

Q1 2021 Financial and Operational Results Webcast

NYSE: FSM | TSX: FVI | May 11, 2021



F O R T U N A
S I L V E R M I N E S I N C .



Lindero gold Mine, Argentina

CAUTIONARY STATEMENT ON FORWARD LOOKING STATEMENTS / NON-IFRS FINANCIAL MEASURES



This corporate presentation contains forward looking statements which constitute “forward-looking information” within the meaning of applicable Canadian securities legislation and “forward looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995 (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 corporate presentation may include, without limitation, statements about the Company’s plans for its mines and mineral properties; operating cash flow, free cash flow, forecast metal production, mineral reserves, mineral resources, metal grades, recoveries, forecast total cash costs and all-in sustaining costs; the timing of the commencement of commercial production at the Lindero Mine; the anticipated completion of the announced transaction with Roxgold and the timing and the benefits thereof; expectations with respect to the future impact of COVID-19 on the Company’s business and operations, any future waves of the COVID-19 pandemic or variants of the virus, assumptions related to the global supply of COVID-19 vaccines and the roll-out in each country in which the Company operates, and the effectiveness and results of any vaccines, as it relates to the Company’s ability to return to regular operations, ongoing-changes in restrictions related to the pandemic that impact the Company’s operations and the anticipated duration of same; debt levels, future plans and objectives based on forecasts of future operational or financial results; the ability of the Company to continue with its current operations, or to maintain its operations should additional changes not presently anticipated with the COVID-19 pandemic occur; increase in costs related to COVID-19; the Company’s business strategy, plans and outlook; the estimates of expected or anticipated economic returns from the Company’s mining operations including future sales of metals, concentrate or other products produced by the Company; the Company’s ability to achieve its production and cost guidance; capital expenditures at the Company’s operations; approvals and other matters. Often, but not always, these Forward looking Statements can be identified by the use of words such as “estimated”, “potential”, “open”, “future”, “assumed”, “scheduled”, “anticipated”, “projected”, “used”, “detailed”, “has been”, “gain”, “planned”, “reflecting”, “will”, “containing”, “remaining”, “expected”, “to be”, or statements that events, “could” or “should” occur or be achieved and similar expressions, including negative variations.

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, changes in general economic conditions and financial markets; uncertainties related to new mining operations and development projects such as the Lindero Mine including the possibility that actual capital and operating costs and economic returns will differ significantly from those estimated for such projects prior to production; risks relating to a global pandemic, including COVID-19, 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; the duration of the COVID-19 pandemic and the impact of COVID-19 on the Company’s business, operations and financial condition, including the Company’s ability to operate or to continue to operate at its mine sites in light of government restrictions; the Company’s ability to manage the various challenges (both anticipated and not) presented by COVID-19 to its business, operations and financial condition; uncertainty of production, development plans and cost estimates for the Caylloma mine, the San Jose mine and the Lindero Mine; failure to obtain any required regulatory and other approvals (or to do so in a timely manner) in connection with the announced transaction with Roxgold; the anticipated timeline for the completion of the transaction with Roxgold may change for a number of reasons, including the inability to secure the necessary regulatory approvals or other approvals in the time assumed; developments with respect to the COVID-19 pandemic or the need for additional time to satisfy the conditions to the completion of the transaction; changes in prices for gold, silver and other metals; technological and operational hazards in Fortuna’s mining and mine development activities; market risks related to the sale of the Company’s doré, concentrates and metals; future development risks, risks inherent in mineral exploration; uncertainties inherent in the estimation of mineral reserves, mineral resources, and metal recoveries; the Company’s ability to replace mineral reserves; changes to current estimates of mineral reserves and resources; changes to production estimates; the Company’s ability to obtain adequate financing for further exploration and development programs, acquisitions and opportunities; fluctuations in currencies and exchange rates; the imposition of capital control in countries in which the Company operates; governmental and other approvals; recoverability of value added tax and significant delays in the Company’s collection process; claims and legal proceedings, including adverse rulings in litigation against the Company; political or social unrest or instability in countries where Fortuna is active; labor relations issues, as well as those factors discussed under “Risk Factors” in the Company’s Annual Information Form dated March 29, 2021 and filed on SEDAR at www.sedar.com. 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 to differ from those anticipated, estimated or intended.

Forward looking Statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to expectations regarding the duration of the COVID-19 pandemic; there being no material and negative impact to the various contractors, suppliers and subcontractors at the Company’s mine sites as a result of COVID-19 or otherwise that would impair their ability to provide goods and services; mine production costs; expected trends in mineral prices and currency exchange rates; the accuracy of the Company’s current mineral resource and reserve estimates; that the Company’s activities will be in accordance with the Company’s public statements and stated goals; that there will be no material adverse change affecting the Company or its properties; that all required approvals will be obtained; that there will be no significant disruptions affecting operations whether relating to labor, supply, power, damage to equipment or including to the commencement of commercial production at the Lindero Mine, or other matter; prices for and availability of fuel, electricity, parts and equipment and other key supplies remaining consistent with current levels and such other assumptions as set out herein. Forward looking Statements are made as of the date hereof and the Company disclaims any obligation to update any Forward-looking Statements, whether as a result of new information, future events or results or otherwise, except as required by law. 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, investors should not place undue reliance on Forward looking Statements.

This corporate presentation refers to certain performance measures that have no meaning under International Financial Reporting Standards (“IFRS”) and therefore, amounts presented may not be comparable to similar data presented by other mining companies. Such Non-IFRS Financial Measures include: cash cost per payable ounce of silver equivalent; cash cost per tonne of processed ore; total production cash cost per tonne; all-in sustaining cash cost per payable ounce of silver equivalent sold; all-in cash cost per payable ounce of silver equivalent sold; cash cost per ounce of gold; all-in sustaining cash cost per ounce of gold sold; free cash flow and free cashflow from ongoing operations; operating cash flow per share before changes in working capital; income taxes and interest income; adjusted net (loss) income; adjusted earnings per share; adjusted EBITDA, adjusted EBITDA margin and EBITDA margin. These measures are used by the Company to manage and evaluate operating performance and ability to generate cash flow and are widely reported in the mining industry as benchmarks for performance. The Company believes that certain investors use these Non-IFRS Financial Measures to evaluate the Company’s performance. However, the measures do not have a standardized meaning and may differ from measures used by other companies with similar descriptions. Accordingly, Non-IFRS Financial Measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Company has calculated these measures consistently for all periods presented; in alignment with the World Gold Council (WGC”) standard for all-in sustaining cash cost and all-in cash cost, the Company has presented the cash cost figures on a sold ounce basis for all periods presented, with the change from the previously presented figures on a produced ounce basis being applied retrospectively to prior periods.

