subsequently presented additional documentation to AFIP which has resulted in the windfall tax prepayment installments being eliminated from Mansfield's account in AFIP's system. The legal proceedings to determine the unconstitutionality of the Resolution and whether interest is payable to AFIP continue under the protection of a preliminary injunction.

Argentina

The Company's operations at the Lindero Mine are subject to the payment of government taxes, fees and duties. This includes a 3% provincial royalty "boca mina" which is payable on revenue after deduction of direct processing, commercial, general and administrative costs. Under Argentina's federal laws exports of bullion, doré and unrefined gold are subject to an 8 percent export tax until December 31, 2023.

Effective December 23, 2019, changes to Argentina's tax laws proposed by the new Argentine Government were implemented. The changes ratified and extended legislation which was to expire on December 31, 2019 and allow the Argentine Central Bank to regulate funds coming into and flowing out of Argentina in order to maintain stability and support the economic recovery of the country. The Argentine Government has not set an expiry date for these restrictions, and they currently remain in place. These capital controls together with additional temporary controls enacted on May 29, 2020, have the effect of: requiring exporters to convert the equivalent value of foreign currency received from the export into Argentine Pesos; requiring the prior consent of the Argentine Central Bank to the payment of cash dividends and distributions of currency out of Argentina; requiring Argentine companies to convert foreign currency loans received from abroad into Argentine Pesos; and restricting the sale of Argentine Pesos for foreign currency. These provisions restrict the Company from holding funds in Argentina in United States dollars. Accordingly, the Company is required to convert the equivalent value of proceeds received in foreign currency from the export of all gold doré from the Lindero Mine, into Argentine Pesos. In addition, the Company is required to obtain the prior consent of the Argentine Central Bank to the payment of cash dividends and distributions of profits out of Argentina.

Further, effective October 17, 2022 additional capital controls were imposed on the import of goods and services in Argentina. Currently, most import permits for goods and services are approved subject to payment being deferred for 180 days, with the exception of capital goods.

Certain of the costs and expenses to fund the construction at the Lindero Mine were advanced by way of intercompany loans. Under the terms of the Argentine Central Bank regulation, any funds in foreign currency which were advanced by the Company as a loan to its Argentine subsidiary in connection with the payment of construction costs and expenses at the Lindero Mine, are to the extent that the funds were advanced in foreign currency, required to be converted into Argentine Pesos at a conversion rate negotiated at the foreign exchange market within five business days from the date of the receipt of the funds in Argentina. When the loan is to be repaid, the regulation requires proof that the loan was advanced in foreign currency and converted into local currency in order to repay the loan in foreign currency. Due to the volatility of the exchange rate for Argentine Pesos, the Company will apply additional measures in cash management to minimize potential gains or losses arising from the conversion of funds. In addition, the Argentine Central Bank has also issued a temporary measure in effect until December 31, 2023, which requires the consent of the Argentine Central Bank to the repayment of certain types of intercompany loans. There can be no assurance that the temporary measure will not be extended.

As part of the structure used to fund the construction of the Lindero project and the operation of the Lindero Mine, Fortuna has implemented a series of intercompany revolving pre-export financing facilities. This allows exporters to apply the proceeds of sales directly towards payment of principal and interest under the facility. The facilities are not impacted by the regulations described above, and the Company expects that it can repatriate up to $60 million during 2023 through this mechanism.

Mexico

The Company's operations at the San Jose Mine are subject to the payment of government taxes, fees and duties. Under Mexican federal corporate income tax law, titleholders of mining concessions are required to pay an annual 7.5% duty on their mining related profits and a 0.5% duty on revenues obtained from the sale of gold, silver and platinum.

Additionally, the State of Oaxaca in Mexico has a history of social conflicts and political agitation which can lead to public demonstrations and blockades that can from time to time affect the Company's operations.

In 2015, the Mexican Government introduced a mining fund (the "**Mining Fund**") which was funded from taxes paid by mining companies operating in Mexico. The Mining Fund distributed monies to local communities where the activities of mining companies take place to promote infrastructure and social development and to mitigate environmental impacts. Effective January 1, 2020, 85% of the funds of the Mining Fund were reallocated to the

Public Education Ministry, and 5% are to be distributed among the municipalities where the mining activities take place. The local communities where the Company operates may be affected by the cut-back in these funds. It is not yet known if this may have an impact on the business and operations of the Company.

In January 2020, the Oaxacan Congress approved a Previous, Free and Informed Consultation Law for the Indigenous and Afromexican Communities in the State of Oaxaca (the "Consultation Law"), which is now in full force and effect.

The Consultation Law settles the procedure that the authority, in this case any public administration sector or the legislative power of Oaxaca, must follow to acquire the prior and informed consent of the indigenous or Afromexican communities that may be affected or jeopardized by the approval of a specific law, or by the authorization of an administrative procedure or act. The Consultation Law is only applicable locally in the State of Oaxaca and specifically to state matters. The mining operations at the San Jose Mine, including the granting of mining concessions and the corresponding environmental impact authorizations are regulated federally and should not be affected by the recently published Consultation Law.

The Consultation Law has no impact on the ongoing business of the Company at the San Jose Mine, as it has no effect on the permits and authorizations already granted for the operations at the San Jose Mine. However, the new law may be applicable in the case of a new local license or permit that is needed. The Company is unable to predict how this new legislation may affect the business and operations of the Company at this time.

In June 2020, the Mexican Supreme Court of Justice mandated the Federal Congress to issue a Federal Consultation Law to regulate the previous, free and informed consent rights of the Indigenous and Afromexican Communities in compliance with Mexico´s obligations under ILO Convention 169. In April 2021, the House of Representatives approved a General Consultation Law for the Indigenous and Afromexican Communities. Currently the Senate is analyzing the House of Representative´s proposal and (i) may approve and send it to the Executive Branch for its enactment; or (ii) modify it and send it back to the House of Representatives for further analysis. The General Consultation Law settles the procedure that the authority, in this case the federal legislative and executive branches of government, must follow to acquire the prior and informed consent of the Indigenous or Afromexican Communities that may be affected or jeopardized by new legislation or by an administrative procedure or administrative act. The Company is unable to predict at this time how this new legislation, if enacted, may affect the business and operations of the Company at this time.

Peru

The Company's operations at the Caylloma Mine are subject to the payment of government taxes, fees and duties. Holders of mineral concessions are obliged to pay a mining royalty to the Peruvian Government, as a consideration for the exploitation of metallic and non-metallic natural resources, which is calculated based on the quarterly sales revenues from metallic and non-metallic mineral resources at a minimum rate of 1% and up to 12%.

In addition, an additional tax called the "Special Mining Tax" is payable to the Peruvian Government which imposes a tax on the operating profit of metallic resources at a tax rate that ranges from between 2% to 8.4%.

In some areas of Peru, the development of infrastructure projects and extractive industries have met with strong rejection from the local population. Such social conflict may lead to public demonstrations and blockades which could affect the Company's operations.

In early December 2022, Pedro Castillo, the former President of Peru, was removed from office and replaced by Dina Boluarte, Peru's former Vice President. Subsequent to these political changes, the country has encountered increasing tensions, protests, and social unrest. The protests, which mainly occurred in the south of the country, have continued into 2023 and the civil unrest has caused disruptions to businesses and supply chains. The Company's operations have not been significantly impacted to date, but the Company has encountered disruptions to its supply chain and delays in delivering concentrates to port which, as at the date of this AIF, have normalized. Any prolonged disruptions may have an adverse effect on our operations, which could have an adverse effect on the Company's financial results and cash flows. The Company continues to monitor the situation and to mitigate the risks caused by the challenges.

West Africa

The Company's operations at the Yaramoko Mine and the Boussoura project, as well as the Séguéla Project, are subject to the payment of government taxes, fees and duties in Burkina Faso and Côte d'Ivoire, respectively.

Operations in Burkina Faso are subject to the royalty regime set forth in the Burkina Faso 2015 Mining Code ("**Burkina Faso Mining Code**"). Pursuant to the Burkina Faso Mining Code, the granting of an exploitation permit entails the allocation to the state of 10% of the share capital of the exploitation company, free of charge. This 10% state participation must be maintained when there is an increase in the capital of the company. Any form of additional participation by the State in the share capital of a company shall be in accordance with the provisions of the Uniform Act of the Organization for the Harmonization of Business Law in Africa relating to commercial companies and economic interest groups.

In addition, there is a gold price based sliding scale 3% to 5% royalty, payable to the government, on all gold production.

Operations in Côte d'Ivoire are subject to a similar royalty regime as in Burkina Faso, as set forth in the Côte d'Ivoire 2014 Mining Code ("**Côte d'Ivoire Mining Code**")**.** Pursuant to the Côte d'Ivoire Mining Code, the granting of an exploitation permit entails the allocation to the state of 10% of the share capital of the exploitation company, free of charge. This 10% state participation must be maintained regardless of any increase in the capital of the company. Any additional participation of the State in the share capital of the company must be agreed among the parties following negotiation and based on market prices. The said participation is contributory and shall not exceed 15% of the capital of the company at the date of its acquisition.

Production from the Séguéla Project will be subject to a gold price based sliding scale 3% to 6% royalty, payable to the government, which is calculated on the gross revenue from gold produced after deduction of transportation and refining costs.

While the Company believes that the governments of Burkina Faso and Côte d'Ivoire support the development of their natural resources by foreign companies, the Company's West African operations may face a heightened level of political and social risk, such as civil and ethnic unrest, war (including in neighbouring countries), terrorist actions, hostage taking or detainment of personnel, military repression, criminal activity, nationalization, invalidation of governmental orders, corruption and political instability.

Following instability in recent years in several West African countries, the prevailing security environment in these countries has deteriorated due to the presence of various militant secessionist and Islamist paramilitary groups, as well as a result of military coups in Burkina Faso in January and September 2022. While the Company has implemented additional measures in response to ensure the security of its various assets, personnel and contractors, and continues to cooperate with regional governments, their security forces and applicable third parties, there can be no assurance that these measures will be successful. Any failure to maintain the security of its assets, personnel and contractors may have a material adverse effect on Company's business, prospects, financial condition and results of operations. To date, neither our employees nor our operations have been impacted by the security situation in Burkina Faso.

While there is no reason to believe that Fortuna's employees or operations will be targeted by criminal and/or terrorist activities in West Africa, risks associated with conducting business in the region, along with the increased perception that such incidents are likely to occur, may disrupt the Company's operations, limit its ability to hire and keep qualified personnel, and impair its access to sources of capital or insurance on terms and at rates that are commercially viable. Further, although the Company has developed procedures regarding the mitigation of such risks, due to the unpredictable nature of criminal and/or terrorist activities, there is no assurance that its efforts will be able to effectively mitigate such risks and safeguard the Company's personnel and assets.

As African governments continue to struggle with deficits and depressed economies, the strength of commodity prices has resulted in the gold mining sector being targeted as a source of revenue. Governments in West Africa are continually assessing the terms for a mining company to exploit resources in their country. This has in the past resulted in governments repudiating or renegotiating contracts with, and expropriating assets from, companies that are producing in such countries. Although the Company believes it has good relations with both the government of Burkina Faso and the government of Côte d'Ivoire, there can be no assurance that the actions of present or future governments will not materially adversely affect the business or financial condition of the Company.

Any of the above events could delay or prevent the Company from operating, developing or exploring its properties located in Burkina Faso and Côte d'Ivoire, even if economic quantities of minerals are found and could have a material adverse impact upon the Company's operations.

The Company is subject to global geopolitical risks.

In addition to the risks specific to the countries in which the Company operates, global events such as war and occupation, terrorism and related geopolitical risks may lead to increased market volatility and may have adverse short-term and long-term effects on world economies and markets generally. For example, in response to the current conflict between Russia and Ukraine, countries in which Fortuna operates have implemented economic sanctions against Russia and/or certain Russian individuals or organizations, and may impose further sanctions or other restrictive actions against governmental or other individuals or organizations in Russia or elsewhere. The effects of disruptive events could affect the global economy and financial and commodities markets in ways that cannot necessarily be foreseen at the present time. These events could also exacerbate other pre-existing political, social and economic risks, including those described elsewhere in this AIF.

The Company is subject to risks relating to the repatriation of funds.

The ability of the Company to repatriate funds from any foreign country may be hindered by the legal restriction of the countries in which it operates. The Company currently generates cash flow and profits at its foreign subsidiaries, and repatriates funds from those subsidiaries to fulfill its business plan. The Company may not be able to repatriate funds or may incur tax payments or other costs when doing so, due to legal restrictions or tax requirements at local subsidiary levels or at the parent company level, which could be material. In light of the foregoing factors, the amount of cash that appears on the balance sheet of the Company from time to time may overstate the amount of liquidity it has available to meet its business or debt obligations. Although the Company has not historically experienced difficulties in repatriating capital, there is no assurance that the government of any foreign country in which it operates, or may operate in the future, will not impose additional restrictions on the repatriation of earnings to foreign entities. Any inability to repatriate funds could have a material adverse effect on the liquidity of the Company. Existing foreign exchange controls in Argentina may impact the ability to repay intercompany debt and to repatriate funds by way of the payment of dividends. See "Risk Factors – *The Company's operations are subject to political and other risks in the regions in which it operates – Argentina".*

The Company is subject to extensive government regulations and permit requirements.

Operations, development and exploration on the Company's properties are affected to varying degrees by political stability and government regulations relating to such matters as environmental protection, health, safety and labor, mining law reform, restrictions on production, price controls, tax increases, maintenance of claims, tenure, and expropriation of property. Failure to comply with applicable laws and regulations may result in fines or administrative penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining or curtailing operations or requiring corrective measures, installation of additional equipment or remedial actions, any of which could result in the Company incurring significant expenditures.

The activities of the Company require licenses and permits from various governmental authorities. The Company currently has been granted the requisite licenses and permits to enable it to carry on its existing business and operations. On December 20, 2021, the Company announced that SEMARNAT had granted a 12-year extension to the EIA for the San Jose Mine. Subsequently on January 28, 2022, the Company announced that it had received a notice from SEMARNAT which advised that SEMARNAT had made a typographical error in the extension to the term of the EIA for the San Jose Mine and that the correct extension term is two years.

On November 7, 2022, the Company received notice that the Mexican Federal Administrative Court had issued a judgment in favour of the Company, which re-confirms that the extension of the term of the EIA for the San Jose Mine is for a period of 12 years. On January 5, 2023, the Company announced that it had received the SEMARNAT

Resolution which provides that SEMARNAT has annulled and is re-assessing the 12-year extension to the EIA for the San Jose Mine that it granted to Minera Cuzcatlan in December 2021.

Management of the Company believes that the SEMARNAT Resolution is unfounded and has no merits. Minera Cuzcatlan initiated the Mexican Legal Proceedings in the Court to contest and revoke the annulment of the San Jose EIA. The Court has admitted the Mexican Legal Proceedings, and on March 14, 2023, the Company announced that Court has granted a permanent injunction which allows the San Jose Mine to continue to operate under the terms of the 12-year EIA until the determination of the Mexican Legal Proceedings.

The results of the Mexican Legal Proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the difficulty of predicting decisions and the timing required to render decisions. The process of contesting the annulment of the EIA could take away from the time and effort of the Company's management and could force the Company to pay substantial legal fees or penalties. Further, there can be no assurances that the resolutions of any such matters will not have a material adverse effect on the Company's business, financial condition and results of operations.

In addition, there can be no assurance that the Company will be able to obtain all the necessary licenses and permits which may be required to carry out exploration, development and mining operations for its projects in the future. The Company might find itself in situations where the state of compliance with regulation and permits can be subject to interpretation and challenge from authorities that could carry risk of fines or temporary stoppage.

The Company operates in countries with developing mining laws and regulations, and changes in such laws or regulations could materially impact Fortuna's rights or interests in its properties. For example, the recently elected Peruvian government has raised the prospect of implementing changes to the Peruvian constitution, imposing increased mining taxes and royalties, in addition to changes to mine closure requirements, and formalization of small-scale miners and artisanal miners. In addition, previous regional and local governments and other political parties have actively opposed mining projects in the Arequipa area. The Company is unable to predict the positions that will be taken in the future on foreign investment, mining concessions, land tenure or other regulations, or whether such positions will affect the Caylloma Mine.

Future Environmental Legislation.

Environmental legislation is evolving in a manner which is imposing stricter standards and enforcement, increased fines and penalties for non-compliance, in addition to more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. New environmental laws and regulations or more stringent enforcement of existing laws and regulations could have a material adverse effect on the Company, both financially and operationally, by potentially increasing capital or operating costs and delaying or preventing development activities at our mineral properties. Compliance with environmental laws and regulations may require significant capital outlays on behalf of the Company and may cause material changes or delays in the Company's intended activities. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities, causing operations to cease or be curtailed. Such enforcement actions may include the imposition of corrective measures requiring capital expenditure, installation of new equipment or remedial action. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

The Company intends to, and attempts to, fully comply with all applicable environmental regulations. While the health and safety of its people and responsible environmental stewardship are top priorities for the Company, there can be no assurance that the Company has been or will be at all times in complete compliance with such laws, regulations and permits, or that the costs of complying with current and future environmental and health and safety laws and permits will not materially and adversely affect the Company's business, results of operations or financial condition.

Abnormal or extreme natural events.

The Company and the mining industry are facing continued physical challenges, which could adversely impact the Company's production and profitability. Unanticipated adverse geotechnical and hydrological conditions, such as landslides, floods, seismic activity, droughts and pit wall failures, may occur in the future and such events may not be accurately predicted or detected in advance. Such risks could impact the structural integrity of our mines, stockpiles, leach pads and tailings storage facilities. Geotechnical instabilities and adverse climatic conditions can be difficult to predict and are often affected by risks and hazards outside of the Company's control, such as severe weather, droughts and considerable rainfall.

The Company's operations require water, and the Lindero Mine and the San Jose Mine are located in regions where water is scarce. While the Company believes it holds sufficient water rights to support its current operations, future developments could limit the amount of water available to the Company. New water development projects, or climatic conditions such as extended drought, could adversely affect the Company's operations. There can be no guarantee that extreme weather events such as a prolonged drought will not affect the operations at these mines, or that the Company will be successful in maintaining adequate supplies of water for its operations. In addition, too much precipitation can pose a risk to the Company's operations and the Lindero Mine and the San Jose Mine have in the past experienced abnormally high rainfall which has disrupted operations at these locations. Increased precipitation, either due to normal variances in weather or due to global climate change, could result in flooding that may adversely impact operations and could damage the Company's facilities, plant and operating equipment.

Abnormal or extreme natural events may adversely impact the Company's operations. These risks may include extreme weather events, resource shortages, changes in rainfall and storm patterns and intensities, water shortages, changing sea levels and changing temperatures, leading to geotechnical failures that could result in limited or restricted access to mine sites, suspension of operations, government investigations, increased monitoring costs, remediation costs, loss of ore and other impacts, which could cause one or more of the Company's projects to be less profitable than currently anticipated and could result in a material adverse effect on the Company's business results of operations and financial position.

The Company is subject to risks relating to labour relations.

While the Company has good relations with its employees, there can be no assurance that it will be able to maintain positive relationships with its employees or that new collective agreements will be entered into without interruptions to the Company's operations. In addition, relations between the Company and its employees may be impacted by regulatory or governmental changes introduced by the relevant authorities in whose jurisdictions that the Company operates. Adverse changes in such legislation or in the relationship between the Company and its employees could have a material adverse impact on the Company's business, financial condition and results of operations.

The Company is subject to risks relating to the use of outside contractors.

The underground mining operations at the Yaramoko Mine are conducted by outside contractors pursuant to a mining services contract. As a result, the Company's operations in Burkina Faso are subject to risks, some of which are outside of the Company's control, including: (i) the inability to replace a contractor and its operating equipment in the event that either party terminates the agreement; (ii) reduced control over such aspects of operations that are the responsibility of the contractor; (iii) failure of a contractor to perform under the related mining services contract; (iv) interruption of operations in the event that a contractor ceases its business due to insolvency or other events; (v) failure of a contractor to comply with applicable legal and regulatory requirements, to the extent that it is responsible for such compliance, and; (vi) problems of a contractor with managing its workforce, labor unrest or other employment issues. In addition, the Company may incur liability to third parties as a result of the actions of a contractor. Although the mining contractors involved with the Company's projects are well-known and reputable, the occurrence of one or more of these risks could materially adversely affect the Company's business, financial condition and results of operations.

Informal and artisanal mining occurs on or adjacent to certain of our properties exposing such sites to security risks.

Informal and artisanal miners have been active on, or adjacent to, some of the Company's properties, including concession areas of the Caylloma Mine and the Company's properties in Burkina Faso and Côte d'Ivoire. No such activities currently occur in the area where the mineral resources and mineral reserves are located. Informal or artisanal mining is associated with a number of potentially negative impacts, such as exposure to security risks and environmental degradation. The activities of artisanal miners are largely unregulated and work conditions are often unsafe and present health risks to the artisanal miners and local communities, which while unrelated to our operations, may have an impact on them. At the Caylloma Mine, artisanal miners are in dialogue with the Peruvian government to formalize their operation. Pursuant to Law No. 31388 published on December 31, 2021, artisanal miners have a deadline of December 31, 2024 to conclude the formalization process. While the Company believes it is unlikely that the artisanal miners will be successful in obtaining approval to formalize their operations, there can be no assurance of same. In Burkina Faso and Côte d'Ivoire, the Company is aware that small scale unauthorized artisanal mining activities are being conducted on land within the boundaries of its exploration and exploitation permits at the Yaramoko Mine and the Séguéla Project, but not within the respective areas of defined mineral resources and mineral reserves. The artisanal miners have no rights to access the land and no rights to conduct mining activities. No approval to conduct such activities has been granted by either the Company or the Mines Administrations in Burkina Faso or Côte d'Ivoire.

The Company's mining concessions may be terminated in certain circumstances.

Under the laws of the jurisdictions where the Company's operations, exploration and development projects and prospects are located, mineral resources belong to the state and governmental concessions are required to explore for, and exploit, mineral reserves. The Company holds mining, exploration and other related concessions in these jurisdictions. The concessions held by the Company in respect of its operations, exploration and development projects and prospects may be terminated under certain circumstances, including where minimum production levels are not achieved by the Company (or a corresponding penalty is not paid), if certain fees and/or royalties are not paid or if environmental and safety standards are not met. Termination of any of the Company's concessions could have a material adverse effect on the Company's business, financial condition or results of operations.

The Company is subject to risks related to ILO Convention 169 compliance.

The Company may, or may in the future, operate in areas presently or previously inhabited or used by indigenous peoples. As a result, the Company's operations are subject to national and international laws, codes, resolutions, conventions, guidelines and other similar rules respecting the rights of indigenous peoples, including the provisions of ILO Convention 169. ILO Convention 169 mandates, among other things, that governments consult with indigenous peoples who may be impacted by mining projects prior to granting rights, permits or approvals in respect of such projects.

ILO Convention 169 has been ratified by most Latin American countries including Argentina, Peru and Mexico. It is possible however that these governments may not (i) have implemented procedures to ensure their compliance with ILO Convention 169 or (ii) have complied with the requirements of ILO Convention 169 despite implementing such procedures.

Government compliance with ILO Convention 169 can result in delays and significant additional expenses to the Company arising from the consultation process with indigenous peoples in relation to the Company's exploration, mining or development projects. Moreover, any actual or perceived past contraventions, or potential future actual or perceived contraventions, of ILO Convention 169 by ratifying governments in the countries in which the Company operates create a risk that the permits, rights, approvals, and other governmental authorizations that the Company has relied upon, or may in the future rely upon, to carry out its operations or plans in such countries could be challenged by or on behalf of indigenous peoples in such countries.

Such challenges may result in, without limitation, additional expenses with respect to the Company's operations, the suspension, revocation or amendment of the Company's rights or mining, environmental or export permits, a delay or stoppage of the Company's development, exploration or mining operations, the refusal by governmental authorities to grant new permits or approvals required for the Company's continuing operations until the settlement of such challenges, or the requirement for the responsible government to undertake the requisite consultation process in accordance with ILO Convention 169.

As a result of the inherent uncertainty in respect of such proceedings, the Company is unable to predict what the results of any such challenges would be; however, any ILO Convention 169 proceedings relating to the Company's mining and exploration operations in Mexico or Peru, or its development of the Lindero Mine and exploration of other properties in Argentina, may have a material adverse effect on the business, operations, and financial condition of the Company.

On March 1, 2022, the Constitutional Court of Peru through Verdict N° 27/2022, declared the that the right to prior consultation is not a fundamental right, therefore it is not possible to claim protection of ILO Convention 169 through a constitutional process.

The Company's success depends on developing and maintaining relationships with local communities and stakeholders.

The Company's ongoing and future success depends on developing and maintaining productive relationships with the communities surrounding its operations, including indigenous peoples who may have rights or may assert rights to certain of the Company's properties, and other stakeholders in its operating locations. The Company believes its operations can provide valuable benefits to surrounding communities, in terms of direct employment, training and skills development and other benefits associated with ongoing payment of taxes. In addition, the Company seeks to maintain its partnerships and relationships with local communities, including indigenous peoples, and stakeholders in a variety of ways, including in-kind contributions, local procurement of goods and services, volunteer time, sponsorships and donations. Notwithstanding the Company's ongoing efforts, local communities and stakeholders can become dissatisfied with its activities or the level of benefits provided, which may result in civil unrest, protests, direct action or campaigns against it. Any such occurrence could materially and adversely affect the Company's business, financial condition or results of operations.

As a result of social media and other web-based applications, companies today are at much greater risk of losing control over how they are perceived.

Damage to the Company's reputation can be the result of the actual or perceived occurrence of any number of events, and could include any negative publicity, whether true or not. Although the Company places a great emphasis on protecting its image and reputation, it does not ultimately have direct control over how it is perceived by others. Reputation loss may lead to increased challenges in developing and maintaining community relations, decreased investor confidence and act as an impediment to the Company's overall ability to advance its projects, thereby having a material adverse impact on the Company's business, financial condition or results of operations.

Opposition of the Company's exploration, development and operational activities may adversely affect the Company's reputation, its ability to receive mining rights or permits and its current or future activities.

Maintaining a positive relationship with the communities in which the Company operates is critical to continuing successful exploration and development. Community support for operations is a key component of a successful exploration or development project. Various international and national laws, codes, resolutions, conventions, guidelines and other materials relating to corporate social responsibility (including rights with respect to health and safety and the environment) may also require government and or company consultation with communities on a variety of issues affecting local stakeholders, including the approval of mining rights or permits.

The Company may come under pressure in the jurisdictions in which it explores or develops to demonstrate that other stakeholders benefit and will continue to benefit from its commercial activities. Local stakeholders and other groups may oppose the Company's current and future exploration, development and operational activities through legal or administrative proceedings, protests, roadblocks or other forms of public expression against the Company's activities. Opposition by such groups may have a negative impact on the Company's reputation and its ability to receive necessary mining rights or permits. Opposition may also require the Company to modify its exploration, development or operational plans or enter into agreements with local stakeholders or governments with respect to its projects, in some cases causing considerable project delays. Any of these outcomes could have a material adverse effect on the Company's business, financial condition, results of operations and Common Share price.

The Company is faced with uncertainty of funding for exploration and development.

The Company's ability to continue production, development and exploration activities, if any, will depend on its ability to generate sufficient operating cash flows from the San Jose Mine, the Lindero Mine, the Yaramoko Mine, and the Caylloma Mine, and to obtain additional external financing where necessary. Any unexpected costs, problems or delays at the San Jose Mine, the Lindero Mine, the Yaramoko Mine, or the Caylloma Mine could severely impact the Company's ability to generate sufficient cash flows and require greater reliance on alternative sources of financing, including but not limited to: project or bank financing, or public or private offerings of equity and debt, joint ventures, or utilize one or a combination of all of these alternatives. There can be no assurance that the

Company will be able to obtain additional financing or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of some of its projects.

The Company is substantially reliant on its producing mines.

With the commencement of production at the Lindero Mine in 2020 and the acquisition of the Yaramoko Mine in 2021, the Company has secured additional operating revenue stream. However, until the Company develops additional properties or projects, it remains largely dependent upon the operation of the San Jose Mine, the Lindero Mine, the Yaramoko Mine and the Caylloma Mine as its primary source of future revenue and profits, if any. If for any reason production at any of these mines was reduced or stopped, the Company's revenues and profits would decrease significantly. In addition, existing foreign exchange controls in Argentina may impact the ability to repay intercompany debt and to repatriate funds by way of the payment of dividends.

The title to the Company's properties could be challenged or impugned.

Although the Company has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys of the claims in which it holds direct or indirect interests and, therefore the precise area and location of the properties may be in doubt. The Company's properties may be subject to prior unregistered agreements or transfers or indigenous land claims and title may be affected by unidentified or unknown defects. Title insurance is generally not available for mineral properties and the Company's ability to ensure that it has obtained secure claims to individual mineral properties or mining concessions may be constrained. A successful challenge to the Company's title to a property or to the precise area and location of a property could cause delays or stoppages to the Company's exploration, development or operating activities without reimbursement to the Company. Any such delays or stoppages could have a material adverse effect on the Company's business, financial condition and results of operations.

Additional businesses and assets that the Company acquires may not be successfully integrated.

The Company undertakes evaluations from time to time of opportunities to acquire additional mining assets and businesses. For example, the Company completed the Roxgold Acquisition in July 2021, and the Company spent significant time and effort integrating Roxgold's operations and workforce during the remainder of 2021. Fortuna expects to continue to evaluate acquisition opportunities from time to time and to pursue opportunities the Company deems to be in its long-term best interest. Any such acquisitions may be significant in size, may change the scale of the Company's business, may require additional capital, and/or may expose the Company to new geographic, political, operating, financial and geological risks. The Company's success in its acquisition activities depends on its ability to identify suitable acquisition candidates, acquire them on acceptable terms, and integrate their operations successfully. Any acquisitions would be accompanied by risks such as:

- a significant decline in the relevant metal price after the Company commits to complete an acquisition on certain terms;
- the quality of the mineral deposit acquired proving to be lower than expected;
- the difficulty of assimilating the operations and personnel of any acquired companies;
- the potential disruption of the Company's ongoing business;
- the inability of management to realize anticipated synergies and maximize the financial and strategic position of the Company;
- the failure to maintain uniform standards, controls, procedures and policies;
- the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; and
- the potential unknown liabilities associated with acquired assets and businesses.

There can be no assurance that any assets or business acquired will prove to be profitable or that the Company will be able to integrate the required businesses successfully, which could slow the Company's rate of expansion and cause the Company's business, results of operations and financial condition to suffer.

The Company may need additional capital to finance future acquisitions. There can be no assurance that such financing would be available, on favourable terms or at all. If the Company obtains further debt financing, it will be exposed to the risk of leverage and its operations could become subject to restrictive loan and lease covenants and undertakings. If the Company obtains equity financing, existing shareholders may suffer dilution. There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such financings.

The 2021 Credit Facility contains financial covenants which the Company could fail to meet.

Under the terms of the 2021 Credit Facility, the Company is required to satisfy various affirmative and negative covenants and to meet certain financial ratios and tests. There is no assurance that in the future the Company will continue to satisfy these covenants. Furthermore, a breach of these covenants, including a failure to meet the financial tests or ratios, would likely result in an event of default under the 2021 Credit Facility unless the Company is able to obtain a waiver or consent in respect of any such breach. The Company cannot provide an assurance that a waiver or consent would be granted. A breach of any of these covenants or the inability to comply with the required financial tests or ratios could result in a default under the 2021 Credit Facility. In the event of any default under the 2021 Credit Facility, the lenders could elect to declare all outstanding borrowings, together with accrued interest, fees and other amounts due thereunder, to be immediately due and payable, which may have a material adverse impact on the Company's business, profitability or financial condition. In the event of a substantially further prolonged duration of COVID-19, or in the event that more rigorous capital controls are implemented in Argentina, the Company may be required to restructure the 2021 Credit Facility. There can be no assurance that the lenders will agree to such a request.

Temporary Restrictions on the 2021 Credit Facility

Until the determination of the Mexican Legal Proceedings (See "Three Year History and Recent Developments – 2023 Developments"), the Company has agreed with its lenders to certain temporary restrictions under the 2021 Credit Facility as follows:

Until the date that the Company receives a "positive" decision in the Mexican Legal Proceedings, the following conditions will apply:

- The Company may not exercise the $50 million accordion feature.
- The Company must maintain a minimum cash balance of $70 million. In the event, that the Company fails to maintain this minimum requirement over a period of 30 days, the availability of the credit under the facility will be reduced to $200 million. The credit availability will revert to $250 million once the Company re-establishes the minimum cash balance requirement over a period of 30 days.
- The Company cannot make any distributions, cash-based permitted acquisition and investments, nor any discretionary expansionary capital expenditures (other than those related to the completion of the Séguéla Project).
- The Company is required to hedge 25 % of its forecasted consolidated gold production for the period from February 14 to June 15, 2023. Hedges have been put in place as required through a zero costs collar with a weighted average floor price of $1,800 per ounce and a cap of $1,921 per ounce.
- The Company may not make investments in or provide financial assistance to non-guaranteeing subsidiaries in excess of $3,000,000.

In the event that: (1) the permanent injunction ceases to be in effect; (2) the Court upholds the SEMARNAT Resolution, (3) an administrative authority issues a resolution to cease operations at the San Jose Mine, or (4) a positive decision in the Mexican Legal Proceedings is not received before March 31, 2024, the availability under the 2021 Credit Facility will be reduced to nil, and an event of default will occur thereunder.

The results of the Mexican Legal Proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the difficulty of predicting decisions and the timing required to render decisions. Further, there can be no assurances given that a "positive" decision will be obtained by the Company in the Mexican Legal Proceedings. There can also be no assurances that the restrictions imposed by the lenders on the 2021 Credit Facility will only be temporary, which may have a material adverse impact on the Company's business, financial condition and results of operations or otherwise negatively impact the activities of the Company.

Fortuna may record Impairment charges which will adversely affect financial results.

At the end of each reporting period, the Company assesses mineral properties and equipment for impairment indicators and if there are such indicators, then the Company performs a test of impairment. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows or cash generating units (CGUs). These are typically individual mines or development projects. Brownfields exploration projects, located close to existing mine infrastructure, are assessed for impairment as part of the associated mine cash generating unit. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of recoverable amount but not beyond the carrying amount, net of depreciation and amortization, that would have been determined had no impairment loss been recognized for the asset or cash generating unit in prior years.

The recoverable amounts, or fair values, of the Company's CGUs are based, in part, on certain factors that may be partially or totally outside of the Company's control. Impairment estimates are based on management's assumptions and sensitivity analyses and future outcomes may differ from these estimates.

The Company is dependent on key personnel.

The Company is dependent on a number of key management and employee personnel. The Company's ability to manage its exploration, development, construction and operating activities, and hence its success, will depend in large part on the ability to retain current personnel and attract and retain new personnel, including management, technical and skilled employees. The loss of the services of one or more key management personnel, as well as a prolonged labour disruption, could have a material adverse effect on the Company's ability to successfully manage and expand its affairs.

The Company will be required to recruit additional personnel and to train, motivate and manage its employees. The international mining industry is very active and the Company is facing increased competition for personnel in all disciplines and areas of operation, including geology and project management. In addition, as a result of the implementation of restrictions related to the COVID-19 pandemic, technological improvements, and the growth in work from home or hybrid employment arrangements, employees have become more mobile and available to a wider pool of employers and industries, presenting further challenges in retaining key personnel. There can be no assurance that the Company will be able to retain current personnel and attract and retain new personnel.

Incentive provisions for the Company's key executives include the granting of stock options and various share units that vest over time, which are designed to encourage such individuals to stay with the Company. However, a low Common Share price, whether as a result of disappointing progress in the Company's exploration, development, construction or operating activities or as a result of market conditions generally, could render such agreements of little value to the Company's key executives. In such event, the Company's key executives could be susceptible to being hired away by the Company's competitors who could offer a better compensation package. If the Company is unable to attract and retain key personnel, its business, financial conditions and results of operations may be adversely affected.

The Company relies on local counsel and advisors and the experience of its management and Board in foreign jurisdictions.

The Company's material mining or exploration property interests are located in Argentina, Burkina Faso, Côte d'Ivoire, Mexico, and Peru. The legal and regulatory requirements in certain of these countries with respect to mineral exploration and mining activities, as well as local business customs and practices, are different from those in Canada**.** The officers and directors of the Company must rely, to a great extent, on the Company's local legal counsel and local consultants retained by the Company in order to keep abreast of material legal, regulatory and governmental developments as they pertain to and affect the Company's business operations, and to assist the Company with its governmental relations. The Company must rely, to some extent, on those members of management and the Board who have previous experience working and conducting business in these countries in order to enhance its understanding of and appreciation for the local business customs and practices. The Company also relies on the advice of local experts and professionals in connection with current and new regulations that develop in respect of banking, financing, labour, litigation and tax matters in these countries. There can be no guarantee that reliance on such local counsel and advisors and the Company's management and the Board will result in compliance at all times with such legal and regulatory requirements and business customs and practices. Any such violations could result in a material adverse effect on the Company's business, financial condition and results of operations.

Certain of the Company's directors and officers may have conflicts of interest.

Certain of the directors and officers of the Company also serve as directors and/or officers of other companies involved in natural resource exploration and development and consequently there exists the possibility for such directors and officers to be in a position of conflict. To the extent that such other companies may participate in ventures that the Company may also participate in, or in ventures that the Company may seek to participate in, the Company's directors and officers may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. As a result of these potential conflicts of interests, the Company may miss the opportunity to participate in certain transactions. In all cases where the Company's directors and officers have an interest in other companies, such other companies may also compete with the Company for the acquisition of mineral property investments. Such conflicts of the Company's directors and officers may result in a material and adverse effect on its business, financial condition and results of operations.

The insurance coverage on the Company's operations may be inadequate.

The mining industry is subject to significant risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. The Company's policies of insurance may not provide sufficient coverage for losses related to these or other risks. The Company's insurance does not cover all risks that may result in loss or damages and may not be adequate to reimburse the Company for all losses sustained. The occurrence of losses or damage not covered by insurance could have a material and adverse effect on the Company's business, operations and financial condition.

Insurance against certain environmental risks, including potential liability for pollution and other hazards as a result of the disposal of waste products occurring from production, is not generally available to companies within the mining industry. There is no assurance that the Company's insurance will be adequate to cover all liabilities or that it will continue to be available and at terms that are economically acceptable. Losses from un-insured or under-insured events may cause the Company to incur significant costs that could have a material adverse effect on its business and financial condition.

Compliance with Listing Standards

The Company must meet continuing listing standards to maintain the listing of the Common Shares on the Toronto Stock Exchange (the "**TSX**") and the NYSE, including minimum price of such Common Shares. If the Company fails to comply with listing standards and the TSX or NYSE delists the Common Shares, the Company and its shareholders could face significant material adverse consequences, including: a limited availability of market quotations for the Common Shares; reduced liquidity for the Common Shares; a determination that the Common Shares are "penny stock," which would require brokers trading in the Common Shares to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for the Common Shares; a limited amount of news about the Company and analyst coverage; and a decreased ability for the Company to issue additional equity securities or obtain additional equity or debt financing in the future.

Foreign Private Issuer

The Company is a "foreign private issuer" as such term is defined in Rule 405 under the United States Securities Act of 1933, as amended, and is permitted, under a multijurisdictional disclosure system adopted by the United States and Canada, to prepare its disclosure documents filed under the Exchange Act, in accordance with Canadian disclosure requirements. Under the Exchange Act, the Company is subject to reporting obligations that, in certain respects, are less detailed and less frequent than those of U.S. domestic reporting companies. As a result, the Company will not file the same reports that a U.S. domestic issuer would file with the SEC, although it will be required to file or furnish to the SEC the continuous disclosure documents that we are required to file in Canada under Canadian securities laws. In addition, the Company's officers, directors, and principal shareholders are exempt from the reporting and "short swing" profit recovery provisions of Section 16 of the Exchange Act. Therefore, the Company's shareholders may not know on a timely basis when the Company's officers, directors and principal shareholders purchase or sell shares, as the reporting deadlines under the corresponding Canadian insider reporting requirements are longer.

As a foreign private issuer, the Company is exempt from the rules and regulations under the Exchange Act related to the furnishing and content of proxy statements. The Company is also exempt from Regulation FD, which prohibits issuers from making selective disclosures of material non-public information. While the Company expects to comply with the corresponding requirements relating to proxy statements and disclosure of material non-public information under Canadian securities laws, these requirements differ from those under the Exchange Act and Regulation FD and shareholders should not expect to receive in every case the same information at the same time as such information is provided by U.S. domestic companies.

In addition, as a foreign private issuer, the Company has the option to follow certain Canadian corporate governance practices, except to the extent that such laws would be contrary to U.S. securities laws, and provided that the Company discloses the requirements we are not following and describe the Canadian practices the Company follows instead. For example, the Company does not intend to follow the minimum quorum requirements for shareholder meetings as well as certain shareholder approval requirements prior to the issuance of securities under NYSE listing standards, as permitted for foreign private issuers. As a result, the Company's shareholders may not have the same protections afforded to shareholders of U.S. domestic companies that are subject to all U.S. corporate governance requirements.

The Company must comply with the Sarbanes-Oxley Act.

The Sarbanes-Oxley Act ("**SOX**") requires an annual assessment by management of the effectiveness of the Company's internal control over financial reporting. Beginning with the Company's 2016 fiscal year, its auditor is also required to attest to the effectiveness of the Company's internal control over financial reporting. The Company may fail to maintain the adequacy of its internal control over financial reporting as such standards are modified, supplemented or amended from time to time. If this occurs, the Company may not be able to conclude, on an ongoing basis, that it has effective internal control over financial reporting in accordance with Section 404 of SOX and the Company's auditor may issue an adverse opinion on the effectiveness of its internal control over financial reporting. The Company's failure to satisfy the requirements of Section 404 of SOX on an ongoing, timely basis could result in the loss of investor confidence in the reliability of the Company's financial statements, which in turn could harm its business and negatively impact the trading price or the market value of its securities. In addition, any failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Company's operating results or cause it to fail to meet its reporting obligations. Future acquisitions of companies, if any, may provide the Company with challenges in implementing the required processes, procedures and controls in its acquired operations. No evaluation can provide complete assurance that the Company's internal control over financial reporting will detect or uncover all failures of persons within the Company to disclose material information otherwise required to be reported. The effectiveness of the Company's processes, procedures and controls could also be limited by simple errors or faulty judgments. As the Company continues to expand, the challenges involved in implementing appropriate internal control over financial reporting will increase and will require that the Company continue to monitor its internal control over financial reporting. Although the Company intends to expend substantial time and incur substantial costs, as necessary, to ensure ongoing compliance, it cannot be certain that it will be successful in complying with Section 404 of SOX.

The Company may be responsible for corruption and anti-bribery law violations.

The Company's business is subject to the Foreign Corrupt Practices Act (the "**FCPA**") and the Corrupt Foreign Public Officials Act (Canada) (the "**CFPOA**"), which generally prohibit companies and company employees from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. The FCPA also requires companies to maintain accurate books and records and internal controls, including at foreign-controlled subsidiaries. Since all of the Company's presently held interests are located in Argentina, Burkina Faso, Côte d'Ivoire, Mexico, and Peru, there is a risk of potential FCPA violations. In addition, the Company is subject to the anti-bribery laws of Argentina, Burkina Faso, Côte d'Ivoire, Mexico, and Peru and of any other countries in which it conducts business in the future. The Company's employees or other agents may, without its knowledge and despite its efforts, engage in prohibited conduct under the Company's policies and procedures and the FCPA, the CFPOA or other anti-bribery laws for which the Company may be held responsible. If the Company's employees or other agents are found to have engaged in such practices, the Company could suffer severe penalties and other consequences that may have a material adverse effect on its business, financial condition and results of operations. The Company's Anti-Corruption Policy and other corporate policies mandate compliance with these anti-bribery laws; however, there can be no assurance that the Company's internal control policies and procedures always will protect it from fraudulent behavior or dishonesty and other inappropriate acts committed by the Company's employees and agents. As such, the Company's corporate policies and processes may not prevent all potential breaches of law or other governance practices.

The Company may be subject to legal proceedings that arise in the ordinary course of business.

Due to the nature of its business, the Company is at the date of this AIF subject to litigation and claims covering a wide range of matters that arise in the ordinary course of business and may, from time to time, be subject to regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The Company's operations are subject to the risk of legal claims by employees, unions, contractors, lenders, suppliers, joint venture partners, shareholders, governmental agencies or others through private actions, class actions, administrative proceedings, regulatory actions or other litigation. Plaintiffs may seek recovery of very large or indeterminate amounts, and the magnitude of the potential loss relating to such lawsuits may remain unknown for substantial periods of time. Defense and settlement costs can be substantial, even with respect to claims that have no merit. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. The litigation process could, as a result, take away from the time and effort of the Company's management and could force the Company to pay substantial legal fees or penalties. There can be no assurances that the resolutions of any such matters will not have a material adverse effect on the Company's business, financial condition and results of operations.

General economic conditions could impact the Company's business.

Turmoil in global financial markets have at times caused a loss of confidence in global financial and credit markets. Many industries, including the precious and base metals mining industry, have been impacted by these market conditions. Some of the key impacts have included contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metal markets, and a lack of market liquidity. The global economic slowdown is an example of a visible risk to world financial stability. A continued or worsened slowdown in economic conditions, including, but not limited to, consumer spending, employment rates, business conditions, inflation, increasing government debt, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates, and tax rates may adversely affect the Company's growth and profitability. Specifically:

- a new global credit/liquidity crisis could impact the cost and availability of financing and the Company's overall market liquidity;
- the volatility of metal prices could impact the Company's revenues, profits, losses and cash flow;
- volatile energy prices, commodity and consumables prices and currency exchange rates could impact the Company's production costs or projected economic returns; and
- the devaluation and volatility of global stock markets, which are not related to the Company's operations or assets, could impact the valuation of the Company's equity and other securities.

Restrictions and controls imposed by Governments relating to exchange rates impact the Company's operations. For example, in Argentina, the government has at times established official exchange rates that were significantly different from the unofficial exchange rates more readily utilized locally to determine process and value. The Company's investments in Argentina are primarily funded from outside of the country, and therefore conversion of foreign currencies such as the United States dollar at the official exchange rate has had the effect of reducing purchasing power and substantially increasing relative costs in already high inflationary market. Maintaining monetary assets in Argentine pesos exposes the Company to the risks of devaluation of the peso and high rates of inflation in Argentina.

These factors are beyond the control of the Company and could have a material adverse effect on the Company's financial condition and results of operations.

The Company may be adversely affected by operating expense exchange rate fluctuations.

The Company's activities and operations in Argentina, Burkina Faso, Côte d'Ivoire, Mexico, and Peru make it subject to foreign currency fluctuations. Although the Company uses U.S. dollars as the currency for the presentation of its financial statements, the Company's operating expenses are incurred in Mexican and Argentine Pesos, Peruvian Sol and West African CFA francs in proportions that will typically range between 30% and 45% of total expenses, depending on the country. The fluctuation of these currencies in relation to the U.S. dollar will consequently have an impact upon the profitability of the Company's mineral properties and therefore its ability to continue to finance its exploration, development and operations. Such fluctuations may also affect the value of the Company's assets and shareholders' equity. Future exploration, development and operational plans may need to be altered or abandoned if actual exchange rates for these currencies are less than or more than the rates estimated in any such future plans. In 2021, the Company hedged the purchase of $18.5 million Euros related to the construction at the Séguéla Project. During the year ended December 31, 2022, the Company recognized an unrealized/realized loss of approximately $1.9 million from that hedge. The Company cannot make assurances that any hedging techniques it may implement in the future will be successful or that its business, financial condition, and results of operations will not be materially adversely affected by exchange rate fluctuations. During the year ended December 31, 2022, the Company recognized an unrealized/realized foreign exchange loss of $4.6 million primarily as a result of the devaluation of the Euro relative to the United States dollar over 2022 and the impact on balances denominated in West African Francs and partially offset by lower foreign exchange losses in Argentina as the Company had lower VAT receivable balances at the Lindero Mine compared to 2021. There can be no assurance that further losses will not be incurred.

Due to the volatility of the exchange rate for the Argentine Peso, the Company is applying additional measures in cash management to minimize potential losses arising from the conversion of funds. There can be no assurance that the Company will be successful in its cash management measures. With the capital controls currently in effect in Argentina, the Company is required to convert the equivalent value into Argentine Peso from the export sale of all gold doré from the Lindero Mine. In addition, the Company is required to obtain the prior consent of the Argentine Central Bank for the payment of cash dividends and distributions of profits out of Argentina. There can be no assurance that these capital controls will not have an adverse effect on the financial condition of the Company.

The Company faces intense competition.

The mining industry is intensely competitive in all of its phases. Much of the Company's competition is from larger mining companies with greater liquidity, greater access to credit and other financial resources, and that may have newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and/or greater ability than the Company to withstand losses. The Company's competitors may be able to respond more quickly to new laws, regulations or emerging technologies, or devote greater resources to the expansion of their operations, than the Company can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with third parties. Competition could adversely affect the Company's ability to acquire suitable new producing properties or properties for exploration and development in the future. Competition could also affect the Company's ability to raise financing to fund the exploration and development of its properties or to hire qualified personnel. The Company may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Company's business, financial condition or results of operations.

Metal prices and the marketability of metals acquired or discovered by the Company may be affected by factors beyond the Company's control.

The marketability of metals acquired or discovered by the Company may be affected by numerous factors which are beyond the Company's control and which cannot be accurately foreseen or predicted, such as market fluctuations, the global marketing conditions for precious and base metals, the proximity and capacity of milling facilities, metal markets and processing equipment and government regulations, including regulations relating to royalties, allowable production, importing and exporting metals and environmental protection.

The price of silver, gold or other metals fluctuates widely and is affected by numerous factors beyond the Company's control, such as the sale or purchase of metals by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, the political and economic conditions of major metal-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges.

The price of the Common Shares and the Company's financial condition and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of silver, gold or other metals. Declining metal prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. The continued exploration and development of or commercial production from the Company's properties may no longer be economically viable if serious price declines in the market value of silver, gold or other metals occur. Even if exploration, development or production is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed. Depending on the price of silver, gold and other metals, cash flow from mining operations may not be sufficient and the Company's financial condition and results of operations may be adversely affected. The Company may lose its interest in, or may be forced to sell, some of its properties as a result. If any such circumstances occur, the price of the Common Shares may be significantly adversely affected.

The Company's use of derivative contracts to protect against market volatility exposes the Company to risk of opportunity loss and mark to market fair value adjustments.

From time to time the Company may enter into price risk management contracts to protect against fluctuations in the prices of zinc, lead and precious metals, and changes in the prices of fuel and other input costs. These contracts could include forward sales or purchase contracts, futures contracts, purchased or sold put and call options and other derivative instruments.

There is no assurance that any hedging program or transactions which may be adopted or utilized by the Company designed to reduce the risk associated with changes in the prices of precious metals, lead, zinc or commodities will be successful.

In February 2023, the Company entered into hedging contracts equivalent to 25% of forecasted consolidated gold production for the period from February 14 to June 15, 2023. This was a requirement the Company agreed to with its lenders as part of the temporary restrictions until the Mexican Legal Proceedings are resolved. Zero cost collars were completed on 22,355 ounces of consolidated gold production with a weighted average of $1,800 put and $1,921 call. Although hedging may protect the Company from an adverse price change, certain hedging strategies may also prevent the Company from benefiting fully from a positive price change. As at March 22, 2023, the London PM Fix price for gold was $1,949 per ounce.

During 2022, the Company did not enter into any new hedging contracts related to precious metals, lead, zinc or commodities.

In December 2020, the Company entered into swap contracts on a total of 720,000 gallons of heating oil and 1,680,000 gallons of jet fuel in 2022 to protect against increases in the price of such commodities. The contracts were settled monthly. The Company realized gains of $4.6 million in 2022.

The use of derivative instruments can expose the Company to risk of opportunity loss and may also result in significant mark-to-market fair value adjustments, which may have a material adverse effect on the Company's financial results.

Tax Audits and Reassessments.

In the normal course of business, the Company is subject to assessment by taxation authorities in various jurisdictions. Any reassessment by applicable tax authorities of the Company's tax filings and the continuation or timing of any such process is outside of the Company's control. There is a risk that applicable tax authorities may audit the Company or its subsidiaries and issue a notice of reassessment for material amounts. In the event that applicable tax authorities issue one or more additional notices of reassessment for material amounts of tax, interest and penalties, the Company is prepared to vigorously defend its position. If the Company is unable to resolve any of these matters favourably, or if applicable tax authorities issue one or more additional notices of reassessment for material amounts of tax, interest and penalties, this could have a material and adverse effect on the Company's business and its financial condition.

The Company is subject to credit risk through its VAT receivables.

The Company is subject to credit risk through its VAT receivables in Mexico, Argentina and Burkina Faso that are collectible from the respective national governments. The balances are expected to be recoverable in full; however due to legislative rules and the complex collection processes, a significant portion of the asset is classified as non-current until government approvals of the respective recoveries are approved.

***The Company is subject to fluctuating concentrate treatment charges and transportation costs*.**

The Company has entered into agreements to sell its concentrate production from the Caylloma Mine for 2022 and from the San Jose Mine for 2023 and 2024. Treatment charges for both mines for the aforementioned periods have shown an increase compared to 2022, while refining charges have decreased for the Caylloma Mine and remained stable for the San Jose Mine compared to 2022. There is no assurance that the Company will be able to enter into smelting and refining contracts at competitive terms beyond the terms of the current applicable agreements due to economic and market conditions. The cost of transporting concentrate from both mines to off-takers is dependent on, among other things, the concentrate destination. Transportation-related costs at both the Caylloma and San Jose mines increased during 2022 and are expected to remain high in the mid-to-near term due to a number of factors, including changes in the prices of oil and truck spare parts, and a shortage in shipping availability. Increases in rates costs would have an adverse impact on the Company's results of operations and financial condition.

The Company may not have reserved sufficient monies to cover the costs associated with reclamation.

Land reclamation requirements are generally imposed on companies with mineral exploration, development and operations activity in order to minimize long-term effects of land disturbance. Reclamation may include requirements to treat ground and surface water to drinking water standards, control dispersion of potentially deleterious effluent and reasonably re-establish pre-disturbance land forms and vegetation. In order to carry out reclamation obligations imposed on the Company in connection with exploration, development and production activities, the Company must allocate financial resources that might otherwise be spent on further exploration and development programs. The actual costs of reclamation and mine closure are uncertain and planned expenditures may differ from the actual expenditures required. There is a risk that monies allotted for land reclamation may not be sufficient to cover all risks, due to changes in the nature of the waste rock or tailings and/or revisions to government regulations. Therefore, additional funds, or reclamation bonds or other forms of financial assurance, may be required over the tenure of any of the Company's projects to cover potential risks. These additional costs may have material adverse impact on the Company's business, financial condition and results of operations.

The Company is dependent upon information technology systems, which are subject to disruption, damage, failure and risks with implementation and integration.

The Company's information technology systems used in its operations are subject to disruption, damage or failure from a variety of sources including without limitation, computer viruses, security breaches, cyberattacks, natural disasters and defects in design. Cybersecurity incidents, in particular, are evolving and include, but are not limited to, malicious software, attempts to gain unauthorize access to data or machines and equipment, and other electronic security breaches that could lead to disruptions in systems, unauthorized release of confidential or otherwise protected information, the corruption of data or the disabling, misuse or malfunction or machines and equipment. Various measures have been implemented to manage the Company's risks related to information technology systems and network disruptions. However, given the unpredictability of the timing, nature and scope of information or operational technology disruptions, the Company could potentially be subject to production downtimes, operational delays, operating accidents, the compromising of confidential or otherwise protected information, destruction or corruption of data, security breaches, other manipulation or improper use of our systems and networks or financial losses from remedial actions, any of which would have a material and adverse effect on the Company's business, financial condition or results of operations.

The Company could also be adversely affected by system or network disruptions if new or upgraded information technology systems are defective, not installed properly or not properly integrated into operations. Various measures have been implemented to manage the risks related to the system implementation and modification, but system modification failures could have a material and adverse effect on the Company's business, financial condition or results of operations.

Diseases, epidemics and pandemics (including the COVID-19 pandemic) may adversely impact the Company's operations, financial condition and share price.

The COVID-19 virus was declared a global pandemic by the World Health Organization in March 2020 and resulted in a widespread global health crisis. The international response to the spread of the COVID-19 virus led to significant restrictions on travel, temporary business closures, mandatory quarantines, global stock market volatility, operating and supply chain delays and disruptions, and a general reduction in consumer activity.

The Company's business and operations have been and may continue to be materially affected by the COVID-19 pandemic (or any other disease, epidemic or pandemic), including ongoing uncertainty as to the extent and duration of the pandemic.

The possibility of a resurgence of the COVID-19 virus, spread of new variants or mutations thereof, or outbreak of other communicable disease in areas in which Fortuna operates may result in the re-imposition of certain restrictions. Given the ever evolving nature of the COVID-19 pandemic, it is difficult to predict the extent of the impact of this pandemic (or any other disease, epidemic or pandemic) on the Company and its business, which will depend on future developments, including: the duration, severity and geographic spread of variances of the COVID-19 virus (or other communicable disease); further actions that may be taken by governmental authorities, which could include travel restrictions and the suspension of business activities, including mining; the effectiveness and timing of actions taken to contain and treat the COVID-19 virus and variants or mutations thereof, including the effectiveness and uptake of vaccines; and how quickly and to what extent normal economic conditions and operating conditions can resume.

In addition, the COVID-19 pandemic has and may continue to heighten many of the other risks described in this AIF, including: volatility in commodity prices (including gold, silver, lead and zinc); volatility in the stock markets on which the Company's Common Shares and Debentures are listed; and in the price of the Company's securities, any of which could impact the Company's ability to raise capital or refinance the Company's debt obligations in the future, which may have a material adverse effect on the business, operations and financial condition of Company. Additionally, inflationary pressures relating to global financial support measures taken in response to the COVID-19 pandemic, as well as the impact of current supply chain challenges related to the COVID-19 pandemic, are and may continue to have both direct and indirect impacts on the Company's operating costs, which could have a material impact on the Company's financial condition and results of operations.

Climate change impacts.

There is significant evidence of the negative effects of climate change on our planet and public support for climate change action has grown in recent years, as has the impetus to pursue new technologies to mitigate the effects of climate change. Governments around the world, including those in countries in which the Company operates, have responded by adopting ambitious emissions reduction targets and supporting legislation, including measures relating to carbon pricing, emissions reduction initiatives and alternative energy incentives and mandates.

Regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can be offset by increased energy efficiency and technological innovation. If the current regulatory trend continues, this may result in increased costs at some of our operations.

In 2021, Fortuna identified and assessed the physical and transitional risks of climate change based upon its business and the final report on the Recommendations of the Task Force on Climate-Related Financial Disclosures (2017). Fortuna has grouped its risks related to climate change into two main categories: (i) physical risks; and (ii) transition risks. Physical risks have been further sub-divided into: (a) acute physical risks (those that are event-driven, including increased severity of extreme weather events); and (b) chronic physical risks (those that relate to longer-term shifts in climate patterns). Transition risks have been further sub-divided into: (a) regulatory and policy risks; (b) reputational risks; and (c) technology risks.

Physical Risks – Acute Risks

Climate change has been linked to rising sea levels and increased extreme events, such as more intense hurricanes, increasing ocean acidification, extreme hot and cold weather, heavy snowfall and rainfall and increased risk of wildfires. Such extreme weather events may adversely impact the Company's operations, increasing their cost and negatively impacting current and future production. Fortuna's operations are in San Jose del Progreso, Oaxaca, Mexico; Caylloma, Arequipa, Peru; Tolar Grande, Salta, Argentina; and Bagassi, Bale Province, Burkina Faso. San Jose del Progreso's riverine and coastal flood risk is rated as low. Caylloma's riverine flood risk is rated as low to medium, and its coastal flood risk is rated as low. Tolar Grande's riverine and coastal flood risk is rated as low. Bagassi's riverine flood risk is rated as medium to high and coastal flood risk is rated as low. Mexico, Peru and Argentina's overall vulnerability to the negative impacts of climate change are considered low. Burkina Faso's overall vulnerability to the negative impacts of climate change is considered high.

Moreover, extreme weather conditions may lead to disruptions in Fortuna's ability to transport its production, as well as goods and services in its supply chains. Fortuna has already experienced negative impacts as a result of the changing physical environment. Abnormally high rainfall at the San Jose mine in October 2018 and at the Lindero Mine in February 2019 disrupted operations/construction at these locations. Climate change is expected to increase the severity and frequency of extreme weather events over time, further exacerbating these impacts. The governments of Mexico, Peru, Argentina, and Burkina Faso have acknowledged the risks posed to their countries by climate change and have made commitments related to climate change mitigation and adaptation.

At this time, Fortuna is unable to determine the extent to which extreme weather events related to climate change may lead to increased hazards affecting its operations and production.

Physical Risks – Chronic Risks

Anthropogenic climate change is estimated to have brought about a warming of 1.0° Celsius above pre-industrial levels. As the level of activity in the mining industry is influenced by seasonal weather patterns, long-term shifts in climate patterns increase the risk of exacerbating development and/or operational delays at the Company's properties, as well as the other risks posed by seasonal weather patterns and geotechnical challenges discussed above. Fortuna's operations are in San Jose del Progreso, Oaxaca, Mexico; Caylloma, Arequipa, Peru; Tolar Grande, Salta, Argentina; and Bagassi, Bale Province, Burkina Faso. San Jose del Progreso's water stress risk is rated as low, and its drought risk is rated as medium. Caylloma's water stress risk is rated as medium to high, and its drought risk is rated as low to medium. Tolar Grande's water stress risk is rated as low, and its drought risk is rated as low to medium. Bagassi's water stress risk is rated as extremely high and its drought risk is rated as medium. Mexico, Peru and Argentina's overall vulnerability to the negative impacts of climate change are considered low. Burkina Faso's overall vulnerability to the negative impacts of climate change is considered high.

In particular, extended periods of drought or sustained increases in precipitation at the Lindero Mine or the San Jose Mine, increases the risks that the Company will not have adequate supplies of water for its operations. In 2019, the Yaramoko Mine experienced a drier season than normal and a pipeline was built between a nearby public dam and the mine site to ensure adequate water supply in case of drought.

In addition, long-term shifts in weather patterns, such as water scarcity, increased frequency and severity of storms and fires and prolonged heat waves may require the Company to incur greater expenditures (time and capital) to deal with the challenges posed by such changes to its development activities, operations, production supply chain, transport needs, and employee safety, which may in turn have a material adverse effect on the Company's business, operations and financial condition.

Transition Risks – Regulatory and Policy Risks

Climate change policy is evolving at regional, national and international levels and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place to prevent climate change or mitigate its effects. Existing and future laws and regulations may impose significant liabilities for a failure to comply with their requirements. Concerns over climate change, fossil fuels, emissions and water and land-use could lead to the enactment of more stringent laws and regulations applicable to the Company. Any new laws and regulations (or additional requirements to existing laws and regulations) could have a material impact on the Company's business, financial condition, results of operations and prospects.

Fortuna operates in Mexico, Peru, Argentina, and Burkina Faso which have all ratified the Paris Agreement. Mexico has committed to reducing its GHG emissions by 22% by 2030 compared to a baseline under a business-as-usual scenario. Mexico has established a carbon tax and an emissions trading system. Peru has committed to reduce its GHG emissions by 30% by 2030 compared to a baseline under a business-as-usual scenario. Peru is currently revising its Nationally Determined Contribution (NDC) target and has announced it will move from a target of 30% reduction in GHG emissions to a 35% reduction, while also aiming for carbon neutrality by 2050. Argentina has committed not to exceed net emissions of 359 million tons of carbon dioxide equivalent (tCO2e) by 2030. Mexico and Peru's NDCs are rated as insufficient and Argentina's NDC is rated as critically insufficient, raising the prospect that further emissions reduction regulation could be enacted in these countries in the future. Burkina Faso has in place a National Climate Change Adaptation Plan (NAP) however the NAP is focused on regulation related to climate change adaptation as opposed to mitigation.

Adverse impacts to the Company's business as a result of climate change-related legislation may include, but are not limited to, increased compliance costs, permitting delays, increased operating costs and capital expenditures. Given the evolving nature of climate change policy, emission controls and resulting requirements, it is expected that current and future climate change regulations will have the effect of increasing Fortuna's compliance costs and operating expenses.

The Company's exploration, development and production activities emit greenhouse gasses, which requires Fortuna to comply with applicable emissions legislation. In addition, mining and processing operations are energy intensive and result in greenhouse gas emissions either directly or through the purchase of fossil fuel-based electricity. As a result, in addition to the Company's currently producing properties, future production at the Séguéla Project or any of the Company's development projects will also emit greenhouse gasses and such projects will also be required to comply with then applicable emissions legislation.

Transition Risks – Reputational Risks

Concerns regarding climate change may increase public scrutiny of industries that are thought to have more significant environmental impacts.

The price of Common Shares and/or the Company's business, financial condition or operations may be negatively impacted as a result of any negative public opinion towards the mining and mineral processing industry or as a result of any negative sentiment in respect of Fortuna's reputation with stakeholders, special interest groups, political leadership, the media or other entities. Public opinion may be influenced by certain media and special interest groups' negative portrayal of the mining industry, as well as their opposition to certain related projects. Concerns about climate change, and environmental harm more generally, have resulted in a number of environmental activists and members of the public opposing mining exploration, development and production activities, which may influence investors' willingness to invest in the mining industry. See also "Risk Factors - *Opposition of the Company's exploration, development and operational activities may adversely affect the Company's reputation, its ability to receive mining rights or permits and its current or future activities*".

Transition Risks – Technology Risks

The Company is committed to operating responsibly and reducing the negative effects of its current and future operations on the environment. However, the Company's ability to reduce emissions, energy and water use and adopt new innovations is constrained by technological advancement, operational realities and economics. The adoption of new technologies by the Company to address climate change could require a significant capital investment.

Risks Relating to the Securities of the Company

The market price of the Company's Common Shares and Debentures is volatile.

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many mining companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. In particular, the price of the Common Shares on the TSX and NYSE fluctuated significantly during the past 12 months. Additionally, the price of the Debentures on the TSX has fluctuated significantly since being listed for trading in October 2019. There can be no assurance that continual fluctuations in price will not occur.

There are many factors that may influence such volatility. Macroeconomic conditions in North America, Peru, Mexico, Argentina or West Africa and changes in the laws and regulations of these regions may have a negative effect on the development prospects, timelines or relationships for the Company's properties. Negative changes in the public's perception of the Company's prospects or of mining companies in general could cause the price of the Company's securities, including the price of the Common Shares and Debentures, to decrease dramatically. The price of the Common Shares and Debentures is also likely to be affected by short-term changes in precious metal prices or other mineral prices, currency exchange fluctuations, the Company's financial condition or results of operations and the extent of research analyst coverage of its securities.

Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Company may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Shareholders may suffer dilution as a result of future offerings of the Common Shares or securities convertible into Common Shares.

The Company may sell equity securities in future offerings (including through the sale of securities convertible into equity securities) and may issue additional equity securities to finance operations, exploration, development, acquisitions or other projects. The Company may also issue Common Shares as a result of exercises of the Company's outstanding stock options, the vesting of the Company's outstanding share units, or the conversion of the Company's Debentures. Any such convertible securities are more likely to be exercised when the market price of the Company's Common Shares exceeds the exercise price of such instruments. The Company cannot predict the size of future issuances of equity securities or the size and terms of future issuances of debt instruments or other securities convertible into equity securities. The Board has the authority to authorize certain offers and sales of additional securities without the vote of, or prior notice to, shareholders. It is likely that the Company will issue additional securities to provide capital to fund expected expenditures and growth. Any transaction involving the issuance of previously authorized but unissued Common Shares, or securities convertible into Common Shares, would result in potentially substantial dilution to shareholders.

The market price of the Common Shares and Debentures could decline as a result of future issuances or sales of the Company's securities, which could result in insufficient liquidity.

The market price of the Common Shares and Debentures could decline as a result of issuances of securities by the Company or sales by its existing shareholders of Common Shares or Debentures in the market, or the perception that these sales could occur. The issuance of Common Shares upon the exercise of the Company's outstanding stock options and Common Share purchase warrants or the vesting of the Company's outstanding share units may also reduce the market price of the Common Shares. Additional Common Shares, Debentures, stock options, Common Share purchase warrants and share units may be issued in the future. A decrease in the market price of the Common Shares could adversely affect the liquidity of the Common Shares on the TSX and the NYSE. Additionally, a decrease in the market price of the Debentures could adversely affect the liquidity of the Common Shares on the TSX. The Company's shareholders may be unable, as a result, to sell significant quantities of the Common Shares or Debentures into the public trading markets. The Company may not, as a result, have sufficient liquidity to meet the continued listing requirements of the TSX and the NYSE. Sales of the Common Shares or Debentures by shareholders might also make it more difficult for the Company to sell equity or debt securities at a time and price that it deems appropriate, which may have a material adverse effect on the Company's business, financial conditions and results of operations.

The Company has never paid, and does not currently anticipate paying, dividends.

The Company has paid no dividends on the Common Shares since incorporation and does not anticipate paying dividends in the immediate future. The payment of future dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing including earnings, financial conditions, cash on hand, financial requirements to fund its commercial activities, development and growth, and other factors that the Board may consider appropriate in the circumstances.

Risks related to the Debentures of the Company.

The terms of the Debentures are governed by the terms and conditions set out in the Debenture indenture between the Company and Computershare Trust Company of Canada entered into on October 2, 2019 (the "**Indenture**"). The Indenture provides, among other things, for the repurchase, conversion and redemption of the Debentures in certain circumstances and the Company agrees to certain restrictive and affirmative covenants which are set out in the Indenture. Under the terms of the Indenture, there is a risk that the Company may choose to redeem the outstanding Debentures for Common Shares or to repay outstanding principal amounts thereunder at maturity of the Debentures by issuing additional Common Shares. Additionally, the Debentures are subordinate to all senior indebtedness of the Company. If the Company becomes bankrupt, liquidates its assets, reorganizes or enters into certain other transactions, the Company will be able to pay its obligations with respect to the Debentures only after it has paid senior indebtedness and any other secured indebtedness in full. There may be insufficient assets remaining following such payments to pay amounts due on any or all of the Debentures then outstanding. The Indenture does not restrict the Company from incurring additional indebtedness for borrowed money or otherwise from mortgaging, pledging or charging its real or personal property or properties to secure any indebtedness or other financing. A holder of a Debenture will be subject to such terms and conditions, as further described in the Indenture. A full copy of the Indenture is available under the Company's issuer profile at www.sedar.com.

Foreign investors may find it difficult to enforce judgments against the Company.

The Company is incorporated under the laws of British Columbia, Canada and the majority of the Company's directors and officers are not residents of the United States. Because all or a substantial portion of the Company's assets and the assets of these persons are located outside of the United States, it may be difficult for U.S. investors to effect service of process within the United States upon the Company or upon such persons who are not residents of the United States, or to realize in the United States upon judgments of U.S. courts predicated upon civil liabilities under U.S. securities laws. A judgment of a U.S. court predicated solely upon such civil liabilities may be enforceable in Canada by a Canadian court if the U.S. court in which the judgment was obtained had jurisdiction, as determined by the Canadian court, in the matter. Investors should not assume that Canadian courts: (i) would enforce judgments of U.S. courts obtained in actions against the Company or such persons predicated upon the civil liability provisions of the U.S. federal securities laws or the securities or blue-sky laws of any state within the United States, or (ii) would enforce, in original actions, liabilities against the Company or such persons predicated upon the U.S. federal securities laws or any such state securities or blue-sky laws. There is substantial doubt whether an original action could be brought successfully in Canada against any of such persons or the Company predicated solely upon such civil liabilities.

Furthermore, many of the subsidiaries of the Company and its assets are located outside of Canada. Accordingly, it may be difficult for investors to enforce within Canada any judgments obtained against the Company, including judgments predicated upon the civil liability provisions of applicable Canadian securities laws. Consequently, investors may be effectively prevented from pursuing remedies against the Company under Canadian securities laws or otherwise.

MATERIAL MINERAL PROPERTIES

The Company has five material mineral projects.

San Jose Mine
The mine produces silver and gold and is located in the State of Oaxaca, southern Mexico. The mine produced 5,762,562 ounces of silver and 34,124 ounces of gold in 2022. The Company filed a technical report on this property in 2019. The executive summary of the technical report is attached as Schedule "A" to this AIF, together with a description of exploration work conducted in 2022.

Lindero Mine
The mine produces gold and is located in the Province of Salta, northern Argentina. The mine produced 118,418 ounces of gold in 2022. The Company filed a technical report on this property in 2023. The executive summary of the technical report is attached as Schedule "B" to this AIF.

Yaramoko Mine
The mine produces gold and is located in the Province of Balé in southwestern Burkina Faso. The mine produced 106,108 ounces of gold in 2022. The Company filed a technical report on this property in 2023. The executive summary of the technical report is attached as Schedule "C" to this AIF.

Caylloma Mine
The mine which produces silver, zinc and lead and is located in the Caylloma District of Arequipa in southern Peru. The mine produced 1,144,713 ounces of silver, 46.2 million pounds of zinc and 34.6 million pounds of lead in 2022. The Company filed a technical report on this property in 2019. The executive summary of the technical report is attached as Schedule "D" to this AIF, together with a description of exploration work conducted in 2022.

Séguéla Project
The Project is located in the Region of Worodougou in northwestern Côte d'Ivoire and is under construction to be a gold mine. The Company filed a technical report on this property in 2021. The executive summary of the technical report is attached as Schedule "E" to this AIF, together with a description of exploration work conducted in 2022 and 2023.

See also "*Three Year History and Recent Developments – Mineral Reserve and Mineral Resource Estimates*" herein for further information regarding the Company's material projects.

DIVIDENDS

The Company has not to date paid any dividends on its Common Shares nor does it intend to pay any dividends on its shares in the immediate future as management anticipates that all available funds will be invested to finance further acquisition, exploration and development of its mineral properties and to repay outstanding debt obligations.

The Company initiated a NCIB in 2022, and from the commencement of the share repurchase program to December 31, 2022, in accordance with the Company's NCIB, the Company re-purchased an aggregate of 2,201,404 common shares at a weighted average price of $2.69 per share via open market purchases through the facilities of the NYSE for a total repurchase value of approximately $5.9 million, all of which shares were subsequently returned to treasury and cancelled. See" General Developments of the Business – 2022 Developments".

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The Company's authorized share capital is an unlimited number of Common Shares without par value. All Common Shares of the Company rank equally as to dividends, voting powers and participation in assets and in all other respects.

Voting

The holders of Common Shares are entitled to receive notice of, attend and vote at any meeting of the shareholders of the Company. Each Common Share carries one vote per share. There are no voting right ceilings attached to the Common Shares.

Dividends

The holders of Common Shares are entitled to receive on a pro-rata basis such dividends as the Board from time to time may declare, out of funds legally available therefor.

Rights on Dissolution

In the event of a liquidation, winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganization or otherwise or upon any distribution of capital, the holders of the Common Shares have the right to receive on a pro-rata basis all of the assets of the Company remaining after payment of all of the Company's liabilities.

Pre-emptive, Conversion and Other Rights

No pre-emptive, redemption, retraction, exchange, sinking fund or conversion rights are attached to the Common Shares, and the Common Shares, when fully paid, will not be liable to further call or assessment. No other class of shares may be created without the approval of the holders of the Common Shares.

Debentures

In October 2019, the Company issued $46 million aggregate principal amount of Debentures by way of a public offering at a price of $1,000 per Debenture. The Debentures are senior subordinated unsecured convertible securities of the Company. Refer to "*Three- Year History- Recent Developments and Financings*".

The Debentures mature on October 31, 2024 and bear interest at a rate of 4.65% per annum, payable semi-annually in arrears on the last business day of April and October in each year, commencing on April 30, 2020. The Debentures are convertible at the holder's option into Common Shares at a conversion price of US$5.00 per share, representing a conversion rate of 200 Common Shares per US$1,000 principal amount of Debentures, subject to adjustment in certain circumstances. The Debentures are governed by way of a debenture indenture (the "**Indenture**") between the Company and Computershare Trust Company of Canada dated October 2, 2019. The Debentures are transferable and are listed for trading on the TSX.

Adjustment of Conversion Price

The Indenture provides for the adjustment of the conversion price upon certain events including: (i) the subdivision or consolidation of the outstanding Common Shares; (ii) the issue of Common Shares or securities convertible into Common Shares by way of stock dividend or other distribution to all or substantially all holders of Common Shares; (iii) the issue of rights, options or warrants to all or substantially all of the holders of Common Shares entitling them to acquire Common Shares or other securities convertible into Common Shares in certain circumstances and (iv) the distribution to all or substantially all holders of Common Shares of any other class of shares, rights, options or warrants, evidences of indebtedness or assets, at less than 95% of the then Current Market Price (as defined below) of the Common Shares.

Redemption

The Debentures were not redeemable (a "**Redemption**") by the Company prior to October 31, 2022, unless certain conditions were satisfied following a Change of Control (as defined below). Between November 1, 2022 and prior to October 31, 2023, the Debentures may be redeemed by the Company, in whole or in part from time to time, on not more than 60 days and not less than 30 days prior notice (a "**Redemption Notice**"), at a redemption price equal to the principal amount thereof plus accrued and unpaid interest, if any, up to but excluding the date set for Redemption, provided that the arithmetic average of the volume weighted average trading price of the Common Shares (as defined herein) on the NYSE for the 20 consecutive trading days ending five trading days prior to the date on which the Redemption Notice is provided (the "**Current Market Price**") is at least 125% of the conversion price, subject to regulatory approval. On or after October 31, 2023 and prior to the maturity date, the Debentures may be redeemed in whole or in part at the option of the Company on not more than 60 days and not less than 30 days prior notice, at a price equal to their principal amount plus accrued and unpaid interest, if any, up to but excluding the date set for Redemption.

