

Excellon Reports First Quarter 2023 Financial Results and Corporate Highlights

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Toronto, May 15, 2023 - [Excellon Resources Inc.](#) (TSX: EXN) (OTCQB: EXNRF) (FSE: E4X2) ("Excellon" or the "Company") reports financial results and corporate highlights for the three months ended March 31, 2023.

Q1 2023 Highlights

- Announced acquisition of the past-producing La Negra mine in Querétaro, Mexico.^a
 - Fully permitted mine with established infrastructure and historical payable production averaging +3.0 million silver-equivalent ("AgEq") ounces ("oz") annually.^b
 - Indicated Mineral Resources of approximately 15.1 million oz AgEq at 191 g/t AgEq and Inferred Mineral Resources of approximately 41.8 million AgEq oz at 202 g/t AgEq.^{c d}
 - 2022 Preliminary Economic Assessment ("PEA") demonstrates a post-tax NPV_{5%} of USD\$132.4 million.^e
 - Estimated restart capital of US\$20.9 million based on the PEA.
- Announced private placement financing for up to C\$10 million of subscription receipts.^f
 - Offer price C\$0.35 per subscription receipt.
 - Each subscription receipt entitles the holder to one unit of the Company comprised of one common share and one common share purchase warrant of the Company.
 - Each warrant to acquire one common share at a price of C\$0.55 per common share for a period of 24 months.
- Reversal of the US\$22 million litigation liability relating to the previously disclosed judgment against one of the Company's subsidiaries in Mexico.^g
- Initial diamond drilling results from the 2022-2023 exploration program at the Oakley project in Idaho, USA, subject to the option agreement between Excellon and Centerra (U.S.) Inc. ("Centerra"), a subsidiary of Centerra Gold Inc., including:
 - 189.56m at 0.40 grams/tonne (g/t) gold (Au) in BHC-22-02; and
 - 110.64m at 0.43 g/t Au in BHC-22-03, including 2.03m at 3.94 g/t Au.^h
- Centerra exercised their first option to earn an initial 51% interest in Oakley and, on April 4, 2023, provided notice of intention to proceed to exercise the second option to acquire an additional 19%.

Financial Results

Financial results for the three months ended March 31, 2023 and 2022 were as follows:

('000s of USD, except amounts per share and per ounce)	Q1 2023 ⁽⁵⁾	Q1 2022 ⁽⁴⁾
Revenue ⁽¹⁾	-	8,496
Production costs	-	(5,635)
Depletion and amortization	-	(2,278)
Cost of sales	-	(7,913)
Gross profit	-	583
Gain on deconsolidation of San Pedro ⁽²⁾	24,255	-
Reclassification of currency translation adjustments ⁽²⁾	(6,923)	-
General and administrative including care-and-maintenance	(1,490)	(1,311)
Exploration and holding expense	(513)	(1,116)
Other income	1,580	992
Finance expense	(1,009)	(915)
Income tax recovery	2	67
Net income (loss)	15,902	(1,700)
Adjusted loss ⁽²⁾	(1,430)	(1,700)
Income (loss) per share - basic	0.42	(0.05)

('000s of USD, except amounts per share and per ounce)	Q1 2023 ⁽⁵⁾	Q1 2022 ⁽⁴⁾
Income (loss) per share - diluted	0.41	(0.05)
Adjusted loss per share - basic ⁽²⁾	(0.04)	(0.05)
Cash flow from operations ⁽³⁾	(1,851)	1,911

(1) Revenues are net of treatment and refining charges ("TC/RCs").

(2) Adjusted loss in Q1 2023 excludes \$24.3 million and (\$6.9) million related to the deconsolidation of San Pedro.

(3) Cash flow from operations before changes in working capital.

(4) Q1 2022 results were impacted by the Labour Strike which resulted in negligible production for the month of March 2022.

(5) Production ceased and the Platosa mine and Miguel Auza mill were placed on care and maintenance in early Q4 2022. As a result, no revenue, production costs and gross profit were recorded in Q1 2023.

This news release should be read in conjunction with the Company's condensed consolidated financial statements for the three months ended March 31, 2023 and 2022 ("Financial Statements"), and associated management discussion and analysis ("MD&A") which are available on the Company's website at www.excellonresources.com and under the Company's profile on SEDAR (www.sedar.com).