Mr. Eric N. Chapman, M.Sc., Vice President of Technical Services, is the Qualified Person for Fortuna Silver Mines Inc. as defined by National Instrument 43-101. Mr. Chapman is a Professional Geoscientist of the Association of Professional Engineers and Geoscientists of the Province of British Columbia (Registration Number 36328) and is responsible for ensuring that the information contained in this presentation is an accurate summary of the original reports and data provided to or developed by Fortuna Silver Mines Inc., and has reviewed and approved the scientific and technical information contained herein.

Dollar amounts expressed in US dollars, unless otherwise indicated. Totals may not add throughout presentation due to rounding

JORGE A. GANOZA

President, CEO and Director



San Jose Mine, Mexico

DELIVERING GROWTH IN A RISING PRECIOUS METALS MARKET

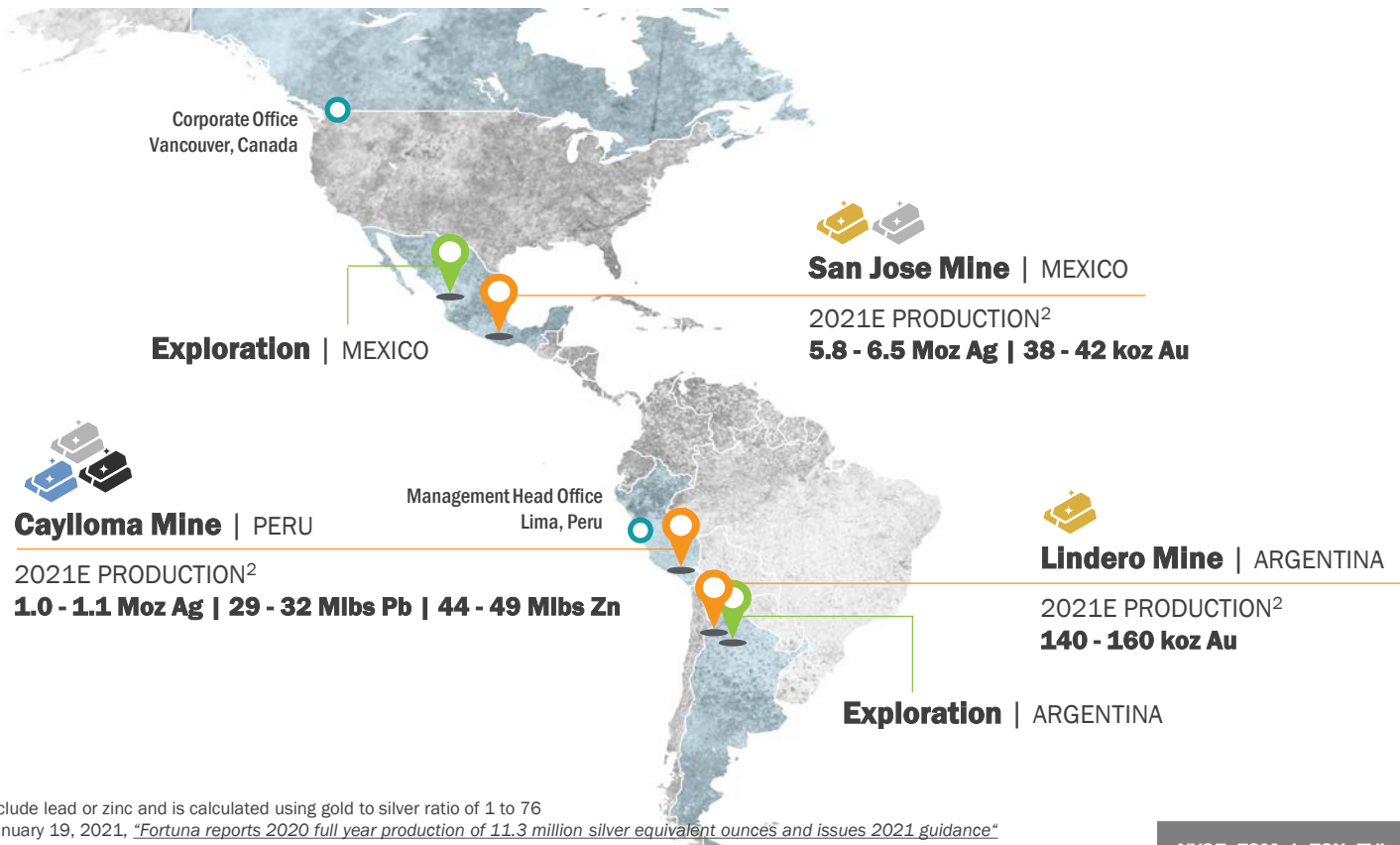


2021 Au Eq¹ production guidance² of 267 to 302 koz; projected increase of 79 to 103% over 2020

16 years
generating sustainable
shareholder value

3
operating mines

+3,200³
employees & contractors



Notes:

1. Gold equivalent production does not include lead or zinc and is calculated using gold to silver ratio of 1 to 76
2. Refer to Fortuna news release dated January 19, 2021, "[Fortuna reports 2020 full year production of 11.3 million silver equivalent ounces and issues 2021 guidance](#)"
3. Consolidated Company headcount as at December 31, 2020

Q1 2021 HIGHLIGHTS



Adjusted Net Income¹

\$27.5 M

EPS¹

\$0.14

Adjusted EBITDA¹

\$60.8 M

Adjusted EBITDA¹ margin

52%



Liquidity²

\$145.7 M

Net Debt³

(\$20.3 M)