Change of Control

Within 30 days of the Company giving notice of the occurrence of: (i) the acquisition by any person or group of persons acting jointly or in concert (within the meaning of National Instrument 62-104 – *Take-Over Bids and Issuer Bids* as at the date of the Indenture) of ownership of, or voting control or direction over, 50% or more of the then outstanding Common Shares; or (ii) the sale or other transfer of all or substantially all of the consolidated assets of the Company (each, a "**Change of Control**"), the holders of the Debentures (the "**Debentureholders**") may require the Company to repurchase their Debentures then outstanding at a price equal to 100% of the principal amount of the Debentures plus accrued and unpaid interest thereon, from and including the last Interest Payment Date (as defined in the Indenture) to, but not including the purchase date. If holders of 90% of the aggregate then outstanding principal amount of Debentures tender to the Change of Control offer, the Company will have the option to call the remaining Debentures. A Change of Control will not include a sale, merger, reorganization, arrangement or similar transaction if the previous holders of the Common Shares hold at least 50% of the voting control or direction in such merged, reorganized, arranged or other continuing entity.

In the event of an acquisition of the Company where the consideration includes 10% or more in cash or assets or shares (other than publicly traded shares), then, subject to regulatory approval, Debentureholders will be entitled to convert their Debentures within a specified timeframe, in whole or in part, and receive, in addition to the number of Common Shares that such holders are otherwise entitled to receive upon such conversion, an additional number of Common Shares per $1,000 principal amount of Debentures converted as set forth in the Indenture.

Payment of Principal Upon Redemption of Maturity

Subject to applicable securities laws and regulatory approval and provided that no Event of Default (as defined in the Indenture) has occurred and is continuing, the Company may, at its option, elect to satisfy its obligation to pay the principal amount of the Debentures and accrued and unpaid interest on redemption or at maturity, in whole or in part, through the issuance of freely tradable Common Shares upon at least 30 days and not more than 60 days prior notice, by issuing and delivering that number of Common Shares, as applicable, obtained by dividing the principal amount of the Debentures and all accrued and unpaid interest thereon by 95% of the Current Market Price on the date of redemption or maturity, as applicable.

MARKET FOR SECURITIES

Common Shares

The Company's Common Shares were listed and posted for trading on the TSX Venture Exchange until January 18, 2010 when the Company graduated to the TSX. On September 19, 2011, the Company's Common Shares were listed and posted for trading on the NYSE. The Company's shares currently trade on the NYSE under the symbol "FSM" and on the TSX under the symbol "FVI".

Trading Prices and Volume

The following table sets forth the monthly high and low sale prices and trading volumes of the Common Shares on the TSX and the NYSE during the fiscal year ended December 31, 2022:

	Toronto Stock Exchange			New York Stock Exchange		
Month	**High (CAD$)**	**Low (CAD$)**	**Volume**	**High (US$)**	**Low (US$)**	**Volume**
December	5.52	4.94	13,411,006	4.07	3.62	106,834,767
November	5.04	3.55	15,631,789	3.75	2.57	103,867,921
October	4.21	3.51	14,085,348	3.07	2.55	109,207,732
September	3.51	2.82	13,150,564	2.65	2.05	93,113,253
August	3.86	2.96	16,571,042	3.01	2.25	105,978,154
July	3.82	3.09	15,047,591	2.97	2.41	108,441,664
June	4.71	3.62	14,900,703	3.74	2.80	112,060,669
May	4.72	3.48	14,670,082	3.71	2.66	125,550,231
April	5.76	4.32	19,784,490	4.56	3.36	111,500,097
March	6.00	4.49	29,608,485	4.68	3.58	166,147,956
February	5.10	4.09	17,270,334	3.98	3.20	90,158,996
January	5.15	4.04	16,680,276	4.13	3.16	78,099,599

Debentures

The Debentures are listed for trading on the TSX under the trading symbol "FVI.DB.U."

Trading Prices and Volume

The following table sets forth the monthly high and low sale prices and trading volumes of the Debentures on the TSX during the fiscal year ended December 31, 2022:

	Toronto Stock Exchange		
Month	**High (CAD$)**	**Low (CAD$)**	**Volume(1)**
December	100.30	99.96	32,000
November	100.00	92.00	15,000
October	95.00	95.00	3,000
September	No trades	No trades	No trades
August	98.00	92.73	39,000
July	No trades	No trades	No trades
June	100.75	98.00	208,000
May	103.00	100.25	149,000
April	117.20	102.00	85,000
March	118.00	118.00	3,000
February	104.05	104.05	33,000
January	105.00	102.00	20,000

(1) Represents the total quantity of Debentures traded on the TSX for the applicable month.

Prior Sales

The following table summarizes the issuances of share-settled performance share units ("**PSUs**") by the Company during the financial year ended December 31, 2022, which securities are not listed or quoted on a marketplace, and the issuances of Common Shares upon the settlement of restricted share units ("**RSUs**") and PSUs during the aforementioned year.

Date Issued	Issue/Exercise Price	Number and Type of Security Issued	Reason for Issuance
March 15, 2022	CAD$4.83	350,227 Common Shares	Settlement of PSUs and RSUs
March 25, 2022	CAD$4.88	824,768 PSUs	Grant
April 20, 2022	CAD$3.32	206,564 Common Shares	Settlement of RSUs
April 27, 2022	CAD$7.90	90,297 Common Shares	Settlement of PSUs
May 12, 2022	CAD$3.76	155,674 Common Shares	Settlement of RSUs
July 18, 2022	CAD$6.91	50,887 Common Shares	Settlement of PSUs
Dec. 30, 2022	CAD$3.32	40,396 Common Shares	Settlement of RSUs

DIRECTORS AND EXECUTIVE OFFICERS

Name, Occupation and Shareholding

The Board presently consists of seven directors. The directors will hold office until the next annual general meeting of the Company or until their successor is elected or appointed, unless their office is earlier vacated in accordance with the Articles of the Company, or with the provisions of the *Business Corporations Act (*British Columbia).

The following are the full name, place of residence, position with the Company, and principal occupation within the preceding five years of each of the directors and executive officers of the Company as at the date of this AIF:

Name, Position and Residency [1]	Principal Occupation or Employment [1]	Period as a Director of the Company
JORGE GANOZA DURANT President, Chief Executive Officer & Director Lima, Peru	President & CEO of the Company.	December 2, 2004 to present
DAVID LAING [3] [5] Chair of the Board and Director British Columbia, Canada	Mining Engineer; Independent Mining Consultant, November 2018 to present; Chief Operating Officer of Equinox Gold Corp. and predecessors (mining), Aug 2016 to Nov 2018.	September 26, 2016 to present
MARIO SZOTLENDER [5] Director Caracas, Venezuela	Self-Employed Consultant and Director of several public mineral exploration or mining companies.	June 16, 2008 to present
DAVID FARRELL [2] [3] [4] Director British Columbia, Canada	President of Davisa Consulting (a private consulting company).	July 15, 2013 to present
ALFREDO SILLAU [2] [3] [4] Director Lima, Peru	Managing Partner and Director of Faro Capital (investment management).	November 29, 2016 to present
KYLIE DICKSON [2] [4] Director British Columbia, Canada	Corporate Director, Financial Consultant; Director and Audit Committee Chair of Hillcrest Energy Technologies Ltd. (energy solutions), April 2021 to present; Director and Audit Committee Chair of Star Royalties Ltd. (royalties and streaming), Nov 2020 to present; Vice-President, Business Development of Equinox Gold Corp. and predecessors (mining), April 2017 to March 2020; Chief Financial Officer of JDL Gold Corp. until its acquisition of Luna Gold Corp. (mining), Oct 2016 to April 2017.	August 16, 2017 to present
KATE HARCOURT [5] Director Monmouthshire, Wales	Chartered Environmentalist; Independent Environmental and Social Advisor to the mining industry; Director of Condor Gold plc since Mar 2015, Director of Orezone Gold Corporation since 2018; Director of Atalaya Mining plc since May 2022; and ESG Officer for Cornish Lithium since Jan 2021.	July 2, 2021 to present
SALMA SEETAROO Director Abidjan, Côte d'Ivoire	Chief Executive Officer, Cashew Coast, since June 2021 and Ivoirienne de Noix de Cajou SA since December 2018 (Cashew Coast is a group of agri-processing companies including Ivoirienne de Noix de Cajou SA located in Côte d'Ivoire); non-executive director of Goviex Uranium Inc. (mining), February 2021 to present; non-executive director Algold Resources Inc. (mining) – June 2013 to June 2021; director Great Quest Fertilizer Ltd. (mining), September 2018 to March 2020; and sabbatical March 2018 to September 2018.	June 27, 2022 to present

Name, Position and Residency [(1)]	Principal Occupation or Employment [(1)]	Period as a Director of the Company
LUIS GANOZA DURANT Chief Financial Officer Lima, Peru	Chief Financial Officer of the Company.	N/A
CESAR VELASCO Chief Operating Officer – Latin America Lima, Peru	Chief Operating Officer – Latin America of the Company, Sept 2021 to present; General Manager, Minera Bateas S.A. (subsidiary of Fortuna), Nov 2018 to Aug 2021; Commercial Manager, EXSA S.A. (mining supplies), Mar 2018 to October 2018 and Business Development Manager, July 2010 to Feb 2018.	N/A
DAVID WHITTLE Chief Operating Officer – West Africa Queensland, Australia	Chief Operating Officer – West Africa of the Company, Oct 2022 to present; VP Operations – West Africa of the Company, Oct 2021 to Sept 2022; General Manager, Yaramoko Mine of Roxgold Inc., May 2019 to July 2021;and Deputy General Manager Kupol Mine, Kinross Gold Corporation 2017 to May 2019.	N/A
ERIC CHAPMAN Senior Vice-President, Technical Services British Columbia, Canada	Senior Vice-President, Technical Services of the Company, Oct 2021 to present; Vice-President, Technical Services of the Company, Jan 2017 to Sept 2021.	N/A
PAUL WEEDON Senior Vice-President, Exploration Western Australia, Australia	Senior Vice-President, Exploration of the Company, Oct 2021 to present; Vice-President, Exploration, West Africa of the Company, July 2, 2021 to Sept 2021; Vice-President, Exploration of Roxgold Inc., Oct 2018 to July 2, 2021; Senior Director – Exploration, APAC, Newmont Ltd. (mining), Feb 2018 to Oct 2018; and Senior Director – Exploration, Africa, May 2012 to January 2018.	N/A
JULIEN BAUDRAND Senior Vice-President, Sustainability Utah, USA	Senior Vice-President, Sustainability of the Company, Dec 2021 to present; Vice-President Sustainability, West Africa of the Company, Sept 2021 to Nov 2021; Group Sustainability Manager of Roxgold Inc., 2019 to Sept 2021; and Sustainability Manager of Roxgold Sanu S.A., 2016 to 2019.	N/A

As at December 31, 2022, the directors and executive officers of the Company beneficially owned or had control or direction over, directly or indirectly, an aggregate of 3,519,354 Common Shares, representing approximately 1.2% of the issued Common Shares of the Company.

Notes:
(1) The information as to country of residence, principal occupation, and Common Shares held is not within the knowledge of the management of the Company and has been furnished by the respective individuals.
(2) Member of the Audit Committee of the Company.
(3) Member of the Compensation Committee of the Company.
(4) Member of the Corporate Governance and Nominating Committee of the Company.
(5) Member of the Sustainability Committee of the Company.

Cease Trade Orders or Bankruptcies

On April 3, 2017, a management cease trade order ("**MCTO**") was issued by the British Columbia Securities Commission and other Canadian provincial securities regulatory authorities pursuant to National Policy 12-203 Management Cease Trade Orders in connection with the late filing of the Company's annual audited financial statements and related management's discussion and analysis for the years ended December 31, 2016 and 2015 and the AIF for the year ended December 31, 2016 (the "**Annual Documents**"). The MCTO prohibited the Chief Executive Officer and the Chief Financial Officer of the Company from trading in securities of the Company until the Company completed the required filing of the Annual Documents as well as its Interim Financial Documents (as defined below) for the first quarter of 2017, and the regulator revokes the MCTO.

The Annual Documents were filed on May 15, 2017. Due to the delay in finalizing the Annual Financial Documents, the Company was delayed in filing its interim financial statements and related management's discussion and analysis for the three months ended March 31, 2017 and 2016 (together, the "**Interim Financial Documents**"). The Company filed the Interim Financial Documents on May 24, 2017, and the MCTO was revoked by the British Columbia Securities Commission on May 25, 2017.

On June 22, 2020, the Autorité des marches financiers and the Ontario Securities Commission each issued a cease-trade order against Algold Resources Inc. ("Algold") for having failed to file its annual statements for the fiscal year ended December 31, 2019. The cease trade order came into effect automatically in every jurisdiction in Canada that the company was reporting pursuant to automatic reciprocity legislation. In addition, Algold filed under the Bankruptcy and Insolvency Act in February 2021. A proposal made in the context of a notice of intention was approved by the creditors and homologated by the court on March 26, 2021. Under such proposal, Algold became a wholly-owned subsidiary of Aya Gold & Silver Inc. and ceased to be a reporting issuer, effective as of June 11, 2021. Ms. Seetaroo was a director of Algold at the time the cease trade order was issued, and at the time of the bankruptcy filing.

Other than as set forth above, as at the date of the AIF and during the 10 years prior to the date of the AIF, none of the directors or executive officers of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

(a) is or has been a director or executive officer of any company (including the Company), that while that person was acting in that capacity:

   (i) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, other than as disclosed above;

   (ii) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

   (iii) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer and shareholder.

Penalties or Sanctions

As at the date of the AIF and during the 10 years prior to the date of the AIF, none of the directors or officers of the Company or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Conflicts of Interest

There are no existing or potential material conflicts of interest between the Company or any of its subsidiaries and a director or officer of the Company or any subsidiary.

AUDIT COMMITTEE

Pursuant to the provisions of National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), the Company's Audit Committee has adopted a written charter (the "**Charter**") that sets out its mandate and responsibilities. The Charter is attached as Schedule "F" to this AIF.

The Audit Committee is presently comprised of Kylie Dickson, Alfredo Sillau and David Farrell. All members of the Audit Committee are "independent" and "financially literate", within the meanings given to those terms in NI 52-110.

The education and experience of the Audit Committee members that is relevant to the performance of their responsibilities as Audit Committee members is as follows:

Audit Committee Member	Education and Experience
Kylie Dickson	Ms. Dickson is a Canadian Chartered Professional Accountant, Chartered Accountant (CPA,CA) with more than 15 years' experience working with publicly traded resource companies. She received her Bachelor of Business Administration degree in Accounting from Simon Fraser University. She is the Audit Committee Chair of Hillcrest Energy Technologies Ltd. and Star Royalties Ltd., and she previously held the positions of Vice-President, Business Development of Equinox Gold Corp. and Chief Financial Officer of several mineral exploration and mining companies. Prior to her work with public companies, Ms. Dickson was an audit manager in the mining group of a major audit firm.

Audit Committee Member	Education and Experience
Alfredo Sillau	Mr. Sillau is Managing Partner and Director of Faro Capital, an investment management firm that manages private equity and real estate funds. Previously, he headed the business development in Peru for Compass Group, a regional investment management firm, until late 2011. As CEO of Compass, Mr. Sillau actively took part in the structuring, promoting and management of investment funds with approximately US$500 million in assets under management. Mr. Sillau is a graduate of Harvard Business School. His background has given him the required experience to understand and assess the general application of the accounting principles used by the Company and to understand internal controls and procedures for financial reporting.
David Farrell	Mr. Farrell is President of Davisa Consulting, a private consulting firm working with junior to mid-tier global mining companies. He formerly was Managing Director of Mergers & Acquisitions at Endeavour Financial where he successfully closed over $25 billion worth of M&A transactions for junior and mid-tier natural resource companies. Before his 12 years at Endeavour Financial, David was a lawyer at Stikeman Elliott LLP, working in Vancouver, Budapest and London. Mr. Farrell graduated from the University of British Columbia with a B.Comm. (Honours, Finance) and an LL.B and was called to the bar in both British Columbia and England. In addition, he has completed the ICD-Rotman Directors Education Program and been awarded the ICD.D designation. His background has given him the required experience to understand and assess the general application of the accounting principles used by the Company and to understand internal controls and procedures for financial reporting.

The auditor of the Company obtains, as necessary, the pre-approval of the Audit Committee for any anticipated additional services required of the auditor for the coming fiscal year. If other service requirements arise during the year, the Audit Committee pre-approves such services at that time, prior to the commencement of such services.

During the Company's most recently completed fiscal year, no services were performed by the Company's auditor pursuant to the *De-Minimus Non-audit Services* exemption contained in NI 52-110.

During the Company's most recently completed fiscal year, the Company's auditor performed certain non-audit services. Fees and out-of-pocket costs charged by the auditor during the last two fiscal years are as follows:

	2022	2021
Audit Fees	$1,654,987	$1,441,200
Audit-Related Fees	6,380	16,300
Tax Fees	47,547	87,900
All Other Fees	Nil	Nil
	$1,708,914	$1,545,400

"Audit Fees" are the aggregate amounts billed for the audit of the Company's consolidated annual financial statements, and review of the interim financial statements.

"Audit-Related Fees" are amounts charged for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees". The amounts charged include services for attestation engagements.

"Tax Fees" are amounts for professional services rendered for tax compliance and tax advice on actual or contemplated transactions.

"All Other Fees" are amounts not included in the categories above.

LEGAL PROCEEDINGS

There are no known legal proceedings involving an amount exceeding 10% of the current assets of the Company to which the Company is a party or which any of its properties is the subject during the most recently completed financial year, or any such proceedings known to the Company to be contemplated. The Company has not been subject to any regulatory penalties or sanctions during the most recently completed financial year related to securities legislation or imposed by a court or regulatory body, nor has Fortuna entered into any settlement agreements relating to securities legislation during the most recently completed financial year.

TRANSFER AGENT AND REGISTRAR

The Common Shares are listed for trading on the TSX in Canada and on the NYSE in the United States. The Debentures are only listed for trading on the TSX. The Company's transfer agent and registrar for its Common Shares and Debentures is Computershare Trust Company, at its offices in Vancouver, BC and Toronto, ON. The Company's co-transfer agent and registrar for its Common Shares in the United States is Computershare Trust Company, N.A. at its office in Golden, Colorado.

MATERIAL CONTRACTS

Other than as disclosed in this AIF and other than those entered into in the ordinary course of the Company's business, there are no contracts that are material to the Company and that were entered into during the most recently completed fiscal year ended December 31, 2022 or before the most recently completed financial year, but are still in effect as of the date of this AIF.

INTERESTS OF EXPERTS

Auditors

The 2022 Financial Statements have been audited by KPMG LLP, as set forth in their report of independent registered public accounting firm thereon. KPMG LLP is the independent registered public accounting firm of the Company and they have confirmed with respect to the Company that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations and also that they are independent accountants with respect to the Company under all relevant U.S. professional and regulatory standards.

Qualified Persons

Lindero and Arizaro Technical Report

Eric Chapman, Raul Espinoza, Mathieu Veillette and Dmitry Tolstov (the "**Lindero and Arizaro Technical Report Authors**"), each a Qualified Person as defined by NI 43-101, prepared the Lindero and Arizaro Technical Report which was filed by the Company on SEDAR on March 28, 2023. See "*Schedule "B" – Material Mineral Properties – Lindero Mine, Argentina*".

To the knowledge of the Company, as at the date of the Lindero and Arizaro Technical Report and as of the date hereof, the Lindero and Arizaro Technical Report Authors together own, directly or indirectly, less than 1% of the outstanding Common Shares. None of the Lindero and Arizaro Technical Report Authors has received a direct or indirect interest in the property of the Company.

Yaramoko Technical Report

Paul Weedon, Matthew Cobb, Raul Espinoza and Paul Criddle (the "**Yaramoko Technical Report Authors**"), each a Qualified Person as defined by NI 43-101, prepared the Yaramoko Technical Report which was filed by the Company on SEDAR on March 24, 2023. See "*Schedule "C" – Material Mineral Properties – Yaramoko Mine, Burkina Faso*".

To the knowledge of the Company, as at the date of the Yaramoko Technical Report and as of the date hereof, the Yaramoko Technical Report Authors together own, directly or indirectly, less than 1% of the outstanding Common Shares. None of the Yaramoko Technical Report Authors has received a direct or indirect interest in the property of the Company.

Annual Information Form

Eric Chapman, Senior Vice President of Technical Services of the Company is a Qualified Person as defined by NI 43-101. To the knowledge of the Company, as of the date hereof, Eric Chapman owns, directly or indirectly, less than one percent of the outstanding Common Shares. Eric Chapman has not received a direct or indirect interest in the property of the Company.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, is contained in the Company's Management Information Circular for the most recent annual meeting of shareholders. Additional financial information is provided in the 2022 Financial Statements and the 2022 MD&A. The foregoing disclosure documents, along with additional information relating to the Company are available for viewing on SEDAR at www.sedar.com and on EDGAR at www.sec.gov.

SCHEDULE "A"

MATERIAL PROPERTIES

San Jose Mine, Mexico

The following is the Summary from the technical report (the "San Jose Technical Report") entitled "Fortuna Silver Mines Inc.: San Jose Mine, Oaxaca, Mexico" with an effective date of February 22, 2019 prepared by Eric Chapman, P.Geo. and Amri Sinuhaji, P.Eng. This Summary is subject to certain assumptions, qualifications and procedures described in the San Jose Technical Report and is qualified in its entirety by the full text of the San Jose Technical Report which is available for viewing on SEDAR at www.sedar.com and is incorporated by reference in this AIF, and is also filed with the SEC on EDGAR (available at www.sec.gov). Defined terms and abbreviations used herein and not otherwise defined shall have the meanings ascribed to such terms in the San Jose Technical Report.

1. Introduction

This Technical Report (the Report) on the San Jose Mine in Oaxaca, Mexico (the San Jose Mine or the Project), has been prepared by Mr Eric Chapman, P.Geo, and Mr Amri Sinuhaji, P.Eng. for Fortuna Silver Mines Inc. (Fortuna) in accordance with the disclosure requirements of Canadian National Instrument 43-101 (NI 43-101). The Report discloses updated Mineral Resource and Mineral Reserve estimates for the mine.

2. Property description, location and ownership

The San Jose Mine area is characterized by gently-sloping hills and adjoining colluvial-covered plains. Elevations above mean sea level range from approximately 1,540 m to 1,675 m. The vegetation is grasslands and thorn-bush that are typical of dry savannah climates being temperate in nature with an average annual temperature of 19.5^{0}C. Mining operations are conducted on a year-round basis.

The mine is located in the central portion of the state of Oaxaca, Mexico. The mine site is 47 km by road south of the city of Oaxaca, which provides access to an international airport, and 0.8 km east of federal highway 175, the major highway between Oaxaca and Puerto Angel on the Pacific coast. The village of San Jose del Progreso is located 2 km to the southeast of the project site.

The underground mine is operated by Compania Minera Cuzcatlan S.A. de C.V. (Cuzcatlan), a Mexican subsidiary 100% owned by Fortuna. The operation has a relatively small surface infrastructure consisting primarily of the concentration plant, electrical power station, water storage facilities, filtered dry stack tailings facility, stockpiles, and workshop facilities, all connected by unsealed roads. Additional structures located at the property include offices, dining hall, laboratory, core logging and core storage warehouses. The tailings facility is located approximately 1,500 m to the southwest of the concentration plant.

The property comprises mining concessions; surface rights; a permitted 3,000 tonnes per day (tpd) flotation plant; connection to the national electric power grid; as well as permits for the infrastructure necessary to sustain mining operations.

The San Jose Property consists of mineral rights for 31 mining concessions all located in the state of Oaxaca for a total surface area of approximately 64,422 hectares (ha). Tenure is held in the name of Cuzcatlan with all mining concessions having an expiry date beyond the expected mine life.

As of December 31, 2018, the only concession that contains Mineral Resources or Mineral Reserves subject to back-in rights, liens, payments or encumbrances is Reduccion Taviche Oeste, which is subject to a 1.5 % NSR royalty to Maverix Minerals Inc., and a 1 % NSR royalty to SGM.

Cuzcatlan has signed 44 usufruct contracts, which have been registered before the National Agrarian Registry, with land owners to cover the surface area needed for the operation and tailings facilities.

Cuzcatlan has an environmental commitment related to the remediation of the current mining facilities located on the Progreso and Reduccion Taviche Oeste concessions. Cuzcatlan is to set aside US$ 5.3 million to cover remediation and closure requirements. These programs are ongoing with funds assigned to various projects on an annual basis.

3. History

The earliest recorded activity in the San Jose del Progreso area dates to the 1850s when the mines were exploited on a small scale by the local hacienda. By the early 1900s, a large number of silver-and gold-bearing deposits were being exploited in the San Jeronimo Taviche and San Pedro Taviche areas. Mining activity in the district diminished drastically with the onset of the Mexican Revolution in 1910, only to resume sporadically in the 1920s.

Mining in the San Jose area was re-activated on a small scale in the 1960s and again in 1980 when the San Jose Mine was acquired by Minerales de Oaxaca S.A. (MIOXSA). The mine was worked intermittingly by MIOXSA through to the end of 2006 when the property was purchased by Cuzcatlán a Mexican registered company then owned jointly by Fortuna and Continuum Resources Ltd. (Continuum) with sole ownership transferring to Fortuna in March 2009.

From 1980 through 2006, production by MIOXSA was intermittent and came primarily from existing stopes and from development of the fourth, fifth, and sixth levels of the San Jose Mine. Ore was mined primarily from the Bonanza and Trinidad veins and extracted at rates of approximately 100 tpd. The principal mining method used by MIOXSA was shrinkage stoping. The ore was processed at a small crushing and flotation plant in San Jeronimo de Taviche, located approximately 19 km from the San Jose Mine. Reliable estimates of the total production during MIOXSA's tenure are not available.

Commercial production commenced under the management of Cuzcatlan on September 1, 2011. Since then, underground mining has focused on the Bonanza, Trinidad and Stockwork veins. Total production since September 2011 through December 31, 2018 is estimated as 35.9 Moz of silver and 269 koz of gold.

4. Geology and mineralization

The San Jose Mine area is underlain by a thick sequence of sub-horizontal andesitic to dacitic volcanic and volcaniclastic rocks of presumed Paleogene age. These units have been significantly displaced along major north and northwest-trending extensional fault systems with the precious metal mineralization being hosted in hydrothermal breccias, crackle breccias, and sheeted stockwork-like zones of quartz/carbonate veins emplaced within zones of high paleo permeability associated with the extensional structures.

The mineralized structural corridor extends for more than 3 km in a north-south direction and has been subdivided into the Trinidad Deposit area and the San Ignacio area. The Mineral Resource and Mineral Reserve estimates discussed in this Technical Report are located in the Trinidad Deposit area.

The major mineralized structure in the Trinidad Deposit area consists of a sheeted and stockworked quartz–carbonate vein system referred to as the main Stockwork Zone located between the primary Trinidad and Bonanza structures. In addition, several secondary vein systems are present locally in the hanging wall and footwall of the Trinidad and Bonanza structures.

The Victoria mineralized zone is located approximately 350 m east of the Trinidad vein and north of the current underground operations of the San Jose Mine. It is structurally related to the same extensional behavior that dominates the Trinidad Deposit with a similar style of mineralization, corresponding to a low sulfidation epithermal deposit formed in a shallow crustal environment with a relatively low temperature resulting in the precipitation of silver and gold mineralization.

5. Exploration, drilling and sampling

The San Jose Mine has been subjected to a number of documented exploration programs since 1999 including:

- In 1999 Pan American Silver (Pan American) optioned the property from MIOXSA and conducted surface and underground mapping and sampling including the drilling of five diamond drill holes totaling 1,093.5 m
- In 2004, Continuum completed an option agreement with MIOXSA and completed detailed mapping and chip-channel sampling of the surface and of the existing underground workings in the Trinidad area followed by the completion of 15 surface diamond drill holes totaling 4,876.55 m
- From 2006 to 2015 the principal exploration conducted by Fortuna at the deposit has been surface and underground drilling, both to explore the deposit to the north and to depth and for infill purposes to increase the confidence level of the Mineral Resource estimates

- Since 2015, exploration has continued to explore the continuity of the mineralized system to the north, south and at depth of the Trinidad Deposit. During this period the Victoria mineralized zone was discovered approximately 350 m east of the Trinidad Deposit and has been explored with the drilling of 51 holes from underground totaling 27,671.60 m as of June 30, 2018

As of June 30, 2018, the data cut-off date for estimation of Mineral Resources, a total of 845 drill holes totaling 299,319.45 m have been completed on the San Jose Mine area with the drilling being concentrated in the Trinidad Deposit area and extensions to the south of the mineralized structural system. Wide-spaced exploration drilling has also been completed in the San Ignacio area along the southern extension of the structurally controlled mineralized corridor and to the far north of the Trinidad Deposit, as well as in the newly discovered Victoria mineralized zone. All of the drilling was conducted by diamond core drilling methods with the exception of 1,476 m of reverse circulation pre-collars in six of the 845 diamond drill holes.

A total of 662 diamond core holes totaling 221,400.75 m have been drilled in the Trinidad Deposit area and 51 holes totaling 27,671.60 m in the Victoria mineralized zone. In Trinidad, the majority of the holes have been drilled from east to west to cross-cut the steeply east-dipping mineralized zone at high angles, whereas in the Victoria mineralized zone, the holes have been drilled from west to east from underground to intersect the subvertical Victoria main structure. Of the 723 holes, 250 have been drilled from the surface and the remainder from underground.

The diamond drilling typically commences with HQ-diameter core (63.5 mm) and continues to the maximum depth allowable based on the mechanical capabilities of the drill equipment. Once this point is reached or poor ground conditions are encountered the hole is cased and further drilling undertaken with smaller diameter drilling tools with the core diameter being reduced to NQ2 (50.6 mm) or NQ-size (47.6 mm) to completion of the hole. In the Trinidad Deposit, five of the drill holes were further reduced to BQ-size (36.5 mm) diameter in order to complete the drill holes to the target depths. All of the drilling completed in the project area has been carried out by contract drilling service companies. Ground conditions are generally good with core recovery averaging 99 %.

Surface drill hole collars were surveyed using differential global positioning system (GPS) and total station survey methods. Concrete monuments are constructed at each collar location recording the drill hole name, azimuth, inclination and total depth. At locations where the drill hole collar is located in a cultivated field, the collar monument is constructed approximately 50 cm below the actual surface.

Underground drill hole collars were surveyed using total station survey methods. Concrete monuments similar to those used for surface collars are constructed to mark the location with the drill hole name, azimuth, inclination and total depth recorded.

Down-hole surveys have been completed for 827 of the 845 drill holes completed as of the data cut-off date. For the 18 holes where downhole surveys are not recorded, 17 were drilled prior to 2007 with only three being drilled in the Trinidad Deposit. The azimuth and dip orientation of these holes was recorded at the collar to account for drilling direction. The absence of downhole surveys in three of the 662 holes drilled at Trinidad is not regarded as material to the resource estimate.

Downhole surveys are typically completed at 50 m intervals although recent drill holes include downhole surveys at 10 m intervals until reaching 50 m depth and then at 50 m intervals thereafter. All downhole surveys have been carried out by the drilling contractor using Reflex electronic downhole survey tools.

To-date, drilling has been conducted at the Trinidad Deposit over a strike length of approximately 2,500 m and to depths exceeding 800 m from surface. Exploration drilling has generally increased in depth to the north.

Drilling of the Victoria mineralized zone has been conducted over a strike length of approximately 1,300 m and covers a vertical extent of approximately 500 m, with upper holes intersecting the structure at least 250 m below the surface.

The extent of drilling of the San Ignacio area continues directly to the south of the Trinidad Deposit and has been conducted over a strike length of approximately 1,000 m and to depths of up to 500 m from surface.

The relationship between the sample intercept lengths and the true width of the mineralization varies in relation to the intersect angle between the steeply dipping zone of mineralized veins and the inclined nature of the diamond core holes. Calculated estimated true widths (ETWs) are always reported together with actual sample lengths by taking into account the angle of intersection between drill hole and the mineralized structure.

In 2018 all logging became digital, being incorporated daily into the Maxwell DataShed database system. Data were recorded initially with Excel templates, and later with the Maxwell LogChief application using essentially the same structure. Both input methods used pick-lists and data validation rules to ensure consistency between loggers. Separate pages were designed to capture metadata, lithology, alteration, minerals (sulfides, oxides, and limonite), structure (contacts, fractures, veins, and faults with attitudes to core axis). Intensity of alteration phases was recorded using a numeric 1 to 4 scale (weak, moderate, strong, complete).

Geotechnical logging consists of the collection of specified data fields including; recovery percentage and rock quality designation (RQD) length. Joint filling and joint weathering are described during the geologic logging. A tablet-based data entry program was developed by Cuzcatlan using the Maxwell LogChief software. Data checks are implemented into this program to prevent entry of erroneous data.

The sampling methodology, preparation, and analyses differ depending on whether it is drill core or a channel sample. All samples are collected by Cuzcatlan geological staff with sample preparation and analysis being conducted either at the onsite Cuzcatlan Laboratory or transported to the ALS Global preparation facility in Guadalajara prior to being sent on for analysis at their laboratory in Vancouver.

The Cuzcatlan Laboratory used by Fortuna/Cuzcatlan since 2012 for assaying channel samples was accredited as a testing laboratory with the requirements of ISO/IEC 17025:2005 for sample preparation and assaying of silver and gold on March 2, 2018, prior to this the laboratory was not certified. The Cuzcatlan Laboratory is not independent of Fortuna/Cuzcatlan.

The ALS Global Laboratory is an independent, privately-owned analytical laboratory group. The Vancouver laboratory holds ISO 17025 accreditation. The Mexican laboratory holds ISO 9001:2000 certification.

The SGS Laboratory used by Cuzcatlan as an umpire laboratory is an independent privately-owned analytical laboratory located in Durango, Mexico and holds ISO/IEC 17025:2005 accreditation for sample preparation and assaying.

Channel chip samples are generally collected from the face of newly exposed underground workings. The entire process is carried out under the mine geology department’s supervision. Sampling is carried out at 3 m intervals within the drifts and stopes of all veins. The channel’s length and orientation are identified using paint in the underground working and by painting the channel number on the footwall. The channel is typically approximately 20 cm wide and approximately 1 to 2 cm deep, with each individual sample preferably being no smaller than 0.4 m and no longer than 1.5 m.

Drill core is laid out for sampling and logging at the core logging facility at the camp. Sample intervals are marked on the core and depths recorded on the appropriate box. A geologist is responsible for determining and marking the drill core intervals to be sampled, selecting them based on geological and structural logging. The sample length must not exceed 2 m or be less than 20 cm.

All samples collected by Cuzcatlan are assayed by atomic absorption (AA) spectroscopy and by fire assay (FA) with gravimetric finish. For drill samples only, a full suite of trace elements is analyzed using an aqua regia digestion followed by inductively-coupled plasma (ICP) analysis. Assay results and certificates are reported electronically by e-mail. Since mid-2018 the onsite laboratory has also assayed channel samples and selected composites for fluorine using a selective ion electrode (ISE) technique.

Bulk density samples have been primarily sourced from drill core with a limited number being sampled from underground workings. Bulk density measurements are performed at the ALS Global Laboratory in Vancouver using the OA-GRA08 methodology.

Sample collection and transportation of drill core and channel samples is the responsibility of Brownfields exploration and the Cuzcatlan mine geology departments and must follow strict security and chain of custody requirements established by Fortuna. Samples are retained in accordance with the Fortuna corporate sample retention policy.

Implementation of a quality assurance/quality control (QAQC) program is current industry best practice and involves establishing appropriate procedures and the routine insertion of certified reference material (CRMs), blanks, and duplicates to monitor the sampling, sample preparation and analytical process. Fortuna implemented a full QAQC program to monitor the sampling, sample preparation and analytical process for all drilling campaigns in accordance with its companywide procedures. The program involved the routine insertion of CRMs, blanks, and duplicates. Evaluation of the QAQC data indicate that the data are sufficiently accurate and precise to support Mineral Resource estimation.

6. Data verification

Cuzcatlan staff follow a stringent set of procedures for data storage and validation, performing verification of data on a monthly basis. The operation employs a Database Administrator who is responsible for overseeing data entry, verification and database maintenance. A separate Database Auditor is responsible for performing a detailed independent review of the database on a quarterly basis and submitting a report to Fortuna management detailing the findings. Any issues identified are immediately resolved by the administrator.

Data used for Mineral Resource estimation are stored in Maxwell GeoService's commercial SQL database system (DataShed), storing both mine related data (including channel samples) and drilling related results (exploration and infill drilling).

Data was transferred from an inhouse SQL database system to DataShed in 2017 with the support of Maxwell personnel. Both databases were run in tandem until a full verification process had been completed to prove parity between the systems, at which point the original database was archived.

As a component of the 2018 Mineral Resource estimate, a preliminary validation of the Cuzcatlan database was performed by the Database Administrator in June 2018. The database has a series of automated import, export, and validation tools to minimize potential errors. Any inconsistencies identified were corrected during the analysis with the database then being handed over to the QP for the resource estimate for final review on June 30, 2018 in Microsoft Access format.

In addition, data verification by the QP was also conducted through the inspection of selected drill core to assess the nature of the mineralization and to confirm geological descriptions as well as the inspection of geology and mineralization in underground workings of the Trinidad, Bonanza, and Stockwork veins.

A series of plan and cross sections were generated displaying the lithologic and mineralization interpretation by the Cuzcatlan geology and exploration departments and reviewed by the QP.

The QP is of the opinion that the data verification programs performed on the data collected by Cuzcatlan are adequate to support the geological interpretations, the analytical and database quality, and Mineral Resource estimation at the San Jose Mine.

7. Mineral processing and metallurgical testing

Initial metallurgical test work to assess the optimum processing methodology for treating ore from the Trinidad Deposit was conducted by METCON in 2009 and reported in the prefeasibility study written by CAM (2010), with Cuzcatlan continuing to build on this original work with additional tests to support operational requirements.

Metallurgical tests have not been conducted as of the effective date of this Report for material from the Victoria mineralized zone but are planned for the second half of 2019. Petrographic studies conducted by Albinson (2018) indicate that mineralogically the material is similar to that from the Trinidad Deposit.

It is the opinion of the QP that the San Jose Mine has an extensive body of metallurgical investigation comprising several phases of testwork as well as an extensive history of treating ore at the operation since 2011. In the opinion of the QP, the San Jose metallurgical samples tested and the ore that is presently treated in the plant is representative of the material included in the life-of-mine plan (LOMP) in respect to grade and metallurgical response. Metallurgical recovery is estimated to be constant for the LOMP at 92 % for silver and 91 % for gold. Differences between vein systems are minimal with regard to recovery.

Deleterious elements detected in ore located in certain parts of the deposit have the potential to affect economics due to penalties that could be applied during smelting. This includes elevated levels of fluorine (>1,000 ppm), which has been accounted for as part of the financial analysis.

8. Mineral Resources

Mineral Resource estimation involved the usage of drill hole and channel samples in conjunction with underground mapping to construct three-dimensional wireframes to define individual vein structures. Samples were selected inside these wireframes, coded, composited and top cuts applied if applicable. Boundaries were treated as hard with statistical and geostatistical analysis conducted on composites identified in individual veins. Silver and gold grades were estimated into a geological block model consisting of 4 m x 4 m x 4 m selective mining units (SMUs) representing each vein. All veins in the Trinidad Deposit were estimated by sequential Gaussian simulation (SGS). The Victoria main structure located in the Victoria mineralized zone was estimated by inverse distance weighting employing a power of two (IDW). Estimated grades were validated globally, locally, visually, and (where possible) through production reconciliation prior to tabulation of the Mineral Resources.

By the application of a silver equivalent value taking into consideration the average metallurgical recovery and long term metal prices for each metal, and the determination of a reasonable cut-off grade using actual operating costs, as well as the exclusion of Mineral Resources identified as being isolated or economically unviable using a floating stope optimizer, the Mineral Resources have 'reasonable prospects for eventual economic extraction'.

Resource confidence classification considers a number of aspects affecting confidence in the resource estimation including; geological continuity and complexity; data density and orientation; data accuracy and precision; grade continuity; and simulated grade variability.

Mineral Resources exclusive of Mineral Reserves as of December 31, 2018 are reported in Table 1.1.

Table 1.1 Mineral Resources as of December 31, 2018

Classification	Tonnes (000)	Ag (g/t)	Au (g/t)	Contained Metal	
				Ag (Moz)	Au (koz)
Measured	**49**	**77**	**0.56**	**0.1**	**1**
Indicated	**272**	**84**	**0.59**	**0.7**	**5**
Measured + Indicated	**321**	**83**	**0.59**	**0.9**	**6**
Inferred	**2,415**	**196**	**1.44**	**15.2**	**112**

Notes:

- Mineral Resources are as defined by the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves
- Mineral Resources are exclusive of Mineral Reserves
- Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability
- Mineral Resources are estimated as of June 30, 2018 and reported as of December 31, 2018 taking into account production related depletion for the period through December 31, 2018
- Eric Chapman, P.Geo. (APEGBC #36328) is the Qualified Person for resources being an employee of Fortuna Silver Mines Inc.
- Mineral Resources are reported based on underground mining within optimized stope designs using a cut-off grade of 100 g/t Ag Eq based on assumed metal prices of US$ 18.25/oz Ag and US$ 1,320/oz Au, estimated metallurgical recovery rates of 92 % for Ag and 91 % for Au (Ag Eq (g/t) = Ag (g/t) + (Au (g/t)*((1,320/18.25)*(92/91)), and an operating cost of US$ 52.50/t
- Mineral Resource tonnes are rounded to the nearest thousand
- Totals may not add due to rounding

Factors that may affect the estimates include metal price and exchange rate assumptions; changes to the assumptions used to generate the cut-off grade; changes in local interpretations of mineralization geometry and continuity of mineralized zones; changes to geological and mineralization shape and geological and grade continuity assumptions; variations in density and domain assignments; geometallurgical assumptions; changes to geotechnical, mining, dilution, and metallurgical recovery assumptions; change to the input and design parameter assumptions that pertain to the conceptual stope designs constraining the estimates; and assumptions as to the continued ability to access the site, retain mineral and surface rights titles, maintain environment and other regulatory permits, and maintain the social license to operate.

There are no other known environmental, legal, title, taxation, socioeconomic, marketing, political or other relevant factors that would materially affect the estimation of Mineral Resources or Mineral Reserves that are not discussed in this Report.

9. Mineral Reserves

Mineral Reserve estimates follow standard industry practices, considering only Measured and Indicated Mineral Resources as only these categories have sufficient geological confidence to be considered Mineral Reserves (CIM, 2014). Subject to the application of modifying factors, Measured Resources may become Proven Reserves and Indicated Resources may become Probable Reserves. Mineral Reserves are reconciled quarterly against production to validate dilution and recovery factors.

Metal prices used for Mineral Reserve estimation were determined as of May 2018 by the corporate financial department of Fortuna from market consensus.

Metallurgical recoveries were based on metallurgical test work and operational results at the plant from July 2017 to June 2018.

NSR values were dependent on various parameters including metal prices, metallurgical recovery, price deductions, refining charges and penalties.

A breakeven cut-off grade was determined based on all variable and fixed costs applicable to the operation. These include exploitation and treatment costs, general expenses and administrative and commercialization costs (including concentrate transportation).

Mineral Reserves as of December 31, 2018 are reported in Table 1.2.

Table 1.2 Mineral Reserves as of December 31, 2018

Classification	Tonnes (000)	Ag (g/t)	Au (g/t)	Contained Metal	
				Ag (Moz)	Au (koz)
Proven	**393**	**237**	**1.97**	**3.0**	**25**
Probable	**4,779**	**235**	**1.51**	**36.0**	**232**
Proven + Probable	**5,172**	**235**	**1.55**	**39.0**	**257**

Notes:

- Mineral Reserves are as defined by the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves
- Mineral Reserves are estimated as of June 30, 2018 and reported as of December 31, 2018 taking into account production-related depletion for the period through December 31, 2018
- Mineral Reserves are reported based on underground mining within optimized stope designs using an NSR breakeven cut-off of US$ 65.90/t, equivalent to 131 g/t Ag Eq and 134 g/t Ag Eq for the Taviche Oeste concession due to an additional 2.5 % royalty
- Metal prices used in the NSR evaluation are US$ 18.25/oz for silver and US$ 1,320/oz for gold
- Metallurgical recovery values used in the NSR evaluation are 92 % for silver and 91 % for gold based on actual plant recoveries
- NSR values taking into account refining charges used in the estimation are US$ 15.67/oz for silver and US$ 1,129/oz for gold with the exception of material located in the Taviche Oeste concession where NSR values are US$ 15.27/oz for silver and US$ 1,100/oz for gold
- Costs used in NSR breakeven cut-off determination are US$ 31.48/t for mining; US$ 16.55/t for processing; and US$ 17.91/t for other costs including distribution, management, community support, general service and administration
- Mining recovery is estimated to average 89 % and mining dilution 12 %
- Amri Sinuhaji, P.Eng (APEGBC #48305) is the Qualified Person for reserves, being an employee of Fortuna Silver Mines Inc.
- Mineral Reserve tonnes are rounded to the nearest thousand
- Totals may not add due to rounding

10. Mining methods

Cuzcatlan commenced production at the San Jose Mine in September 2011 and as of December 31, 2018 had produced 35.9 Moz of silver and 269 koz of gold. The mining method applied in the exploitation of the veins is overhand cut-and-fill using a mechanized extraction methodology.

Production capacity at the mine has been increased on two occasions; in September 2013 it was increased to 1,800 tonnes per day and most recently, in June 2016 the production capacity was increased to 3,000 tpd, through a further plant expansion.

In May of 2018, a third-stage filtered dry stack tailings facility was commissioned on time and on budget with an increased capacity of filtered tailings to handle 1.5 years of production with further expansions planned for 2019 and 2020 that would be sufficient to store all tailings for the presently defined life-of-mine plan (LOMP). Cuzcatlan is in the process of obtaining the permit to allow the construction of the 2019 tailings expansion.

Mineral Reserves are estimated at 5.2 million tonnes as of December 31 2018, which is sufficient for almost a five-year life-of-mine (LOM) consisting of 350 days in the year at a mill throughput rate of 3,000 tpd. The LOM annual average production will be approximately 7 Moz of silver and 46 koz of gold based on an average head grade of 232 g/t Ag and 1.52 g/t Au.

The QP is of the opinion that:

- The mining method being used is appropriate for the deposit being mined. The underground mine design, stockpiles, tailings facilities, and equipment fleet selection are appropriate for the operation
- The mine plan is based on historical mining and planning methods practiced at the operation for the previous seven years, and presents low risk
- Inferred Mineral Resources are not included in the mine plan, and were set to waste
- The mobile equipment fleet presented is based on the actual present-day mining operations, which is known to achieve the production targets set out in the LOM
- All mine infrastructure and supporting facilities meet the needs of the current mine plan and production rate

11. Recovery methods

The current process plant design is split into four principal stages including; crushing; milling; flotation; and thickening, filtering and shipping.

The QP considers process requirements to be well understood, and consistent based on the actual observed conditions in the operating plant. There is no indication that the characteristics of the material planned for mining will change and therefore the recovery assumptions applied for future mining are considered as reasonable for the LOM.

12. Project infrastructure

The QP is confident that all mine and process infrastructure and supporting facilities are included in the present general layout to ensure that they meet the needs of the mine plan and production rate and notes that:

- The San Jose Mine is located 47 km, or one hour by road from the city of Oaxaca, the main service center for the operation, with good year-round access
- The mine site infrastructure has a compact layout footprint of 50.15 ha, with an additional 69.69 ha for the tailings storage facilities
- An expansion to the dry stack tailings facility will commence in 2019, with a second phase planned for 2020, increasing total capacity to 4,039,000 m^3, sufficient for the LOM
- Power is provided to the mine from the main grid via a 115,000 volt circuit, as well as a secondary reserve power supply line, all managed by CFE
- Water requirements are 2.7 m^3 of water to process one tonne of ore being primarily sourced from water pumped to the surface from the underground dewatering system
- All process buildings and offices for operating the mine have been constructed, with camp facilities not required due to the proximity of the site to urban

13. Market studies and contracts

Since the operation commenced commercial production in September 2011 a corporate decision was made to sell the concentrate on the open market. In order to get the best commercial terms for the concentrates, it is Fortuna's policy to sign contracts for periods no longer than one year. All commercial terms entered between the buyer and Cuzcatlan are regarded as confidential, but are considered to be within standard industry norms.

The QP has reviewed the information provided by Fortuna on marketing, contracts, metal price projections and exchange rate forecasts and notes that the information provided support the assumptions used in this Report and are consistent with the source documents, and that the information is consistent with what is publicly available within industry norms.

14. Environmental studies and permitting

The mining operation has been developed in strict compliance with the regulations and permits required by the government agencies involved in the mining sector. In addition, all work follows the international quality and safety standards set forth under standards ISO 14001 and OHSAS 18000.

Despite the above, on October 8, 2018 abnormally high rainfall caused a contingency pond to overflow at the dry stack tailings facility. The contingency pond collects water from a ditch system at the dry stack facility designed to capture and manage rain water.

Cuzcatlan took steps to mitigate the risk of future overflows by immediately increasing its pumping capacity at the contingency pond. No damage occurred to the tailings dam or to the dry stack infrastructure. San Jose tailings are monitored and sampled continuously, are free of heavy metals or other contaminants, and are characterized as sterile.

Cuzcatlan notified the relevant environmental authorities, PROFEPA and CONAGUA on the day of the incident. Cuzcatlan worked with federal, state and local authorities as they conducted inspections of the facilities at San Jose and sampling of the Coyote Creek. Results of the sampling indicated no contamination or pollution occurred due to the overflow.

On February 14, 2019, PROFEPA released their final report on the incident confirming that the overflow did not contaminate soil, and therefore no remediation was required. As of the effective date of this Report, Cuzcatlan is awaiting issuance of the final report from CONAGUA.

To the extent known, all permits that are required by Mexican law for the mining operation have been obtained, with the exception of the permit to construct the stage 4 expansion of the dry stack tailings facility. Cuzcatlan is in the process of obtaining the permit from the Secretary of the Environment and Natural Resources (SEMARNAT) and expect to obtain this in the second quarter of 2019.

Cuzcatlan continues developing sustainable annual programs for the benefit of local communities, including educational, nutritional and economic programs. The above mentioned social and environmental responsibilities support a good relationship between the company and local communities. This will aid the development and continuity of the mining operation and improve the standard of living and economies of local communities.

The mine closure plan has been designed to ensure the rehabilitation of the area where the mine is located. The projected total cost required to close present and future infrastructure at the mine is US$ 5.3 million.

15. Capital and operating costs

Capital and operating cost estimates are based on established cost experience gained from current operations, projected budget data and quotes from manufacturers and suppliers.

The capital and operating cost provisions for the LOMP that supports Mineral Reserves have been reviewed. The basis for the estimates is appropriate for the known mineralization; mining and production schedules; marketing plans; and equipment replacement and maintenance requirements.

The QP considers the capital and operating costs estimated for the San Jose Mine as reasonable based on industry-standard practices and actual costs observed for 2018.

16. Economic analysis

Fortuna is using the provision for producing issuers, whereby producing issuers may exclude the information required under Item 22 for technical reports on properties currently in production and where no material production expansion is planned.

Mineral Reserve declaration is supported by a positive cashflow for the period set out in the LOMP based on the assumptions detailed in this Report.

17. Other relevant data and information

Fortuna considers that this Report contains all the relevant information necessary to ensure the report is understandable and not misleading.

18. Conclusions, risks and opportunities

This Report represents the most accurate interpretation of the Mineral Reserve and Mineral Resource available as of the effective date of this report. The conversion of Mineral Resources to Mineral Reserves was undertaken using industry-recognized methods, and estimated operational costs, capital costs, and plant performance data. Thus, it is considered to be representative of future operational conditions. This Report has been prepared with the latest information regarding environmental and closure cost requirements.

A number of opportunities and risks were identified by the QPs during the evaluation of the San Jose Mine.

Opportunities include:

- The wide nature of mineralization of the Stockwork zone in combination with the medium to good rock quality provides an opportunity to implement a more productive (bulk) mining methodology such as long hole stoping to extract this material. Implementation of this method could potentially reduce mining costs and increase mine productivity.
- Improvements in mining productivity through optimizing the mining cycle. As shotcreting comprises a significant component of the mining cycle, a better accelerator agent could shorten the curing and overall cycle times. Additionally, cycle times could be further reduced by implementing a trim or controlled blasting system so that less ground support is required due to over-blasting or over scaling.
- Operational delays could be reduced by implementing a better underground communication system.
- The ventilation system could be improved in specific areas of the mine where elevated temperature are encountered improving productivity in these areas.
- Significant exploration potential exists for the Victoria mineralized zone as mineralization remains open in all directions.

Risks include:

- The recently discovered presence of elevated fluorine in the concentrate resulting in unexpected penalties to sales. Limited information is currently available to understand the orogenesis, dynamics, and distribution of fluorine within the deposit, although preliminary sampling suggests it is focused in the Trinidad vein with a limited spatial extent. However, a risk exists that fluorine levels may be elevated in other veins and areas of the deposit.
- Environmental liability from the pond over-flow in October 2018, mitigated by the rapid response to the incident and independent testing of the affected area that indicates no heavy metals or other contaminants are present.
- Potential litigation regarding the disputed royalty on the Progresso concession, which has been mitigated by Cuzcatlan obtaining multiple legal opinions that state the royalty is invalid and taking steps to remove the royalty from the register.

19. Recommendations

Recommendations for the next phase of work have been broken into those related to ongoing exploration activities and those related to additional technical and operational studies. Recommended work programs are independent of each other and can be conducted concurrently unless otherwise stated. The exploration-related programs are estimated at a total cost of US$ 4.22 million. The operational improvement studies are recommended to be conducted inhouse and therefore do not involve a direct cost.

i) Exploration activities

- **Exploration of the Trinidad Deposit.** The Fortuna vein is known to extend south of the presently-estimated Mineral Resource by the presence of historical workings and previous drilling demarking where the Fortuna vein was located in the San Ignacio area. It is recommended that Cuzcatlan explore the mineralized continuity of this vein as it extends from the Trinidad Deposit into the San Ignacio area with a first phase drill program involving the drilling of 3,500 m diamond holes at an estimated cost of US$ 492,000. In addition to testing the extents of the Fortuna vein, the Paloma vein remains open at higher elevations and it is recommended that upon the issuance of appropriate permits the near-surface potential of the Paloma vein be explored with the drilling of 1,500 m of diamond holes from surface at an estimated cost of US$ 203,000.

- **Exploration of the Victoria mineralized zone.** It is recommended that Cuzcatlan continue to explore the extent of the Victoria mineralized zone above and to the north of the presently-estimated Mineral Resource. The higher elevations of the vein system can be drilled from surface, with the issuance of the appropriate permits, and would involve the drilling of 2,000 m diamond holes at an estimated cost of US$ 257,000. To gain access for exploration of the vein to the north and at depth it is recommended that a 200 m exploration drift be mined at a cost of US$ 520,000. The drive will allow the drilling of 4,500 m of underground diamond drill holes to explore the vein continuity at an estimated cost of US$ 509,000.

- **Metallurgical testwork**. It is recommended that metallurgical testwork be conducted on samples obtained from the Victoria mineralized zone to establish likely metallurgical recoveries and processing characteristics. Testwork should include mineralogical evaluations, along with bond work index, grinding, flotation and granulometry tests. The estimated cost of the testwork is US$ 32,000.

- **Other exploration programs.** The Guilla concession of the San Jose Mine has been identified as an area that has high potential for the discovery of epithermal veins based on surface mapping. It is recommended that permits be obtained to allow targets to be drilled on this concession. If permits are obtained a drill program consisting of 9,000 m of diamond holes at an estimated cost of US$ 1,305,000 is recommended. In addition, it is recommended that a 250 m underground exploration drift be mined in 2019 to the north of the Trinidad Deposit to facilitate future underground drilling programs to explore the convergence of the Trinidad Deposit and the Victoria mineralized zone where obtaining surface drill permits has proved problematic. The estimated cost of this drift is US$ 500,000.

- **Delineation (infill) drilling.** Cuzcatlan is planning to continue the delineation drilling from underground in 2019 of the Trinidad Deposit. A total of 2,780 m of drilling is planned at a budgeted cost of US$ 400,000.

ii) Technical and operational studies

- **Fluorine**. It is recommended that the operation continues to assay representative pulps for fluorine and uses these to improve short term and long-term estimates of fluorine behavior in the deposit as well as conducting metallurgical tests at the plant to determine methods to reduce fluorine levels in the concentrate.

- **Mine plan optimization and risk analysis**. The conditional simulation methodology used in the estimation of the primary veins results in the generation of 50 equi-probable realizations. By assessing these multiple potential scenarios, the mine plan can be optimized with the identification of low- and high-risk regions of the deposit.

- **Bulk density measurements**. It is recommended that the number of bulk density measurements be increased in secondary veins. If sufficient measurements are obtained, bulk density can be estimated rather than the presently-used density assignment methodology.

- **Mining method**. As part of continuous improvement initiatives to reduce mining cost and to increase mine productivity, it is recommended that a study be conducted to evaluate the feasibility of a bulk mining method. Part of the considerations for the mining method selection is to investigate mining method and mining sequence that eliminate the necessity to leave mineralized material as pillars. Additionally, the study should investigate mine productivity, equipment and manpower requirements, as well as infrastructure and cost evaluations.

- **Mining recovery**. A review on pillar design is recommended, particularly for narrow veins with more competent country rock where mining recovery could be increased. Cell mapping and geotechnical logging should be performed on a more frequent basis and detailed pillar analysis conducted based on the specific local rock conditions.
- **Mining dilution**. It is recommended that the mine implements an improved survey practice by increasing the number of points taken per survey or to implement the usage of a scanner. It is further recommended that the mine reconciles the dilution estimate on a more frequent basis and stores the information into a database so that statistical analysis such as trends, variations and local dilution analysis can be performed. This information will assist the Cuzcatlan mine planning department in making timely decisions to remediate dilution issues and improve Mineral Reserve estimates.

[End of Extract of Summary from San Jose Technical Report]

Exploration Work Subsequent to the San Jose Technical Report

San Jose Brownfields Exploration Results 2021

During the second half of 2020 and the first quarter of 2021, the Company undertook step-out and infill drilling at the San Jose Mine which has established continuity of high-grade mineralization in the upper levels of the Trinidad Footwall structures. The successful drill program represents 4,670 meters of step-out and infill drilling in 22 drill holes and targeted both resource upgrades and the potential to expand the resource outside of the current area of Mineral Reserves. Mineralization remains open in at least two directions and it is adjacent to existing mine infrastructure, and as a result there is potential for inclusion of this material in near-term production. Highlights of the step-out and infill drilling include:

Step-out drill highlights:

SJOM-955: 699 g/t Ag and 3.57 g/t Au over an estimated true width of 4.1 meters
SJOM-1002**:** 1,931 g/t Ag and 6.76 g/t Au over an estimated true width of 5.4 meters

Infill drill highlights include:

SJOM-1014: 306 g/t Ag and 1.38 g/t Au over an estimated true width of 9.5 meters
SJOM-1016: 760 g/t Ag and 3.24 g/t Au over an estimated true width of 3.4 meters
SJOM-1017: 967 g/t Ag and 4.25 g/t Au over an estimated true width of 8.4 meters
SJOM-1020: 809 g/t Ag and 2.78 g/t Au over an estimated true width of 1.4 meters
SJOM-1021: 473 g/t Ag and 1.25 g/t Au over an estimated true width of 14.9 meters

Please refer to the Company's news release dated March 29, 2021 entitled "*Fortuna intersects 1.93 kilos of silver and 6.76 g/t gold over 5.4 meters at the San Jose Mine, Mexico*", for full details.

On December 9, 2021, the Company the announced the results of a 25,064 meter*,* 59 hole *s*tep-out exploration drilling *program* from underground platforms ahead of production at San Jose*, started in March 2021 and which* has continued to define continuity of key mineralized structures *and* target*ed* the Bonanza Hanging wall (Bhw), Trinidad Norte and Victoria mineralized zone (VMZ) structures. In addition to the underground drilling, testing of two target zones to the north and south of the mine was successful in identifying additional mineralized structures with drilling continuing. *Highlights of the program include:*

- **SJOM1053 (VMZ)**: 290 g/t Ag and 2.00 g/t Au over an estimated true width of 1.5 meters
- **SJOM1088 (Magdalena)**: 245 g/t Ag and 1.41 g/t Au over an estimated true width of 4.6 meters
- **SJOM1091 (Magdalena)**: 506 g/t Ag and 2.61 g/t Au over an estimated true width of 1.7 meters
- **SJOM1103 (San Ignacio)**: 209 g/t Ag and 1.47 g/t Au over an estimated true width of 1.1 meters
- **SJOM1105 (Magdalena)**: 302 g/t Ag and 0.77 g/t Au over an estimated true width of 1.8 meters including 1,010 g/t Ag over 0.5 meters

Please refer to the Company's news release dated December 9, 2021 entitled "*Fortuna drills 16.5 g/t gold over 6.3 meters at Séguéla and provides exploration update*", for full details.

See "*Three Year History and Recent Developments - Mineral Reserve and Mineral Resource Estimates*" herein for further information regarding the San Jose Mine.

SCHEDULE "B"

MATERIAL PROPERTIES

Lindero Mine, Argentina

The following is the Summary from the technical report (the "Lindero and Arizaro Technical Report") entitled "Fortuna Silver Mines Inc.: Lindero Mine and Arizaro Project, Salta Province, Argentina" with an effective date of December 31, 2022 prepared by Eric Chapman, P.Geo., Raul Espinoza, FAusIMM (CP), Mathieu Veillette, P.Eng., P.E., and Dmitry Tolstov, MMSA(QP). This Summary is subject to certain assumptions, qualifications and procedures described in the Lindero and Arizaro Technical Report and is qualified in its entirety by the full text of the Lindero and Arizaro Technical Report which is available for viewing on SEDAR at www.sedar.com and is incorporated by reference in this AIF, and is also filed with the SEC on EDGAR (available at www.sec.gov). Defined terms and abbreviations used herein and not otherwise defined shall have the meanings ascribed to such terms in the Lindero and Arizaro Technical Report.

1.1 Introduction

This Technical Report (the Report) on the Lindero Mine and Arizaro Project in Salta, Argentina (the Property or the Lindero Property), has been prepared by Mr. Eric Chapman, P.Geo, Mr. Raul Espinoza, FAusIMM, Mathieu Veillette, P.Eng, and Dr. Dmitry Tolstov, MMSA QP, for Fortuna Silver Mines Inc. (Fortuna) in accordance with the disclosure requirements of Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (NI 43-101). The Report discloses updated Mineral Resource and Mineral Reserve estimates, including the maiden estimation of Inferred Resources for the Arizaro Project, as well as details on the start of operations at the Lindero Mine.

1.2 Property description, location and ownership

The Property is located in the Argentine puna, a cool, arid zone with a minimum elevation of approximately 3,500 to 4,000 m. The climate is generally dry and windy; it can be cold and snowy during storms.

The Lindero Property is located 260 km due west of Salta, Argentina, the main service center of the region, at latitude 25° 05' south and longitude 67° 47' west. Drive time from Salta to the Property is approximately 7 to 7.5 hours, over a road distance of 420 km. The nearest town to the Property is Tolar Grande (population 250) located 75 km to the northeast.

The Property can be accessed via either road or by airplane. Access by road is via National Route 51, which passes through the towns of San Antonio de Los Cobres and Olacapato; and Provincial Route 27, via Pocitos and Tolar Grande. Access by plane is via charter flights that are scheduled three times a week from Salta to a runway strip located at the Salar de Arizaro, less than 10 kilometers from the mine. The flight takes approximately 35 minutes.

The Lindero Property contains two known porphyry gold-copper deposits. The Lindero Deposit which is the focus of current mining activities described in this report (the Lindero Mine); and the Arizaro Deposit which is located 3.2 km southeast of the Lindero Mine.

The mineral tenement holdings cover 3,500 ha, and comprise 35 pertenencias, each of 100 ha, which are constrained by Gauss Kruger Posgar co-ordinates generated by survey. Tenure is held in the name of Mansfield Minera S.A. (Mansfield), an indirectly wholly-owned subsidiary of Fortuna. There is no expiry date on the pertenencias, providing Mansfield meets expenditure and environmental requirements, and pays the appropriate annual mining fees.

A three percent provincial royalty "boca mina" is payable on revenue after deduction of direct processing, commercial, general and administrative costs. There are no royalties payable to any other third party.

Surface rights are owned by the provincial state (Propiedad Fiscal) of Salta. There are no reservations, restrictions, rights-of-way or easements on the Property to any third-party. Mansfield holds a registered camp concession, and a granted and surveyed access right-of-way. Water permits and rights of access to the Property are guaranteed through water and access licenses granted by the Mining Court of Salta.

In addition, Mansfield holds one mining concession and eight easements that cover the mine infrastructure (including the camp, plant, open pit, leach pad, and waste dump).

1.3 History

Gold–copper mineralization associated with potassic alteration was first discovered at the Property by Goldrock Mines Corp. (Goldrock) geologists in November 1999, and led to claim staking.

The area was explored using reconnaissance and detailed geological mapping, soil geochemistry (talus fines), trench sampling and mapping during 2000 and early 2001. As a result of this work, mineralization at what is now the Lindero and Arizaro deposits was identified in September 2000.

From April 2002 to March 2003, Rio Tinto had an option on the Property with Goldrock, during which time additional exploration including drilling was conducted at both Lindero and Arizaro with follow-up metallurgical testwork undertaken using Lindero core samples. An in-house preliminary Mineral Resource estimate for the Lindero Deposit was performed. As the tonnage and grade estimate did not meet Rio Tinto's corporate targets, the option was not exercised.

Goldrock resumed as project operator, and between 2005 and 2013 completed additional exploration and drilling at both the Lindero and Arizero deposits, but with a focus on progressing the technical potential of mining Lindero. Based on this, a Pre-Feasibility Study for the Lindero Deposit was completed by AMEC in 2010, assuming a production throughput of 30,000 tonnes of ore per day (AMEC Americas Ltd., 2010a; 2010b). In 2012, Goldrock commissioned Kappes, Cassiday & Associates (KCA) to complete a Feasibility Study using a reduced throughput of 18,750 tpd.

In 2015, Goldrock commissioned KCA to work with local engineering firms in advancing the engineering design for the Lindero Project to a basic engineering level and update the 2013 Feasibility Study. A new Feasibility Study incorporating these design changes, additional metallurgical testwork, and updated costs and gold price assumptions was filed by KCA in 2016 (KCA, 2016a).

In July 2016, Fortuna acquired all of the issued and outstanding shares of Goldrock, making Mansfield a wholly-owned subsidiary of Fortuna (Fortuna, 2016). Upon completion of the transaction, Fortuna continued to advance the optimization of the 2016 Feasibility Study through additional drilling as well as conducting tradeoff metallurgical tests and detailed engineering revisions with the objective of reaching a construction decision for the Lindero Project (Fortuna, 2017).

Fortuna continued the exploration of the Arizaro Deposit while progressing the technical studies and construction activities at Lindero with diamond drill programs executed in 2018, 2021 and 2022 culminating in the estimation of Mineral Resources as detailed in this Report.

Mining activities commenced at Lindero in September 2019 (Fortuna, 2019) with first placement of ore on the leach pad in July 2020 (Fortuna, 2020a) and doré production in October 2020 (Fortuna, 2020b). Total production since October 2020 through December 31, 2022 is estimated as 228,939 oz of gold doré bars.

1.4 Geology and mineralization

In the Central Andes, the altiplano or puna is a high plateau of more subdued relief between the Eastern Cordillera, a rugged region usually rising to between 3 km and 4.5 km, and the Western Cordillera, which is a high spine of mountains that may reach as much as 5 km in height. The Arizaro Volcanic Complex consists of two superimposed concentric volcanic centers, the Arizaro and the Lindero cones, located in the Archibarca volcanic arc at the southern margin of the Salar de Arizaro basin. Basement rocks crop out to the north of the Lindero Deposit and consist of coarse-grained Ordovician granites uncomformably overlain by Early Tertiary red bed sandstones. The Lindero–Arizaro complex, a series of diorite to monzonite porphyritic stocks, intrudes these units.

Lindero and Arizaro are examples of gold-rich porphyry copper deposits as described by Sillitoe (2000). More specifically, they show affinities with the porphyry gold deposit model (Rytuba and Cox, 1991; also termed dioritic porphyry gold deposits by Seedorff et al., 2005). These are exemplified by the Refugio, Cerro Casale, Marte, and Lobo gold deposits of the Miocene-age Maricunga belt, Chile, approximately 200 km south of Lindero. Vila and Sillitoe (1991) and Muntean and Einaudi (2000, 2001) described those deposits in detail.

The deposits of the Property area are considered to be examples of porphyry-style deposits, in particular gold-rich porphyries based on the following:

- High level (epizonal) stock emplacement levels in magmatic arc.
- High-level stocks and related dikes intrude their coeval and cogenetic volcanic piles. Intrusions range from fine through coarse-grained, equigranular to coarsely porphyritic.
- Mineralization in or adjoining porphyritic intrusions of quartz diorite/monzonite composition.
- Mineralization is spatially, temporally, and genetically associated with hydrothermal alteration of the intrusive bodies and host rocks.
- Gold–copper mineralization formed during intrusion of multiple phases of similar composition intrusive rocks.
- Large zones of quartz veining, stockwork mineralization, and disseminated pyrite.
- Tenor of gold and copper grades, i.e., large tonnage but low grade.

The weathered oxidation zone at Lindero is generally poorly developed and averages 44 m in thickness, while at Arizaro the oxidation zone is even less pronounced being just a few meters in thickness.

1.4.1 Lindero Deposit

Mineralized zones at the Lindero Deposit form a semi-circular shape about 600 m in diameter which extends to a depth of 600 m, consisting of four different zones at the surface. The distribution of gold–copper mineralization at Lindero shows a strong relationship to lithology, stockwork veinlets, and alteration assemblages. Higher grades of gold–copper (approximately 1 g/t Au and 0.1 % Cu) are commonly associated with sigmoidal quartz, quartz–magnetite–sulfide, biotite-magnetite–chalcopyrite, magnetite–chalcopyrite and quartz–limonite–hematite stockworks that are strongly associated with K-feldspar alteration. This association is very common in the east zone of the deposit, where the highest gold grades occur. At other locations where one or more stockwork types are missing or the intensity of fracturing is lower, mineralization tends to be weaker and the grades of gold tends to be lower (approximately 0.4 g/t Au).

At the Lindero Deposit, native gold and electrum are finely disseminated in subparallel to stockwork quartz + sulfide ± magnetite ± anhydrite veins and in some cases in matrices of hydrothermal breccias. Magnetite is common to abundant in mineralized zones. These mineralized stockworks and potassic alteration are interpreted to have formed as the result of degassing of the early intrusive bodies. Fluid pressures during degassing triggered fracturing of the intrusions and wall rock, allowing gold-rich fluids to circulate and precipitate, forming a gold–copper orebody. Later intrusions resulted in weak to moderate gold–copper mineralization forming mostly along and immediately fringing these intrusive contacts. Finally, post mineralized intrusives were overprinted onto the north and west of the deposit.

Gold mineralization at Lindero is characterized by native, free-milling gold associated with chalcopyrite and/or magnetite grains with rare interstitial quartz.

1.4.2 Arizaro Deposit

The Arizaro volcanic center is characterized by fine- to medium-grained hornblende diorite to monzonite porphyritic stocks. The Arizaro Deposit is dominated by a main, moderately to strongly mineralized intrusive unit that crops out in the central part of the prospect area. It consists of fine hornblende porphyritic diorite intruded by several stocks, dikes, igneous-cemented breccias and hydrothermal breccias. Smaller stocks are exposed in a few areas. Dikes of andesitic and dacitic composition are generally distributed radially to the main intrusive unit.

Several alteration assemblages are noted in the Arizaro Deposit area. Alteration patterns are semi-concentric and asymmetric, with a core of moderate to strong potassic alteration including zones of K-feldspar-rich magnetite–silica alteration. An incomplete rim of chloritic alteration is developed outboard of the potassic alteration. In the southeast part of the deposit, intermediate argillic alteration has formed and overprints potassic alteration. Sericitic and very weak argillic alteration (hydrolytic alteration) has developed in the volcanic tuffs. To the south and west of the deposit, chloritic alteration passes directly to propylitic alteration. An actinolite–magnetite alteration assemblage forms in the eastern part of the deposit area.

The Arizaro Deposit has mineralization styles with copper–gold grades that are strongly correlated with different alteration assemblages. Mineralization is mainly associated with potassic alteration. This occurs generally in multi-directional veins, vein stockworks and disseminations. In some areas, the vein density is high, forming vein stockworks in the intrusive rocks. These vein stockworks are limited to magnetite–biotite veinlets, quartz–magnetite–chalcopyrite veinlets, late magnetite breccias and in late-stage mineralization events, anhydrite–sulfide veinlets. Chalcopyrite and bornite are the main copper minerals. Gold is mainly associated with chalcopyrite, quartz, and anhydrite veinlets. Coarse gold was observed and confirmed with X-ray diffraction analysis in the University of Neuquen, Argentina, laboratory.

Understanding of the geological setting and model concepts for Lindero and Arizaro is adequate to provide guidance for exploration and development of the deposits.

1.5 Exploration, drilling and sampling

Multiple exploration programs have been conducted by Rio Tinto, Goldrock and Fortuna on the Lindero Property all under the management of Mansfield.

Exploration drilling comprises 233 diamond drill holes totaling 46,987 m at the Lindero Deposit, as well as 65 diamond drill holes totaling 16,165 m at the Arizaro Deposit that has been conducted over the last twenty years. Ground conditions are good with core recovery generally above 90 percent. Collars for all holes drilled since 2005 have been surveyed using differential GPS. Coordinates are projected on the WGS 84 Datum ellipsoid and calibrated according to the position of Geodetic point IGM N° PR-02-015, located a few kilometers from the Property. The results are available in geographic co-ordinates and in metric co-ordinates (UTM and Gauss Kruger), using the WGS 84 datum.

During Rio Tinto's exploration drilling campaign in 2002, undertaken by Connors Drilling, no downhole surveys were completed despite the fact that many of the holes extended beyond 300 m in depth. Holes drilled during the first Goldrock campaign were not originally downhole surveyed either. In June 2006, GEC-Geophysical Exploration & Consulting S.A. (GEC) was contracted by Goldrock to perform borehole surveying services with a Reflex Maxibor II System 3™ Probe (Maxibor™), which is not affected by magnetism. In 2008, Goldrock detected that the Maxibor™ surveys showed an unacceptably large deviation in the drill holes and a decision was made to re-survey all holes that showed a deviation of more than 5 percent. Comprobe Chile Ltd. (Comprobe) was contracted to re-survey the holes considered by Goldrock as having incorrect downhole deviations. A surface-recording gyroscopic instrument was used, and orientation and dip parameters were recorded every 10 m. For the 2016 to 2022 drilling campaigns, downhole surveys were conducted by the drilling contractor using Reflex™ gyroscopic equipment with readings taken at 5 to 10 m intervals.

All core was logged for geology and geotechnical characteristics. All logging was digital and has been incorporated into the Maxwell DataShed™ database system. Data was recorded initially with Excel™ templates, and later with Maxwell LogChief™ application using essentially the same structure. Separate pages were designed to capture metadata, lithology, alteration, veins, sulfide–oxide zones, sulfide–oxide surfaces, minerals (sulfides, oxides, and limonite), sulfates, structures (contacts, fractures, veins, and faults with attitudes to core axis), magnetic susceptibility, and special data (samples collected for geochemistry, thin section examinations, the core library, skeleton core, etc.). Intensity of alteration phases was recorded using a numeric 1 to 4 scale (weak, moderate, strong, complete); abundance of veins and most other minerals were estimated in volume percent.

Core samples are marked and collected on 2 m intervals that honor lithological boundaries. Samples weigh between 4 and 8 kg depending on core diameter and recovery. Channel samples were collected using a rock saw to cut a 2 x 3 cm channel in exposed bedrock in trenches and road cuts. The material was removed from the channel with a chisel. Sample preparation for most samples consisted of crushing to 70 percent passing 10 mesh and pulverization to 95 percent passing 150 mesh. Density samples are routinely collected by Mansfield personnel from drill core on approximate 10-m intervals. Samples consist of pieces of core approximately 7 cm in length and weighing between 93 g and 408 g.

All samples collected by Mansfield personnel were assayed for gold using a 30 g fire assay–atomic absorption (FA-AA) finish and a second aliquot was selected for copper analysis using aqua regia digestion and AA analyses. For the drill samples only, a full suite of trace elements was analyzed using an aqua regia digestion followed by inductively-coupled plasma (ICP) analysis. Assay results and certificates were reported electronically by e-mail.

Fortuna samples were sent to the ALS Global sample preparation facility in Mendoza, Argentina. Following drying at 55°C, the samples were weighed and the entire sample crushed using a two-stage method, first with a jaw crusher to 1 cm, and then by cone crusher to 70 percent passing 10 mesh. The entire crushed sample was then pulverized to a minimum of 95 percent passing 80 mesh. Pulverized samples were then split using a riffle splitter to generate a 300 g subsample that was pulverized to 95 percent passing 150 mesh. This subsample was then split again using a riffle splitter to generate three 100 g samples.

All samples were sent to accredited laboratories independent of Rio Tinto, Goldrock and Fortuna.

