



FORTUNA
SILVER MINES INC.

Q3 2020 Financial and Operational Results Webcast

NYSE: FSM | TSX: FVI | NOVEMBER 13, 2020



Lindero gold Mine, Argentina

CAUTIONARY STATEMENT ON FORWARD LOOKING STATEMENTS / NON-GAAP 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, total cash cost, all-in sustaining costs; the impact of COVID-19 on the Company’s operations and construction and commissioning activities at the Lindero Mine; debt levels, future plans and objectives based on forecasts of future operational or financial results; the impact of COVID-19 on construction and development activities at the Lindero Mine, including the commissioning of the tertiary crusher and agglomeration plant; planned preparations for operations at Lindero, the targeted timing for commercial production, estimated production at Lindero in 2020, and the estimated construction capital expenditures; increase in operating costs as a result of 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; risks relating to a global pandemic, including COVID-19, which unless contained could 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 operate or continue to operate at its sites; the impact of further suspensions of operations at any of the Company’s mines; the Company’s ability to manage challenges presented by COVID-19; uncertainty of production, development plans and cost estimates for the Caylloma Mine, the San Jose Mine and the Lindero Mine; changes in prices for 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 concentrates and metals; future development risks, including start-up delays and cost overruns at Lindero; 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 26, 2020 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; 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, including the construction of the Lindero Mine and the bringing of the mine into commercial production, the estimated construction capital expenditures at Lindero 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 also refers to non-GAAP financial measures, such as cash cost per tonne of processed ore; cash cost per payable ounce of silver; total production cost per tonne; all-in sustaining cash cost; all-in cash cost; adjusted net (loss) income; operating cash flow per share before changes in working capital; free cash flow; income taxes, and interest income; and adjusted EBITDA. These measures do not have a standardized meaning or method of calculation, even though the descriptions of such measures may be similar. These performance measures 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.

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.

NOTE ABOUT THE INFORMATION CONTAINED HEREIN AND THE NOVEL CORONAVIRUS



As at the date of this presentation, the Caylloma and San Jose mines are operating and construction and commissioning activities at the Lindero Mine are proceeding, each with reduced on-site workforces and in accordance with health protocols and applicable government and regulatory requirements. The Company's operations and financial performance are dependent on it being able to operate at each of its mines and projects. Given the fast-changing situation with respect to the COVID-19 pandemic, including the areas suffering from the pandemic and the response of governments in implementing protective policies including quarantine requirements, and travel restrictions, it is difficult to predict the exact nature and extent of the impact the pandemic may have on the Company and its business. The Company could face increased restrictions from governments in order to prevent the spread of COVID-19 and as a result be prevented from operating at its mines and projects for a material period of time, and its ability to transport and sell its concentrates could likewise be restricted. Any changes in the current situation relating to the COVID-19 pandemic and an increase in the current restrictions applicable to its operations could significantly impact the Company and its performance and thus would impact the accuracy of any forward-looking statements contained in this presentation, particularly with respect to the commissioning timelines at Lindero, pre-production at Lindero in 2020 and timing of commencement of commercial production at the Lindero Mine (refer to slides 6, 14, 15 and 22).

JORGE A. GANOZA

President, CEO and Director



San Jose Mine, Mexico

OUR COMPANY



15 years
generating
sustainable
shareholder value

-  Operating Mine
-  Exploration
-  Fortuna Silver Mines Inc.
CORPORATE OFFICE, VANCOUVER, CANADA
-  Fortuna Silver Mines Peru
MANAGEMENT HEAD OFFICE, LIMA, PERU



Q3 2020 HIGHLIGHTS



Free Cash Flow¹

from ongoing
operations

Record-breaking
\$30.1 M

Adjusted EBITDA margin

51%



Liquidity²

\$140.2 M

**Total Net Debt to
EBITDA ratio³**

0.7 : 1



Lindero progress⁴

**Ramp-up
during Q4**

**First doré pour
achieved**

October 20th



COVID-19

- Strict sanitary protocols remain in place
- Over 8,250 PCR tests
- 391 positive cases⁵

Notes:

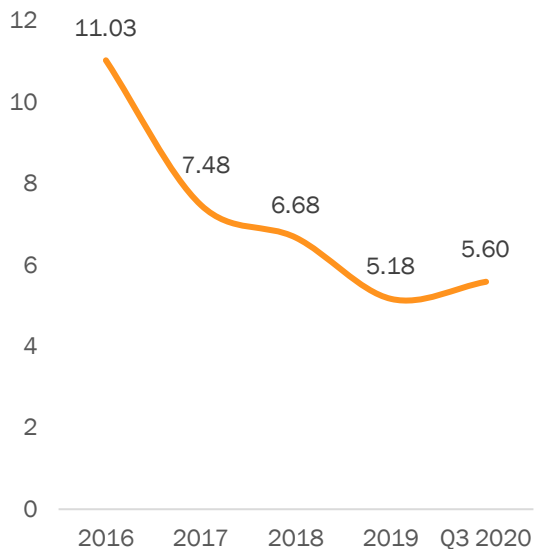
1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 36
2. Liquidity considers cash and cash equivalents as of September 30, 2020 and \$55 million available under credit facility
3. Total Net Debt to EBITDA ratio (as defined under the Credit Facility) as of September 30, 2020
4. Refer to Fortuna news release dated October 20, 2020, "[Fortuna announces first gold pour at its Lindero Mine in Argentina](#)"
5. Positive cases reported year to date

HSSE STATISTICS AND TRENDS

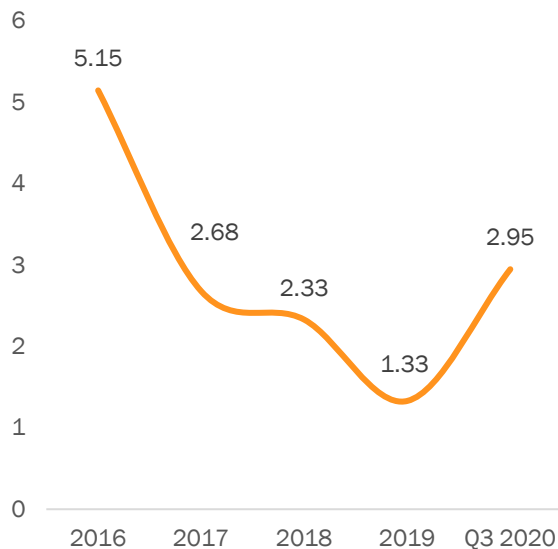


2016 – Q3 2020 (rolling 12 months)

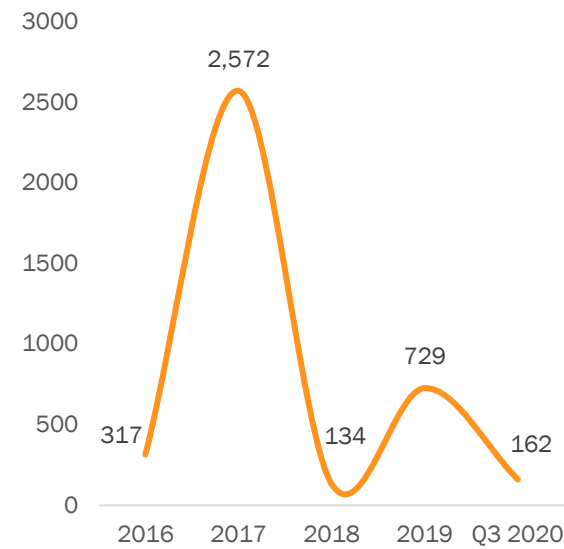
Total Recordable Injury Frequency Rate¹



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
- 4. Includes all employees and contractors of Fortuna and subsidiaries.