Total Net Debt to EBITDA ratio⁴

0.1 : 1



Lindero Progress⁵

Au produced

22,332 oz

Ramp-up ongoing

Q2 2021



M&A⁶

- Business combination with Roxgold announced on April 26
- Creates a low-cost intermediate global precious metals producer
- Extensive brownfields and greenfields organic growth potential
- Led by highly experienced management
- Closing expected by late June / early July 2021

Notes:

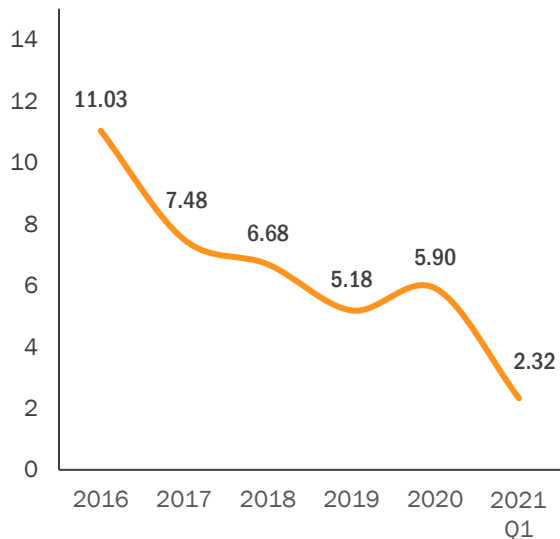
1. Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*; refer to slide 26 for Adjusted Net Income detail and slide 24 for Adjusted EBITDA detail
2. Liquidity considers cash and cash equivalents as of March 31, 2021
3. Refer to slide 21 for more Net Debt detail
4. Total Net Debt to EBITDA (ratio as defined in the Credit Facility) as of March 31, 2021
5. Refer to Fortuna news release dated May 10, 2021, *"Fortuna Reports First Quarter 2021 Financial Results"*
6. Refer to Fortuna news release dated April 26, 2021, *"Fortuna And Roxgold Agree To Business Combination Creating A Low-Cost Intermediate Global Precious Metals Producer"*

HSSE STATISTICS AND TRENDS

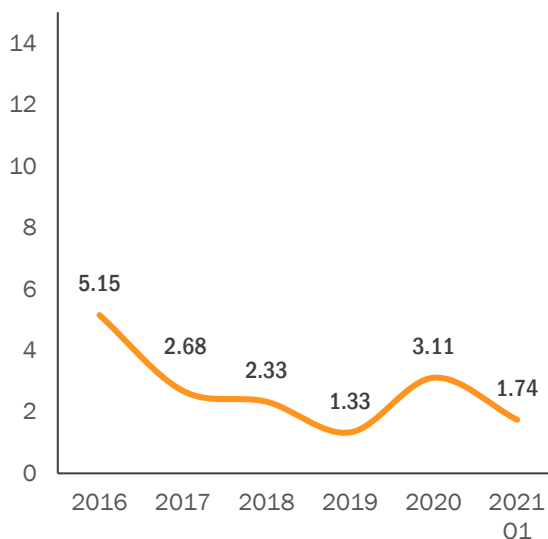


12-month rolling average

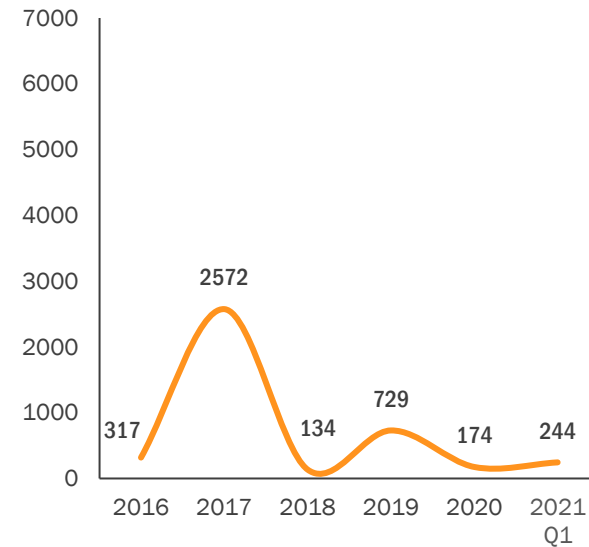
Total Recordable Injury Frequency Rate¹



Lost Time Injury Frequency Rate²



Lost Time Injury Severity Rate³



Notes:

1. Total Recordable Injury Frequency Rate = (lost time + medical treatment injuries) x 1,000,000 / man hours

2. Lost Time Injury Frequency Rate = (lost time injuries x 1,000,000) / man hours

3. Lost Time Injury Severity Rate = (days lost because of lost time injuries x 1,000,000) / man hours

Includes all employees and contractors of Fortuna and subsidiaries.

