

FORTUNA SILVER MINES INC.
(the "Company")

POSITION STATEMENT ON GLOBAL INDUSTRY STANDARD ON TAILINGS MANAGEMENT

Fortuna Silver Mines Inc. and its subsidiaries ("Fortuna") recognize that safe tailings management is a core component of sustainable precious metals production, and a tailings incident could have major impacts on the surrounding environment, host communities, the local economy, Fortuna's own operations, and the broader industry.

Tailings and waste rock are regular by-products of mining and minerals processing and require safe storage and responsible management. Fortuna currently has three Tailings Storage Facilities (TSFs) in operation, three TSFs in closure or partial closure, and one TSF under construction. Fortuna is committed to ensuring continued TSF safety and structural integrity across the life cycle of each of the facilities in its portfolio. Fortuna is also committed to reviewing and incorporating additional relevant best practices in its safe tailings management.

TSF failures are unacceptable and can be prevented. Fortuna is committed to avert possible failures and ensure public safety and recognizes GISTM as the leading global guidance for the mining industry, alongside standards and guidelines issued by the Canadian Dam Association (CDA), the Australian National Committee on Large Dams (ANCOLD) and the Mining Association of Canada's Towards Sustainable Mining® (TSM).

Safe Tailings Management Commitments

Fortuna's existing tailings standards, based on the CDA and ANCOLD, already demonstrate strong technical alignment with GISTM. Fortuna is using GISTM to guide the adaptation of a broader tailings management approach and has developed a work plan for its implementation over the next five years. Under this refined safe tailings management approach, Fortuna commits to:

1. For future new TSF facilities, adopt GISTM and achieve compliance to applicable GISTM requirements during the first year of operation;
2. For all existing TSF facilities owned and operated by Fortuna, continue to perform necessary studies to assess and fulfill GISTM applicable requirements, in order to:
 - a. Ensure compliance by Fortuna with applicable GISTM TOPIC IV on Management and Governance requirements, by the end of 2024;
 - b. Ensure compliance of the applicable requirements of GISTM TOPIC III on Design, Construction, Operation and Monitoring for all company owned TSFs, by the end of 2025; and
 - c. Ensure compliance of all other applicable requirements of GISTM for all company owned TSFs, by the end of 2027.

2022 Progress on Implementation of GISTM Guidance

As part of its efforts to align with GISTM, Fortuna has, to date:

- Approved a TSF Governance Standard aligned with GISTM requirements;
- Provided regular updates to Executive Management and the Board of Directors on Safe Tailings Management and GISTM implementation;
- Designated the SVP Sustainability as Accountable Executive (AE) directly answerable to the CEO on matters related to TSFs;

- Hired a Corporate Responsible Tailings Facility Engineer (CRTFE);
- Designated formal RTFEs at each operating site with TSFs;
- Ensured that the Engineers of Record (EORs) conducted dam breach analysis and assigned a consequence classification for each TSF; and
- Ensured that EORs prepared or participated in the following reports: Design, Construction Records, OMS, Annual Performance Reviews and EPRP.

2023 Work Plan

To ensure proactive implementation of the GISTM guidance, Fortuna plans in 2023 to:

- Finalize the implementation of its TSF Governance Standard and ensure integration of the Standard into Fortuna's Health Safety Environment Community (HSEC) Management Systems;
- Update and approve a TSF Technical Standard, Water Management Standard, Change Management System Standard and other standards that may support GISTM compliance;
- Establish and convene an Independent Tailings Review Board (ITRB) to review and refine technologies, TSF design, risk management, and impact management for active TSFs with potential consequences assessed as being *very high* or *extreme* according to GISTM;
- Begin conducting third-party Dam Safety Reviews (DSRs) for active TSFs with potential consequences assessed as being *very high* or *extreme*;
- Create or refine key documents, such as TSF site characterisation, Design Basis Report, and Deviance Accountability Report;
- Begin to assess social, environmental, and local economic impacts of a TSF, and develop the associated impact mitigation and management plans; and
- Update Fortuna's Policies and Sustainability relevant standards, systems and practices to enhance Fortuna's commitment to safe tailings management and GISTM guidance.

Fortuna has started its journey of implementing GISTM, the leading global guidance for the mining industry. Fortuna believes that incorporating additional best practices will further enhance Fortuna's ability to deliver long lasting value to all stakeholders, including local communities of interest as well as investors and insurers; all of whom are seeking to ensure that Fortuna is doing its part in managing tailings risk by meeting its commitments to public safety and responsible governance of its TSFs and to manage its facilities in accordance with best practices.