Implementation of a quality assurance/quality control (QAQC) program is current industry best practice and involves establishing appropriate procedures and the routine insertion of standard reference material (SRMs), blanks, and duplicates to monitor the sampling, sample preparation and analytical process. Fortuna implemented a full QAQC program to monitor the sampling, sample preparation and analytical process since 2016 in accordance with its companywide procedures. The program involves the routine insertion of SRMs, blanks, and duplicates. Evaluation of the QAQC data indicate that the data at both deposits are sufficiently accurate and precise to support Mineral Resource estimation.

The Arizaro and Lindero deposits were discovered in 1999 and 2000, respectively, as a result of a regional program of exploration. Major exploration programs conducted since discovery at the Property include:

- Goldrock campaign: August 2000 to October 2001, which included geologic mapping, soil sampling, and trench sampling.
- Rio Tinto campaign: May 2002 to February 2003, which included road sampling, geophysics (43 km of ground magnetics and 11 km of induced polarization (IP)), and drilling (10 holes for a total of 3,279 m at Lindero and 2 holes for a total of 629 m at Arizaro).
- Goldrock campaign: October 2005 to January 2008, which included geologic mapping and modeling, trenching, and a significant drilling program and metallurgical testwork at Lindero (106 holes for a total of 30,024 m).
- Goldrock campaign: September 2008 and August 2010 to November 2010, which consisted of additional drilling and metallurgical testwork at Lindero (23 holes) for the Pre-Feasibility Study.
- Goldrock campaign: May 2010 and February 2013 consisting of a drilling program and bottle roll tests at Arizaro (27 holes for a total of 8,225 m).
- Fortuna campaign: September 2016 to December 2016 consisting of 8 holes for metallurgical samples, 2 holes for geologic interpretation and 2 twin holes, all targeting the Lindero Deposit.
- Fortuna campaign: May to July 2018 consisting of 61 vertical holes for improved geological and grade estimation of material proposed for mining at Lindero, and from 2019 to 2021 to obtain fresh material for metallurgical samples.
- Fortuna campaign: July to September 2018 consisting of 12 holes to define the geology and mineralization characteristics of the magnetite breccias at the Arizaro Deposit.
- Fortuna campaign: March to April 2021, consisting of 18 holes focused on the areas planned for mining at Lindero in 2022. The purpose for the drilling campaign was similar to that for 2018, with 5 holes drilled to source samples for metallurgical column testing.
- Fortuna campaigns: October to December 2021 and April to July 2022 consisting of additional exploration drilling at Arizaro (24 holes for a total of 5,133 m).

- Fortuna campaign: March to April 2022, consisting of 10 holes for improved geological understanding focused on areas planned for mining at Lindero in 2023. The campaign included 3 holes drilled to source samples for metallurgical column testing.

The Lindero Deposit is a gold-rich porphyry with low-grade mineralization permeating throughout the deposit, making the calculation of true thickness impossible as no definitive across strike direction exists. The mineralization appears to be annular in shape at surface due to the intrusion of barren to low-grade intrusive rocks into the core of the system, but this circular shape is not representative of true thickness.

Gold–copper mineralization at Arizaro is associated with two different mineralizing events. The strongest is a non-outcropping intrusive which occurs in the north part of the porphyry with an elongated shape trending northeast to southwest for more than 400 m with an estimated average width of 60 m. The other mineralizing event is in the center of the system and is related to breccias and micro-breccias which have a semi-oval shape at surface. In the center, there is a higher-grade core with a semi-ellipsoidal form, extending north–south for 480 m with an estimated average width of 50 m.

1.6 Data verification

Fortuna conducted audits and verification of historical information as well as verifying new data generated since 2016 to support assumptions for the Mineral Resource and Mineral Reserve estimates reported in Section 14 and Section 15 of this Report. The verification process focused on the database; collars and downhole surveys; lithologic logs; assays; metallurgical results; and geotechnical parameters. Fortuna checked all collar and downhole survey information for each campaign against source documentation and completed a hand-held GPS survey of randomly selected drill hole collars. The results showed a good agreement with locations in the database. In August 2016, Fortuna initiated a comprehensive program of relogging Lindero and Arizaro core to verify the original lithologic descriptions. An additional relogging program was conducted on Arizaro historical drill core in 2021 due to geological reinterpretation based on results from the 2018 and 2021 drill campaigns.

Fortuna contracted Call & Nicholas Inc. (CNI) to validate all geotechnical data, data collection methods, slope stability analysis methods, and slope angle recommendations presented previously by other consultants to determine feasibility-level slope angle recommendations for design of the planned Lindero final pit.

The QP is of the opinion that the data verification programs performed on the data collected are adequate to support the geological interpretations, the analytical and database quality, and Mineral Resource estimation for the Lindero and Arizaro deposits.

1.7 Mineral processing and metallurgical testing

Mansfield has used commercial laboratories to execute multiple and extensive testing campaigns that have progressively optimized the metallurgical and process conditions for its permanent gold heap leach pad facility. Two initial campaigns conducted by Goldrock between 2004 and 2007 were followed by Fortuna's four major testing campaigns between 2016 and 2018 that supported the design of the industrial scale operation. Since the first ore was place on the leach pad in July 2020, Mansfield has been using its in-house laboratory to continuously support metallurgical parameters used in the LOM.

The metallurgical testing was initially focused on leaching conditions and included bottle rolls and leaching columns of various sizes under varying conditions of leaching and agglomeration. Additional testing, particularly for the crushing plant, was performed with major technology suppliers and concluded that using high-pressure-grinding-rolls (HPGR) in the tertiary crushing stage translated in faster leaching kinetics and ultimately higher gold extraction.

The pervasive presence of copper in the Lindero Deposit reflects in the dissolution of copper during the leaching of gold. Testing of the sulfidization-acidification-recycling-thickening (SART) process was successful in removing sufficient copper quantities (59 to 74 percent) from the pregnant leach solution (PLS) to guarantee the optimal performance of the adsorption-desorption-recovery (ADR) process downstream and quality of the doré. The copper precipitate also recovered silver at a rate of more than 90 percent.

A limited, preliminary metallurgical testing of the satellite Arizaro Deposit achieved comparable results to those observed for the Lindero Deposit.

1.8 Mineral Resources

Mineral Resource estimation for the Lindero and Arizaro deposits involved the use of drill hole data in conjunction with surface mapping to construct three-dimensional (3-D) wireframes to define individual lithologic structures and oxide–mixed–sulfide horizons if present. Drill hole samples were selected inside these wireframes, coded, composited and grade top cuts applied if applicable. Boundaries were treated as either soft, firm or hard with statistical and geostatistical analysis conducted on composites identified in individual lithologic units. Gold and copper grades were estimated into a geological block model consisting of 10 m x 10 m x 8 m selective mining units (SMUs). Grades were estimated by ordinary kriging (OK) and constrained within an ultimate pit shell based on estimated metal prices, actual costs as experienced at the Lindero Mine in 2022, geotechnical constraints, and metallurgical recoveries to fulfill the 'reasonable prospects for eventual economic extraction'. Estimated grades were validated globally, locally, and visually prior to tabulation of the Mineral Resources.

Resource confidence classification considers a number of aspects affecting confidence in the resource estimation including; geological continuity and complexity; data density and orientation; data accuracy and precision; grade continuity; and in the case of the Lindero Mine, simulated grade variability by mining period.

Mineral Resources exclusive of Mineral Reserves as of December 31, 2022 are reported in Table 1.1.

Table 1.1 Mineral Resources as of December 31, 2022

Deposit	Classification	Tonnes (000)	Au (g/t)	Cu (%)	Contained Au (koz)
Lindero	Measured	1,855	0.50	0.12	30
	Indicated	27,594	0.42	0.10	369
	Measured + Indicated	**29,448**	**0.42**	**0.10**	**399**
	Inferred	**24,087**	**0.47**	**0.11**	**364**
Arizaro	**Inferred**	**22,146**	**0.39**	**0.15**	**280**

Notes:

- Mineral Resources are as defined by the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves.
- Mineral Resources are exclusive of Mineral Reserves.
- Mineral Resources for the Lindero Deposit are estimated as of August 31, 2022 and reported as of December 31, 2022 taking into account production related depletion between September 1 to December 31, 2022. Mineral Resources for the Arizaro Deposit are estimated and reported as of December 31, 2022.
- Eric Chapman, P.Geo. (EGBC #36328) is the Qualified Person for mineral resources being an employee of Fortuna Silver Mines Inc.
- Lindero Mineral Resources are reported within a conceptual pit shell above a 0.23 g/t Au cut-off grade using a long-term gold price of US$1,840/oz, average mining costs at US$1.67 per tonne of material, with total processing and G&A costs of US$10.32 per tonne of ore and an average process recovery of 75 %. The refinery costs net of pay factor were estimated to be US$8.52 per ounce gold. Slope angles are based on 3 sectors (39°, 42°, and 47°) consistent with geotechnical consultant recommendations. Arizaro Mineral Resources are reported within a conceptual pit shell above a 0.25 g/t Au cut-off grade using the same gold price and costs as Lindero with an additional US$0.52 per tonne of ore to account for haulage costs between the deposit and plant. A slope angle of 47° was used for defining the pit.
- Mineral Resource tonnes are rounded to the nearest thousand.
- Totals may not add due to rounding.

Factors that may affect the estimates include metal price and exchange rate assumptions; changes to the assumptions used to generate the cut-off grade; changes in local interpretations of mineralization geometry and continuity of mineralized zones; changes to geological and mineralization shape and geological and grade continuity assumptions; variations in density and domain assignments; geometallurgical assumptions; changes to geotechnical, mining, dilution, and metallurgical recovery assumptions; change to the input and design parameter assumptions that pertain to the conceptual slope designs constraining the estimates; and assumptions as to the continued ability to access the site, retain mineral and surface rights titles, maintain environment and other regulatory permits, and maintain the social license to operate.

There are no other known environmental, legal, title, taxation, socioeconomic, marketing, political or other relevant factors that would materially affect the estimation of Mineral Resources or Mineral Reserves that are not discussed in this Report.

1.9 Mineral Reserves

Mineral Reserve estimates follow standard industry practices, considering only Measured and Indicated Mineral Resources as only these categories have sufficient geological confidence to be considered Mineral Reserves (CIM, 2014). Subject to the application of modifying factors, Measured Resources may become Proven Reserves and Indicated Resources may become Probable Reserves. Mineral Reserves are reconciled monthly against production to validate the estimates.

Metal prices used for Mineral Reserve estimation were determined as of June 2022 by the corporate finance department of Fortuna from market consensus. Metallurgical recoveries are based on metallurgical test work conducted on samples obtained since 2017.

A breakeven cut-off grade was determined based on all variable and fixed costs applicable to the operation. These include exploitation and treatment costs, general expenses and administrative and commercialization costs (including doré transportation).

Mineral Reserves for the Lindero Deposit as of December 31, 2022 are reported in Table 1.2. Mineral Reserves are not estimated for the Arizaro Deposit.

Table 1.2 Mineral Reserves as of December 31, 2022

Deposit	Classification	Tonnes (000)	Au (g/t)	Cu (%)	Contained Metal
					Au (koz)
Lindero	Proven	25,505	0.61	0.08	504
	Probable	53,713	0.54	0.11	937
	Proven + Probable	**79,218**	**0.57**	**0.10**	**1,441**

Notes:

- Mineral Reserves are as defined by the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves.
- Factors that could materially affect the reported Mineral Reserves include; changes in metal price and exchange rate assumptions; changes in local interpretations of mineralization; changes to assumed metallurgical recoveries, mining dilution and recovery; and assumptions as to the continued ability to access the site, retain mineral and surface rights titles, maintain environmental and other regulatory permits, and maintain the social license to operate.
- Mineral Reserves for the Lindero Deposit are reported based on open pit mining within designed pit shells based on variable gold internal cut-off grades and gold recoveries by metallurgical type. Met type 1 cut-off 0.27 g/t Au, recovery 75.4%; Met type 2 cut-off 0.26 g/t Au, recovery 78.2%; Met type 3 cut-off 0.26 g/t Au, recovery 78.5%; and Met type 4 cut-off 0.30 g/t Au, recovery 68.5%. The cut-off grades and pit designs are considered appropriate for long term gold prices of US$1,600/oz. Assumptions used in the pit design are the same as those for the resources.
- Mineral Reserves are estimated as of August 31, 2022 and reported as of December 31, 2022 taking into account production related depletion between September 1 and December 31, 2022
- Mining recovery and dilution is accounted for during block regularization to 10 x 10 x 8 meter selective mining units.
- Raul Espinoza, FAusIMM Chartered Professional #309581 is the Qualified Person for mineral reserves, being an employee of Fortuna Silver Mines Inc.
- Mineral Reserve tonnes are rounded to the nearest thousand.

- Totals may not add due to rounding.

1.10 Mining methods

The mine at the Lindero Property is an owner-operated conventional open pit mining operation. The key mining fleet equipment is composed of six trucks with an operational capacity of 96 tonnes per unit and two 17 cubic yard wheel loaders.

Mining costs benefit from short haul distances from the pit to the primary crusher and waste dump. Maximum travel distance is in the range of 4.2 km to deliver waste to the dump at the end of the mine life. The LOM direct base mining cost is estimated at US$ 1.65 per tonne mined.

Mineral Reserves are estimated at 79.2 million tonnes as of December 31, 2022 which is sufficient for a 12 year life-of-mine (LOM) as of January 1, 2023, consisting of an annual average mill throughput rate of 18,493 tpd. The LOM annual average production will be approximately 100 koz of gold based on an average head grade of 0.56 g/t Au. The ratio of waste to ore over the LOM is 1.36 to 1.

The QP is of the opinion that:

- The mining method being used is appropriate for the Lindero Deposit being mined.
- The open pit, stockpile, waste dump designs, and equipment fleet selection are appropriate to reach production targets.
- The mine plan is based on successful mining philosophy and planning, and presents low risk.
- Inferred Mineral Resources have not been included in the mine plan and are considered as waste.
- The mobile equipment fleet presented is based on simulations and productivity data from the current operations.
- All mine infrastructure and supporting facilities meet the needs of the current mine plan and production rate.
- Major planned maintenance of the main equipment, such as loaders and trucks, have been covered in sustaining capital by purchasing additional equipment that can replace any possible lost production hours and not impact production targets.

1.11 Recovery methods

The Lindero Mine's recovery process includes a multi-stage crushing plant, an agglomerator, a permanent leach pad, a SART plant, an ADR plant, and smelting plant to produce doré bars. Additionally, the SART plant produces a precipitate containing large fractions of copper and silver from the PLS solution.

Water is obtained from multiple wells located in the vicinity of the mine site. Electrical power is sourced though diesel generators under a rental contract. The crushing plant consists of three stages with a target final product of 80 percent passing size (P80) of minus 6-8 mm. A primary jaw crusher operating in open circuit, a secondary stage using three parallel-operating cone crushers in inverse close-circuit with its own classification screen, and a tertiary stage using a single high pressure grinding roll operating in open circuit with a recirculation of its discharge.

The agglomeration stage mixes crushed ore with cement, concentrate cyanide solution and barren solution to produce a glomer with enough mechanical competence to allow percolation of the leaching solution during the entire life of the permanent multi-lift leach pad.

A permanent multi-lift leach pad is loaded using a series of grasshoppers and a radial stacker into, typically, 60 x 60 x 10 m cells that are irrigated for a total of 75 days. Initially the cells are irrigated with intermediate leach solution (ILS) for 30 days to produce a PLS from which the gold is later recovered, followed by a further 45 days of irrigation with barren solution to produce the ILS.

Low grade-cyanide soluble copper is pervasive throughput the deposit. To guarantee the efficiency of the downstream recovery processes, as well as the quality of the doré, a SART plant removes the vast majority of the copper and silver contained in the PLS to a precipitate. The copper precipitate is sold to the open market.

The PLS solution is then processed using activated carbon in the ADR plant to produce a high gold concentrate solution (eluate) that for security reasons is transferred to the smelter area. At the smelter, gold is converted to a solid using electrowinning then smelted into a doré bar using a propane furnace.

The Lindero Mine's operational metallurgical performance is progressively improving since first ore was loaded on the leach pad in July 2020. Throughput levels have increased as the operation has improved the mechanical availability of the crushing and stacking facilities.

The Lindero Mine's accumulated gold recovery as of December 31, 2022, reached 58.03 percent, which is line with management's expectations based on the loading of coarse size ore during the first 11 months of operation. This coarse ore accounts for 31.8 percent of the total ore tonnes and 31.1 percent of the total gold metal loaded on the leach pad as of yearend 2022. The accumulated gold recovery curve shows a consistent upward trend that will continue to increase provided Mansfield continue optimizing the performance of the crushing circuit.

1.12 Project infrastructure

The QP is confident that all mine and process infrastructure and supporting facilities have been included in the general layout to ensure that they meet the needs of the mine plan and production rate and notes that:

- The mine has good year-round access with significant road improvements undertaken for stretches of the road between Tolar Grande and the operation.
- The mine infrastructure has a compact layout footprint of approximately 60 ha.
- Major processing and support facilities located at the Lindero Mine include: primary, secondary and tertiary crushers; agglomerators; stacking system; leach pad; solution ponds; SART plant; ADR plant; power plant; truck shop; administrative offices; waste dump; warehouses; logging facility; chemical and metallurgical laboratories; and accommodation camp.
- Power is being generated on-site by a contractor through diesel-fuel generators with a hired capacity of 7.64 MW.
- Total water requirements vary between 90 and 100 m^3/hr and are primarily sourced from three existing wells located approximately 13 km southeast of the Mine.

1.13 Market studies and contracts

No market studies are currently relevant as the Lindero Mine will produce a readily-saleable commodity in the form of doré.

Mansfield has 14 major contracts for services relating to operations at the mine including mining activities, drilling, civil works, transportation, electrical installations, plant and mine maintenance, and the supply of reagents, cement and explosives. Mansfield also has agreed to contracts for its main services including power generation, catering, security, personnel transportation and product sales.

A long-term price estimate of US$1,600/oz has been applied, based on the mean consensus prices from 2022 to 2025 of US$1,719/oz weighted at 40 percent and the 10-year historical average of US$1,435/oz weighted at 60 percent.

The Lindero Mine product consists of doré bars containing an average of approximately 84 percent gold content for the mine life. Overall gold extraction in respect to ore placed on the heap leach is estimated to be approximately 75 percent.

The QP has reviewed the information provided by Fortuna on marketing, contracts, metal price projections and exchange rate forecasts, and notes that the information provided support the assumptions used in this Report and are consistent with the source documents, and that the information is consistent with what is publicly available within industry norms.

1.14 Environmental studies and permitting

In November 2011, the Salta Provincial government granted the principal environmental Declaración de Impacto Ambiental (DIA) permit, which is the primary mining permit required for development of a mine, enabling a project operator to start construction and proceed to full mine operating status. The Salta Provincial government has approved the three Environmental Impact Assessment (EIA) renewals submitted by Mansfield since November 2011, granting in each case a new DIA permit with the same faculties. The last update submitted in February 2021, is under evaluation by the authority of the Mining Secretary of Salta. During the evaluation of the renewals, the last approved EIA and the DIA permits remain valid and in force until renewal approval, which is expected later in 2023.

Specific approvals and permits are required for many aspects of the Mine. All necessary permits regarding mining operations were granted in a timely manner.

Since the discovery of gold mineralization at the Property in 2000, Mansfield has provided more than 20 environmental reports describing various activities such as extraction of samples at initial stages, soil sampling, a program of geophysical surveys, and details of access roads, drilling programs, camp installation, and runways. These reports each consist of a brief description of the environmental baseline, the Lindero Mine, environmental impact, and ways to prevent and mitigate that impact.

In December 2007, Mansfield presented an extensive environmental baseline report (EBL), completed by Vector Argentina, to the Secretariat of Mining for Salta Province.

That report included sections on geology, geomorphology, hydrology, sociology, archaeology, local flora and fauna, soil types, and climate and air quality. The EBL was accepted by the Mining Judge of Salta after being examined by environmental technicians of the Secretariat of Mining and the Provincial Secretariat of Environment. There are no known current environmental liabilities for this Project.

In September 2007, Mansfield installed a weather station at the site to record temperature, humidity, wind speed and direction, precipitation, atmospheric pressure, solar radiation, and evaporation. All of these parameters are recorded on a daily basis in a database at the camp. The weather station allows the analysis of updated data daily and analysis of the data across time.

It is important to note that Mansfield has filed an advance activity report every six months since 2012, as established by DIA requirements. The last semi-annual report was submitted to the mining authorities in August 2022.

Mansfield received a mine permit to build a heap-leach gold mine for up to 30,000 tpd as detailed in the Pre-Feasibility Study (AMEC, 2010b).

Electrical, structural, building and seismic plans for the construction of the mine were reviewed and approved by COPAIPA (Dec 2013), the professional engineering institution that overlooks all construction in Salta Province. In 2017, COPAIPA approved additional permits for the construction of the agglomeration and SART plants that were added to the process design. Mansfield has obtained all necessary permits for the infrastructure that is required to support mining operations at the Lindero Mine.

Environmental risks during the closure stage will be reduced by remediation and monitoring work. At the closure stage, soil will be contoured by heavy machinery to minimize the long-term impact of mining activity and return the topography of the land to resemble prior conditions. However, the movement of soil, and thus the risk, will be significantly less than in the mining operations stage.

In November 2022, Mansfield filed a detailed closure plan report with the Secretary of Mining. This is the first detailed mine closure study presented in the Province of Salta.

One social-environmental risk will be the impact of closure on employment, directly and indirectly, to the surrounding communities. It will be imperative to implement measures to mitigate this impact during the mine’s operation.

A significant environmental risk will also be present during the closure of facilities, which will cause significant production of non-hazardous industrial waste and hazardous products from the movement of heavy machinery. It will be essential to establish clear environmental policies with the contractors during this process.

One of the priorities of Mansfield is the care and protection of the environment. During the exploration and construction phases, an attempt was made to control to the greatest extent possible any potential environmental impacts on the area. The same effort is being made in the operational stage and will be made in the closure stages of the mine. Mansfield has defined environmental principles that will enable the development of mining operations efficiently from a productivity standpoint and from an environmental perspective.

It is the opinion of the QPs that the appropriate environmental, social and community impact studies have been conducted to date for the Lindero Mine. Mansfield has maintained all necessary environmental permits that are the prerequisites for the granting of mining permits.

1.15 Capital and operating costs

Capital and operating cost estimates are based on the established cost experience gained from the operation, projected budgets, and quotes from manufacturers and suppliers. Overall, the cost estimation is of sufficient detail that, with the current experience at the Lindero Mine, Mineral Reserves can be declared. All costs are US dollars (US$). No escalation factors have been applied to any costs, present or future capital. The total mine sustaining capital cost through the LOM is estimated to be US$ 196.4 million.

Major sustaining capital projects planned for 2023 include leach pad phase 2 expansion (US$ 17.5 million), heavy equipment replacement and overhaul (US$ 7.6 million) and plant spare parts (US$ 1.2 million).

The total LOM operating cost for the Lindero Mine is estimated at US$ 12.90 per tonne of ore processed.

Long-term projected operating costs are based on the LOM plan, mining and processing requirements, as well as historical information regarding performance, operational and administrative support demands. Operating costs include site costs and operating expenses to maintain the operation.

1.16 Economic analysis

Fortuna is using the provision for producing issuers, whereby producing issuers may exclude the information required under Item 22 of Form 43-101F1 - *Technical Reports* for technical reports on properties currently in production and where no material production expansion is planned.

The Mineral Reserve declaration in this Report is supported by a positive cashflow for the period set out in the LOMP based on the assumptions detailed in this Report.

1.17 Other relevant data and information

Goldrock commissioned Vector Argentina SA (Ausenco; 2010) and Conhidro (2013) to conduct a hydrologic study of the Property area, during the detailing of the environment base line map and EIA study. As part of the study, the Rio Grande hydrologic basin was defined through the evaluation of various field parameters and review of satellite images. The basin was determined to be 1,687 km^2 in size. Exploration for groundwater resources was undertaken, and successfully identified possible sources.

A number of geotechnical studies were performed at the Lindero Deposit and reviewed by CNI from 2017 to 2022. Those studies form the basis for the pit slope estimates used in the mining model for the Lindero Mine. Included in the studies were geotechnical surveys for heap leach and waste dumps. These studies are considered by the QP to be consistent with industry practices and adequate to support mine design.

1.18 Conclusions, risks, and opportunities

This Report represents the most accurate interpretation of the Mineral Reserve and Mineral Resource available as of the effective date of this report. The conversion of Mineral Resources to Mineral Reserves for the Lindero Deposit estimate was undertaken using industry-recognized methods, and estimated operational costs, capital costs, and plant performance data. Thus, it is considered to be representative of future operational conditions. This Report has been prepared with the latest information regarding environmental and closure cost requirements.

A number of opportunities and risks were identified by the QPs during the evaluation of the Lindero Mine and Arizaro Project.

Opportunities include:

- As mining has commenced at the Lindero Deposit, additional geotechnical data is being collected from the open pit that could support an increase in final pit slope angles, potentially decreasing stripping ratios and/or increasing Mineral Reserves.
- The Arizaro Deposit is not included in the current mine plan. However, it represents upside opportunity if a satellite mine can be developed on the Property that could supplement the Lindero operation.
- Infill drilling at both the Lindero and Arizaro deposits could support the conversion of Inferred Resources to Measured or Indicated Resources and, with the appropriate studies, to Mineral Reserves. This represents additional upside potential for the planned operation.
- The Lindero Deposit remains open at depth below the pit shell constrained reported reserves and resources. An area of interest has been identified by Fortuna during the drilling campaign carried out in 2016 with drill hole LDH-126 encountering 0.97 g/t Au over a 38 m interval (refer to discussion in Section 10). This is supported by historical drilling from 2007 including drill hole LDH-86 averaging 1.06 g/t Au over a 52 m interval which bottomed in mineralization. These intercepts warrant follow-up drill testing.
- There are several local exploration targets within the concession boundary, that with further work, represent upside opportunity to identify mineralization that can potentially add to the resource base.
- As mining has commenced, blasting fragmentation analysis is being conducted on an ongoing basis to optimize mining and processing productivity and reduce costs.
- Blasting trials on interim walls could result in the steepening of bench face angles and determine if pre-splitting final walls is required.
- Usage of 50-tonne capacity civil trucks instead of 96-tonne mining trucks could reduce both acquisition capital and maintenance costs.
- Mansfield plan to execute multiple projects in 2023 in the crushing and agglomeration areas that are intended to improve the long-term mechanical availability of those facilities.
- Improvements to the radial stackers traction system will increase its mechanical availability.

Risks include:

- Vibrations are impacting infrastructure associated with the primary crusher and agglomerator, which could potentially lead to damage to the supporting structure. Mansfield has strengthened the equipment and incorporated monitoring procedures to the primary crusher to help early identification of potential issues. External consultants have been engaged to assess the vibrations to ascertain if further remediation is required.
- Failure of strategic components of critical equipment in the processing plant could have a detrimental impact on planned throughput resulting in a reduction in gold production for a specific period of the year. Mansfield monitors critical components and maintains an inventory of spare parts to reduce the potential impact of any such failure.
- Despite collection of data relating to soluble copper from blast holes since operations commenced, local behavior of cyanide-soluble copper is not fully understood and cannot be modeled due to insufficient assays from historical core. Levels of soluble copper could be higher than anticipated in certain areas of the deposit requiring adjustments to mine plans and schedules to reduce the impact in the plant. The presence of a SART plant greatly reduces the potential impact of soluble copper at the mine.

- Considerable new lithium projects are being proposed in the Salta province and there is a minor risk that one of these projects could access water from the same aquifer that the Lindero Mine uses for its supply. In addition, new projects could have an adverse impact on procurement, transportation and social conditions in the local area while increasing competition for skilled workers.
- Capital controls and duties on goods and services imported into Argentina are impacting the delivery of spare parts for mining and processing equipment, which can result in reduced equipment productivity and mechanical availability. To ensure smooth operations, the logistics area should continue to monitor and maintain a well-stocked inventory to resolve potential issues promptly. In addition, Mansfield has engaged with local suppliers to obtain spare parts to mitigate potential future mechanical problems that may arise.

1.19 Recommendations

Recommended work programs at the Lindero Mine and Arizaro Project are independent of each other and can be conducted concurrently unless otherwise stated and include:

- Continued work at the Arizaro Deposit that focuses on the controls of lithology, structure, and alteration on mineralization so as to determine the suitability of material as a potential feed for the Lindero Mine's processing facility and to support the estimation of Mineral Resources. It is recommended that a 3,000-m diamond drill program (approximately 15 holes at a 50 m spacing) is conducted as the next phase of work at a cost of approximately US$ 670,000.
- An infill drill program at the Lindero Deposit involving the drilling of approximately 2,000-m of diamond drill holes is recommended in 2023 to improve the geological understanding of material planned for extraction in 2024. The cost of such a drill program is estimated at approximately US$ 500,000.
- Exploration work to date on the Lindero concession has been focused on outcropping porphyry mineralization. It is recommended that Mansfield evaluate the property for mineralization beyond the two known porphyry systems at Lindero and Arizaro. For example, alteration zones and silica structures located within the concession, 2.5 km due south of the Lindero Mine, remain open for evaluation. Exploration work would primarily involve mapping and carry no additional cost to the operation.
- The cement in each lift on the heap will cure for several months before another lift is placed. It may be several years before any block of agglomerated ore receives 110 m of loading. It is recommended that a long-term stacking test be conducted to see if ageing will improve the ability of the ore to support the 110-m height with less cement. The estimated cost of the testwork is US$ 20,000.
- A lysimeter test on site is recommended to obtain better data on evaporation and soil moisture content for improved pad water balance understanding. The estimated cost for tanks, piping, strain-gage loadcells, construction and installation is approximately US$ 10,000.
- Field scale permeability testing of ore with design cement content versus less to no cement content is recommended to determine if the site cement requirements could be decreased. The estimated cost for a tank, flow meter, construction and installation is approximately US$ 10,000.
- The extents of the Lindero Deposit rock quality designation (RQD) block model fails to reach the upper parts of the slope in a limited area in the southwest and north of the pit. It is recommended that new drill holes be planned to get information for the areas not covered by the RQD block model. An update of the RQD block model should be performed when this new information becomes available. The cost of a 2,000-meter geotechnical drill program to collect sufficient data is estimated at approximately US$ 500,000.

- Geotechnical drilling at the Arizaro Deposit to verify appropriate pit slope angles. The cost of a 3,000-meter geotechnical drill program to collect sufficient data for such an analysis is estimated at approximately US$ 750,000.
- It is recommended that Mansfield create a sulfide (pyrite) block model to proactively manage pockets of sulfide-rich waste rock (i.e. encapsulate potentially acid generating waste rock). This study can be conducted inhouse at no additional cost.
- A trade-off study is recommended to assess the option to excavate 16 m high benches without pre-splitting versus pre-splitting to excavate 8 m high benches, to steepen the pit walls. This study can be conducted inhouse at no additional cost.
- Drill and install additional piezometers (monitoring wells) to help verify aquifer adequacy and supply at approximately US$ 100,000.
- Conduct an overall site water balance and hydrogeology study with known supply and demand parameters. The cost of this study is estimated at approximately US$ 75,000.

In addition, it is recommended that Mansfield focus its metallurgical development on optimization initiatives including:

- The crushing and agglomeration plants may need additional reinforcement to their supporting structures. Once completed, the mechanical availability could improve along with throughput levels.
- The crushing plant's metallurgical performance is undergoing several infrastructure upgrades to consistently achieve the desired target particle size of 6-8 mm. In addition to the usual evaluation of alternative crushing chambers for the jaw and cone crushers, the HPGR's control logic should be reviewed to ensure minimal deviation from the roll's opening target set point.
- Mansfield need to continue improving the leach pad stacking system mechanical availability to increase the equipment utilization time of the agglomeration-stacking circuit. Particular attention should be paid to, the radial stacker's driving system that may need reinforcement or replacement.
- The leach pad operating practices must be supported in the metallurgical development of the in-house laboratory. The design parameters defined during the development stage of the project are to be used as a starting point and continuous internal investigations used for updating and improving the operating parameters for all unit processes to support the Lindero Mine's LOM.
- It is recommended that the metallurgical laboratory facilities be carefully monitored and continuously upgraded to meet the requirements of the operation in a timely manner.
- The Lindero Mine's electrical power supply relies 100 percent on diesel generation under a rental contract. During 2022 the average energy cost was US$ 0.40/kWh which is high when compared to typical values in the industry but not unreasonable considering the remote nature of the operation in the Argentine puna. Mansfield are in the process of tendering bids for the installation of a solar power plant that will help provide supplementary power to the camp and other remote facilities.

All the above optimization recommendations can be conducted inhouse with associated costs incorporated into ongoing operational costs.

[End of Extract of Summary from Lindero and Arizaro Technical Report]

SCHEDULE "C"

MATERIAL PROPERTIES

Yaramoko Mine, Burkina Faso

The following is the Summary from the technical report (the "Yaramoko Technical Report") entitled "Fortuna Silver Mines Inc.: Yaramoko Gold Mine, Burkina Faso Technical Report" with an effective date of December 31, 2022 prepared by Paul Criddle, FAusIMM, Paul Weedon, MAIG, Matthew Cobb, MAIG and Raul Espinoza, FAusIMM (CP). This Summary is subject to certain assumptions, qualifications and procedures described in the Yaramoko Technical Report and is qualified in its entirety by the full text of the Yaramoko Technical Report which is available for viewing on SEDAR at www.sedar.com and is incorporated by reference in this AIF, and is also filed with the SEC on EDGAR (available at www.sec.gov). Defined terms and abbreviations used herein and not otherwise defined shall have the meanings ascribed to such terms in the Yaramoko Technical Report.

1.1 Introduction

The Yaramoko gold mine (Yaramoko Gold Mine or Yaramoko) is a mining operation that commenced production in 2016 and, as of the effective date of this Report, consists of the operating 55 Zone underground mine, the Bagassi South underground mine (which includes the QV' lode, consisting of QV QV' and QV1), and planned open pit mining operations at the 109 Zone and the 55 Zone.

Recent exploration drilling and a review of mine engineering designs supports an updated 55 Zone open pit mining inventory and the development of an open pit deposit at the 109 Zone. In addition, a technical review of mining methods for Bagassi South QV' lode identified a preferred underground mining method and the ongoing underground mining of 55 Zone deposit.

The 55 Zone open pit is to be mined at the completion of the 55 Zone underground mine, which includes the mining of near surface mineralization remaining in the crown pillar and remnant mineralization from underground. The 109 Zone open pit mine, located 1.2 km north of the current Yaramoko processing plant, is to be mined concurrently with the 55 Zone and Bagassi South underground with production planned to commence in the first quarter of 2024 with mine development works to be completed throughout 2023. Mining of the 55 Zone open pit will only commence at the conclusion of underground mining due to the need to remove certain key surface infrastructure associated with the underground mine.

Bagassi South QV' lode is a parallel splay 200 m north of the QV1 lode, with QV1 mined as part of the Bagassi South underground mine. Previous technical reports contemplated extraction of the QV' lode utilising conventional longhole open stoping methods under the African Underground Mining Services (AUMS) mining contract. Outcomes of a recent mining method technical review reconsidered mining options and selected handheld shrinkage stoping as the preferred mining method for the Bagassi South QV' lode.

This updated technical report (Technical Report or Report) discloses the methodology for estimating the Mineral Resources and Mineral Reserves reported as of December 31, 2022 and summarizes the scientific and technical information that supports the current underground mine and proposed open pit operations. It presents the assumptions and designs at a level of accuracy that is required to demonstrate the economic viability of the Mineral Resources defined for the underground and open pit mining of the Yaramoko Gold Mine. The opinions contained herein and effective as of December 31, 2022, are based on information collected by the company throughout the course of its investigations.

1.2 Property Description, Location and Access

The Yaramoko Gold Mine is located approximately 200 kilometers (km) southwest of Ouagadougou in the Balé Province in western Burkina Faso. The centre of the 55 Zone gold deposit in the Yaramoko Gold Mine is located at 3 degrees and 16 minutes longitude west (3.28 degrees west) and 11 degrees and 45 minutes latitude north (11.75 degrees north).

The QV1 Zone, which is the main deposit of the Bagassi South underground mine with the QV' deposit being 200 m north of QV1 and accessed from the same capital infrastructure, is geologically similar to the 55 Zone and is located about 1.8 km south of the 55 Zone.

The 109 Zone deposit is a satellite deposit located approximately 1.2 km from the Yaramoko processing plant and also hosted in similar geology.

The Yaramoko Gold Mine is operated by Roxgold Sanu S.A. (Roxgold Sanu), a company incorporated, registered and subsisting in accordance with the laws of Burkina Faso and which is a 90 percent directly owned subsidiary of Roxgold Inc. (Roxgold) with the remaining 10 percent interest held by the State of Burkina Faso. Roxgold was a Canadian public company listed on the Toronto Stock Exchange until July 2, 2021, when Fortuna Silver Mines Inc. (Fortuna or the Company) acquired all of the issued and outstanding shares of Roxgold resulting in Roxgold becoming a wholly-owned subsidiary of Fortuna. Fortuna is a Canadian public company with its shares listed on the Toronto Stock Exchange under the symbol FVI and on the New York Stock Exchange under the symbol FSM.

The Government of Burkina Faso receives a 3 percent royalty on the revenues from mineral production if the gold price is lower than US$1,000 per ounce, 4 percent if the gold price is between US$1,000 and US$1,300 per ounce and 5 percent if the gold price is higher than US$1,300 per ounce. The Government also collects various taxes and duties on the imports of fuels, supplies, equipment and outside services, as specified by the Burkina Faso Mining Code.

Roxgold Sanu was awarded a Permis d'exploitation industrielle, the Burkina Faso equivalent of a Mining Permit, through Decree 2015-074 PRES-TRANS/PM/MME/MEF/ MERH for Yaramoko on January 30, 2015. This was followed by the approval of the National Mines Commission meeting held on May 24, 2015.

An extension to the Mining Permit to incorporate the Bagassi South project into the Mining Permit was awarded through Decree 2018-0656/PRES/PM/MMC/MINEFID/MEEVCC for Yaramoko dated July 30, 2018. This extension (Bagassi South Zone) adds 7.2 square kilometers (km^2) to the permit, for a total of 22.9 km^2. The extension decree only defines the geographic scope of the original mining license which thus stays under the Mining Code which granted it (2003 in this case), and the dates of grant or renewal remain unchanged. No geographical extension of the Mining Permit is required to accommodate the Zone 109 open pit project, as it fits entirely within the existing permit boundaries.

1.3 History

Between 1974 and 1995, *le Programme des Nations Unies pour le Développement* (PNUD) and the *Bureau des Mines et de la Géologie du Burkina* (BUMIGEB) conducted intermittent exploration work in and around the current permit area, with significant results reported by Willemyns of PNUD in 1982 (as cited in Riverstone, 2008) from two quartz vein core samples collected in the area of Bagassi East that returned 2.9 grams per tonne of gold (g/t Au) over a core length interval of 1.45 meters (m), and 6.36 g/t Au over a core length interval of 0.30 m.

In 1995, Placer Outokumpu Exploration Limited conducted soil sampling in the area of Bagassi-Yaramoko returning a small number of isolated values greater than 100 parts per billion (ppb) gold. A single sample returned a value of 760 ppb gold and was reported to have been collected in an area underlain by Tarkwaian sedimentary rocks (Riverstone, 2008).

In 1996, S.à.r.l. Shield Resources of Burkina Faso conducted exploration work in the Bagassi area with a few anomalous points returned; however, no follow-up work was conducted (Riverstone, 2008).

Other than small scale *orpaillage* (artisanal mining) conducted on a few areas of the property there has not been any known production from the Yaramoko Gold Mine prior to the start of operations in 2016. Gold production since 2016 to the end of December 2022 is 0.84 million ounces (Moz).

1.4 Accessibility, Climate, Local Resources, Infrastructure, and Physiography

The closest major town to the Yaramoko Gold Mine is Boromo, located 50 km away. It is serviced by the national power grid and it hosts a hospital and additional suppliers. However, major purchases and procurements come from Ouagadougou. Yaramoko can be reached via the highway system by traveling west from Ouagadougou on paved highway for approximately 200 km, or alternatively traveling east from Bobo-Dioulasso for approximately 150 km to the village of Ouahabou, and then north-northwest by laterite road for approximately 20 km to the village of Bagassi.

Roxgold's Sabarya camp is a purpose built 306-person accommodation camp built in 2015 with associated recreational and messing facilities. Adjacent to the accommodation camp are the exploration offices and associated secure area for logging and processing drill core and for storing exploration equipment. The milling complex, administrative and mining contractor offices, warehouses and associated maintenance and back-up power facilities, are accessed by a 1 km laterite road constructed by Roxgold. The 55 Zone mine portal is also located in this complex, the Bagassi South mine portal is located 1.8 km to the south, while the 109 Zone open pit access will be located 1.2 km north of the processing plant facility.

The closest village is Bagassi which has a population of approximately 3,000 people. Agriculture is the main industry in the region with production of millet, groundnut, and cotton.

The climate is semi-arid with a rainy season from April to October and a warm dry season from November to February and hot from March to June. Temperatures range from a night-time low of about 15 degrees Celsius (°C) in December to day-time highs of about 45 °C in March and April. Annual total rainfall in the area averages 800 millimeters (mm).

1.5 Geology and Mineralization

The north-northeast-trending Boni shear zone divides the Yaramoko Gold Mine between the predominantly Houndé volcanic and volcaniclastic rock to the west and the Diébougou granitoid domain composed predominantly of granitic rock with minor volcanic rock to the east. The main lithological units are mafic volcanic rocks, felsic intrusions, and late dolerite dikes. This region is considered prospective for orogenic gold deposits, which typically exhibit a strong relationship with regional arrays of major shear zones.

The largest granitic intrusion found on the Yaramoko concession is host to both the 55 Zone, Bagassi South and 109 Zone gold deposits. Each deposit is set on the eastern margin of the intrusive in the footwall of the Yaramoko shear along conjugate dextral faults located in extensional position to the regional shear zone. The bulk of the gold mineralization occurs in dilatational segments of the shear zones where quartz veins are thicker and exhibit greater continuity. The Bagassi South deposit is located 1.8 km south of the 55 Zone and the surface definition of the veins can be traced over a strike length of some 800 m and dips to the northeast. The 109 Zone deposit is located 900 m to the north of the 55 Zone and is traceable at surface over 1 km; dipping steeply to the north-northeast. Gold typically occurs as coarse free grain in quartz and is associated with pyrite.

1.6 Exploration Drilling and Sampling

Riverstone started exploration work on the Yaramoko property in 2005 before Roxgold became involved in late 2010. The exploration programs comprised soil and rock sampling, airborne and ground geophysics, rotary air blast, auger, reverse circulation, and core drilling.

Rotary air blast drilling was used to follow up soil anomalies in 2011 and 2012 (1,887 rotary air blast boreholes) while auger drilling was used for collecting soil samples under the transported cover in 2012 and 2013 (2,669 auger boreholes totalling 13,480 m). Rotary air blast and reverse circulation drilling was then used to trace gold in soil anomalies to bedrock, positive results from reverse circulation drilling were followed with core drilling to confirm the geological setting of each target. This method successfully identified the 55 Zone, and thereafter other gold mineralized zones on the property including Bagassi South.

From 2015 to 2021, Roxgold drilled a total of 417 core holes (77,964 m) from surface and underground at Bagassi South on the QV1 and QV' structures to infill and extend mineralization up and down dip, with increasing focus on resource conversion and infill. In 2020-21 a final stage of extension drilling was completed.

A deep drilling program from surface was carried out at the 55 Zone during 2018-2019, following on from an earlier 2017 surface drilling program. This program was designed to infill mineralization previously intersected during the 2017 surface drilling campaigns between 700 m and 1,000 m below surface. A second phase of this program in 2019 saw additional drilling from surface testing further down-plunge extensions to approximately 1,300 m below surface. In 2021 and 2022, additional diamond drilling from dedicated underground platforms was carried out at the 55 Zone, focusing on infilling and mineral resource conversion, and testing for strike and down-plunge extensions. A total of 127 diamond drill holes totalling 72,503 m was drilled during the 2021-2022 campaigns.

Core drilling from surface typically utilized HQ sized core (63.5 mm diameter) from the top of the borehole to the point where the rock showed no signs of oxidation; typically, 20 to 30 m in depth. At that point, the core size was reduced to NQ (47.6 mm diameter). Down-hole deviation was monitored using a Reflex Instruments device at 15, 25, and 50 m intervals, and then approximately every 50 m thereafter. Core drilling from underground stations utilized NQ core. Core recoveries are high, averaging 99 percent, reflecting the competent nature of the host lithologies.

Surface drill collar surveys were carried out using a site based Differential Global Positioning System (DGPS) which has been calibrated with the regional geodesic system. Underground drill collar surveys were carried out using a total station operated and managed by the mining contractor surveyors AUMS.

Downhole surveys generally used Reflex cameras, either single-shot or multi-shot provided by the drilling contractor and calibrated prior to use on site.

Core boreholes considered for mineral resource modelling in the 55 Zone were drilled on centers of 12.5 m to a vertical depth of 75 m, 25 to 30 m centers from 75 to 400 m vertical depth, 25 to 50 m centers from 400 to 800 m vertical depth, and wider spacings at deeper depths. At Bagassi South, the QV1 structure was drilled to approximately 30 to 35 m centers.

Standardized sampling protocols were used for core sampling by Riverstone in 2011 and by Roxgold between 2011 and 2021. Sample preparation and analyses were conducted by Activation Laboratories Ltd. (Actlabs), ALS Chemex (ALS), BIGS Global S.A.R.L. (BIGS), and SGS Laboratories (SGS) located in Ouagadougou, as well as by SGS in Tarkwa and TSL Laboratories (TSL) in Saskatoon. Seventy one percent of the core samples informing the mineral resource (49,675 out of 69,548 samples) were prepared and assayed by Actlabs in Ouagadougou at 55 Zone, and ninety two percent of the core samples informing the mineral resource (23,368 out of 25,419 samples) were prepared and assayed by Actlabs in Ouagadougou for Bagassi South.

Actlabs, ALS, BIGS, SGS, and TSL are commercial laboratories independent of Roxgold and Riverstone. Actlabs is not accredited to ISO/IEC 17025, but received ISO 9001:2008 certification for its quality management system in April 2013. The ALS Ouagadougou laboratory is also not accredited under recognized accreditation; however, it is part of the ALS Group of laboratories that operates under a global quality management system accredited to ISO 9001:2008 and participates in international proficiency testing programs such as those managed by Geostats Pty Ltd. The SGS Ouagadougou, Yaramoko and Tarkwa laboratories are not accredited under recognized accreditation, but are part of the SGS Group of laboratories that operates under a global quality management system accredited to ISO 9001:2008 and participates in international proficiency testing programs such as those managed by Geostats Pty Ltd. TSL has received ISO/IEC 17025:2005 certification by the Standards Council of Canada for numerous specific test procedures, including the method used to assay samples submitted by Roxgold.

Sampling of core was performed by Roxgold personnel. From the drill site, core was transported by truck to a secure logging facility at the Roxgold field office where it was photographed and logged by a geologist. Selective sampling was employed where, at the discretion of the geologist, samples were collected from visible alteration or vein zones outside of the expected intercepts. All core was sampled 100 m above and below the 55 Zone in boreholes drilled prior to 2014, and thereafter were generally sampled starting from approximately 20 m above the main mineralized zone.

Waste intervals were sampled at 2.0 m intervals, except where a significant geological change occurred and/or in mineralized zones where the sampling intervals averaged between 1.0 m to 1.5 m. The core was then cut in half lengthwise using an electrical rock saw. Half of the sample was placed inside a labelled plastic sample bag. The remaining half was returned to the core box for archiving. Samples were then inserted into woven polypropylene bags prior to being transported by truck to the preparation and assay laboratory.

Roxgold implemented logging onto Maxwell LogChief data capture software in 2019, enabling the direct capture and traceability of logging data via dropdown menus and pre-set codes to promote data hygiene. Prior to 2019, all logging was onto pre-set excel spreadsheets before importation into the database. Reviews of the logging data and associated model interpretation are carried out on a regular basis by the site senior geological team and on each site visit by the qualified person (QP).

Assay data are electronically reported from the laboratory in Microsoft Excel and pdf format and imported into the database after validation, along with the corresponding assay certificates.

Samples received at Actlabs in Ouagadougou were first crushed to 90 percent under 2 mm grain size. A 300 g split was then pulverized to 95 percent, passing 150 mesh (preparation code RX1). For samples marked as mineralized, a 1,000 g split is pulverized (preparation code RX1+1.3). All samples were assayed using a 30 g fire assay procedure with atomic absorption spectroscopy (AAS) finish with a detection limit of 5 ppb gold (procedure code 1A2) prior to 2014. A 50 g fire assay procedure was used subsequently.

All samples grading over 5.0 g/t Au were re-assayed with a gravimetric finish. Selected samples within the mineralized zones were re-assayed using a 1,000 g screen metallic fire assay procedure with gravimetric finish (procedure code 1A4-1000). With this procedure, a representative 500 g or 1,000 g sample spilt is sieved at 100 mesh (150 micrometers) with fire assay performed on the entire +100 mesh fraction and two splits of the 100 mesh fraction. The final assay result is calculated based on the results and the weight of each fraction. A total of 99,683 samples have been analyzed using fire assay at the 55 Zone and Bagassi South Zone, including 1,174 via screen fire assay methods.

Implementation of a quality assurance/quality control (QAQC) program is current industry best practice and involves establishing appropriate procedures and the routine insertion of certified reference material (CRMs), blanks, and duplicates to monitor the sampling, sample preparation and analytical process. Roxgold implemented a full QAQC program to monitor the sampling, sample preparation and analytical process for all drilling campaigns in accordance with its companywide procedures. The program involved the routine insertion of CRMs, blanks, and duplicates. Evaluation of the QAQC data indicates that it is sufficiently accurate and precise to support Mineral Resource estimation.

1.7 Data Verification

Prior to March 2019, the database was managed by an external consultancy, Taiga Consultants Ltd. (Taiga) of Calgary, Alberta. Exploration data was recorded digitally to minimize data entry errors. Core logging, surveying, and sampling was monitored by qualified geologists and routinely verified for consistency. Electronic data was captured and managed using an electronic database.

Assay results were delivered by the primary laboratories electronically to Roxgold and Taiga. Analytical data was examined for consistency and completeness prior to being entered into the database. Sampling intervals that did not meet analytical quality control standards were re-assayed where necessary.

In March 2019, Roxgold transitioned to Maxwell Geoservice Datashed SQL database system. The database has been set up with a series of automated import, export and validation processes to minimize potential errors and inconsistencies.

Data verification by the QP was conducted through the inspection of selected drill core to assess the nature of the mineralization and to confirm geological descriptions as well as the inspection of geology and mineralization in underground workings of the Zone 55 and Bagassi South veins in addition to reviews of production data.

A series of plan and cross sections were generated displaying the lithologic and mineralization interpretation by the Roxgold geology and exploration departments and reviewed by the QP, while three-dimensional viewing for data interpretation consistency was carried out on screen.

The QP is of the opinion that the data verification programs performed on the data collected by Roxgold are adequate to support the geological interpretations, the analytical and database quality, and Mineral Resource estimation at the Yaramoko Gold Mine.

1.8 Mineral Processing and Metallurgical Testing

In June 2013, Roxgold commissioned SRK Consulting (Canada) Inc. (SRK) to provide certain technical engineering services and to prepare a feasibility study in accordance with the disclosure requirements of Canadian Securities Administrators' National Instrument 43-101 (NI 43-101) for the gold mineralization contained in the 55 Zone of the Yaramoko Gold Mine. The study was documented in a technical report published on June 4, 2014.

Since 2014, there have been no further metallurgical test campaigns carried out for the 55 Zone deposit.

The testwork conducted on the 55 Zone samples are considered to be representative of the material intended to be processed from the 55 Zone open pit, given it is the extension of the same deposit.

Additional testwork carried out in support of the processing plant expansion and development of the Bagassi South mine was performed in September 2015, for the 109 Zone deposit testwork was carried out in September 2022, with both testwork program completed at the ALS metallurgy assay laboratory in Perth, Western Australia, Australia under the supervision of Roxgold and demonstrated very similar characteristics.

It is the opinion of the QP that operational experience since 2016 has demonstrated a consistent metallurgical performance with recoveries between 98 to 99.3 percent supporting the historical test work and is representative of the material remaining to be processed in the life of mine plan (LOMP), including material expected to be sourced from the 109 Zone and 55 Zone open pit mining operations.

1.9 Mineral Resource and Reserve Estimates

Since 2014, Roxgold has completed numerous near-mine exploration and resource definition drilling campaigns, both from surface and underground and on a near continual basis, to support the extension of the Yaramoko Gold Mine life at the 55 Zone and Bagassi South. Between June 30, 2021 and June 30, 2022, Roxgold continued exploration and resource definition drilling campaigns and internally prepared updated resource models for the Yaramoko Gold Mine using drilling information to June 30, 2022. The Mineral Resources reported herein have been estimated using a geostatistical block modelling approach informed from gold assay data collected in core boreholes. This updated resource model formed the basis of the 2022 year-end Mineral Resources and Mineral Reserves of the Yaramoko Gold Mine. The consolidated Mineral Resources (excluding the Mineral Reserves) for the 55 Zone underground and open pit, Bagassi South underground and 109 Zone open pit are presented in Table 1.

Table 13: Mineral Resources for the Yaramoko Gold Mine, as of December 31, 2022

Classification	Tonnes (000)	Grade Au (g/t)	Contained Gold (000' oz)
Measured	86	6.41	18
Indicated	374	5.97	71
Measured & Indicated	**460**	**6.05**	**89**
Inferred	141	5.51	25

Notes:

- *Mineral Resources are as defined by the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves.*
- *Mineral Resources are exclusive of Mineral Reserves.*
- *Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.*
- *Factors that could materially affect the reported Mineral Resources include; changes in metal price and exchange rate assumptions; changes in local interpretations of mineralization; changes to assumed metallurgical recoveries, mining dilution and recovery; and assumptions as to the continued ability to access the site, retain mineral and surface rights titles, maintain environmental and other regulatory permits, and maintain the social license to operate.*
- *Mineral Resources for the Yaramoko Gold Mine are estimated as of June 30, 2022, for underground and open pit, and reported as of December 31, 2022, taking into account production related depletion for the period through December 31, 2022 for the underground mine as no open pit mining was active in 2022.*
- *Yaramoko Mineral Resources are reported in situ at a gold grade cut-off grade of 0.9 g/t Au for the 55 Zone open pit, 0.5 g/t Au for the 109 Zone open pit, and 2.9 g/t Au for underground (Zone 55 and Bagassi South), based on an assumed gold price of US$1,700/oz and the same costs, metallurgical recovery and constrained within an optimized pit shell. The Yaramoko Mine is subject to a 10% carried interest held by the government of Burkina Faso.*
- *Dr. Matthew Cobb is the Qualified Person responsible for Mineral Resources, and is an employee of Roxgold (a wholly-owned subsidiary of Fortuna).*
- *Totals may not add due to rounding procedures.*

The 55 Zone and Bagassi South Mineral Resource block models was used to estimate underground Mineral Reserves using modifying factors. Mining shapes were designed targeting the Measured and Indicated Mineral Resources only, using an in-situ mining cut-off grade of 4.1 g/t Au for 55 Zone and Bagassi South (QV), and 3.1 g/t Au for Bagassi South (QV') based on a gold price of $1,600 per ounce (oz), an estimated site operating cost of $194 per tonne (t) for 55 Zone and Bagassi South (QV), and $145 per tonne for Bagassi South (QV'), and a metallurgical gold recovery of 98.0 percent.

The mining shapes follow the mineralization wireframes without attempting to trim off any areas below the cut-off grade. Mining recovery and dilution parameters are based on the selected mining method and geotechnical considerations. External dilution applied to the mining shapes, with grades from wall rock dilution directly extracted from the block model and null grade from backfill, with dilution defined as waste/ore tonnes.

Development dilution factor of 10 percent was included in the selected development drive profiles with reported physicals being the diluted tonnes and grades. Mining recoveries vary from 86 to 92 percent, dependent on stope type, category and mining method.

The 55 Zone and 109 Zone open pit mineral reserve was estimated using a marginal cut-off grade of 1.26 g/t Au and 0.74 g/t Au respectively, with a gold price of US$1,600/oz, and a combination of existing relevant operating costs and recoveries, as well as mining contractor rates provided by a reputable and experienced mining contractor operating within the region. Probable Mineral Reserves were estimated from the Indicated Mineral Resource, for both 55 Zone and 109 Zone open pits within the ultimate pit design based on optimisation pit shell run with an SMU block model re-blocked to 5m x 5m x5m.

The Mineral Reserves for the Yaramoko Gold Mine are presented in Table 2.

Table 4: *Mineral Reserves for the Yaramoko Gold Mine, as of December 31, 2022*

Classification	**Tonnes (000)**	**Grade Au (g/t)**	**Contained Gold (000' oz)**
Proven	123	3.42	13
Probable	1,039	6.19	207
Proven & Probable	**1,161**	**5.89**	**220**

Notes:

- *Mineral Reserves are as defined by the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves.*
- *Factors that could materially affect the reported Mineral Reserves include: changes in metal price and exchange rate assumptions; changes in local interpretations of mineralization; changes to assumed metallurgical recoveries, mining dilution and recovery; and assumptions as to the continued ability to access the site, retain mineral and surface rights titles, maintain environmental and other regulatory permits, and maintain the social license to operate.*
- *Mineral Reserves for the Yaramoko Gold Mine are estimated as of June 30, 2022 for underground, and reported as of December 31, 2022, taking into account production related depletion for the period through December 31, 2022.*
- *Mineral Reserves for the Yaramoko open pit are estimated as of December 31, 2022, no production related depletion was applied as there were no active open pit mining in 2022.*
- *Mineral Reserves for Yaramoko are reported at a cut-off grade of 1.26 g/t Au and 0.74 g/t Au for the 55 Zone and 109 Zone open pit respectively based on an assumed gold price of US$1,600/oz, 4.1 g/t Au for 55 Zone and Bagassi South (QV) underground and 3.1 g/t Au for Bagassi South (QV') underground, based on an assumed gold price of US$1,600/oz, metallurgical recovery rates of 98.0%, Surface mining costs of US$3.49/t, Processing costs of US$27/t, and G&A cost of US$25/t for 55 Zone, surface mining costs of US$3.66/t and processing cost of US$27/t for 109 Zone. 55 Zone and Bagassi South (QV) underground mining costs of US$135/t, G&A costs of US$28/t, and processing cost of US$31/t and Bagassi South (QV') underground mining costs of US$115/t, and processing cost of US$30/t. Underground mining recovery is estimated at 86% (QV) and 90% (QV') for Bagassi South, 92% for 55 Zone stopes, and 100% for sill drifts.*
- *A mining dilution factor of 10% has been applied for sill drifts, 0.6m dilution skin has been applied for 55 Zone and Bagassi South (QV) stopes and 0.4m dilution skin has been applied for Bagassi South (QV') stopes. Surface Mineral Reserves are reported with modifying factors of mining dilution and mining recovery represented by regularizing the block models to an appropriate selective mining unit (SMU) block size Each open pit deposit has undergone pit optimization, detailed mine design, mine scheduling, and cashflow analysis, demonstrating a technically achievable and economic viable mine plan supporting this Mineral Reserve. Reported proven reserves includes surface stockpile material.*
- *Raul Espinoza is the Qualified Person responsible for the underground and open pit Mineral Reserves reported for the Yaramoko Gold Mine, being an employee of Fortuna*
- *Totals may not add due to rounding procedures.*

1.10 Mining Methods

Planned mining operations for the Yaramoko Gold Mine are comprised of the existing 55 Zone and Bagassi South underground mines, and the 55 Zone and 109 Zone open pit mines.

55 Zone and Bagassi South underground mines are a combined 1,280 tonne-per-day (tpd) underground operation which utilizes longhole stoping with cemented rock fill as its primary mining method. As of the second quarter of 2022, mining of the QV1 lode at the Bagassi South underground mine ceased with only remnant stopes remaining to be mined at the end of mine life and the 55 Zone became the main source of ore for the operation.

Following completion of mining at the QV1 lode, activities at the Bagassi South underground mine were limited to capital infrastructure development in preparation for mining the QV' lode based on the handheld shrinkage stoping mining method with unconsolidated waste rockfill. As of the effective date of the Report no production activities have occurred for the QV' lode.

Stoping at 55 Zone and for the remnant stopes of Bagassi South QV1 utilize 20 m and 17 m sublevel spacing respectively, with longitudinal stope sequencing, retreating towards centralized access declines. Mine development and stoping operations are conducted for Roxgold by AUMS under a mining services agreement which extends through to the end of 2023, with negotiations to be made on whether an extension will be provided through to the end of the first quarter 2025, the completion of the 55 Zone underground mine. The 55 Zone and Bagassi South operations benefit from shared infrastructure, management, and support services.

Stoping at Bagassi South QV’ is proposed to utilize a transverse handheld stope sequencing, providing production flexibility and selectivity to preserve ground conditions with 25 m sublevel spacing. Mineralized material reports to multiple draw points along the drives and is mucked to dedicated level ore passes prior to being hauled out of the mine from the extraction level. Mine capital development for QV’ is conducted for Roxgold by AUMS, with operating development and stoping activities completed through a combination of Paramina (mining supervision and operators labour hire) and DeSimone for haulage activities (trucks) under a mining services agreement. Roxgold will provide equipment and consumables for Bagassi South QV’ production activities.

The 55 Zone underground mine has Proven and Probable Mineral Reserves to a depth of 1,100 m below surface with 0.60 million tonnes (Mt) grading 7.42 g/t Au. Mine life for underground mining of the 55 Zone at the planned production rate is currently to the end of the first quarter 2025.

The Bagassi South mine has Proven and Probable Mineral Reserves to a depth of 235 m below surface with 0.15 Mt grading 6.62 g/t Au comprising of the Bagassi South QV1 and QV’ deposits. The QV’ deposit is parallel to the main QV1, accessed through the same decline utilizing the AUMS underground mining contractors for capital development and production activities completed by Paramina and Desimone for stoping and haulage respectively. Baggasi South main QV1 deposit mining activities have ceased with remaining remnant stopes to be mined following completion of the Bagassi South QV’ deposit during the first quarter of 2025.

As of December 31, 2022, the 55 Zone underground mine sublevels have been developed in advance of stoping to the 4,410 level, 900 m below surface and the access decline has reached a depth of 940 m. All development for the QV1 deposit at the Bagassi South underground mine has been completed with the QV’ capital development planned completion at the end of the first quarter 2023 with remaining development at the end of the first quarter 2024. Development for the 55 Zone and Bagassi South underground mines are well-advanced ahead of production to support the required mine plan.

As of the effective date of the Report, there has been no open pit mining or underground handheld shrinkage stoping mining at the Yaramoko Gold Mine.

In September 2020, a geotechnical study was completed for the 55 Zone open pit by geotechnical consultancy MineGeoTech Pty Ltd (MineGeoTech). The outcome of the geotechnical study (MineGeoTech, 2020) was a technically justifiable pit design for the 55 Zone appropriate to support Mineral Reserves. In June 2022, a geotechnical study was completed for the 109 Zone open pit by MineGeoTech. The outcome of the geotechnical study (MineGeoTech, 2022) was a technically justifiable pit design for the 109 Zone appropriate to support the Mineral Reserves. In February 2021, a mining study of the 55 Zone open pit was completed by independent international mining consultancy Entech Pty Ltd. (Entech). The Entech (2021) mining study consisted of pit optimization guiding a detailed pit design, mining schedule, and cashflow assessment.

In 2022, the Mineral Resource estimate was reviewed and updated, following an update of the open pit mining study for the 55 Zone to maximise cashflow and reduce project risk. The 2022 mining study also included a mining study of the 109 Zone. The 2022 mining study demonstrates a technically achievable and economically viable open pit mining operation and is used to justify the Mineral Reserve estimate shown in this report. The QP regards the study work completed on the 55 Zone open pit and the 109 Zone open pit to be at a preliminary feasibility study (PFS) level of confidence and of sufficient accuracy to support the 55 Zone open pit Mineral Reserve estimate.

The 55 Zone open pit optimization work and 109 Zone mining study supports mining the 55 Zone and 109 Zone open pits via conventional drill, blast, load and haul open pit mining methods. Mining is proposed to be via a contract miner, with mining costs estimated from rates received from an experienced mining contractor operating within the region. Open pit mining of the 55 Zone deposit is proposed to commence upon completion of underground mining operations of the 55 Zone deposit and 109 Zone.

Run of mine (ROM) ore for the 55 Zone open pit will be extracted from the pit via a 14.5 m wide dual lane haul road from the surface down to approximately 30 vertical meters to the 5,270 m reduced level (RL), then a 10 m wide single lane haul road down to approximately 20 vertical meters to the final truck floor at the 5,250 mRL. The ultimate pit is approximately 655 m long, 115 m wide, and 50 m in depth. All pit haul road gradients have been designed at a 1:9 slope. All pit stage designs utilize a minimum mining width of 15 m and 5 m goodbye cuts.

ROM ore for the 109 Zone comprising the north and south pits will be extracted from the pit via a 9.3 m wide haul road from the surface down to approximately 60 vertical meters for both pits. The southern ultimate pit is approximately 285 m long, 140 m wide, and 60 m in depth and the northern ultimate pit is approximately 190 m long, 100 m wide, and 60 m in depth. All pit haul road gradients have been designed at a 1:9 slope. The 109 Zone pits contain a 5 m goodbye cut.

1.11 Recovery Methods

The mineral processing and metallurgical test work conducted on the Yaramoko gold deposits by ALS Metallurgy confirmed the coarse free gold nature of the deposit. Gold extraction using gravity and leaching processes yields excellent gold recoveries for both deposits. As a result, the Yaramoko gold processing plant has exhibited high rates of metallurgical performance in treating the 55 Zone and Bagassi South ore since commencing operations in 2016.

In 2019, an expansion of the plant was undertaken to increase the nameplate capacity of the project from 270,000 tonnes per annum to 400,000 tonnes per annum (1,100 tpd) and was designed and constructed by DRA (Pty.) Ltd in Johannesburg, South Africa.

The design of the Yaramoko plant is a simplistic flowsheet that incorporates secondary crushing, single stage SAG milling, carbon in leach (CIL) and gravity recovery circuits, elution and smelting circuits to produce gold doré.

Water is sourced primarily from the water storage facility and supplemented from the underground mining dewatering activities and a bore field network. The water storage dam is located approximately 2 km from the plant, adjacent to the tailings storage facility.

1.12 Project Infrastructure

The infrastructure and services at the Yaramoko Gold Mine adequately support the current operations being the 55 Zone and Bagassi South underground mines, the proposed 109 Zone open pit, as well as the processing plant. This infrastructure consists of a process plant, a mine service area (offices, workshops, and a warehouse), mine refrigeration and ventilation facilities, a tailings storage facility, a water storage facility, mine access and haulage roads, an explosives magazine, a gendarmerie, an electrical grid connection, and an accommodation camp. The site is also serviced by a laterite airstrip, utilized to transport the operations personnel to and from the mine site, via contract aircraft services.

In 2017, the site was connected to the Burkina Faso electricity grid by teeing into the 90-kilovolt powerline from the Pa substation to the Mana mine site. The capacity of the 90/11-kilovolt substation is 13 megavolt amperes (MVA). In the event of a power outage, there is an emergency diesel generator power station, which is sized to power the entire site operations (except the accommodation camp which has a dedicated emergency generator).

For the development of the 55 Zone open pit phase of the mine, some key underground mine infrastructure associated with the 55 Zone will need to be decommissioned as it will fall within the blast radius of the open pit plan. The underground operations workshop and offices, ventilation and refrigeration facilities as well as above ground power reticulation in that area, would need to be decommissioned and removed before the ultimate pit outline is developed.

For the development of the 109 Zone open pit mine, additional infrastructure is required to accommodate mining of the deposit including; road deviation of the current national highway, haul road to access the deposit, extension of perimeter fencing and additional security personnel, systems and posts.

The entire Yaramoko Gold Mine, with the exception of the 109 Zone open pit, is contained within a security fence, with key infrastructures secured with double fences.

1.13 Market Studies

Gold is a freely traded commodity on the world market for which there is a steady demand from numerous buyers. The Fortuna financial department provides the Yaramoko Gold Mine with gold price projections for inclusion in budget and business plan preparations. Pricing is based on long-term analyst and bank forecasts for gold.

For the current Yaramoko Gold Mine, a contract is in place with METALOR Technologies S.A. for the receipt of gold doré from Roxgold Sanu, to process/refine and either to buy or transfer the precious metal to a metal account designated by Roxgold Sanu.

The QP has reviewed the information provided by Fortuna on metal price projections and exchange rate forecasts and note that the information provided is consistent with what is publicly available for industry norms.

1.14 Environmental Studies, Permitting, and Social or Community Impact

The Mining Code (Loi No. 036-2015/CNT du 16 juin 2015) and the Environmental Code (Loi N°006-2013/AN du 2 avril 2013) of Burkina Faso outline the legal framework for social and environmental impacts from mining activities in Burkina Faso. The primary environmental approval required by Roxgold Sanu to develop a mining project is an Avis de Conformité et de Faisabilité Environmentale, which is issued by the Ministry of Environment and Sustainable Development (MEDD) through its environmental agency named Agence National des Evaluations Environnementales (ANEVE, ex BUNEE). The ANEVE has the mandate to promote, monitor and manage all the environmental assessment process in the country. Such an Avis de Conformité et de Faisabilité Environmentale indicates a positive decision of the Minister of Environment on the submitted ESIA.

Avis de Conformité et de Faisabilité Environmentale were received in 2014 for the first phase of the Yaramoko Gold Mine (55 Zone mine) and in 2017 for the expansion (Bagassi South mine). The respective Avis are: (1) Decree N°2014-155/MEDD/CAB and (2) Decree n°2017-431/MEEVCC/CAB. An ESIA for Zone 109 project has been submitted in August 2022, with validation and Avis de Conformité et de Faisabilité Environmentale expected on track for finalization in the first quarter of 2023. Any further development of the Yaramoko Gold Mine will follow the same process.

This framework will guide the requirements for future permit modifications to support the 55 Zone open pit development, in a similar way to which the Bagassi South extension was granted in 2017. The Zone 109 open pit project is undergoing permitting.

At present, the main potential environmental issues identified concern water quality due to seepage or runoff from mine infrastructure; reduced groundwater supply due to the impact of a potential drawdown cone around the mine; and dust from waste rock dumps and the tailings storage facility. The main social issues identified concern livelihood changes due to the loss of farmland and loss of income from artisanal mining. Roxgold has been able to manage these aspects through a comprehensive ESMS based on ISO 14001 and International Financial Corporation (IFC) Performance Standards.

Since 2014, Roxgold Sanu has engaged with its local stakeholders through a stakeholder engagement management plan. A specific stakeholder engagement strategy and plan based on the community analysis (stakeholder mapping), the existing tools and the experience of the community relations team, including presentations of the expansion projects, community representatives' meetings, special committee, public enquiries, billboard and/or broadcasting is in place.

The closure plan for the Yaramoko Gold Mine will be updated to incorporate plans for the development of the 109 Zone open pit project once its ESIA is formally validated, and eventually for the 55 Zone open pit at the appropriate time. It currently assumes the preferred final post-closure land use will be a savannah landscape commensurate with the existing small-scale agriculture and livestock grazing land uses. The plan assumes no salvage value. The mine areas will be reclaimed to a safe and environmentally sound condition consistent with closure commitments developed during the LOMP.

1.15 Capital and Operating Costs

Cost estimates are derived from activity-based life of mine scheduling. Underground mining costs are estimated using the schedule of rates within the existing mining contract with AUMS and contracts for mining and haulage activities of the Bagassi South QV' deposit with Paramina and DeSimone respectively. Open pit mining costs are based on estimated mining rates provided by a reputable and experienced mining contractor operating within the region.

Processing, sustaining capital, general and administrative, and selling cost estimates are prepared using realized costs from recent operating years, with forecast labour and consumables from activity-based scheduling aligned with the LOMP schedule.

The QP considers the capital and operating costs estimated for the operation as reasonable based on industry-standard practices and actual costs observed for 2022.

1.16 Economic Analysis

Fortuna is using the provision for producing issuers, whereby producing issuers may exclude the information required under Item 22 of Form 43-101F1 -*Technical Reports* for technical reports on properties currently in production and where no material production expansion is planned.

The Mineral Reserve declaration in this Report is supported by a positive cashflow for the period set out in the LOMP.

1.17 Conclusions, Risks, and Opportunities

This Report represents the most accurate interpretation of the Mineral Reserve and Mineral Resource available as of the effective date of this Report. The conversion of Mineral Resources to Mineral Reserves was undertaken using industry-recognized methods, and estimated operational costs, capital costs, and plant performance data. This Report also supports the development of the 55 Zone open pit at the completion of the 55 Zone underground mine, the 109 Zone open pit mine and the Bagassi South QV' handheld shrinkage stoping mining methodology. Thus, it is considered to be representative of future operational plans. This Report has been prepared with the latest information regarding environmental and closure cost requirements.

A number of opportunities and risks were identified by the QPs during the evaluation of the Yaramoko Gold Mine.

Opportunities include:

- Exploration potential to increase the Mineral Resources of the Yaramoko Gold Mine deposits.
- Upside potential in the QV' deposit upon realisation of actual operating costs.
- 55 Zone and 109 Zone open pit design and scheduling optimization for contract negotiations.
- Further optimized mining methods resulting in operating cost savings and lower total mining dilution, thus increased head grade.
- Further optimize mine scheduling.

Risks include:

- Ground conditions at depth for the 55 Zone underground mine resulting in delayed extraction of stopes due to increased re-work requirements.
- Operating conditions associated with mining the Bagassi South QV' deposit.
- Change of management with the adoption of a new mining method with alternative contractors.
- Unforeseen increases in costs due to inflation could impact the outcome of the mining study as well as future open pit to underground transition studies. Contractor costs will need to be revalidated during development plans.
- Further geotechnical work prior to the commencement of mining will be required to further assess the impact of underground voids on pit wall stability.
- Open pit mining will occur adjacent to the processing facility and key project infrastructure. Drill and blast designs and processes will need to ensure vibration and fly rock is controlled such that any impact to key project infrastructure is minimized.
- Unmet community expectations leading to potential for loss of social license to operate. Roxgold Sanu expects to minimize this risk with its experience, positive reputation, and social management plans relating to community development, stakeholder engagement and artisanal miners.
- Preparation for open pit mining activities delayed due to schedule extension of the 55 Zone underground mine, contract negotiations for preferred contractor and mine development preparations. These are mitigated through optimisation of the underground mine plan, negotiations for preferred contractor and project planning for mine development commencing in the first half of 2023.
- Long term impact of groundwater movement away from mine workings after closure.

1.18 Recommendations

Recommendations for the next phase of work have been broken down into those related to ongoing exploration activities at the Yaramoko Gold Mine; underground mining activities and studies related to operational improvements; exploration activities and development studies related to the development of the 55 Zone and 109 Zone open pits at Yaramoko; processing and infrastructure improvements; and environmental, permitting and social activities as set out below.

Underground Mining:

- Continued monitoring of ground conditions along with the implementation of a recommended ground support regime in line with the increase in depth at the 55 Zone underground mine. Costs are included in the operating costs for the mine.
- Infill and step out drilling program. Expenditure of US$ 2.8 million is budgeted in 2023 for this program.
- Further review of the mining contract and its cost reduction opportunity through contract negotiations during the fourth quarter of 2023, cost is included in the operating costs for the mine.
- Review of actual productivity and realised cost with mining of the Bagassi QV' mineralization and update the mining inventory inline with the realised parameters. Costs are included in operating costs of the mine.
- Continued monitoring and operational improvements for safety and productivity in mining the Bagassi South QV' lode. Costs are included in operating costs of the mine.

Open Pit Mining:

- Prior to mining 55 Zone Open Pit commencing, a void management plan will be prepared to define the mining methods to safely mine mineralization adjacent to underground workings while minimizing mining dilution and maximizing mining recovery. The void management plan will be undertaken predominantly with Roxgold technical staff, with such costs included in the operating costs for the mine. An external geotechnical consultants will be utilised to assist with this study with costs included as part of the budgeted geotechnical site support.
- Prior to mining 55 Zone Open Pit commencing, a drill and blast study will be completed to define the drill and blast designs that protect key project infrastructure from ground vibrations and fly rock within the blast perimeter. Drill and blast studies will be undertaken by Roxgold technical staff, with such costs included in the operating costs for the mine.
- Evaluate and choose a preferred mining contract for the open pit scope of work. Prepare a workable mining contract for the open pit mining scope of work. Contractor evaluation and preparation of the mining contract will be undertaken by Roxgold technical staff, with such costs included in the operating costs for the mine.
- Data gap existing in the north-eastern wall of the northern pit for 109 Zone to be assessed and altered as required prior to mining of the sector commencing. Such costs will be included in the operating cost of the mine.

Processing and Infrastructure:

- As processing feed begins to reduce over the next couple of years, there is the potential at times for the mill load to fluctuate and potentially run low. The lifter angle of the SAG mill should be reviewed to ensure that it is not overly aggressive with the reduced total load. The cost of such a review will be assessed internally by Roxgold technical staff.
- Metallurgical behavior should continue to be monitored especially when there are major changes to the proposed mine plan and mine development. Additional on-site testing should be completed from time to time in accordance with an updated mine plan during production, to identify any potential issues, especially in the comminution circuit. This testwork should be completed during operations. Such costs will be included in the operating costs for the mine.