Q1 2021 CONSOLIDATED PRODUCTION



Higher gold production driven by Lindero

SILVER PRODUCTION¹

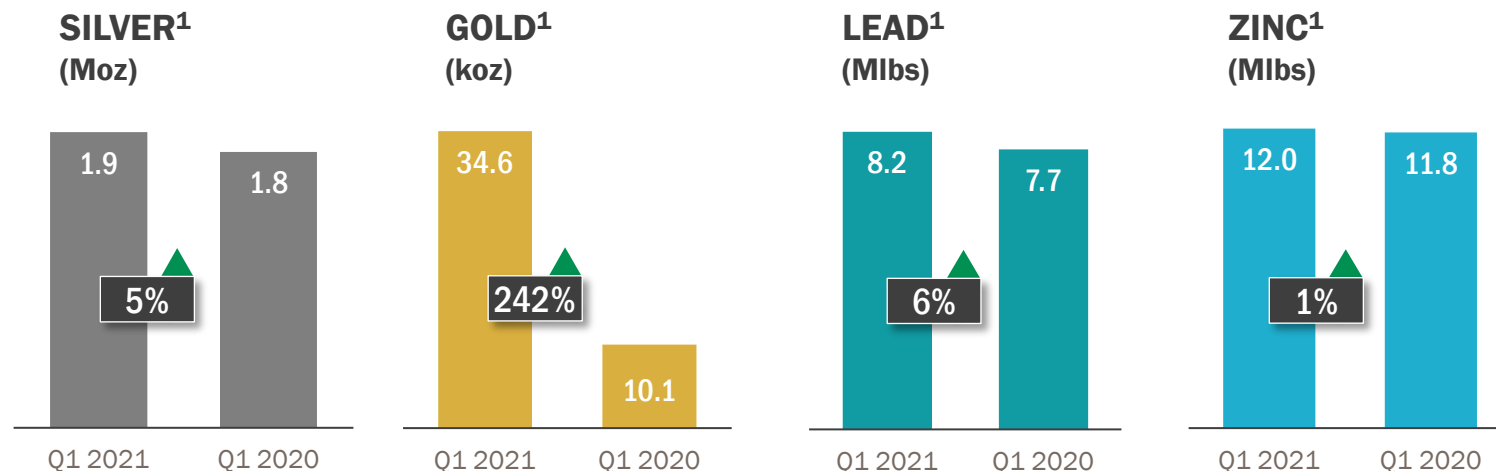
1.9 Moz

GOLD PRODUCTION¹

34.6 koz

or

59.7 koz Au Eq²



Notes:

1. Refer to Fortuna news release dated April 12, 2021, "Fortuna reports production of 1.9 million ounces of silver and 34,555 ounces of gold for the first quarter of 2021."

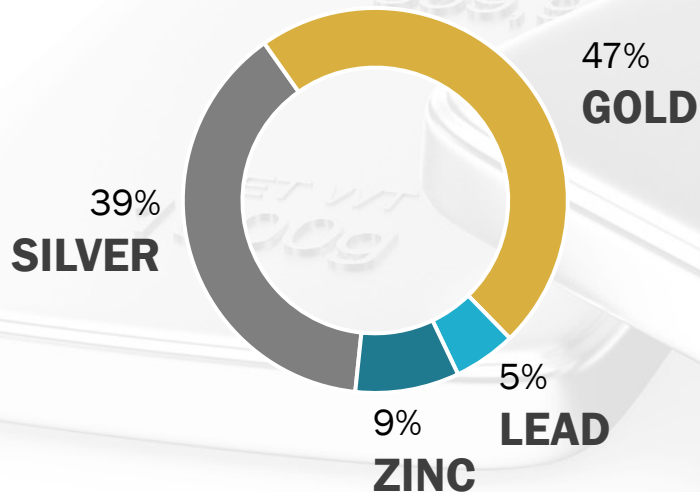
2. Au Eq calculated using gold to silver ratio of 1 to 76 and does not include lead or zinc

Q1 2021 CONSOLIDATED SALES

Provisional sales contribution by metal

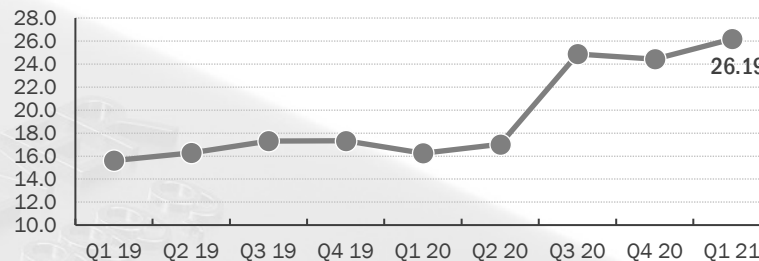


Sales² of **\$117.8 M** Precious metals contribution³ **86%**

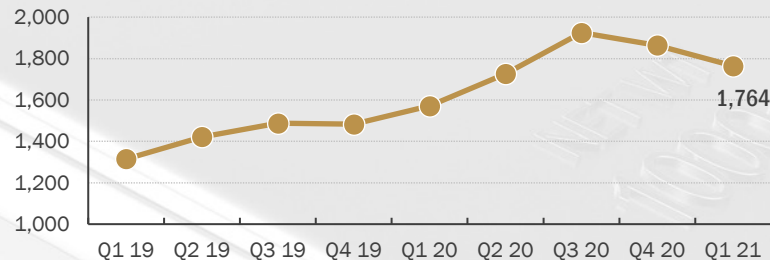


REALIZED PRECIOUS METALS PRICES¹

SILVER (\$/oz)



GOLD (\$/oz)



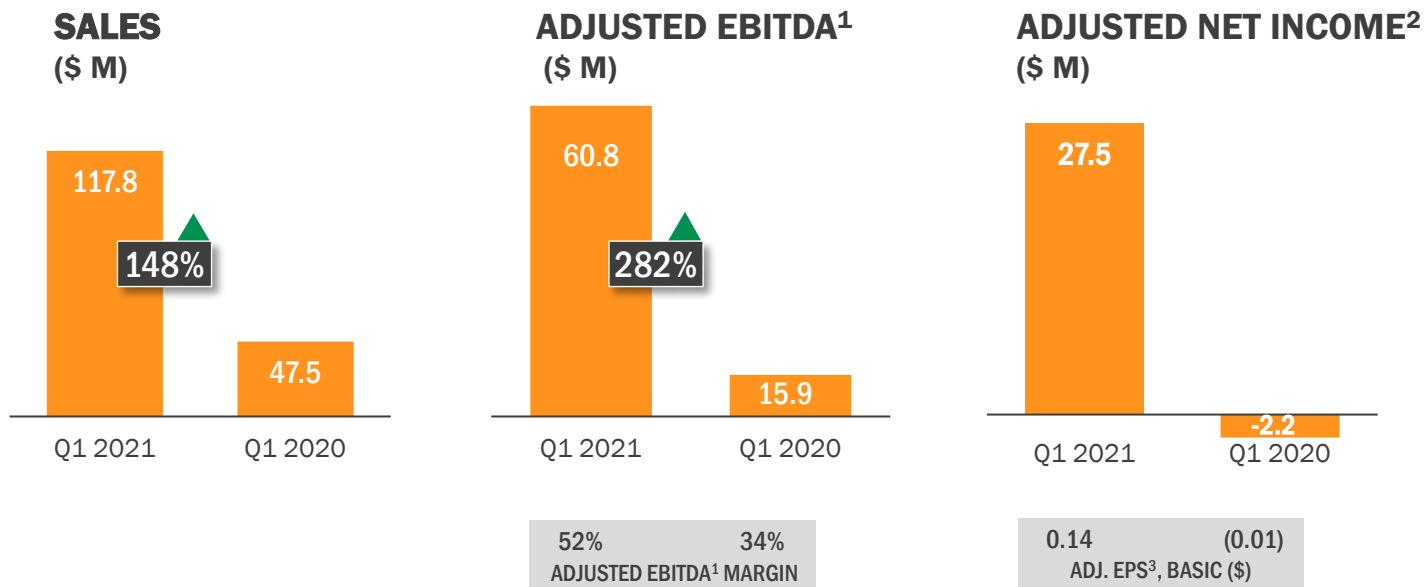
Notes:

1. Realized prices on provisional sales before adjustments; refer to slide 23
2. Net sales
3. Contribution based on provisional sales

Q1 2021 CONSOLIDATED FINANCIAL HIGHLIGHTS



Higher sales and margins driven by Lindero's contribution and rising metal prices



Notes:

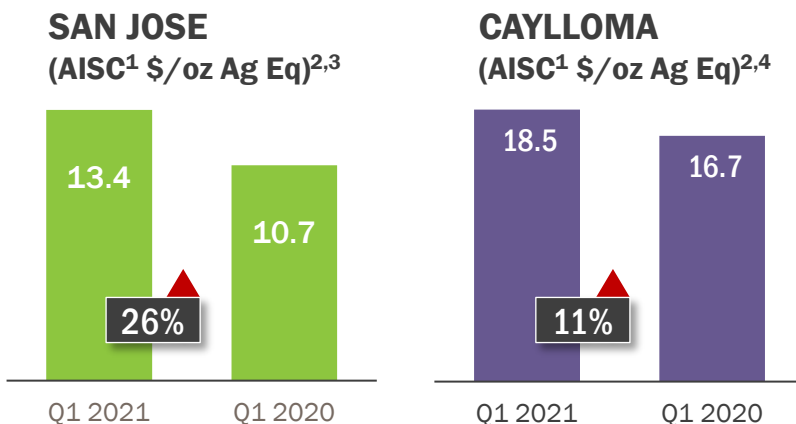
1. Earnings Before Interest, Taxes, Depreciation and Amortization; non-IFRS financial measure; refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*; refer to slide 24 for Adjusted EBITDA detail
2. Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*; refer to slide 26 for Adjusted Net Income detail
3. Adjusted Earnings Per Share; non-IFRS financial measures; refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*; refer to slide 26 for Adjusted Net Income detail

Q1 2021 AISC

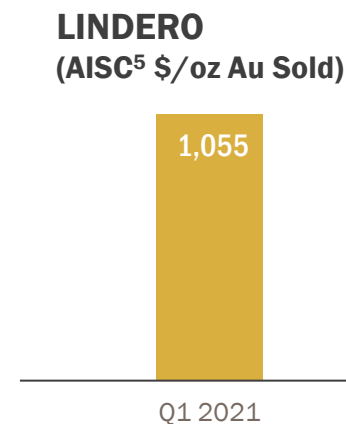


Results within guidance across all mines

SILVER MINES



GOLD MINE



Notes:

- AISC per payable ounce of silver equivalent sold includes operations cash cost, commercial and government royalties/mining tax, worker's participation, subsidiary G&A, sustaining capital expenditures, and Brownfields exploration; non-IFRS financial measure; refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*
- Q1 2021 AISC (\$/oz Ag Eq) was calculated using realized metal prices of \$1,764/oz Au, \$26.19/oz Ag, \$0.92/lb Pb, and \$1.25/lb Zn | Q1 2020 AISC (\$/oz Ag Eq) was calculated using realized metal prices of \$1,571/oz Au, \$16.27/oz Ag, \$0.85/lb Pb, and \$0.98/lb Zn
- Ag Eq calculated using ratios of Ag:Au = 68.1:1 for Q1 2021 and 97.7:1 for Q1 2020
- Ag Eq calculated using ratios of Ag:Au = 67.5:1; Ag:Pb (lbs) = 1:28.6; Ag:Zn (lbs) = 1:21.1 for Q1 2021 and Ag:Au = 90.5:1; Ag:Pb (lbs) = 1:20.7; Ag:Zn (lbs) = 1:17.9 for Q1 2020
- AISC per payable ounce of gold sold includes operations cash cost, commercial and government royalties/mining tax, subsidiary G&A, sustaining capital expenditures, stripping capitalization and Brownfields exploration; non-IFRS financial measure; refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*

Q1 2021 CONSOLIDATED CAPITAL EXPENDITURES



Exploration budget for 2021 of \$20 million

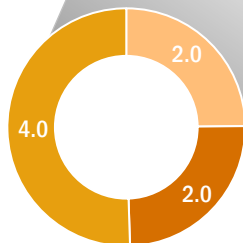
Q1 2021 CAPITAL EXPENDITURES (\$ M)

TOTAL: 13.3

- Sustaining Capex
- Lindero construction
- Exploration

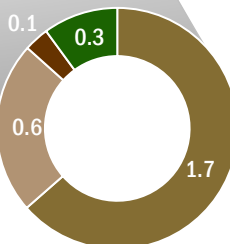
SUSTAINING CAPEX 7.9

- San Jose
- Caylloma
- Lindero



EXPLORATION 2.7

- San Jose
- Caylloma
- Lindero



CONSOLIDATED CAPITAL EXPENDITURES (\$ M)

	Q1 2021
Sustaining capex	7.9
Lindero construction	2.6
Exploration	2.7
Total	13.3

LINDERO MINE, ARGENTINA



Ramp-up update (as of March 31, 2021)

- ✓ All systems operating within range of design parameters, except for stacking system and SART plant
 - HPGR-agglomeration-stacking at 41% of design capacity
 - Ore stacking with trucks continues to supplement conveyor stacking deficit
 - SART plant expected to come online in Q2 2021
- Reserve model reconciling according to expectations; within 5% in ounces, tonnage, and grade¹
- Au leaching kinetics performing according to design parameters