Q3 2020 CONSOLIDATED PRODUCTION¹



Increase in Silver and Gold Production Due to Higher Head Grades at San Jose

SILVER PRODUCTION

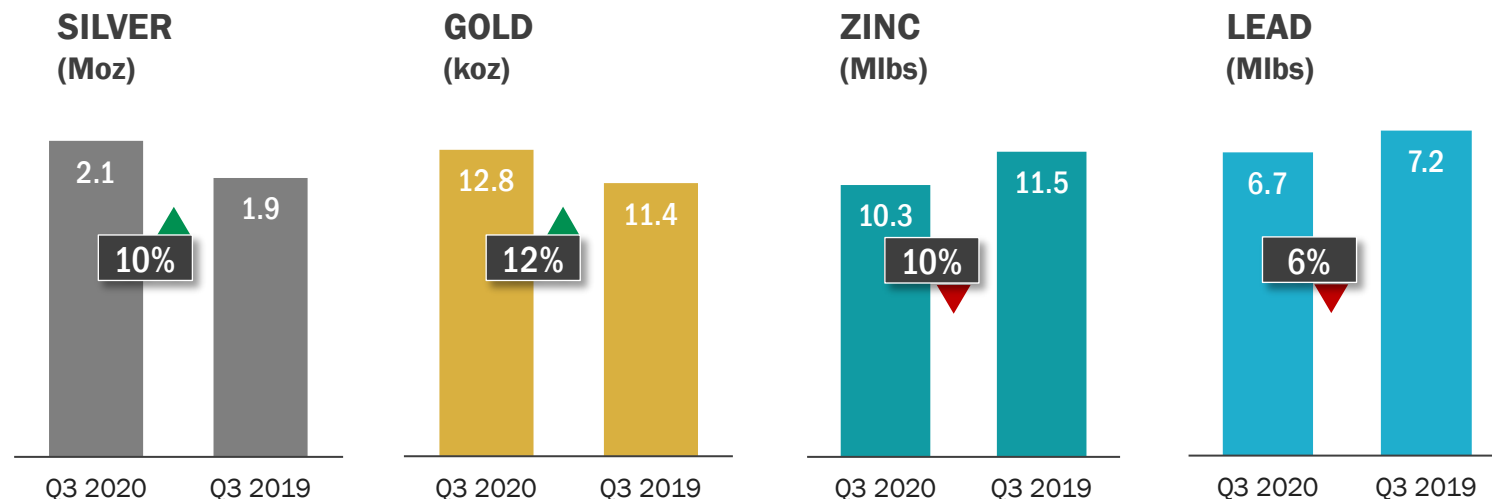
2.1 Moz

GOLD PRODUCTION

12.8 koz

or

3.2 Moz Ag Eq²



Notes:

1. Refer to Fortuna press release dated October 14, 2020, "[Fortuna reports production of 2.1 million ounces of silver and 12,791 ounces of gold for the third quarter of 2020](#)"

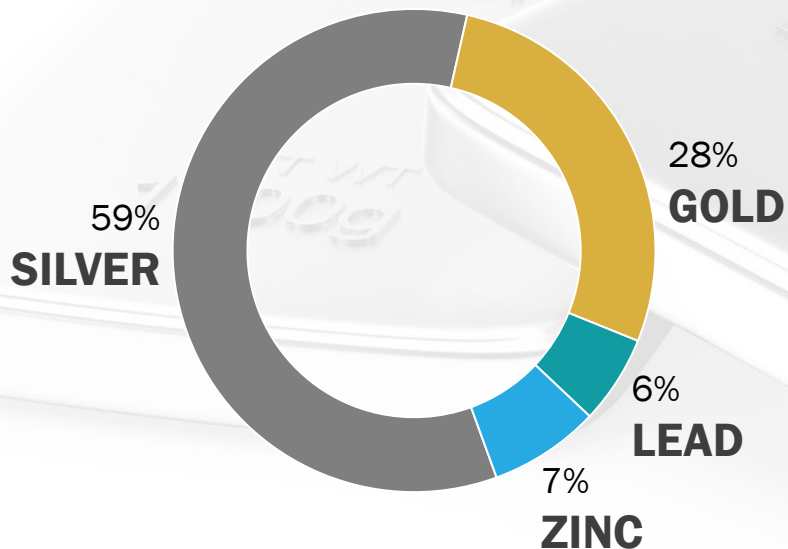
2. Ag Eq calculated using silver to gold ratio of 81 to 1 and does not include lead or zinc

Q3 2020 CONSOLIDATED SALES



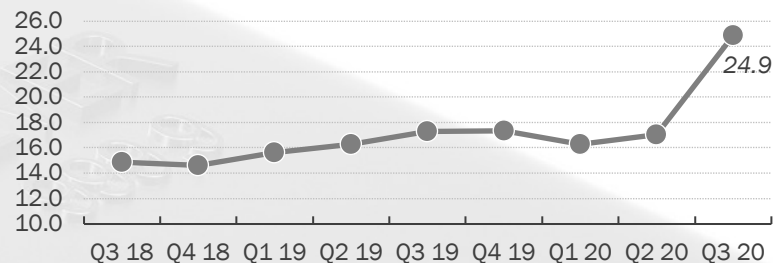
Provisional Sales Contribution by Metal

Sales² of **\$83.4 M** Precious metals contribution³ **87%**

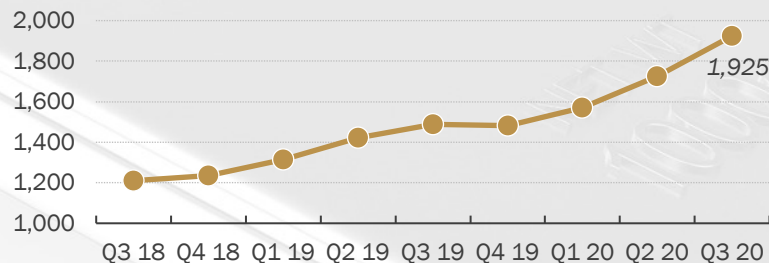


REALIZED PRECIOUS METALS PRICES¹

SILVER (\$/oz)



GOLD (\$/oz)