Environmental, Permitting, and Social:

- Continue the implementation of the environmental management plan as required under applicable environmental regulations and according to the Company's ESIA, internal standards and applicable international best practices. This includes the implementation of the monitoring and prevention programs to avoid or mitigate our impacts, the regular update of the closure plan and the continuous improvement of the Company's environmental management system. Such costs will be included in the operating costs for the mine.
- Ensure the performance of the stakeholders' engagement plan and continue to support the local stakeholders in their social and economic development as part of the social corporate responsibility and license to operate. Such costs will be included in the operating costs for the mine.
- Continue the implementation of a rigorous health and safety management system to protect employees from injury and health issues, including preventative activities such as risk assessments, inspections, audits, employee safety and competences training, leadership programs and the continuous improvement of the health and safety management system. Such costs will be included in the operating costs for the mine.

[End of Extract of Summary from Yaramoko Technical Report]

SCHEDULE "D"

MATERIAL PROPERTIES

Caylloma Mine, Peru

The following is the Summary from the technical report (the "Caylloma Technical Report") entitled "Fortuna Silver Mines Inc.: Caylloma Mine, Caylloma District, Peru" with an effective date of March 8, 2019 prepared by Eric Chapman, P.Geo. and Amri Sinuhaji, P.Eng. This Summary is subject to certain assumptions, qualifications and procedures described in the Caylloma Technical Report and is qualified in its entirety by the full text of the Caylloma Technical Report which is available for viewing on SEDAR at www.sedar.com and is incorporated by reference in this AIF, and is also filed with the SEC on EDGAR (available at www.sec.gov). Defined terms and abbreviations used herein and not otherwise defined shall have the meanings ascribed to such terms in the Caylloma Technical Report.

1. Introduction

This Technical Report (the Report) on the Caylloma Mine in the Caylloma District, Peru, has been prepared by Mr Eric Chapman, P.Geo, and Mr Amri Sinuhaji, P.Eng. for Fortuna Silver Mines Inc. (Fortuna) in accordance with the disclosure requirements of Canadian National Instrument 43-101 (NI 43-101). The Report discloses updated Mineral Resource and Mineral Reserve estimates for the mine.

2. Property description, location and ownership

The Caylloma Mine is located in the Puna region of Peru at an altitude of between 4,300 and 5,000 meters above sea level (masl). Surface topography is generally steep with vegetation being primarily comprised of grasses and small shrubs common at high altitudes. The mine facilities are located at approximately 4,300 masl.

Access to the Caylloma Mine is by a combination of sealed and gravel road. The mine is located 225 road kilometers from Arequipa, a city of approximately a million people that includes an international airport, and requires a trip of approximately 5 hours by vehicle. Access is available to all concessions via a network of unsealed roads.

The Caylloma Mine is an operating underground mine located in the Caylloma Mining District 14 km northwest of the town of Caylloma at the UTM grid location of 8192263E, 8321387N, (WGS84, UTM Zone 19S).

The underground mine is operated by Compania Minera Bateas S.A.C. (Bateas), a Peruvian subsidiary 100 % owned by Fortuna. The operation has infrastructure consisting primarily of the concentration plant, electrical power station, water storage facilities, tailings facilities, stockpiles, and workshop facilities, all connected by unsealed roads. Additional structures located at the mine include offices, dining hall, laboratory, core logging and core storage warehouses.

The property comprises mining concessions; surface rights; a permitted 1,500 tonnes per day (tpd) flotation plant; connection to the national electric power grid; as well as permits for the infrastructure necessary to sustain mining operations.

The Caylloma Mine consists of mineral rights for 66 mining concessions for a total surface area of 34,472 hectares (ha).

Bateas has signed 21 surface rights or easement contracts covering a total of 3,529.89 ha with land owners to cover the surface area needed for the operation and tailings facilities.

3. History

The earliest documented mining activity in the Caylloma District dates back to that of Spanish miners in 1620. English miners carried out activities in the late 1800s and early 1900s. Numerous companies have been involved in mining the district of Caylloma but limited records are available to detail these activities.

The Caylloma Mine was acquired by Compania Minera Arcata S.A. (CMA), a wholly owned subsidiary of Hochschild Mining plc in 1981. Fortuna acquired the mine from CMA in 2005.

CMA focused exploration on identifying high-grade silver vein structures. Exploration was concentrated in the northern portion of the district and focused on veins including Bateas, El Toro, Paralela, San Pedro, San Cristobal, San Carlos, Don Luis, La Plata, and Apostles.

Production prior to 2005 came primarily from the San Cristobal vein, as well as from the Bateas, Santa Catalina and the northern silver veins (including Paralela, San Pedro, and San Carlos) with production focused on silver ores and no payable credits for base metals. While under CMA management production parameters fluctuated during the late 1990s, as reserves were depleted. Owing to low metal prices, funds were not available to develop the Mineral Resources at depth or extend along the strike of the veins. Ultimately this resulted in production being halted in 2002.

Production under Bateas management focused on the development of polymetallic veins producing lead and zinc concentrates with silver and gold credits. Total production since October 2006 through December 31, 2018 is estimated as 18.1 Moz of silver, 23 koz of gold, 117 kt of lead, and 163 kt of zinc.

4. Geology and mineralization

The mine is within the historical mining district of Caylloma, northwest of the Caylloma caldera complex and southwest of the Chonta caldera complex. Host rocks at the Caylloma Mine are volcanic in nature, belonging to the Tacaza Group. Mineralization is in the form of low to intermediate sulfidation epithermal vein systems.

Epithermal veins at the Caylloma Mine are characterized by minerals such as pyrite, sphalerite, galena, chalcopyrite, marcasite, native gold, stibnite, argentopyrite, and silver-bearing sulfosalts (tetrahedrite, polybasite, pyrargyrite, stephanite, stromeyerite, jalpite, miargyrite and bournonite). These are accompanied by gangue minerals, such as quartz, rhodonite, rhodochrosite, johannsenite (manganese-pyroxene) and calcite.

There are two different types of mineralization at Caylloma; the first is comprised of silver-rich veins with low concentrations of base metals and includes the Bateas, Bateas Techo, La Plata, Cimoide La Plata, San Cristobal, San Pedro, San Carlos, Paralela, and Ramal Paralela veins. The second type of vein is polymetallic in nature with elevated lead, zinc, copper, silver and gold grades and includes the Animas, Animas NE, Santa Catalina, Soledad, Silvia, Pilar, Patricia, and Nancy veins.

Underground operations are presently focused on mining the Animas and Animas NE veins.

5. Exploration, drilling, and sampling

CMA implemented a series of exploration programs to complement their mining activities prior to the closure of the operation in 2002. There is no reliable information available to detail the exploration conducted by CMA at the Caylloma Mine. Bateas were able to recover and validate information on 47 diamond drill holes totaling 8,177.67 m drilled by CMA between 1981 and 2003 at the Caylloma Mine.

Since Fortuna took ownership of the property in 2005 the principal exploration conducted at the deposit has been surface and underground drilling, to explore the numerous vein structures identified through surface mapping or geophysical surveys conducted by Bateas, or for infill purposes to increase the confidence level of the Mineral Resource estimates.

As of August 31, 2018, Bateas had completed 1,296 drill holes on the Caylloma Mine totaling 225,361.80 m since the company took ownership in 2005 and represents all data compiled as of the data cut-off date used for Mineral Resource estimation. All holes are diamond drill holes and include 544 from the surface totaling 151,774.55 m, and 752 from underground totaling 73,587.25 m. It is important to note that not all the holes presented encountered mineralization and only drill holes in areas where reasonable geological continuity of mineralized structures could be established were used in defining and ultimately estimating Mineral Resources.

Bateas has used a number of different drilling contractors to carry out exploration and definition drilling since it took ownership of the mine in 2005. Both HQ (63.5 mm) and NQ (47.6 mm) diameter core were obtained, depending on the depth of the hole. Ground conditions are generally good with core recovery averaging 94 %.

Proposed surface drill hole collar coordinates, azimuths and inclinations were designed based on the known orientation of the veins and the planned depth of vein intersection using geological plan maps and sections as a guide. Once the coordinates have been determined, the location of the collar is located in the field using differential global positioning system (GPS) instruments. The drill pad is then prepared at this marked location. Upon completion of the drill hole, a survey of the collar is performed using Total Station equipment, with results reported in the collar coordinates using reference Datum WGS84, UTM Zone 19S.

The geologist in charge of drilling is responsible for orienting the azimuth and inclination of the hole at the collar using a compass clinometer. Downhole surveys are completed by the drilling contractor using survey equipment such as a Flexit or Reflex tool at approximately 50 m intervals for all surface drill holes and for underground drill holes greater than 100 m in length. Bateas assesses the downhole survey measurements as a component of the data validation.

Drill holes are typically drilled on sections spaced 40 to 60 m apart along the strike of the vein with surface drilling focusing on exploring the extents of the Animas, Bateas and Nancy veins and underground drilling used for a mix of exploration and Mineral Resource and Mineral Reserve definition. The extent of drilling varies for each vein with those having the greatest coverage having drill holes extending over 4,000 m of the vein's strike length (Animas), to exploration prospects having only a few drill holes extending over 50 m (Antimonio).

The relationship between the sample intercept lengths and the true width of the mineralization varies in relation to the intersect angle between the steeply-dipping zone of mineralized veins and the inclined nature of the diamond core holes. Calculated estimated true widths (ETWs) are always reported together with actual sample lengths by taking into account the angle of intersection between drill hole and the mineralized structure.

In 2018 all logging became digital, being incorporated daily into the Maxwell DataShed database system. Data were recorded initially with Excel templates, and later with the Maxwell LogChief application using essentially the same structure. Both input methods used pick-lists and data validation rules to ensure consistency between loggers. Separate pages were designed to capture, lithology, alteration, veins, sulfide-oxide zones, minerals, structure (contacts, fractures, veins, and faults with attitudes to core axis), magnetic susceptibility, and special data (samples collected for geochemistry, thin section examinations, the core library, density, etc.). Intensity of alteration phases was recorded using a numeric 1 to 4 scale (weak, moderate, strong, very strong); abundance of veins and most other minerals were estimated in volume percent.

Geotechnical logging is conducted prior to cutting of the core and involves the collection of drill core recovery and rock-quality designation (RQD) data. Information is recorded in the field using the Maxwell LogChief application.

The sampling methodology, preparation, and analyses differ depending on whether it is drill core or a channel sample. All samples are collected by geological staff of Bateas with sample preparation and analysis being conducted either at the onsite Bateas Laboratory or transported to the ALS Global preparation facility in Arequipa prior to being sent on for analysis at their laboratory in Lima.

The Bateas laboratory operated by Bateas is not independent and does not hold an international recognized accreditation.

ALS Global is an independent, privately-owned analytical laboratory group. The preparation laboratory in Arequipa and the analytical laboratory in Lima are supported by a Quality Management System (QMS) framework which is designed to highlight data inconsistencies sufficiently early in the process to enable corrective action to be taken in time to meet reporting deadlines. The QMS framework follows the most appropriate ISO Standard for the service at hand i.e. ISO 9001:2015 for survey/inspection activity and ISO 17025:2005 UKAS ref 4028 for laboratory analysis.

Channel samples are collected from the backs of underground workings. The entire process is carried out under the geology department's supervision. Sampling is carried out at 2 m intervals within the drifts of all veins and 3 m intervals in stopes (except for Bateas and Soledad, where due to the thickness of the vein, sampling is carried out every 2 m in stopes). The channel lengths and orientations are identified using paint in the underground working and by painting the channel number on the footwall. The channel is between 20 cm to 30 cm wide and approximately 2 cm deep, with each individual sample being no longer than 1.5 m.

Drill core is laid out for sampling and logging at the core logging facility at the camp. Sample intervals are marked on the core and depths recorded on the appropriate box. A geologist is responsible for determining and marking the drill core intervals to be sampled, selecting them based on geological and structural logging. The sample length must not exceed 1.2 m or be less than 30 cm.

The elements of silver, copper, lead and zinc are assayed using either; atomic absorption (AA); inductively coupled plasma atomic emission spectroscopy (ICP-AES); or for high lead and zinc grades volumetric/titration techniques

(VOL); or for high silver grades gravimetric techniques (GRAV) depending on the laboratory and assay value. Assay results and certificates are reported electronically by e-mail.

Bulk density samples have been primarily sourced from drill core with a limited number being sampled from underground workings. Bulk density measurements are performed at the ALS Global Laboratory in Lima using the OA-GRA09A methodology.

Sample collection and transportation of drill core and channel samples is the responsibility of Brownfields exploration and the Bateas mine geology departments and must follow strict security and chain of custody requirements established by Fortuna. Samples are retained in accordance with the Fortuna corporate sample retention policy.

Implementation of a quality assurance/quality control (QAQC) program is current industry best practice and involves establishing appropriate procedures and the routine insertion of certified reference material (CRMs), blanks, and duplicates to monitor the sampling, sample preparation and analytical process. Fortuna implemented a full QAQC program to monitor the sampling, sample preparation and analytical process for all drilling campaigns in accordance with its companywide procedures. The program involved the routine insertion of CRMs, blanks, and duplicates. Evaluation of the QAQC data indicate that the data are sufficiently accurate and precise to support Mineral Resource estimation.

6. Data verification

Bateas staff follow a stringent set of procedures for data storage and validation, performing verification of data on a monthly basis. The operation employs a Database Administrator who is responsible for overseeing data entry, verification and database maintenance. A separate Database Auditor is responsible for performing a detailed independent review of the database on a quarterly basis and submitting a report to Fortuna management detailing the findings. Any issues identified are immediately resolved by the administrator.

Data used for Mineral Resource estimation are stored in Maxwell GeoService’s commercial SQL database system (DataShed), storing both mine related data (including channel samples) and drilling related results (exploration and infill drilling).

Data was transferred from an inhouse SQL database system to DataShed by early 2018 with the support of Maxwell personnel. Both databases were run in tandem until a full verification process had been completed to prove parity between the systems, at which point the original database was archived.

As a component of the 2018 Mineral Resource estimate, a preliminary validation of the Bateas database was performed by the Database Administrator in June 2018. The database has a series of automated import, export, and validation tools to minimize potential errors. Any inconsistencies identified were corrected during the analysis with the database then being handed over for final QP review on August 31, 2018 in Microsoft Access format.

In addition, data verification by the QP was also conducted through the inspection of selected drill core to assess the nature of the mineralization and to confirm geological descriptions as well as the inspection of geology and mineralization in underground workings of the Bateas, Animas/Animas NE, and Nancy veins.

A series of plan and cross sections were generated displaying the lithologic and mineralization interpretation by the Bateas geology and exploration departments and reviewed by the QP’s of Fortuna.

The QP is of the opinion that the data verification programs performed on the data collected by Bateas are adequate to support the geological interpretations, the analytical and database quality, and Mineral Resource estimation at the Caylloma Mine.

7. Mineral processing and metallurgical testing

The Caylloma Mine has an extensive body of metallurgical investigation focused primarily on testwork conducted while treating ore at the operation since 2006. In the opinion of the QP, the Caylloma metallurgical samples tested and the ore that is presently treated in the plant is representative of the orebody as a whole in respect to grade and metallurgical response. Differences between vein systems are minimal with regard to recovery.

Metallurgical recovery values forecast in the LOM for sulfide material average 84 % for silver, 17 % for gold, 91 % for lead, and 90 % for zinc with the exception of the Ramal Piso Carolina vein that forecasts a metallurgical recovery rate of 75 % for Au. Metallurgical recovery is forecast for zinc oxide material to average 57 % for silver, 17 % for gold, 57 % for lead, and 35 % for zinc.

Until 2012 ore identified as containing high zinc oxide content was classified as not amenable for flotation. Laboratory and plant tests conducted since 2013 include metallurgical testing of material from the different levels of the Animas vein. The main conclusion was that zinc oxide contents greater than 0.20 % within the ore were related to lower metallurgical recoveries. In order to include this type of ore without affecting the metallurgical recoveries blending has to be performed to limit the high zinc oxide ore content to no more than 5 % of the feed to the plant.

Beyond the loss in metallurgical recovery related to elevated zinc oxide material, as described above, there are no additional deleterious elements that require special treatment in the plant as of the effective date of this Report.

8. Mineral Resources

The 2018 Mineral Resource update has relied on channel and drill hole sample information obtained by Bateas since 2005. Mineralized domains identifying potentially economically extractable material were modeled for each vein and used to code drill holes and channel samples for geostatistical analysis, block modeling and grade interpolation by ordinary kriging or inverse distance weighting.

Net smelter return (NSR) values for each mining block take into account expected commercial terms, the average metallurgical recovery, the average grade in concentrate and long term projected metal prices. Mineral Resources take into account operational costs and have been reported above a US$ 50/t NSR cut-off value for veins wider than two meters and amenable to extraction by semi-mechanized mining methods (Animas, Animas NE, Nancy, and San Cristobal veins); or above a US$ 135/t NSR cut-off value for veins narrower than two meters regarded as amenable to conventional mining methods (all other veins).

Resource confidence classification considers a number of aspects affecting confidence in the resource estimation including; geological continuity and complexity; data density and orientation; data accuracy and precision; and grade continuity. Mineral Resources are categorized as Measured, Indicated or Inferred. The criteria used for classification includes the number of samples, spatial distribution, distance to block centroid, kriging efficiency (KE) and slope of regression (ZZ).

Mineral Resources exclusive of Mineral Reserves for the Caylloma Mine are reported as of December 31, 2018 and detailed in Table 1.1.

Table 1.1 Mineral Resources as of December 31, 2018

Category	Tonnes (000)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	Contained Metal			
						Ag (Moz)	Au (koz)	Pb (kt)	Zn (kt)
Measured	**524**	**73**	**0.32**	**1.16**	**2.23**	**1.2**	**5**	**6**	**12**
Indicated	**1,633**	**77**	**0.29**	**1.23**	**2.25**	**4.1**	**15**	**20**	**37**
Measured + Indicated	**2,157**	**76**	**0.30**	**1.22**	**2.24**	**5.3**	**21**	**26**	**48**
Inferred	**5,354**	**102**	**0.32**	**2.40**	**3.83**	**17.6**	**56**	**129**	**205**

Notes on Mineral Resources

- Mineral Resources are as defined by the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves
- Mineral Resources are exclusive of Mineral Reserves
- Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability
- Mineral Resources are estimated as of August 31, 2018 and reported as of December 31, 2018 taking into account production related depletion for the period through December 31, 2018
- Mineral Resources are reported above an NSR cut-off grade of US$ 50/t for wide veins and US$ 135/t for narrow veins based on actual operational costs
- Metal prices used in the NSR evaluation are US$ 18.25/oz for silver, US$ 1,320/oz for gold, US$ 2,270/t for lead and US$ 2,750/t for zinc
- Metallurgical recovery values used in the NSR evaluation of sulfide material are 84 % for silver, 17 % for gold, 91 % for lead, and 90 % for zinc with the exception of the Ramal Piso Carolina vein that uses metallurgical recovery rates of 75 % for Au
- Metallurgical recovery values used in the NSR evaluation of zinc oxide material are 57 % for silver, 17 % for gold, 57 % for lead, and 35 % for zinc
- Mining, processing and administrative costs used to determine NSR cut-off values were estimated based on first half of 2018 actual operating costs

- Eric Chapman, P.Geo. (APEGBC #36328) is the Qualified Person for resources being an employee of Fortuna Silver Mines Inc.
- Tonnes are rounded to the nearest thousand
- Totals may not add due to rounding

Factors that may affect the estimates include metal price and exchange rate assumptions; changes to the assumptions used to generate the cut-off grade; changes in local interpretations of mineralization geometry and continuity of mineralized zones; changes to geological and mineralization shape and geological and grade continuity assumptions; variations in density and domain assignments; geometallurgical assumptions; changes to geotechnical, mining, dilution, and metallurgical recovery assumptions; change to the input and design parameter assumptions that pertain to the conceptual stope designs constraining the estimates; and assumptions as to the continued ability to access the site, retain mineral and surface rights titles, maintain environment and other regulatory permits, and maintain the social license to operate.

There are no other known environmental, legal, title, taxation, socioeconomic, marketing, political or other relevant factors that would materially affect the estimation of Mineral Resources or Mineral Reserves that are not discussed in this Report.

9. Mineral Reserves

Mineral Reserve estimates follow standard industry practices, considering only Measured and Indicated Mineral Resources as only these categories have sufficient geological confidence to be considered Mineral Reserves (CIM, 2014). Subject to the application of modifying factors, Measured Resources may become Proven Reserves and Indicated Resources may become Probable Reserves. Mineral Reserves are reconciled quarterly against production to validate dilution and recovery factors.

Mineral Reserve estimates for the Caylloma Mine are reported as of December 31, 2018 and detailed in Table 1.2.

Table 1.2 Mineral Reserves as of December 31, 2018

Category	Tonnes (000)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	Contained Metal			
						Ag (Moz)	Au (koz)	Pb (kt)	Zn (kt)
Proven	**149**	**85**	**0.26**	**2.09**	**3.23**	**0.4**	**1**	**3**	**5**
Probable	**2,477**	**77**	**0.18**	**2.12**	**3.71**	**6.1**	**14**	**52**	**92**
Proven +Probable	**2,626**	**77**	**0.18**	**2.11**	**3.69**	**6.5**	**15**	**56**	**97**

Notes on Mineral Reserves

- Mineral Reserves are as defined by the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves
- Mineral Reserves are estimated as of August 31, 2018 and reported as of December 31, 2018 taking into account production related depletion for the period through December 31, 2018
- Mineral Reserves are reported above NSR breakeven cut-off values based on the proposed mining method for extraction including; mechanized (breasting) at US$ 82.90/t; mechanized (enhanced) at US$ 70.30/t; semi-mechanized at US$ 93.10/t; and conventional at US$ 173.70/t
- Metal prices used in the NSR evaluation are US$ 18.25/oz for silver, US$ 1,320/oz for gold, US$ 2,270/t for lead, and US$ 2,750/t for zinc
- Metallurgical recovery values used in the NSR evaluation of sulfide material are 84 % for silver, 17 % for gold, 91 % for lead, and 90 % for zinc with the exception of the Ramal Piso Carolina vein that uses metallurgical recovery rates of 75 % for Au
- Metallurgical recovery values used in the NSR evaluation of zinc oxide material are 57 % for silver, 17 % for gold, 57 % for lead, and 35 % for zinc
- Mining, processing and administrative costs used to determine NSR cut-off values were estimated based on first half of 2018 actual operating costs
- Mining recovery is estimated to average 92 % with mining dilution ranging from 10 % to 40 % depending on the mining methodology
- Amri Sinuhaji, P.Eng (APEGBC #48305) is the Qualified Person for reserves being an employee of Fortuna Silver Mines Inc.
- Tonnes are rounded to the nearest thousand
- Totals may not add due to rounding

10. Mining methods

The mining method employed at the Caylloma Mine is cut-and-fill which is commonly used in the mining of steeply-dipping orebodies in stable rock masses. Cut-and-fill is a bottom up mining method that consists of removing ore in horizontal slices, starting from a bottom undercut and advancing upwards. The operation bases its mining plan on a mix of mechanized, semi-mechanized, and conventional extraction methods based on vein width and rock quality.

The mining production period extends from 2019 to 2023, almost 5 years. At full production the planned mining rate is 1,500 tpd (535,500 tonnes per annum). Planned LOM ore production is 2.63 Mt at an average silver grade of 77 g/t, gold grade of 0.18 g/t, lead grade of 2.11 %, and zinc grade of 3.69 %.

The QP is of the opinion that:

- The mining method being used is appropriate for the deposit being mined. The underground mine design, stockpiles, tailings facilities, and equipment fleet selection are appropriate for the operation
- The mobile equipment fleet presented is based on the actual mining operations, which is known to achieve the production targets set out in the LOM
- The mine plan method is based on standard industry practices and has been employed at the operation for the previous seven years, and presents low risk
- Inferred Resources are not included in the mine plan
- All mine infrastructure and supporting facilities meet the needs of the current mine plan and production rate

11. Recovery methods

The current process plant design is split into four principal stages including; crushing; milling; flotation; and thickening, filtering and shipping.

The QP considers process requirements to be well understood, and consistent based on the actual observed conditions in the operating plant. There is no indication that the characteristics of the material being mined will change and therefore the recovery assumptions applied for future mining are considered as reasonable for the LOM.

12. Project infrastructure

All mine and process infrastructure and supporting facilities are in place at the operation with an increase in tailings storage facility and designation of underground waste disposal area only required to meet the needs of the mine plan and production rate. The QPs note that:

- The Caylloma Mine is located 225 km, or 5 hours by road from the city of Arequipa, the main service center for the operation, with good year-round access
- The mine site infrastructure has a footprint of 91.12 ha associated with the Huayllacho beneficiation concession
- An expansion to the tailings facility was completed in January 2019, with a second phase planned for construction in 2021, providing sufficient capacity for the LOM
- Power demand on the mine site is 5.5 MW provided mainly (96 %) through the national power grid and two diesel generators on site to cover the shortfall and provide backup
- Water demand at the Caylloma Mine is 60 l/s, including 10 l/s for the camp. Approximately 70 % of the processing plant total water consumption is recovered from tailings facility N° 3 with the other 30 % from fresh water provided by the Santiago River
- All process buildings, offices, and camp facilities for operating the mine have been constructed

13. Market studies and contracts

Since the operation commenced production in October 2006 a corporate decision was made to sell the concentrate on the open market. In order to get the best commercial terms for the concentrates, it is Fortuna's policy to sign contracts for periods no longer than one year. All commercial terms entered between the buyer and Bateas are regarded as confidential, but are considered to be within standard industry norms.

The QP has reviewed the information provided by Fortuna on marketing, contracts, metal price projections and exchange rate forecasts and notes that the information provided support the assumptions used in this Report and are consistent with the source documents, and that the information is consistent with what is publicly available within industry norms.

14. Environmental studies and permitting

The mining operation has been developed under strict compliance of norms and permits required by public institutions associated with the mining sector. Furthermore, all work follows quality and safety international norms as set out in ISO 14001 and OHSAS 18000.

In addition to these norms and permits obtained from the environmental department, the operation also ensures all environmental activities are regularly monitored and recorded as part of the quality control measures that are presented to the Ministry of Energy and Mining (MEM) and other legal regulatory organizations.

Of particular importance is monitoring of the quality of river water in the area. This activity involves monitoring the Santiago River, being the main river that passes through the property, employing people from the local communities to verify the results.

Bateas has a very strong commitment to the development of neighboring communities of the Caylloma Mine. In this respect, Bateas is committed to sustainable projects, direct support and partnerships that build company engagement in local communities while respecting local values, customs and traditions. The company aims to develop projects or programs based on respect for ethno-cultural diversity, open communication and effective interaction with local stakeholders that improve education, health and infrastructure.

Mine closure is also included in the environmental program. For 2019 a total of US$ 655,000 has been budgeted for the ongoing closure plan and environmental liabilities. The closure plan is performed to ensure compliance with the programs and plans submitted to the MEM. Budgeted mine closure costs for the LOM total US$ 11.3 million.

15. Capital and operating costs

Capital and operating cost estimates are based on established cost experience gained from current operations, projected budget data and quotes from manufacturers and suppliers.

The capital and operating cost provisions for the LOM plan that supports Mineral Reserves have been reviewed. The basis for the estimates is appropriate for the known mineralization; mining and production schedules; marketing plans; and equipment replacement and maintenance requirements.

The QP considers the capital and operating costs estimated for the Caylloma Mine as reasonable based on industry-standard practices and actual costs observed for 2018.

16. Economic analysis

Fortuna is using the provision for producing issuers, whereby producing issuers may exclude the information required under Item 22 for technical reports on properties currently in production and where no material production expansion is planned.

Mineral Reserve declaration is supported by a positive cashflow for the period set out in the LOM based on the assumptions detailed in this Report.

17. Conclusions, risks, and opportunities

This Report represents the most accurate interpretation of the Mineral Reserve and Mineral Resource available as of the effective date of this report. The conversion of Mineral Resources to Mineral Reserves was undertaken using industry-recognized methods, and estimated operational costs, capital costs, and plant performance data. Thus, it is considered to be representative of future operational conditions. This Report has been prepared with the latest information regarding environmental and closure cost requirements.

A number of opportunities and risks were identified by the QPs during the evaluation of the Caylloma Mine.

Opportunities include:

- Reduction in backfill costs through the optimization of the backfilling methodology in order to improve mining productivity by reducing work cycle times
- Reduction in mining costs via improvements in the underground communication system which would allow for faster and more efficient decision making, improve logistical coordination, and reduce downtime, hence improve overall mining productivity
- Reduction in overall pumping costs through improvements to the mine dewatering system resulting in reduced power consumption and maintenance requirements
- Potential to expand current resources through exploration of the Animas NE vein with mineralization remaining open to the northeast and at depth

Risks include:

- Bateas management occasionally receives requests from local authorities and/or civil organizations regarding unrealistic social expectations. Bateas are mitigating the risk of conflict regarding these demands by working with local authorities, land owners, and communities to address expectation levels and to take requests into account in preparing its annual community relations work program and budget

18. Recommendations

Recommendations for the next phase of work have been broken into those related to ongoing exploration activities and those related to additional technical and operational studies. Recommended work programs are independent of each other and can be conducted concurrently. The exploration phase is estimated to cost US$ 521,000 with additional technical studies estimated to cost US$ 280,000.

i) Exploration

- **Exploration**. It is recommended that Bateas continue surface mapping and TerraSpec analysis of key areas of interest including Animas, Antacollo, and Antimonio to identify potential future drill targets. The budgeted cost of the surface mapping activities for 2019 is US$ 36,000 (excluding personnel costs).
- **Delineation (infill) drilling**. Bateas is planning to continue the delineation drilling from underground in 2019 focusing on the junction between the Animas and Animas NE vein at depth. A total of 3,830 m of drilling and 55 m of development drift is planned at a budgeted total cost of US$ 480,000.
- **Bulk density determination**. It is recommended that the number of bulk density measurements by increased in veins that lack sufficient values for meaningful statistical analysis. In addition to this it is also recommended that a study be performed to improve the understanding of bulk density in the deposit. If a correlation between density and mineralogy could be established it may provide a superior alternative than the presently used density assignment methodology. This program cost is estimated at US$ 5,000.

ii) Technical and operational studies

- **Underground communication system**. In 2019 it is recommended that the first phase of an improved underground communication system be installed to connect key areas of the mine at a budgeted cost of US$ 40,000. Based on positive results from the first phase the system could be extended throughout the mine to reach other production and production related areas.
- **Backfill system optimization**. It is recommended that an evaluation of the backfilling system is conducted at the operation. A trade off analysis should be conducted to benchmark the current hydraulic backfill system against alternative methods. The study should investigate the potential impacts on OPEX and CAPEX. The budgeted cost of the study is US$ 70,000.
- **Review of mining methodology**. The width of mineralization and rock quality varies greatly throughout the deposit. It is recommended that an evaluation of mining method be conducted to assess if smaller equipment could be used to extract mineralized material from narrow veins with poor rock quality, and if more massive mining methods such as long-hole stoping could be employed in wide veins with good rock quality. Any such study would need to account for the variable equipment that would be required to deal

with multiple mining methods. The study could be conducted inhouse or externally, with an external cost estimated at US$ 50,000.

- **Plant expansion conceptual study**. A conceptual cost-benefit analysis is recommended to assess if the production rate at the Caylloma plant could be increased to reduce costs. The study could be conducted inhouse or externally, with an external cost estimated at US$ 120,000.
- **Zinc oxide study**. The response of zinc oxide material to the flotation process requires additional testwork. Initial plant testwork indicates that this material can be blended with low zinc oxide material and processed through flotation without a significant loss in recovery, although the percentage blend at which the zinc oxide becomes detrimental has not been established. It is recommended that inhouse analysis be conducted to assess the impact of varying levels of zinc oxide on plant recovery to determine a blending threshold at which recovery is not affected.

[End of Extract of Summary from Caylloma Technical Report]

Exploration Work Subsequent to the Caylloma Technical Report

Exploration drilling at Caylloma continued throughout 2021 totaling 10,121 meters in 26 diamond drill holes, testing the depth continuity of the greater than 3-kilometer-long Animas NE silver-polymetallic vein system, and the strike potential further to the north-east beyond the intersection of the Nancy vein. Drilling continues to intersect mineralized shoots up to 200 meters beyond the current mineral resource boundary, extending known mineralization more than 900 meters below surface along the 3 kilometer long Animas NE vein, where it remains open at depth and along strike. Highlights of the program include:

- **ANIM086321:** 60 g/t Ag, 5.51% Pb and 6.22% Zn over an estimated true width of 7.2 meters
- **ANIM084321:** 51 g/t Ag, 2.94% Pb and 5.23% Zn over an estimated true width of 5.8 meters
- **ANIM084721:** 106 g/t Ag, 2.34% Pb and 3.13% Zn over an estimated true width of 11.8 meters
- **ANIM085521:** 159 g/t Ag, 2.92% Pb and 1.44% Zn over an estimated true width of 6.1 meters
- **ANIM087321:** 76 g/t Ag, 4.35% Pb and 7.45% Zn over an estimated true width of 11.3 meters
- **ANIM087921:** 93 g/t Ag, 4.83% Pb and 7.81% Zn over an estimated true width of 20.5 meters

Please refer to the Company's news release dated December 9, 2021 entitled "*Fortuna drills 16.5 g/t gold over 6.3 meters at Séguéla and provides exploration update*", for full details.

See "*Three Year History and Recent Developments - Mineral Reserve and Mineral Resource Estimates*" herein for further information regarding the Caylloma Mine.

SCHEDULE "E"

MATERIAL PROPERTIES

Séguéla Project, Côte d'Ivoire

The following is the Summary from the technical report (the "Séguéla Technical Report") entitled "Séguéla Project, Feasibility Study, Worodougou Region, Cote d'Ivoire", with an effective date of May 26, 2021 prepared by Paul Criddle, FAUSIMM, Hans Andersen, MAIG, Paul Weedon, MAIG, Dave Morgan, AIMM, CPEng, Geoff Bailey, FIEAust, CPEng, NPER-E, REPQ, Shane McLeay, FAusIMM, and Niel Morrison, PEng. This Summary is subject to certain assumptions, qualifications and procedures described in the Séguéla Technical Report and is qualified in its entirety by the full text of the Séguéla Technical Report which is available for viewing on SEDAR at www.sedar.com and is incorporated by reference in this AIF, and is also filed with the SEC on EDGAR (available at www.sec.gov). Defined terms and abbreviations used herein and not otherwise defined shall have the meanings ascribed to such terms in the Séguéla Technical Report.

As the Séguéla Technical Report was prepared by Roxgold prior to the completion of the Roxgold Acquisition, references in the following Summary to "the Company" or "the Issuer" refer to Roxgold.

1.1 Introduction

Roxgold Inc. ("Roxgold", the "Company" or the "Issuer") has compiled a Technical Report on the Séguéla Property ("Séguéla", the "Project", the "Séguéla Property", the "Séguéla Gold Project" or the "Séguéla Project") in the Worodougou Region of the Woroba District, Côte d'Ivoire. This Technical Report is prepared in accordance with the reporting requirements set forth in National Instrument 43 101 – Standards for Disclosure for Mineral Projects ("NI 43-101"), Companion Policy 43-101CP, and Form 43-101F1.

1.2 Property Description, Location and Access

The Séguéla Gold Project is located approximately 500 km from Abidjan, via major highways to Séguéla. From Séguéla, the property's Antenna, Ancien, Agouti, Boulder and Koula deposits are accessed via 40 km of unsealed roads. The Séguéla Gold Project covers an area of 35,360 hectares, defined by two exploration permits (Permis de Recherche Miniére No. 252 and Permis de RechercheMiniére No. 638).

Permis de Recherche Miniére No. 252 has received its second renewal and is due to expire on December 17, 2021. The Antenna, Ancien, Koula, Agouti and Boulder deposits are located on this permit.

Permis de Recherche Miniére No. 638 is a three-year permit due to expire 18 October 2023, which surrounds Permis de Recherche Miniére No. 252.

Provided minimum expenditure requirements are met, Mineral Exploration Permits in Côte d'Ivoireare subject to automatic grants of renewal applications for two terms of three years each, and a special third term of no more than two years.

Ivorian Mineral Exploration Permits, within their boundaries, entitle the holder exclusive rights to explore for the nominated mineral commodities specified (in this case, gold), as well as encumbrance- free disposal of materials extracted during exploration process.

In addition to the Environmental Permit obtained on 22 September 2020, the Exploitation Permit (Permis d'Exploitation No. 56) was granted by the Council of Ministers on 9 December 2020, and signed as a decree by the President of Côte d'Ivoire (Decree No.2020-960 dated 9 December, 2020 on gold exploitation permit in Séguéla department). This permit covers an area of 353.6 km2 and is validfor 10 years, with opportunities to renew as further growth and expansion is proven.

The Séguéla Gold Project is accessible year-round by road vehicle. Bituminised national highways ofvariable quality facilitate transport between Abidjan, Yamoussoukro, and the nearest major town tothe Property;

Séguéla (population c. 65,000). From Séguéla, unsealed roads provide access to the Séguéla Gold Project through the minor village of Fouio (population c. 3,000).

The Séguéla Gold Project is located within a tropical savannah climatic region on the southern marginof the Sahel Savannah. This climatic zone is typified by high average temperatures, and a distinct wetseason and dry season. The average annual temperature for Séguéla is 25.3°C, with an annual average rainfall of 1,268 mm. August and September are the wettest months of the year. Temperatures do not vary greatly over the course of the year, with average monthly temperatures ranging from 23.5°C inAugust, to 26.9°C in March. Minima and maxima vary more, but not in the extreme, with August's minimum and maximum temperatures being 19.5°C and 27.6°C respectively, while February shows the greatest range from 19.5°C to 33.4°C.

The Séguéla Gold Project occurs in a region of low forested hills, with elevations averaging 347 m above sea level. The vegetation of the region is tropical savannah woodland. The area surrounding and covering the Séguéla Gold Project is extensively cropped for cashews, and to a lesser extent, cacao.

The Séguéla Gold Project contains a 40-person exploration camp proximal to the Antenna deposit and is serviced by electrical power mains from the National Grid. Water is drawn via on-site bores with potable water available from an on-site reverse osmosis plant. Food supplies are freighted by road from Yamoussoukro; approximately 270 km.

1.3 History

The Séguéla permit (Permis de Recherche Miniére No. 252) was granted to local Ivorian company, Geoservices CI in February 2012. The Property was subsequently transferred to a local Ivorian joint venture company, Mont Fouimba Resource in late 2012. Transferral of the permit then occurred in 2013 to Apollo Consolidated Ltd ("Apollo"); an exploration company listed on the Australian Securities Exchange (code: AOP), which was the 51% shareholder in Mont Fouimba, with Geoservices CI holding the remaining 49%. In February 2016, Apollo announced the signing of an Option to Purchase Agreement by Newcrest Mining Ltd ("Newcrest"), for the Séguéla Project. In February 2017, the permit was subsequently transferred to LGL Exploration CI S.A; a wholly owned subsidiary of Newcrest. In April 2019, the Issuer acquired the Séguéla Project from Newcrest through the acquisition of LGLExploration CI S.A. Newcrest acquired the adjacent permit (Permis de Recherche Miniére No. 638) toSéguéla permit (Permis de Recherche Miniére No. 252) on 19 October 2016. This was also acquired by the Issuer in April 2019.

Throughout this period, there have been two renewals of the Séguéla permit (Permis de RechercheMiniére No. 252), with the permit due to expire on 17 December 2021.

Prior to this period, there is evidence to suggest that the ground contained within permit no. 252 washeld by Randgold Resources ("Randgold"), with press releases from Apollo referring to trenching completed by Randgold over the Gabbro, Porphyry and Agouti prospects within the current permit limits.

1.4 Geology Setting, Mineralisation and Deposit Types

The Séguéla Property is situated within the Paleoproterozoic ("Birimian") Baoule-Mossi Domain of the West African Craton. Two cycles of volcanism/sedimentation are recognised within the Birimian rocks of the Baoule-Mossi Domain; each followed by a period of orogenesis, and together described as theEburnian Orogeny which is dated c. 2.19–2.08 Ga. Rocks of the Baoule-Mossi Domain are primarily polyphase granitoids, and volcano-sedimentary sequences forming granite-greenstone terranes. Thefirst cycle of sedimentation and orogenesis ("Eburnian 1") is described by the accumulation of volcanic and volcaniclastic rocks; then subsequently intruded by early stage granitoids. Following a period ofuplift and erosion, the Eburnian 2 cycle is described by the filling of intra-montaine basins with predominantly arenaceous sediments of the Tarkwaian Series.

The Antenna deposit occurs within a greenstone package deposited during Eburnian 1, that comprises (west to east) an ultramafic hangingwall, which is in presumed fault contact with an interlayered package of felsic volcaniclastic rocks and flow banded rhyolitic units, which are then in contact with a mafic (basaltic) footwall unit. The faulted contacts between the mafic/ultramafic units and the felsicassemblage converge to the south of the deposit forming a wedge shape to the felsic package.

The Antenna gold deposit is considered to be an orogenic lode-style gold system, hosted by a brittle-ductile quartz-albite vein stockwork predominantly contained within flow banded rhyolite units. Thestockwork lode varies in width roughly in proportion with the widths of the rhyolitic units which hostit (approximately 3–40 m) and extends over a strike length of approximately 1,350 m. Stockwork veins which host mineralisation show two principal orientations; steep east-dipping and steep west-dipping. Veins in the steep west-dipping orientation range from being ptygmatically folded to undeformed, while veins in the east-dipping direction may be variably boudinaged to undeformed. This evidencesuggests syn-deformational emplacement of the vein sets during west and east movement along themain fault structures within the region. Mineralisation occurs as free gold, associated with pyrite andpyrrhotite. Alteration assemblages associated with this mineralisation assemblage vary from proximal intense silica – albite ± biotite ± chlorite alteration, through medial silica-albite-sericite ± chlorite assemblages, to more distal sericite-carbonate (ankerite/calcite) and carbonate-magnetite assemblages. Pyrite is the dominant sulphide associated with higher-grade mineralisation within proximal alteration zones, while sulphide mineralogy is pyrrhotite dominated in medial and distal assemblages and is associated with lower grade gold mineralisation.

The Ancien deposit is associated with an interpreted D2 sinistral shear zone, informally labelled the Ancien Shear, within the East Domain and comprises (from west to east) a chloritic pillow basalt footwall overlain by a foliated/sheared tholeiitic basalt unit, which is in turn overlain by a second chloritic pillow basalt hangingwall unit which is gradational into a coarser grained porphyritic basaltunit. Generally narrow quartz-feldspar-biotite porphyries crosscut and intrude all other lithologies and are interpreted as late intrusives.

The Koula deposit is situated within the same package of mafic rocks as the Ancien deposit, which isinformally labelled as the Ancien-Koula corridor. Koula is similarly hosted within a strongly foliated/sheared thoeliitic basalt unit within a broader sequence of pillow basalt.

At both the Ancien and Koula deposits significant mineralization is restricted to the more reactive and competent tholeiitic basalt unit and is best developed in zones of strong brittle-ductile brecciation and shearing, with selective sericite+/-silica alteration and intense quartz and quartz-carbonate veining.Mineralization occurs as free gold, predominantly as small grains within microfractured milky-whitequartz veins and associated with pyrite and lesser pyrrhotite at Ancien, that trends to being more pyrrhotite dominant at Koula. Generally lower grade mineralization is also developed at the marginsof felsic porphyries that intrude the tholeiitic basalt, and in zones of increased brecciation and veining within these porphyries.

The Boulder and Agouti prospects are both located within a distinct northerly-trending litho-structural corridor that extends from Boulder in the south to Gabbro in the north. Regional mapping has defined a broad package of pillow basalts and intercalated basaltic sediments, flanked to the west by a discontinuous gabbro unit and regionally extensive doleritic sequence. The basaltic units are extensively intruded by quartz-feldspar-biotite porphyritic felsic intrusives.

Gold mineralization at the Boulder and Agouti prospects is associated with strongly foliated or mylonitized, quartz/quartz-carbonate veined basalt and the margins of the felsic intrusives. Generally lower grade mineralization occurs internal to the felsic intrusives where they are brecciated or extensively veined. The highest gold grades generally correlate with the intersection of NNE and NW-trending structures. Mineralization occurs as free gold within a network of milky white quartz veinsand associated with foliation or quartz/quartz-carbonate vein-controlled pyrite and minor pyrrhotite.

1.5 Exploration and Drilling

Exploration at the Séguéla Gold Project has been undertaken by Randgold (pre-2012), Apollo (2012–2016), Newcrest (2016–2017) and Roxgold (2019 onwards).

This previous exploration activities included construction of a 40-person exploration camp and core storage/logging facilities, geological mapping, purchase and interpretation of aeromagnetic data, soil, trench, and artisanal dump sampling, aircore ("AC") and reverse circulation ("RC") drilling.

As of the effective date of the Séguéla Technical Report, Roxgold has completed 121,272 metres of RC and diamond drilling ("DD") since the acquisition of the Séguéla Project in April 2019 from Newcrest.

Since the acquisition of the project in April 2019, Roxgold has completed reconnaissance AC and RCdrilling at Ancien, Agouti, Boulder, Bouti, Elephant, Folly, P1, P3, Kwenko West, Gabbro, Porphyry, Rollier, Sunbird and resource definition (RC and DD) drilling at the Antenna, Ancien, Agouti, Boulder,and Koula deposits. Xcalibur Airborne Geophysics Pty Ltd of South Africa conducted an aeromagneticsurvey across the project in December 2019 and January 2020, with the results used to further enhance the prospectivity mapping and structural understanding of the mineralization controls.

At the time of Roxgold's acquisition in April 2019, 28 prospects were identified from historic geochemistry and geophysical surveys with exploration activities actively testing 6 of these in 2019.Exploration activities including geological mapping, collection and interpretation of aeromagnetic data, soil, trench and artisanal dump sampling, AC, RC, DD and RC with a diamond core tail drilling are continuing to advance the remaining prospects, with ongoing exploration and target generation activities continually identifying additional prospects such that at least 30 targets require additionalfollow-up exploration.

1.6 Sampling, Analysis and Data Verification

A qualified person who authored the Séguéla Technical Report verified the data disclosed therein, which, among other things, underpins the disclosure of the Mineral Resource estimate contained in the Séguéla Technical Report and is of the opinion that data collection and verification procedures adequately support the integrity of the database. Verification was made through the on-site assessment of the data collection facilities at Séguéla, discussions held with the geologists responsible for monitoring of the drilling activities, review of sampling and data capture procedures, discussions with the data management staff responsible for the integrity of the digitally stored data, and validation of the relational database supplied for use in Mineral Resource estimation.

1.7 Mineral Processing and Metallurgical Testing

Previous owner, Newcrest, conducted a round of Leachwell assay test work on 61 samples from drillhole SGDD001 in 2018. Comparison of the Leachwell tests to fire assays for the samples set (four-hour bottle roll used for leach testing of a nominal 1 kg sample) demonstrated a near 1:1 correlationof results. This was used to conclude that the material is non-refractory, and therefore amenable to standard carbon-in-leach ("CIL") treatment for extraction.

Roxgold supervised the metallurgical testing work completed by ALS Metallurgy assay lab in Perth, Australia on representative samples from the Antenna, Agouti, Boulder, Ancien, and Koula deposits in 2019 to 2021. Five test work programs were performed: (1) A19864 conducted between April and June 2019; (2) A20661 conducted between December 2019 and January 2020; (3) A20721 conductedbetween February and July 2020; (4) A21926 conducted between January and February 2021; and (5)A21707 conducted also between January and February 2021.

As the Antenna deposit hosts the majority of the Séguéla Gold Project's Mineral Resource and it forms the majority of mill feed ore projected to be utilized in the feasibility study, it was examined more comprehensively and represents the basis for the mineral processing design criteria. Satellite deposits in the form of Agouti, Boulder, Ancien and Koula were also tested throughout the five programs forconfirmation purposes. Test work included comminution test work, head assays, mineralogical analysis, grind establishment test work, gravity gold recovery and cyanide leach test work, flotationtest work, carbon adsorption test work, oxygen uptake test work, preg-robbing test work, cyanide detox test work, sedimentation and rheology test work, and acid mine drainage test work.

Samples tested were reasonably competent with average Bond Rod and Ball Mill Work Indices of 21.8kWh/t and 19.7 kWh/t respectively, being amenable to a simple comminution circuit design.

The test work showed that leaching is substantially complete within 24 hours and there is no apparent preg-robbing or refractory characteristics in the ores tested. Furthermore, it showed a fast-initial leaching rate with more than 80% of the stage extraction completed within the first 2 hours of cyanidation. The highest gold recovery was achieved for tests incorporating gravity recovery and elevated dissolved oxygen levels for the duration of the leach.

The ore tested across all deposits exhibited a degree of grind sensitivity with an optimal grind size of75 micron being confirmed for all extraction test work. The results of that program, were very encouraging, indicating free milling of the ore with good leach kinetics and overall recoveries averaging 94.5%.

As such, based on the test work to date, a flowsheet featuring single stage SAG grinding followed bygravity concentration and cyanidation of the gravity tailings has been adopted. Roxgold believes thatwith the process plant and recovery methods described in the Séguéla Technical Report, an averageproject gold recovery of 94.5% at the life-of-mine average grade of 2.8 g/t. can be expected.

1.8 Mineral Resource Estimates

Roxgold has completed Mineral Resource estimates for the Antenna, Ancien, Agouti, Boulder and Koula deposits based on the drill hole data available to 31 March 2021. The reported Koula MineralResource is an update to the maiden Inferred Mineral Resource reported on November 30, 2020. Nochanges are reported for the Antenna, Agouti, Boulder and Ancien deposit Mineral Resources reported on November 30, 2020.

Table 1: Séguéla Mineral Resource Statement Summary

Séguéla Mineral Resource effective as at 31 March 2021

	Measured			**Indicated**			**Measured & Indicated**			**Inferred**		
	Tonnes (Mt)	Grade (g/tAu)	Metal (000 oz)	Tonnes (Mt)	Grade (g/tAu)	Metal (000 oz)	Tonnes (Mt)	Grade (g/tAu)	Metal (000 oz)	Tonnes (Mt)	Grade (g/tAu)	Metal (000 oz)
Antenna	-	-	-	8.2	2.2	586	8.2	2.2	586	1.1	1.9	69
Ancien	-	-	-	1.4	5.4	250	1.4	5.4	250	0.0	10.6	11
Agouti	-	-	-	1.4	2.4	111	1.4	2.4	111	0.1	1.8	6
Boulder	-	-	-	1.7	1.7	97	1.7	1.7	97	0.1	1.2	3
Koula	-	-	-	1.2	7.4	285	1.2	7.4	285	0.2	3.0	14
Total	**-**	**-**	**-**	**14.0**	**3.0**	**1,328**	**14.0**	**3.0**	**1,328**	**1.5**	**2.2**	**104**

Notes:
(1) Mineral Resources are reported in accordance with NI 43-101 with an effective date of 31 March 2021, for the Séguéla Gold Project.
(2) The Séguéla Mineral Resources are reported on a 100% basis at a gold grade cut-off of 0.3g/t Au for Antenna and 0.5g/t gold ("Au") for the satellite deposits, based on a gold price of $1,700/ounce and constrained to MII preliminary pit shells.
(3) The identified Mineral Resources in the block model are classified according to the "CIM" definitions for the Measured, Indicated,and Inferred categories. The Mineral Resources are reported in situ without modifying factors applied.
(4) The Séguéla Mineral Resource Statement was prepared under the supervision of Mr. Hans Andersen, Senior Resource Geologistat Roxgold Inc. Mr. Andersen is a Qualified Person as defined in NI 43-101.
(5) All figures have been rounded to reflect the relative accuracy of the estimates and totals may not add due to rounding.
(6) Mineral Resources that are not Mineral Reserves do not necessarily demonstrate economic viability.
(7) Mineral Resources are reported inclusive of Mineral Reserves
(8) The Séguéla Gold Project is subject to a 10% carried interest held by the government of Cote d'Ivoire

Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability. Theestimate of Mineral Resources may be materially affected by environmental, permitting, legal, title,taxation, socio-political, marketing or other relevant issues.

The Mineral Resource estimate incorporates data from all RC and DD holes to date comprising 125,510 metres in 910 drillholes targeting Antenna, Ancien, Agouti, Boulder, and Koula. A total of 216 RC andDD drill holes (32,263 metres) define the Antenna deposit on a drill hole spacing that ranges from 20metres to 100 metres apart along a strike extent of 1,700 metres. A total of 144 RC and DD drill holes(24,877 metres) define the Ancien deposit on a drill hole spacing that ranges from 25 metres to 50 metres apart along a strike extent of 500 metres, which remains open along strike to the south and atdepth. A total of 145 RC and DD drill holes (23,397 metres) define the Koula deposit on a drill hole spacing that ranges from 25 metres to 100 metres apart along a strike extent of 600 metres. The Koula deposit remains open along strike to the south and at depth, similar to the Ancien deposit.

The Agouti deposit covers three main zones defined by a total of 216 RC and DD holes (23,208 metres) on a drill hole spacing that ranges from 25 metres to 50 metres apart along a strike extent of 1.3 kilometres. The Boulder deposit is defined by a total of 189 RC and DD holes (21,765 metres) on a drill hole spacing that ranges from 25 metres to 50 metres apart along a strike extent of 1.1 kilometres. Both the Boulder and Agouti deposits remain open along strike and depth.

The Ancien, Agouti, Boulder and Koula Mineral Resource models were developed using Leapfrog Geo and Micromine software. Antenna's Mineral Resource model was developed using Geovia's Surpac software. All gold assays from drillholes were composited to 1.0-meter intervals within the mineralised wireframes at Antenna, Agouti, Ancien, Boulder and Koula deposits. Top-cuts were applied to individual domains based on the analysis of gold grade outliers within the statistical datapopulations and ranged between 1.5 g/t to 80.0 g/t Au.

Geostatistical exploratory data analysis, variogram modelling and Mineral Resource model validation was conducted using Snowden Supervisor software.

The Mineral Resource model gold grades were estimated using a combination of Ordinary Kriging and Inverse Distance methods using a multiple pass approach to inform the mineral resource model. Thegrade estimates are validated visually by sectional comparison and through statistical approaches that encompass traditional validation methods, such as Swath plots comparing composite and block model values for each deposit.

Mineral resource models and drill hole data at the Séguéla Project utilise the WGS84 (Zone 29N) coordinate system. Block model parameters are shown in Table 85 and the list of attributes within the models are shown in Table 86. The Antenna block model used a parent cell size of 5 m x 10 m x 5 m(XYZ) with standard sub-celling to 1.25 m x 2.5 m x 1.25 m, while the satellite deposits used a parentcell ranging between 5-25 m in the respective XYZ axis to provide sufficient volume resolution to themodelled mineralisation lodes.

Density values were assigned to the Mineral Resource models based on ascribed oxidisation state and lithological unit, with mineralisation being assigned the density of its predominant host. A density of 1.2 to 1.8 t/m3 was assigned to transported and alluvial sediments, with a range of 1.8 to 2.2 t/m3 assigned to the oxidised weathered profile and a range of 2.67 to 3.20 t/m3 assigned to fresh rock lithologies.

On 31 March 2021, Séguéla Mineral Resources were reported constrained by preliminary pit optimisations generated in Micromine to satisfy the definition of Mineral Resources having reasonable prospects for eventual economic extraction, and are based on the following parameters:

- Assumed gold price of $1,700 per troy ounce
- Assumed mining recovery of 90% and mining dilution of 10%
- Assumed processing recovery of 94.5%
- Overall slope angle of 52° to 58° for Antenna, 54° for Agouti, 55° for Ancien, 54° to 57° for Koula and 57° for Boulder
- Assumed mining costs of $1.97 per tonne for Antenna and $2.28 per tonne for the satellite deposits
- Assumed total processing costs (including G&A) of $21.64 per tonne
- Assumed total selling costs (includes state and third-party royalties) of $121.60/oz

The Mineral Resource models were classified into Indicated and Inferred Mineral Resource categories based on analysis of the following criteria; number of samples informing the estimate, sample spacing, average sample distance, kriging efficiency and slope of regression outputs, drill hole and sample QAQC thresholds and geological confidence in modelled interpretations, grade continuity and level of geological understanding at each deposit.

1.9 Mineral Reserves Estimates

The Mineral Reserve estimate was prepared as of 31 March 2021 and is consistent with the CIM Definition Standards for Mineral Resources and Mineral Reserves reporting. The Mineral Reserve estimate is stated at a $1,500 per ounce gold price and based on the Mineral Resource block models.

Mineral Reserves for the Séguéla Gold Project are based on conversion of Indicated Mineral Resources to Probable Mineral Reserves within the final pit designs constrained to an ultimate pit shell generated from open pit optimizations at a $1,500 per ounce gold price with the incorporation of appropriate mining recovery and mining dilution estimations. No Measured Mineral Resources that would have been converted to Proven Mineral Reserves were part of the Mineral Resource model for any of thedeposits. Inferred Mineral Resources were not included in the Mineral Reserves estimate. Where Inferred Mineral Resources existed within the final pit design, they were assigned a null Au grade andwas classified as waste in the pit optimisation process.

Table 2 summarizes the open pit Mineral Reserve estimate for the Séguéla Gold Project that includesthe Antenna, Koula, Ancien, Agouti and Boulder deposits.

Table 2: Séguéla Mineral Reserves Estimate Summary

Séguéla Mineral Reserve effective as of 31 March 2021

	Proven			Probable			Proven + Probable		
	Tonnes (Mt)	Grade (g/t Au)	Metal (000 oz)	Tonnes (Mt)	Grade (g/t Au)	Metal (000 oz)	Tonnes (Mt)	Grade (g/t Au)	Metal (000 oz)
Antenna	-	-	-	7.2	2.1	482	7.2	2.1	482
Koula	-	-	-	1.2	6.5	243	1.2	6.5	243
Ancien	-	-	-	1.3	4.9	211	1.3	4.9	211
Agouti	-	-	-	1.2	2.2	88	1.2	2.2	88
Boulder	-	-	-	1.1	1.8	64	1.1	1.8	64
Total	**-**	**-**	**-**	**12.1**	**2.8**	**1,088**	**12.1**	**2.8**	**1,088**

Notes:

1. Mineral Reserves are reported in accordance with NI 43-101 with an effective date of 31 March 2021, for Séguéla.
2. The Séguéla Mineral Reserves are reported on a 100% basis at an incremental gold grade cut-off of 0.54 g/t Au for Antenna, 0.55 g/t Au for Agouti, 0.55 g/t Au for Boulder, 0.56 g/t Au for Koula and 0.56 g/t Au for Ancien deposits based on a gold price of $1,500/ounce, constrained to optimization pit shells and only Proven and Probable categories reported within the final pit designs.
3. The Mineral Reserves pit design were completed based on overall slope angle recommendations of between 37° and 57° for Antenna, Koula and Agouti deposits from oxide to fresh weathering profiles, between 34° and 56° for Ancien deposit from oxide to fresh weathering profiles and 37° and 60° for Boulder deposit from oxide to fresh weathering profiles.
4. The Mineral Reserves are reported with modifying factors of 15% mining dilution and 90% Mining recovery applied.
5. Mineral Reserves reported based on each open pit deposit demonstrating economic viability.
6. The identified Mineral Reserves in the block model are classified according to the "CIM" definitions for the Proven and Probable categories.
7. The Séguéla Mineral Reserves Statement was prepared under the supervision of Mr. Shane McLeay, Principal Mining Engineer at Entech Pty Ltd. Mr. McLeay is a Qualified Person as defined in NI 43-101.
8. All figures have been rounded to reflect the relative accuracy of the estimates and totals may not add due to rounding.
9. The Séguéla Gold Project is subject to a 10% carried interest held by the government of Cote d'Ivoire.

Roxgold is not aware of any known environmental, permitting, legal, title, taxation, socio-economic,marketing, political, or other relevant issues that could potentially affect this Mineral Reserve estimate. The reported Mineral Reserve may be affected by future study assessments of mining, processing, environmental, permitting, taxation, socio-economic and other factors.

1.10 Mining Methods

A geotechnical study was completed on the Séguéla Gold Project by Entech. The study provided details on pit slope recommendations for the different weathering zones, material type and orientations foreach deposit of the Séguéla Gold Project. Outcomes and recommendations from the study translated into inputs for the open pit optimization and mine design phases.

Input mining unit rates for open pit optimization was generated from two cost models built up fromfirst principles, a contractor cost model generated from reputable West African Mining Contractorsrequest for quotation ("RFQ") submissions, and an owner operator cost model generated by Entechutilising their West African database and benchmarked against contractors RFQ submissions.

Mine designs were generated for each deposit utilising the selected optimum pit shells as a guide incorporating geotechnical parameters, minimum mining dimensions and mining equipment considerations. Designs included bench by bench convention and ramps from the crest to the bottom of the pit with waste dumps designed adjacent to the planned open pit voids to minimise haulage distances.

The Séguéla Gold Project will consist of the simultaneous exploitation of the Antenna deposit and thesatellite deposits at Koula, Ancien, Agouti, and Boulder. The overall strategy is to have production from these satellite deposits complement the production from Antenna.

A conventional open pit mining method will be utilized for the Séguéla Gold Project with no free digging assumed for any of the weathering zones. All material will be mined via drilling and blastingactivities, followed by conventional truck and shovel operations within the pits for movements of oreand waste material. Mining of benches is proposed using 5.0 m benches done in two 2.5 m flitches.

Mining operations will occur year-round with Roxgold engaging a mining contractor for initial operations, before switching to an owner mining arrangement after 3.5 years. A common pool of equipment will be used and scheduled across all active pits so that movement between the pits is minimized and consumables and spare parts are shared within the fleet.

A total of fourteen mining stages were designed and scheduled for the Séguéla Gold Project, consisting of individual pits or pit stages within a final pit design. Consideration for pit stages was for planning and scheduling practicality purposes. The schedule utilizes the pit and phase designs and stockpiling strategy to fill the mill at 1.25 million tonnes per annum ("Mtpa") initially and then increasing to 1.57Mtpa in year 3.

The mine schedule delivers 12.1 Mt of ore grading 2.8g/t gold to the mill over a nine-year mine life,including three months of pre-production.

1.11 Processing and Recovery Operations

The feasibility study in the Séguéla Technical Report contemplates a single stage primary crush/SAGmilling comminution circuit where the ore will be drawn from the ROM bin via an apron feeder, scalped via a vibrating grizzly with the undersize reporting directly to the discharge conveyor and theoversize reporting to a primary jaw crusher for further size reduction. All crushed and scalped material will by conveyed to a surge bin. Crushed ore and water will be fed to the mill.

The mill will operate in closed circuit with hydrocyclones, with cyclone underflow reporting to the mill feed. A portion of the cyclone underflow slurry will be fed to the gravity circuit for recovery of gravitygold. The gravity concentrator tailings will flow to the cyclone feed hopper, while the gravity concentrate will report to an intensive leach circuit. Gold in solution will be recovered in a dedicatedelectrowinning system.

Screened cyclone overflow will be thickened prior to the CIL circuit. Loaded carbon drawn from the CIL circuit will be stripped by the split AARL method. The resultant gold in solution will be recoveredby electrowinning. Recovered gold from the cathodes will be filtered, dried, and smelted in a furnaceto doré bars.

The feasibility study assumes a forecast gold recovery rate of 94.5% for the life of the production plan. A gold price of $1,600/oz based on analyst consensus was used for the economic analysis.

The Séguéla Gold Project is expected to produce gold doré which is readily marketable on an 'ex- works' or 'delivered' basis to several refineries in Europe and Africa. There are no indications of the presence of penalty elements that may impact the price or render the product unsalable.

Payment terms are widely available in the public domain and vary little from refinery to refinery.

1.12 Infrastructure, Permitting and Compliance Activities

The tailings system will comprise of two parallel tailings lines and associated tailings pumps. The tailings storage facility ("**TSF**") will comprise a side-valley storage formed by two multi-zoned earth-fill embankments, designed to accommodate 13.0 Mt of tailings, and built utilising the downstream construction methodology. The TSF will be designed to comply to ANCOLD (2019) guidelines and willinclude a HDPE geomembrane liner.

A water storage dam supplied with runoff water, mine dewatering and underground water will be the main collection and storage pond for clean raw and process water.

The envisioned power supply is through a connection to the Côte d'Ivoire electricity grid by a 2,400 mtee into the 90kV powerline from the Laboa to Séguéla substation. The Séguéla substation is fed via an existing 90kV transmission line from the 225/90kV Laboa substation. The Laboa substation is partof a 225kV ring main system around the country where various sources of generation are connectedand, being a large ring main, offers a great deal of redundancy at 225kV. The grid supply from Côte d'Ivoire is, by world standards, economically priced and much more financially favourable than otheroptions including self-generation as the tariff is based on a mix of hydro and thermal generation witha large portion of hydro.

The Séguéla Gold Project's peak total greenhouse gas ("GHG") emissions is projected at 67,676 tCO2e. Based on fuel and energy consumption and the total production of gold, the Séguéla Gold Project's energy and GHG emission intensities are estimated at 4.39 GJ/oz and 0.58 tCO2e/oz, respectively.

The primary environmental approval required to develop the Séguéla Gold Project is decreed by theIvorian Environment Minister and is necessary for the issuance of the mining license. Roxgold has contracted the consulting firm CECAF to undertake the project baseline studies and compile the environmental and social impact assessment ("ESIA") required to obtain the environmental decree.The ESIA identifies the potential social and environmental impacts of the development of the projectand proposed mitigation measures. Part of the ESIA, a conceptual resettlement action plan has beendeveloped for any physical or economic displacement of people or communities as a result of the project's development as well as a conceptual mine closure plan.

Following environmental and social studies, public consultations, and governmental examination, the ESIA for the Séguéla Gold Project has been approved by the Ministry of Environment and SustainableDevelopment by decree signed on September 22, 2020 (Decree No.00261 dated September 22, 2020, on ESIA approbation for the exploitation of a gold mine in Séguéla department). This decree allows the project to be built and exploited in accordance to the conditions listed into the environmental permit application file and the decree.

Currently, there is no permanent artisanal ("ASM") settlement on the identified deposits or nearby,with the presence of only few hundred ASM miners from time to time in the project area. The ASM activities can be characterized as being unauthorized, dispersed, intermittent and not mechanized for the exploitation of the deposits. Because of the implementation of a stakeholder management plan ensuring a good relationship between the company and the local authorities, village leaders,landowners, plus regular monitoring of the land occupancy on the exploration sites and the intervention of the authorities to avoid the establishment of organized ASM, the ASM activities in theproject area can be qualified as being controlled.

The conceptual closure plan presented in the ESIA assumes the mine areas will be reclaimed to a safe and environmentally sound condition consistent with closure commitments developed in compliance with the national practices and regulations, and consistent with IFC and other guidelines.

At the end of 2020, in addition of the Environmental Permit, the Exploitation Permit was granted bythe Council of Ministers on December 9, 2020, and signed as a decree by the President of Côte d'Ivoire (Decree No.2020-960 dated December 9, 2020 on gold exploitation permit in Séguéla department).This permit covers an area of 353.6 km2 and is valid for 10 years, with opportunities to renew as further growth and expansion is proven.

1.13 Capital and Operating Costs

The capital required to develop Séguéla Gold Project is estimated to be $142 million (including $8 million contingency) with an additional $173 million of sustaining capital and $11 million of closure costs over the nine-year mine life. The mining pre-production capital relates to mining activities, plant and infrastructure construction activities and owners team assembly prior to first material being delivered to the processing facility, where 315,000 tonnes of ore and 625,000 tonnes of waste are mined in order to establish a reasonable stockpile ahead of processing operations commencing. All contractor mobilization and setup costs are included in the pre-production capital allowance.

The processing plant capital relates to a facility with a nominal hard rock throughput of 1.25 Mtpa and compliant with other key process design criteria summarized in Section 17. The capital cost estimateis based on a fixed sum engineering, procurement and construction (“EPC”) implementation approach and horizontal (discipline based) construction contract packaging. The EPC costs originate from a firmprice from a reputable, experienced EPC contractor selected via a competitive tendering process. These costs include the procurement of equipment, materials and services to construct the completeprocess plant on a fixed cost basis as defined by the EPC scope of work.

The infrastructure pre-production cost includes site roads, utilities, buildings, mobile equipment, electrical distribution, tailings management facility, and water storage dam. The sustainability pre- production cost includes land compensation, livelihood restoration, and COVID-19 management andmedical expenses.

Operating costs, which includes mining, processing, general and administrative costs, royalties and refining costs totals $652 per payable ounce of gold sold over the nine-year operating plan in the feasibility study. AISC, which includes sustaining capital, reclamation, and corporate general and administration totals $832 per payable ounce of gold sold over the nine-year operating plan in the feasibility study.

1.14 Economic Analysis

The Séguéla Gold Project has been evaluated on a discounted cash flow basis. The results of the feasibility study analysis show the project to be economically very robust. The pre-tax net present value with a 5% discount rate (NPV5%) is $455 million and with an IRR of 53% using a base gold priceof $1,600/oz. The economic analysis assumes that Roxgold will provide all development funding via inter-company loans to the mine operating entity, which will be repaid with interest from future gold sales. On this basis, over the nine-year operating mine plan outlined in the feasibility study, Roxgold’s90% interest in the project is expected to provide an after-tax NPV5% of $380 million and an IRR of 49% at a gold price of $1,600/oz.

Payback period is expected to be 1.7-years at a gold price of $1,600/oz. Payback period is defined asthe time after process plant start-up that is required to recover the initial expenditures incurred developing the Séguéla Gold Project.

Like most gold mining projects the key economic indicators of NPV5% and IRR are most sensitive tochanges in gold price. A $200/oz reduction in the gold price would reduce Roxgold’s after-tax NPV5%by $109 million and reduce the IRR by 11%. A $200/oz increase in the gold price would increase Roxgold’s NPV5% by $98 million and increase the IRR by 15%.

The cash flow analysis has been prepared on a constant 2021 US dollar basis. No inflation or escalation of revenue or costs has been incorporated.

1.15 Conclusions and Recommendations

Roxgold, in collaboration with independent consultants, has prepared a DFS which confirms the continued economic viability of the Séguéla based on Mineral Reserves. This Technical Report provides a summary of the results and findings from each major area of investigation to a level that is considered to be consistent with that normally expected with feasibility studies for resource development projects. The financial analysis performed from the results of this study demonstratesthe robust economic viability of the proposed Séguéla Project using the base case assumptions considered.

Analysis of the results of the investigations has identified a series of risks and opportunities associated with each of the technical aspects considered for the development of the proposed project.

The key risks include:

- Environmental, permitting, legal, title, taxation, socio-economic, marketing, and political orother relevant issues could potentially materially affect access, title, or the right or ability toperform the work recommended in this Technical Report on the Séguéla Property. However,at the time of this report, the Authors are unaware of any such potential issues affecting theSéguéla Property and work programs recommended in this Technical Report;
- The targeted mineralisation type may not be discovered or if discovered it may not be of sufficient grade and/or tonnage to warrant commercial exploitation;
- Changes to metal price assumptions;
- Changes to the technical inputs used to estimate gold content (e.g. bulk density estimation,grade interpolation methodology);
- Geological interpretation (e.g. dykes and structural offsets such as faults and shear zones);
- Changes to geotechnical, hydrogeological, and mining assumptions, including the minimummining thickness; or the application of alternative mining methods;
- Changes to process plant recovery estimates if the metallurgical recovery in certain domainsis lesser or greater than currently assumed;
- The main risks to the project phase are cost and schedule overrun of construction and commissioning activities. Associated with these risks are geotechnical ground conditions thatcould force relocation of certain infrastructure with potential impact on cost and construction schedule;
- The cost and availability of construction materials for the mining operation;
- The design is based on an average tailings beach slope of 0.8% (125H:1V). However, the beach slope is heavily dependent on the grind size and the ore blend. Thus, small changes in plantperformance or design, ore type, or the ore blend have the potential to change the tailings beach slope, and therefore dam capacity;
- The staged TSF embankment crest elevations are based on assumed tailings characteristics and throughput. Changes in these characteristics and/or throughput will result in changes inthe achieved densities in the TSF;
- Any changes to the life of Mine Plan or throughput will impact upon the tailings management requirements for the site. Any significant increases in total throughput may require an expansion review of the current TSF (in particular, the proximity to the plant site) and reconsideration of the closure plan;
- There is a low risk that water seepage from the tailings storage facility may contaminate ground water. This risk is mitigated with the use of an HDPE liner, which the DFS contemplates;
- The availability and reliability of grid power supply presents a risk. Permitting and delivery ofthe proposed grid connection may force extending the use of diesel generation longer thananticipated with an impact on power costs;
- The nearby communities have expectations relating to job creation, community development and improvement in services and infrastructure. Meeting these expectations and minimizingimpacts to regional infrastructure and community livelihood is a challenge resulting in possible dissatisfaction with Roxgold and the associated risks of community action against the projectand loss of social license to operate; and
- Endemic diseases will be monitored, with a malaria management plan in place to control standing water and mosquito populations. A COVID-19 management plan will be put in placeto prevent a virus outbreak on site and to manage the situation should one occur.

The key opportunities include:

- The Séguéla Property covers the entire greenstone belt exposure which hosts the Antenna, Ancien, Agouti, Boulder and Koula deposits, which is considered to be a strike continuation ofthe Senoufo greenstone belt which also hosts the Sissingue, Syama and Tongon gold deposits. The Séguéla Project is still under active exploration with potential for expansion of known gold deposits, the advancement of known prospects to drill stage (such as Sunbird), and the discovery of new prospects. These targets have the potential to increase the Mineral Resource base and enhance the potential economics of the Séguéla Project by adding additional ounces;
- Further optimisations of the mining strategy may result in operating cost savings as well as optimized mine designs and scheduling resulting in a reduction in stripping ratio and overall project waste movement requirements;
- Optimisation on the open pit and underground mining transition of the Koula and Ancien deposits. Optimal transition point from open pit to underground, lifting the pit floor up, reducing strip ratio and waste movement yielding an increase in the overall project NPV;
- Optimisation in geotechnical pit slope angles for mine design improvements and reduction in the overall strip ratio;
- Improvements in mining operating cost through commercial negotiations with preferred contractors may result in a lower mining cost;
- Throughout the next engineering phases of the project, the optimisation of the plant throughput and/or opportunities to cost effectively increase plant throughput or allow for future expansion will be considered;
- There is the opportunity to maximize the benefit of this project for local communities as an opportunity for social and economic development including social infrastructures, professional skills and all the other aspects of the Sustainability Development Goals ("SDGs")where possible;
- A good working relationship with local government, state services, traditional authorities, communities and other stakeholders such as the artisanal miners, is in place due to the quality of the early stakeholder's engagement at the project. The opportunity to strengthen these existing relationships will help mitigate the risks of project delays due to unmet expectationsamongst the community and other stakeholders; and
- The area is favourable to project development without legally protected and internationally recognised biodiversity areas and mostly modified natural habitats mixed with agriculture, no traditional sites, low population density, plus no established villages within the project's footprint.

Analysis of the results and findings from each major area of investigation suggests several recommendations for further investigations to mitigate risks and improve the base case designs to be considered during the operation of the project. Each recommendation is not contingent on the results of other recommendations and can be completed in a single phase, concurrently. A summary of therecommendations as provided is as follows:

- Additional Mineral Resource definition drilling (infill and extension) where applicable, to upgrade the Mineral Resource classification to Indicated and extend the known Mineral Resources;
- Review and re-rank existing regional exploration results and targets followed by selective drill testing of those proximal to the defined Mineral Resource estimates;
- Further extension and infill drilling of the down-plunge projections of high grade mineralization beyond the presently defined open pit limits in support of underground mining potential. If successful, this work should also consider trade-off studies to further optimise the final pit depths and the potential to mine current open pit ore via an underground operation;
- Detailed structural analysis of the Antenna, Ancien, Agouti, Boulder and Koula deposits, based on high-quality oriented drill core, with a view to developing exploration models for analogue or related systems elsewhere within the Project;
- Roxgold intends to continue with the systematic approach to the exploration and development of the Séguéla Project. Roxgold has budgeted for ongoing exploration, with approximately $5.4 million allocated for 2021, and will proceed with the recommended workas planned, with any future work to be planned contingent upon the results of this initial phase;

- Finalization of the ground improvement requirements for critical structures at the process plant;
- Investigate the potential for closer sources of construction materials, namely competent fill,sand and rock (aggregate) supply to minimise importation costs;
- Carbon adsorption modelling for various combinations of carbon movement rates and concentration profiles should be considered. The test results from the DFS indicates that gold adsorption is below average for this slurry which was unexpected given the 'clean' nature ofthe ores. Confirmatory test work is recommended but not essential as the impact on the CIL /elution circuit design will be modest;
- Undertake more comprehensive test work for silver and explore the economics to recover silver in the process plant;
- An optimization study of the mining strategy, open pit to underground mining transition, and geotechnical pit slope angles to reduce strip ratio and waste movement yielding an increasein the overall project NPV. This study should be conducted in the next phase of engineeringinvestigation in 2021 (approximately $530,000);
- Tender the major construction (e.g. bulk earthworks, grid connection) and mining contractsto more accurately define the project costs and economics;
- Continuing climate data collection on site to establish variation between project site and other long-term monitoring data sources;
- Continue to engage effectively with all the stakeholders as the project develops including those concerned by the impacts on the regional infrastructures;
- Further studies to investigate the impacts of the project on water quality and the long-termpotential impacts of the tailings storage facility on surface and ground water quality;
- Locate additional air quality and noise monitoring points at the boundary between the newproject infrastructure and the closest villages to provide a more robust baseline; and
- Consider the cover designs or dust suppression systems for the waste rock dumps and tailings facilities to minimize the generation of windblown dust from the surface of these facilities.

[End of Extract of Summary from Séguéla Technical Report]

Exploration Work Subsequent to the *Séguéla* Technical Report

Séguéla Project Exploration Results 2021

On September 7, 2021, the Company announced the results of extension and scout drilling at the Séguéla Project which has established continuity of high-grade mineralization at the Koula deposit, the Sunbird prospect and the Gabbro North prospect.