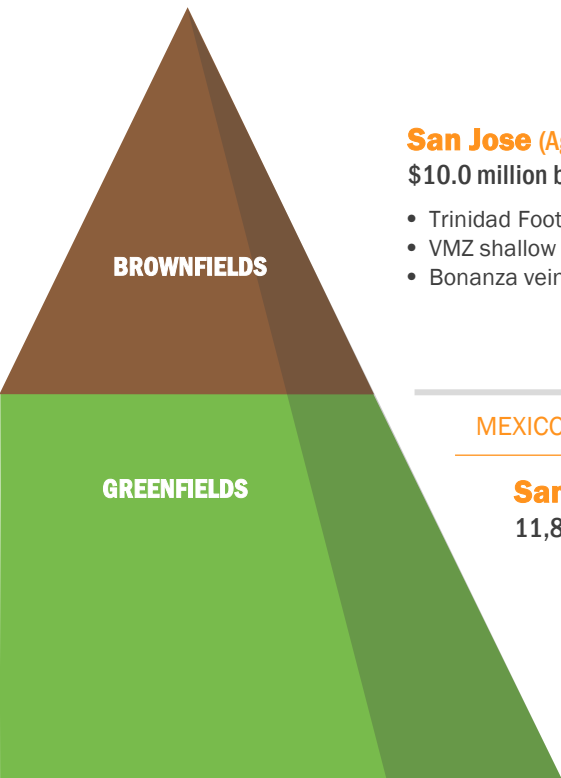
Lindero gold Mine, Argentina

Note:
1. Refer to Fortuna news release dated Apr 12, 2021, "[Fortuna reports production of 1.9 million ounces of silver and 34,555 ounces of gold for the first quarter of 2021](#)"

EXPLORATION PIPELINE



2021 Initiatives¹



BROWNFIELDS

GREENFIELDS

San Jose (Ag, Au)

\$10.0 million budget | 33,800 meters

- Trinidad Footwall North
- VMZ shallow and deep
- Bonanza vein Hanging Wall

Caylloma (Ag, Pb, Zn)

\$4.7 million budget | 19,050 meters

- Animas Oreshoots 1, 4, extension NE
- San Cristobal (Au-rich)
- Pisacca (Au)

Lindero (Au)

\$320,000 budget | 1,000 meters

- Arizoro

MEXICO

Santa Fe (Ag, Au)

11,800 meters

Higo Blanco (Ag, Au)

Mapping, sampling,
geophysics, drill planning

Baborgame (Au)

Mapping, sampling,
geophysics, drill planning

Generative (Ag, Au)

ARGENTINA

Cerro Lindo (Au)

1,300 meters

Geophysics, mapping, sampling,
and access construction

Solitario (Au)

1,800 meters

Note:

1. Refer to Fortuna news release dated January 19, 2021, "[Fortuna reports 2020 full year production of 11.3 million silver equivalent ounces and issues 2021 guidance](#)"

LUIS D. GANOZA

Chief Financial Officer



Lindero Mine fleet operators

Q1 2021 FINANCIAL HIGHLIGHTS



EBITDA margin of 52%

(\$ M, except in earnings per share figure)	Q1 2021	% Change / Q1 2020
Sales	117.8	▲ 148%
Net income	26.4	▲ -
EPS, basic	0.14	▲ -
Adjusted net income ¹	27.5	▲ -
Adjusted EPS ¹ , basic	0.14	▲ -
Adjusted EBITDA ²	60.8	▲ 282%
Net cash provided by operating activities	21.1	▲ 470%
Free Cash Flow from ongoing operations ³	17.4	▲ 23%

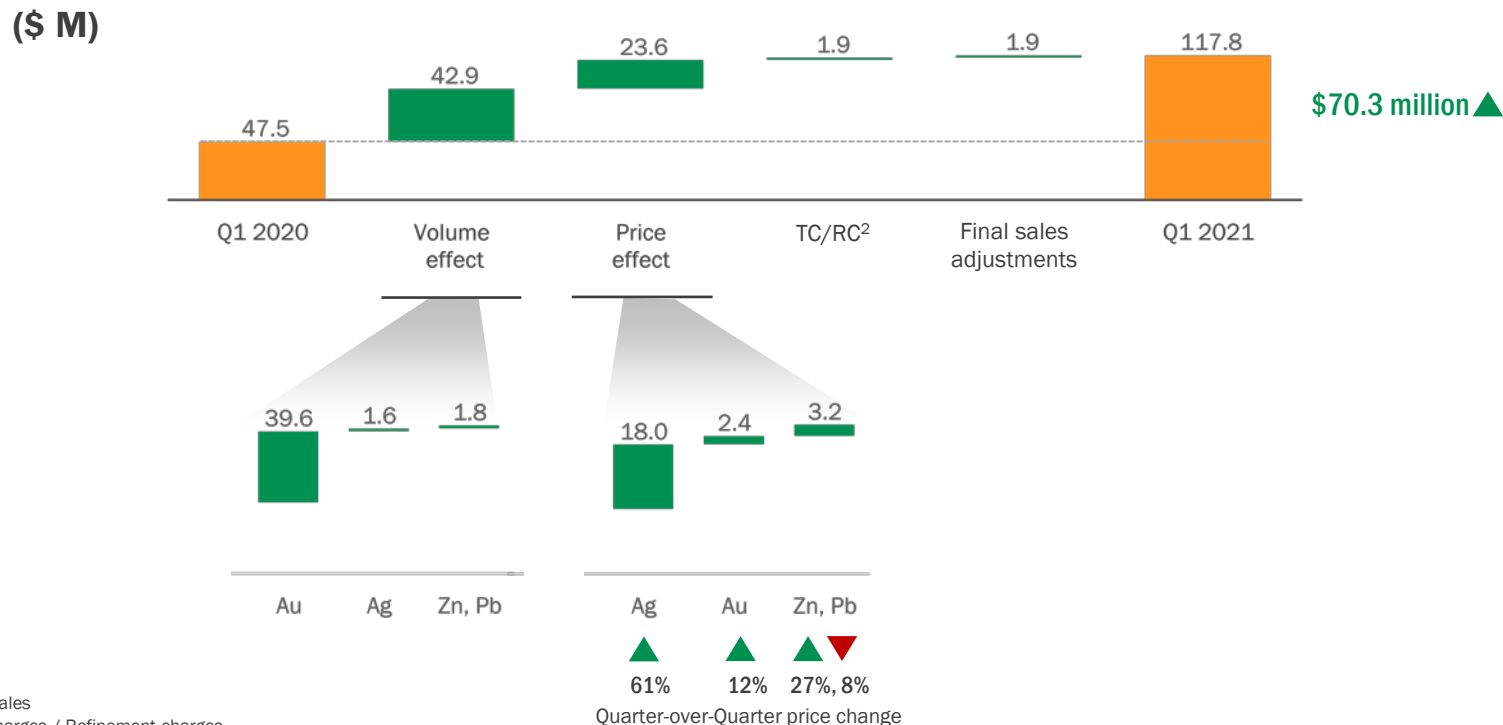
- Strong financial results driven by higher precious metal prices, strong operating performance, and Lindero's first full quarter contribution
- Stronger Free Cash Flow from ongoing operations despite \$16.2 million increase in trade receivables primarily due to timing of collections at San Jose