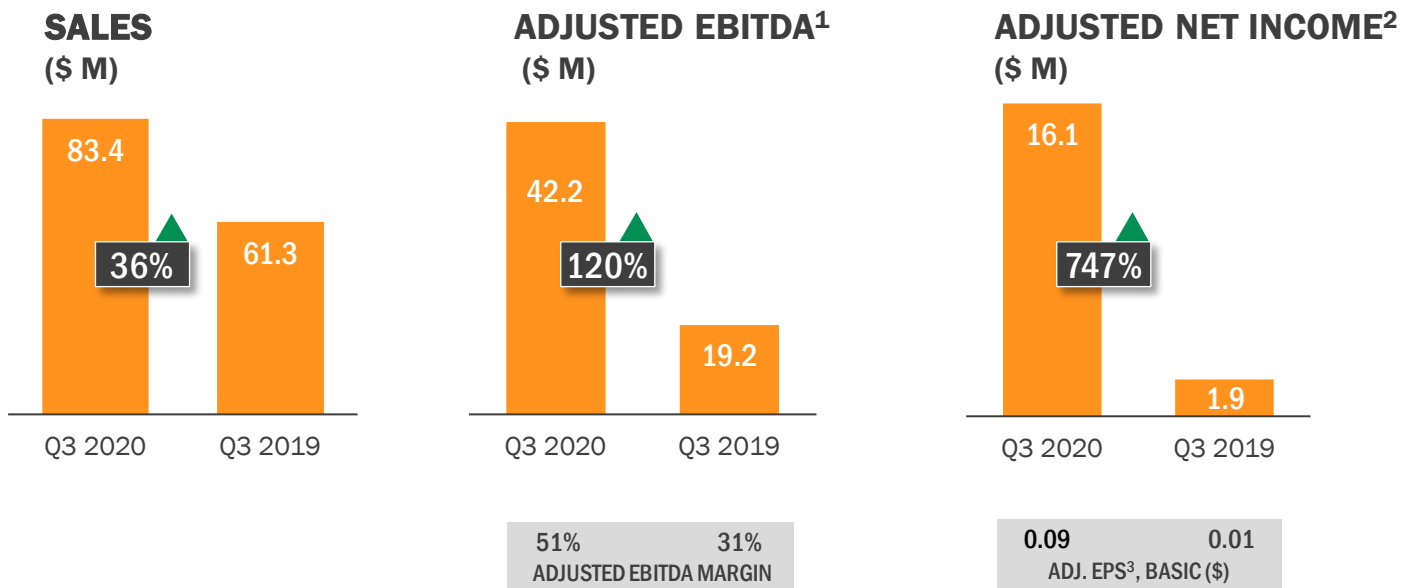
Notes:

1. Realized prices on provisional sales before adjustments; refer to slide 31
2. Net sales
3. Contribution based on provisional sales
4. Totals may not add due to rounding

Q3 2020 CONSOLIDATED FINANCIAL HIGHLIGHTS



Financials Benefited from Higher Production at San Jose and Higher Precious Metal Prices



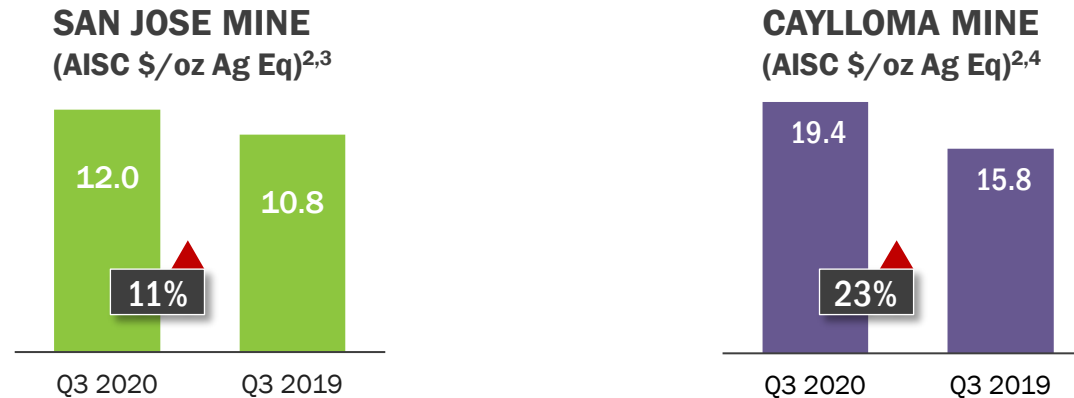
Notes:

1. Earnings Before Interest, Taxes, Depreciation and Amortization; non-GAAP financial measure; refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 32 Adjusted EBITDA detail
2. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 34 for Adjusted Net Income detail
3. Adjusted Earnings Per Share; non-GAAP financial measures; refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 34 for Adjusted Net Income detail

Q3 2020 AISC¹ Ag Eq

San Jose Impacted by Higher Workers Participation, Mining Royalties, and Sustaining CAPEX

Caylloma Impacted by Lower Production Due to Voluntary 21-day Suspension in July



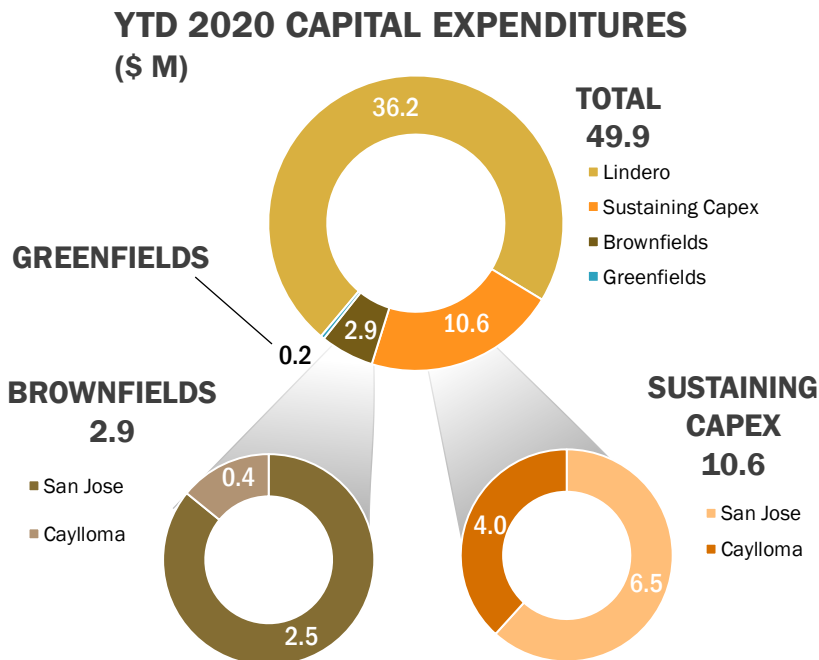
Notes:

- AISC per payable ounce of silver equivalent production includes production cash cost, commercial and government royalties/mining tax, worker's participation, subsidiary G&A, corporate G&A, sustaining capital expenditures, and Brownfields exploration; non-GAAP financial measure; refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
- Q3 2020 AISC (\$/oz Ag Eq) estimated at metal prices of \$1,925/oz Au, \$24.88/oz Ag, \$0.86/lb Pb, and \$1.07 /lb Zn, Q3 2019 AISC (\$/oz Ag Eq) were estimated at metal prices of \$1,487/oz Au, \$17.31/oz Ag, \$0.92/lb Pb, and \$1.06 /lb Zn
- Ag Eq calculated using ratios of Ag:Au = 77.2:1 for Q3 2020 and 85.8:1 for Q3 2019
- Ag Eq calculated using ratios of Ag:Au = 78.3:1; Ag:Pb (lbs) = 1:29.2; Ag:Zn (lbs) = 1:23.2 for Q3 2020 and Ag:Au = 87.3:1; Ag:Pb (lbs) = 1:18.6; Ag:Zn (lbs) = 1:16.2 for Q3 2019

YTD 2020 CONSOLIDATED CAPITAL EXPENDITURES



Lindero CAPEX¹ of \$12.4 Million During the Third Quarter



CONSOLIDATED CAPITAL EXPENDITURES (\$ M)

	YTD 2020
Lindero Construction	36.2
Sustaining CAPEX ¹	10.6
Brownfields exploration ²	2.9
Greenfields exploration ²	0.2
Total	49.9

Notes:

1. Capital expenditure
2. Temporarily suspended all Greenfields and Brownfields exploration activities; refer to Fortuna news releases dated March 17, 2020, "[Fortuna provides an update on the status of its operations in response to the worldwide spread of COVID-19](#)" and April 2, 2020 "[Fortuna provides an update on its response to the worldwide spread of COVID-19](#)"
3. Totals may not add due to rounding

LINDERO MINE, ARGENTINA

First gold pour achieved in October 2020



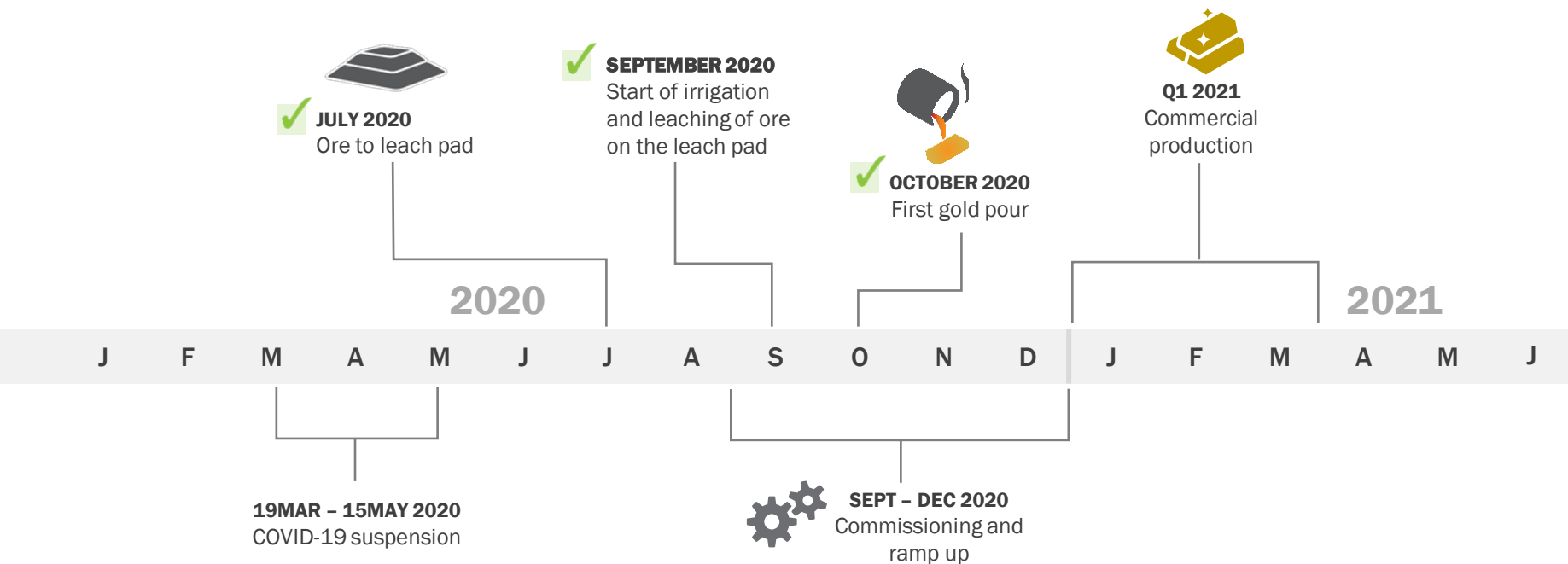
Note:

1. [View Lindero photo construction gallery](#)

LINDERO MINE, ARGENTINA



Project Construction Milestones¹



Notes:

1. Refer to Fortuna news release dated May 8, 2020, "[Fortuna provides update on the resumption of construction activities at the Lindero gold Project, Argentina](#)"
2. Illustrative representation of Management's target schedule for production
3. [View Lindero photo gallery](#)

LINDERO MINE, ARGENTINA



Commercial production expected to start in Q1 2021¹

- ✓ Substantially complete as at September 30, 2020¹
- ✓ Reserve model reconciling according to expectations; under 5% deviation in ounces, tonnage, and grade²
- ✓ Au leaching kinetics performing according to design parameters
- ✓ 2020 gold production forecast revised to 13,000 to 15,000 oz¹
 - Operational restraints during ramp-up impacted surface area under irrigation
 - Management has revised estimates for ramp-up completion of HPGR³/agglomeration/conveyor stacking



Lindero Deposit

Notes:

1. Refer to Fortuna news release dated November 12, 2020, "[Fortuna reports consolidated financial results for the third quarter 2020](#)"
2. Refer to Fortuna news release dated October 20, 2020, "[Fortuna announces first gold pour at it Lindero Mine in Argentina](#)"
3. High Pressure Grinding Roll

LINDERO MINE, ARGENTINA



Achieved Mining Rate to Support Design Processing Capacity of 18,750 tpd



Note:

1. [View Lindero photo construction gallery](#)

LINDERO MINE, ARGENTINA



Primary and Secondary Crushing Circuits in Ramp-up Phase¹



Primary and secondary crushing circuits

Note:

1. Refer to Fortuna news release dated July 16, 2020, "[Fortuna commences stacking ore on the heap leach pad at the Lindero gold Project, Argentina](#)"
2. [View Lindero photo gallery](#)