Koula Deposit: A combined 7,115-meter, 24-hole Hanging Wall (HW) and Main Zone drill program continued to advance the high-grade Koula deposit with step-out drilling intersecting a new zone of hanging wall mineralization as well as infilling the extension of the high-grade Koula structure. Highlights of the step-out drilling include:

- **SGRD1217:** 28.8 g/t Au over 7 meters from 80 meters (Hanging wall lode)
- **SGRD1209:** 19.8 g/t Au over 11 meters from 124 meters, including 83.3 g/t Au over 3 meters from 128 meters (Hanging wall lode)
- **SGDD085:** 6.1 g/t Au over 18 meters from 246 meters (Central lode)

Sunbird Prospect: A 1,774 meter, 11-hole depth extension drilling program extended the mineralized envelope. Highlights of the drilling program include:

- **SGDD089:** 17.2 g/t Au over 30 meters from 142 meters
- **SGDD087:** 2.9 g/t Au over 20 meters from 110 meters
- **SGRC1306**: 2.7 g/t Au over 12 meters from 63 meters

Gabbro North Prospect: A 2,070-meter, 14-hole scout drilling program was conducted to follow up on the previous high-grade results intersected in the first scout drilling phase conducted by Roxgold in the second quarter of 2021. The results provided evidence of further continued high-grade mineralization. Highlights of the scout drilling include:

- **SGRC1236:** 23.0 g/t Au over 4 meters from 109 meters, and 9.2 g/t Au over 5 meters from 117 meters
- **SGRC1239:** 2.5 g/t Au over 5 meters from 17 meters

Please refer to the Company's news release dated September 7, 2021 entitled "*Fortuna intersects 17.2 g/t Au over 30m at Sunbird Prospect, Séguéla, Côte d'Ivoire and 17.9 g/t Au over 5.4m at Galgouli Prospect, Boussoura, Burkina Faso*", for full details.

On December 9, 2021, the Company the announced the results of a 13-hole, 3,059-meter drill program which tested the continuity and tenor of mineralization at depth and along strike to the south. Drilling at depth was designed to test projections of previous high-grade results a further 100 to 150 meters down plunge in the central zone and help refine the understanding of the structural controls. Drilling to the south extended drill defined mineralization a further 50 meters, helping refine the structural controls, with this area remaining open along strike and down-plunge. The geometry and style of mineralization is consistent with that seen at the Koula and Ancien deposits, located 1.5 kilometers and 5 kilometers to the north and south respectively, both of which are hosted in similar structural settings within the same lithology package. Highlights of the drill programme at the Sunbird Prospect included:

- **SGRD1365:** 9.4 g/t gold over an estimated true width of 7 meters from 197 meters
- **SGRD1366:** 17.5 g/t gold over an estimated true width of 6.3 meters from 205 meters
- **SGRD1367:** 14.8 g/t gold over an estimated true width of 1.4 meters from 214 meters and 52.2 g/t gold over an estimated true width of 1.4 meters from 242 meters
- **SGRD1368**: 3.4 g/t gold over an estimated true width of 3.5 meters from 269 meters
- **SGRD1370:** 8.0 g/t gold over an estimated true width of 8.4 meters from 241 meters
- **SGRD1376:** 6.5 g/t gold over an estimated true width of 10.5 meters from 143 meters

Please refer to the Company's news release dated December 9, 2021 entitled "*Fortuna drills 16.5 g/t gold over 6.3 meters at Séguéla and provides exploration update*", for full details.

Séguéla Project Exploration Results 2022

On March 15, 2022, the Company announced a maiden inferred mineral resource estimate for the Sunbird discovery located at the Séguéla Project. It is estimated that the Sunbird deposit contains an inferred mineral resource of 3.4 million tonnes at an average grade of 3.16 g/t gold containing 350,000 gold ounces. The inferred mineral resource does not materially change the existing mineral resource estimate at Séguéla. Please refer to the Company's news release dated March 15, 2022 entitled "*Fortuna announces maiden inferred mineral resource of 350,000 ounces at 3.16 g/t gold at the Sunbird discover at Séguéla, Côte d'Ivoire*", for full details.

On June 7, 2022, the Company provided an update on its exploration program at the Sunbird deposit and on its regional exploration.

Sunbird Deposit: Following the announcement of the inferred resource at Sunbird, a 7,071 meter 20-hole expansion drilling program was completed. Highlights from the drill program include:

- **SGRD1405:** 18.3 g/t gold over an estimated true width of 11.9 meters from 168 meters
- **SGRD1408:** 28.2 g/t gold over an estimated true width of 3.5 meters from 351 meters
- **SGRD1421:** 6.1 g/t gold over an estimated true width of 8.4 meters from 252 meters
- **SGRD1422**: 12.6 g/t gold over an estimated true width of 7.7 meters from 319 meters

Regional exploration continued across the Séguéla Project which included a sampling program at Winy; a 5,008-meter reconnaissance air core drilling program at G7; a 14,204 meter scout air core drilling program at Barana and a 2,451 meter scout RC drilling program at Folly:

Please refer to the Company's news release dated June 7, 2022 entitled "*Fortuna drills 18.3 g/t gold over 11.9 meters at the Séguéla Project Côte d'Ivoire*", for full details of the exploration at the Sunbird deposit and the regional exploration program.

On September 12, 2022, the Company provided an update on its exploration program at the Séguéla Project as follows:

Sunbird Deposit: A 15-hole, 5,093-meter drill program was completed which results extended the mineralized footprint at Sunbird. Highlights from the drill program include:

- SGRD1411: 13.6 g/t gold over an estimated true width of 6.3 meters from 332 meters
- SGRD1423: 8.2 g/t gold over an estimated true width of 4.9 meters from 359 meters
- SGDD095: 16.6 g/t gold over an estimated true width of 2.8 meters from 217 meters
- SGDD098: 6.9 g/t gold over an estimated true width of 5.6 meters from 290 meters
- SGDD099: 4.3 g/t gold over an estimated true width of 11.2 meters from 389 meters
- SGDD102: 5.1 g/t gold over an estimated true width of 10.5 meters from 373 meters

Ancien Deposit: A 6-hole, 1,957-meter program was completed at Ancien which was drilled to test the projection of several high grade zones to help improve the structural understanding of the mineralization controls. This program was designed to help support future testing for potential targets and mineralized extensions which may be amenable to underground mining in the future. Highlights include results from drill hole SGRD1432 of 4.1 g/t gold over an estimated true width of 11.9 meters, including 1.4 meters at 23.5 g/t gold and results from drill hole SGRD721 of 3.5 g/t gold over 4.9 meters, including 11.7 g/t gold over 0.7 meters.

Séguéla Regional Exploration: The Company announced reverse circulation and diamond drilling at the Kestrel, G7 and Winy regional exploration targets.

Kestrel Prospect: A 10 hole, 1,137-meter first pass scout RC and DD program identified a new structure associated with strong silica alteration and quartz veining, with highlights over a 100-meter strike length including:

- ***SGRC1456:*** *24.0 g/t gold over an estimated true width of 2.8 meters from 87 meters*
- ***SGRC1452:*** *13.2 g/t gold over an estimated true width of 1.4 meters from 78 meters*
- ***SGRC1451:*** *5.3 g/t gold over an estimated true width of 2.1 meters from 31 meters*
- ***SGDD103:*** *14.3 g/t gold over an estimated true width of 1.4 meters from 36 meters*

G7 Prospect: A follow-up 9-hole 840meter RC program was completed. The program was designed to test the continuity of mineralization associated with extensive surface gold anomalism with drilling results intersecting mineralization over a 200-meter zone which remains open along strike and at depth. True width intersections include 2.2 g/t gold over 6.3 meters from 115 meters in drill hole SGRC1442 and 1.8 g/t gold over 9.1 meters from 38 meters in drill hole SGRC1444.

Winy Prospect: A 19-hole 1,961 meter scout RC program was completed over a 600 meter strike length at Winy, following up on previous air core results (refer to Fortuna news release dated June 7, 2022). Drilling intersected a relatively narrow but continuous silicification zone and associated quartz veining with pyrite, with results including 12.3 g/t gold over 1.4 meters from 26 meters in drill hole SGRC1460 and 14.9 g/t gold over 1.4 meters from 39 meters in drill hole SGRC1461.

Please refer to the Company's news release dated September 12, 2022 entitled "*Fortuna extends mineralization at Sunbird and identities new regional prospects at Séguéla, Côte d'Ivoire*", for full details of the exploration program.

On December 5, 2022, the Company announced that additional exploration drilling at the Sunbird deposit has resulted in an upgraded mineral resource estimate, including a maiden indicated mineral resource of 3.2 million tonnes at an average grade of 2.66 g/t gold containing 279,000 ounces and an inferred mineral resource of 4.2 million tonnes at an average grade of 3.73 g/t gold containing 506,000 ounces as set out in the table below.

Sunbird Mineral Resources

Mineral Resources Measured, Indicated and Inferred				
Property	**Classification**	**Tonnes (000)**	**Au (g/t)**	**Au (koz)**
Sunbird Deposit	Measured	-	-	-
	Indicated	3,260,000	2.66	279,000
	Inferred	4,219,000	3.73	506,000

Notes:

1. Mineral Reserves and Mineral Resources are as defined by the 2014 CIM Definition Standards for Mineral Resources and Mineral Reserves
2. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability
3. Factors that could materially affect the reported Mineral Resources include changes in metal price and exchange rate assumptions; changes in local interpretations of mineralization; changes to assumed metallurgical recoveries, overall slope angles, mining dilution and recovery used to generate the pit design; and assumptions as to the continued ability to access the site, retain mineral and surface rights titles, maintain environmental and other regulatory permits, and maintain the social license to operate at Séguéla
4. Mineral Resources are estimated and reported as of November 21, 2022
5. Mineral Resources are reported in-situ constrained within an optimized pit shell at a cut-off grade of 0.45 g/t Au based on an assumed gold price of $1,700/oz, metallurgical recovery rate of 94.5%, mining cost of $3.04/t, processing and G&A costs of $21.44/t, and refining/selling costs including state and third-party royalties of $113.64/oz Au. The pit design was completed based on overall slope angle of 36. 8° for oxide material, 44.2° for transitional material and 53.3° for fresh material.
6. Matthew Cobb is the Qualified Person responsible for Mineral Resources, being an employee of Roxgold Inc.
7. Totals may not add due to rounding procedures

The indicated mineral resource and increased inferred mineral resource do not materially change the existing mineral reserve and mineral resource estimates at Séguéla. Please refer to the Company's news release dated December 5, 2022 entitled "*Fortuna increases Sunbird Resource and identifies new regional prospects at Séguéla, Côte d'Ivoire*", for full details.

On December 5, 2022, the Company announced the results of regional exploration at the Séguéla Project as follows:

Badior Prospect: A 9-hole, 936-meter reconnaissance reverse circulation (RC) program was completed at Badior, a new prospect identified approximately 7 kilometers north of the Séguéla processing plant. Highlights of the drill program include:

- **SGRC1521**: 11.5 g/t gold over an estimated true width of 15.4 meters from 105 meters
- **SGRC1524:** 12.0 g/t gold over an estimated true width of 8.4 meters from 36 meters
- **SGRC1526:** 4.2 g/t gold over an estimated true width of 9.1 meters from 144 meters

Barana Prospect: A 7-hole, 887-meter reconnaissance RC program was completed at Barana, located approximately 8 kilometers north of the Séguéla processing plant (refer to Figure 4) and 1 kilometer away from the Badior prospect. Highlights of the drill program include:

- **SGRC1531**: 2.3 g/t gold over an estimated true width of 5.6 meters from 86 meters
- **SGRC1533:** 4.1 g/t gold over an estimated true width of 4.9 meters from 64 meter

Kestrel Prospect: Following on from the results of the drill program reported in the Fortuna news release dated September 12, 2022, a 10-hole, 1,262-meter RC program was completed at Kestrel. Highlights from the drill program include:

- **SGRC1536**: 4.2 g/t gold over an estimated true width of 5.6 meters from 159 meters
- **SGRC1537:** 20.3 g/t gold over an estimated true width of 3.5 meters from 164 meters

Please refer to the Company's news release dated December 5, 2022 entitled "*Fortuna increases Sunbird Resource and identifies new regional prospects at Séguéla, Côte d'Ivoire*", for full details of the regional exploration program.

Séguéla Project Exploration Results 2023

On March 13, 2023, the Company announced the first results from 30 holes drilled in the first 4,560 meters completed of a 9,500 meter infill drill program at the Sunbird deposit. Highlights from the infill drill program include:

- **SGRC1572:** 10.6 g/t Au over an estimated true width of 21.7 meters from 60 meters
- **SGRC1570:** 14.9 g/t Au over an estimated true width of 14.0 meters from 65 meters and
  5.4 g/t Au over an estimated true width of 4.2 meters from 38 meters
- **SGRC1566:** 12.0 g/t Au over an estimated true width of 5.6 meters from 28 meters
- **SGRC1576:** 9.9 g/t Au over an estimated true width of 9.8 meters from 163 meters
- **SGRC1568:** 4.1 g/t Au over an estimated true width of 14.7 meters from surface
- **SGRC1573**: 6.6 g/t Au over an estimated true width of 9.1 meters from 126 meters
- **SGRC1564**: 2.5 g/t Au over an estimated true width of 19.6 meters from surface

Please refer to the Company's news release dated March 13, 2023 entitled "*Fortuna reports Sunbird infill drilling results at Séguéla, Côte d'Ivoire*", for full details of the drilling program.

See "*Three Year History and Recent Developments - Mineral Reserve and Mineral Resource Estimates*" herein for further information regarding the Séguéla Project.

SCHEDULE "F"

FORTUNA SILVER MINES INC.
(the "Company")

Audit Committee Charter

PURPOSE

The primary function of the Audit Committee is to assist the Board of Directors of the Company (the "**Board**") in fulfilling its oversight responsibilities by reviewing the financial information to be provided to the shareholders and others, the systems of internal controls and management information systems established by the senior officers of the Company ("**Management**") and the Company's internal and external audit process and monitoring compliance with the Company's legal and regulatory requirements with respect to its financial statements.

The Audit Committee is accountable to the Board. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee is expected to maintain an open communication between the Company's external auditors and the Board.

The Audit Committee does not plan or perform audits or warrant the accuracy or completeness of the Company's financial statements or financial disclosure or compliance with generally accepted accounting procedures as these are the responsibility of Management.

RESPONSIBILITIES

Subject to the powers and duties of the Board, the Board hereby delegates to the Audit Committee the following powers and duties to be performed by the Audit Committee on behalf of and for the Board. Nothing in this Charter is intended to or does confer on any member a higher standard of care or diligence than that which applies to the directors as a whole.

External Auditors

The Audit Committee has primary responsibility for the selection, appointment, dismissal, compensation and oversight of the external auditors, subject to the overall approval of the Board. For this purpose, the Audit Committee may consult with Management.

The external auditors shall report directly to the Audit Committee.

Also, the Audit Committee:

a. recommends to the Board:

    i. whether the current external auditors should be nominated for reappointment for the ensuing year and if applicable, select and recommend a suitable alternative for nomination; and

    ii. the amount of compensation payable to the external auditors;

b. resolves disagreements, if any, between Management and the external auditors regarding financial reporting;

c. provides the Board with such recommendations and reports with respect to the financial statements of the Company as it deems advisable;

d. takes reasonable steps to confirm the independence of the external auditors, including but not limited to pre-approving any non-audit related services provided by the external auditors to the Company or the Company's subsidiaries, if any;

e. confirms that the external auditors are a 'participating audit' firm for the purpose of National Instrument 52-108 *Auditor Oversight* and are in compliance with governing regulations;

f. reviews the plan and scope of the audit to be conducted by the external auditors of the Company;

g. reviews and evaluates the performance of the external auditors; and

h. reviews and approves the Company’s hiring policy regarding partners, employees and former partners and employees of the Company’s present and former external auditors.

Audit and Review Process and Results

The Audit Committee has a duty to receive, review and make any inquiry regarding the completeness, accuracy and presentation of the Company’s financial statements to ensure that the financial statements fairly present the financial position and risks of the organization and that they are prepared in accordance with generally accepted accounting principles. To accomplish this, the Audit Committee:

a. considers the scope and general extent of the external auditors' review, including their engagement letter and major changes to the Company’s auditing and accounting principles and practices;

b. consults with management regarding the sufficiency of the Company's internal system of audit and financial controls, internal audit procedures and results of such audits;

c. ensures the external auditors have full, unrestricted access to required information and have the cooperation of management;

d. reviews with the external auditors the audit process and standards, as well as regulatory or Company-initiated changes in accounting practices and policies and the financial impact thereof, and selection or application of appropriate accounting principles;

e. reviews with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements;

f. reviews the appropriateness and disclosure of any off-balance sheet matters;

g. reviews disclosure of related-party transactions;

h. receives and reviews with the external auditors, the external auditors' audit report and the audited financial statements;

i. makes recommendations to the Board respecting approval of the audited financial statements;

j. meets with the external auditors separately from management to review the integrity of the Company’s financial reporting, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates, any significant disagreements or difficulties in obtaining information, adequacy of internal controls over financial reporting, adequacy of disclosure controls and procedures, and the degree of compliance by the Company with prior recommendations of the external auditors;

k. directs management to implement such changes as the Audit Committee considers appropriate, subject to any required approvals of the Board arising out of the review; and

l. meets at least annually with the external auditors, independent of management, and reports to the Board on such meetings.

Interim Financial Statements

The Audit Committee:

a. reviews and determines the Company's practice with respect to review of interim financial statements by the external auditors;

b. conducts all such reviews and discussions with the external auditors and Management as it deems appropriate; and

c. makes recommendations to the Board respecting approval of the interim financial statements.

Involvement with Management

The Audit Committee has primary responsibility for overseeing the actions of management in all aspects of financial management and reporting. The Audit Committee:

a. reviews the Company’s annual and interim financial statements, Management’s Discussion and Analysis and earnings press releases, if any, before the Company publicly discloses this information;

b. reviews all of the Company’s public disclosure of financial information extracted from the Company's financial statements, if such financial statements have not previously been reviewed by the Committee, prior to such information being made public by the Company and for such purpose, the CFO assumes responsibility for providing the information to the Audit Committee for its review;

c. reviews material financial risks with Management, the plan that Management has implemented to monitor and deal with such risks and the success of Management in following the plan;

d. consults annually and otherwise as required with the Company's CEO and CFO respecting the adequacy of the internal controls over financial reporting and disclosure controls and procedures and reviews any breaches or deficiencies;

e. obtains such certifications of annual and interim filings by the CEO and CFO attesting to internal controls over financial reporting and disclosure controls and procedures as deemed advisable;

f. reviews Management's response to significant written reports and recommendations issued by the external auditors and the extent to which such recommendations have been implemented by Management;

g. reviews with Management the Company's compliance with applicable laws and regulations respecting financial reporting matters, and any proposed regulatory changes and their impact on the Company; and

h. reviews as required with Management and approves disclosure of the Audit Committee Charter, and Audit Committee disclosure required in the Company's Annual Information Form, Information Circular and on the Company's website.

PROCEDURAL MATTERS

The Audit Committee:

a. invites the Company's external auditors, the CFO, and such other persons as deemed appropriate by the Audit Committee to attend meetings of the Audit Committee;

b. reports material decisions and actions of the Audit Committee to the Board, together with such recommendations as the Audit Committee may deem appropriate;

c. has the power to conduct or authorize investigations into any matter within the scope of its responsibilities;

d. has the right to engage independent counsel and other advisors as it determines necessary to carry out its duties and the right to set the compensation for any advisors employed by the Audit Committee;

e. has the right to communicate directly with the CFO and other members of Management who have responsibility for the internal and external audit process, as well as to communicate directly with the internal and external auditors; and

f. pre-approves non-audit services to be performed by the external auditors, in accordance with the provisions of National Instrument 52-110 – Audit Committees ("**NI 52-110**").

COMPOSITION

The Audit Committee is composed of a minimum of three directors, all of whom are independent, subject to any exemptions or relief that may be granted from such requirements under NI 52-110, and have relevant skills and/or experience in the Audit Committee's areas of responsibility as may be required by the securities laws applicable to the Company, including those of any stock exchange on which the Company's securities are traded. No member shall have served as the CEO of the Company, or an affiliate, within the past five years, or as the CFO of the Company, or an affiliate, within the past three years.

The members of the Audit Committee shall not be members of more than three public company audit committees (including the Company), except for a member with a demonstrable financial expertise such as a former CFO, who shall not be a member of more than four audit committees (including the Company).

Appointment of Committee Members and Vacancies

Members of the Audit Committee are appointed or confirmed by the Board annually and hold office at the pleasure of the Board. The Board fills any vacancy on, and may appoint any additional members to, the Audit Committee.

Committee Chair

The Board appoints a Chair for the Audit Committee.

STRUCTURE AND OPERATIONS

Meetings

The Chair of the Audit Committee or the Chair of the Board or any two of its members may call a meeting of the Audit Committee. The Audit Committee meets at least four times each fiscal year, and at such other times during each year as it deems appropriate.

Quorum

A majority of the members appointed to the Audit Committee constitutes a quorum.

Notice of Meetings

The Chair of the Audit Committee arranges to provide notice of the time and place of every meeting in writing (including by electronic means) to each member of the Audit Committee at least two (2) business days prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting constitutes a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. The Chair also ensures that an agenda for the meeting and all required materials for review by the members of the Audit Committee are delivered to the members with sufficient time for their review, or that such requirement is waived.

Absence of Committee Chair

If the Chair of the Audit Committee is not present at any meeting of the Audit Committee, the other members of the Audit Committee will choose a Chair to preside at the meeting.

Secretary of Committee

At each meeting the Audit Committee appoints a secretary who need not be a director of the Company.

Attendance of the Company's Officers at Meetings

The Chair of the Audit Committee or any two members of the Audit Committee may invite one or more officers of the Company to attend any meeting of the Audit Committee.

Delegation

The Audit Committee may, in its discretion and where permitted by NI 52-110, delegate all or a portion of its duties and responsibilities to a subcommittee, management or, to the extent otherwise permitted by applicable plans, laws or regulations, to any other body or individual.

Procedure and Records

Subject to any statute or constating documents of the Company, the Audit Committee determines its own procedures at meetings and may conduct meetings by telephone and keeps records of its proceedings.

COMPLAINTS

The Audit Committee has established a whistle-blower policy as detailed in the Code of Business Conduct and Ethics and Whistle-Blower Policy, which sets out the procedures for:

a. the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

b. the confidential, anonymous submission to the Company of concerns regarding questionable accounting or auditing matters.

The Audit Committee reviews the whistle-blower policy annually.

REPORTING AND ASSESSMENT

The Audit Committee reports to the Board of Directors, and on an annual basis, presents to the Board a Committee Annual Report consisting of the Audit Committee’s review of its charter, the Committee’s and its Chair’s performance over the past year, and any recommendations the Audit Committee makes in respect thereto.

Approved by the Board: March 11, 2021

EXHIBIT 99.2

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FORTUNA
SILVER MINES INC.

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended
December 31, 2022 and 2021

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management of Fortuna Silver Mines Inc. (the "Company") ("we", "us" or "our") have prepared the consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") and the accompanying Management's Discussion and Analysis ("MD&A") and are responsible for their content. The financial information presented in the MD&A is consistent with the information that is contained in the consolidated financial statements. The consolidated financial statements include, where necessary, amounts based on our estimates and judgement.

In order to discharge our responsibility for the integrity of the financial statements, the Company maintains a system of Internal Control over Financial Reporting and Disclosure Controls and Procedures. These controls are designed to provide reasonable assurance that the Company's assets are safeguarded, transactions are executed and recorded in accordance with our authorization, proper records are maintained and relevant and reliable financial information is produced. These controls include maintaining quality standards in the hiring and training of employees, policies and procedures manuals, a corporate code of conduct and ensuring that there is proper accountability for performance within appropriate and well defined areas of responsibility.

The Board of Directors is responsible for overseeing the performance of our responsibilities for financial reporting and internal control over Financial Reporting and Disclosure Controls and Procedures. The Audit Committee, which is composed of non-executive directors, meets with us as well as the external auditors to ensure that we are properly fulfilling our financial reporting responsibilities to the Directors who approve the consolidated financial statements. The external auditors have full and unrestricted access to the Audit Committee to discuss the scope of their audits, and the adequacy of the system of internal controls, and to review financial reporting issues.

The consolidated financial statements have been audited by KPMG LLP, the Company's independent registered public accounting firm, in accordance with the standards of the Public Company Accounting Oversight Board (United States).

/s/ Jorge Ganoza Durant
President and Chief Executive Officer

/s /Luis Ganoza Durant
Chief Financial Officer

Vancouver, Canada
March 15, 2023

KPMG LLP
Chartered Professional Accountants
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada

Telephone (604) 691-3000
Fax (604) 691-3031
Internet www.kpmg.ca

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Fortuna Silver Mines Inc.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Fortuna Silver Mines Inc. (the Company) as of December 31, 2022 and 2021, the related consolidated statements of income (loss), comprehensive income (loss), cash flows, and changes in equity for each of the years in the two-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for each of the years in the two-year period ended December 31, 2022, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission", and our report dated March 15, 2023 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the Audit Committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Assessment of the recoverable amounts of the Yaramoko, Lindero and San Jose cash-generating units

As discussed in Note 8 to the consolidated financial statements, the carrying value of the Company's mineral properties, plant, and equipment was $1,567,622 thousand as of December 31, 2022. As discussed in Note 30 to the consolidated financial statements, the Company determined that the Yaramoko, Lindero and San Jose cash-generating units (CGUs) had indicators of impairment and recorded total impairment expense of $182,842 thousand relating to these CGUs. The recoverable amounts of the respective CGUs are based on the discounted cash flows expected to be derived from the Company's mining properties and represent each CGU's fair value less cost of disposal, using CGU specific assumptions.

We identified the assessment of the recoverable amounts of the Yaramoko, Lindero and San Jose CGUs as a critical audit matter. A high degree of auditor judgment was required to evaluate the inputs used to estimate the recoverable amounts. Significant assumptions used in the determination of the recoverable amounts included the estimated quantities of mineral reserves and mineral resources that form the basis for the life of mine plans, short-term and long-term metal prices, expected future production costs and capital expenditures, and the discount rate applicable to the Lindero CGU. Changes in any of these assumptions could have had a significant effect on the determination of the estimated recoverable amounts.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls over the Company's process to determine the recoverable amounts of the CGUs. This included controls over the Company's development of the significant assumptions used to estimate the recoverable amounts of the Yaramoko, Lindero and San Jose CGUs. We assessed the competence, capabilities and objectivity of the Company's personnel who determined the estimated quantities of mineral reserves and mineral resources that form the basis for the life of mine plans for each respective CGU. We compared the amount of mineral reserves and mineral resources in the discounted cash flow models to the respective life of mine plans and to the mineral reserve and mineral resource estimates. We compared the Company's historical estimates of mineral reserves and resources, life of mine plans and operating results to actual results to assess the accuracy of the Company's forecasting process. We compared expected future production costs and capital expenditures in the discounted cash flow models to the respective life of mine plans and to historical expenditures. We involved valuations professionals with specialized skills and knowledge, who assisted in (1) assessing the short-term and long-term metal prices by comparing to third party data; and (2) evaluating the discount rate applicable to the Lindero CGU by comparing it to an independently calculated range of discount rates using internal and external independent sources.

Inferred resources used in the Caylloma and San Jose life of mine plans

As discussed in Note 8 to the consolidated financial statements, the carrying value of the Company's mineral properties, plant and equipment is $1,567,622 thousand as of December 31, 2022. These amounts include the carrying amounts of the Caylloma and San Jose mines. Estimates of the quantities of the mineral reserves and mineral resources form the basis for the Company's life of mine plans, which are used for the calculation of depletion expense under the units of production method and in impairment tests. The Company's estimates of the life of its mines includes the portion of inferred resources expected to be extracted economically. The decision to use inferred resources, and the portion of inferred resources to be included in the life of mine, varies for each operation and is based on the geological characteristics of the ore body, the quality and predictability of inferred resources, and the conversion of inferred resources into measured and indicated resources that the Company has historically achieved.

We identified evaluation of the Company's determination of the portion of inferred resources included in the life of mine plans for the Caylloma and San Jose mines as a critical audit matter. A high degree of auditor judgment was required to evaluate the significant assumptions that were developed by the Company's personnel to determine the portion of inferred resources included in the life of mine plans. Significant assumptions include the accessibility of resources from existing mining infrastructure and the determination of the percentage of available inferred resources expected to be converted to measured and indicated resources in future periods.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's process to determine the portion of inferred resources included in the life of mine plans for the Caylloma and San Jose mines. This included controls over the Company's development of the significant assumptions used to estimate the portion of inferred resources included in the life of mine plans for Caylloma and San Jose. We assessed the competence, capabilities and objectivity of the Company's personnel who determined the portion of available inferred resources to be included in the Caylloma and San Jose life of mine plans, including the accessibility of resources from existing mining infrastructure. We evaluated the ability of the Company to estimate the portion of inferred resources included in the life of mine plans by comparing historical estimates of inferred resources to the actual conversion of inferred resources to measured and indicated resources.

***//s//* KPMG LLP**

Chartered Professional Accountants

We have served as the Company's auditor since 2017.

Vancouver, Canada
March 15, 2023

KPMG LLP
Chartered Professional Accountants
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada

Telephone (604) 691-3000
Fax (604) 691-3031
Internet www.kpmg.ca

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Fortuna Silver Mines Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Fortuna Silver Mines Inc.'s (the Company) internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Company as of December 31, 2022 and 2021, the related consolidated statements of income (loss), comprehensive income (loss), cash flows, and changes in equity for each of the years in the two-year period ended December 31, 2022, and the related notes (collectively, the consolidated financial statements), and our report dated March 15, 2023 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, which appears under the heading Management's Report on Internal Control Over Financial Reporting in the accompanying Management's Discussion and Analysis. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

//s// KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
March 15, 2023

Fortuna Silver Mines Inc.
Consolidated Income (Loss) Statements
(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

	Note	Years ended December 31, 2022	2021
Sales	19	**$ 681,491**	$ 599,853
Cost of sales	20	**534,695**	394,376
Mine operating income		**146,796**	205,477
General and administration	21	**61,456**	45,360
Exploration and evaluation		**1,225**	1,012
Foreign exchange loss		**8,866**	6,092
Impairment of mineral properties, plant, and equipment	30	**182,842**	-
Write off of mineral properties		**5,874**	-
Other expenses		**85**	16,134
		260,348	68,598
Operating (loss) income		**(113,552)**	136,879
Interest and finance costs, net	22	**(12,057)**	(12,863)
Gain (loss) on derivatives		**500**	(2,751)
Roxgold transaction costs		**-**	(14,085)
		(11,557)	(29,699)
(Loss) income before income taxes		**(125,109)**	107,180
Income taxes			
Current income tax expense	23	**35,783**	51,651
Deferred income tax recovery	23	**(24,986)**	(3,870)
		10,797	47,781
Net (loss) income for the year		**$ (135,906)**	$ 59,399
Net (loss) income attributable to:			
Fortuna shareholders		**$ (128,132)**	$ 57,877
Non-controlling interest	28	**(7,774)**	1,522
		$ (135,906)	$ 59,399
(Loss) earnings per share	18		
Basic		**$ (0.44)**	$ 0.24
Diluted		**$ (0.44)**	$ 0.23
Weighted average number of common shares outstanding (000's)			
Basic		**291,281**	237,998
Diluted		**291,281**	249,443

The accompanying notes are an integral part of these financial statements.

Fortuna Silver Mines Inc.

Consolidated Statements of Comprehensive Income (Loss)

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

	Note	Years ended December 31, 2022	2021
Net (loss) income for the year		**$ (135,906)**	$ 59,399
Items that will remain permanently in other comprehensive income:			
Changes in fair value of investments in equity securities, net of $nil tax		**(280)**	(272)
Items that may in the future be reclassified to profit or loss:			
Currency translation adjustment, net of tax[1]		**(61)**	(4,022)
Changes in fair value of hedging instruments, net of $nil tax		**70**	1,006
Total other comprehensive loss for the year		**(271)**	(3,288)
Comprehensive (loss) income for the year		**$ (136,177)**	$ 56,111
Comprehensive (loss) income attributable to:			
Fortuna shareholders		**(128,403)**	54,589
Non-controlling interest	28	**(7,774)**	1,522
		$ (136,177)	$ 56,111

[1] For the year ended December 31, 2022, the currency translation adjustment is net of tax expenses of $1.1 million.

The accompanying notes are an integral part of these financial statements.

Fortuna Silver Mines Inc.

Consolidated Statements of Financial Position

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

Balance at	**Note**	**December 31, 2022**	December 31, 2021
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		**$ 80,493**	$ 107,097
Trade and other receivables	5	**68,165**	76,487
Inventories	6	**92,033**	85,819
Other current assets	7	**12,021**	11,679
		252,712	281,082
NON-CURRENT ASSETS			
Restricted cash		**3,967**	2,056
Mineral properties and property, plant and equipment	8, 30	**1,567,622**	1,712,354
Other non-current assets	9	**51,923**	26,430
Total assets		**$ 1,876,224**	$ 2,021,922
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	**$ 111,896**	$ 133,805
Income taxes payable	23	**11,591**	20,563
Current portion of lease obligations	12	**9,416**	10,523
Current portion of closure and reclamation provisions	15	**2,177**	1,882
		135,080	166,773
NON-CURRENT LIABILITIES			
Debt	13	**219,175**	157,489
Deferred tax liabilities	23	**167,619**	191,668
Closure and reclamation provisions	15	**51,128**	54,230
Lease obligations	12	**11,930**	18,882
Other non-current liabilities	14	**2,596**	3,310
Total liabilities		**587,528**	592,352
SHAREHOLDERS' EQUITY			
Share capital	17	**1,076,342**	1,079,746
Reserves		**29,929**	28,785
Retained earnings		**138,485**	266,617
Equity attributable to Fortuna shareholders		**1,244,756**	1,375,148
Equity attributable to non-controlling interest	28	**43,940**	54,422
Total equity		**1,288,696**	1,429,570
Total liabilities and shareholders' equity		**$ 1,876,224**	$ 2,021,922

Contingencies and Capital Commitments (Note 29)

/s/ Jorge Ganoza Durant
Jorge Ganoza Durant
Director

/s/ Kylie Dickson
Kylie Dickson
Director

The accompanying notes are an integral part of these financial statements.

Fortuna Silver Mines Inc.
Consolidated Statements of Cash Flows
(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

	Note	Years ended December 31, 2022	2021
Operating activities:			
Net (loss) income for the year		**$ (135,906)**	$ 59,399
Items not involving cash			
Depletion and depreciation		**172,809**	122,272
Accretion expense		**4,830**	3,799
Income taxes		**10,797**	47,781
Interest expense, net		**7,227**	8,469
Loss on extinguishment of debt facility	13	**–**	595
Share-based payments, net of cash settlements		**(1)**	(3,079)
Impairment of mineral properties, plant and equipment	30	**182,841**	-
Inventory net realizable value adjustments		**8,898**	7,035
Write-off of mineral properties		**5,874**	-
Unrealized foreign exchange loss		**4,554**	4,304
Unrealized (gain) loss on derivatives		**(1,194)**	1,260
Other		**-**	3,360
Closure and reclamation payments		**(623)**	(354)
Changes in working capital	27	**(18,021)**	(39,314)
Cash provided by operating activities		**242,085**	215,526
Income taxes paid		**(42,222)**	(62,677)
Interest paid		**(7,465)**	(7,420)
Interest received		**1,851**	1,708
Net cash provided by operating activities		**194,249**	147,138
Investing activities:			
Cash consideration for acquisition of Roxgold		**-**	(25,333)
Cash acquired through acquisition of Roxgold		**-**	65,622
Promissory note receivable		**-**	(35,296)
Restricted cash		**(1,911)**	-
Additions to mineral properties, plant and equipment		**(251,236)**	(152,289)
Contractor advances on Séguéla construction		**(2,186)**	-
Proceeds from sale of investments		**-**	14
Proceeds from sale of assets		**-**	12
Recoveries of Lindero construction VAT		**-**	28,771
Cash used in investing activities		**(255,333)**	(118,499)
Financing activities:			
Transaction costs on credit facility	13(a)	**(688)**	(3,036)
Proceeds from credit facility	13	**80,000**	-
Repayment of credit facility	13	**(20,000)**	(32,288)
Repurchase of common shares	17	**(5,929)**	-
Proceeds from issuance of common shares		**-**	313
Payments of lease obligations		**(12,209)**	(11,928)
Dividend payment to non-controlling interest		**(2,708)**	(4,483)
Cash provided by (used in) financing activities		**38,466**	(51,422)
Effect of exchange rate changes on cash and cash equivalents		**(3,986)**	(2,018)
(Decrease) increase in cash and cash equivalents during the year		**(26,604)**	(24,801)
Cash and cash equivalents, beginning of the year		**107,097**	131,898
Cash and cash equivalents, end of the year		**$ 80,493**	$ 107,097
Cash and cash equivalents consist of:			
Cash		**$ 65,140**	$ 64,096
Cash equivalents		**15,353**	43,001
Cash and cash equivalents, end of the year		**$ 80,493**	$ 107,097

Supplemental cash flow information (Note 27)

The accompanying notes are an integral part of these financial statements.

Fortuna Silver Mines Inc.

Consolidated Statements of Changes in Equity

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

		Share capital		Reserves							
	Note	Number of common shares	Amount	Equity reserve	Hedging reserve	Fair value reserve	Equity component of convertible debentures	Foreign currency reserve	Retained earnings	Non-controlling interest	Total equity
Balance at January 1, 2022		**291,529,330**	**$ 1,079,746**	**$ 27,435**	**$ 128**	**$ (696)**	**$ 4,825**	**$ (2,907)**	**$ 266,617**	**$ 54,422**	**$ 1,429,570**
Total comprehensive loss for the year											
Net loss for the year		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(128,132)**	**(7,774)**	**(135,906)**
Other comprehensive loss for the year		**-**	**-**	**-**	**70**	**(280)**	**-**	**(61)**	**-**	**-**	**(271)**
Total comprehensive loss for the year		**-**	**-**	**-**	**70**	**(280)**	**-**	**(61)**	**(128,132)**	**(7,774)**	**(136,177)**
Transactions with owners of the Company											
Dividend payment to non-controlling interest		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2,708)**	**(2,708)**
Repurchase of common shares	**17**	**(2,201,404)**	**(5,929)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(5,929)**
Shares issued on vesting of share units		**894,045**	**2,525**	**(2,006)**	**-**	**-**	**-**	**-**	**-**	**-**	**519**
Share-based payments	**16**	**-**	**-**	**3,421**	**-**	**-**	**-**	**-**	**-**	**-**	**3,421**
		(1,307,359)	**(3,404)**	**1,415**	**-**	**-**	**-**	**-**	**-**	**(2,708)**	**(4,697)**
Balance at December 31, 2022		**290,221,971**	**$ 1,076,342**	**$ 28,850**	**$ 198**	**$ (976)**	**$ 4,825**	**$ (2,968)**	**$ 138,485**	**$ 43,940**	**$ 1,288,696**
Balance at January 1, 2021		184,195,727	$ 492,306	$ 20,086	$ (878)	$ (424)	$ 4,825	$ 1,115	$ 208,740	$ -	$ 725,770
Total comprehensive income for the year											
Net income for the year		-	-	-	-	-	-	-	57,877	1,522	59,399
Other comprehensive loss for the year		-	-	-	1,006	(272)	-	(4,022)	-	-	(3,288)
Total comprehensive income for the year		-	-	-	1,006	(272)	-	(4,022)	57,877	1,522	56,111
Transactions with owners of the Company											
Acquisition of Roxgold		106,106,224	582,523	7,332	-	-	-	-	-	52,900	642,755
Exercise of stock options		68,927	389	(136)	-	-	-	-	-	-	253
Shares issued on vesting of share units		1,146,452	4,468	(4,468)	-	-	-	-	-	-	-
Convertible debenture conversion		12,000	60	-	-	-	-	-	-	-	60
Share-based payments	16	-	-	4,621	-	-	-	-	-	-	4,621
		107,333,603	587,440	7,349	-	-	-	-	-	52,900	647,689
Balance at December 31, 2021		291,529,330	$ 1,079,746	$ 27,435	$ 128	$ (696)	$ 4,825	$ (2,907)	$ 266,617	$ 54,422	$ 1,429,570

The accompanying notes are an integral part of these financial statements.

1. NATURE OF OPERATIONS

Fortuna Silver Mines Inc. (the "Company") is a publicly traded company incorporated and domiciled in British Columbia, Canada.

The Company is engaged in precious and base metal mining and related activities in Argentina, Burkina Faso, Mexico, Peru, and Côte d'Ivoire. The Company operates the open pit Lindero gold mine ("Lindero") in northern Argentina, the underground Yaramoko gold mine ("Yaramoko") in south western Burkina Faso, the underground San Jose silver and gold mine ("San Jose") in southern Mexico, the underground Caylloma silver, lead, and zinc mine ("Caylloma") in southern Peru, and is developing the open pit Séguéla gold mine ("Séguéla") in south western Côte d'Ivoire.

The Company's common shares are listed on the New York Stock Exchange under the trading symbol FSM and on the Toronto Stock Exchange under the trading symbol FVI.

The Company's registered office is located at Suite 650 - 200 Burrard Street, Vancouver, Canada, V6C 3L6.

2. BASIS OF PRESENTATION

Statement of Compliance

These consolidated financial statements ("financial statements") have been prepared by management of the Company in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") effective as of December 31, 2022.

On March 8, 2023, the Company's Board of Directors approved these financial statements for issuance.

Basis of Measurement

These financial statements have been prepared on a going concern basis under the historical cost basis, except for those assets and liabilities that are measured at fair value (Note 25) at the end of each reporting period.

3. SIGNIFICANT ACCOUNTING POLICES

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

(a) Basis of Consolidation

These financial statements include the accounts of the Company. All significant intercompany transactions, balances, revenues, and expenses have been eliminated upon consolidation.

Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition or control and up to the effective date of disposition or loss of control. Control is achieved when the Company has power over the investee, is exposed to or has rights to variable returns from its involvement with an investee, and had the ability to affect those returns through its power over the investee.

Fortuna Silver Mines Inc. is the ultimate parent entity of the group. At December 31, 2022, the principal subsidiaries of the Company, their geographic locations, and the ownership interests held by the Company, were as follows:

Name	Location	Ownership	Principal Activity
Minera Bateas S.A.C. ("Bateas")	Peru	100%	Caylloma Mine
Compania Minera Cuzcatlan S.A. de C.V. ("Cuzcatlan")	Mexico	100%	San Jose Mine
Mansfield Minera S.A. ("Mansfield")	Argentina	100%	Lindero Mine
Roxgold SANU S.A. (“Sanu”)	Burkina Faso	90%	Yaramoko Mine
Roxgold SANGO S.A. (“Sango”)	Côte d’Ivoire	90%	Séguéla Project

(b) Business Combination

A business combination is an acquisition of assets and liabilities that constitute a business. A business is an integrated set of activities and assets that consist of inputs and processes, including operational processes that, when applied to those inputs, have the ability to create outputs that provide a return to the Company and its shareholders. A business also includes those assets and liabilities that do not necessarily have all the inputs and processes required to produce outputs, but can be integrated with the inputs and processes of the Company to create outputs.

When acquiring a set of activities or assets in the exploration and development stage, which may not have outputs, the Company considers other factors to determine whether the set of activities or assets is a business.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is allocated to the identifiable assets acquired and liabilities assumed based on the acquisition-date fair value. The excess of the cost of acquisition over the fair value of the Company’s share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets acquired, the difference, or gain, is recognized directly in the consolidated statement of operations. The results of businesses acquired during the period are included in the financial statements from the date of acquisition. Acquisition-related costs are expensed as incurred. Provisional fair values are finalized within 12 months of the acquisition date. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed at the acquisition date.

(c) Non-Controlling Interests

Non-controlling interests represents equity interests in subsidiaries owned by outside parties. Non-controlling interests are recorded at their proportionate share of the fair value of identifiable net assets acquired on initial recognition. The share of net assets of subsidiaries attributable to non-controlling interests is presented as a component of equity. Their share of net income and other comprehensive income is recognized directly in equity even if the results of the non-controlling interest have a deficit balance.

The Company recognizes transactions with non-controlling interest as transactions with equity shareholders. Changes in the Company's ownership interest in subsidiaries that do not result in loss of control are accounted for as equity transactions.

(d) Consolidation, Functional and Presentation Currency

These financial statements are presented in United States Dollars ("$" or "US$" or "US dollars"), which is the functional currency of the Company. Reference to C$ are to Canadian dollars. All amounts in these financial statements have been rounded to the nearest thousand US dollars, unless otherwise stated.

The functional currency for each entity consolidated within the Company's financial statements is determined by the currency of the primary economic environment in which it operates. The functional currency of all subsidiaries is US dollars except for those outlined in the table below.

Name of Subsidiary	Place of Incorporation	Beneficial Common Share Ownership Interest	Principal Activity	Functional Currency
Roxgold Inc.	Canada	100%	Holding	CAD
FR Gold Mining Inc.	Canada	100%	Holding	CAD
Fortuna Silver Mines Australia Pty Ltd.	Australia	100%	Corporate	AUD
LGL Exploration Côte d'Ivoire SA	Côte d'Ivoire	100%	Exploration	XOF
LGL Resources Côte d'Ivoire SA	Côte d'Ivoire	100%	Exploration	XOF

Assets and liabilities of the subsidiaries that have a functional currency other than US dollar are translated into US dollars at the exchange rate in effect on the consolidated statements of financial position date and revenues and expenses are translated at the average rate over the reporting period. Gains and losses from these translations are recognized in other comprehensive income.

Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at each financial position date. Foreign exchange gains or losses on translation to the functional currency of an entity are recorded in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

(e) Cash, Cash Equivalents and Short-Term Investments

Cash and cash equivalents include cash on hand, demand deposits, and money market instruments with maturities from the date of acquisition of 90 days or less, which are readily convertible to known amounts of cash and are subject to insignificant changes in value. Short-term investments consist of term deposits with original maturities in excess of three months but less than twelve months. Cash, cash equivalents and short-term investments are designated as amortized cost.

(f) Inventories

Inventories include mineral concentrates, doré, leach pad, gold in-circuit, stockpiled ore, materials and supplies, which are valued at the lower of average production cost and estimated net realizable value. Production costs allocated to metal inventories include direct mining costs, direct labour costs, direct material costs, mine site overhead, depletion and amortization. Stockpiled ore that is not expected to be processed within the next twelve months is classified as non-current. Costs allocated to materials and supplies are based on weighted average costs and include all costs of purchase and other costs in bringing these inventories to their existing location and condition.

In the heap leaching process, ore is stacked on the leach pad and treated with a chemical solution that dissolves the gold contained within the ore. The resulting pregnant solution is further processed in a plant where the gold is recovered. The cost of leach pad inventory is based on cost of mining, crushing, and leaching, including applicable depletion and amortization, and is removed as ounces of gold are recovered at the weighted average cost per recoverable ounce of gold on the leach pad. Estimates of recoverable gold in the leach pad are calculated based on the quantities of ore placed on the leach pad (measured tonnes added to the leach pad), the estimated grade of ore placed on the leach pad (based on assay data), and an estimated recovery percentage (based on estimated recovery assumptions from metallurgical testing). The nature of the leaching process inherently limits the ability to precisely monitor inventory levels. As a result, estimates are refined based on actual results and engineering studies over a period of time. The final recovery of gold from leach pad will not be known until the leaching process is concluded at the end of the mine life.

If the carrying value exceeds the net realizable amount, a write-down is recognized. The write-down may be reversed in a subsequent period if the circumstances which caused the write-down no longer exist, to the extent that the related inventory has not been sold. Net realizable value is calculated as the estimated price at the time of sale based on prevailing metal prices less estimated future costs to convert the inventories into saleable form and estimated costs to sell.

(g) Exploration and Evaluation Assets

Exploration expenditures on properties for which the Company does not have title or rights to are expensed when incurred. Significant payments related to the acquisition of land and mineral rights and the costs to conduct a preliminary evaluation to determine that the property has potential to develop an economic ore body are capitalized as incurred. The time between initial acquisition and a full evaluation of a property's potential is dependent on many factors including, but not limited to, location relative to existing infrastructure, the property's stage of development, geological controls and metal prices.

The Company capitalizes the cost of acquiring, maintaining its interest, and exploring mineral properties as exploration and evaluation assets until such time as the properties are placed into development, abandoned, sold, or considered to be impaired in value.

If a mineable ore body is discovered, exploration and evaluation costs are reclassified to mining properties. The Company uses the following criteria in its assessment:

- the property has mineral reserves as referred to in Canadian National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), and
- when legal, permitting, and social matters have been resolved sufficiently to allow mining of the ore body.

Exploration and evaluation assets are tested for impairment when an indicator of impairment is identified and upon reclassification to mining properties.

If no mineable ore body is discovered, all previously capitalized costs are expensed in the period in which it is determined the property has no economic value.

Proceeds received from the sale of interests in exploration and evaluation assets are credited to the carrying value of the mineral properties, plant and equipment. Exploration costs that do not relate to any specific property are expensed as incurred.

(h) Mineral Properties, and Property, Plant and Equipment

i. Mineral Properties and Development Costs

For operating mines, all mineral property expenditures are capitalized and amortized based on a unit-of-production method considering the expected production to be obtained over the life of the mineral property. The expected production includes proven and probable reserves and for the San Jose, Caylloma and Yaramoko mines the portion of inferred resources expected to be extracted economically as part of the production cost.

Capitalized costs of producing properties are amortized on a unit-of-production basis over proven and probable reserves and the portion of inferred resources where it is considered highly probable that those resources are expected to be extracted economically.

The expected production to be obtained over the life of the mineral property is based on our life-of-mine production plans which for San Jose, Caylloma and Yaramoko include a portion of inferred resources, and therefore differ from the life-of-mine plans the Company publishes as part of our NI 43-101 compliant technical reports which are based on reserves only. The decision to use inferred resources, and the portion of inferred resources to be included varies for each operation and is based on the geological characteristics of the ore body, the quality and predictability of inferred resources, and the conversion of inferred resources into measured and indicated (“M&I”) that the Company has historically achieved in the past.

Many factors are taken into account during resource classification including; the quality of drilling and sampling, drill/sample spacing, sample preparation and analysis, geological logging and modelling, database construction, geological interpretation and modelling, statistical/geostatistical analysis, interpolation method, local estimation, engineering studies, economic parameters, and reconciliation with actual results.

Once the integrity of the data has been established, two important considerations around classification of resources are geologic continuity and possible variation of thickness and grade between samples. For our inferred resources at San Jose, Caylloma and Yaramoko we are able to achieve a significant level of confidence on the existence of mineable material as geological continuity has been established by consistent drill hole intercepts both along strike and down-dip which provides us with reasonable confidence in the location of the structures. The vast majority of the inferred resources are interpolated, estimated between existing drill hole intercepts, as opposed to extrapolated where the grades are estimated beyond the furthest sample point, adding to our confidence in the geologic continuity of the veins. Furthermore, San Jose, Caylloma and Yaramoko are not structurally complex deposits where faulting has disrupted geologic continuity.

With regards to the variation of thickness and grade between samples, the Company uses statistical means to calculate the probability that tonnage and grade content falls within a certain accuracy over a given timeframe. If the potential variation is estimated to be within ± 25% at 90% confidence globally, it is classified as an inferred resource. This is equivalent to stating that the Company has 95% confidence that greater than 75% of the inferred tonnes, grade, and metal content will ultimately be recovered by the mine and hence that the same percentage or higher will be converted from an inferred resource to an indicated resource through infill drilling as per the Company’s policy of upgrading prior to production.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

As part of the process to include inferred resources into our life-of-mine production plans, the Company applies an economic cut-off to identify only the material that can be considered profitable to mine within our mine designs, and at this time we apply a conversion or "risk" factor to the mining blocks comprised of inferred resources that we include in such mine production plans. This conversion factor is based on the predictability of conversion derived from statistical estimates of confidence as described above and the support from historic conversion rates of inferred resources into M&I at each of our mines. The conversion factors used in our 2022 and 2021 life-of-mine plans were 90% at San Jose, 90% at Caylloma, and 100% at Yaramoko.

The percentage of inferred resources included as a component of the total mineable inventory (reserve and resource) considered in the 2022 life-of-mine evaluation for each operation as of December 31, 2022, was San Jose 31% (2021: 35%), Caylloma 41% (2021: 31%), and Yaramoko 8% (2021: 11%).

The Company reviews the conversion factors including past experience in assessing the future expected conversion of inferred resources to be used in the life-of-mine plans for inclusion of inferred resources once a year in light of new geologic information and conversion data and when events or circumstances indicate that a review should be made. The Company continually monitors expected conversion and any changes in estimates that arise from this review are accounted for prospectively.

Significant estimation is involved in determining resources and in determining the percentage of resources ultimately expected to be converted to reserves, which we determine based on careful consideration of both internal and external technical and economic data. Estimation of future conversion of resources is inherently uncertain and involves significant judgment and actual outcomes may vary from these judgments and estimates and such outcomes may have a material impact on the results. Revisions to these estimates are accounted for in the period in which the change in the estimate arises.

ii. Property, Plant and Equipment

Property, plant and equipment are recorded at cost, net of accumulated depreciation and impairments. Costs directly related to construction projects are capitalized to work in progress until the asset is available for use in the manner intended by management. Assets, other than capital works in progress, are depreciated to their residual values over their estimated useful lives as follows:

Land and buildings		
Land	Not depreciated	
Mineral properties	Units of production	Declining balance
Buildings, located at the mine	Units of production	Declining balance
Buildings, others [1]	6-10 years	Straight line
Leasehold improvements [1]	4-8 years	Straight line
Plant and equipment		
Processing plant	Units of production	Declining balance
Machinery and equipment [1]	3-12 years	Straight line
Furniture and other equipment [1]	2-12 years	Straight line
Transport units	4-5 years	Straight line
Capital work in progress	Not depreciated	

(1) The lesser of useful life or life of mine.

Equipment under finance lease is initially recorded at the present value of minimum lease payments at the inception of the lease and depreciated over the shorter of the lease term or useful life.

Spare parts and components included in machinery and equipment are depreciated over the shorter of the useful life of the component or the related machinery and equipment.

Borrowing costs attributed to the construction of qualifying assets are capitalized to mineral properties, plant and equipment, and are included in the carrying amounts of related assets until the asset is available for use in the manner intended by management.

The sales proceeds and associated production costs incurred during commissioning of qualifying assets under capital works in progress are recognized in profit or loss.

On an annual basis, the depreciation method, useful economic life, and residual value of each component asset is reviewed with any changes recognized prospectively over its remaining useful economic life.

iii. Stripping cost

Pre-production stripping costs are generally capitalized and amortized over the production life of the mine using the unit-of-production method.

Stripping costs incurred during the production stage are incurred in order to produce inventory or to improve access to ore which will be mined in the future. Where the costs are incurred to produce inventory, the production stripping costs are accounted for as a cost of producing those inventories. Where the costs are incurred to improve access to ore which will be mined in the future, the costs are deferred and capitalized to the statement of financial position as a stripping activity asset (included in mining interest) if the following criteria are met:

- improved access to the ore body is probable;
- the component of the ore body can be accurately identified; and
- the costs relating to the stripping activity associated with the component can be reliably measured.

If these criteria are not met, the costs are expensed in the period in which they are incurred.

The stripping activity asset is subsequently depleted using the units-of-production depletion method over the life of the identified component of the ore body to which access has been improved as a result of the stripping activity.

(i) Asset Impairment

At the end of each reporting period, the Company assesses for impairment indicators and if there are such indicators, then the Company performs a test of impairment.

For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash inflows or cash generating units. These are typically individual mines or development projects. Brownfields exploration projects, located close to existing mine infrastructure, are assessed for impairment as part of the associated mine cash generating unit.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal ("FVLCD") and value in use.

When the recoverable amount is assessed using pre-tax discounted cash flow techniques, the resulting estimates are based on detailed mine and/or production plans. For value in use, recent cost levels are considered, together with expected changes in costs compatible with the current condition of the business. The cash flow forecasts are based on best estimates of the expected future revenues and costs, including the future cash costs of production, sustaining capital expenditures, and reclamation and closure costs.

Where a FVLCD model is used, the cash flow forecast includes net cash flows expected to be realized from extraction, processing, and sale of mineral resources that do not currently qualify for inclusion in proven or probable reserves and the portion of resources expected to be extracted economically.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of recoverable amount but not beyond the carrying amount, net of depreciation and amortization, that would have been determined had no impairment loss been recognized for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized into earnings immediately.

(j) Borrowing Costs

Interest and other financing costs incurred that are attributable to acquiring and developing exploration and development stage mining properties and constructing new facilities ("qualifying assets"), are capitalized and included in the carrying amounts of qualifying assets until those qualifying assets are capable of operating in the manner intended by management.

The capitalization of borrowing costs incurred commences on the date when the following three conditions are met:

- expenditures for the qualifying asset are being incurred;
- borrowing costs are being incurred; and,
- activities that are necessary to prepare the qualifying asset for its intended use are being undertaken.

Borrowing costs incurred after the qualifying assets are substantially complete are expensed.

Transaction costs, including legal, upfront commitment fees and other costs of issuance, associated with debt are recorded against the debt and are amortized over the term of the credit facility using the effective interest rate method.

All other borrowing costs are expensed in the period in which they are incurred.

(k) Assets Held for Sale

A non-current asset is classified as held for sale when it meets the following criteria:

- The non-current asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets; and,
- the sale of the non-current asset is highly probable. For the sale to be highly probable:
    - the appropriate level of management must be committed to a plan to sell the asset;
    - an active program to locate a buyer and complete the plan must have been initiated;
    - the non-current asset or disposal group must be actively marketed for sale at a price that is reasonable in relation to its current fair value;
    - the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale (with certain exceptions); and
    - actions required to complete the plan should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets held for sale are not depreciated and are recorded at the lower of their carrying amount and fair value less costs to sell.

(l) Income Taxes

Income tax expense consists of current and deferred tax expense.

Current tax expense is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at period end adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognized for deferred tax consequences attributable to unused tax loss carry forwards, unused tax credits, and differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis ("temporary differences"). Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized, or the liability is settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognized in profit or loss in the period that substantive enactment occurs.

A deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, the deferred tax asset is reduced.

The following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities, not arising in a business combination, that does not affect accounting or taxable income;
- goodwill; and
- investments in subsidiaries, associates and jointly controlled entities where the timing of reversal of the temporary differences can be controlled and reversal in the foreseeable future is not probable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(m) Provisions

i. Closure and Reclamation Provisions

Future obligations to retire an asset, including dismantling, remediation and ongoing treatment and monitoring of the site related to normal operation are initially recognized and recorded as a liability based on estimated future cash flows discounted at the risk-free rate.

The closure and reclamation provision ("CRP") is adjusted at each reporting period for changes to the expected amount of cash flows required to discharge the liability, the timing of such cash flows and the risk-free discount rate.

The liability is accreted to full value over time through periodic charges to profit or loss.

The amount of the CRP initially recognized is capitalized as part of the related asset's carrying value and amortized to profit or loss. The method of amortization follows that of the underlying asset. The costs related to a CRP are only capitalized to the extent that the amount meets the definition of an asset and can bring about future economic benefit. For a closed site or where the asset which generated a CRP no longer exists, there is no longer a future benefit related to the costs and as such, the amounts are expensed. Revisions in estimates or new disturbances result in an adjustment to the CRP with an offsetting adjustment to the asset, unless there is no future benefit, in which case they are expensed.

Due to uncertainties inherent in environmental remediation, the ultimate cost of future site closure and reclamation could differ from the amounts provided. The estimate of future site closure and reclamation costs is subject to change based on amendments to laws and regulations, changes in technologies, price increases and changes in interest rates, and as new information concerning the Company's closure and reclamation obligations becomes available. Such changes are reflected prospectively in the determination of the provision.

ii. Environmental Disturbance Restoration Provisions

During the operating life of an asset, events such as infractions of environmental laws or regulations may occur. These events are not related to the normal operation of the asset and are referred to as environmental disturbance restoration provisions ("EDRP"). The costs associated with an EDRP are accrued and charged to earnings in the period in which the event giving rise to the liability occurs. Any subsequent adjustments to an EDRP due to changes in estimates are also charged to earnings in the period of adjustment. These costs are not capitalized as part of the long-lived asset's carrying value.

iii. Other Provisions

Provisions are recognized when a present legal or constructive obligation exists as a result of past events, and it is probable that an outflow of resources that can be reliably estimated will be required to settle the obligation. Where the effect of the time value of money is material the provision is discounted using an appropriate current market based pre-tax discount rate.

(n) Common Share Capital

Shares are classified as equity. Costs directly attributable to the issuance of common shares are shown in equity as a deduction from the proceeds.

(o) Share-Based Payments

The fair value method of accounting is used for share-based payment transactions. Under this method, the cost of stock options and other equity-settled share-based payment arrangements are recorded based on the estimated fair value at the grant date and charged to earnings over the vesting period. Where awards are forfeited because non-market based vesting conditions were not satisfied, the expense previously recognized is reversed in the period the forfeiture occurs.

Share-based payment expenses relating to cash-settled awards, including deferred share units, restricted share units, and performance share units, are accrued and expensed over the vesting period based on the quoted market value of the Company's common shares. As these awards will be settled in cash, the expense and liability are adjusted at each reporting period for any changes in the underlying share price.

Equity settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Company obtains the goods or the counter party renders the services.

i. Stock Option Plan

The Company applies the fair value method of accounting for all stock option awards. Under this method, the Company recognizes a compensation expense for all stock options awarded to employees, based on the fair value of the options on the date of grant which is determined by using the Black-Scholes option pricing model. The fair value of the options is expensed over the graded vesting period of the options.

ii. Deferred Share Unit Plan

Deferred share units ("DSU") are typically granted to non-executive directors of the Company. They are payable in cash upon resignation, retirement, removal, failure to achieve re-election, or upon a change of control of the Company. The DSU compensation liability is accounted for based on the number of DSUs outstanding and the quoted market value of the Company's common shares at the financial position date. The year-over-year change in the DSU compensation liability is recognized in profit or loss.

iii. Share Unit Plans

The Company's amended and restated share unit plan (the "SU Plan") covers all restricted share units ("RSUs") and performance share units ("PSUs") granted by the Company on and after March 1, 2015.

Restricted Share Units

The Company's RSUs are settled in either cash or equity, as determined by the Company's Board of Directors at the grant date and typically vest over three years.

For cash settled RSUs, the share-based payment expense is adjusted at each reporting period to reflect any change in the quoted market price of the Company's common shares and the vesting of each RSU grant, with a corresponding amount recorded in Trade and Other Payables, and Other Non-Current Liabilities.

For equity-settled RSUs, the fair value is determined based on the quoted market price of the Company's common shares at the date of grant, and the fair value is recognized as a share-based payment expense over the vesting period with a corresponding amount recorded in equity reserves.

Performance Share Units

The Company's PSUs are performance-based awards for the achievement of specified performance metrics by specified deadlines and are settled in either cash or equity, as determined by the Company's Board of Directors at the grant date and typically vest over three years.

For cash settled PSUs, the share-based payment expense is adjusted at each reporting period to reflect any change in the quoted market price of the Company's common shares, the vesting of each PSU grant and the expected performance factors with a corresponding amount recorded in Trade and Other Payables.

For equity-settled PSUs, the fair value is determined based on the quoted market price of the Company's common shares at the date of grant and the number of PSUs expected to vest based on the performance factors. The fair value is recognized as a share-based payment expense over the vesting period with a corresponding amount recorded in equity reserves.

(p) Related Party Transactions

Parties are related if one party has the ability directly, or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities, and include key management personnel of the Company. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties.

(q) Earnings per Share

Basic earnings per share ("EPS") is computed by dividing the net income for the year by the weighted average number of common shares outstanding during the year.

The diluted earnings per share calculation is based on the weighted average number of common shares outstanding during the year, adjusted for the effects of dilutive common share equivalents. This method requires that the dilutive effect of outstanding options and equity settled units issued should be calculated using the treasury stock method. This method assumes that all common share equivalents have been exercised at the beginning of the year (or at the time of issuance, if later), and that the funds obtained thereby were used to purchase common shares of the Company at the average trading price of the common shares during the year, but only if dilutive.

Dilution from convertible debentures is calculated using the if-converted method, based on the number of shares to be issued upon conversion of the convertible debentures, with a corresponding adjustment to net income for the after-tax interest expense related to the convertible debentures.

(r) Financial Instruments

i Classification and measurement of financial assets and financial liabilities

Financial assets are measured as either: amortized cost; fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL"). All non-derivative financial liabilities are measured at amortized cost. The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated, and instead the hybrid financial instrument is assessed for classification.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income (OCI). This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL.

Components of compound financial instruments are separately classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. The financial liability is initially recognized at fair value, net of an allocation of issuance costs, and is subsequently measured at amortized cost. The equity component is initially measured based on the residual amount, net of an allocation of issuance costs, and is not subsequently remeasured.

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, or cancellation of our own equity instruments. No gain or loss is recognized on the issue of our own equity instruments, unless the equity is issued to settle a liability.

Financial Liabilities at Amortized Cost – Financial liabilities are measured at amortized cost using the effective interest method, unless they are required to be measured at fair value through profit or loss, or the Company has opted to measure them at FVTPL. Debt and accounts payable and accrued liabilities are recognized initially at fair value, net of any transaction costs incurred, and subsequently at amortized cost using the effective interest method.

The following accounting policies apply to the subsequent measurement of financial assets:

- Financial assets at FVTPL - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
- Financial assets at amortized cost - These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
- Equity investments at FVOCI - These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Gains or losses recognized on the sale of the equity investment are recognized in OCI and are never reclassified to profit or loss.

ii Impairment of Financial Assets

An entity is required to recognize expected credit losses when financial instruments are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial instruments.

For the Company's trade receivables, it determines the lifetime expected losses for all of its trade receivables. The expected lifetime credit loss provision for the Company's trade receivables is based on historical counterparty default rates and adjusted for relevant forward-looking information, when required.

iii Hedge Accounting

The Company occasionally uses interest rate swaps to hedge against the variability in cash flows arising from changes in floating interest rate borrowings relating to its credit facility. The last interest rate swap matured on January 26, 2022.

Management qualitatively assesses that the changes in value of the hedging instrument and the hedged item will move in opposite directions and will be perfectly offset. As both counterparties to the derivative are investment grade, the effect of credit risk is considered as neither material nor dominant in the economic relationship. The portion of the gain or loss on the hedging instrument that is determined to be effective will be recognized directly in other comprehensive income while the amount that is determined to be ineffective, if any, will be recorded in the profit or loss during the life of the hedging relationship.

(s) Revenue Recognition

The Company earns revenue from contracts with customers related to its concentrate and doré sales. Revenue from contracts with customers is recognized when a customer obtains control of the concentrate or the doré and the Company satisfies its performance obligation. The Company considers the terms of the contract in determining the transaction price, which is the amount the entity expects to be entitled to in exchange for the transferring of the concentrates. The transaction price of a contract is allocated to each performance obligation based on its stand-alone selling price.

The Company satisfies its performance obligations for its concentrate sales based upon specified contract terms which are generally upon delivery to the customer at a specified warehouse or upon loading of the concentrate onto a vessel. The Company typically receives payment within one to four weeks of delivery.

Doré sales are recognized when the Company satisfies its performance obligation and control is transferred to the customer upon payment. Final weights and assays are adjusted on final settlement which is approximately one month after delivery.

Revenue from concentrate sales is recorded based upon forward market price of the expected final sales price date. IFRS 15 *Revenue from Contracts with Customers* (“IFRS 15”) does not consider provisional price adjustments associated with concentrate sales to be revenue from contracts with customers as they arise from changes in market pricing for silver, gold, lead and zinc between the delivery date and settlement date. As such, the provisional price adjustments are accounted for as derivatives and presented separately in Note 19 of these financial statements.

(t) Segment Reporting

The Company’s operating segments are based on the reports reviewed by the senior management group that are used to make strategic decisions. The Chief Executive Officer, as chief operating decision maker, considers the business from a geographic perspective considering the performance of the Company’s business units.

A geographical segment is a distinguishable component of the entity that is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different than those of segments operating in other economic environments.

The business operations comprise the mining and processing of gold, silver-lead, zinc, and silver-gold and the sale of these products.

(u) Adoption of New Accounting Standards, Interpretation or Amendments

The following accounting standards were adopted for the financial year ending December 31, 2022,

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Annual Improvements to IFRS Standards 2018–2020; and
- Reference to the Conceptual Framework (Amendments to IFRS 3)

The adoption of these standards did not have a material effect on the Company's financial statements.

(v) New Accounting Standards Issued but not yet Effective

A number of new standards are effective for annual periods beginning on or after January 1, 2023 and earlier application is permitted; however, the Company has not early adopted any new or amended standards in preparing these financial statements.

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

  This amendment requires companies to provide more specific disclosures about their accounting policies and the judgments made in applying these policies that have the most significant effect on the financial statements. The new definition of significant accounting policies, now material accounting policy information, is broader in scope, capturing accounting policy information that is important to understanding the judgments made in preparing the financial statements, and those policies that require the most significant judgments and estimates by the Company. This amendment is effective for annual reporting periods beginning on or after January 1, 2023. The Company does not expect the adoption of this amendment to have a material impact on its consolidated financial statements.

- Deferred Tax related to Assets and Liabilities arising from Single Transaction (Amendment to IAS 12)

  This amendment clarifies the accounting for deferred tax arising from single transactions, such as business combinations and asset acquisitions, by requiring companies to recognize deferred tax for temporary differences that arise from the initial recognition of assets and liabilities in a single transaction. This amendment is effective for annual reporting periods beginning on or after January 1, 2023. The Company does not expect the adoption of this amendment to have a material impact on its consolidated financial statements.

The Company is currently evaluating the impact of the following amended standard, effective January 1, 2024, and interpretations on its consolidated financial statements:

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1);

4. USE OF ESTIMATES, ASSUMPTIONS, AND JUDGEMENTS

The preparation of these financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the period end date and reported amounts of expenses during the reporting period. Such judgements and estimates are, by their nature, uncertain. Actual outcomes could differ from these estimates.

The impact of such judgements and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. These judgements and estimates are continuously evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and are accounted for prospectively.

In preparing these consolidated financial statements for the year ended December 31, 2022, the Company applied the critical estimates, assumptions and judgements as disclosed below.

(a) Critical Accounting Estimates and Assumptions

Areas where critical accounting estimates and assumptions have the most significant effect on the amounts recognized in the consolidated financial statements include:

i. Mineral Reserves and Resources and the Life of Mine Plan

The Company estimates its mineral reserves and mineral resources in accordance with the requirements of NI 43-101. Estimates of the quantities of the mineral reserves and mineral resources form the basis for the Company's life of mine plans, which are used for the calculation of depletion expense under the units of production method, impairment tests, and forecasting the timing of the payments related to the environmental reclamation provision.

Significant estimation is involved in determining the reserves and resources included within the Company's life of mine plans. Changes in forecast prices of commodities, exchange rates, production costs or recovery rates may result in the Company's life-of-mine plan being revised and such changes could impact depletion rates, asset carrying values and the environmental reclamation provision. As at December 31, 2022, the Company used the following long-term prices for the reserve and resource estimations: gold $1,600/oz, silver $21/oz, lead $2,100/t and zinc $2,600/t.

In addition to the estimates above, estimation is involved in determining the percentage of resources ultimately expected to be converted to reserves and hence included in the Company's life of mine plans. The Company's life of mine plans include a portion of inferred resources as the Company believes this provides a better estimate of the expected life of mine for certain types of deposits, in particular for vein type structures. The percentage of inferred resources out of the total tonnage included in the life of mine plans is based on site specific geological, technical, and economic considerations. Estimation of future conversion of resources is inherently uncertain and involves judgement, and actual outcomes may vary from these judgements and estimates and such changes could have a material impact on the financial results. Some of the key assumptions in the estimation process include geological continuity, stationarity in the grades within defined domains, reasonable geotechnical and metallurgical conditions, treatment of outlier (extreme) values, cut-off grade determination and the establishment of geostatistical and search parameters. Revisions to these estimates are accounted for prospectively in the period in which the change in estimate arises.

ii. Valuation of Mineral Properties and Exploration Properties

The Company carries its mineral properties at cost less accumulated depletion and any accumulated impairment. The costs of each property and related capitalized expenditures are depleted over the economic life of the property on a units-of-production basis. When a property is abandoned or when there is an impairment, costs are charged to profit or loss.

The Company undertakes a review of the carrying values of mining properties and related expenditures whenever events or changes in circumstances indicate that their carrying values may exceed their estimated recoverable amounts determined by reference to estimated future operating results and discounted net cash flows. Where previous impairment has been recorded, the Company analyzes any impairment reversal indicators. An impairment loss is recognized when the carrying value of those assets is not recoverable.

In undertaking this review, management of the Company is required to make significant estimates of, amongst other things, future production and sales volumes, metal prices, discount rates, mineral resource and reserve quantities, future operating and capital costs to the end of the mine's life, and reclamation costs. These estimates are subject to various risks and uncertainties which may ultimately have an effect on the expected recoverability of the carrying values of the mining properties and related expenditures.

The Company, from time to time, acquires exploration and development properties. When properties are acquired, the Company must determine the fair value attributable to each of the properties. When the Company conducts exploration on a mineral property and the results from the exploration do not support the carrying value, the property is written down to its new fair value which could have a material effect on the consolidated statement of financial position and the consolidated income statement.

iii. Deferred stripping costs

In determining whether stripping costs incurred during the production phase of a mining property relate to mineral reserves that will be mined in a future period and therefore should be capitalized, the Company makes estimates of the proportion of stripping activity which relates to extracting ore in the current period versus the proportion which relates to obtaining access to ore reserves which will be mined in the future.

iv. Inventory

Finished goods, work-in-process, heap leach ore, and stockpile ore are valued at the lower of the average production costs or net realizable value. The assumptions used in the valuation of work-in process inventories include estimates of gold contained in the ore stacked on leach pads, assumptions of the amount of gold stacked that is expected to be recovered from the leach pads, the amount of gold in the mill circuits and assumption of the gold price expected to be realized when the gold is recovered. If these estimates or assumptions prove to be inaccurate, the Company could be required to write-down the recorded value of its work-in-process inventories, which would reduce the Company's earnings and working capital.

v. Reclamation and Other Closure Provisions

The Company has obligations for reclamation and other closure activities related to its mining properties. The future obligations for mine closure activities are estimated by the Company using mine closure plans or other similar studies which outline the requirements that will be carried out to meet the obligations.

Because the obligations are dependent on the laws and regulations of the countries in which the mines operate, the requirements could change as a result of amendments in the laws and regulations relating to environmental protection and other legislation affecting resource companies. As the estimate of the obligations is based on future expectations, a number of estimates and assumptions are made by management in the determination of closure provisions.

vi. Revenue from metal in concentrate

The Company’s sales of metal in concentrates allow for price adjustments based on the market price at the end of the relevant quotational period (“QP”) stipulated in the contract. These are referred to as provisional pricing arrangements and are such that the selling price for metal in concentrate is based on the prevailing spot price on a specified future date. At each balance sheet date, the Company estimates the value of the trade receivable using forward metal prices.

Adjustments to the sale price occur based on movements in quoted market prices up to the end of the QP. The period between provisional invoicing and the end of the QP is generally between one and three months. Any future changes over the QP are embedded within the provisionally priced trade receivables and are, therefore, within the scope of IFRS 9 and not within the scope of IFRS 15. As such, the provisional price adjustments are accounted for as derivatives and presented separately in Note 19 of these financial statements.

vii. Contingencies

Contingencies can be either possible assets or possible liabilities arising from past events which, by their nature, will only be resolved when one or more future events not within our control occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgement and estimates of the outcome of future events. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings or regulatory or government actions that may negatively impact our business or operations, the Company with assistance from its legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims or actions.

A liability is recognized in the consolidated financial statements when the outcome of the legal proceedings is probable and the estimated settlement amount can be estimated reliably. Contingent assets are not recognized in the consolidated financial statements until virtually certain.

(b) Critical Accounting Judgements in Applying the Entity's Accounting Policies

Judgements that have the most significant effect on the amounts recognized in the Company's consolidated financial statements are as follows:

i. Income Taxes

Deferred tax assets and liabilities are determined based on differences between the financial statement carrying values of assets and liabilities and their respective income tax bases and losses carried forward. The determination of the ability of the Company to utilize tax loss carryforwards to offset deferred tax liabilities requires management to exercise judgement and make certain assumptions about the future performance of the Company.

Management is required to assess whether it is "probable" that the Company will benefit from these prior losses and other deferred tax assets. Changes in economic conditions, metal prices and other factors could result in revisions to the estimates of the benefits to be realized or the timing of utilization of the losses.

ii. Assessment of Impairment and Reversal of Impairment Indicators

Management applies significant judgement in assessing whether indicators of impairment or impairment reversal exist for an asset or a group of assets. External sources of information the Company considers include changes in the market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of mining interests. Internal sources of information the Company considers include the manner in which mining properties and plant and equipment are being used or are expected to be used, and indicators of economic performance of the assets.

iii. Functional Currency

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which each operates. The determination of functional currency may require certain judgements to determine the primary economic environment. The Company reconsiders the functional currency used when there is a change in the events and conditions which determined the primary economic environment.

iv. Leases

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

Significant judgements made by management in the accounting for leases primarily included whether the lease conveys the right to use a specific asset, whether the Company obtains substantially all of the economic benefits from the use of the asset, whether the Company has the right to direct the use of the asset, evaluating the appropriate discount rate to use to discount the lease liability for each lease or groups of assets, and to determine the lease term where a contract includes renewal options. Significant judgements over these factors would affect the present value of the lease liabilities, as well as the associated amount of the right-of-use ("ROU") asset.

v. Value-added tax ("VAT") receivable

Timing of collection of VAT receivables is uncertain as VAT refund procedures require a significant amount of information and follow-up. The Company assesses the recoverability of the amounts receivable at each reporting date and the expected timing of the recovery, which are impacted by several factors, including the status of discussions with the tax authorities, and current interpretation of relevant VAT legislation and regulation. Changes in these judgements can materially affect the amount recognized as VAT receivable and could result in an increase in other expenses recognized in profit or loss and the presentation of current and non-current VAT receivable.