Notes:
 1. Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures* | Refer to slide 26 for Adjusted Net Income detail
 2. Earnings Before Interest, Taxes, Depreciation and Amortization; Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures* refer to slide 24 for Adjusted EBITDA detail
 3. Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures* | Refer to slide 27 for Free Cash Flow detail

Q1 2021 FINANCIAL HIGHLIGHTS



Higher sales driven by production, higher precious metal prices, and \$36.9 million in sales from Lindero¹



Notes:
 1. Provisional sales
 2. Treatment charges / Refinement charges
 Refer to slide 23 for consolidated sales metrics

Q1 2021 FINANCIAL HIGHLIGHTS



Robust EBITDA and margins across all mines; cash cost in line with annual guidance

	Adjusted EBITDA		Production cash cost (\$/t)		AISC (\$/oz Ag Eq)	
(\$ M, except in cash cost figures)	Q1 2021	% Change / Q1 2020	Q1 2021	% Change / Q1 2020	Q1 2021	% Change / Q1 2020
CAYLLOMA	11.9	▲ 693%	88.0	▲ 9%	18.5	▲ 11%
EBITDA Margin over sales	47%					
SAN JOSE	33.2	▲ 116%	70.1	▼ 1%	13.4	▲ 26%
EBITDA Margin over sales	60%					
	Adjusted EBITDA		Cash cost (\$/oz Au)		AISC (\$/oz Au)	
(\$ M, except in cash cost figures)	Q1 2021		Q1 2021		Q1 2021	
LINDERO	19.6		639		1,055	
EBITDA Margin over sales	52%					
CORPORATE	-3.9					
CONSOLIDATED	60.8	▲ 283%				
EBITDA Margin over sales	52%					

Notes:

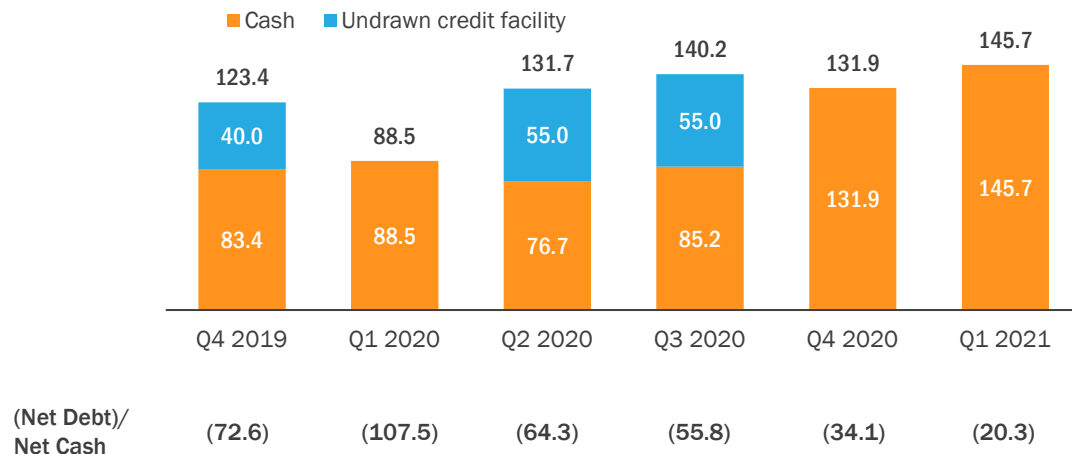
1. Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*; refer to slide 24 and 25 for Adjusted EBITDA
2. Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*
3. All-in sustaining cash cost per payable ounce of silver equivalent sold; silver equivalent sold calculated using realized prices; please refer to slide 23; non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*
4. All-in sustaining cash cost per payable ounce of gold sold; non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*

Q1 2021 FINANCIAL HIGHLIGHTS



Robust balance sheet and improving liquidity position

Quarterly Total Liquidity (\$ M)







- Higher liquidity in Q1 2021 reflects strong cash flow generation and completion of Lindero's construction
- Total Net Debt¹: \$20.3 million
- Total Net Debt to Adjusted EBITDA² < 0.5

Notes:

1. Total Net Debt includes cash, bank debt and convertible debentures; excludes bank letters of guarantee and other items
2. Total Net Debt to rolling 12-month Adjusted EBITDA as of March 31, 2021; non-IFRS financial measure, refer to slide 3 for Cautionary Statement on Non-IFRS Financial Measures; refer to slide 24 for Adjusted EBITDA detail

2021 ANNUAL GUIDANCE



	PRODUCTION¹	COST GUIDANCE¹		CAPEX¹
		Cash Cost¹	AISC^{1,2}	
	Silver 6.8 – 7.6 Moz	San Jose Mine 68 – 75 (\$/t)	12.2 – 14.5 (\$/oz Ag Eq)	San Jose Mine \$23.5 million
	Gold 178 – 202 koz	Caylloma Mine 85 – 93 (\$/t)	19.4 – 23.0 (\$/oz Ag Eq)	Caylloma Mine \$21.7 million
	Zinc 44 – 49 Mlbs	Lindero Mine 365 – 430 (\$/oz Au)	730 – 860 (\$/oz Au)	Lindero Mine \$20.8 million
	Lead 29 – 32 Mlbs			