LINDERO MINE, ARGENTINA

Agglomeration Plant in Pre-Commissioning Phase

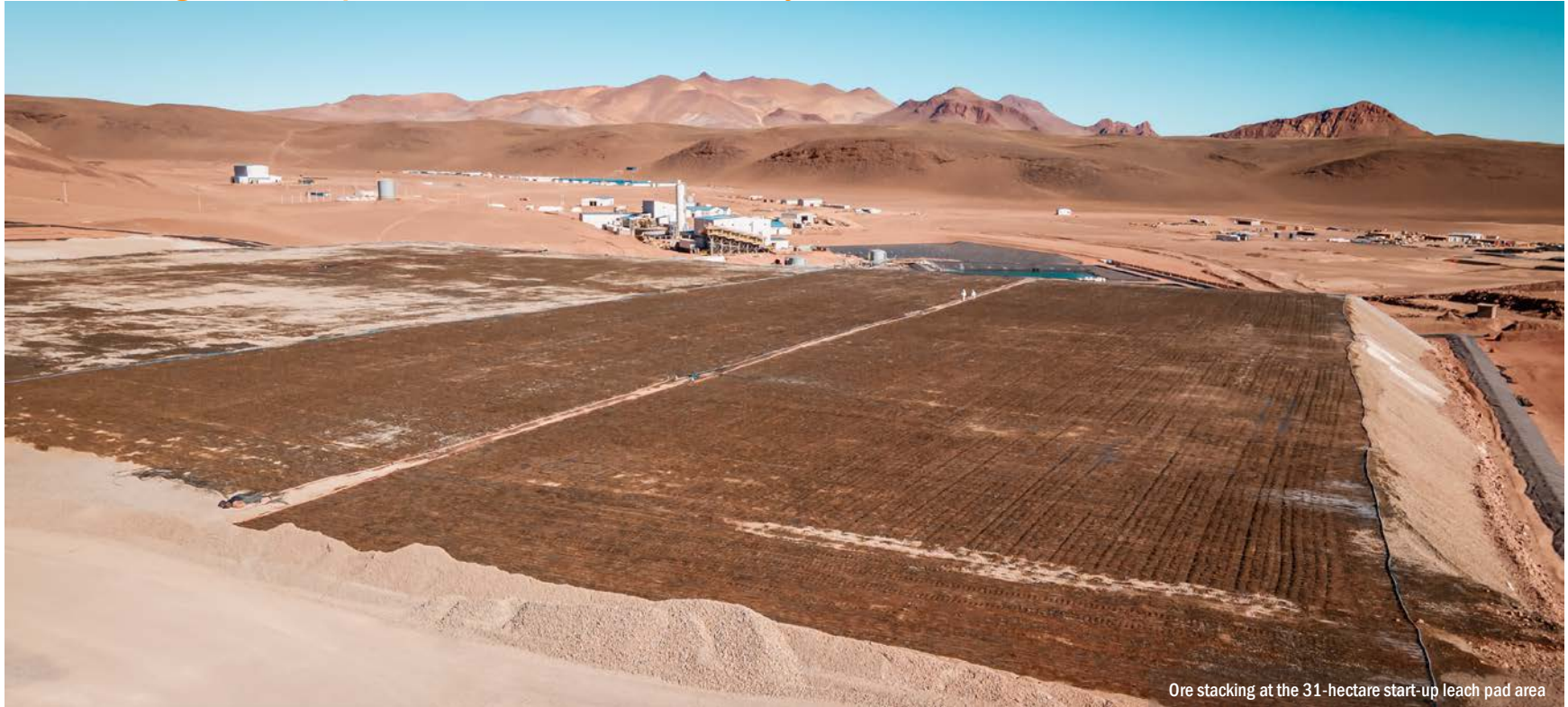


Note:

1. [View Lindero photo construction gallery](#)

LINDERO MINE, ARGENTINA

Ore Stacking at the Heap Leach Pad Commenced on July 10, 2020¹



Ore stacking at the 31-hectare start-up leach pad area

Notes:

1. Refer to Fortuna news release dated July 16, 2020, "[Fortuna commences stacking ore on the heap leach pad at the Lindero gold Project, Argentina](#)"
2. [View Lindero photo construction gallery](#)

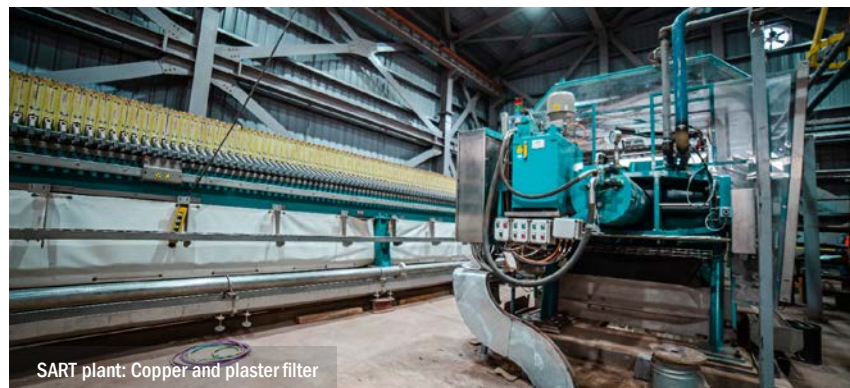
LINDERO MINE, ARGENTINA

Solution Ponds



LINDERO MINE, ARGENTINA

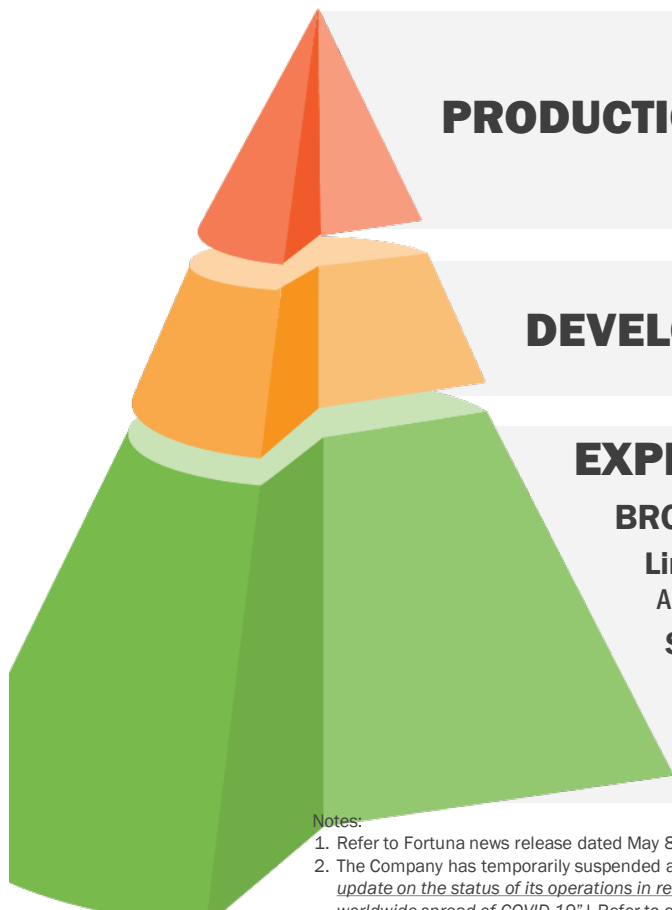
SART Plant



Note:

1. [View Lindero photo construction gallery](#)

CURRENT ASSET PORTFOLIO



PRODUCTION

San Jose Mine, Mexico

Caylloma Mine, Peru

DEVELOPMENT

Lindero Gold Mine, Argentina

Commercial production planned for Q1 2021¹

EXPLORATION

BROWNFIELDS²

Lindero Mine, Argentina

Arizaro

San Jose Mine, Mexico

Trinidad vein | Victoria mineralized zone

Caylloma Mine, Peru

Animas vein | San Cristobal silver vein

GREENFIELDS²

Northern Argentina

Generative program to identify potential acquisition opportunities

Mexico

Generative program to identify potential acquisition opportunities

Notes:

1. Refer to Fortuna news release dated May 8, 2020, "[Fortuna provides update on the resumption of construction activities at the Lindero gold Project, Argentina](#)"
2. The Company has temporarily suspended all Greenfields and Brownfields exploration activities | Refer to news release dated March 17, 2020, "[Fortuna provides an update on the status of its operations in response to the worldwide spread of COVID-19](#)" and April 2, 2020 "[Fortuna provides an update on its response to the worldwide spread of COVID-19](#)" | Refer to slide 3, "Note about the information contained herein and the Novel Coronavirus"

LUIS D. GANOZA

Chief Financial Officer



Lindero Mine: Mining fleet operator training

Q3 2020 FINANCIAL HIGHLIGHTS



Q3 2020 51% Consolidated EBITDA Margin

(\$ M, except in earnings per share figure)

	Q3 2020	Q3 2019	% Change / Q3 2019
Sales	83.4	61.3	▲ 36%
Net income (loss)	13.1	(7.7)	▲ 270%
Earning (loss) per share basic	0.07	(0.05)	▲ 240%
Adjusted net income (loss) ¹	16.1	1.9	▲ 747%
Adjusted EPS, basic	0.09	0.01	▲ 637%
Adjusted EBITDA ²	42.2	19.2	▲ 120%
Net cash provided by operating activities	45.5	18.2	▲ 150%
Free Cash Flow from ongoing operations ³	30.1	10.6	▲ 184%

- Strong financial results YoY driven by higher precious metal prices, higher production, and lower costs
- Free cash flow from ongoing operations of \$30.1 million providing a margin over sales of 36% (includes \$5.6 million of positive changes in non-cash working capital)

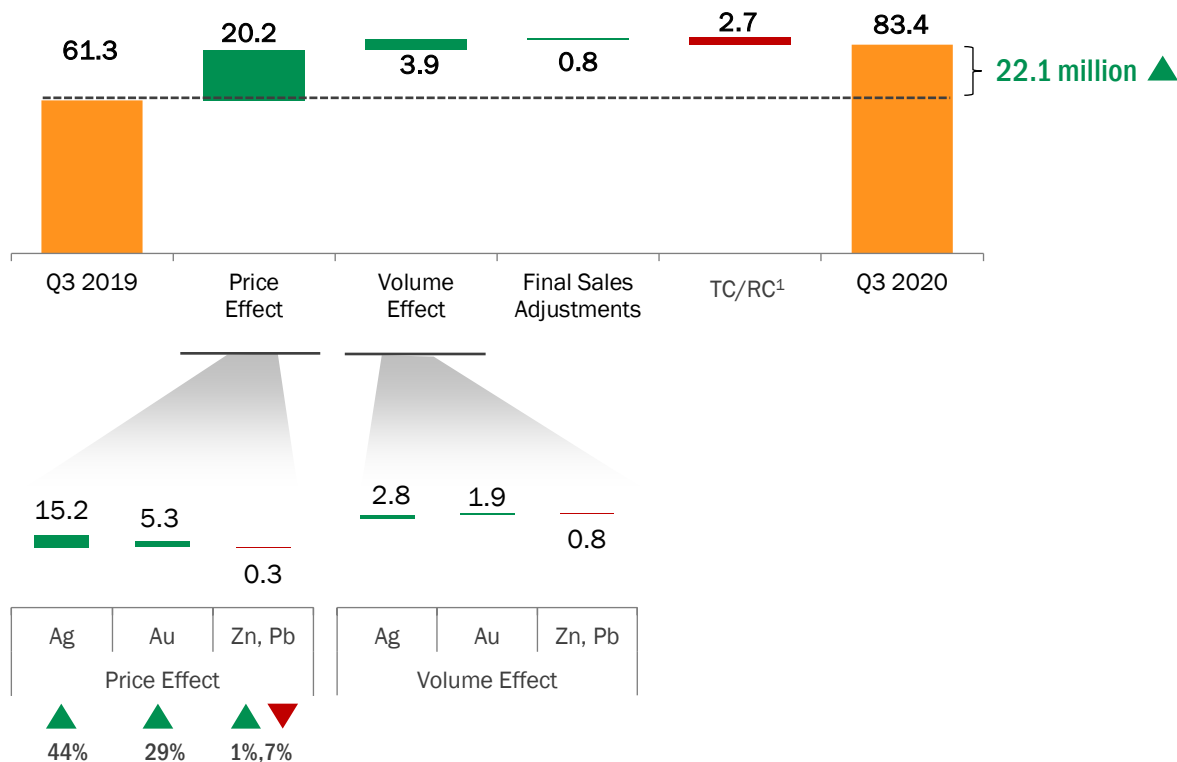
Notes:

1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures* | Refer to slide 34 for Adjusted Net Income detail
2. Earnings Before Interest, Taxes, Depreciation and Amortization; refer to slide 32 for Adjusted EBITDA detail
3. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures* | Refer to slide 36

Q3 2020 FINANCIAL HIGHLIGHTS



Higher Sales due to Higher Precious Metal Prices



Notes:

1. Treatment charges / Refinement charges
2. Refer to slide 31 for consolidated sales metrics
3. Totals may not add due to rounding

Quarter-over-Quarter price change

Q3 2020 FINANCIAL HIGHLIGHTS



Higher EBITDA Due to Higher Precious Metal Prices

CONSOLIDATED

(\$ M)	Q3 2020	Q3 2019	% Change
Adjusted Operating Income ¹	31.8	8.0	▲ 297%
Adjusted EBITDA ²	42.2	19.2	▲ 120%
EBITDA Margin over sales	51%	31%	

SAN JOSE MINE, MEXICO

(\$ M, except in cash cost figures)	Q3 2020	Q3 2019	% Change
Adjusted EBITDA	40.8	20.5	▲ 99%
Margin over sales	63%	47%	
Production cash cost (\$/t)	67.62	70.39	▼ 4%
AISC (\$/oz Ag Eq)	12.00	10.77	▲ 11%