5. TRADE AND OTHER RECEIVABLES

As at	**December 31, 2022**	December 31, 2021
Trade receivables from doré and concentrate sales	**$ 23,977**	$ 25,718
Advances and other receivables	**7,443**	4,424
Value added taxes recoverable	**36,745**	46,345
Trade and other receivables	**$ 68,165**	$ 76,487

The Company's trade receivables from concentrate and doré sales are expected to be collected in accordance with the terms of the existing concentrate and doré sales contracts with its customers. No amounts were past due as at December 31, 2022 and 2021.

During the year ended December 31, 2021, the Company recognized a provision of $0.9 million related to estimated VAT receivables expected to be sold in the next twelve months. This provision was reversed during the year ended December 31, 2022.

6. INVENTORIES

As at	**Note**	**December 31, 2022**	December 31, 2021
Concentrate stockpiles		**$ 2,161**	$ 1,711
Doré bars		**4,494**	3,456
Leach pad and gold-in-circuit		**31,649**	30,321
Ore stockpiles		**52,692**	39,292
Materials and supplies		**44,476**	31,437
Total inventories		**$ 135,472**	$ 106,217
Less: non-current portion	9	**(43,439)**	(20,398)
Current inventories		**$ 92,033**	$ 85,819

During the year ended December 31, 2022, the Company expensed $481.5 million of inventories to cost of sales (December 31, 2021 – $346.4 million).

During the year ended December 31, 2022, a charge of $8.9 million was recognized to reduce low grade stockpiles at Lindero and Yaramoko to net realizable value (December 31, 2021 - $7.0 million). Included in the charge was $3.4 million related to depletion and depreciation (December 31, 2021 - $2.8 million).

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

7. OTHER CURRENT ASSETS

As at	December 31, 2022	December 31, 2021
Derivatives	$ 19	$ 1,490
Prepaid expenses	11,180	8,060
Investments in equity securities	78	416
Assets held for sale	26	-
Income tax receivable	718	1,713
Other current assets	$ 12,021	$ 11,679

8. MINERAL PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

	Mineral Properties - Depletable	Mineral Properties - Non depletable	Construction in Progress	Property, Plant & Equipment	Total
COST					
Balance at December 31, 2021	$ 758,112	$ 719,663	$ 57,759	$ 675,486	$ 2,211,020
Additions	74,301	35,468	117,860	14,255	241,884
Changes in closure and reclamation provision	(10,024)	5,238	-	(235)	(5,021)
Disposals	(372)	(5,502)	-	(3,313)	(9,187)
Transfers	44,982	(42,598)	(20,972)	18,588	-
Balance at December 31, 2022	$ 866,999	$ 712,269	$ 154,647	$ 704,781	$ 2,438,696
ACCUMULATED DEPLETION AND IMPAIRMENT					
Balance at December 31, 2021	$ 275,460	$ -	$ -	$ 223,206	$ 498,666
Disposals	-	-	-	(1,970)	(1,970)
Impairment (Note 30)	117,237	-	-	65,605	182,842
Depletion and depreciation	113,571	-	-	77,966	191,537
Balance at December 31, 2022	$ 506,268	$ -	$ -	$ 364,807	$ 871,075
Net Book Value at December 31, 2022	$ 360,731	$ 712,269	$ 154,647	$ 339,975	$ 1,567,622

During the year ended December 31, 2022, the Company capitalized $3.3 million of interest related to the construction of the Séguéla Mine (2021 - $nil).

As at December 31, 2022, non-depletable mineral properties include $26.4 million of exploration and evaluation assets (2021 - $22.0 million).

As at December 31, 2022, property, plant and equipment includes right-of-use assets with a carrying value of $21.5 million (2021 - $29.4 million). Related depletion and depreciation for the year was $9.5 million (2021 - $7.2 million).

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

		Mineral Properties - Depletable		Mineral Properties - Non depletable		Construction in Progress		Property, Plant & Equipment		Total
COST										
Balance at December 31, 2020	$	327,414	$	250,145	$	188,960	$	378,754	$	1,145,273
Acquisition of Roxgold		112,499		697,537		15,047		70,453		895,536
Additions[1]		54,882		12,467		81,343		23,433		172,125
Changes in closure and reclamation provision		2,262		1,552		-		(85)		3,729
Disposals		-		-		-		(5,643)		(5,643)
Transfers		261,055		(242,038)		(227,591)		208,574		-
Balance at December 31, 2021	$	758,112	$	719,663	$	57,759	$	675,486	$	2,211,020
ACCUMULATED DEPLETION										
Balance at December 31, 2020	$	191,842	$	-	$	-	$	162,304	$	354,146
Disposals		-		-		-		(4,319)		(4,319)
Depletion and depreciation		83,618		-		-		65,221		148,839
Balance at December 31, 2021	$	275,460	$	-	$	-	$	223,206	$	498,666
Net Book Value at December 31, 2021	$	482,652	$	719,663	$	57,759	$	452,280	$	1,712,354

[1] Included in additions to Construction in Progress is $47.1 million related to the Séguéla project previously classified as additions to Mineral Properties – Non-depletable.

9. OTHER NON-CURRENT ASSETS

As at	Note		**December 31, 2022**		December 31, 2021
Ore stockpiles	6	**$**	**43,439**	$	20,398
Value added tax recoverable			**3,642**		3,426
Income tax recoverable			**1,137**		1,087
Other long-term assets			**3,705**		1,519
Total other non-current assets		**$**	**51,923**	$	26,430

10. TRADE AND OTHER PAYABLES

As at	Note		**December 31, 2022**		December 31, 2021
Trade accounts payable		**$**	**72,571**	$	82,533
Payroll and related payables			**22,967**		23,311
Mining royalty payable			**2,476**		2,416
Other payables			**7,794**		12,161
Derivative liabilities			**270**		3,077
Share units payable	16(a)(b)(c)		**5,818**		10,307
Total trade and other payables		**$**	**111,896**	$	133,805

11. RELATED PARTY TRANSACTIONS

In addition to the related party transactions and balances disclosed elsewhere in these financial statements, the Company entered into the following related party transactions during the years ended December 31, 2022, and 2021:

(a) Purchase of Goods and Services

During the year ended December 31, 2021, the Company was charged $5 thousand for general and administrative services pursuant to a shared services agreement with Gold Group Management Inc., a company of which Simon Ridgway, the Company's former Chairman, is a director. Effective February 2, 2021, Mr. Ridgway resigned as director and Chairman of the Board, and costs incurred with Gold Group Management Inc. are no longer reported as related party transactions.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

(b) Key Management Personnel

During the years ended December 31, 2022, and 2021, the Company was charged for consulting services by Mario Szotlender, a director of the Company. During the year ended December 31, 2021, the Company was charged consulting services by Mill Street Services Ltd., a company of which Mr. Ridgway, the Company's former Chairman, is a director. Effective February 2, 2021, Mr. Ridgway resigned as director and Chairman of the Board, and costs associated incurred with Mill Street Services Ltd. are no longer reported as related party transactions.

Amounts paid to key management personnel were as follows:

	Years ended December 31,			
		2022		2021
Salaries and benefits	**$**	**11,532**	$	7,639
Directors fees		**934**		658
Consulting fees		**69**		78
Share-based payments		**7,042**		2,565
	$	**19,577**	$	10,940

12. LEASE OBLIGATIONS

	Minimum lease payments			
As at		**December 31, 2022**		December 31, 2021
Less than one year	**$**	**11,343**	$	12,292
Between one and five years		**14,044**		13,380
More than five years		**5,806**		15,983
		31,193		41,655
Less: future finance charges		**(9,847)**		(12,250)
Present value of minimum lease payments		**21,346**		29,405
Less: current portion		**(9,416)**		(10,523)
Non-current portion	**$**	**11,930**	$	18,882

13. DEBT

The following table summarizes the changes in debt:

		Credit Facility		Convertible debentures		Total
Balance at December 31, 2020	$	119,850		38,766	$	158,616
Transaction costs		(3,036)		-		(3,036)
Acquisition of Roxgold		31,711		-		31,711
Amortization of discount		242		1,641		1,883
Extinguishment of debt		603		-		603
Payments		(32,288)		-		(32,288)
Balance at December 31, 2021		117,082		40,407		157,489
Convertible debenture conversion		-		(60)		(60)
Drawdown		80,000		-		80,000
Transaction costs		(688)		-		(688)
Amortization of discount		626		1,808		2,434
Payments		(20,000)		-		(20,000)
Balance at December 31, 2022	$	177,020	$	42,155	$	219,175

(a) Credit Facilities

On November 4, 2021, the Company entered into a fourth amended and restated credit agreement (the "Amended Credit Facility") effective November 5, 2021, with a syndicate of banks led by BNP Paribas, and including The Bank of Nova Scotia, Bank of Montreal and Société Générale, which converted the Company's prior non-revolving and revolving facilities with the Bank of Nova Scotia and BNP Paribas (the "Scotiabank Facility") into a revolving term credit facility and increased the amount of the facility from $120.0 million to $200.0 million, subject to the conditions described below. The facility has a term of four years and steps down to $150.0 million after three years. Interest accrues on LIBOR loans under the facility at LIBOR plus an applicable margin of between two and three percent, which varies according to the consolidated leverage levels of the Company, as defined in the Amended Credit Facility.

Effective December 15, 2022, the Company executed a second amendment to the fourth Amended Credit Facility. The amendment increased the amount of the facility from $200.0 million to $250.0 million and increased the amount of the step down of the facility from $150.0 million to $175.0 million in November 2024. The amendment also introduced an uncommitted $50.0 million accordion option, exercisable from June 1, 2023, to October 2024. LIBOR loans under the facility were converted to Term Benchmark loans, with the interest base rate on these loans converting from LIBOR to an adjusted SOFR rate. The applicable loan margins increased by 25 basis points across all levels of the margin grid, and the commitment fee rate increased by 9 to 12 basis points. The counterparties, guarantors, covenants, step down date and maturity date of the Amended Credit Facility were unchanged.

The transaction costs in connection with the second amendment will be amortized over the remaining term of the Amended Credit Facility.

The Company's principal operating subsidiaries in Mexico, Peru, Côte d'Ivoire and Burkina Faso, and their respective direct and indirect holding companies, have guaranteed the obligations of the Company contemplated by the Amended Credit Facility. The Company has pledged all of its assets to secure the payment of its obligations contemplated by the Amended Credit Facility. The Company's principal operating subsidiaries in Mexico and Peru, as well as their direct and indirect holding companies have pledged all of their respective assets to secure their respective guarantees of such payment, including the shares of the Company's principal operating subsidiaries in Mexico and Peru. The Company's principal operating subsidiary in Burkina Faso has pledged its bank accounts to secure the obligations under its guarantee and the holding companies of the Company's principal operating subsidiaries in Burkina Faso and Côte d'Ivoire have pledged the shares of those principal operating subsidiaries to secure the obligations under their guarantees.

The Amended Credit Facility includes covenants customary for a facility of this nature including, among other matters, reporting requirements, and positive, negative, and financial covenants set out in therein. As at December 31, 2022, the Company was in compliance with all of the covenants under the Credit Facility.

(b) Convertible Debentures

On October 2 and 6, 2019, the Company completed a bought deal public offering of senior subordinated unsecured convertible debentures with an aggregate principal amount of $46.0 million (the "Debentures").

The Debentures mature on October 31, 2024 and bear interest at a rate of 4.65% per annum, payable semi-annually in arrears on the last business day of April and October, commencing on April 30, 2020. For the year ended December 31, 2022, the Company paid $2.1 million in interest on the Debentures.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

The Debentures are convertible at the holder's option into common shares in the capital of the Company at a conversion price of $5.00 per share (the "Conversion Price"), representing a conversion rate of 200 Common Shares per $1 thousand principal amount of Debentures, subject to adjustment in certain circumstances.

On or after October 31, 2022 and prior to October 31, 2023, the Debentures may be redeemed in whole or in part from time to time at the Company's option at a price equal to their principal amount plus accrued and unpaid interest, provided that the volume weighted average trading price of the Common Shares on the NYSE for the 20 consecutive trading days ending on the fifth trading day preceding the date on which the notice of the redemption is given is at least 125% of the Conversion Price. On and after October 31, 2023, the Debentures may be redeemed in whole or in part from time to time at the Company's option at a price equal to their principal amount plus accrued and unpaid interest regardless of the trading price of the Common Shares.

Subject to applicable securities laws and regulatory approval and provided that no event of default has occurred and is continuing, the Company may, at its option, elect to satisfy its obligation to pay the principal amount of the Debentures and accrued and unpaid interest on the redemption date and the maturity date, in whole or in part, through the issuance of Common Shares, by issuing and delivering that number of Common Shares, obtained by dividing the principal amount of the Debentures and all accrued and unpaid interest thereon by 95% of the current market price (as defined in the Debenture Indenture) on such redemption date or maturity date, as applicable.

14. OTHER NON-CURRENT LIABILITIES

As at	Note		**December 31, 2022**		December 31, 2021
Restricted share units	16(b)	**$**	**1,490**	$	1,437
Other non-current liabilities			**1,106**		1,873
Total other non-current liabilities		**$**	**2,596**	$	3,310

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

15. CLOSURE AND RECLAMATION PROVISIONS

The following table summarizes the changes in closure and reclamation provisions:

	Closure and Reclamation Provisions					
	Caylloma Mine	**San Jose Mine**	**Lindero Mine**	**Yaramoko Mine**	**Séguéla Project**	**Total**
Balance at December 31, 2021	**$ 14,898**	**$ 7,128**	**$ 19,639**	**$ 12,895**	**$ 1,552**	**$ 56,112**
Changes in estimate	**(1,235)**	**(493)**	**(8,666)**	**135**	**5,238**	**(5,021)**
Reclamation expenditures	**(503)**	**(120)**	**-**	**-**	**-**	**(623)**
Accretion	**796**	**682**	**541**	**345**	**-**	**2,364**
Effect of changes in foreign exchange rates	**-**	**473**	**-**	**-**	**-**	**473**
Balance at December 31, 2022	**13,956**	**7,670**	**11,514**	**13,375**	**6,790**	**53,305**
Less: Current portion	**(1,577)**	**(600)**	**-**	**-**	**-**	**(2,177)**
Non-current portion	**$ 12,379**	**$ 7,070**	**$ 11,514**	**$ 13,375**	**$ 6,790**	**$ 51,128**

	Closure and Reclamation Provisions					
	Caylloma Mine	San Jose Mine	Lindero Project	Yaramoko Mine	Séguéla Project	Total
Balance at December 31, 2020	$ 14,761	$ 5,905	$ 19,684	$ -	$ -	$ 40,350
Acquisition of Roxgold	-	-	-	11,122	-	11,122
Changes in estimate	(152)	1,142	(422)	1,609	1,552	3,729
Reclamation expenditures	(180)	(173)	-	-	-	(353)
Accretion	469	439	377	164	-	1,449
Effect of changes in foreign exchange rates	-	(185)	-	-	-	(185)
Balance at December 31, 2021	14,898	7,128	19,639	12,895	1,552	56,112
Less: Current portion	(1,230)	(652)	-	-	-	(1,882)
Non-current portion	$ 13,668	$ 6,476	$ 19,639	$ 12,895	$ 1,552	$ 54,230

The following table summarizes certain key inputs used in determining the present value of reclamation costs related to mine and development sites:

	Closure and Reclamation Provisions					
	Caylloma Mine	San Jose Mine	Lindero Mine	Yaramoko Mine	Séguéla Project	Total
Undiscounted uninflated estimated cash flows	$ 15,823	$ 8,413	$ 14,138	$ 14,113	$ 7,525	$ 60,012
Discount rate	5.88%	9.35%	4.14%	4.22%	3.88%	
Inflation rate	2.30%	7.13%	1.96%	3.67%	2.20%	

The Company is expecting to incur progressive reclamation costs throughout the life of its mines.

16. SHARE BASED PAYMENTS

During the year ended December 31, 2022, the Company recognized share-based payments of $10.2 million (December 31, 2021 - $3.8 million) related to the amortization of deferred, restricted and performance share units and $0.1 million (December 31, 2021 – $nil) related to amortization of stock options.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

(a) Deferred Share Units (DSUs)

	Cash Settled		
	Number of DSUs		Fair Value
Outstanding, December 31, 2020	1,124,519	$	9,239
Granted	55,245		347
Units paid out in cash	(374,709)		(3,436)
Changes in fair value	-		(3,013)
Outstanding, December 31, 2021	805,055		3,137
Granted	117,643		452
Changes in fair value	-		(121)
Outstanding, December 31, 2022	922,698	$	3,468

(b) Restricted Share Units (RSUs)

	Cash Settled			Equity Settled
	Number of RSUs		Fair Value	Number of RSUs
Outstanding, December 31, 2020	1,367,490	$	5,392	1,533,366
Granted	677,250		4,111	-
Units paid out in cash	(618,357)		(2,484)	-
Assumed on acquisition	328,254		1,590	1,091,395
Vested and paid out in shares	-		-	(655,267)
Transferred from equity to cash settled	260,444		-	(260,444)
Forfeited or cancelled	(155,942)		(54)	(64,589)
Changes in fair value and vesting	-		(3,052)	-
Outstanding, December 31, 2021	1,859,139		5,503	1,644,461
Granted	1,348,538		5,264	-
Units paid out in cash	(1,256,288)		(5,737)	-
Vested and paid out in shares	-		-	(665,305)
Transferred from equity to cash settled	413,864		-	(413,864)
Transferred from cash to equity settled	(155,674)		-	155,674
Forfeited or cancelled	(260,870)		-	(15,111)
Changes in fair value and vesting	-		(1,190)	-
Outstanding, December 31, 2022	1,948,709		3,840	705,855
Less: current portion			(2,350)	
Non-current portion		$	1,490	

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

(c) Performance Share Units

	Cash Settled		Equity Settled
	Number of PSUs	Fair Value	Number of PSUs
Outstanding, December 31, 2020	-	$ -	839,170
Assumed on acquisition	515,008	2,390	508,688
Granted	-	-	1,196,012
Forfeited or cancelled	-	-	(206,798)
Vested and paid out in shares	-	-	(491,185)
Changes in fair value and vesting	-	714	-
Outstanding, December 31, 2021	515,008	3,104	1,845,887
Granted	-	-	824,768
Forfeited or cancelled	-	-	(434,007)
Units paid out in cash	(683,460)	(3,882)	-
Transferred from equity to cash settled	168,452	-	(168,452)
Vested and paid out in shares	-	-	(228,740)
Change in fair value and vesting	-	778	-
Outstanding, December 31, 2022	-	$ -	1,839,456

(d) Stock Options

The Company’s Stock Option Plan, as amended and approved from time to time, permits the Company to issue up to 12,200,000 stock options. As at December 31, 2022, a total of 2,441,061 stock options are available for issuance under the plan.

	Number of stock options	Weighted average exercise price
		Canadian dollars
Outstanding, December 31, 2020	1,054,570	$ 6.28
Exercised	(68,927)	4.99
Assumed on acquisition	405,240	3.77
Expired unexercised	(141,500)	3.22
Outstanding, December 31, 2021	1,249,383	5.88
Expired unexercised	(612,565)	6.16
Outstanding, December 31, 2022	**636,818**	**$ 5.62**
Vested and exercisable, December 31, 2021	1,249,383	$ 5.88
Vested and exercisable, December 31, 2022	**636,818**	**$ 5.62**

17. SHARE CAPITAL

Authorized Share Capital

The Company has an unlimited number of common shares without par value authorized for issue.

On May 2, 2022, the Company initiated a share repurchase program to purchase up to five percent of its issued and outstanding common shares, expiring on the earlier of May 1, 2023, the date on which Fortuna has acquired the maximum number of common shares allowable under the Normal Course Issuer Bid (“NCIB”) or the date on which Fortuna otherwise decides not to make any further repurchases under the NCIB. From the commencement of the NCIB to December 31, 2022, the Company acquired and cancelled 2,201,404 common shares through this program at an average cost of $2.69 per share for a total cost of $5.9 million.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

18. EARNINGS PER SHARE

	Years ended December 31,	
	2022	2021
Basic:		
Net (loss) income attributable to Fortuna shareholders	**$ (128,132)**	$ 57,877
Weighted average number of shares (000's)	**291,281**	237,998
(Loss) earnings per share - basic	**$ (0.44)**	$ 0.24

	Years ended December 31,	
	2022	2021
Diluted:		
Net (loss) income attributable to Fortuna shareholders	**$ (128,132)**	$ 57,877
Add: finance costs on convertible debt, net of $nil tax	**-**	3,779
Diluted net (loss) income for the period	**$ (128,132)**	$ 61,656
Weighted average number of shares (000's)	**291,281**	237,998
Incremental shares from dilutive potential shares	**-**	11,445
Weighted average diluted number of shares (000's)	**291,281**	249,443
(Loss) earnings per share - diluted	**$ (0.44)**	$ 0.23

For the year ended December 31, 2022, 509,468 out of the money options were excluded from the diluted earnings per share calculation (December 31, 2021 – 7,551). For the year ended December 31, 2022, 2,380,857 share units were excluded from the diluted earnings per share calculation (December 31, 2021 – nil). In addition, for the year ended December 31, 2022, 9,176,000 potential shares issuable on conversion of the debentures were excluded from the diluted earnings per share calculation (December 31, 2021 – nil). These shares were excluded from the diluted earnings per share calculations as their effect would have been anti-dilutive.

19. SALES

The Company's geographical analysis of revenue from contracts with customers attributed to the location of the products produced, is as follows:

	Year ended December 31, 2022				
	Peru	**Mexico**	**Argentina**	**Burkina Faso**	**Total**
Silver-gold concentrates	**$ -**	**$ 173,871**	**$ -**	**$ -**	**$ 173,871**
Silver-lead concentrates	**50,300**	**-**	**-**	**-**	**50,300**
Zinc concentrates	**53,147**	**-**	**-**	**-**	**53,147**
Gold doré	**-**	**-**	**212,092**	**193,541**	**405,633**
Provisional pricing adjustments	**(1,116)**	**(344)**	**-**	**-**	**(1,460)**
Sales to external customers	**$ 102,331**	**$ 173,527**	**$ 212,092**	**$ 193,541**	**$ 681,491**

	Year ended December 31, 2021				
	Peru	Mexico	Argentina	Burkina Faso	Total
Silver-gold concentrates	$ -	$ 219,663	$ -	$ -	$ 219,663
Silver-lead concentrates	59,755	-	-	-	59,755
Zinc concentrates	42,990	-	-	-	42,990
Gold doré	-	-	178,999	101,256	280,255
Provisional pricing adjustments	799	(3,609)	-	-	(2,810)
Sales to external customers	$ 103,544	$ 216,054	$ 178,999	$ 101,256	$ 599,853

[1]Burkina Faso was acquired as part of the acquisition of Roxgold which completed on July 2, 2021. Comparative figures in 2021 are included from July 2, 2021 onward

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

	Years ended December 31,	
	2022	2021
Customer 1	**$ 212,092**	$ 178,999
Customer 2	**193,541**	101,256
Customer 3	**102,332**	103,544
Customer 4	**76,851**	28,860
Customer 5	**70,584**	91,950
Customer 6	**26,091**	47,212
Customer 7	**-**	48,032
	$ 681,491	$ 599,853

From time to time, the Company mitigates the price risk associated with its base metal production by entering into forward sale and collar contracts for some of its forecasted base metal production and non-metal commodities.

During the year ended December 31, 2022, the Company recognized $0.7 million of realized losses on the settlement of forward sale and collar contracts (December 31, 2021 - $1.5 million), and $1.2 million unrealized gains from changes in the fair value of the open positions (December 31, 2021 – $1.3 million unrealized loss).

20. COST OF SALES

	Years ended December 31,	
	2022	2021
Direct mining costs	**$ 272,329**	$ 198,141
Salaries and benefits	**44,432**	34,773
Workers' participation	**4,285**	7,647
Depletion and depreciation	**171,447**	121,077
Royalties and other taxes	**33,304**	25,703
Inventory net realizable value adjustments	**8,898**	7,035
Cost of Sales	**$ 534,695**	$ 394,376

For the year ended December 31, 2022, depletion and depreciation includes $9.0 million of depreciation related to right-of-use assets (December 31, 2021 - $6.3 million).

21. GENERAL AND ADMINISTRATION

	Years ended December 31,	
	2022	2021
General and administration	**$ 50,191**	$ 39,386
Workers' participation	**954**	1,813
	51,145	41,199
Share-based payments	**10,311**	4,161
General and Administration	**$ 61,456**	$ 45,360

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

22. INTEREST AND FINANCE COSTS, NET

		Years ended December 31,		
		2022		2021
Interest income	**$**	**1,851**	$	1,846
Interest expense		**(8,885)**		(10,246)
Bank stand-by and commitment fees		**(193)**		(69)
Accretion expense		**(2,364)**		(1,451)
Lease Liabilities		**(2,466)**		(2,348)
Loss on extinguishment of credit facility		**-**		(595)
	$	**(12,057)**	$	(12,863)

23. INCOME TAX

(a) Reconciliation of Effective Tax Rate

Income tax expense differs from the amount that would be computed by applying the applicable Canadian statutory income tax rate to income before income taxes. The significant reasons for the differences are as follows:

		Years ended December 31,		
		2022		2021
Net (loss) income before tax	**$**	**(125,109)**	$	107,180
Statutory tax rate		**27.0%**		27.0%
Anticipated income tax at statutory rates		**(33,779)**		28,939
Non-deductible expenditures (deductible expenditures)		**(3,513)**		(5,535)
Differences between Canadian and foreign tax rates		**10,448**		4,392
Changes in estimate		**(4,492)**		(93)
Effect of change in tax rates		**—**		(1,919)
Inflation adjustment		**(57,403)**		(24,873)
Impact of foreign exchange		**17,336**		14,865
Change in deferred tax assets not recognized		**70,178**		18,692
Mining taxes		**5,629**		7,636
Withholding taxes		**7,720**		8,148
Other items		**(1,327)**		(2,471)
Total income tax expense	**$**	**10,797**	$	47,781
Total income tax represented by:				
Current income tax expense	**$**	**35,783**	$	51,651
Deferred tax recovery		**(24,986)**		(3,870)
	$	**10,797**	$	47,781

(b) Tax Amounts Recognized in Profit or Loss

		Years ended December 31,		
		2022		2021
Current tax expense				
Current taxes on profit for the year	**$**	**35,884**	$	51,106
Changes in estimates related to prior years		**(101)**		545
	$	**35,783**	$	51,651

Deferred tax expense

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

Origination and reversal of temporary differences and foreign exchange rate	**$**	**(20,826)**	$	(985)
Changes in estimates related to prior years		**(4,392)**		(638)
Effect of differences in tax rates		**232**		(328)
Effect of changes in tax rates		**—**		(1,919)
	$	**(24,986)**	$	(3,870)
Total tax expense	**$**	**10,797**	$	47,781

(c) Deferred Tax Balances

The significant components of the recognized deferred tax assets and liabilities are:

		December 31, 2022		December 31, 2021
Deferred tax assets:				
Reclamation and closure cost obligation	**$**	**14,942**	$	15,872
Carried forward tax loss		**3,552**		4,192
Equipment and buildings		**11,976**		23,989
Accounts payable and accrued liabilities		**13,286**		19,370
Deductibility of resource taxes		**2,406**		3,085
Lease obligations		**8,374**		8,270
Other		**86**		1,153
Total deferred tax assets	**$**	**54,622**	$	75,931
Deferred tax liabilities:				
Mineral properties	**$**	**(202,087)**	$	(244,296)
Mining and foreign withholding taxes		**(3,524)**		(4,523)
Convertible debenture		**(831)**		(1,198)
Inflation		**(4,306)**		(10,163)
Inventory and other		**(11,493)**		(7,419)
Total deferred tax liabilities	**$**	**(222,241)**	$	(267,599)
Net deferred tax liabilities	**$**	**(167,619)**	$	(191,668)

		2022		2022
Classification:				
Deferred tax assets	**$**	**-**	$	-
Deferred tax liabilities		**(167,619)**		(191,668)
Net deferred tax liabilities	**$**	**(167,619)**	$	(191,668)

The Company's movement of net deferred tax liabilities is described below:

		2022		2021
At January 1	**$**	**191,668**	$	19,499
Deferred income tax (recovery) expense through income statement		**(24,831)**		(3,870)
Deferred income tax expense through equity		**782**		176,039
At December 31	**$**	**167,619**	$	191,668

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

(d) Unrecognized Deferred Tax Assets and Liabilities

The Company recognizes tax benefits on losses or other deductible amounts where it is more likely than not that the deferred tax asset will be realized. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consists of the following amounts:

		December 31, 2022		December 31, 2021
Unrecognized deductible temporary differences and unused tax losses:				
Non-capital losses	**$**	**164,427**	$	136,072
Provisions		**7,215**		11,657
Share issue costs		**306**		1,711
Mineral properties, plant and equipment		**184,970**		12,705
Lease obligation		**578**		863
Derivative liabilities		**335**		-
Capital losses		**—**		4,204
Investments in equity securities and associates		**1,070**		901
Unrecognized deductible temporary differences	**$**	**358,901**	$	168,114

As at December 31, 2022, the Company has temporary differences associated with investments in subsidiaries for which an income tax liability has not been recognized as the Company can control the timing of the reversal of the temporary differences and the Company plans to reinvest in its foreign subsidiaries. The temporary difference associated with investments in subsidiaries aggregate as follow:

		December 31, 2022		December 31, 2021
Mexico	**$**	**150,379**	$	204,283
Peru		**78,505**		59,976
West Africa		**18,122**		114,559

(e) Tax Loss Carry Forwards

Tax losses have the following expiry dates:

	Year of expiry		**December 31, 2022**	Year of expiry		December 31, 2021
Canada	**2026 - 2042**	**$**	**184,717**	2026 - 2041	$	150,015
Mexico	**2021 - 2031**		**20**	2021 - 2030		378

In addition, as at December 31, 2022, the Company has accumulated Canadian resource related expenses of $8.0 million (December 31, 2021- $8.5 million) for which the deferred tax benefit has not been recognized.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

24. SEGMENTED INFORMATION

The following summary describes the operations of each reportable segment:

- Mansfield Minera S.A. ("Mansfield") – operates the Lindero gold mine
- Roxgold SANU S.A. ("Sanu") – operates the Yaramoko gold mine
- Roxgold SANGO S.A. ("Sango") – construction of the Séguéla mine
- Compania Minera Cuzcatlan S.A. de C.V. ("Cuzcatlan") – operates the San Jose silver-gold mine
- Minera Bateas S.A.C. ("Bateas") – operates the Caylloma silver, lead and zinc mine
- Corporate – corporate stewardship

	Year ended December 31, 2022						
	Mansfield	**Sanu**	**Sango**	**Cuzcatlan**	**Bateas**	**Corporate**	**Total**
Revenues from external customers	**$ 212,092**	**$ 193,541**	**$ -**	**$ 173,527**	**$ 102,331**	**$ -**	**$ 681,491**
Cost of sales before depreciation and depletion	**(111,625)**	**(106,953)**	**-**	**(91,312)**	**(53,358)**	**-**	**(363,248)**
Depreciation and depletion in cost of sales	**(54,644)**	**(64,893)**	**-**	**(37,776)**	**(14,134)**	**-**	**(171,447)**
General and administration	**(8,698)**	**(2,101)**	**(366)**	**(8,150)**	**(4,478)**	**(37,663)**	**(61,456)**
Impairment of mineral properties, plant and equipment	**(70,156)**	**(103,457)**	**-**	**(9,229)**	**-**	**-**	**(182,842)**
Other (expenses) income	**(3,239)**	**2,570**	**(1,175)**	**(5,026)**	**(208)**	**(8,972)**	**(16,050)**
Finance items	**(1,695)**	**(760)**	**(360)**	**(660)**	**(1,167)**	**(6,915)**	**(11,557)**
Segment income (loss) before taxes	**(37,965)**	**(82,053)**	**(1,901)**	**21,374**	**28,986**	**(53,550)**	**(125,109)**
Income taxes	**(3,529)**	**13,056**	**405**	**(4,855)**	**(8,915)**	**(6,959)**	**(10,797)**
Segment income (loss) after taxes	**$ (41,494)**	**$ (68,997)**	**$ (1,496)**	**$ 16,519**	**$ 20,071**	**$ (60,509)**	**$ (135,906)**

	Year ended December 31, 2021						
	Mansfield	Sanu	Sango	Cuzcatlan	Bateas	Corporate	Total
Revenues from external customers	$ 178,999	$ 101,256	$ -	$ 216,054	$ 103,544	$ -	$ 599,853
Cost of sales before depreciation and depletion	(79,224)	(51,839)	-	(90,499)	(51,737)	-	(273,299)
Depreciation and depletion in cost of sales	(43,665)	(28,973)	-	(32,257)	(16,182)	-	(121,077)
General and administration	(5,793)	(953)	-	(10,007)	(4,127)	(24,480)	(45,360)
Other (expenses) income	(5,069)	(2,536)	(472)	(15,793)	632	-	(23,238)
Finance items	(972)	(2,664)	(96)	(882)	(5,034)	(20,051)	(29,699)
Segment income (loss) before taxes	44,276	14,291	(568)	66,616	27,096	(44,531)	107,180
Income taxes	(3,242)	(2,749)	(499)	(23,586)	(9,415)	(8,290)	(47,781)
Segment income (loss) after taxes	$ 41,034	$ 11,542	$ (1,067)	$ 43,030	$ 17,681	$ (52,821)	$ 59,399

As at December 31, 2022	**Mansfield**	**Sanu**	**Sango**	**Cuzcatlan**	**Bateas**	**Corporate**	**Total**
Total assets	**$ 499,937**	**$ 182,621**	**$ 833,179**	**$ 187,898**	**$ 142,385**	**$ 30,204**	**$ 1,876,224**
Total liabilities	**$ 44,152**	**$ 47,122**	**$ 173,082**	**$ 30,381**	**$ 49,143**	**$ 243,648**	**$ 587,528**
Capital expenditures[1]	**$ 23,048**	**$ 54,137**	**$ 118,644**	**$ 24,397**	**$ 19,610**	**$ 2,047**	**$ 241,884**

[1] Capital expenditures are on an accrual basis for the year ended December 31, 2022

As at December 31, 2021	Mansfield	Sanu	Sango	Cuzcatlan	Bateas	Corporate	Total
Total assets	$ 613,584	$ 249,153	$ 760,220	$ 239,448	$ 128,012	$ 31,505	$ 2,021,922
Total liabilities	$ 51,544	$ 67,229	$ 186,981	$ 48,094	$ 54,863	$ 183,641	$ 592,352
Capital expenditures[1]	$ 40,845	$ 22,856	$ 56,614	$ 26,962	$ 24,848	$ -	$ 172,125

[1] Capital expenditures are on an accrual basis for the year ended December 31, 2021

25. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (interest rate, yield curves), or inputs that are derived principally from or corroborated observable market data or other means. Level 3 inputs are unobservable (supported by little or no market activity). The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The following sets up the methods and assumptions used to estimate the fair value of financial instruments.

Financial asset or liability	Methods and assumptions used to estimate fair value
Trade receivables	Trade receivables arising from the sales of metal concentrates are subject to provisional pricing, and the final selling price is adjusted at the end of a quotational period. These are marked to market at each reporting date based on the forward price corresponding to the expected settlement date.
Investments in equity securities	Investments in equity securities are recorded at fair value based on the quoted market price at the end of each reporting period with changes in fair value through other comprehensive income.
Interest rate swap, metal, fuel and foreign exchange contracts	Fair value is calculated as the present value of the estimated contractual cash flows. Estimates of future cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. These are discounted using a yield curve, and adjusted for credit risk of the Company or the counterparty.
Convertible Debentures	The fair value of the convertible debentures represents both the debt and equity components of the convertible debentures and has been determined with reference to the quoted market price of the convertible debentures.

During the years ended December 31, 2022, and 2021, there were no transfers of amounts between Level 1, Level 2, and Level 3 of the fair value hierarchy. The following tables show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. Fair value information for financial assets and financial liabilities not measured at fair value is not presented if the carrying amount is a reasonable approximation of fair value.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

	Carrying value				Fair value			
December 31, 2022	**Fair Value through OCI**	**Fair value through profit or loss**	**Amortized cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Carrying value approximates Fair Value**
Financial assets measured at Fair Value								
Investments in equity securities	$ 78	$ -	$ -	$ 78	$ 78	$ -	$ -	$ -
Trade receivables concentrate sales	-	21,455	-	21,455	-	21,455	-	-
Metal forward sales contracts asset		18		18		18		-
	$ 78	$ 21,473	$ -	$ 21,551	$ 78	$ 21,473	$ -	$ -
Financial assets not measured at Fair Value								
Cash and cash equivalents	$ -	$ -	$ 80,493	$ 80,493	$ -	$ -	$ -	$ 80,493
Trade receivables doré sales	-	-	2,522	2,522	-	-	-	2,522
Other receivables	-	-	7,443	7,443	-	-	-	7,443
	$ -	$ -	$ 90,458	$ 90,458	$ -	$ -	$ -	$ 90,458
Financial liabilities measured at Fair Value								
Foreign exchange forward contracts liability	-	(270)	-	(270)	-	(270)	-	-
	$ -	$ (270)	$ -	$ (270)	$ -	$ (270)	$ -	$ -
Financial liabilities not measured at Fair Value								
Trade payables	$ -	$ -	$ (72,571)	$ (72,571)	$ -	$ -	$ -	$ (72,571)
Payroll payable	-	-	(22,967)	(22,967)	-	-	-	(22,967)
Credit facilities	-	-	(177,020)	(177,020)	-	(180,000)	-	-
Convertible debentures	-	-	(42,155)	(42,155)	-	(46,138)	-	-
Other payables	-	-	(31,519)	(31,519)	-	-	-	(31,519)
	$ -	$ -	$ (346,232)	$ (346,232)	$ -	$ (226,138)	$ -	$ (127,057)

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

December 31, 2021	Carrying value: Fair Value through OCI	Carrying value: Fair value through profit or loss	Carrying value: Amortized cost	Carrying value: Total	Fair value: Level 1	Fair value: Level 2	Fair value: Level 3	Carrying value approximates Fair Value
Financial assets measured at Fair Value								
Investments in equity securities	$ 496	$ -	$ -	$ 496	$ 496	$ -	$ -	$ -
Trade receivables concentrate sales	-	23,298	-	23,298	-	23,298	-	-
Fuel hedge contracts asset	-	1,619	-	1,619	-	1,619	-	-
	$ 496	$ 24,917	$ -	$ 25,413	$ 496	$ 24,917	$ -	$ -
Financial assets not measured at Fair Value								
Cash and cash equivalents	$ -	$ -	$ 107,097	$ 107,097	$ -	$ -	$ -	$ 107,097
Trade receivables doré sales	-	-	2,420	2,420	-	-	-	2,420
Other receivables	-	-	4,424	4,424	-	-	-	4,424
	$ -	$ -	$ 113,941	$ 113,941	$ -	$ -	$ -	$ 113,941
Financial liabilities measured at Fair Value								
Interest rate swap liability	$ (78)	$ -	$ -	$ (78)	$ -	$ (78)	$ -	$ -
Metal forward sales contracts liability	-	(2,547)	-	(2,547)	-	(2,547)	-	-
Fuel forward contracts liability	-	(508)	-	(508)	-	(508)	-	-
	$ (78)	$ (3,055)	$ -	$ (3,133)	$ -	$ (3,133)	$ -	$ -
Financial liabilities not measured at Fair Value								
Trade payables	$ -	$ -	$ (80,925)	$ (80,925)	$ -	$ -	$ -	$ (80,925)
Payroll payable	-	-	(23,311)	(23,311)	-	-	-	(23,311)
Credit facilities	-	-	(117,082)	(117,082)	-	(120,000)	-	-
Convertible debentures	-	-	(40,407)	(40,407)	-	(50,614)	-	-
Other payables	-	-	(44,427)	(44,427)	-	-	-	(44,427)
	$ -	$ -	$ (306,152)	$ (306,152)	$ -	$ (170,614)	$ -	$ (148,663)

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

26. MANAGEMENT OF FINANCIAL RISK

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews the Company's policies on an ongoing basis.

The Company is exposed to certain financial risks, including credit risk, liquidity risk, currency risk, metal price risk, and interest rate risk.

(a) Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. All our trade accounts receivables from concentrate sales are held with large international metals trading companies.

The Company's cash and cash equivalents and short-term investments are held through large financial institutions. These investments mature at various dates within three months.

The Company's maximum exposure to credit risk as at December 31, 2022 and 2021 is as follows:

As at	**December 31, 2022**	December 31, 2021
Cash and cash equivalents	**$ 80,493**	$ 107,097
Derivative assets	**19**	1,490
Trade and other receivables	**68,165**	76,487
Income tax receivable	**718**	1,713
Other non-current receivables	**8,484**	6,032
	$ 157,879	$ 192,819

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. We limit our exposure to counterparty credit risk on cash and term deposits by only dealing with financial institutions with high credit ratings and through our investment policy of purchasing only instruments with a high credit rating. Almost all of our concentrates are sold to large well-known concentrate buyers.

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity risk by continually monitoring forecasted and actual cash flows. The Company has in place a planning and budgeting process to help determine the funds required to support its normal operating requirements and its development plans. The Company aims to maintain sufficient liquidity to meet its short term business requirements, taking into account its anticipated cash flows from operations, its holdings of cash and cash equivalents, and its committed and anticipated liabilities.

The Company had $150.5 million of liquidity comprised of cash and cash equivalents and undrawn credit facilities as at December 31, 2022. The Company believes that it has sufficient liquidity to meet the Company's minimum obligations for at least the next 12 months from December 31, 2022.

The Company manages its liquidity risk by continuously monitoring forecasted and actual cashflows. A rigorous reporting, planning and budgeting process are in place to help facilitate forecasting funding requirements, to support operations on an ongoing basis and expansion plans, if any.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

As at December 31, 2022, the Company expects the following maturities of its financial liabilities, lease obligations, and other contractual commitments, excluding payments relating to interest:

	Expected payments due by year as at December 31, 2022				
	Less than 1 year	**1 - 3 years**	**4 - 5 years**	**After 5 years**	**Total**
Trade and other payables	**$ 111,896**	**$ -**	**$ -**	**$ -**	**$ 111,896**
Debt	**-**	**225,940**	**-**	**-**	**225,940**
Income taxes payable	**11,589**	**-**	**-**	**-**	**11,589**
Lease obligations	**11,343**	**8,308**	**5,736**	**5,806**	**31,193**
Other liabilities	**-**	**2,596**	**-**	**-**	**2,596**
Capital commitments, Séguéla	**13,923**	**380**	**-**	**-**	**14,303**
Closure and reclamation provisions	**3,227**	**24,635**	**9,110**	**23,040**	**60,012**
	$ 151,978	**$ 261,859**	**$ 14,846**	**$ 28,846**	**$ 457,529**

	Expected payments due by year as at December 31, 2021				
	Less than 1 year	1 - 3 years	4 - 5 years	After 5 years	Total
Trade and other payables	$ 133,805	$ -	$ -	$ -	$ 133,805
Debt	-	46,000	120,000	-	166,000
Income taxes payable	20,563	-	-	-	20,563
Lease obligations	12,292	11,315	2,065	15,983	41,655
Other liabilities	-	3,310	-	-	3,310
Capital commitments, Séguéla	66,542	5,217	-	-	71,759
Closure and reclamation provisions	1,883	5,561	23,954	24,714	56,112
	$ 235,085	$ 71,403	$ 146,019	$ 40,697	$ 493,204

(c) Currency risk

The Company is exposed to fluctuations in foreign exchange rates as a portion of our expenses are incurred in Canadian dollars, Peruvian soles, Argentine peso, Mexican peso, West Africa CFA Franc and Australian dollars. A significant change in the foreign exchange rates between the United States dollar relative to the other currencies could have a material effect on the Company's profit or loss, financial position, or cash flows.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

As at December 31, 2022 and 2021, the Company was exposed to currency risk through the following assets and liabilities denominated in foreign currencies:

	December 31, 2022						
	Canadian Dollars	**Peruvian Soles**	**Mexican Pesos**	**Argentine Pesos**	**West African CFA Franc**	**Australian Dollars**	**Euro**
Cash and cash equivalents	**587**	**6,237**	**73,868**	**11,845**	**6,057,885**	**250**	**0**
Marketable securities	**105**	**-**	**-**	**-**	**-**	**-**	**-**
Restricted cash	**-**	**-**	**-**	**-**	**2,338,983**	**-**	**-**
Trade and VAT receivables	**215**	**3,317**	**73,868**	**2,062,918**	**12,979,116**	**(115)**	**-**
Income tax receivable	**-**	**28,137**	**13,900**	**-**	**-**	**-**	**-**
VAT - long term receivable	**-**	**-**	**70,520**	**-**	**-**	**-**	**-**
Trade and other payables	**(13,374)**	**(16,966)**	**(218,288)**	**(1,429,416)**	**(15,346,471)**	**(1,285)**	**(274)**
Provisions, current	**-**	**(8,123)**	**(11,729)**	**(387,883)**	**-**	**-**	**-**
Income tax payable	**51**	**-**	**(84,393)**	**-**	**(1,353,215)**	**-**	**-**
Other liabilities	**(177)**	**-**	**(9,708)**	**-**	**-**	**-**	**-**
Provisions, non-current	**-**	**(12,611)**	**(90,797)**	**-**	**-**	**-**	**-**
Total foreign currency exposure	**(12,592)**	**(9)**	**(182,759)**	**257,464**	**4,676,296**	**(1,151)**	**(274)**
US$ equivalent of foreign currency exposure	**(9,297)**	**(2)**	**(9,439)**	**1,436**	**7,416**	**(1,099)**	**(262)**

	December 31, 2021						
	Canadian Dollars	Peruvian Soles	Mexican Pesos	Argentine Pesos	West African CFA Franc	Australian Dollars	Euro
Cash and cash equivalents	1,660	5,508	18,126	4,319	11,494,909	5	28
Marketable securities	527	-	-	-	-	-	-
Restricted cash	-	-	-	-	1,166,963	-	-
Trade and VAT receivables	690	2,144	174,229	1,526,506	13,433,368	-	-
Income tax receivable	-	20,707	-	-	-	-	-
VAT - long term receivable	-	-	70,520	-	-	-	-
Trade and other payables	(3,839)	(17,496)	(400,697)	(1,174,033)	(10,094,158)	(939)	(1,431)
Provisions, current	-	(4,413)	(13,534)	(95,353)	-	-	-
Income tax payable	-	-	(87,881)	-	-	-	-
Other liabilities	-	-	(6,178)	-	-	-	-
Provisions, non-current	-	-	(87,305)	-	-	-	-
Total foreign currency exposure	(962)	6,450	(332,719)	261,439	16,001,083	(933)	(1,403)
US$ equivalent of foreign currency exposure	(755)	1,668	(16,802)	2,734	28,548	(671)	(1,207)

Sensitivity as to change in foreign currency exchange rates on our foreign currency exposure as at December 31, 2022 is provided below:

Currency	Change		Effect on foreign denominated items
Mexican pesos	+/- 10%	$	858
Peruvian soles	+/- 10%	$	0
Argentinian pesos	+/- 10%	$	131
Canadian Dollar	+/- 10%	$	845
West African CFA franc	+/- 10%	$	674
Australian Dollar	+/- 10%	$	152
Euro	+/- 10%	$	24

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

Due to the volatility of the exchange rate for Argentine Peso, the Company is applying additional measures in cash management to minimize potential losses arising from the conversion of funds. As discussed in note 26(f), with the capital controls in effect, the Company is required to convert the equivalent value of foreign currency received from the proceeds of the sale of all gold doré from the Lindero Mine.

(d) Metal Price Risk

The Company is exposed to metal price risk with respect to the sales of silver, gold, lead, and zinc concentrates. The following table summarizes the effect on provisionally priced sales and accounts receivables of a 10% change in metal prices from the prices used at December 31, 2022:

Metal	Change	Effect on Sales	
Silver	+/- 10%	$	800
Gold	+/- 10%	$	363
Lead	+/- 10%	$	550
Zinc	+/- 10%	$	186

During the year ended December 31, 2022, the Company recognized negative sales adjustments of $1.5 million (December 31, 2021 – negative $2.8 million) as a result of changes in metal prices on the final settlement or during the quotational period.

From time to time, the Company mitigates the price risk associated with its base metal production by entering into forward sale and collar contracts for some of its forecasted base metal production and non-metal commodities (see Note 19).

(e) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently, the Company's interest rate exposure mainly relates to interest earned on its cash, cash equivalent, and short-term investment balances, interest paid on its LIBOR-based debt, interest paid on its SOFR-based debt and the mark-to-market value of derivative instruments which depend on interest rates.

(f) Capital Management

The Company's objective when managing its capital is to maintain its ability to continue as a going concern while at the same time maximizing the growth of its business and providing returns to its shareholders. The Company manages its capital structure and makes adjustments based on changes to its economic environment and the risk characteristics of the Company's assets.

Effective December 23, 2019, changes to Argentina's tax laws proposed by the new Argentine Government were implemented. The changes ratified and extended legislation which was to expire on December 31, 2019 and allow the Argentine Central Bank to regulate funds coming into and flowing out of Argentina in order to maintain stability and support the economic recovery of the country. These capital controls, together with additional temporary controls enacted on May 29, 2020, have the effect of requiring exporters to convert the equivalent value of foreign currency received from the export into Argentine Pesos; requiring the prior consent of the Argentine Central Bank to the payment of cash dividends and distributions of currency out of Argentina; requiring Argentine companies to convert foreign currency loans received from abroad into Argentine Pesos; and restricting the sale of Argentine Pesos for foreign currency.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

The Company's capital requirement is effectively managed based on the Company having a thorough reporting, planning and forecasting process to help identify the funds required to ensure the Company is able to meet its operating and growth objectives.

The Company's capital structure consists of equity comprising of share capital, reserves and retained earnings as well as debt facilities, equipment financing obligations less cash, cash equivalents and short-term investments.

	December 31, 2022	December 31, 2021
Equity	**$ 1,244,756**	$ 1,375,148
Debt	**219,175**	157,489
Lease obligations	**21,346**	29,405
Less: cash and cash equivalents	**(80,493)**	(107,097)
	$ 1,404,784	$ 1,454,945

As discussed above, the Company operates in Argentina where the new Argentine government has ratified and extended legislation to December 31, 2025 to allow the Argentine Central Bank to regulate funds coming into and flowing out of Argentina. Other than the restrictions related to these capital controls and complying with the debt covenants under the Company's credit facility, the Company is not subject to any externally imposed capital requirements. As at December 31, 2022 and 2021, the Company was in compliance with its debt covenants.

27. SUPPLEMENTAL CASH FLOW INFORMATION

Changes in working capital for the years ended December 31, 2022 and 2021 are as follows:

	Years ended December 31,	
	2022	2021
Trade and other receivables	**$ 7,315**	$ (16,897)
Prepaid expenses	**(1,643)**	(2,149)
Inventories	**(20,415)**	(23,824)
Trade and other payables	**(3,278)**	3,556
Total changes in working capital	**$ (18,021)**	$ (39,314)

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

The changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes for the years as set out below are as follows:

	Bank loan	Convertible debentures	Lease obligations
As at December 31, 2020	$ 119,850	$ 38,766	$ 19,497
Additions	-	-	7,397
Terminations	-	-	(1,203)
Acquisition of Roxgold	31,711	-	13,597
Interest	845	1,641	2,336
Payments	(32,288)	-	(11,928)
Transaction costs	(3,036)	-	-
Foreign exchange	-	-	(291)
As at December 31, 2021	117,082	40,407	29,405
Loss on debt modifications	-	-	(729)
Additions	80,000	-	2,774
Terminations	-	-	(661)
Conversion of debenture	-	(60)	-
Interest	626	1,808	2,623
Payments	(20,000)	-	(12,209)
Transaction costs	(688)	-	-
Foreign exchange	-	-	143
As at December 31, 2022	**$ 177,020**	**$ 42,155**	**$ 21,346**

The significant non-cash financing and investing transactions during the years ended December 31, 2022 and 2021 are as follows:

	Years ended December 31,	
	2022	2021
Acquisition of Roxgold	**$** -	$ 594,666
Mineral properties, plant and equipment changes in closure and reclamation provision	**$ 5,021**	$ (3,729)
Stock options allocated to share capital upon exercise	**$** -	$ 136
Additions to right of use assets	**$ (2,774)**	$ (2,551)
Share units allocated to share capital upon settlement	**$ 2,525**	$ 4,468

28. NON-CONTROLLING INTEREST

As at December 31, 2022, the non-controlling interest (“NCI”) of the Government of Burkina Faso, which represents a 10% interest in Roxgold SANU S.A. totaled $2.3 million. The loss attributable to the NCI for the year ended December 31, 2022, totaling $7.1 million is based on the net loss for Yaramoko.

As at December 31, 2022, the NCI of the Government of Côte d’Ivoire, which represents a 10% interest in Roxgold Sango S.A. totaled $41.6 million. The loss attributable to the NCI for the year ended December 31, 2022, totaling $0.7 million is based on the net loss for Séguéla.

Summarized statement of financial position

As of December 31, 2022	**Yaramoko**	**Séguéla**
Non-controlling interest percentage	**10%**	**10%**
Current assets	$ 54,953	$ 6,536

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

Non-current assets		110,617		230,570
Current liabilities		(23,338)		(13,629)
Non-current liabilities		(99,921)		(254,158)
Net assets	$	42,311	$	(30,681)
Non-controlling interest	$	2,309	$	41,631

Summarized income statement

For the period ended December 31, 2022		**Yaramoko**		**Séguéla**
Revenue	$	193,541	$	-
Net income (loss) and comprehensive income (loss)	$	40,614	$	6,964

Summarized cash flows

For the period ended December 31, 2022		**Yaramoko**		**Séguéla**
Cash flows provided by operating activities	$	83,124	$	(710)
Cash flows used in investing activities	$	(53,449)	$	(124,737)
Cash flows (used in) provided by financing activities	$	(32,309)	$	121,521

29. CONTINGENCIES AND CAPITAL COMMITMENTS

(a) Caylloma Letter of Guarantee

The Caylloma Mine closure plan, as amended, that was in effect in January 2021, included total undiscounted closure costs of $18.2 million, which consisted of progressive closure activities of $6.2 million, final closure activities of $9.8 million, and post closure activities of $2.3 million pursuant to the terms of the Mine Closing Law.

Under the terms of the current Mine Closing Law, the Company is required to provide the Peruvian Government with a guarantee in respect of the Caylloma mine closure plan as it relates to final closure activities and post-closure activities and related taxes. In 2022, the Company provided a bank letter of guarantee of $10.8 million to the Peruvian Government in respect of such closure costs and taxes.

(b) San Jose Letter of Guarantee

The Company has established three letters of guarantee in the aggregate amount of $0.9 million to fulfill its environmental obligations under the terms and conditions of the Environmental Impact Statements issued by the Secretaria de Medio Ambiente y Recursos Naturales ("SEMARNAT") in 2009 in respect of the construction of the San Jose mine, and in 2017 and 2020 with respect to the expansion of the dry stack tailings facility at the San Jose mine. The letters of guarantee expire on December 31, 2023, March 5, 2024, and September 17, 2023, respectively.

(c) Other Commitments

As at December 31, 2022, the Company had capital commitments of $6.5 million, $1.8 million and $0.1 million for civil work, equipment purchases and other services at the Lindero, Caylloma and San Jose Mines, respectively, which are expected to be expended within one year.

Burkina Faso

The Company entered into an agreement with a service provider at the Yaramoko Mine wherein if the Company terminates the agreement prior to the end of its term, in December 2023, the Company would be required to make an early termination payment, which is reduced monthly over 30 months, and in certain circumstances, could be required to make other payments that will be negotiated between the Company and the service provider. If the Company had terminated the agreement at December 31, 2022 it would have been subject to an early termination payment of $2.0 million.

Côte d'Ivoire

As of December 31, 2022, the Company had capital commitments of $14.3 million for the construction of the Séguéla Mine, with $13.9 million expected to be expended within one year.

The Company entered into an agreement with a service provider at the Séguéla Mine wherein if the Company terminates the agreement prior to the end of its term, in November 2026, the Company would be required to make an early termination payment, which is reduced monthly over 48 months.

If the Company had terminated the agreement on December 31, 2022, and elected not to purchase the service provider's equipment, it would have been subject to an early termination payment of $19.7 million.

If the Company had terminated the agreement on December 31, 2022, and elected to purchase the service provider's equipment, the early termination amount would be adjusted to exclude equipment depreciation and demobilization of equipment, and only include portion of the monthly management fee and demobilization of personnel.

(d) Tax Contingencies

The Company is, from time to time, involved in various tax assessments arising in the ordinary course of business. The Company cannot reasonably predict the likelihood or outcome of these actions. The Company has recognized tax provisions with respect to current assessments received from the tax authorities in the various jurisdictions in which the Company operates, and from any uncertain tax positions identified. For those amounts recognized related to current tax assessments received, the provision is based on management's best estimate of the outcome of those assessments, based on the validity of the issues in the assessment, management's support for their position, and the expectation with respect to any negotiations to settle the assessment. Management re-evaluates the outstanding tax assessments regularly to update their estimates related to the outcome for those assessments taking into account the criteria above.

Peru

The Company was assessed $1.1 million (4.3 million Peruvian soles), including interest and penalties of $0.6 million (2.4 million Peruvian soles), for the 2010 tax year by SUNAT, the Peruvian tax authority, with respect to the deduction of certain losses arising from derivative instruments. The Company has applied to the Peruvian tax court to appeal the assessment.

On January 22, 2019, the Peruvian tax court reaffirmed SUNAT's position and denied the deduction. The Company believes the assessment is inconsistent with Peruvian tax law and that it is probable the Company will succeed on appeal through the Peruvian legal system. The Company has paid the disputed amount in full and has initiated proceedings through the Peruvian legal system to appeal the decision of the Peruvian tax court.

As at December 31, 2022, the Company has recorded the amount paid of $1.1 million (4.3 million Peruvian soles) in other long-term assets, as the Company believes it is probable that the appeal will be successful (Note 9).

Argentina

On August 16, 2022, the Argentine Tax Authority ("AFIP") published General Resolution No.5248/2022 (the "Resolution") which established a one-time "windfall income tax prepayment" for companies that have obtained extraordinary income derived from the general increase in international prices. The Resolution was published by AFIP without prior notice.

The windfall income tax prepayment applies to companies that meet certain income tax or net income tax (before the deduction of accumulated tax losses) thresholds for 2021 or 2022. The aggregate amount of the windfall income tax prepayment payable by Mansfield calculated in accordance with the Resolution is approximately $5.5 to $6.0 million.

The windfall income tax prepayment was to be paid in three equal and consecutive monthly instalments, starting on October 22, 2022, and is payable in addition to income tax instalments currently being paid by corporate taxpayers on account of their income tax obligations. The windfall income tax prepayment is an advance payment of income taxes due to be paid in 2022.

Based on the historical accumulated losses of Mansfield for fiscal 2021 which can be carried forward for 2022, Mansfield was not liable for income tax, and based upon current corporate income tax laws and the ability of the Company to deduct historical accumulated losses, it was projected that income tax would not be required to be paid for fiscal 2022.

To protect Mansfield's position from having to pay the windfall income tax prepayment as an advance income tax for 2022, which based on management's projections is not payable, Mansfield applied to the Federal Court of Salta Province for a preliminary injunction to prevent the AFIP from issuing a demand or other similar measure for the collection of the Windfall Income Tax Prepayment. On October 3, 2022, Mansfield was notified that the Court had granted the preliminary injunction. As a result, Mansfield did not pay any of the three instalments due in 2022.

Mansfield also filed an administrative claim with the AFIP to challenge the constitutionality of the Resolution, which was rejected by AFIP on November 2, 2022. Mansfield has challenged the rejection of its administrative claim, by filing legal proceedings against the AFIP with the Federal Court. On February 15, 2023, the Federal Court granted Mansfield a preliminary injunction in these legal proceedings.

(e) Other Contingencies

The Company is subject to various investigations and other claims, legal, labor, and tax proceedings covering matters that arise in the ordinary course of business activities. Each of these matters is subject to various uncertainties, and it is possible that some of these matters may be resolved unfavorably for the Company. Certain conditions may exist as of the date these financial statements are issued that may result in a loss to the Company. None of these matters is expected to have a material effect on the results of operations or financial conditions of the Company.

30. IMPAIRMENT

The Company's impairment loss in respect of the following CGUs for the year ended December 31, 2022 are summarized in the following table:

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

Cash Generating Unit	Carrying Value	Recoverable Amount	Impairment Expense
Yaramoko	$ 199,652	$ 96,195	$ 103,457
Lindero	$ 525,336	$ 455,180	$ 70,156
San Jose	$ 128,349	$ 119,121	$ 9,229
Total Impairment Expense			$ **182,842**

Impairment Testing
In accordance with the Company's accounting policies each CGU is assessed for indicators of impairment from both internal and external sources at the end of each reporting period. If such indicators of impairment exist for any CGU, those CGUs are tested for impairment. Based on this assessment, the Company determined that the Yaramoko, Lindero and San Jose CGUs had indicators of impairment.

The recoverable amounts of the CGUS are based on the discounted cash flows expected to be derived from the Company's mining properties and represent each CGU's Fair Value Less Cost of Disposal (FVLCD), a Level 3 fair value estimate.

CGU specific assumptions used to evaluate the recoverable amount were as follows:

Yaramoko

During 2022 the Company completed additional exploration drilling programs and studies to re-evaluate modelling and estimation techniques to improve the definition of the mineralization and better understand the proposed open pit mining operation at the 55 Zone as disclosed by Roxgold on November 10, 2020 as well as the continued testing of targets at depth in the 55 Zone underground. Results from the additional drilling and evaluation studies were used to update the deposit model which, when taking into account production related depletion, resulted in a 43% decrease in gold ounces in the proven and probable mineral reserves. In 2022, Yaramoko also realized increased operating and capital costs due to inflation. These factors were integrated into an updated life of mine assessment during the fourth quarter of 2022 and the Company concluded that the recoverable value and exploration potential of the Yaramoko property had declined and that the asset was impaired. As a result, the Company recorded an impairment expense of $103.5 million in respect of its mining interests at the Yaramoko CGU.

Lindero

In the fourth quarter of 2022 the Company completed an exercise to assess the operating and capital requirements of the mine as well as the impact of inflation on the cost structure at Lindero for the life of the mine. The results reflected an increase in cash costs per tonne and capital requirements over the planned life of mine and decreased the associated future after-tax cash flows which resulted in a reduction of the estimated recoverable amount of Lindero. Discount rates for Lindero also increased to 7.1% compared to the 6.25% used in the 2021 impairment assessment due to higher interests rates and country risk. As a result, the Company recorded an impairment expense of $70.2 million in respect of its mining interests at the Lindero CGU.

San Jose

In 2022 the San Jose mine realized increased operating and capital costs in its cost structure due to inflation. In addition, the 2022 exploration drilling campaign failed to identify sufficient material to replace mined depletion which contributed to the reduction in mineral reserves and resulted in a shorter mine life. This update was integrated into a revised life of mine plan in the fourth quarter of 2022 which resulted in a reduction of the estimated recoverable amount of San Jose. As a result, the Company recorded an impairment expense of $9.2 million in respect of its mining interests at the San Jose CGU.

(Tabular amounts presented in thousands of US dollars, except share and per share amounts)

Key Assumptions
The projected cash flows used in impairment testing are significantly affected by changes in the assumptions of metal prices, estimated quantities of mineral reserves and mineral resources that form the basis for the life of mine plans, production cost estimates, capital requirements, and discount rates. The Company's impairment testing incorporated the following key assumptions.

Weighted Average Cost of Capital
Projected cash flows were discounted using an after-tax discount rate that reflects the weighted average cost of capital for each CGU when considering estimates for risk free interest rates, market value of the Company's equity, market return on equity, share volatility, debt-to-equity financing ratio and a country risk premium. Discount rates used in each impairment assessment were as follows:

Cash Generating Unit	**Discount Rate**
Lindero	7.1%
Yaramoko	7.9%
San Jose	5.5%

Pricing Assumptions
Metal pricing including in the cash flow projects beyond five years is based on historical volatility and consensus analyst pricing. The metal price assumptions used in the Company's impairment assessments were as follows:

Metal	**2023**	**2024**	**2025**	**2026**	**2027**	**Long Term**
Gold (Per Once)	$1,800	$1,800	$1,725	$1,725	$1,700	$1,650
Silver (Per Ounce)	$22.00	$22.50	$22.00	$23.00	$23.00	$21.50

Production and Costs
The Company's estimates of future cash costs of production and capital expenditures are based on the life of mine (LOM) plan for each cash generating unit. The LOM plans for each CGU are based on detailed research and analysis and consider the optimal level of capital investment, overall production levels and mine sequence, commodity prices, historical performance and other factors to maximize the value of the CGU.

Projected future revenues reflect the forecasted production at each CGU as detailed in their LOM plans. The LOM may include mineralized material that does not qualify for inclusion as a mineral reserve or a mineral resource. This is consistent with the methodology used to measure value beyond proven and probable reserves when allocating the purchase price of a business combination to acquired mining assets. The Company's estimate of recoverable value for accounting purposes is not a "preliminary assessment", as defined in Canadian Securities Administrators' National Instrument 43- 101 "Standards of Disclosure for Mineral Projects".

31. SUBSEQUENT EVENTS

On January 5, 2023, the Company announced that it had received notice of a resolution from the Secretaría de Medio Ambiente y Recursos Naturales ("SEMARNAT") which provides that SEMARNAT has annulled and is re-assessing the 12-year extension to the environmental impact authorization ("EIA") for the San Jose Mine that it had granted to Cuzcatlan in December 2021.

Cuzcatlan initiated legal proceedings (the "Mexican Legal Proceedings") in the Mexican Federal Administrative Court (the "Court") to contest and revoke the annulment of the EIA. The Court has admitted the Mexican Legal

Proceedings, and on March 10, 2023, Minera Cuzcatlan received notice that the Court has granted it a permanent injunction which allows the San Jose mine to continue to operate under the terms of the 12-year EIA until the determination of the Mexican Legal Proceedings.

Until the determination of the Mexican Legal Proceedings, the Company has agreed with its lenders to certain temporary restrictions under the Amended Credit Facility as follows:

- Until the date that the Company receives a positive decision in the Mexican Legal Proceedings, the following conditions will apply:
    - The Company may not exercise the $50 million accordion feature.
    - The Company must maintain a minimum cash balance of $70 million. In the event, that the Company fails to maintain this minimum requirement over a period of 30 days, the availability of the credit under the facility will be reduced to $200 million. The credit availability will revert to $250 million once the Company re-establishes the minimum cash balance requirement over a period of 30 days.
    - The Company may not make any distributions, cash-based permitted acquisition and investments, nor any discretionary expansionary capital expenditures (other than those related to the completion of the Séguéla Project).
    - The Company is required to hedge 25% of its forecasted consolidated gold production for the period from February 14 to June 15, 2023.
    - The Company may not make investments in or provide financial assistance to non-guaranteeing subsidiaries in excess of $3,000,000.
- In the event that: (1) the permanent injunction ceases to be in effect; (2) the Court upholds the SEMARNAT Resolution, (3) an Administrative Authority issues a resolution to cease operations at the San Jose Mine, or (4) a positive decision in the Mexican Legal Proceedings is not received before March 31, 2024, the availability under the Amended Credit Facility will be reduced to nil, and an event of default will occur thereunder.

EXHIBIT 99.3

MANAGEMENT'S DISCUSSION AND ANALYSIS

FORTUNA
SILVER MINES INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended December 31, 2022

As of March 15, 2023

This Management's Discussion and Analysis ("MD&A") of the financial position and results of operations for Fortuna Silver Mines Inc. (the "Company" or "Fortuna") (TSX: FVI and NYSE: FSM) should be read in conjunction with the audited consolidated financial statements of the Company for the years ended December 31, 2022 and 2021 (the "2022 Financial Statements") and the related notes thereto. The 2022 Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. For further information on the Company, reference should be made to its public filings on SEDAR at www.sedar.com and on EDGAR at www.sec.gov/edgar.

This MD&A is prepared by management and approved by the Board of Directors as of March 15, 2023. The information and discussion provided in this MD&A covers the year ended December 31, 2022, and where applicable, the subsequent period up to the date of issuance of this MD&A. Unless otherwise noted, all dollar amounts in this MD&A are expressed in United States ("US") dollars. References to "$" or "US$" in this MD&A are to US dollars and references to C$ are Canadian dollars.

Fortuna has a number of direct and indirect subsidiaries which own and operate assets and conduct activities in different jurisdictions. The terms "Fortuna" or the "Company" are used in this MD&A for simplicity of the discussion provided herein and may include references to subsidiaries that have an affiliation with Fortuna, without necessarily identifying the specific nature of such affiliation.

This MD&A contains forward-looking statements. Readers are cautioned as to the risks and uncertainties related to the forward-looking statements, the risks and uncertainties associated with investing in the Company's securities and the technical and scientific information under National Instrument 43-101 – *Standards for Disclosure of Mineral Projects* ("NI 43-101") concerning the Company's material properties, including information about mineral reserves and resources, which classifications differ significantly from the requirements required by the U.S. Securities and Exchange Commission ("SEC") as set out in the cautionary note on page 60 of this MD&A. All forward-looking statements are qualified by cautionary notes in this MD&A as well as risks and uncertainties discussed in the Company's Annual Information Form for fiscal 2021 dated March 30, 2022 and its Management Information Circular dated May 12, 2022, which are filed on SEDAR and EDGAR.

This MD&A uses certain Non-IFRS financial measures and ratios that are not defined under IFRS, including but not limited to: cash cost per ounce of gold; all-in sustaining cash cost per ounce of gold sold; all-in cash cost per ounce of gold sold; total production cash cost per tonne; cash cost per payable ounce of silver equivalent; all-in sustaining cash cost per payable ounce of silver equivalent sold; all-in cash cost per payable ounce of silver equivalent sold; free cash flow and free cashflow from ongoing operations; adjusted net income; adjusted EBITDA and working capital which are used by the Company to manage and evaluate operating performance at each of the Company's mines and are widely reported in the mining industry as benchmarks for performance. Non-IFRS financial measures and non-IFRS ratios do not have a standard meaning under IFRS, and may not be comparable to similar financial measures disclosed by other issuers. Non-IFRS measures are further discussed in the "Non-IFRS Measures" section on page 35 of this MD&A.

Throughout this MD&A, the operational and financial results of the assets acquired in the acquisition of Roxgold Inc. ("Roxgold") are included from July 2, 2021 onward.

CONTENTS

BUSINESS OVERVIEW

Fortuna is a growth focused Canadian precious metals mining company with operations and projects in Argentina, Burkina Faso, Mexico, Peru, and Côte d'Ivoire. The Company produces silver, gold and base metals and generates shared value over the long-term through efficient production, environmental protection, and social responsibility.

The Company operates the open pit Lindero gold mine ("Lindero" or the "Lindero Mine") located in northern Argentina, the underground Yaramoko gold mine ("Yaramoko" or the "Yaramoko Mine") located in south-western Burkina Faso, the underground San Jose silver and gold mine ("San Jose" or the "San Jose Mine") located in southern Mexico, the underground Caylloma silver, lead, and zinc mine ("Caylloma" or the "Caylloma Mine") located in southern Peru, and is developing and constructing the open pit Séguéla gold mine ("Séguéla", "Séguéla Project" or the "Séguéla Gold Project") located in south-western Côte d'Ivoire. Each of the Company's producing mines is generally considered to be a separate reportable segment, along with the Company's corporate stewardship segment.

Fortuna is a publicly traded company incorporated and domiciled in British Columbia, Canada. Its common shares are listed on the New York Stock Exchange ("NYSE") under the trading symbol FSM and on the Toronto Stock Exchange ("TSX") under the trading symbol FVI.

CORPORATE DEVELOPMENTS

Amendment to the Credit Facility

On December 15, 2022 the company announced that it had entered into an agreement with its lenders to amend its existing senior secured revolving credit facility to, among other things, increase the maximum amount of the facility by US$50 million to US$250 million. The maturity date of the credit facility remains unchanged and matures in November 2025. See "Capital Resources" for further information.

San Jose Mine EIA

On January 5, 2023, the Company announced that it had received notice of a resolution from the Secretaría de Medio Ambiente y Recursos Naturales ("SEMARNAT") which provides that SEMARNAT has annulled and is re-assessing the 12-year extension to the environmental impact authorization ("EIA") for the San Jose Mine that it had granted to Cuzcatlan in December 2021.

Cuzcatlan initiated legal proceedings (the "Mexican Legal Proceedings") in the Mexican Federal Administrative Court (the "Court") to contest and revoke the annulment of the EIA. The Court has admitted the Mexican Legal Proceedings, and on March 10, 2023, Minera Cuzcatlan received notice that the Court has granted it a permanent injunction which allows the San Jose Mine to continue to operate under the terms of the 12-year EIA until the determination of the Mexican Legal Proceedings.

Until the determination of the Mexican Legal Proceedings, the Company has agreed with its lenders to certain temporary restrictions under the Amended Credit Facility. Refer to "Capital Resources" for additional details.

IMPAIRMENT EXPENSE RECORDED IN THE FOURTH QUARTER OF 2022

In the fourth quarter of 2022 the Company recorded an impairment of mining interests and property plant and equipment of $182.8 million ($164.5 million net of tax). The impairment expenses recognized against the carrying values of the mining interests is as follows:

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

	Impairment Expense	Impairment Expense Net of Tax
Yaramoko	$ 103.5	$ 85.4
Lindero	70.1	70.2
San Jose	9.2	8.9
Impairment expense	$ 182.8	$ **164.5**

Figures may not add due to rounding

Yaramoko

During 2022 the Company completed additional exploration drilling programs and studies to re-evaluate modelling and estimation techniques necessary to improve the definition of the mineralization and better understand the proposed open pit mining operation at the 55 Zone as disclosed by Roxgold on November 10, 2020 as well as the continued testing of targets at depth in the 55 Zone underground. Results from the additional drilling and evaluation studies were used to update the deposit model which, when taking into account production related depletion, resulted in a 43% decrease in gold ounces in the Proven and Probable Reserves (refer to Fortuna news release dated January 27, 2023). In 2022, Yaramoko also realized increased operating and capital costs due to inflation. These factors were integrated into an updated life of mine assessment during the fourth quarter of 2022 and the Company concluded that the recoverable value and exploration potential of the Yaramoko property had declined and that the asset was impaired. As a result, the Company recorded an impairment expense of $103.5 million in respect of its mining interests at the Yaramoko Cash Generating Unit ("CGU").

Lindero

In the fourth quarter of 2022 the Company completed an exercise to assess the operating and capital requirements of the mine as well as the impact of inflation on the cost structure at Lindero for the life of the mine. The results reflected an increase in cash costs per tonne and capital requirements over the planned life of mine and decreased the associated future after-tax cash flows which resulted in a reduction of the estimated recoverable amount of Lindero. Discount rates for Lindero also increased to 7.1% compared to the 6.25% used in the 2021 impairment assessment due to higher interests rates and country risk. As a result, the Company recorded an impairment expense of $70.1 million in respect of its mining interests at the Lindero CGU.

San Jose

In 2022 the San Jose Mine realized increased operating and capital costs in its cost structure due to inflation. In addition, the 2022 exploration drilling campaign failed to identify sufficient material to replace mined depletion which contributed to the reduction in mineral reserves and resulted in a shorter mine life. This update was integrated into a revised life of mine plan in the fourth quarter of 2022 which resulted in a reduction of the estimated recoverable amount of San Jose. As a result, the Company recorded an impairment expense of $9.2 million in respect of its mining interests at the San Jose CGU.

HIGHLIGHTS FOR THE YEAR ENDED DECEMBER 31, 2022

Financial

- Sales were $681.5 million, an increase of 14% from the $599.9 million reported in the year ended December 31, 2021 ("2021").
- Mine operating income was $146.8 million, a decrease of 29% from the $205.5 million reported in 2021.

- Operating loss was $113.6 million, a decrease of 183% from the $136.9 million in operating income reported in 2021.
- Net loss was $135.9 million or $0.44 per share, a decrease from net income of $59.4 million or $0.24 per share reported in 2021.
- Adjusted net income (refer to Non-IFRS Financial Measures) was $42.6 million compared to $100.6 million in 2021, representing a 58% year-over-year decrease.
- Adjusted EBITDA (refer to Non-IFRS Financial Measures) was $245.5 million compared to $280.7 million reported in 2021, representing a 13% year-over-year decrease.
- Free cash flow from ongoing operations (refer to Non-IFRS Financial Measures) was $69.2 million compared to $86.0 million reported in 2021, representing a 20% year-over-year decrease.
- Net cash provided by operating activities was $194.2 million, an increase of 32% from the $147.1 million reported in 2021.

Operating

- Gold production of 259,427 ounces, an increase of 25% from 2021
- Silver production of 6,907,275 ounces, a decrease of 8% from 2021
- Lead production of 34,588,000 pounds, an increase of 5% from 2021
- Zinc production of 46,176,000 pounds, a decrease of 3% from 2021

Growth and Development

- Séguéla construction was 86% complete as of December 31, 2022 and remains on-time and on-budget for first gold pour in mid-2023
- Fortuna continued to expand mineralization at the Sunbird discovery at Séguéla that has resulted in an upgraded mineral resource estimate for Sunbird, including a maiden indicated mineral resource and an increased inferred mineral resource. Regional exploration at Séguéla has continued to return encouraging results. Refer to Fortuna news release dated December 5, 2022: "Fortuna increases Sunbird Resource and identifies new regional prospects at Séguéla, Cote d'Ivoire" for full details

COVID-19

During the fiscal year ended December 31, 2022, there were no shutdowns or material impacts to the business related to COVID-19. The Company continues to monitor the evolution of COVID-19 and our operations maintain preventative and reactive health protocols including health awareness, health and hygiene controls and quarantine as necessary.