Notes:
 1. Refer to MD&A for year ended December 31, 2020 page 10
 2. Refer to slide 3 for Cautionary statements for non-IFRS financial measures | All-in sustaining cost (AISC) is a non-IFRS financial measure, refer to Forward-looking Statements regarding non-IFRS financial measures at the end of this news release; 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 \$1,800/oz Au, \$22/oz Ag, \$1,900/t Pb, and \$2,300/t Zn

CONTACT

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APPENDIX



San Jose Mine, Mexico

CONSOLIDATED SALES METRICS



	Q1 2021	Q1 2020	% Change
Metal Sold			
Ag (oz)	1,903,868	1,806,032	5%
Au (oz)	33,257	10,206	226%
Pb ('000 lb)	7,998	6,616	21%
Zn ('000 lb)	12,267	10,512	17%
Realized Price			
Ag (US\$/oz)	26.19	16.27	61%
Au (US\$/oz)	1,764	1,571	12%
Pb (US\$/lb)	0.92	0.85	8%
Zn (US\$/lb)	1.25	0.98	27%

Note: Realized prices based on provisional sales before final price adjustments

Q1 2021 ADJUSTED EBITDA¹



Non-IFRS financial measures

Expressed in \$ M	Q1 2021	Q1 2020
Net Income (loss)	26.4	(4.5)
Add Back:		
Inventory adjustment	(0.1)	(0.1)
Foreign exchange loss, Lindero Mine	2.2	3.3
Net finance items	2.4	0.4
Depreciation, depletion, and amortization	19.2	11.5
Income taxes	13.3	7.1
Investment income	-	(1.1)
Other non-cash items	(2.6)	(0.7)
Adjusted EBITDA	60.8	15.9

Note:

1. Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*

Q1 2021 ADJUSTED EBITDA¹



Non-IFRS financial measures

SAN JOSE MINE

Expressed in \$ M	Q1 2021	Q1 2020
Net Income	16.4	3.1
Add Back:		
Inventory adjustment	(0.1)	(0.1)
Net finance items	0.1	0.1
Depreciation, depletion, and amortization	8.1	7.4
Income taxes	8.8	5.0
Other non-cash items	(0.1)	(0.1)
Adjusted EBITDA	33.2	15.4

CAYLLOMA MINE

Expressed in \$ M	Q1 2021	Q1 2020
Net Income (loss)	5.1	(2.1)
Add Back:		
Net finance items	0.1	0.2
Depreciation, depletion, and amortization	4.6	3.8
Income taxes	3.0	0.3
Other non-cash items	(0.9)	(0.7)
Adjusted EBITDA	11.9	1.5

LINDERO MINE

Expressed in \$ M	Q1 2021	Q1 2020
Net Income (loss)	10.7	(2.2)
Add Back:		
Foreign exchange loss, Lindero Mine	2.2	3.3
Net finance items	0.2	-
Depreciation, depletion, and amortization	6.4	-
Income taxes	0.8	-
Investment income	-	(1.1)
Other non-cash items	(0.7)	(0.1)
Adjusted EBITDA	19.6	(0.1)

Note:

1. Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*

Q1 2021 ADJUSTED NET INCOME¹



Non-IFRS financial measures

Expressed in \$ M	Q1 2021	Adjustments	Q1 2021 Adjusted	Q1 2020	Adjustments	Q1 2020 Adjusted
Sales	117.8	-	117.8	47.5	-	47.5
Cost of sales	66.5	0.4	66.9	40.1	0.2	40.3
Mine operating income	51.3	(0.4)	50.9	7.5	(0.2)	7.3
General and Administration	8.6	0.0	8.6	3.6	0.0	3.6
Exploration and evaluation	0.2	-	0.2	0.4	-	0.4
Share of loss from associates	-	-	-	0.0	(0.0)	-
Foreign exchange loss (gain)	2.4	(2.1)	0.3	1.3	(3.2)	(1.9)
Other expenses, net	-0.3	0.2	(0.0)	0.3	(0.3)	0.0
Operating Income	40.4	1.5	41.9	1.8	3.3	5.1
Investment income	-	-	-	1.1	(1.1)	-
Interest and finance costs, net	(2.4)	0.5	(1.9)	(0.4)	0.1	(0.3)
Loss on derivatives	1.7	(0.9)	0.9	-	-	-
Income before taxes	39.7	1.1	40.8	2.6	2.4	4.9
Income tax	13.3	0.0	13.3	7.1	(0.0)	7.1
Net income (loss) and adjusted net income (loss)	26.4	1.1	27.5	(4.5)	2.3	(2.2)

Note:

1. Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*

Q1 2021 FREE CASH FLOW^{1,2}



Non-IFRS financial measures

Expressed in \$ M	Q1 2021	(Restated) ³ Q1 2020
Net cash provided by operating activities	21.1	3.7
Less: Change in long-term receivables	-	(0.2)
Less: Additions to sustaining capital	(9.3)	(4.9)
Add: Impact of adoption in IAS 16	-	9.5
Less: Current income tax expense	(14.0)	(5.9)
Add: Income taxes paid	19.6	12.0
Free Cash Flow from ongoing operations	17.4	14.2

Notes:

- Free Cash Flow calculated on the basis of current income tax rather than taxes paid
- Non-IFRS financial measure, refer to slide 3 for *Cautionary Statement on Non-IFRS Financial Measures*
- In Q4 2020, the Company adopted the amendments to IAS 16, Property, Plant and Equipment – Proceeds before Intended Use, on a modified retrospective basis. Prior to the beginning of the fourth quarter, the Lindero Mine was under construction and was not classified as an ongoing operation for the purposes of the free cash flow calculation. The addback considers \$9.5 million of costs incurred during the first quarter of 2020 related to the production of ore stockpile and operating supplies both which were reclassified from capital works in progress to inventories under the amended standard and included in operating working capital

Q1 2021 FINANCIAL HIGHLIGHTS



G&A and other financial items

General and Administrative expenses (\$ M)	Q1 2021	% Change over Q1 2020
Operating mines G&A	4.3	▲ 79%
Corporate G&A	4.2	▲ 83%
Share-based payments	(0.4)	▼ (71%)
Workers' participation	0.5	▲ 67%
Total General and Administrative expenses	8.6	▲ 139%
Effective tax rate on adjusted income before taxes	34%	