CAYLLOMA MINE, PERU

(\$ M, except in cash cost figures)	Q3 2020	Q3 2019	% Change
Adjusted EBITDA	7.6	4.1	▲ 85%
Margin over sales	40%	23%	
Production cash cost (\$/t)	82.55	93.04	▼ 11%
AISC (\$/oz Ag Eq)	19.37	15.78	▲ 23%

Notes:

1. Refer to slide 34 for Adjusted Operating Income
2. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 32 for Adjusted EBITDA
3. All-in sustaining cash cost per payable ounce of silver equivalent production; silver equivalent production calculated using realized prices; please refer to slide 31; non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*

Q3 2020 FINANCIAL HIGHLIGHTS



G&A and Effective Tax Rate

(\$ M)	Q3 2020	% Change over Q3 2019
Operating mines SG&A	2.0	▼ -23%
Corporate SG&A	2.5	-
Share-based payments	3.7	▲ 147%
Workers participation	0.8	▲ 167%
Total SG&A	9.0	▲ 30%

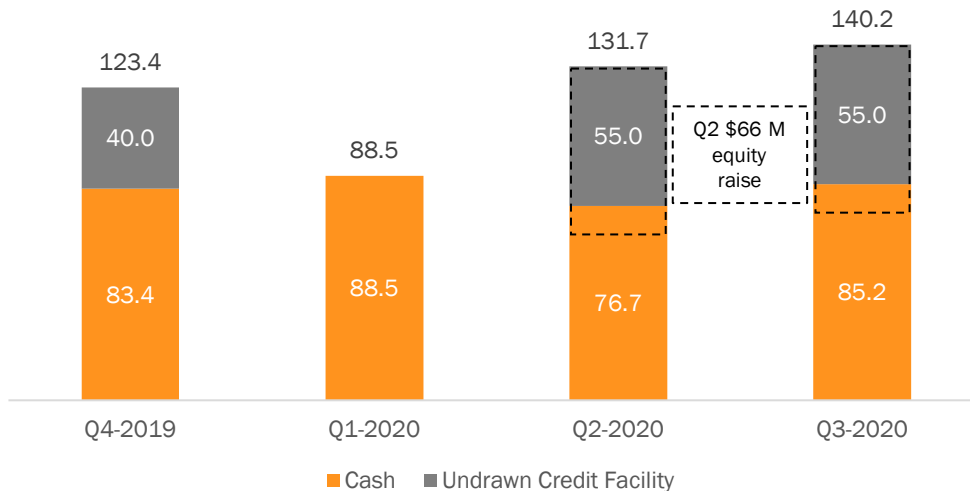
Effective tax rate	53.4%
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Q3 FINANCIAL HIGHLIGHTS

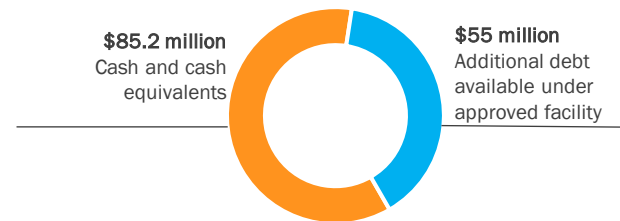


Strong Liquidity Position

Quarterly Total Liquidity (\$ M)



Total Liquidity: \$140.2 million



- Total Liquidity reflects inflection point from strong cash flow generation adding \$8.5 M after \$28.4 M spend on Lindero construction

- Total Financial Debt¹: \$141 million
- Total Net Debt to EBITDA²: 0.7 : 1

Notes:

1. Financial debt includes interest-bearing principal; excludes bank letters of guarantee, and other items
2. Total Net Debt to EBITDA (as defined under the Credit Facility) as of September 30, 2020. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*; refer to slide 32 for Adjusted EBITDA

CONTACT

CARLOS BACA, Investor Relations Manager | +51.1.616.6060, ext. 2 | info@fortunasilver.com | fortunasilver.com



APPENDIX



San Jose Mine, Mexico

CONSOLIDATED SALES METRICS



	Q3 2020	Q3 2019	% Change	YTD 2020	YTD 2019	% Change
Metal Sold						
Ag (oz)	2,102,221	1,931,182	9%	5,208,579	6,576,724	-21%
Au (oz)	12,693	11,382	12%	30,078	38,217	-21%
Pb ('000 lb)	6,884	7,069	-3%	21,196	21,410	-1%
Zn ('000 lb)	10,628	11,615	-8%	32,999	33,807	-2%
Realized Price						
Ag (US\$/oz)	24.88	17.31	44%	19.94	15.82	26%
Au (US\$/oz)	1,925	1,487	29%	1,760	1,365	29%
Pb (US\$/lb)	0.86	0.92	-7%	0.82	0.90	-9%
Zn (US\$/lb)	1.07	1.06	1%	0.98	1.18	-17%

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

Q3 2020 ADJUSTED EBITDA¹



Non-GAAP Financial Measures

Expressed in \$ M	Three months ended September 30,	
	Q3 2020	Q3 2019
Net Income (loss)	13.1	(7.7)
Add Back:		
Community support provision and accruals	0.1	(0.1)
Inventory adjustment	-	0.1
Foreign exchange loss, Lindero Mine	2.7	8.3
Net finance items	0.4	-
Depreciation, depletion, and amortization	11.2	11.3
Income taxes	15.0	6.2
Other non-cash items	(0.2)	1.1
Adjusted EBITDA	42.2	19.2

Notes:

1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
2. Totals may not add due to rounding

YTD 2020 ADJUSTED EBITDA¹



Non-GAAP Financial Measures

Expressed in \$ M	Nine months ended September 30,	
	YTD 2020	YTD 2019
Net Income (loss)	2.9	4.8
Add Back:		
Community support provision and accruals	-	(0.2)
Inventory adjustment	-	0.1
Foreign exchange loss, Lindero Mine	8.7	10.4
Net finance items	0.9	(0.3)
Depreciation, depletion, and amortization	31.8	34.4
Income taxes	28.3	19.1
Share of loss from associates	0.1	0.2
Investment income	(3.3)	-
Other non-cash items	(1.6)	1.7
Adjusted EBITDA	67.8	70.2

Notes:

1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
2. Totals may not add due to rounding

Q3 2020 ADJUSTED NET INCOME



Non-GAAP Financial Measures¹

Three months ended September 30,

Expressed in \$ M	Q3 2020	Adjustments	Q3 2020 Adjusted	Q3 2019	Adjustments	Q3 2019 Adjusted
Sales	83.4	-	83.4	61.3	-	61.3
Cost of sales	41.4	(0.0)	41.4	44.6	0.1	44.7
Mine operating income	42.1	0.0	42.1	16.7	(0.1)	16.6
General and Administration	9.0	0.0	9.0	6.9	0.0	7.0
Exploration and evaluation	0.1	-	0.1	1.5	-	1.5
Share of loss from associates	0.0	(0.0)	-	0.0	(0.0)	0.0
Foreign exchange loss (gain)	3.6	(3.3)	0.3	8.4	(8.2)	0.2
Other expenses, net	0.9	0.0	0.9	1.2	(1.3)	(0.1)
Operating Income	28.5	3.3	31.8	(1.5)	9.5	8.0
Interest and finance (costs) income, net	(0.4)	0.1	(0.4)	(0.1)	0.1	0.0
Income (loss) before taxes	28.1	3.4	31.4	(1.5)	9.6	8.0
Current income tax expense	15.5	0.0	15.5	5.9	(0.8)	5.1
Deferred income tax expense (recovery)	(0.6)	0.4	(0.2)	0.3	0.8	1.1
Net income (loss) and adjusted net income	13.1	3.0	16.1	(7.7)	9.6	1.9