Health & Safety

During Q4 2022, the Company recorded three lost time injuries ("LTI") for a total of 5 for the year, two restricted work injuries ("RWI") and three medical treatment injuries ("MTI") for over 3.59 million hours worked for all of its activities (operating mines, construction, exploration and corporate offices). The year-to-date LTI frequency rate ("LTIFR") at the end of Q4 2022 was 0.39 lost time injuries per million hours worked, which represents a continuous improvement from the previous years. The year-to-date total recordable injury frequency rate ("TRIFR") at the end of Q4 2022, which includes the FI (Fatality Incident), LTI, RWI and MTI, was 2.32 total recordable injuries per million hours worked, which is also an improvement from the previous years.

Environment

Site controls by the Company, local authorities and participatory monitoring were conducted in accordance with the plans for the quarter and no areas of non-compliance were identified, and no fines associated with permits and regulations were recorded during 2022 and there were no significant environmental incidents.

Community Engagement

The Company seeks to maintain good constructive relations with the communities where it operates, based on dialogue, transparency, and respect, and to be a catalyst for social development. At each of the Company's operations, it maintains open and ongoing channels of communication with the people in the communities within its direct and indirect areas of influence. At each operation the Company has established mechanisms for addressing requests and complaints or grievances with local and other stakeholders. The Company also takes part in consultations and participatory meetings to identify and prioritize community development needs.

During the fourth quarter of 2022, there were no significant disputes at any of the sites. We also recorded 368 local stakeholder engagement activities during the period. These included consultation meetings with local administration and community leaders, participation in ceremonies, and courtesy visits.

Climate Change

During 2022, the Company continued energy audits and a decarbonisation studies to assess the opportunities to reduce its green house gas emissions in the coming years. By the end of December, the decarbonization study was being updated with the latest mining data and the identification and definition of metrics and targets are underway.

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

Operating and Financial Highlights

A summary of the Company's consolidated financial and operating results for the three and twelve months ended December 31, 2022 are presented below:

	Three months ended December 31,			Years ended December 31,		
Consolidated Metrics	**2022**	2021	% Change	**2022**	2021	% Change
Selected highlights						
Silver						
Metal produced (oz)	**1,746,746**	1,980,243	(12%)	**6,907,275**	7,498,701	(8%)
Metal sold (oz)	**1,775,019**	1,976,380	(10%)	**6,924,640**	7,518,857	(8%)
Realized price ($/oz)	**21.35**	23.39	(9%)	**21.75**	25.16	(14%)
Gold						
Metal produced (oz)	**64,112**	76,162	(16%)	**259,427**	207,192	25%
Metal sold (oz)	**62,718**	76,746	(18%)	**259,313**	202,292	28%
Realized price ($/oz)	**1,737**	1,801	(4%)	**1,802**	1,789	1%
Lead						
Metal produced (000's lbs)	**8,735**	8,419	4%	**34,588**	32,990	5%
Metal sold (000's lbs)	**9,118**	7,945	15%	**34,869**	33,299	5%
Zinc						
Metal produced (000's lbs)	**12,575**	11,380	11%	**46,176**	47,549	(3%)
Metal sold (000's lbs)	**11,027**	11,053	(0%)	**44,770**	47,828	(6%)
Adjusted net income[1]	**7.2**	29.1	(75%)	**42.6**	100.6	(58%)
Adjusted EBITDA[1]	**55.8**	89.6	(38%)	**245.5**	280.7	(13%)
Net cash provided by operating activities	**49.6**	57.1	(13%)	**194.2**	147.1	32%
Free cash flow from ongoing operations[1]	**4.4**	28.2	(84%)	**69.2**	86.0	(20%)
Capital Expenditures[2]						
Sustaining	**33.9**	31.6	7%	**98.1**	77.2	27%
Non-sustaining[3]	**(2.3)**	2.6	(188%)	**8.2**	9.5	(14%)
Lindero construction	**—**	—	0%	**—**	12.8	(100%)
Séguéla construction	**23.5**	19.8	19%	**107.7**	34.2	215%
Brownfields	**6.5**	8.2	(21%)	**23.3**	18.9	23%

[1] Refer to Non-IFRS financial measures
[2] Capital expenditures are presented on a cash basis
[3] Non-sustaining expenditures include greenfields exploration
Figures may not add due to rounding

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

FINANCIAL RESULTS

Selected Financial Information

	Three months ended December 31,			Years ended December 31,		
(Expressed in $ millions except per share information)	**2022**	2021	% Change	**2022**	2021	2020
Selected Financial Information						
Sales	**164.7**	198.9	(17%)	**681.5**	599.9	279.0
Mine operating income	**26.0**	58.3	(55%)	**146.8**	205.5	110.2
Operating (loss) income	**(173.1)**	38.9	(545%)	**(113.6)**	136.9	57.2
Net (loss) income	**(160.4)**	16.6	(1,066%)	**(135.9)**	59.4	21.6
Loss (earnings) per share - basic	**(0.52)**	0.05	(1,140%)	**(0.44)**	0.24	0.12

As at	**December 31, 2022**	**December 31, 2021**	**December 31, 2020**
Cash and cash equivalents	**80.5**	107.1	131.9
Total assets	**1,876.2**	2,021.9	1,055.3
Debt	**219.2**	157.5	158.6
Equity attributable to Fortuna shareholders	**1,244.8**	1,375.1	725.8

Figures may not add due to rounding

Fourth Quarter 2022 vs Fourth Quarter 2021

Mine operating income for the three months ended December 31, 2022 was $26.0 million, a decrease of $32.3 million over the same period in 2021. The decrease was primarily due to:

- Lower production at San Jose of both silver and gold as mined grades decreased in line with the mine plan and the Mineral Reserve estimate as well as a lower realized silver price of $21.37 compared to $23.39 in the comparable period.
- A 19% reduction in gold sold at Lindero as a result of an 8% decrease in tonnes and an 23% decrease in gold grade for ore placed on the pad compared to the fourth quarter of 2021. The reduction of gold grades was in line with the mining plan and the Mineral Reserve estimate.
- An 8% decrease in gold produced at Yaramoko relative to the comparable period. The reduction in gold production was in line with the mine sequence.

Net loss for the three months ended December 31, 2022 was $160.4 million, a decrease of $177.0 million over the same period in 2021. The decrease in net income was driven by the factors described above for mine operating income as well as the recognition of an impairment charge of $182.8 million ($164.5 million net of tax) in the fourth quarter of 2022. Refer to "Impairment Expense Recored in the Fourth Quarter of 2022" for additional details.

Year ended December 31, 2022 vs Year ended December 31, 2021

Mine operating income for the year ended December 31, 2022 was $146.8 million, a decrease of 29% compared to $205.5 million over the same period in 2021. The decrease was primarily related to:

- Lower sales at the San Jose Mine due to lower head grades of silver and gold compared to the same period last year as well as lower realized silver prices
- Higher production costs at the Lindero Mine as a result of an increase in ore tonnes crushed, inflation of key commodities and lower capitalized stripping
- An increase in non-cash costs at the Lindero Mine related to the depletion of previously capitalized stripping costs as the mine accessed a greater amount of ore in Phase 2 of the open pit

The above was partially offset by higher sales at the Lindero Mine as the site was in ramp up over the same period in 2021 and the contribution of twelve months of sales from the Yaramoko Mine compared to 6 months for the same period in 2021.

Net loss for year ended December 31, 2022 was $135.9 million, a decrease of $195.3 million compared to the same period in 2021. The reduction in net income was a result of lower mine operating income as described above, as well as the following:

- Higher G&A expenses due to the acquisition of Roxgold and the associated personnel being included in twelve months of results in 2022 compared to only six months in the previous year
- Write-downs of $5.5 million related to the termination of exploration agreements on the Santa Fe property in Mexico and the Tlamino property in Serbia
- An impairment charge of $182.8 million ($164.5 million net of tax) was realized in the fourth quarter of 2022. Refer to "Impairment Expense Recorded in the Fourth Quarter of 2022" for additional details.

Results for the comparable period in 2021 included one-time costs of $13.8 million for transaction costs related to the Roxgold acquisition and $9.6 million related to the settlement of the disputed Mexican royalty.

A discussion on sales and operating income is presented below.

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

Sales

	Three months ended December 31,			Years ended December 31,		
	2022	2021	% Change	**2022**	2021	% Change
Provisional sales $						
Lindero	**48.8**	65.9	(26%)	**212.1**	177.5	19%
Yaramoko[4]	**45.7**	52.2	(12%)	**193.5**	101.2	91%
San Jose	**43.8**	54.9	(20%)	**175.6**	219.9	(20%)
Caylloma	**24.7**	24.5	1%	**103.7**	104.3	(1%)
Adjustments[1]	**1.7**	1.4	21%	**(3.4)**	(3.0)	13%
Total sales $	**164.7**	198.9	(17%)	**681.5**	599.9	14%
Silver						
Metal produced (oz)	**1,746,746**	1,980,243	(12%)	**6,907,275**	7,498,701	(8%)
Provisional sales (oz)	**1,775,019**	1,976,380	(10%)	**6,924,640**	7,518,857	(8%)
Provisional sales $	**35.1**	43.1	(19%)	**139.7**	176.4	(21%)
Realized price ($/oz)[2]	**21.35**	23.39	(9%)	**21.75**	25.16	(14%)
Net realized price ($/oz)[3]	**19.78**	23.29	(15%)	**20.18**	22.24	(9%)
Gold						
Metal produced (oz)	**64,112**	76,162	(16%)	**259,427**	207,192	25%
Provisional sales (oz)	**62,718**	76,746	(18%)	**259,313**	202,292	28%
Provisional sales $	**107.7**	136.9	(21%)	**463.2**	355.6	30%
Realized price ($/oz)[2]	**1,737**	1,801	(4%)	**1,802**	1,789	1%
Net realized price ($/oz)[3]	**1,717**	1,776	(3%)	**1,786**	1,745	2%
Lead						
Metal produced (000's lbs)	**8,735**	8,419	4%	**34,588**	32,990	5%
Provisional sales (000's lbs)	**9,118**	7,945	15%	**34,869**	33,299	5%
Provisional sales $	**7.7**	6.8	13%	**30.5**	27.8	10%
Realized price ($/lb)[2]	**0.96**	1.06	(9%)	**0.98**	1.00	(2%)
Net realized price ($/lb)[3]	**0.85**	0.85	0%	**0.88**	0.83	6%
Zinc						
Metal produced (000's lbs)	**12,575**	11,380	11%	**46,176**	47,549	(3%)
Provisional sales (000's lbs)	**11,027**	11,053	(0%)	**44,770**	47,828	(6%)
Provisional sales $	**11.5**	10.7	7%	**50.4**	43.1	17%
Realized price ($/lb)[2]	**1.35**	1.51	(11%)	**1.57**	1.36	15%
Net realized price ($/lb)[3]	**1.05**	0.97	8%	**1.13**	0.90	26%

[1] Adjustments consists of mark to market, final price and assay adjustments
[2] Based on provisional sales before final price adjustments. Net after payable metal deductions, treatment, and refining charges
[3] Treatment charges are allocated to base metals at Caylloma and to gold at San Jose
[4] The Yaramoko Mine was acquired as part of the acquisition of Roxgold which completed on July 2, 2021. Comparative figures in 2021 are included from July 2, 2021 onward.

Fourth Quarter 2022 vs Fourth Quarter 2021

Consolidated sales for the three months ended December 31, 2022 were $164.7 million, a 17% decrease from the $198.9 million reported in the same period in 2021. Sales by reportable segment for the year ended December 31, 2022 were as follows:

- Lindero recognized adjusted sales of $48.8 million from the sale of 27,847 ounces of gold sold, a 27% decrease from the same period in 2021. Lower gold sales in the quarter were due to an 8% reduction in tonnes and a 23% decrease in gold grades for ore placed on the leach pad which was in line with the mine plan and the Mineral Reserve estimate. See "Results of Operations – Lindero Mine, Argentina" for additional information.
- Yaramoko recognized adjusted sales of $45.7 million from the sale of 26,250 ounces of gold sold, a 12% decrease from the same period in 2021. Lower sales were primarily the result of lower realized prices and lower gold production in line with the mine sequence. See "Results of Operations – Yaramoko Mine, Burkina Faso" for additional information.

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

- San Jose recognized adjusted sales of $45.9 million, a 19% decrease from the $56.7 million reported in the same period in 2021. Lower sales were primarily driven by lower realized silver prices and lower production due to lower grades which was in line with the mine sequence and Mineral Reserve statement. See "Results of Operations – San Jose Mine, Mexico" for additional information.
- Caylloma recognized adjusted sales of $24.3 million, in line with the $24.4 million reported in the same period in 2021 as lower realized metal pries were offset by higher silver and lead production. See "Results of Operations – Caylloma Mine, Peru" for additional information.

Year ended December 31, 2022 vs Year ended December 31, 2021

Consolidated sales for the year ended December 31, 2022 were $681.5 million, a 14% increase compared to the same period in 2021. The increase in sales was primarily driven by the following:

- Lindero recognized adjusted sales of $212.1 million compared to $179.0 million in the same period in 2021. Higher gold sales were driven by increased production as a result of increased performance at the three-stage crushing and stacking facility
- Yaramoko recognized adjusted sales of $193.5 million for twelve months of operations compared to only six months in the comparable period in 2021 due to the timing of the Roxgold transaction
- This was partially offset by lower sales at San Jose which decreased by $42.5 million compared to the same period in 2021. The reduction in sales was driven by lower production as grades decreased in line with the reserve model and lower realized metal prices.

Operating Income (Loss) and Adjusted EBITDA

	Three months ended December 31,				Years ended December 31,			
	2022	%[1]	2021	%[1]	**2022**	%[1]	2021	%[1]
Operating income (loss)								
Lindero	**(69.6)**	(142%)	16.1	25%	**(36.3)**	(17%)	45.2	25%
Séguéla[3]	**1.4**	0%	(0.5)	0%	**(1.5)**	0%	(0.5)	0%
Yaramoko[3]	**(95.0)**	(208%)	6.9	13%	**(81.3)**	(17%)	17.0	17%
San Jose	**(1.6)**	(3%)	20.1	35%	**22.0**	13%	67.5	31%
Caylloma	**6.8**	28%	5.1	21%	**30.2**	29%	32.1	31%
Corporate	**(15.1)**		(8.8)		**(46.6)**		(24.4)	
Total	**(173.1)**	(105%)	38.9	20%	**(113.5)**	(17%)	136.9	23%
Adjusted EBITDA[2]								
Lindero	**17.3**	35%	36.1	55%	**90.2**	43%	93.6	52%
Séguéla[3]	**1.1**	0%	(0.3)	0%	**(0.3)**	0%	(0.3)	0%
Yaramoko[3]	**24.0**	59%	24.9	48%	**85.6**	44%	50.7	50%
San Jose	**18.4**	40%	28.6	50%	**71.6**	41%	114.0	53%
Caylloma	**9.8**	40%	8.9	36%	**39.3**	37%	45.5	44%
Corporate	**(14.8)**		(8.6)		**(40.9)**		(22.8)	
Total	**55.8**	36%	89.6	45%	**245.5**	36%	280.7	47%

[1] As a Percentage of Sales
[2] Refer to Non-IFRS Financial Measures
3 The Yaramoko Mine and Séguéla Project were acquired as part of the acquisition of Roxgold which completed on July 2, 2021. Comparative figures in 2021 are included from July 2, 2021 onward.
Figures may not add due to rounding

Fourth Quarter 2022 vs Fourth Quarter 2021

Operating loss for the three months ended December 31, 2022 was $173.1 million, a decrease of $212.0 million over the same period in 2021. The change in operating income was primarily due to lower mine operating income described above and an impairment charge of $182.8 million ($164.5 million net of tax) that was realized in the fourth quarter of 2022. Refer to "Impairment Expense Recorded in the Fourth Quarter of 2022" for additional details

Adjusted EBITDA (refer to Non-IFRS Financial Measures) was $55.8 million for the three months ended December 31, 2022, a decrease of $33.8 million over the same period in 2021. Lower adjusted EBITDA was a result of higher production costs as described above.

The most comparable IFRS measure to the Non-IFRS measure adjusted EBITDA is net loss. Net loss for the three months ended December 31, 2022 was $160.4 million. Refer to the discussion above and to the section entitled "Non-IFRS Measures" for more detailed information.

Year ended December 31, 2022 vs Year ended December 31, 2021

Operating loss for the twelve months ended December 31, 2022 was $113.6 million, a decrease of $250.5 million over the same period in 2021. The decrease in operating income was a result of lower mine operating income as described above as well as the following factors:

- A write-down of $5.5 million related to the termination of an exploration agreement on the Santa Fe property in Mexico and the Tlamino property in Serbia
- Higher share-based compensation as the comparable period in 2021 was impacted by larger mark to market adjustments on share units that will settle in cash
- Higher foreign exchange losses as a result of the strengthening of the US dollar and its impact on balances denominated in other currencies
- Higher G&A costs from running the larger combined organization for twelve months in 2022, post Roxgold acquisition, compared to only six months in the comparable period in 2021
- An impairment charge of $182.8 million ($164.5 million net of tax) was realized in the fourth quarter of 2022. Refer to "Impairment Expense Recored in the Fourth Quarter of 2022" for additional details.

Adjusted EBITDA for the year ended December 31, 2022 was $245.5 million, a decrease of $35.2 million over the same period in 2021. The decrease in adjusted EBITDA was primarily the result of higher sales offset by higher production costs as described above.

The most comparable IFRS measure to the Non-IFRS measure adjusted EBITDA is net loss. Net loss for the year ended December 31, 2022, was $135.9 million. Refer to the discussion above and to the section entitled "Non-IFRS Measures" for more detailed information.

General and Administrative ("G&A") Expenses

	Three months ended December 31,			Years ended December 31,		
(Expressed in millions)	**2022**	2021	% Change	**2022**	2021	% Change
Mine G&A	**6.2**	6.0	3%	**22.5**	18.1	24%
Corporate G&A	**5.8**	7.0	(17%)	**27.7**	21.3	30%
Share-based payments	**4.4**	3.0	47%	**10.3**	4.2	145%
Workers' participation	**0.2**	0.4	(50%)	**1.0**	1.8	(44%)
Total	**16.6**	16.4	1%	**61.5**	45.4	35%

Fourth Quarter 2022 vs Fourth Quarter 2021

General and administrative expenses for the three months ended December 31, 2022, increased 1% to $16.6 million compared to $16.4 million reported in the same period in 2021, which was due primarily to lower corporate G&A being offset by higher shared based compensation.

Year ended December 31, 2022 vs Year ended December 31, 2021

General and administrative expenses for the year ended December 31, 2022 increased 35% to $61.5 million compared to $45.4 million reported in the same period in 2021. The increase in G&A was a result of:

- The inclusion of twelve months of Mine G&A expenses at Yaramoko compared to six months for the comparable period
- Higher G&A expenses at Lindero as the mine was ramping up over the comparable period in 2021
- Higher share-based compensation as the comparable period in 2021 was impacted by larger mark-to-market adjustments on share units that will settle in cash.

Foreign Exchange Loss

Fourth Quarter 2022 vs Fourth Quarter 2021

Foreign exchange loss for the three months ended December 31, 2022 decreased $0.7 million to $0.4 million compared to $1.1 million reported in the same period in 2021. The lower foreign exchange loss was due to a strengthening of the Euro in the fourth quarter of 2022 relative to the USD dollar and its impact on balances denominated in West African Francs, a currency pegged to the Euro.

Year ended December 31, 2022 vs Year ended December 31, 2021

Foreign exchange loss for the year ended December 31, 2022 increased $2.8 million to $8.9 million compared to $6.1 million for the same period in 2021. The higher foreign exchange loss was primarily the result of the devaluation of the Euro relative to the US dollar over 2022 and the impact on balances denominated in West Africa Francs and partially offset by lower foreign exchange losses in Argentina as the Company had lower valued added tax receivable balances at Lindero compared to the previous year.

Income Tax Expense

The Company is subject to tax in various jurisdictions, including Peru, Mexico, Argentina, Côte d'Ivoire, Burkina Faso, Australia, and Canada. There are a number of factors that can significantly impact the Company's effective tax rate ("ETR") including the geographic distribution of income, variations in our income before income taxes, varying rates in different jurisdictions, the non-recognition of tax assets, local inflation rates, fluctuation in the value of the United States dollar and foreign currencies, changes in tax laws and the impact of specific transactions and assessments. As a result of the number of factors that can potentially impact the ETR and the sensitivity of the tax provision to these factors, the ETR will fluctuate, sometimes significantly. This trend is expected to continue in future periods.

Fourth Quarter 2022 vs Fourth Quarter 2021

Income tax recovery for the three months ended December 31, 2022 was $15.3 million compared to an income tax expense of $13.5 million reported in the same period in 2021. The decrease of $28.9 million is primarily attributable to deferred tax recoveries related to impairment charges in the quarter.

The ETR for the three months ended December 31, 2022 was 9% compared to 46% for the same period in 2021. The decrease of 37% is primarily attributable to impairment charges realized in the quarter.

Year ended December 31, 2022 vs Year ended December 31, 2021

Income tax expenses for the year ended December 31, 2022 was $10.8 million, or $37.0 million lower, than the $47.8 million reported in the same period in 2021. The decrease of $37.0 million is primarily attributed to a deferred tax recovery related to the impairment charge of $182.8 million

The ETR for the year ended December 31, 2022 was (9)% compared to 45% for the same period in 2021. The decrease of 54% is primarily attributable to the deferred tax recovery described above.

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

2023 GUIDANCE AND OUTLOOK

2023 Consolidated Production and Cost Guidance

Mine	Silver (Moz)	Gold (koz)	Lead (Mlbs)	Zinc (Mlbs)	Cash Cost[1,2,5]	AISC[1,3,4,5]
SILVER					**(US$/t)**	**(US$/oz Ag Eq)[6]**
San Jose, Mexico	5.3 - 5.8	34 - 37	-	-	10.2 - 11.3	14.7 - 16.2
Caylloma, Peru	1.0 - 1.1		29 - 32	43 - 48	10.4 - 11.5	19.0 - 21.0
GOLD					**(US$/oz Au)**	**(US$/oz Au)**
Lindero, Argentina	-	96 - 106	-	-	820 - 920	1,430 - 1,580
Yaramoko, Burkina Faso	-	92 - 102	-	-	960 - 1,060	1,550 - 1,710
Séguéla, Ivory Coast[7]	-	60 - 75			450 - 580	880 - 1,080
CONSOLIDATED TOTAL	**6.3 - 6.9**	**282 - 320**	**29 - 32**	**43 - 48**		

Notes:

1. Cash Cost and all-in sustaining cost (AISC) are non-IFRS financial measures. Refer to "Non-IFRS Financial Measures" section.
2. The most comparable financial measure to cash costs is cost of sales. Please see the consolidated financial statements of the Company for the year ended December 31, 2022 and the "Non-IFRS Financial Measures" section of this MD&A for a reconciliation.
3. AISC includes production cash cost, commercial and government royalties, mining tax, export duties (as applicable), worker's participation (as applicable), subsidiary G&A, sustaining capital expenditures, and Brownfields exploration and is estimated at metal prices of US$1,700/oz Au, US$21/oz Ag, US$2,000/t Pb, and US$3,200/t Zn. AISC excludes government mining royalty recognized as income tax within the scope of IAS-12.
4. The most comparable financial measure to AISC is cost of sales. Please see the consolidated financial statements of the Company for the year ended December 31, 2022 and the "Non-IFRS Financial Measures" section of this MD&A for a reconciliation.
5. Totals may not add due to rounding.
6. Silver equivalent is calculated at metal prices of $1,700/oz Au, $21/oz Ag, $2,000/t Pb, and $3,200/t Zn
7. Séguéla's production and cost guidance is based on first gold pour in mid-2023. Any material changes to the construction or commissioning schedule may have a material impact on Séguéla's production and cost guidance.
8. The following table provides the cash costs and AISC for the four operating mines for the year ended December 31, 2022 as follows:

Mine	Cash Cost[(a)]	AISC[(a)(b)(c)]
SILVER	**(US$/t)**	**(US$/oz Ag Eq)**
San Jose, Mexico	81.33	15.11
Caylloma, Peru	92.95	18.47
GOLD	**(US$/oz Au)**	**(US$/oz Au)**
Lindero, Argentina	740	1,142
Yaramoko, Burkina Faso	840	1,529

(a) Cash Cost and AISC are non-IFRS financial measures. Refer to "Non-IFRS Financial Measures" section.
(b) Presented on a cash basis
(c) Silver equivalent was calculated using the realized prices for gold (US$1,700 per ounce), silver (US$21.00 per ounce), lead (US$2,000 per tonne), and zinc (US$3,200 per tonne) for the year ended December 31, 2022
(d) Further details on the cash costs and AISC for the year ended December 31, 2022 are disclosed in the "Non-IFRS Financial Measures" section
(e) The estimated increase in all in sustaining costs at Yaramoko for 2022 is due to decreased estimated gold ounce production coupled with increased operating and capital costs as mining moves to the deeper regions of the underground mine

2023 Guidance Outlook

Lindero Mine, Argentina

The Lindero Mine is expected to place 6.3 million tonnes of ore on the leach pad averaging 0.67 g/t Au, containing an estimated 136,100 ounces of gold. Capital investments are estimated at $42.7 million, including $30.3 million for sustaining capital expenditures, $12.1 million of capitalized stripping and $0.3 million for Brownfields exploration programs.

Major sustaining capital investment projects include:

- Leach pad Phase II expansion: $17.5 million
- Heavy equipment replacement and overhaul: $7.6 million
- Plant spare parts: $1.2 million

Cash cost and AISC:

- Cash cost per ounce of gold at Lindero is expected to increase approximately 25% over 2022 at the upper range of guidance and 12% at the lower range. The increase is explained mainly due to lower production related to changes in the grade profile as per the life of mine plan, and the impact of higher projected operational expenditures reflecting incremental inflation pressures throughout 2022.
- AISC per ounce of gold at Lindero is expected to increase 41% over 2022 at the upper range of guidance and 28% at the lower range. The increase is explained by higher capital expenditures related to the leach pad Phase II expansion and higher capitalized stripping costs and higher cash cost per ounce.

San Jose Mine, Mexico

At the San Jose Mine, the Company plans to process 1.03 million tonnes of ore averaging 186 g/t Ag and 1.19 g/t Au. Silver and gold production reflect the declining grade profile of Mineral Reserves. Capital investment is estimated at $18.4 million, including $15.1 million for sustaining capital expenditures and $3.3 million for Brownfields exploration programs.

Major sustaining capital investment projects include:

- Mine development: $8.4 million
- Underground mine equipment spare parts and overhauling: $1.7 million

Cash cost and AISC are expected to remain in line with 2022.

Yaramoko Mine, Burkina Faso

At the Yaramoko Mine, the Company plans to process 526,088 tonnes of ore averaging 5.9 g/t Au. Capital investments are estimated at $40.8 million, including $37.4 million for sustaining capital expenditures and $3.3 million for Brownfields exploration programs.

Major sustaining capital investment projects include:

- Mine development: $30.8 million
- Ventilation infrastructure extension: $2.5 million
- 109 open pit preparation: $1.3 million
- QV prime equipment: $0.5 million

Cash cost and AISC:

- Cash cost per ounce of gold at Yaramoko is expected to increase approximately 20% over 2022 at the upper range of guidance and 8% at the lower range. The increase is explained due to lower production and the impact of higher projected operational expenditures reflecting incremental inflation pressures throughout 2022 as well as higher mining costs at QV Prime and 109 Zone open pit.
- AISC per ounce of gold at Yaramoko is expected to increase 12% over 2022 at the upper range of guidance and remain in line with respect to the lower range. The increase is explained by higher cash cost per ounce.

Caylloma Mine, Peru

At the Caylloma Mine, the Company plans to process 542,000 tonnes of ore averaging 73 g/t Ag, 2.86% Pb, and 4.28% Zn. Capital investments are estimated at $23.6 million, including $21.0 million for sustaining capital expenditures and $2.6 million for Brownfields exploration programs.

Major sustaining capital investment projects include:

- Mine development: $7.1 million
- Underground water pumping system: $3.9 million
- Caylloma Mine substation power grid enhancement: $2.7 million
- Plant power sub-station, Phase II: $1.4 million
- New paste backfill system, Phase I: $1.1 million

Cash cost and AISC are expected to remain in line with 2022.

Séguéla Gold Project, Côte d'Ivoire

The main construction goals/milestones to be achieved towards first gold pour include:

Q1 2023:

- Mining activities commence
- Energize processing plant

Q2 2023:

- Construction practical completion
- First ore to the crusher / dry circuit
- First ore to the SAG mill / wet plant
- First gold pour

Q3 2023:

- Ramp-up to design capacity

Once production commences in mid-2023, Séguéla is expected to process 739,466 tonnes of ore averaging 3.3 g/t Au, with capital investments estimated at $22.7 million, including $18.8 million for sustaining capital expenditures and $3.9 million for Brownfields exploration programs.

Major sustaining capital investment projects include:

- Mine development: $10.0 million
- Tailings storage facility lift: $2.8 million
- Sunbird Deposit infill drilling: $1.7 million

2023 Exploration Outlook

Fortuna continues to advance its robust pipeline of Brownfields and Greenfields exploration projects in West Africa and the Americas, building on the success of the exploration programs carried out in 2022.

Brownfields Exploration

Fortuna´s consolidated Brownfields exploration budget for 2023 for its four mines and Séguéla totals $21.8 million, which includes 128,000 meters of reverse circulation, diamond core and air core exploration drilling.

Séguéla Project, Côte d'Ivoire

The Brownfields exploration program budget for 2023 at the Séguéla Project is $12.2 million, which includes 87,200 meters of drilling to upgrade resource confidence and further extend the Sunbird Deposit along strike and at depth; test for further depth extensions at the Koula, Ancien and Antenna deposits; further drilling to test and infill the recent Kestral, Barana and Badior prospects (refer to Fortuna news release dated December 5, 2022) and continued generation and testing of near-mine targets.

San Jose Mine, Mexico

The Brownfields exploration program budget for 2023 at the San Jose Mine is $3.3 million, which includes 5,500 meters of diamond drilling, focused on extensions to the Magdalena, Trinidad, and Victoria systems, as well as work along the Taviche corridor.

Yaramoko Mine, Burkina Faso

The Brownfields exploration program budget for 2023 at the Yaramoko Mine is $3.3 million, which includes 29,200 meters of exploration drilling, testing of several surface geochemistry anomalies generated in 2022, in addition to testing strike and depth projections of the 55 Zone.

Caylloma Mine, Peru

The Brownfields exploration program budget for 2023 at the Caylloma Mine is $2.6 million, which includes 6,560 meters of drilling to test down-dip extensions of ore shoots 1 and 3 at the Animas silver-polymetallic vein, as well as regional exploration work and target generation at the Antacollo, Santa Rosa and San Cristobal silver veins.

Lindero Mine, Argentina

The Brownfields exploration program for 2023 at the Lindero Mine of $0.3 million will be focused on reviewing the Arizaro project, located 3.5 kilometers to the southeast of the mine. Exploration at Lindero will also extend to regional prospect evaluation and portfolio reviews.

Greenfields Exploration

Reconnaissance exploration and evaluation of potential new projects will continue to be actively pursued during 2023, with a focus on new project generation and corporate growth in our active operating regions, supported by a budget of $3.9 million.

RESULTS OF OPERATIONS

Lindero Mine, Argentina

The Lindero Mine is an open pit gold mine located in Salta Province in northern Argentina. Its commercial product is gold doré. The table below shows the key metrics used to measure the operating performance of the mine: tonnes placed on the leach pad, grade, production, and unit costs:

	Three months ended December 31,		Years ended December 31,	
	2022	2021	**2022**	2021
Mine Production				
Tonnes placed on the leach pad	**1,334,509**	1,457,733	**5,498,064**	6,453,647
Gold				
Grade (g/t)	**0.80**	1.04	**0.81**	0.96
Production (oz)	**29,301**	36,072	**118,418**	104,161
Metal sold (oz)	**27,847**	36,389	**117,076**	100,177
Realized price ($/oz)	**1,732**	1,802	**1,803**	1,785
Unit Costs				
Cash cost ($/oz Au)[1]	**815**	585	**740**	617
All-in sustaining cash cost ($/oz Au)[1]	**1,221**	994	**1,142**	1,116
Capital expenditures ($000's) [2]				
Sustaining	**3,973**	7,214	**18,035**	27,522
Non-sustaining	**–**	233	**169**	323
Brownfields	**184**	389	**1,288**	875

[1] Cash cost and AISC are non-IFRS financial measures. Refer to Non-IFRS Financial Measures.
[2] Capital expenditures are presented on a cash basis

Quarterly and Annual Operating and Financial Highlights

In the fourth quarter of 2022, a total of 1,334,509 tonnes of ore were placed on the heap leach pad, averaging 0.80 g/t gold. Gold production for Q4 2022 totaled 29,301 ounces, representing a 19% decrease over Q4 2021. Lower gold production is attributed to an 8% decrease in tonnes and a 23% decrease in gold grade for ore placed on the pad, compared to the fourth quarter of 2021. This was partially offset by an improved gold recovery. Gold grade for the quarter was in line with the mining plan and Mineral Reserve estimate. Mine production for the quarter was according to management's expectations, with a total of 1.9 million tonnes of ore mined in the fourth quarter, at a strip ratio of 0.54:1.

Total gold production for 2022 was 118,418 ounces of gold, meeting annual guidance. In 2022, Lindero had a good reconciliation for ore sent to the leach pad with gold grades at the plant being 2% higher compared to the Mineral Reserve model estimate.

Throughout 2022, management implemented various high impact optimization initiatives to capture efficiencies, allowing the operation to offset some of the cost increases in primary consumables. Initiatives included improving the efficiency of the SART plant, subsequently decreasing consumption of fresh make-up cyanide and sulfuric acid; and the optimization of the mine fleet´s trucking distance, reducing diesel consumption and improving productivity. In the fourth quarter of 2022, the operation commenced a project to improve the recirculation circuit of the HPGR with the aim of reducing granulometry and improving gold recovery from ore placed on the leach pad.

Cash cost per ounce of gold for the three months ended December 31, 2022 was $815 compared to $585 in the fourth quarter of 2021. Cash cost per ounce of gold for the year ended December 31, 2022 was $740 compared to $617 in the

2021. Cash cost per ounce of gold was higher due to higher operating costs primarily due to inflation, lower stripping capitalization and lower gold production.

All-in sustaining cash cost per gold ounce sold was $1,221 during Q4 2022 and $1,142 in 2022 compared with $994 in the fourth quarter of 2021 and $1,116 in 2021. All-in sustaining cash cost for the fourth quarter of 2022 was impacted by the issues described above, partially offset by lower export taxes and a positive by-product effect.

Sustaining capital for the quarter primarily consisted of spending on the leach pad, mine maintenance, and other minor projects. Construction work on Phase-2 is planned to commence in 2023. Brownfields capital primarily relates to exploration at the Arizaro project.

Yaramoko Mine, Burkina Faso

The Yaramoko Mine is located in south-western Burkina Faso, and began commercial production in 2016. The operation consists of two underground mines feeding ore to a traditional gold processing facility where the ore is crushed, milled and subject to carbon-in-leach extraction processes, prior to electrowinning and refining where gold is poured to doré bars. The table below shows the key metrics used to measure the operating performance of the mine: throughput, grade, production, and unit costs:

	Three months ended December 31,		Years ended December 31,	
	2022	2021	**2022**	2021
Mine Production				
Tonnes milled	**142,694**	132,188	**546,651**	258,866
Gold				
Grade (g/t)	**6.45**	6.99	**6.37**	7.13
Recovery (%)	**98**	98	**98**	98
Production (oz)	**26,190**	28,787	**106,108**	57,538
Metal sold (oz)	**26,250**	29,077	**107,433**	56,571
Realized price ($/oz)	**1,742**	1,796	**1,802**	1,789
Unit Costs				
Cash cost ($/oz Au)[1]	**818**	754	**840**	739
All-in sustaining cash cost ($/oz Au)[1]	**1,829**	1,436	**1,529**	1,317
Capital expenditures ($000's) [3]				
Sustaining	**18,994**	13,520	**45,665**	21,387
Brownfields	**2,855**	47	**5,873**	138

[1] Cash cost and AISC are non-IFRS financial measures. Refer to Non-IFRS Financial Measures.
[2] The Yaramoko Mine was acquired as part of the acquisition of Roxgold which completed on July 2, 2021. Comparative figures in 2021 are included from July 2, 2021 onward.
[3] Capital expenditures are presented on a cash basis

Quarterly and Annual Operating and Financial Highlights

The Yaramoko Mine produced 26,190 ounces of gold in the fourth quarter of 2022 with an average gold head grade of 6.45g/t, which is in line with the mining sequence and Mineral Reserve estimate and an 8% decrease over Q4 2021. The decrease in production was due to lower head grades. However, grades for the full year were in line with planned estimates.

Gold production in 2022 totaled 106,108 ounces achieving the mid-point of the annual guidance range.

Cash cost per gold ounce sold was $818, compared to $754 in the fourth quarter of 2021, and $840 for 2022 compared to $739 in 2021, primarily due to higher mining service costs related to inflation and variation in orebody sequence. This was partially offset by favorable foreign exchange rates.

All-in sustaining cash cost per gold ounce sold was $1,829 for Q4 2022 and $1,529 for 2022, compared to $1,436 and $1,317 for the comparative periods, as a result of decreased production, increased cash cost, and an increase in capital expenditures.

Sustaining capital expenditure related mainly to mine development, including the QV Prime project in Bagassi South. Brownfields expenditure was higher due to greater amounts of diamond drilling as well as further development of the 109 Zone.

San Jose Mine, Mexico

The San Jose Mine is an underground silver-gold mine located in the state of Oaxaca in southern Mexico. The following table shows the key metrics used to measure the operating performance of the mine: throughput, head grade, recovery, gold and silver production, and unit costs:

	Three months ended December 31,		Years ended December 31,	
	2022	2021	**2022**	2021
Mine Production				
Tonnes milled	**259,500**	262,802	**1,029,590**	1,041,154
Average tonnes milled per day	**2,883**	2,920	**2,925**	2,964
Silver				
Grade (g/t)	**194**	219	**191**	209
Recovery (%)	**91**	93	**91**	92
Production (oz)	**1,473,627**	1,717,533	**5,762,562**	6,425,029
Metal sold (oz)	**1,482,452**	1,729,152	**5,755,330**	6,433,808
Realized price ($/oz)	**21.37**	23.39	**21.73**	25.15
Gold				
Grade (g/t)	**1.13**	1.27	**1.14**	1.29
Recovery (%)	**90**	92	**90**	91
Production (oz)	**8,499**	9,929	**34,124**	39,406
Metal sold (oz)	**8,621**	9,983	**34,201**	39,404
Realized price ($/oz)	**1,734**	1,797	**1,802**	1,798
Unit Costs				
Production cash cost ($/t)[2]	**86.26**	79.66	**81.33**	75.80
Production cash cost ($/oz Ag Eq)[1,2]	**11.16**	9.35	**10.56**	9.30
All-in sustaining cash cost ($/oz Ag Eq)[1,2]	**15.53**	14.92	**15.11**	14.38
Capital expenditures ($000's) [3]				
Sustaining	**3,695**	5,137	**15,731**	14,492
Non-sustaining	**–**	518	**869**	2,294
Brownfields	**961**	2,176	**5,606**	8,784

[1] Production cash cost silver equivalent and All-in sustaining cash cost silver equivalent are calculated using realized metal prices for each period respectively

[2] Production cash cost, Production cash cost silver equivalent, and All-in sustaining cash cost silver equivalent are Non-IFRS Financial Measures, refer to Non-IFRS Financial Measures

[3] Capital expenditures are presented on a cash basis

Quarterly and Annual Operating and Financial Highlights

In the fourth quarter of 2022, the San Jose Mine produced 1,473,627 ounces of silver and 8,499 ounces of gold, both 14% lower when compared to the equivalent period in 2021. The decrease is mainly due to lower head grades, albeit in line with management´s expectations based on the mining sequence and Mineral Reserve estimate.

Annual production of silver and gold totaled 5,762,562 ounces, the upper end of annual guidance, and 34,124 ounces, the mid-point of annual guidance. This represents decreases of 10% and 13% respectively from 2021. Average head grades for silver and gold for the year were 191 g/t Ag and 1.14 g/t Au, respectively.

Material mined using sublevel stopping (SLS) methods was increased in 2022, representing 35% of ore sent to the plant. The operation plans for the SLS contribution to reach 60% of total ore production in 2023. In the second quarter of 2022, a new underground shotcrete plant was commissioned which reduced mining cycles and partially offset some of the cost increases due to higher haulage distances as the mine deepens.

The cash cost per tonne for the three months ended December 31, 2022 was $86.26 compared to $79.66 in the same period in 2021 primarily due to cost increases related to inflation and higher support costs. Cash cost per tonne for the full year 2022 increased to $81.33 per tonne compared to $75.80 per tonne for 2021 due to higher mine preparation, support and indirect costs.

All-in sustaining cash costs of payable silver equivalent for the three months ended December 31, 2022 and full year 2022 both increased 4% to $15.53 per ounce and $15.11 per ounce, compared to the same periods in 2021. The increases are due to higher cash costs and lower silver equivalent ounces, partially offset by lower capital expenditure.

Sustaining capital expenditures for the quarter and year was lower than 2021, as 2021 required additional capital for equipment. Brownfields capital expenditure was lower due to reduced drilling, as the site focused on less capital-intensive exploration.

Caylloma Mine, Peru

Caylloma is an underground silver, lead, and zinc mine located in the Arequipa Department in southern Peru. Its commercial products are silver-lead and zinc concentrates. The table below shows the key metrics used to measure the operating performance of the mine: throughput, head grade, recovery, silver, gold, lead, and zinc production and unit costs:

	Three months ended December 31,		Years ended December 31,	
	2022	2021	**2022**	2021
Mine Production				
Tonnes milled	**138,491**	137,838	**546,186**	539,779
Average tonnes milled per day	**1,556**	1,549	**1,539**	1,525
Silver				
Grade (g/t)	**75**	73	**80**	76
Recovery (%)	**81**	81	**81**	82
Production (oz)	**273,119**	262,710	**1,144,713**	1,073,672
Metal sold (oz)	**289,870**	243,869	**1,156,381**	1,074,364
Realized price ($/oz)	**21.28**	23.39	**21.81**	25.25
Gold				
Grade (g/t)	**0.12**	0.44	**0.14**	0.49
Recovery (%)	**22**	70	**32**	71
Production (oz)	**122**	1,374	**777**	6,086
Metal sold (oz)	**—**	1,297	**603**	6,140
Realized price ($/oz)	**—**	1,798	**1,864**	1,792
Lead				
Grade (%)	**3.22**	3.20	**3.27**	3.16
Recovery (%)	**89**	87	**88**	88
Production (000's lbs)	**8,735**	8,419	**34,588**	32,990
Metal sold (000's lbs)	**9,118**	7,945	**34,869**	33,299
Realized price ($/lb)	**0.96**	1.06	**0.98**	1.00
Zinc				
Grade (%)	**4.63**	4.25	**4.32**	4.56
Recovery (%)	**89**	87	**89**	88
Production (000's lbs)	**12,575**	11,380	**46,176**	47,549
Metal sold (000's lbs)	**11,027**	11,053	**44,770**	47,828
Realized price ($/lb)	**1.35**	1.51	**1.57**	1.36
Unit Costs				
Production cash cost ($/t)[2]	**95.70**	97.87	**92.96**	88.41
Production cash cost ($/oz Ag Eq)[1,2]	**12.46**	13.83	**12.34**	13.46
All-in sustaining cash cost ($/oz Ag Eq)[1,2]	**20.30**	20.71	**17.97**	18.94
Capital expenditures ($000's) [3]				
Sustaining	**7,188**	5,755	**18,694**	13,758
Brownfields	**473**	1,027	**1,202**	3,731

[1] Production cash cost silver equivalent and All-in sustaining cash cost silver equivalent are calculated using realized metal prices for each period respectively

[2] Production cash cost, Production cash cost silver equivalent, and All-in sustaining cash cost silver equivalent are Non-IFRS Financial Measures, refer to Non-IFRS Financial Measures

[3] Capital expenditures are presented on a cash basis

Quarterly and Annual Operating and Financial Highlights

The Caylloma Mine produced 273,119 ounces of silver, 8.7 million pounds of lead, and 12.6 million pounds of zinc during the three months ended December 31, 2022. Measured against the comparable quarter of the previous year, silver was 4% higher, primarily due to higher grades mined during the period. Lead production was 4% higher than the comparable period, attributable to higher plant recovery. Zinc production was 11% higher than the comparable period, mainly impacted by higher head grades and improved plant recovery. Gold production totaled 122 ounces with an average head grade of 0.12 g/t.

Annual production of silver, lead, and zinc for the fiscal year 2022 totaled 1,144,713 ounces, 34.6 million pounds of lead, and 46.2 million pounds of zinc, which represent an 7% increase in silver, 5% increase in lead, and a 3% decrease in zinc production compared to 2021. Silver, Zinc and Lead production all exceeded the upper end of the annual guidance range. Base metal production benefitted from material mined at level 16 of the Animas vein allowing for a significant improvement in ore grade and oxide-sulfide ratios hence boosting plant recovery. Gold production for the full year 2022 totaled 777 ounces, which was a decrease of 87% over 2021, with an average head grade of 0.14 g/t.

The cash cost per tonne of processed ore for the three months ended December 31, 2022 decreased 2% to $95.70 compared to $97.87 in the same period in 2021. This movement was mainly the result of increased production partially offset by higher support costs. Cash cost per tonne for the full year 2022 increased to $92.96 per tonne compared to $88.41 per tonne for 2021, mainly due to higher mining costs caused by inflation.

The all-in sustaining cash cost per ounce of payable silver equivalent for the three month ended December 31, 2022 decreased 2% to $20.30 per ounce compared to $20.71 per ounce for the same period in 2021, as a result of higher sustaining capital expenditures in the quarter.

The all-in sustaining cash cost per ounce of payable silver equivalent for the full year 2022 decreased 5% to $17.97 per ounce compared to $18.94 per ounce in 2021 was primarily due to an increase in silver equivalent ounces due to a decrease in realized silver prices, partially offset by higher capital costs.

Sustaining capital expenditures for the quarter increased primarily due to greater investments in sustaining equipment and infrastructure. Expenditure on the developments located in level 16 and level 18 were offset by decreased expenditure on other levels. The decrease in brownfields capital expenditures was due to significantly lower spending on drilling and development.

PROJECTS & EXPLORATION

Séguéla Gold Project Update

On September 29, 2021, Fortuna announced the decision to proceed with the construction of the open pit mine at the Séguéla Gold Project in Côte d'Ivoire. The total initial capital investment for the project is estimated to be $173.5 million, including $11.5 million previously approved by the Board for early works items, an anticipated construction schedule of approximately 20 months, with ramp up to name plate capacity expected in the fourth quarter of 2023. The development of the Séguéla Gold Project, including the milestones noted below is based on the technical report filed under NI 43-101 entitled "NI 43-101 Technical Report Séguéla Project, Feasibility Study, Worodougou Region, Côte d'Ivoire", dated May 26, 2021 with an effective date of April 19, 2021.

At the end of December 31, 2022 the overall project was 86% complete, and was 93% complete as of February 28, 2023. The following provides an update on project activities for the fourth quarter of 2022 and from December 31, 2022 to February 28, 2023.

Construction Highlights

- Approximately $146.5 million of the $173.5 million capital budget accrued as of December 31, 2022
- The SAG mill was delivered to site and installation is nearing completion
- The tailings storage facility (TSF) earthworks and HDPE lining was almost complete
- Grid connection and energization of the high voltage substation was completed
- Water storage dam (WSD) reserves were at levels above requirements for commissioning and processing plant start up
- Handovers of infrastructure from construction to operations had commenced
- First gold pour remains on target for mid-2023

Accommodation camp

The accommodation camp is complete and occupied by the project and Company staff.

Processing plant

The process plant was over 90% complete with all material components delivered to site and installation of the SAG mill nearing completion. Commissioning plans are being put in place to support commissioning which is expected to start in March.

Site Bulk Earthworks

Construction of the TSF was substantially complete and WSD work was completed with sufficient water stored to supporting commissioning and processing plant start up.

Grid Connection

Grid connection and energization of the high voltage substation was completed.

Mining

Mota-Engil, the mining contractor, has established their temporary facilities on site to support initial mining activities with construction of permanent mining services area infrastructure progressing well. The mining fleet required for initial mining activities is on site and has been commissioned.

Operational Readiness

With the completion of construction approaching operational readiness has increasingly become the focus in preparation for commissioning of the processing plant in the second quarter of 2023. In preparation of the transition to operations:

- Recruitment and onboarding of staff was well underway and an experienced core leadership team is now in place
- Mine equipment continues to be delivered to site and training of operations is underway
- Grade control drilling and mining activities are expected to commence in Q1
- The processing plant commissioning plan is on track with commissioning teams and vendor representatives expected to arrive throughout 2023
- Spare parts, first fills, reagents and consumables have started to arrive at site
- Mining preparations commenced at the Antenna Stage 1 pit including ground clearing and clearing of pit haul road areas

Cost

For the fourth quarter of 2022 the Company incurred and expended $25.0 million and $23.3 million, respectively. Since the project early works began in the fourth quarter of 2021, the Company has incurred $146.5 million and expended $135.1 million. Capital expenditures are summarized in the table below.

(Expressed in millions)	Q4 2022	YTD 2022[4]	Project to Date
Expended Capital Costs[1]	23.5	107.7	135.3
Working Capital Adjustment[2]	1.4	(9.9)	11.2
Incurred Capital Costs[3]	24.8	97.8	146.5

1 Cash basis. Excludes exploration costs, capitalized interest and management fees.

2 Primarily consists of work performed not yet invoiced and increases in the accounts payable balance offset by increases in the VAT receivable balance.

3 Accrual basis. Excludes capitalized interest and management fees.

4 YTD includes a correction for the timing of payments. This has not impacted project to date spend.

As of December 31, 2022, the project had approximately $27.0 million in remaining spend of the project's $173.5 million budget and the project remains on time and on budget. The Company's cash and cash equivalents balance, free cash flow from ongoing operations and undrawn amounts of the credit facility are expected to be sufficient to fund the construction of the Séguéla Project. Refer to "Capital Resources" for additional information.

Upcoming Milestones and Schedule

Selected upcoming milestones of the current construction schedule include:

2023 Q1
- Commencement of mining activities, drilling and first blast
- Commencement of processing plant commissioning in March
- First ore to the ROM pad at the end of March

2023 Q2
- Processing plant practical completion in April
- First ore fed to the crusher in April
- First gold pour

Séguéla Exploration Update (Refer to Company News Release dated December 05, 2022 for full details)

Following the announcement of the maiden Inferred Mineral Resource estimate at Sunbird in June 2022, additional exploration drilling has resulted in an upgraded estimate, including a maiden Indicated Mineral Resource of 3.2 million tonnes at an average grade of 2.66 g/t gold containing 279,000 ounces and an increased Inferred Mineral Resource of 4.2 million tonnes at an average grade of 3.73 g/t gold containing 506,000 ounces (refer to Fortuna news releases dated March 15 and December 5, 2022: "Fortuna increases Sunbird Resource and identifies new regional prospects at Séguéla, Cote d'Ivoire" for full details).

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

QUARTERLY INFORMATION

The following table provides information for the last eight fiscal quarters up to December 31, 2022:

	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Sales	**164.7**	166.6	167.9	182.3	198.9	162.6	120.5	117.8
Mine operating income	**26.0**	24.7	32.5	63.5	58.3	47.3	48.5	51.3
Operating (loss) income	**(173.1)**	5.7	13.1	40.7	38.9	21.8	35.9	40.4
Net (loss) income	**(160.4)**	(4.1)	1.7	27.0	16.6	0.2	16.2	26.4
Basic (loss) earnings per share	**(0.52)**	(0.01)	0.01	0.09	0.05	—	0.09	0.14
Diluted (loss) earnings per share	**(0.52)**	(0.01)	0.01	0.09	0.05	—	0.09	0.14
Total assets	**1,876.2**	2,032.6	2,060.0	2,060.4	2,021.9	2,002.1	1,083.2	1,069.1
Debt	**219.2**	204.2	218.6	198.0	157.5	187.7	159.5	159.0

Figures may not add due to rounding

Sales decreased 1% in the fourth quarter of 2022 to $164.7 million compared to $166.6 million in the third quarter of 2022 as lower production was offset by higher metal prices. Net loss increased by $156.3 million compared to the third quarter of 2022 as a result of an impairment charge of $182.8 million ($164.5 million net of tax) related to a write-down in the carrying value of the San Jose, Yaramoko, and Lindero cash generating units.

Sales decreased 1% in the third quarter of 2022 to $166.6 million compared to $167.9 million in the second quarter of 2022 as higher production was offset by lower realized metal prices. Mine operating income was impacted by higher processing costs and a $1.0 million write down of inventory to net realizable value at Yaramoko. Net income decreased $5.8 million compared to the second quarter of 2022 primarily due to the factors described above as well the write-off of the Tlamino property for $3.4 million.

Sales decreased 8% in the second quarter of 2022 to $167.9 million compared to $182.3 million in the first quarter of 2022 due primarily to lower sales at Yaramoko as mining finished in the QV zone and mill feed was supplemented by stockpiles reducing head grade delivered to the mill and lower head grades at San Jose. Mine operating income was lower as a result of lower sales as well as a $4.0 million write-down of inventory to net realizable value and an increase in costs due to inflationary pressures. Net income decreased $25.3 million compared to the first quarter of 2022 primarily due to the factors described above as well as higher current taxes from the recognition of withholding taxes.

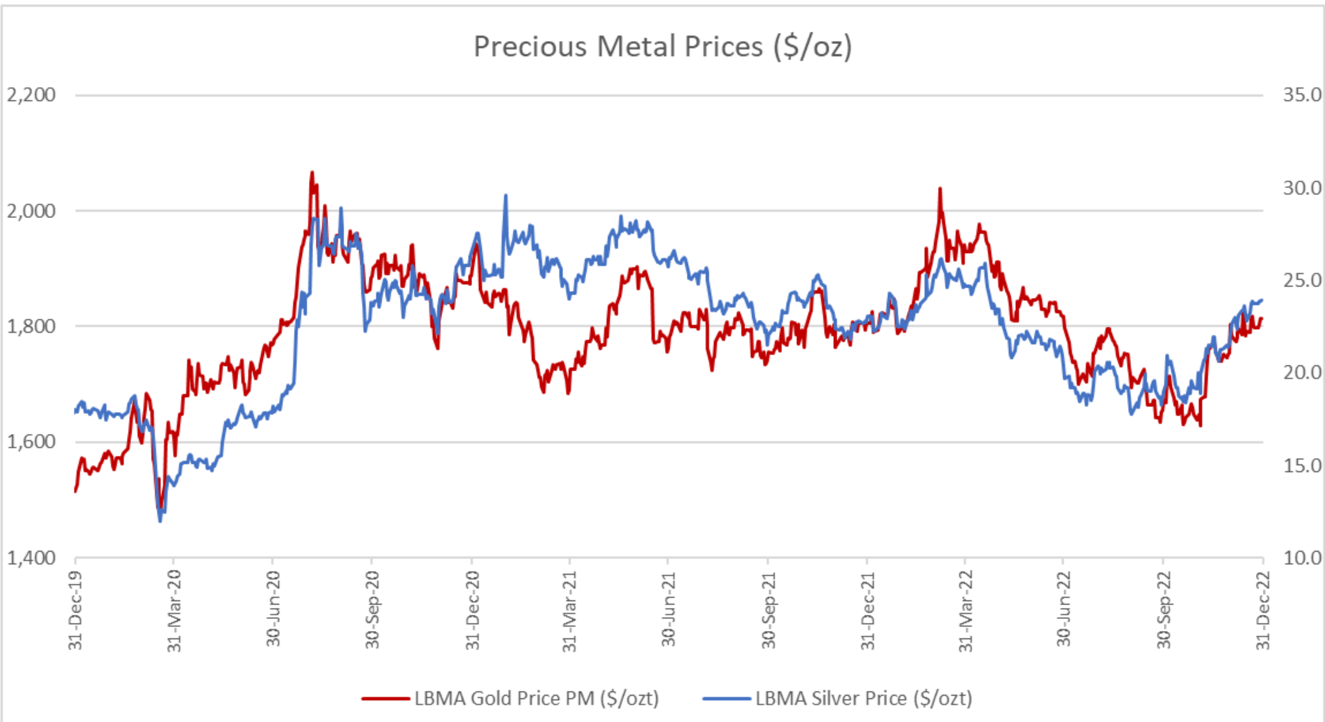
Sales decreased 8% in the first quarter of 2022 to $182.3 million compared to $198.9 million in the fourth quarter of 2021 due primarily to lower sales at Lindero as a result of the impacts of COVID-19 at the mine and due to lower head grades at San Jose. Operating income was in line with the previous quarter as higher mine operating income was offset by the $2.1 million write-off due to the termination of a property agreement for the Santa Fe Property in Mexico and an increase in foreign exchange losses in the quarter. Net income increased $10.4 million compared to the fourth quarter of 2021 primarily due to lower current and deferred taxes.

Sales increased 22% in the fourth quarter of 2021 to $198.9 million compared to $162.6 million in the fourth quarter of 2021 due primarily to higher sales at Lindero and San Jose. Sales at Lindero increased to $65.6 million from $41.6 million, and sales from San Jose increased to $56.7 million from $48.0 million. Operating income was 78% higher in the fourth quarter of 2021 due primarily to an increase in gold ounces sold at Lindero and higher metal prices and the impact of the SGM royalty settlement in the fourth quarter of 2021.

Sales increased 35% in the third quarter of 2021 to $162.6 million compared to $120.5 million in the second quarter of 2021 due primarily to the $49.0 million of sales from Yaramoko, higher sales at Lindero, which increased to $41.6 million from $34.0 million, higher sales at Caylloma, which increased to $28.1 million from $26.0 million, offset partly by lower sales at San Jose, which decreased to $48.0 million from $59.0 million. Mine operating income decreased 2% in the third quarter of 2021 due primarily to the settlement payment related to the disputed SGM royalty claim, partly offset by the contributions from Yaramoko.

Sales increased 2% in the second quarter of 2021 to $120.5 million compared to $117.8 million in the first quarter of 2021 due to favorable price and assay adjustments of $1.5 million compared to unfavorable adjustments of $2.5 million during the first quarter, higher sales at San Jose, which increased to $59.0 million from $58.0 million, higher sales at Caylloma, which increased to $26.0 million from $25.4 million, offset partly by lower sales at Lindero, which decreased to $34.0 million from $36.9 million. Mine operating income decreased 6% in the second quarter of 2021 due primarily to San Jose, where operating income increased to $29.0 million from $26.6 million in the first quarter of 2021.

Precious Metal Prices Trends



For the year ended December 31, 2022, the sale of silver and gold ounces represents approximately 88% of the Company's sales revenue while lead and zinc make up the remaining 12%. Therefore, the prices of silver and gold are the most dominant factors in determining the Company's profitability and cash flow from operations. The prices of gold and silver are subject to volatile fluctuations over short periods of time and can be affected by numerous macroeconomic conditions, including supply and demand factors, value of the U.S. dollar, interest rates, and global economic and political issues. The Company's financial performance is expected to continue to be closely linked to the prices of silver and gold.

For the year ended December 31, 2022 gold traded between a low of $1,629 and a high of $2,039 per ounce and an average of $1,800 based on the London Bullion Market Association PM Fix. Silver traded in a range of $17.77 and $26.18 over the same period. While higher volatility will have an impact on the revenue and cash flow of the Company it is not expected to impact the Company's current capital plans as the Company remains well capitalized to fund the remaining construction of the Séguéla Project.

LIQUIDITY AND CAPITAL RESOURCES

Cash and Cash Equivalents

The Company had cash and cash equivalents of $80.5 million as at December 31, 2022, a decrease of $26.6 million since the beginning of the year. The decrease was due primarily to $194.2 million of net cash generated from operations and a drawdown of $80.0 million from the Company's revolving credit facility, offset by $255.3 million of net cash used in investing activities primarily for construction expenditures at Séguéla, a repayment of $20.0 million to the revolving credit facility and $5.9 million in share repurchases as part of the NCIB program. (See Share Position & Outstanding Options & Equity Based Share Units – Normal Course Issuer Bid).

The Company's investment objectives for its cash balances, in order of priority, are to preserve capital, to ensure liquidity, and to maximize returns. The Company's strategy to achieve these objectives is to invest its excess cash balance in a portfolio of primarily fixed income instruments with specified credit rating targets established by the Board of Directors of the Company. The Company does not own any asset-based commercial paper or other similar at-risk investments in its investment portfolios.

Working Capital

Working capital (refer to Non-IFRS Financial Measures) at December 31, 2022 increased $3.3 million during the year to $117.6 million, due primarily to a $21.9 million decrease in trade and other payables and a $9.0 million decrease in income taxes payable offset by a $8.3 million decrease in trade and VAT receivables and a $26.6 million decrease in cash and cash equivalents.

Capital Resources

Effective as of November 5, 2021, the Company entered into a fourth amended and restated credit agreement (the "Amended Credit Facility"), with a syndicate of Banks led by BNP Paribas, and including The Bank of Nova Scotia, Bank of Montreal, and Société Générale related to a revolving term credit facility in the amount of $120 million (increased to $200.0 million). The facility has an initial term of four years maturing in November 2025 and steps down to $150.0 million after three years. Interest initially accrued on LIBOR loans under the facility at LIBOR plus an applicable margin (now SOFR Loans at SOFR plus an applicable margin) of between two and three percent which varied according to the consolidated leverage levels of the Company.

The Company's principal operating subsidiaries in Mexico, Peru, Côte d'Ivoire and Burkina Faso, and their respective direct and indirect holding companies, have guaranteed the obligations of the Company contemplated by the Amended Credit Facility. The Company has pledged all of its assets to secure the payment of its obligations contemplated by the Amended Credit Facility and the Company's principal operating subsidiaries in Mexico and Peru, as well as their direct and indirect holding companies have pledged all of their respective assets to secure their respective guarantees of such payment, including the shares of the Company's principal operating subsidiaries in Mexico and Peru. The Company's principal operating subsidiary in Burkina Faso has pledged its bank accounts to secure the obligations under its guarantee and the holding companies of the Company's principal operating subsidiaries in Burkina Faso and Côte d'Ivoire have pledged the shares of those principal operating subsidiaries to secure the obligations under their guarantees.

Effective December 15, 2022, the company executed an amendment to the Amended Credit Facility. The amendment increased the amount of the facility from $200.0 million to $250.0 million. The maturity date of the credit facility remains unchanged at the date hereof. Key amendments to the facility included:

- Addition of an uncommitted $50.0 million accordion option which can increase the aggregate principal amount under the credit facility to $300.0 million, exercisable on or after June 1, 2023 and before October 2024

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

- An increase in the step-down level of the facility from $150.0 million to $175.0 million in November 2024
- Potential annual extensions of both the maturity date and the step-down date
- Replacement of discontinued LIBOR based interest rates by Secured Overnight Financing Rate (SOFR) based rates published by the Federal Reserve Bank of New York and the inclusion of market standard benchmark interest rate replacement provisions
- 25 basis points increase in the benchmark loan interest rate margins and 9 to 12 basis points increase in the commitment fee rate; the actual margin and rate will be determined based on the Company's net senior secured leverage ratio

As of December 31, 2022 the Company had drawn down $180.0 million of the available credit.

The Amended Credit Facility includes covenants customary for a facility of this nature including, among other matters, reporting requirements, and positive, negative, and financial covenants set out in therein. As at December 31, 2022, the Company was in compliance with all of the covenants under the Credit Facility.

As at	**December 31, 2022**	December 31, 2021	Change
Cash and cash equivalents	**80.5**	107.1	(26.6)
Credit facility	**250.0**	200.0	50.0
Total liquidity available	**330.5**	307.1	23.4
Amount drawn on credit facility	**(180.0)**	(120.0)	(60.0)
Net liquidity position	**150.5**	187.1	(36.6)

Figures may not add due to rounding

On January 5, 2023, the Company announced that it had received notice of a resolution from the Secretaría de Medio Ambiente y Recursos Naturales ("SEMARNAT") which provides that SEMARNAT has annulled and is re-assessing the 12-year extension to the environmental impact authorization ("EIA") for the San Jose Mine that it had granted to Cuzcatlan in December 2021.

Cuzcatlan initiated legal proceedings (the "Mexican Legal Proceedings") in the Mexican Federal Administrative Court (the "Court") to contest and revoke the annulment of the EIA. The Court has admitted the Mexican Legal Proceedings, and on March 10, 2023, Minera Cuzcatlan received notice that the Court has granted it a permanent injunction which allows the San Jose mine to continue to operate under the terms of the 12-year EIA until the determination of the Mexican Legal Proceedings.

Until the determination of the Mexican Legal Proceedings, the Company has agreed with its lenders to certain temporary restrictions under the Amended Credit Facility as follows:

- Until the date that the Company receives a positive decision in the Mexican Legal Proceedings, the following conditions will apply:

    - The Company may not exercise the $50 million accordion feature.

    - The Company must maintain a minimum cash balance of $70 million. In the event, that the Company fails to maintain this minimum requirement over a period of 30 days, the availability of the credit under the facility will be reduced to $200 million. The credit availability will revert to $250 million once the Company re-establishes the minimum cash balance requirement over a period of 30 days.

    - The Company cannot make any distributions, cash-based permitted acquisition and investments, nor any discretionary expansionary capital expenditures (other than those related to the completion of the Séguéla Project).

  - The Company is required to hedge 25 % of its forecasted consolidated gold production for the period from February 14 to June 15, 2023. Hedges have been put in place as required through a zero costs collar with a weighted average floor price of $1,800 per ounce and a cap of $1,921 per ounce.

  - The Company may not make investments in or provide financial assistance to non-guaranteeing subsidiaries in excess of $3,000,000.

- In the event that: (1) the permanent injunction ceases to be in effect; (2) the Court upholds the SEMARNAT Resolution, (3) an Administrative Authority issues a resolution to cease operations at the San Jose Mine, or (4) a positive decision in the Mexican Legal Proceedings is not received before March 31, 2024, the availability under the Amended Credit Facility will be reduced to nil, and an event of default will occur thereunder.

In the fourth quarter of 2022, central banks around the world continued to raise interest rates to combat high rates of inflation. This has resulted in a significant increase in SOFR rates and the interest rate that is charged on the Company's Credit Facility. The Company continues to monitor its cash management strategy and may make greater use of its own cash reserves to fund the construction of Séguéla, fund corporate activities or pay down debt. This may have an impact of increasing income taxes for the year where withholding taxes are paid to repatriate funds from our foreign subsidiaries.

The Russian invasion of Ukraine and the COVID-19 pandemic continue to impact the global economy. Given the ever evolving nature of the COVID-19 pandemic, it is difficult to predict the extent of the impact of the COVID-19 pandemic (or any other disease, epidemic or pandemic) on the Company and its business, which will depend on future developments, including: the duration, severity and geographic spread of the COVID-19 virus (or other communicable disease); further actions that may be taken by governmental authorities, which could include travel restrictions and the suspension of business activities, including mining; the effectiveness and timing of actions taken to contain and treat the COVID-19 virus and variants or mutations thereof, including the effectiveness and uptake of vaccines; and how quickly and to what extent normal economic conditions and operating conditions can resume. In the event of an extended conflict in Ukraine, additional waves of COVID-19 for an unexpectedly prolonged duration, or in the event that more rigorous capital controls are implemented in Argentina, the Company may be required to raise additional debt or equity. There is no assurance that the lenders will agree to such a request or that financing will be available to the Company on terms acceptable to it.

The Company does not have unlimited financial resources and there is no assurance that sufficient additional funding or financing will be available when needed by the Company or its direct and indirect subsidiaries on acceptable terms, or at all, to further explore or develop its properties or to fulfill its obligations under any applicable agreements. Fortuna is a multinational company and relies on financial institutions worldwide to fund corporate and project needs. Instability of large financial institutions may impact the ability of the Company to obtain equity or debt financings in the future and, if obtained, on terms that may not be favorable to the Company. Disruptions in the capital and credit markets as a result of uncertainty, geo-political events, changing or increased regulations of financial institutions, reduced alternatives or failures of significant financial institutions could adversely affect the Company's access to the liquidity needed for the business in the longer term.

The Company may incur substantial debt from time to time to finance working capital, capital expenditures, investments or acquisitions, or for other purposes. If the Company does so, the risks related to the Company's indebtedness could intensify, including: (i) increased difficulty in satisfying existing debt obligations (ii) limitations on the ability to obtain additional financings, or imposed requirements to make non-strategic divestures (iii) impose hedging requirements (iv) imposed restrictions on the Company's cash flows, for debt repayments or capital expenditures (v) increased vulnerability to general adverse economic and industry conditions (vi) interest rate risk exposure as borrowings may be at variable rates of interest (vii) decreased flexibility in planning for and reacting to changes in the mining industry (viii) reduced competitiveness versus less leveraged competitors, and (ix) increased cost of borrowings.

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

Subject to the various risks and uncertainties, as explained in the Risks and Uncertainties section of this MD&A, management believes the Company's mining operations will generate sufficient cash flows and the Company has sufficient available credit lines and cash on hand to fund planned capital and exploration programs.

The Company has contingencies and capital commitments as described in Note 26 "Contingencies and Capital Commitments" in the 2022 Financial Statements. From time to time, the Company may also be involved in legal proceedings that arise in the ordinary course of its business.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements or commitments that are expected to have a current or future effect on the financial condition, results of operations, liquidity, capital expenditures, or capital resources that are material to investors.

FINANCIAL INSTRUMENTS

The Company does not utilize complex financial instruments in hedging foreign exchange or interest exposure. Any hedging activity requires approval of the Company's Board of Directors. The Company will not hold or issue derivative instruments for speculative or trading purposes.

Provisional priced trade receivables of $21.5 million, a forward sales and foreign exchange contracts liability totaling $0.3 million, and a forward fuel contract asset of $nil million are the Company's only level 2 fair valued instruments and no level 3 instruments are held.

Provisionally priced trade receivables are valued using forward London Metal Exchange prices until final prices are settled at a future date. The forward sales, and forward foreign exchange contracts liabilities are valued based on the present value of the estimated contractual cash flows. Estimates of future cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. These are discounted using a yield curve, and adjusted for credit risk of the Company or the counterparty.

Refer to the Risks and Uncertainties section of this MD&A for a discussion on credit risk, metal price risk, currency risk, and interest rate risk related to these financial instruments. See note 3 (section r) and Note 26 of the 2022 Financial Statements for a discussion of the Company's use of financial instruments, including a description of liquidity risks associated with such instruments.

SHARE POSITION & OUTSTANDING OPTIONS & EQUITY BASED SHARE UNITS

The Company has 290,264,822 common shares outstanding as at March 15, 2023. In addition, there were 2,737,264 outstanding equity-settled share-based awards as follows:

Incentive stock options	636,818
Restricted share units	660,911
Performance share units	1,439,535
Total	2,737,264

An aggregate of 1,439,535 share-settled performance units issued by the Company are subject to a multiplier ranging from 50% to 200% depending on the achievement level of certain performance targets.

As at December 31, 2022 the Company has $45.9 million of debentures that are convertible at the holder's option into common shares in the capital of the Company at a conversion price of $5.00 per share, representing a conversion rate of

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

200 Common Shares per $1,000 principal amount of Debentures, subject to adjustment in certain circumstances. Subject to certain exceptions in connection with a change of control of the Company, the Debentures were not redeemable by the Company prior to October 31, 2022. Between November 1, 2022 and prior to October 31, 2023, the Debentures may be redeemed in whole or in part from time to time at the Company's option at a price equal to their principal amount plus accrued and unpaid interest, provided that the volume weighted average trading price of the Common Shares on the NYSE for the 20 consecutive trading days ending on the fifth trading day preceding the date on which the notice of the redemption is given is at least 125% of the Conversion Price. On and after October 31, 2023, the Debentures may be redeemed in whole or in part from time to time at the Company's option at a price equal to their principal amount plus accrued and unpaid interest regardless of the trading price of the Common Shares. The Debentures mature on October 31, 2024 and bear interest at a rate of 4.65% per annum, payable semi-annually in arrears on the last business day of April and October, commencing on April 30, 2020.

Subject to applicable securities laws and regulatory approval and provided that no event of default has occurred and is continuing, the Company may, at its option, elect to satisfy its obligation to pay the principal amount of the Debentures and accrued and unpaid interest on the redemption date and the maturity date, in whole or in part, through the issuance of Common Shares, by issuing and delivering that number of Common Shares, obtained by dividing the principal amount of the Debentures and all accrued and unpaid interest thereon by 95% of the current market price (as defined in the Debenture Indenture) on such redemption date or maturity date, as applicable.

Normal Course Issuer Bid

From the commencement of the NCIB to the end of December 31, 2022, the Company has purchased 2,201,404 shares at a weighted average price of $2.69 per share at a total cost of $5.9 million. The Company will continue to evaluate further share purchases with respect to this program when it believes the share price undervalues the Company, and based on cash requirements. The Company did not purchase any shares during the fourth quarter of 2022.

RELATED PARTY TRANSACTIONS

The Company has entered into the following related party transactions during the year ended December 31, 2022 and 2021:

(a) Purchase of Goods and Services

During the year ended December 31, 2021, the Company was charged $5 thousand for general and administrative services pursuant to a shared services agreement with Gold Group Management Inc., a company of which Simon Ridgway, the Company's former Chairman, is a director. Effective February 2, 2021, Mr. Ridgway resigned as director and Chairman of the Board, and costs incurred with Gold Group Management Inc. are no longer reported as related party transactions.

(b) Key Management Personnel

During the years ended December 31, 2022 and December 31, 2021, the Company was charged for consulting services by Mario Szotlender, a director of the Company. During the year ended December 31, 2021, the Company was charged consulting services by Mill Street Services Ltd., a company of which Mr. Ridgway, the Company's former Chairman, is a director. Effective February 2, 2021, Mr. Ridgway resigned as director and Chairman of the Board, and costs associated incurred with Mill Street Services Ltd. are no longer reported as related party transactions.

Amounts paid to key management personnel were as follows:

	Three months ended December 31,		Years ended December 31,	
(Expressed in $ thousands)	**2022**	2021	**2022**	2021

Salaries and benefits	**2,475**	1,609	**11,532**	7,639
Directors fees	**197**	222	**934**	658
Consulting fees	**16**	24	**69**	78
Share-based payments	**2,626**	2,052	**7,042**	2,565
	5,314	3,907	**19,577**	10,940

NON-IFRS FINANCIAL MEASURES

The Company has disclosed certain financial measures and ratios in this MD&A which are not defined under IFRS and are not disclosed in the Financial Statements, including but not limited to: cash cost per ounce of gold; all-in sustaining cash cost per ounce of gold sold; all-in cash cost per ounce of gold sold; total production cash cost per tonne; cash cost per payable ounce of silver equivalent; all-in sustaining cash cost per payable ounce of silver equivalent sold; all-in cash cost per payable ounce of silver equivalent sold; free cash flow and free cashflow from ongoing operations; adjusted net income; adjusted EBITDA and working capital.

These non-IFRS financial measures and non-IFRS ratios are widely reported in the mining industry as benchmarks for performance and are used by Management to monitor and evaluate the Company's operating performance and ability to generate cash. The Company believes that, in addition to financial measures and ratios prepared in accordance with IFRS, certain investors use these non-IFRS financial measures and ratios to evaluate the Company's performance. However, the measures do not have a standardized meaning under IFRS and may not be comparable to similar financial measures disclosed by other companies. Accordingly, non-IFRS financial measures and non-IFRS ratios should not be considered in isolation or as a substitute for measures and ratios of the Company's performance prepared in accordance with IFRS. The Company has calculated these measures consistently for all periods presented.

The following table outlines the non-IFRS financial measures and ratios, their definitions, the most directly comparable IFRS measures and why we use these measures.

Non-IFRS Financial Measure or Ratio	Definition	Most Directly Comparable IFRS Measure	Why we use this measure and why it is useful to investors
Silver Equivalent Ounces Sold	Silver equivalent ounces are calculated by converting other metal production to its silver equivalent using relative metal/silver metal prices at realized prices and adding the converted metal production expressed in silver ounces to the ounces of silver production.	Silver Ounces Sold	Management believes this provides a consistent way to measure costs and performance.
Cash Costs	Cash costs include all direct and indirect operating cash costs related directly to the physical activities of producing metals, including mining and processing costs, third-party refining and treatment charges, on-site general and administrative expenses, applicable production taxes and royalties which are not based on sales or taxable income calculations , net of by-product credits, but are exclusive of the impact of non-cash items that are included as part of the cost of sales that is calculated in the consolidated Income Statement including depreciation and depletion, reclamation, capital, development and exploration costs.	Cost of Sales	Management believes that cash cost and AISC measures provide useful information regarding the Company's ability to generate operating earnings and cash flows from its mining operations, and uses such measures to monitor the performance of the Company's mining operations. In addition, the Company believes that each measure provides useful information to investors in comparing, on a mine-by-mine basis, our operations relative performance on a period-by-period basis, against our competitors operations.
Cash Cost Per Tonne	This ratio is calculated by dividing Cash Costs by the number of tonnes milled in the period.		
Cash Cost Per Ounce	This ratio is calculated by dividing cash costs by gold or silver equivalent ounces sold in the period.		