Notes:

1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
2. Totals may not add due to rounding

YTD 2020 ADJUSTED NET INCOME



Non-GAAP Financial Measures¹

Nine months ended September 30,

Expressed in \$ M	2020	Adjustments	2020 Adjusted	2019	Adjustments	2019 Adjusted
Sales	175.5	-	175.5	188.2	-	188.2
Cost of sales	112.2	0.1	112.3	127.1	0.2	127.3
Mine operating income	63.3	(0.1)	63.2	61.1	(0.2)	61.0
General and Administration	22.9	0.1	23.0	20.4	0.1	20.5
Exploration and evaluation	0.6	-	0.6	2.0	-	2.0
Share of loss from associates	0.1	(0.1)	-	0.2	(0.2)	-
Foreign exchange loss (gain)	7.5	(9.2)	(1.8)	11.9	(10.5)	1.4
Other expenses, net	3.1	(0.2)	2.9	1.5	(1.3)	0.2
Operating Income	29.0	9.4	38.5	25.2	11.7	36.9
Investment income	3.3	(3.3)	-	-	-	-
Interest and finance (costs) income, net	(1.1)	0.2	(0.9)	(0.0)	0.3	0.3
Loss on derivatives	-	-	-	(1.2)	2.6	1.4
Income (loss) before taxes	31.2	6.2	37.6	23.9	14.6	38.5
Current income tax expense	25.5	-	25.5	24.4	0.0	24.4
Deferred income tax expense (recovery)	2.8	0.4	3.1	(5.3)	1.9	(3.4)
Net income (loss) and adjusted net income	2.9	5.9	8.9	4.8	12.7	17.5

Notes:

1. Non-GAAP financial measure, refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
2. Totals may not add due to rounding

Q3 2020 Free Cash Flow^{1,2}



Non-GAAP Financial Measures²

Expressed in \$ M	Three months ended September 30,	
	Q3 2020	Q3 2019
Net cash provided by operating activities	45.5	18.2
Less: Change in long-term receivables	(0.3)	(1.5)
Less: Additions to sustaining capital	(5.6)	(7.2)
Less: Current income tax expense	(15.5)	(5.9)
Add: Income taxes paid	6.0	7.0
Free Cash Flow from ongoing operations³	30.1	10.6

Note:

- Free Cash Flow calculated on the basis of current income tax rather than taxes paid
- Non-GAAP financial measure, refer to slide 2 for Cautionary Statement on Non-GAAP Financial Measures
- From ongoing operations including San Jose and Caylloma and excludes Greenfields exploration

YTD 2020 Free Cash Flow^{1,2}



Non-GAAP Financial Measures²

Expressed in \$ M	Nine months ended September 30,	
	2020	2019
Net cash provided by operating activities	62.1	45.3
Less: Change in long-term receivables	(0.9)	(1.5)
Less: Additions to sustaining capital	(13.8)	(18.2)
Less: Current income tax expense	(25.5)	(24.4)
Add: Income taxes paid	22.6	27.0
Free Cash Flow from ongoing operations³	44.5	28.2

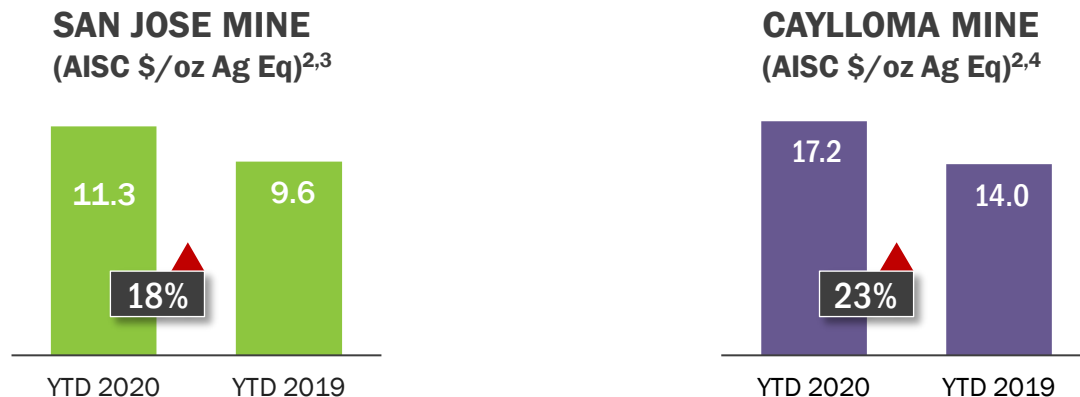
Note:

1. Free Cash Flow calculated on the basis of current income tax rather than taxes paid
2. Non-GAAP financial measure, refer to slide 2 for Cautionary Statement on Non-GAAP Financial Measures
3. From ongoing operations including San Jose and Caylloma and excludes Greenfields exploration

YTD 2020 AISC¹ Ag Eq

San Jose AISC Impacted by Lower Production due to COVID-19 Shutdown

Caylloma AISC Impacted by Commercial Terms and Voluntary Shutdown in July



Notes:

1. AISC per payable ounce of silver equivalent production includes production cash cost, commercial and government royalties/mining tax, worker's participation, subsidiary G&A, corporate G&A, sustaining capital expenditures, and Brownfields exploration; Non-GAAP financial measure; refer to slide 2 for *Cautionary Statement on Non-GAAP Financial Measures*
2. YTD 2020 AISC (\$/oz Ag Eq) estimated at metal prices of \$1,760/oz Au, \$19.94/oz Ag, \$0.82/lb Pb and \$0.98 /lb Zn; YTD 2019 AISC (\$/oz Ag Eq) were estimated at metal prices of \$1,365/oz Au, \$15.82/oz Ag, \$0.9/lb Pb and \$1.18 /lb Zn
3. Ag Eq calculated using ratios of Ag:Au = 87.4:1 for YTD 2020 and 86:1 for YTD 2019
4. Ag Eq calculated using ratios of Ag:Au = 96.4:1 ; Ag:Pb (lbs) = 1:23.6 ; Ag:Zn (lbs) = 1:19.7 for YTD 2020 and Ag:Au = 87.2:1 ; Ag:Pb (lbs) = 1:17.6 ; Ag:Zn (lbs) = 1:13.4 for YTD 2019