Non-IFRS Financial Measure or Ratio	Definition	Most Directly Comparable IFRS Measure	Why we use this measure and why it is useful to investors
All-In Sustaining Costs (AISC)	The Company, in conjunction with an initiative undertaken within the gold mining industry, has adopted AISC and all-in sustaining cost measures based on guidance published by World Gold Council ("WGC"). The Company conforms its AISC and all-in cash cost definitions to that set out in the guidance and the Company has presented the cash cost figures on a sold ounce basis. We define All-in Sustaining Costs as total production cash costs incurred at the applicable mining operation but excludes mining royalty recognized as income tax within the scope of IAS-12, as well as non-sustaining capital expenditures. Sustaining capital expenditures, corporate selling, general and administrative expenses, and brownfield exploration expenditures are added to the cash cost. AISC is estimated at realized metal prices.		
AISC per Ounce Sold	This ratio is calculated by dividing AISC by gold or silver equivalent ounces sold in the period.		
All-In Costs	All-In Costs is calculated consistently with AISC but is inclusive of non-sustaining capital.		
Free cash Flow From Ongoing Operations	Free cash flow from ongoing operations is defined as net cash provided by operating activities, including Lindero commissioning, less sustaining capital expenditures and current income tax expense and adding back income taxes paid, changes in long-term receivable sustaining capital expenditures, one time transaction costs, payments of lease liabilities and other non-recurring items.	Net Cash Provided by Operating Activities	This non-IFRS measure is used by the Company and investors to measure the cash flow available to fund the Company's growth through investments and capital expenditures.
Adjusted Net Income	Adjusted net income excludes the after-tax impact of specific items that are significant, which the Company believes are not reflective of the Company's underlying performance for the reporting period, such as foreign exchange gains (losses) related to the construction of the Séguéla Mine, gains and losses and other one-time costs related to acquisitions, impairment charges (reversals), and certain non-recurring items. Although some of the items are recurring, such as; loss on disposal of assets and non-hedge derivative gains and losses, the Company believes that they are not reflective of the underlying operating performance of its current business and are not necessarily indicative of future operating results.	Net Income	Management believes that in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors and analysts use this information and information obtained from conventional IFRS measures to evaluate the Company's performance.

Non-IFRS Financial Measure or Ratio	Definition	Most Directly Comparable IFRS Measure	Why we use this measure and why it is useful to investors
Adjusted EBITDA	Adjusted EBITDA is a non-IFRS measure which is calculated as net income before interest, taxes, depreciation, and amortization, adjusted to exclude specific items that are significant, but not reflective of the Company's underlying operations, such as foreign exchange gains (losses) related to the construction of the Séguéla Mine, gains and losses and other one-time costs related to acquisitions, impairment charges (reversals), unrealized gains (losses) on derivatives and certain non-recurring items, included in "Other expenses" on the Consolidated Income Statement. Other companies may calculate Adjusted EBITDA differently.	Net Income	Management believes that adjusted EBITDA provides valuable information as an indicator of the Company's ability to generate operating cash flow to fund working capital needs, service debt obligations and fund capital expenditures. Adjusted EBITDA is also a common metric that provides additional information used by investors and analysts for valuation purposes based on an observed or inferred relationship between adjusted EBITDA and market value.
Working Capital	Working capital is non-IFRS measure which is calculated by subtracting current liabilities from current assets.	Current Assets, Current Liabilities	Management believes that working capital is a useful indicator of the liquidity of the Company.

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

Cash Cost per Ounce of Gold Sold

The following tables presents a reconciliation of cash cost per ounce of gold sold to the cost of sales in 2022 Financial Statements for the three and twelve months ended December 31, 2022 and 2021:

Lindero Mine		Three months ended December 31,		Years ended December 31,	
(Expressed in $'000's, except unit costs)		**2022**	2021	**2022**	2021
Cost of sales		**43,057**	46,915	**164,179**	122,889
Changes in doré inventory		**1,379**	353	**1,984**	2,066
Inventory adjustment		**(1,691)**	(1,072)	**(1,691)**	(2,815)
Export duties		**(3,353)**	(4,891)	**(15,545)**	(13,410)
Depletion and depreciation		**(13,441)**	(19,154)	**(54,644)**	(43,665)
By product credits		**(982)**	(77)	**(1,214)**	(260)
Production cash cost[1]		**24,969**	22,074	**93,069**	64,805
Changes in doré inventory		**(1,379)**	(353)	**(1,984)**	(2,066)
Realized gain in diesel hedge		**(1,105)**	(438)	**(4,620)**	(963)
Cash cost applicable per gold ounce sold	A	**22,485**	21,283	**86,465**	61,776
Ounces of gold sold	B	**27,602**	36,375	**116,795**	100,137
Cash cost per ounce of gold sold[1] ($/oz)	=A/B	**815**	585	**740**	617

Yaramoko Mine		Three months ended December 31,		Years ended December 31,	
(Expressed in $'000's, except unit costs)		**2022**	2021	**2022**	2021
Cost of sales		**42,084**	42,381	**171,846**	80,812
Changes in doré inventory		**-**	719	**(1,320)**	1,542
Inventory net realizable value adjustment		**-**	(4,153)	**(5,077)**	(4,153)
Export duties		**(2,732)**	(3,018)	**(11,630)**	(5,993)
Depletion and depreciation		**(17,884)**	(13,235)	**(64,894)**	(28,974)
Refining charges		**-**	-	**(329)**	-
By product credits		**-**	(195)	**(25)**	(134)
Production cash cost		**21,468**	22,499	**88,571**	43,100
Changes in doré inventory		**-**	(719)	**1,320**	(1,542)
Refining charges		**-**	133	**329**	271
Cash cost applicable per gold ounce sold	A	**21,468**	21,913	**90,220**	41,829
Ounces of gold sold	B	**26,250**	29,077	**107,433**	56,571
Cash cost per ounce of gold sold ($/oz)	=A/B	**818**	754	**840**	739

The Yaramoko Mine was acquired as part of the acquisition of Roxgold which completed on July 2, 2021. Comparative figures in 2021 are included from July 2, 2021 onward.

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

All-in Sustaining Cash Cost and All-in Cash Cost per Ounce of Gold Sold

The following tables shows a breakdown of the all-in sustaining cash cost per ounce of gold sold and all-in cash cost per ounce of gold sold for the three and twelve months ended December 31, 2022 and 2021:

Lindero Mine	Three months ended December 31,		Years ended December 31,	
(Expressed in $'000's, except unit costs)	**2022**	2021	**2022**	2021
Cash cost applicable	**22,484**	21,283	**86,464**	61,776
Inventory net realizable value adjustment	**2,351**	-	**2,351**	-
Long-term inventory NRV	**(1,299)**	-	**(1,299)**	-
Export duties and mining taxes	**3,353**	4,891	**15,545**	13,410
General and administrative expenses (operations)	**2,081**	1,640	**8,578**	5,643
Adjusted operating cash cost	**28,970**	27,814	**111,639**	80,829
Sustaining leases	**567**	752	**2,398**	2,548
Sustaining capital expenditures[1]	**3,973**	7,214	**18,035**	27,522
Brownfields exploration expenditures[1]	**184**	389	**1,288**	875
All-in sustaining cash cost	**33,694**	36,169	**133,360**	111,774
Non-sustaining capital expenditures[1]	**-**	233	**169**	323
All-in cash cost	**33,694**	36,402	**133,529**	112,097
Ounces of gold sold	**27,602**	36,375	**116,795**	100,137
All-in sustaining cash cost per ounce of gold sold	**1,221**	994	**1,142**	1,116
All-in cash cost per ounce of gold sold	**1,221**	1,001	**1,143**	1,119

[1] Presented on a cash basis

Yaramoko Mine	Three months ended December 31,		Years ended December 31,	
(Expressed in $'000's, except unit costs)	**2022**	2021	**2022**	2021
Cash cost applicable	**21,468**	21,913	**90,220**	41,829
Inventory net realizable value adjustment	**-**	1,285	**3,125**	1,285
Export duties and mining taxes	**2,732**	3,018	**11,630**	5,993
General and administrative expenses (operations)	**531**	514	**2,101**	953
Adjusted operating cash cost	**24,731**	26,730	**107,076**	50,060
Sustaining leases	**1,419**	1,467	**5,692**	2,934
Sustaining capital expenditures[1]	**18,994**	13,520	**45,665**	21,387
Brownfields exploration expenditures[1]	**2,855**	47	**5,873**	138
All-in sustaining cash cost	**47,999**	41,764	**164,306**	74,519
All-in cash cost	**47,999**	41,764	**164,306**	74,519
Ounces of gold sold	**26,250**	29,077	**107,433**	56,571
All-in sustaining cash cost per ounce of gold sold	**1,829**	1,436	**1,529**	1,317
All-in cash cost per ounce of gold sold	**1,829**	1,436	**1,529**	1,317

The Yaramoko Mine was acquired as part of the acquisition of Roxgold which completed on July 2, 2021. Comparative figures in 2021 are included from July 2, 2021 onward.
[1] Presented on a cash basis

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

Production Cash Cost per Tonne and Cash Cost per Payable Ounce of Silver Equivalent Sold

The following tables present a reconciliation of production cash cost per tonne and cash cost per payable ounce of silver equivalent sold to the cost of sales in the 2022 Financial Statements for the three and twelve months ended December 31, 2022 and 2021:

San Jose Mine		Three months ended December 31,		Years ended December 31,	
(Expressed in $'000's, except unit costs)		**2022**	2021	**2022**	2021
Cost of sales		**34,775**	32,705	**129,088**	122,756
Changes in concentrate inventory		**156**	(118)	**19**	163
Depletion and depreciation in concentrate inventory		**(47)**	11	**2**	32
Inventory adjustment		**(129)**	(52)	**137**	(6)
Royalties and mining taxes		**(1,260)**	(1,587)	**(5,262)**	(5,955)
Workers participation		**(601)**	(1,236)	**(2,477)**	(5,809)
Depletion and depreciation		**(10,510)**	(8,789)	**(37,775)**	(32,257)
Cash cost[3]	A	**22,384**	20,934	**83,732**	78,924
Total processed ore (tonnes)	B	**259,500**	262,802	**1,029,590**	1,041,154
Production cash cost per tonne[3] ($/t)	=A/B	**86.26**	79.66	**81.33**	75.80
Cash cost[3]	A	**22,384**	20,934	**83,732**	78,924
Changes in concentrate inventory		**(156)**	118	**(19)**	(163)
Depletion and depreciation in concentrate inventory		**47**	(11)	**(2)**	(32)
Inventory adjustment		**129**	52	**(137)**	6
Treatment charges		**(65)**	190	**(293)**	(251)
Refining charges		**1,012**	1,157	**3,801**	4,318
Cash cost applicable per payable ounce sold[3]	C	**23,351**	22,440	**87,082**	82,802
Payable ounces of silver equivalent sold[1]	D	**2,092,500**	2,400,989	**8,243,436**	8,902,680
Cash cost per ounce of payable silver equivalent sold[2,3] ($/oz)	=C/D	**11.16**	9.35	**10.56**	9.30
Mining cost per tonne[3]		**37.25**	37.90	**37.43**	38.74
Milling cost per tonne		**18.94**	16.56	**18.79**	16.68
Indirect cost per tonne		**20.98**	16.84	**16.86**	13.72
Community relations cost per tonne		**4.01**	5.15	**2.92**	4.79
Distribution cost per tonne		**5.08**	3.20	**5.33**	1.88
Production cash cost per tonne[3] ($/t)		**86.26**	79.66	**81.33**	75.80

1 Silver equivalent sold for Q4 2022 is calculated using a silver to gold ratio of 81.2:1 (Q4 2021: 76.8:1). Silver equivalent sold for 2022 is calculated using a silver to gold ratio of 82.9:1 (2021: 71.5:1).
2 Silver equivalent is calculated using the realized prices for gold and silver. Refer to Financial Results – Sales and Realized Prices
3 2021 restated, Sustaining leases moved to All-In Sustaining

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

Caylloma Mine (Expressed in $'000's, except unit costs)		Three months ended December 31, 2022	Three months ended December 31, 2021	Years ended December 31, 2022	Years ended December 31, 2021
Cost of sales		**16,676**	18,585	**67,491**	67,917
Changes in concentrate inventory		**(229)**	939	**(218)**	297
Depletion and depreciation in concentrate inventory		**120**	165	**(76)**	61
Inventory adjustment		**445**	(61)	**266**	(61)
Royalties and mining taxes		**(181)**	(188)	**(867)**	(345)
Provision for community support		**(78)**	(2,125)	**19**	(2,125)
Workers participation		**(419)**	(214)	**(1,808)**	(1,838)
Depletion and depreciation		**(3,080)**	(3,607)	**(14,032)**	(16,182)
Cash cost[3]	A	**13,254**	13,494	**50,775**	47,724
Total processed ore (tonnes)	B	**138,491**	137,838	**546,186**	539,779
Production cash cost per tonne[3] ($/t)	=A/B	**95.70**	97.89	**92.96**	88.41
Cash cost	A	**13,254**	13,494	**50,775**	47,724
Changes in concentrate inventory		**229**	(939)	**218**	(297)
Depletion and depreciation in concentrate inventory		**(120)**	(165)	**76**	(61)
Inventory adjustment		**(445)**	61	**(266)**	61
Treatment charges		**2,744**	4,629	**13,939**	15,754
Refining charges		**384**	378	**1,537**	1,670
Cash cost applicable per payable ounce sold[3]	C	**16,046**	17,458	**66,279**	64,851
Payable ounces of silver equivalent sold[1]	D	**1,287,998**	1,261,967	**5,372,277**	4,819,365
Cash cost per ounce of payable silver equivalent sold[2,3] ($/oz)	=C/D	**12.46**	13.83	**12.34**	13.46
Mining cost per tonne		**40.47**	42.02	**39.39**	34.71
Milling cost per tonne		**13.74**	16.27	**14.86**	15.34
Indirect cost per tonne		**32.10**	29.45	**30.16**	29.49
Community relations cost per tonne		**1.80**	7.96	**1.15**	7.77
Distribution cost per tonne		**7.59**	2.18	**7.40**	1.10
Production cash cost per tonne[3] ($/t)		**95.70**	97.87	**92.96**	88.41

1 Silver equivalent sold for Q4 2022 is calculated using a silver to gold ratio of 0.0:1 (Q4 2021: 76.9:1), silver to lead ratio of 1:22.3 pounds (Q4 2021: 1:22.2), and silver to zinc ratio of 1:15.7 pounds (Q4 2021: 1:15.4). Silver equivalent sold for 2022 is calculated using a silver to gold ratio of 85.5:1 (2021: 70.9:1), silver to lead ratio of 1:22.2 pounds (2021: 1:25.3), and silver to zinc ratio of 1:13.9 pounds (2021: 1:18.6).

2 Silver equivalent is calculated using the realized prices for gold, silver, lead, and zinc. Refer to Financial Results - Sales and Realized Prices

3 2021 restated, Sustaining leases moved to All-In Sustaining

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

All-in Sustaining Cash Cost and All-in Cash Cost per Payable Ounce of Silver Equivalent Sold

The following tables show a breakdown of the all-in sustaining cash cost per silver equivalent ounce payable for the three and twelve months ended December 31, 2022 and 2021:

San Jose Mine	Three months ended December 31,		Years ended December 31,	
(Expressed in $'000's, except unit costs)	**2022**	2021	**2022**	2021
Cash cost applicable[4]	**23,351**	22,440	**87,082**	82,802
Royalties and mining taxes	**1,260**	1,587	**5,262**	5,955
Workers' participation	**751**	1,545	**3,096**	7,261
General and administrative expenses (operations)	**2,319**	2,779	**7,164**	8,111
Adjusted operating cash cost[4]	**27,681**	28,351	**102,604**	104,129
Sustaining leases[4]	**169**	161	**658**	608
Sustaining capital expenditures[3]	**3,695**	5,137	**15,731**	14,492
Brownfields exploration expenditures[3]	**961**	2,176	**5,606**	8,784
All-in sustaining cash cost	**32,506**	35,825	**124,599**	128,013
Non-sustaining capital expenditures[3]	**-**	518	**869**	2,294
All-in cash cost	**32,506**	36,343	**125,468**	130,307
Payable ounces of silver equivalent sold[1]	**2,092,500**	2,400,989	**8,243,436**	8,902,680
All-in sustaining cash cost per ounce of payable silver equivalent sold[2]	**15.53**	14.92	**15.11**	14.38
All-in cash cost per ounce of payable silver equivalent sold[2]	**15.53**	15.14	**15.22**	14.64

1 Silver equivalent sold for Q4 2022 is calculated using a silver to gold ratio of 81.2:1 (Q4 2021: 76.8:1). Silver equivalent sold for 2022 is calculated using a silver to gold ratio of 82.9:1 (2021: 71.5:1).
2 Silver equivalent is calculated using the realized prices for gold and silver. Refer to Financial Results - Sales and Realized Prices
3 Presented on a cash basis
4 2021 restated, Sustaining leases moved from Cash Cost

Caylloma Mine	Three months ended December 31,		Years ended December 31,	
(Expressed in $'000's, except unit costs)	**2022**	2021	**2022**	2021
Cash cost applicable[4]	**16,046**	17,458	**66,279**	64,851
Royalties and mining taxes	**181**	188	**867**	345
Workers' participation	**480**	244	**2,087**	2,129
General and administrative expenses (operations)	**928**	786	**4,063**	3,625
Adjusted operating cash cost[4]	**17,635**	18,676	**73,296**	70,950
Sustaining leases[4]	**845**	681	**3,350**	2,851
Sustaining capital expenditures[3]	**7,188**	5,755	**18,694**	13,758
Brownfields exploration expenditures[3]	**473**	1,027	**1,202**	3,731
All-in sustaining cash cost	**26,141**	26,139	**96,542**	91,290
All-in cash cost	**26,141**	26,139	**96,542**	91,290
Payable ounces of silver equivalent sold[1]	**1,287,998**	1,261,967	**5,372,277**	4,819,365
All-in sustaining cash cost per ounce of payable silver equivalent sold[2]	**20.30**	20.71	**17.97**	18.94
All-in cash cost per ounce of payable silver equivalent sold[2]	**20.30**	20.71	**17.97**	18.94

1 Silver equivalent sold for Q4 2022 is calculated using a silver to gold ratio of 0.0:1 (Q4 2021: 76.9:1), silver to lead ratio of 1:22.3 pounds (Q4 2021: 1:22.2), and silver to zinc ratio of 1:15.7 pounds (Q4 2021: 1:15.4). Silver equivalent sold for 2022 is calculated using a silver to gold ratio of 85.5:1 (2021: 70.9:1), silver to lead ratio of 1:22.2 pounds (2021: 1:25.3), and silver to zinc ratio of 1:13.9 pounds (2021: 1:18.6).
2 Silver equivalent is calculated using the realized prices for gold, silver, lead, and zinc. Refer to Financial Results - Sales and Realized Prices
3 Presented on a cash basis
4 2021 restated, Sustaining leases moved from Cash Cost

Free Cash Flow from Ongoing Operations

In 2022, the Company changed the method for calculating Free Cash Flow from Ongoing Operations. The calculation now uses taxes paid as opposed to the previous method which used current income taxes. While this may create larger quarter over quarter fluctuations due to the timing of income tax payments, management believes the revised method is a better representation of the Free Cash Flow generated by the Company's ongoing operations. Comparative values from 2021 have been restated in this MD&A using the change in methodology.

The following table presents a reconciliation of free cash flow from ongoing operations to net cash provided by operating activities, the most directly comparable IFRS measure, for the three and twelve months ended December 31, 2022 and 2021:

	Three months ended December 31,		Years ended December 31,	
(Expressed in millions)	**2022**	2021	**2022**	2021
		(Restated)		(Restated)
Net cash provided by operating activities	**49.6**	57.1	**194.2**	147.1
Adjustments				
Roxgold transaction costs	**-**	-	**-**	27.9
Additions to mineral properties, plant and equipment	**(39.6)**	(35.3)	**(113.4)**	(90.7)
Mexican royalty payment	**-**	9.5	**3.0**	11.1
Other adjustments	**(5.6)**	(3.1)	**(14.6)**	(9.4)
Free cash flow from ongoing operations	**4.4**	28.2	**69.2**	86.0

Figures may not add due to rounding

Adjusted Net Income

The following table presents a reconciliation of the adjusted net income from net income, the most directly comparable IFRS measure, for the three and twelve months ended December 31, 2022 and 2021:

	Three months ended December 31,		Years ended December 31,	
(Expressed in millions)	**2022**	2021	**2022**	2021
Net (loss) income	**(160.4)**	16.6	**(135.9)**	59.4
Adjustments, net of tax:				
Community support provision and accruals[1]	**(0.1)**	1.3	**(0.1)**	1.4
Foreign exchange loss, Lindero Mine[2]	**-**	0.3	**-**	4.1
Foreign exchange loss, Séguéla Project	**(0.4)**	-	**0.8**	-
Write off of mineral properties	**0.3**	-	**5.1**	-
Unrealized loss (gain) on derivatives	**0.1**	-	**(0.4)**	-
Impairment of mineral properties, plant and equipment	**164.5**	-	**164.5**	-
Roxgold transaction costs	**-**	-	**-**	14.1
SGM Royalty settlement	**-**	1.0	**-**	9.8
Inventory adjustment	**3.8**	4.6	**8.0**	6.3
Accretion on right of use assets	**0.5**	1.0	**2.3**	2.2
Other non-cash/non-recurring items	**(1.1)**	4.3	**(1.7)**	3.3
Adjusted net income	**7.2**	29.1	**42.6**	100.6

[1] Amounts are recorded in Cost of sales
[2] Amounts are recorded in General and Administration
Figures may not add due to rounding

Adjusted EBITDA

The following table presents a reconciliation of Adjusted EBITDA from net income, the most directly comparable IFRS measure, for the three and twelve months ended December 31, 2022 and 2021:

	Three months ended December 31,		Years ended December 31,	
(Expressed in millions)	**2022**	2021	**2022**	2021
Net (loss) income	**(160.4)**	16.6	**(135.9)**	59.4
Adjustments:				
Community support provision and accruals	**(0.1)**	2.1	**(0.1)**	1.9
Inventory adjustment	**3.8**	5.3	**8.9**	7.0
Foreign exchange loss, Lindero Mine	-	0.3	-	4.1
Foreign exchange loss, Séguéla Project	**(0.4)**	0.2	**0.8**	0.2
Net finance items	**3.1**	3.7	**12.1**	12.3
Depreciation, depletion, and amortization	**45.3**	44.8	**172.8**	122.3
Income taxes	**(15.3)**	13.5	**10.8**	47.7
Impairment of mineral properties, plant and equipment	**182.8**	-	**182.8**	-
Roxgold transaction costs	-	-	-	14.1
SGM Royalty settlement	-	-	-	9.6
Other non-cash/non-recurring items	**(3.0)**	3.1	**(6.7)**	2.1
Adjusted EBITDA	**55.8**	89.6	**245.5**	280.7

Figures may not add due to rounding

Working Capital

The following table presents a calculation of working capital for the twelve months ended December 31, 2022 and 2021:

	Years ended December 31,	
	2022	2021
Current Assets	**$ 252,712**	$ 281,082
Current Liabilities	**135,080**	166,773
Working Capital	**$ 117,632**	$ 114,309

Qualified Person

Eric Chapman, P.Geo (EGBC #36328), Senior Vice-President of Technical Services for the Company, is a Qualified Person (as defined by National Instrument 43-101–Standards of Disclosure for Mineral Projects) ("NI 43-101"). Mr. Chapman has reviewed and approved the scientific and technical information pertaining to the production results for each of the Lindero, Yaramoko, San Jose and Caylloma mines contained in this MD&A and has verified the underlying data.

Raul Espinoza, F.AusIMM CP, Director of Technical Services for the Company is a Qualified Person as defined by NI 43-101, and has reviewed and approved the scientific and technical information pertaining to the Séguéla Project contained in this MD&A and has verified the underlying data.

Other Information, Risks and Uncertainties

For further information regarding the Company's operational risks, please refer to the section entitled "Description of the Business - Risk Factors" in the Company's most recent Annual Information Form that is available at www.sedar.com and www.sec.gov/edgar.shtml.

RISKS AND UNCERTAINTIES

The Company is exposed to many risks in conducting its business, including but not limited to metal price risk as the Company derives its revenue from the sale of silver, gold, lead and zinc; credit risk in the normal course of business; foreign exchange risk as the Company reports its financial statements in U.S. dollars whereas the Company operates in jurisdictions that conducts its business in other currencies; the inherent risks of uncertainties in estimating mineral reserves and mineral resources; the risks related to the construction of an open pit gold mine at the Séguéla Gold Project and the anticipated timing of production at the mine; rising rates of inflation which impact the costs of production; risks related to widespread epidemics or pandemics such as further outbreaks of COVID-19; political risks, capital controls risk and the limitations on the repatriation of operating cash flows, environmental risks; risks related to the ability of the Company to obtain permits for its operations, including the reconfirmation of the 12 year extension of the EIA at the San Jose mine; and risks related to its relations with employees. These and other risks are described below and in the 2022 Financial Statements, its Annual Information Form which is available on SEDAR at www.sedar.com, and its Form 40-F filed with the SEC. Readers are encouraged to refer to these documents for a more detailed description of some of the risks and uncertainties inherent to the Company's business.

Foreign Jurisdiction Risk

As at the date of the MD&A, the Company currently conducts its operations in Argentina, Burkina Faso, Côte d'Ivoire, Mexico, and Peru. All these jurisdictions are potentially subject to a number of political and economic risks, including those described in the following section. The Company is unable to determine the impact of these risks or its future financial position or results of operations and the Company's exploration, development, and production activities may be substantially affected by factors outside of the Company's control. These potential factors include but are not limited to royalty and tax increases or claims by governmental bodies, expropriation or nationalization, lack of an independent judiciary, foreign exchange controls, capital and currency controls, import and export regulations, cancellation or renegotiation of contracts, and environmental and permitting regulations. The Company has no political risk insurance coverage against these risks

The majority of the Company's production and revenue to December 31, 2022 was derived from its operations in Argentina, Mexico, Burkina Faso and Peru. As the Company's business is carried on in a number of developing countries, it is exposed to a number of risks and uncertainties, including the following: expropriation or nationalization without adequate compensation especially in Argentina which has a history of expropriation where the Company operates the Lindero Mine; changing political and fiscal regime, including the military coups in Burkina Faso in January and September 2022, and economic and regulatory instability; the unexpected change of Government in Côte d'Ivoire in April 2022; unanticipated changes to royalty and tax regulations; unreliable and undeveloped infrastructure, labour unrest, and labour scarcity; difficulty procuring key equipment and components for equipment; import and export regulation and restrictions; the imposition of capital controls which may affect the repatriation of funds; high rates of inflation; extreme fluctuations in foreign exchange rates and the imposition of currency controls; inability to obtain fair dispute resolution or judicial determination because of bias, corruption or abuse of power; difficulties enforcing judgments; difficulties understanding and complying with regulatory and legal framework with respect to ownership and maintenance of mineral properties, mines and mining operations, local opposition to mine development projects, which include the potential for violence, property damage and frivolous or vexatious claims; terrorism and hostage taking; military repression and increased likelihood of international conflicts or aggression; increased public health concerns. Certain of these risks and uncertainties are prevalent in the jurisdictions where the Company operates.

There can be no assurance that these measures will not be extended or that more restrictive measures will be put in place in the countries in which the Company operates, which may result in the suspension of operations or construction at the Company's mines on a short or long-term basis.

In early December, 2022, Pedro Castillo, the former President of Peru, was removed from office and replaced by Dina Boluarte, Peru's former Vice President. Subsequent to these political changes, the country has encountered increasing tensions, protests, and social unrest. The protests, which mainly occurred in the south of the country, have continued into 2023 and the civil unrest has caused disruptions to business and supply chains. The Company's operations have not been significantly impacted to date, but the Company has encountered disruptions to its supply chain and delays in delivering concentrates to port. Any prolonged disruptions may have an adverse affect on our operations, which could have an adverse effect on the Company's financial results and cash flows. The Company continues to monitor the situation and to mitigate the risks caused by the challenges.

Estimating Mineral Resources and Mineral Reserves

There is a degree of uncertainty attributable to the estimation of Mineral Resources, Mineral Reserves, and expected mineral grades. Until mineral deposits are actually mined and processed, Mineral Resources and Mineral Reserves must be considered as estimates only. Any such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices.

Mineral Resources and Mineral Reserves may require revision based on actual production experience. Market fluctuations in the price of metals, as well as increased production costs and reduced metallurgical recovery rates, may render certain Mineral Reserves uneconomic and may ultimately result in a restatement of Mineral Resources and/or Mineral Reserves. Short-term operating factors relating to the Mineral Resources and Mineral Reserves, such as the need for sequential development of ore bodies, may adversely affect the Company's profitability in any accounting period. Estimates of operating costs are based on assumptions including those relating to inflation and currency exchange, which may prove incorrect. Estimates of mineralization can be imprecise and depend upon geological interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. In addition, the grade and/or quantity of precious metals ultimately recovered may differ from that indicated by drilling results. There can be no assurance that precious metals recovered in small scale tests will be duplicated in large scale tests under onsite conditions or in production scale. Amendments to mine plans and production profiles may be required as the amount of Mineral Resources changes or upon receipt of further information during the implementation phase of the project. Extended declines in market prices for gold, silver, and other metals may render portions of the Company's mineralization uneconomic and result in reduced reported mineralization. Any material reduction in estimates of mineralization, or in the Company's ability to develop its properties and extract and sell such minerals, could have a material adverse effect on the Company's results of operations or financial condition.

Mining Operations

The capital costs required by the Company's projects may be significantly higher than anticipated. Capital and operating costs, production and economic returns, and other estimates contained in the Company's current technical reports, may differ significantly from those provided for in future studies and estimates and from management guidance, and there can be no assurance that the Company's actual capital and operating costs will not be higher than currently anticipated. In addition, delays to construction and exploration schedules may negatively impact the net present value and internal rates of return of the Company's mineral properties as set forth in the applicable technical report. Similarly, there can be no assurance that historical rates of production, grades of ore processed, rates of recoveries or mining cash costs will not experience fluctuations or differ significantly from current levels over the course of the mining operations. In addition, there can be no assurance that the Company will be able to continue to extend the production from its current operations through exploration and drilling programs.

Uncertainties Related to New Mining Operations

Without limiting the generality of the foregoing, Fortuna is in the process of the development and construction of an open pit mine at the Séguéla Project. Any such development or expansion project which is progressed to commercial operations will face a number of risks inherent in new mining operations.

The successful completion of the Company's development and expansion projects requires the construction and operation of mines, processing plants and related infrastructure. As a result, the Company is and will continue to be subject to all of the risks associated with establishing new mining operations, including:

- the timing and cost, which can be considerable, of the construction of mining and processing facilities;
- the availability and cost of skilled labour, mining equipment and principal supplies needed for operations;
- the availability and cost of appropriate smelting and refining arrangements;
- the need to maintain necessary environmental and other governmental approvals and permits;
- the availability of funds to finance construction and development activities;
- potential opposition from governments, non-governmental organizations, environmental groups, local groups or other stakeholders, which may delay or prevent development activities; and
- potential increases in construction and operating costs due to changes in the cost of labour, fuel, power, materials and supplies.

It is not unusual in the mining industry for new mining operations to experience unexpected difficulties during the start-up phase or the initial production phase, resulting in production suspensions, delays and requiring more capital than anticipated. It is also common in new mining operations to experience unexpected problems, delays and costs during mine development and ramp-up to full production capacity. Such factors can add to the costs of the mine development, production and operations and/or impair production and mining activities, thereby affecting the Company's cashflows and profitability. Any unexpected complications and delays in the completion and successful functioning of these operational elements may result in additional costs being incurred by the Company beyond those already incurred and budgeted. There can be no assurance that current or future development and expansion plans in respect of the Yaramoko Mine and the Séguéla Project will be successful or completed on time or on budget.

Environmental Uncertainties

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species, and reclamation of lands disturbed by mining operations. The Company's operations generate chemical and metals depositions in the form of tailings. The Company's ability to obtain, maintain and renew permits and approvals, and to successfully develop and operate mines may be adversely affected by real or perceived impacts associated with the Company's activities or of other mining companies that affect the environment, human health and safety. Environmental hazards may exist on the Company's properties which are unknown to the Company at present and were caused by previous or existing owners or operators of the properties, for which the Company could be held liable.

Environmental legislation is evolving in a manner which is imposing stricter standards and enforcement, increased fines and penalties for non-compliance, in addition to more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. Compliance with environmental laws and regulations may require significant capital outlays on behalf of the Company and may cause material changes or delays in the Company's intended activities. Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities, causing operations to cease or be curtailed. Such enforcement actions may include the imposition of corrective measures requiring capital expenditure, installation of new equipment, or remedial action. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations.

The activities of the Company require licenses and permits from various governmental authorities. The Company currently has been granted the requisite licenses and permits to enable it to carry on its existing business and operations. On January 5, 2023, the Company announced that it had received the SEMARNAT Resolution which provides that SEMARNAT has annulled and is re-assessing the 12-year extension to the EIA for the San Jose Mine that it granted to Minera Cuzcatlan in December 2021.

Management of the Company believes that the SEMARNAT resolution is unfounded and has no merits. Minera Cuzcatlan initiated the Mexican Legal Proceedings to contest and revoke the annulment of the San Jose EIA. On March 10, 2023 the Court granted Cuzcatlan a permanent injunction which allows the San Jose Mine to continue to operate under the terms of the 12-year EIA until the determination of the Mexican Legal Proceedings.

The results of the Mexican Legal Proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the difficulty of predicting decisions and the timing required to render decisions. The process of contesting the annulment of the EIA could take away from the time and effort of the Company's management and could force the Company to pay substantial legal fees or penalties. Further, there can be no assurances that the resolutions of any such matters will not have a material adverse effect on the Company's business, financial condition and results of operations.

In addition, there can be no assurance that the Company will be able to obtain all the necessary licenses and permits which may be required to carry out exploration, development and mining operations for its projects in the future. The Company might find itself in situations where the state of compliance with regulation and permits can be subject to interpretation and challenge from authorities that could carry risk of fines or temporary stoppage.

Risks Associated with the Integration of the Company and Roxgold

The completion of the business combination of Roxgold is expected to result in among other benefits, a combination of quality assets resulting in increased gold production; a complementary and diversified portfolio of assets in West Africa and the Americas; multiple brownfields and greenfields options across the Americas and West Africa, and a low-cost platform of precious metals production and growth. The ability of the Company to realize the benefits of the acquisition will depend in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as the Company's ability to realize the anticipated growth opportunities and synergies from integrating Roxgold's business. This integration will require the dedication of management effort, time, and resources which may divert management's focus and resources from other strategic opportunities available to the Company, and from operational matters during this process.

In addition, the integration process could result in the disruption of existing relationships with suppliers, employees, customers, and other constituencies of Fortuna and Roxgold. There can be no assurance that management will be able to integrate the operations of each of the businesses successfully or achieve any of the synergies or other benefits that are anticipated to result from the acquisition. It is possible that the integration process could result in the loss of key employees, the disruption of the respective ongoing businesses or inconsistencies in standards, controls, procedures and policies that adversely affect the ability of management to maintain relationships with customers, suppliers, employees or to achieve the anticipated benefits of the acquisition. Any inability of management to successfully integrate the operations could have a material adverse effect on the Company's business, financial condition and results of operations.

Risks of Operating in West Africa

Certain of our operations are currently conducted in West Africa, with the Yaramoko Mine in Burkina Faso and the Séguéla Project in Côte d'Ivoire, and as such as is common in other mining jurisdictions, the Company's operations are exposed to various political, economic, and other risks and uncertainties. The Company is subject to risks associated with operating in

West Africa with its Yaramoko Mine in Burkina Faso and the Séguéla Project in Côte d'Ivoire. These risks and uncertainties include but are not limited to: civil and ethnic unrest, war (including in neighbouring countries), terrorist actions, hostage taking or detainment of personnel, military repression, criminal activity, nationalization, invalidation of governmental orders, failure to enforce existing laws, labour disputes, corruption, sovereign risk, political instability, the failure of foreign parties, courts or governments to honour or enforce contractual relations or uphold property rights, changing government regulations with respect to mining (including royalties, environmental requirements, labour, taxation, land tenure, foreign investments, income repatriation, and capital recovery), fluctuations in currency exchange and inflation rates, import and export restrictions, the expropriation of assets and property interests, as well as by laws and policies of Canada affecting foreign trade, investment and taxation.

As African governments continue to struggle with deficits and depressed economies, the strength of commodity prices has resulted in the gold mining sector being targeted as a source of revenue. Governments are continually assessing the terms for a mining company to exploit resources in their country.

Operations may also be impacted to varying degrees by the lack of certainty with respect to foreign legal systems, which may not be immune from the influence of political pressure, corruption, or other factors that are inconsistent with the rule of law. Businesses can become involved in lengthy court cases over simple issues when rulings are not clearly defined, and the poor drafting of laws and excessive delays in the legal process for resolving issues or disputes compound such problems.

Any of the above events could delay or prevent the Company from operating, developing, or exploring its properties even if economic quantities of minerals are found and could have a material adverse impact upon the Company's operations.

Safety and Security

The Company's Yaramoko Mine is located in Burkina Faso and the advanced exploration Séguéla Gold Project is located in in Côte d'Ivoire. Following instability in recent years in several West African countries, the prevailing security environment in these countries has deteriorated due to the presence of various militant secessionist and Islamist paramilitary groups, as well as the result of the January and September 2022 military coups in Burkina Faso. While additional measures have been implemented in response to ensure the security of its various assets, personnel, and contractors, and the Company continues to cooperate with regional governments, their security forces, and third parties, there can be no assurance that these measures will be successful. Any failure to maintain the security of its assets, personnel, and contractors may have a material adverse effect on the Company's business, prospects, financial condition, and results of operations. To date, neither employees nor operations have been impacted by the security situation in Burkina Faso.

While there is no reason to believe that the Company's employees or operations will be targeted by criminal and/or terrorist activities in the countries in which we operate, risks associated with conducting business in the region, along with the increased perception that such incidents are likely to occur, may disrupt the Company's operations, limit its ability to hire and keep qualified personnel, and impair its access to sources of capital or insurance on terms and at rates that are commercially viable. Furthermore, although the Company has developed procedures regarding the mitigation of such risks, due to the unpredictable nature of criminal and/or terrorist activities, there is no assurance that its efforts will be able to effectively mitigate such risks and safeguard the Company's personnel and assets.

Credit Risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. All of our trade receivables from concentrate sales are held with large international metals trading companies.

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

The Company's cash and cash equivalents and short-term investments are held through large financial institutions. These investments mature at various dates within one year.

The Company's maximum exposure to credit risk as at December 31, 2022 and 2021 is as follows:

As at	**December 31, 2022**	December 31, 2021
Cash and cash equivalents	**80.5**	107.1
Derivative assets	**-**	1.5
Trade and other receivables	**68.2**	76.5
Income tax receivable	**0.7**	1.7
Other non-current receivables	**8.5**	6.0
	157.9	192.8

Figures may not add due to rounding

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk. We limit our exposure to counterparty credit risk on cash and term deposits by only dealing with financial institutions with high credit ratings and through our investment policy of purchasing only instruments with a high credit rating. Almost all of our concentrate is sold to large well-known concentrate buyers.

Metal Price Risk

The Company derives its revenue from the sale of silver, gold, lead, and zinc. The Company's sales are directly dependent on metal prices, and metal prices have historically shown significant volatility that is beyond the Company's control.

The following table illustrates the sensitivity to a +/-10% change in metal prices on the Company's outstanding trade receivables as at December 31, 2022:

Metal	**Change**	**Effect on Sales**
Silver	+/- 10%	0.8
Gold	+/- 10%	0.4
Lead	+/- 10%	0.6
Zinc	+/- 10%	0.2

Changes in the market prices of the precious metals that the Company produces affects the Company's profitability and cashflow. Metals prices can fluctuate due to many factors including, demand, the strength of the United States dollar, currency exchange rates, inflation, global mine production levels, other general price instability. Decrease in the market price of metals can also significantly affect the value of the Company's metal inventory, stockpiles and leach pads, and it may be necessary to record a write-down to the net realizable value as well as significantly impact the carrying value of Company's assets.

From time to time, the Company mitigates the price risk associated with its base metal production by entering into forward sale and collar contracts for some of its forecasted base metal production and non-metal commodities.

Refer to the Company's 2022 Financial Statements for details of contracts entered into.

The zinc, lead, and fuel contracts are derivative financial instruments and are not accounted for as designated hedges. They were initially recognized at fair value on the date on which the related derivative contracts were entered into and are subsequently re-measured to estimated fair value. Any gains or losses arising from changes in the fair value of the derivatives are credited or charged to profit or loss.

Currency Risk

The Company is exposed to fluctuations in foreign exchange rates as a portion of our expenses are incurred in Canadian dollars, Peruvian soles, Argentine pesos, Mexican pesos, Euro, Australian dollar, and West African CFA francs. A significant change in the foreign exchange rates between the United States dollar relative to the other currencies could have a material effect on the Company's profit or loss, financial position, or cash flows.

The following table summarizes the sensitivity to a +/-10% change in foreign currency exchange rates on the Company's foreign currency exposure as at December 31, 2022:

Currency of foreign denominated items	Change	Effect
Mexican pesos	+/- 10%	0.9
Peruvian soles	+/- 10%	-
Argentine pesos	+/- 10%	0.1
Canadian dollars	+/- 10%	0.8
West African CFA franc	+/- 10%	0.7
Australian Dollar	+/- 10%	0.2
Euro	+/- 10%	-

Due to the volatility of the exchange rate for Argentine peso, the Company is applying additional measures in cash management to minimize potential losses arising from the conversion of funds. As discussed below in the capital management section, the Company is required to convert the equivalent value into Argentine peso from the export sale of all gold doré from the Lindero Mine. In addition, the Company would be required to obtain the prior consent of the Argentine Central Bank for the payment of cash dividends and distributions of profits out of Argentina.

The following tables summarizes the Company's exposure to currency risk through the following assets and liabilities denominated in foreign currencies:

As at December 31, 2022 (*In millions of local currency*)	Canadian dollars	Peruvian soles	Mexican pesos	Argentine pesos	West African CFA Franc	Australian Dollars	Euro
Cash and cash equivalents	0.6	6.2	73.9	11.8	6,057.9	0.2	-
Marketable securities	0.1	-	-	-	-	-	-
Restricted cash	-	-	-	-	2,339.0	-	-
Trade and VAT receivables	0.2	3.3	73.9	2,062.9	12,979.1	(0.1)	-
Income tax receivable	-	28.1	13.9	-	-	-	-
VAT - long term receivable	-	-	70.5	-	-	-	-
Trade and other payables	(13.4)	(17.0)	(218.3)	(1,429.4)	(15,346.5)	(1.3)	(0.3)
Provisions, current	-	(8.1)	(11.7)	(387.9)	-	-	-
Income tax payable	0.1	-	(84.4)	-	(1,353.2)	-	-
Other liabilities	(0.2)	-	(9.7)	-	-	-	-
Provisions, non-current	-	(12.6)	(90.8)	-	-	-	-
Total foreign currency exposure	(12.6)	(0.1)	(182.7)	257.4	4,676.3	(1.2)	(0.3)
US$ equivalent of foreign currency exposure	(9.3)	(0.0)	(9.4)	1.4	7.4	(1.1)	(0.3)

Figures may not add due to rounding

As at December 31, 2021 (*In millions of local currency*)	Canadian dollars	Peruvian soles	Mexican pesos	Argentine pesos	West African CFA Franc	Australian Dollars	Euro
Cash and cash equivalents	1.7	5.5	18.1	4.3	11,494.9	-	-
Marketable securities	0.5	-	-	-	-	-	-
Restricted cash	-	-	-	-	1,167.0	-	-
Trade and VAT receivables	0.7	2.1	174.2	1,526.5	13,433.4	-	-
Income tax receivable	-	20.7	-	-	-	-	-
VAT - long term receivable	-	-	70.5	-	-	-	-
Trade and other payables	(3.8)	(17.5)	(400.7)	(1,174.0)	(10,094.2)	(0.9)	(1.4)
Provisions, current	(0.1)	(4.4)	(13.5)	(95.4)	-	-	-
Income tax payable	-	-	(87.9)	-	-	-	-
Other liabilities	-	-	(6.2)	-	-	-	-
Provisions, non-current	-	-	(87.3)	-	-	-	-
Total foreign currency exposure	(1.0)	6.4	(332.8)	261.4	16,001.1	(0.9)	(1.4)
US$ equivalent of foreign currency exposure	(0.8)	1.7	(16.8)	2.7	28.5	(0.7)	(1.2)

Figures may not add due to rounding

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations as they come due. We manage our liquidity risk by continually monitoring forecasted and actual cash flows. We have in place a planning and budgeting process to help determine the funds required to support our normal operating requirements and our development plans. We aim to maintain sufficient liquidity to meet our short term business requirements, taking into account our anticipated cash flows from operations, our holdings of cash and cash equivalents, and our committed and anticipated liabilities.

The Company manages its liquidity risk by continuously monitoring forecasted and actual cashflows. A rigorous reporting, planning, and budgeting process are in place to help facilitate forecasting funding requirements, to support operations on an ongoing basis and with expansion plans, if any. See also "Liquidity and Capital Resources".

As at December 31, 2022, the Company expects the following maturities of its financial liabilities, lease obligations, and other contractual commitments, excluding payments relating to interest:

	Expected payments due by year as at December 31, 2022				
	Less than 1 year	1 - 3 years	4 - 5 years	After 5 years	Total
Trade and other payables	111.9	-	-	-	111.9
Debt	-	225.9	-	-	225.9
Income taxes payable	11.6	-	-	-	11.6
Lease obligations	11.3	8.3	5.7	5.8	31.1
Other liabilities	-	2.6	-	-	2.6
Capital commitments, Séguéla	13.9	0.4	-	-	14.3
Closure and reclamation provisions	3.2	24.6	9.1	23.0	59.9
Total	151.9	261.8	14.8	28.8	457.3

Figures may not add due to rounding

Capital Management

The Company's objective when managing its capital is to maintain its ability to continue as a going concern while at the same time maximizing the growth of its business and providing returns to its shareholders. The Company manages its capital structure and makes adjustments based on changes to its economic environment and the risk characteristics of the Company's assets.

Effective December 23, 2019, changes to Argentina's tax laws proposed by the Argentine Government were implemented. The changes ratified and extended legislation which was to expire on December 31, 2019 and allow the Argentine Central Bank to regulate funds coming into and flowing out of Argentina in order to maintain stability and support the economic recovery of the country. The Argentine Government has not set an expiry date for these restrictions, and they currently remain in place. These capital controls, together with additional temporary controls enacted on May 29, 2020, have the effect of: requiring exporters to convert the equivalent value of foreign currency received from the export into Argentine Pesos; requiring the prior consent of the Argentine Central Bank to the payment of cash dividends and distributions of currency out of Argentina; requiring Argentine companies to convert foreign currency loans received from abroad into Argentine Pesos; and restricting the sale of Argentine Pesos for foreign currency. These provisions restrict the Company from holding funds in Argentina in United States dollars. Further, effective October 17, 2022 additional capital controls were imposed on the import of goods and services in Argentina. Currently, most import permits for goods and services are approved subject to payment being deferred for 180 days, with the exception of capital goods.

Certain of the costs and expenses to fund the construction at the Lindero Mine were advanced by way of intercompany loans. Under the terms of the Argentine Central Bank regulation, any funds in foreign currency which were advanced by the Company as a loan to its Argentine subsidiary in connection with the payment of construction costs and expenses at the Lindero Mine, are, to the extent that the funds were advanced in foreign currency, required to be converted into Argentine Pesos at a conversion rate negotiated at the foreign exchange market within five business days from the date of the receipt of the funds in Argentina. When the loan is to be repaid, the regulation requires proof that the loan was advanced in foreign currency and converted into local currency in order to repay the loan in foreign currency. Due to the volatility of the exchange rate for Argentine Pesos, the Company will apply additional measures in cash management to minimize potential gains or losses arising from the conversion of funds. In addition, the Argentine Central Bank has also issued a temporary measure in effect until December 31, 2023, which requires the consent of the Argentine Central Bank to the repayment of certain types of intercompany loans. There can be no assurance that the temporary measure will not be extended.

As part of the structure used to fund the construction of the Lindero project and the operation of the Lindero Mine, Fortuna has implemented a series of intercompany revolving pre-export financing facilities in an aggregate of $110.0 million. This allows exporters to apply the proceeds of sales directly towards payment of principal and interest under the facility. The facilities are not impacted by the regulations described above, and the Company expects that it can continue to repatriate funds during 2022 and into the first quarter of 2023 through this mechanism. Once the loan has been repaid, any repatriation of funds out of Argentina by way of cash dividends or other distributions of currency out of Argentina will be required to be made accordance with the capital control restrictions of the Argentine Central Bank. The Company continues to monitor the foreign currency exposure risk.

The Company's capital requirement is effectively managed based on the Company having a thorough reporting, planning, and forecasting process to help identify the funds required to ensure the Company is able to meet its operating and growth objectives.

For the year ended December 31, 2022 (in US Dollars, tabular amounts in millions, except where noted)

The Company's capital structure consists of equity comprising of share capital, reserves, and retained earnings as well as debt consisting of credit facilities and convertible debentures, lease obligations less cash and cash equivalents.

As at	**December 31, 2022**	December 31, 2021
Equity	**1,244.8**	1,375.1
Debt	**219.2**	157.5
Lease obligations	**21.3**	29.4
Less: cash and cash equivalents	**(80.5)**	(107.1)
	1,404.8	1,454.9

Figures may not add due to rounding

As discussed above, the Company operates in Argentina where the Argentine government has ratified and extended legislation to allow the Argentine Central Bank to regulate funds coming into and flowing out of Argentina. Other than the restrictions related to these capital controls and complying with the debt covenants under the credit facilities, the Company is not subject to any externally imposed capital requirements. As at December 31, 2022, the Company was in compliance with its debt covenants. See also "Liquidity and Capital Resources".

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Currently, our interest rate exposure mainly relates to interest earned on our cash and cash equivalents balances, interest paid on its LIBOR-based debt, and the mark-to-market value of derivative instruments which depend on interest rates.

Key Personnel

The Company is dependent on a number of key management and employee personnel. The Company's ability to manage its exploration, development, construction, and operating activities, and hence its success, will depend in large part on the ability to retain current personnel and attract and retain new personnel, including management, technical, and unskilled employees. The loss of the services of one or more key management personnel, as well as a prolonged labour disruption, could have a material adverse effect on the Company's ability to successfully manage and expand its affairs.

Claims and Legal Proceedings

The Company is subject to various claims and legal proceedings covering a wide range of matters that arise in the normal course of business. The Company may be subject to claims by local communities, indigenous groups, or private land owners relating to land and mineral rights and such claimants may seek sizable monetary damages or seek the return of surface or mineral rights that may be valuable to the Company which may significantly impact operations and profitability, if lost. These matters are subject to various uncertainties and it is possible that some of these matters may be resolved with an unfavorable outcome to the Company. The Company does carry liability insurance coverage, but such coverage does not cover all risks to which the Company may be exposed to.

On August 16, 2022, the Argentine Tax Authority ("AFIP") published General Resolution No.5248/2022 (the "Resolution") which established a one-time "windfall income tax prepayment" for companies that have obtained extraordinary income derived from the general increase in international prices. The Resolution was published by AFIP without prior notice.

The windfall income tax prepayment applies to companies that meet certain income tax or net income tax (before the deduction of accumulated tax losses) thresholds for 2021 or 2022. The aggregate amount of the windfall income tax prepayment payable by Mansfield calculated in accordance with the Resolution is approximately $5.5 to $6.0 million.

The windfall income tax prepayment is to be paid in three equal and consecutive monthly instalments, starting on October 22, 2022, and is payable in addition to income tax instalments currently being paid by corporate taxpayers on account of their income tax obligations. The windfall income tax prepayment is an advance payment of income taxes due to be paid in 2023.

Based on the historical accumulated losses of Mansfield for fiscal 2021 which can be carried forward for 2022, Mansfield was not liable for income tax, and based upon current corporate income tax laws and the ability of the Company to deduct historical accumulated losses, it is projected that no income tax will be required to be paid for fiscal 2022.

To protect Mansfield's position from having to pay the windfall income tax prepayment as an advance income tax for 2023, which based on management's projections is not payable, Mansfield applied to the Federal Court of Salta Province for a preliminary injunction to prevent the AFIP from issuing a demand or other similar measure for the collection of the Windfall Income Tax Prepayment. On October 3, 2022, Mansfield was notified that the Court had granted the preliminary injunction. As a result, Mansfield did not pay any of the three installments. In addition, Mansfield also filed an administrative claim with the AFIP to challenge the constitutionality of the Resolution, which was rejected by AFIP on November 2, 2022.

Mansfield has subsequently filed new legal proceedings in the Federal Court of Salta, against the AFIP to protect its position and challenge the rejection of its administrative claim. In this legal proceeding, Mansfield has also applied for a preliminary injunction to prevent the AFIP from issuing a demand or other similar measure for the collection of the Windfall Income Tax Prepayment or interest. On February 15, 2023, Mansfield was notified that the Court had granted the preliminary injunction requested.

CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each period end. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

For further information on our significant judgements and accounting estimates, refer to note 4 of our audited annual consolidated financial statements for the years ended December 31, 2022 and 2021.

ADOPTION OF NEW ACCOUNTING STANDARDS, INTERPRETATION OR AMENDMENTS

The following accounting standards were adopted for the financial year ending December 31, 2022,

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Annual Improvements to IFRS Standards 2018–2020; and
- Reference to the Conceptual Framework (Amendments to IFRS 3)

The adoption of these standards did not have a material effect on the Company's financial statements.

Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) became effective January 1, 2022; however, the Company previously elected to early adopt this standard in the financial year ending December 31, 2020.

CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that all material information related to the Company is identified and communicated to management on a timely basis. Management of the Company, under the supervision of the President and Chief Executive Officer and the Chief Financial Officer, is responsible for the design and operation of disclosure controls and procedures in accordance with the requirements of National Instrument 52-109 of the Canadian Securities Administrators and as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended.

Management's Report on Internal Control over Financial Reporting

The Company's internal control over financial reporting ("ICFR") is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external reporting purposes in accordance with IFRS as issued by the International Accounting Standards Board. However, due to its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements and fraud.

Management assesses the effectiveness of the Company's internal control over financial reporting using the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organization of the Treadway Commission ("COSO"). Management conducted an evaluation of the effectiveness of ICFR and concluded that it was effective as at December 31, 2022.

There have been no changes in the Company's internal control over financial reporting during the year ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

CAUTIONARY STATEMENT ON FORWARD-LOOKING STATEMENTS

This MD&A and any documents incorporated by reference into this MD&A contain forward-looking statements which constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Section 21E of the United States Securities Exchange Act of 1934, as amended, and forward-looking information within the meaning of applicable Canadian securities legislation (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 MD&A include, without limitation, statements relating to:

- Mineral Resource and Mineral Reserve estimates as they involve the implied assessment, based on estimates and assumptions that the reserves and resources described exist in the quantities predicted or estimated and can be profitably produced in the future;
- the Company's plans and expectations for its material properties and future exploration, development and operating activities including, without limitation, capital expenditure, production and cash cost and AISC estimates, exploration activities and budgets, forecasts and schedule estimates, as well as their impact on the results of operations or financial condition of the Company;
- the anticipated steps, timeline and costs for completing construction of the mine at the Séguéla project;
- the timing for delivery of materials and equipment for the Company's properties;
- the sufficiency of the Company's cash on hand and available credit lines and estimated cash flows to fund planned capital and exploration programs;
- the Company's financial performance being closely linked to the prices of silver and gold;
- possible future challenges presented by the Ukraine – Russian conflict, and pandemics such as COVID 19;
- the payments due under, and the maturity date of, the Company's financial liabilities, lease obligations and other contractual commitments;
- the Company's expectation that there are no changes in internal controls in 2022 that are reasonably likely to materially affect the Company's internal control over financing reporting;
- property permitting and litigation matters;
- the outcome of the Mexican Legal Proceedings; and
- the fluctuation of its effective tax rate in the jurisdictions where the Company does business;

Often, but not always, these Forward-looking Statements can be identified by the use of words such as "anticipates", "believes", "plans", "estimates", "expects", "forecasts", "scheduled", "targets", "possible", "strategy", "potential", "intends", "advance", "goal", "objective", "projects", "budget", "calculates" or statements that events, "will", "may", "could" or "should" occur or be achieved and similar expressions, including negative variations.

The forward-looking statements in this MD&A also include financial outlooks and other forward-looking metrics relating to Fortuna and its business, including references to financial and business prospects and future results of operations, including production, and cost guidance and anticipated future financial performance. Such information, which may be considered future oriented financial information or financial outlooks within the meaning of applicable Canadian securities legislation (collectively, "FOFI"), has been approved by management of the Company and is based on assumptions which management believes were reasonable on the date such FOFI was prepared, having regard to the industry, business, financial conditions, plans and prospects of Fortuna and its business and properties. These projections are provided to describe the prospective performance of the Company's business. Nevertheless, readers are cautioned that such information is highly subjective and should not be relied on as necessarily indicative of future results and that actual results may differ significantly from such projections. FOFI constitutes forward-looking statements and is subject to the same assumptions, uncertainties, risk factors and qualifications as set forth below.

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:

- operational risks relating to mining and mineral processing;
- uncertainty relating to Mineral Resource and Mineral Reserve estimates;
- uncertainty relating to capital and operating costs, production schedules and economic returns;
- uncertainty relating to new mining operations and development projects such as the Lindero Mine and the Séguéla Gold Project, including the possibility that actual capital and operating costs and economic returns will differ significantly from those estimated for such projects prior to production;
- uncertainty relating to the costs of the construction, the financing of construction and timing for the completion of the Séguéla Project;
- risks relating to the Company's ability to replace its Mineral Reserves;
- risks associated with mineral exploration and project development;
- uncertainty relating to the repatriation of funds as a result of currency controls;
- environmental matters including maintaining, obtaining or renewing environmental permits and potential liability claims;
- risks associated with political instability and changes to the regulations governing the Company's business operations;
- changes in national and local government legislation, taxation, controls, regulations and political or economic developments in countries in which the Company does or may carry on business;
- risks associated with war, hostilities or other conflicts, such as the Ukrainian – Russian conflict, and the impact it may have on global economic activity;
- risks relating to the termination of the Company's mining concessions in certain circumstances;
- risks related to International Labor Organization ("ILO") Convention 169 compliance;
- developing and maintaining good relationships with local communities and stakeholders;
- risks associated with losing control of public perception as a result of social media and other web-based applications;
- potential opposition to the Company's exploration, development and operational activities;
- risks related to the Company's ability to obtain adequate financing for planned exploration and development activities;
- substantial reliance on the Lindero Mine, the Yaramoko Mine and the San Jose Mine for revenues;
- property title matters;
- risks relating to the integration of businesses and assets acquired by the Company;
- impairments;
- reliance on key personnel;
- uncertainty relating to potential conflicts of interest involving the Company's directors and officers;
- risks associated with the Company's reliance on local counsel and advisors and the experience of its management and board of directors in foreign jurisdictions;
- adequacy of insurance coverage;
- operational safety and security risks;
- risks related to the Company's compliance with the United States Sarbanes-Oxley Act;
- risks related to the foreign corrupt practices regulations and anti-bribery laws;
- legal proceedings and potential legal proceedings;

- uncertainties relating to general economic conditions;
- risks relating to a global pandemic, which until contained could continue to cause a slowdown in global economic growth and impact the Company's business, operations, financial condition and share price;
- risks relating to pandemics, such as COVID-19, epidemics and public health crises; the impact of COVID-19 on the Company's business, operations and financial condition; the Company's ability to access its supply chain; the ability of the Company to transport its products; and impacts on the Company's employees and local communities all of which may affect the Company's ability operate;
- competition;
- fluctuations in metal prices;
- regulations and restrictions with respect to imports;
- high rates of inflation;
- risks associated with entering into commodity forward and option contracts for base metals production;
- fluctuations in currency exchange rates and restrictions on foreign exchange and currencies;
- failure to meet covenants under its Credit Facilities, or an event of default which may reduce the Company's liquidity and adversely affect its business;
- tax audits and reassessments;
- risks relating to hedging;
- uncertainty relating to concentrate treatment charges and transportation costs;
- sufficiency of monies allotted by the Company for land reclamation;
- risks associated with dependence upon information technology systems, which are subject to disruption, damage, failure and risks with implementation and integration;
- uncertainty relating to nature and climate change conditions
- risks associated with climate change legislation;
- our ability to manage physical and transition risks related to climate change and successfully adapt our business strategy to a low carbon global economy;
- risks related to the volatility of the trading price of the Company's common shares and the Company's Debentures (as defined herein);
- dilution from further equity or convertible debenture financings; and
- risks related to future insufficient liquidity resulting from a decline in the price of the Common Shares or Debentures;
- uncertainty relating to the Company's ability to pay dividends in the future;
- risks relating to the market for the Company's securities;
- risks relating to the Debentures of the Company; and
- uncertainty relating to the enforcement of U.S. judgments against the Company.

as well as those factors referred to in the "Risks and Uncertainties" section in this MD&A and in the "Risk Factors" section in our Annual Information Form filed with the Canadian Securities Administrators and available at www.sedar.com and filed with the U.S. Securities and Exchange Commission as part of the Company's Form 40-F and available at www.sec.gov/edgar.shtml. 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 not to be as anticipated, estimated or intended.

Forward-looking Statements contained in this MD&A are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to:

- all required third party contractual, regulatory and governmental approvals will be obtained and maintained for the exploration, development, construction and production of its properties;
- there being no significant disruptions affecting operations, whether relating to labour, supply, power, damage to equipment or other matter;
- the world-wide economic and social impact of COVID-19 is managed, and the duration and extent of the coronavirus pandemic is minimized or not long-term;
- there being no material and negative impact to the various contractors, suppliers and subcontractors at the Company's mine sites as a result of the Ukrainian – Russian conflict, COVID-19 or otherwise that would impair their ability to provide goods and services;
- permitting, construction, development, expansion, and production continuing on a basis consistent with the Company's current expectations;
- Minera Cuzcatlan will be successful in the Mexican Legal Proceedings;
- expected trends and specific assumptions regarding metal prices and currency exchange rates;
- prices for and availability of fuel, electricity, parts and equipment and other key supplies remaining consistent with current levels;
- production forecasts meeting expectations;
- any investigations, claims, and legal, labor and tax proceedings arising in the ordinary course of business will not have a material effect on the results of operations or financial condition of the Company; and
- the accuracy of the Company's current Mineral Resource and Mineral Reserve estimates.

These Forward-looking Statements are made as of the date of this MD&A. 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, readers are cautioned not to place undue reliance on Forward-looking Statements. Except as required by law, the Company does not assume the obligation to revise or update these forward looking-statements after the date of this document or to revise them to reflect the occurrence of future unanticipated events.

CAUTIONARY NOTE TO UNITED STATES INVESTORS CONCERNING ESTIMATES OF RESERVES AND RESOURCES

The Company is a Canadian "foreign private issuer" as defined in Rule 3b-4 under the United States Securities Exchange Act of 1934, as amended, and is permitted to prepare the technical information contained herein in accordance with the requirements of the securities laws in effect in Canada, which differ from the requirements of the securities laws currently in effect in the United States.

Technical disclosure regarding the Company's properties included herein was prepared in accordance with National Instrument 43-101 — Standards of Disclosure for Mineral Projects ("NI 43-101"). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. NI 43-101 differs significantly from the disclosure requirements of the SEC generally applicable to U.S. companies. Accordingly, information contained herein is not comparable to similar information made public by U.S. companies reporting pursuant to SEC disclosure requirements.

EXHIBIT 99.4

KPMG LLP
Chartered Professional Accountants
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada

Telephone (604) 691-3000
Fax (604) 691-3031
Internet www.kpmg.ca

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
Fortuna Silver Mines Inc.

We consent to the use of:

- our report dated March 15, 2023 on the consolidated financial statements of Fortuna Silver Mines Inc. (the "Entity") which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, the related consolidated statements of income (loss), comprehensive income (loss), cash flows and changes in equity for each of the years in the two-year period ended December 31, 2022, and the related notes (collectively the "consolidated financial statements"), and
- our report dated March 15, 2023 on the effectiveness of the Entity's internal control over financial reporting as of December 31, 2022

each of which is included in the Annual Report on Form 40-F of the Entity for the fiscal year ended December 31, 2022.

/s/ KPMG LLP

Chartered Professional Accountants

March 30, 2023
Vancouver, Canada

EXHIBIT 99.5

CONSENT OF ERIC CHAPMAN

CONSENT OF AUTHOR / EXPERT

I hereby consent to:

1. the use of my name, Eric Chapman, and reference to my name, the technical report entitled “Fortuna Silver Mines Inc.: Caylloma Mine, Caylloma District, Peru” dated effective March 8, 2019 (the “**Caylloma Report**”), evaluating the Caylloma Mine of Fortuna Silver Mines Inc. (the “**Company**”), the technical report entitled “Fortuna Silver Mines Inc.: San Jose Mine, Oaxaca, Mexico” dated effective February 22, 2019 (the “**San Jose Report**”), evaluating the San Jose Mine of the Company, and the technical report entitled “Fortuna Silver Mines Inc.: Lindero Mine and Arizaro Project, Salta Province, Argentina” dated effective December 31, 2022, evaluating the Lindero property of the Company (the “**Lindero Report**”) (together with the Caylloma Report and the San Jose Report, the “**Reports**”), and the information contained in the Reports described or incorporated by reference in the Company’s Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission;

2. the use of my name, Eric Chapman, and reference to my name, and the technical information relating to the updated Mineral Reserve and Mineral Resource estimates for the Caylloma Mine, the San Jose Mine, the Lindero Mine and the Arizaro Project contained under the heading “General Development of the Business – Three-Year History and Recent Developments” in the Annual Information Form of the Company for the year ended December 31, 2022 included in the Company’s Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission; and

3. the use of my name, Eric Chapman, and reference to my name, and the technical information contained in the Annual Information Form of the Company for the year ended December 31, 2022 included in the Company’s Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

“Eric Chapman”
Eric Chapman, P.Geo.

EXHIBIT 99.6

CONSENT OF AMRI SINUHAJI

CONSENT OF AUTHOR / EXPERT

I hereby consent to:

1. the use of my name, Amri Sinuhaji, and reference to my name, the technical report entitled "Fortuna Silver Mines Inc.: Caylloma Mine, Caylloma District, Peru" dated effective March 8, 2019 (the "**Caylloma Report**"), evaluating the Caylloma Mine of Fortuna Silver Mines Inc. (the "**Company**"), and the technical report entitled "Fortuna Silver Mines Inc.: San Jose Mine, Oaxaca, Mexico" dated effective February 22, 2019, evaluating the San Jose Mine of the Company (the "**San Jose Report**") (together with the Caylloma Report, the "**Reports**"), and the information contained in the Reports described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

"Amri Sinuhaji"
Amri Sinuhaji, P.Eng.

EXHIBIT 99.7

CONSENT OF RAUL ESPINOZA

CONSENT OF AUTHOR / EXPERT

I hereby consent to:

1. the use of my name, Raul Espinoza, and reference to my name and the technical report entitled "Fortuna Silver Mines Inc.: Lindero Mine and Arizaro Project, Salta Province, Argentina" dated effective December 31, 2022, evaluating the Lindero property of the Company (the "**Lindero Report**"), and the information contained in the Lindero Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

2. the use of my name, Raul Espinoza, and reference to my name and the technical report entitled "Fortuna Silver Mines Inc: Yaramoko Gold Mine, Burkina Faso" dated effective December 31, 2022, evaluating the Yaramoko Mine of the Company (the "Yaramoko Report"), and the information contained in the Yaramoko Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission; and

3. the use of my name, Raul Espinoza, and reference to my name, and the technical information relating to the updated Mineral Reserves and Mineral Resource estimates for the San Jose, Caylloma, Lindero and Yaramoko Mines and the Arizaro Project contained under the heading "General Development of the Business – Three-Year History and Recent Developments" in the Annual Information Form of the Company for the year ended December 31, 2022 included in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

"Raul Espinoza"
Raul Espinoza, FAusIMM (CP)

EXHIBIT 99.8

CONSENT OF MATHIEU VEILLETTE

CONSENT OF AUTHOR / EXPERT

I hereby consent to:

1. the use of my name, Mathieu Veillette, and reference to my name and the technical report entitled "Fortuna Silver Mines Inc.: Lindero Mine and Arizaro Project, Salta Province, Argentina" dated effective December 31, 2022, evaluating the Lindero property of the Company (the "**Lindero Report**"), and the information contained in the Lindero Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

"Mathieu Veillette"
Mathieu Veillette, P.Eng., P.E. (# 28397)

EXHIBIT 99.9

CONSENT OF DMITRY TOLSTOV

CONSENT OF AUTHOR / EXPERT

I hereby consent to:

1. the use of my name, Dmitry Tolstov, and reference to my name and the technical report entitled "Fortuna Silver Mines Inc.: Lindero Mine and Arizaro Project, Salta Province, Argentina" dated effective December 31, 2022 (the "**Lindero and Arizaro Report**") evaluating the Lindero Property of Fortuna Silver Mines Inc. (the "**Company**"), and the information contained in the Lindero and Arizaro Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission;

Dated: March 30, 2023

"Dmitry Tolstov"
Dmitry Tolstov, MMSA (QP)

EXHIBIT 99.10

CONSENT OF PAUL CRIDDLE

CONSENT OF AUTHOR / EXPERT

I hereby consent to:

1. the use of my name, Paul Criddle, and reference to my name and the technical report entitled “Fortuna Silver Mines Inc: Yaramoko Gold Mine, Burkina Faso” dated effective December 31, 2022, evaluating the Yaramoko Mine of the Company (the “**Yaramoko Report**”), and the information contained in the Yaramoko Report described or incorporated by reference in the Company’s Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission; and

2. the use of my name, Paul Criddle, and reference to my name and the technical report entitled “NI 43-101 Technical Report Séguéla Project, Feasibility Study, Worodougou Region, Cote d’Ivoire”, dated May 26, 2021 with an effective date of April 19, 2021, which details the results of a feasibility study on the Company’s Séguéla gold Project (the “Séguéla Report”), and the information contained in the Séguéla Report described or incorporated by reference in the Company’s Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

“Paul Criddle”
Paul Criddle, FAusIMM (#309804)

EXHIBIT 99.11

CONSENT OF PAUL WEEDON

CONSENT OF AUTHOR / EXPERT

I hereby consent to:

1. the use of my name, Paul Weedon, and reference to my name and the technical report entitled "Fortuna Silver Mines Inc: Yaramoko Gold Mine, Burkina Faso" dated effective December 31, 2022, evaluating the Yaramoko Mine of the Company (the "**Yaramoko Report**"), and the information contained in the Yaramoko Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission; and

2. the use of my name, Paul Weedon, and reference to my name and the technical report entitled "NI 43-101 Technical Report Séguéla Project, Feasibility Study, Worodougou Region, Cote d'Ivoire", dated May 26, 2021 with an effective date of April 19, 2021, which details the results of a feasibility study on the Company's Séguéla gold Project (the "Séguéla Report"), and the information contained in the Séguéla Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

"Paul Weedon"
Paul Weedon, MAIG

EXHIBIT 99.12

CONSENT OF HANS ANDERSEN

CONSENT OF AUTHOR / EXPERT

I hereby consent to the use of my name, Hans Andersen, and reference to my name, the technical report entitled "NI 43-101 Technical Report Séguéla Project, Feasibility Study, Worodougou Region, Cote d'Ivoire", dated May 26, 2021 with an effective date of April 19, 2021, which details the results of a feasibility study on the Company's Séguéla gold Project (the "**Séguéla Report**"), and the information contained in the Séguéla Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

"Hans Andersen"
Hans Andersen, MAIG (#5746)

EXHIBIT 99.13

CONSENT OF GEOFF BAILEY

CONSENT OF AUTHOR / EXPERT

I hereby consent to the use of my name, Geoff Bailey, and reference to my name, the technical report entitled “NI 43-101 Technical Report Séguéla Project, Feasibility Study, Worodougou Region, Cote d’Ivoire”, dated May 26, 2021 with an effective date of April 19, 2021, which details the results of a feasibility study on the Company’s Séguéla gold Project (the “**Séguéla Report**”), and the information contained in the Séguéla Report described or incorporated by reference in the Company’s Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

“Geoff Bailey”
Geoff Bailey
FIEAust, CPEng, NPER-3, REPQ

EXHIBIT 99.14

CONSENT OF SHANE MCLEAY

CONSENT OF AUTHOR / EXPERT

I hereby consent to:

1. the use of my name, Shane McLeay, and reference to my name and the technical report entitled "Séguéla Project, Feasibility Study, Worodougou Region, Cote d'Ivoire", dated effective May 26, 2021, which details the results of a feasibility study on the Company's Séguéla gold Project (the "**Séguéla Report**"), and the information contained in the Séguéla Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission; and

2. the use of my name, Shane McLeay, and reference to my name, and the technical information relating to the updated Mineral Reserve and Mineral Resource estimates for the Séguéla Project contained under the heading "General Development of the Business – Three-Year History and Recent Developments" in the Annual Information Form of the Company for the year ended December 31, 2022 included in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

"Shane McLeay"

Shane McLeay, FAusIMM (#222752)

EXHIBIT 99.15

CONSENT OF DAVID J.T. MORGAN

CONSENT OF AUTHOR / EXPERT

I hereby consent to the use of my name, David J.T. Morgan, and reference to my name, the technical report entitled "NI 43-101 Technical Report Séguéla Project, Feasibility Study, Worodougou Region, Cote d'Ivoire", dated May 26, 2021 with an effective date of April 19, 2021, which details the results of a feasibility study on the Company's Séguéla gold Project (the "**Séguéla Report**"), and the information contained in the Séguéla Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

"David J.T. Morgan"
David J.T. Morgan, MSC, MIEAust, CPEng (#974219)

EXHIBIT 99.16

CONSENT OF LYCOPODIUM MINERALS CANADA LTD.

CONSENT OF AUTHOR / EXPERT

I, Sohail Samdani an authorized signatory of Lycopodium Minerals Canada Ltd. (the "Firm") and a Qualified Person as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects, hereby consent to the use of the Firm's name in connection with references to the Firm's involvement in the preparation of the technical report entitled "NI 43-101 Technical Report Séguéla Project, Feasibility Study, Worodougou Region, Cote d'Ivoire", dated effective May 26, 2021, which details the results of a feasibility study on the Company's Séguéla gold Project (the "**Séguéla Report**"), and the information contained in the Séguéla Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

Lycopodium Minerals Canada Ltd.

Per: *"Sohail Samdani"*

Sohail Samdani, PEng

EXHIBIT 99.17

CONSENT OF MATTHEW COBB

CONSENT OF AUTHOR / EXPERT

I hereby consent to:

1. the use of my name, Matthew Cobb, and reference to my name and the technical report entitled "Fortuna Silver Mines Inc: Yaramoko Gold Mine, Burkina Faso" dated effective December 31, 2022, evaluating the Yaramoko Mine of the Company (the "**Yaramoko Report**"), and the information contained in the Yaramoko Report described or incorporated by reference in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission;

2. the use of my name, Matthew Cobb, and reference to my name, and the technical information relating to the updated Mineral Resource estimate for the Yaramoko Mine and the Séguéla Project contained under the heading "General Development of the Business – Three-Year History and Recent Developments" in the Annual Information Form of the Company for the year ended December 31, 2022 included in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission; and

3. the use of my name, Matthew Cobb, and reference to my name, and the technical information relating to a maiden Mineral Resource estimate for the Sunbird discovery at the Séguéla Project contained in Schedule "E" under the heading "Material Properties – Séguéla Project, Côte d'Ivoire" in the Annual Information Form of the Company for the year ended December 31, 2022 included in the Company's Annual Report on Form 40-F for the year ended December 31, 2022 filed with the United States Securities and Exchange Commission.

Dated: March 30, 2023

"Matthew Cobb"
Matthew Cobb, MAIG

EXHIBIT 99.18

CERTIFICATION PURSUANT TO RULE 13a-14 OR 15d-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jorge Ganoza Durant, certify that:

1. I have reviewed this annual report on Form 40-F of Fortuna Silver Mines Inc. (the "issuer");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Dated: March 30, 2023

"Jorge Ganoza Durant"

Name: Jorge Ganoza Durant
Title: President, Chief Executive Officer & Director
(principal executive officer)

EXHIBIT 99.19

CERTIFICATION PURSUANT TO RULE 13a-14 OR 15d-14 OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Luis Ganoza Durant, certify that:

1. I have reviewed this annual report on Form 40-F of Fortuna Silver Mines Inc. (the "issuer");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this report;

4. The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the issuer and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the issuer's internal control over financial reporting; and

5. The issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the issuer's auditors and the audit committee of the issuer's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the issuer's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the issuer's internal control over financial reporting.

Dated: March 30, 2023

"Luis Ganoza Durant"

Name: Luis Ganoza Durant
Title: Chief Financial Officer
(principal financial officer)

EXHIBIT 99.20

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Fortuna Silver Mines Inc. (the "**Company**") on Form 40-F for the fiscal year ended December 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "**Report**"), I, Jorge Ganoza Durant, President, Chief Executive Officer & Director of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 30, 2023

"Jorge Ganoza Durant"
Name: Jorge Ganoza Durant
Title: President, Chief Executive Officer & Director
(principal executive officer)

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

EXHIBIT 99.21

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Fortuna Silver Mines Inc. (the "**Company**") on Form 40-F for the fiscal year ended December 31, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "**Report**"), I, Luis Ganoza Durant, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 30, 2023

"Luis Ganoza Durant"
Name: Luis Ganoza Durant
Title: Chief Financial Officer
(principal financial officer)

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.