All financial information is prepared in accordance with IFRS, and all dollar amounts are expressed in U.S. dollars unless otherwise specified. The discussion of financial results in this news release includes references to "adjusted loss" and "adjusted loss per share", which are non-IFRS performance measures. The Company presents these measures to provide additional information regarding the Company's financial results and performance.

About Excellon

Excellon's vision is to realize opportunities for the benefit of our employees, communities and shareholders, through the acquisition of advanced development or producing assets with further potential to gain from an experienced operational management team. The Company is advancing a portfolio of gold, silver and base metals assets including Kilgore, an advanced gold exploration project in Idaho; and Silver City, a high-grade epithermal silver district in Saxony, Germany with 750 years of mining history and no modern exploration. The Company has also entered into an agreement to acquire La Negra, a past-producing Ag-Zn-Cu-Pb mine with exploration potential, located in Querétaro State, Mexico.

Additional details on Excellon's properties are available at www.excellonresources.com.

For Further Information, Please Contact:

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CAUTIONARY STATEMENTS ON FORWARD-LOOKING STATEMENTS

Forward-Looking Statements

All statements, other than statements of historical fact, contained or incorporated by reference in this news release constitute "forward-looking statements" and "forward-looking information" (collectively, "forward-looking statements") within the meaning of applicable Canadian and United States securities legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as: "advance", "believe", "considering", "contingencies", "continuing", "could", "development", "expected", "exploration", "estimate", "further", "future", "initial", "intention", "may", "NPV", "opportunities", "option", "plan", "potential", "preliminary", "proceed", "program", "project", "proposed", "proposition", "prospects", "provide", "restart", "risk", "should", "strategic", "subject to", "target", "timelines", "uncertainties", "vision", "will" and "would", or variations of such words, and similar such words, expressions

or statements that certain actions, events or results can, could, may, should, will (or not) be achieved, happen, occur, provide, result or support in the future or which, by their nature, refer to future events. In some cases, forward-looking information may be stated in the present tense, such as in respect of current matters that may be continuing, or that may have a future impact or effect. Forward-looking statements include statements regarding potential financing, corporate development and strategic opportunities (including any form, aspect, value or other impacts thereof); advancing a portfolio of assets; exploration programs and activities (including potential and results thereof to date); the La Negra acquisition and its related transactions (collectively, the "La Negra Transactions") and value proposition, results and benefits thereof, and any other acquisition and other strategic opportunities; the restart of mining operations at La Negra (including strategy, plans, critical work streams, development activities and resulting further analysis, timing, capital requirements, permitting, achieving commercial production, LOM production, life of mine or LOM, and tailings management); the La Negra PEA including the results thereof (including restart recommendation, NPV and capital requirements; see also below in these Cautionary Statements under "Preliminary Economic Assessments" (or "PEAs")); mineral resource estimates (including tonnes, grade, and expansion and conversion of such estimates; see also below in these Cautionary Statements under "Mineral Resources"); and Excellon's vision (including the realization of opportunities, the means thereof and basis therefor); and any benefits or any other implications of any of the foregoing. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct, and any forward-looking statements by the Company are not guarantees of future actions, results or performance. Forward-looking statements are based on assumptions, estimates, expectations and opinions, which are considered reasonable and represent best judgment based on available facts, as of the date such statements are made. If such assumptions, estimates, expectations and opinions prove to be incorrect, actual and future results may be materially different than expressed or implied in the forward-looking statements. The estimates, expectations and opinions referenced or contained in this news release, which may prove to be incorrect, are subject to a number of assumptions which include those set forth or referenced in this news release, the Company's Management's Discussion & Analysis of Financial Results and the accompanying financial statements for the quarter ended March 31, 2023 and year ended December 31, 2022 (collectively, the "2022 & Q1 2023 Financial Disclosure"), the Company's Annual Information Form dated March 31, 2023 (the "AIF"), the current technical reports for the Company's projects and the La Negra Technical Report (collectively, the "Technical Reports"), the Company's news releases referenced in this news release (the "Referenced News Releases"), and the Company's other applicable public disclosure (collectively, "Company Disclosure"), all available under the Company's profile on SEDAR (www.sedar.com) and/or on its website at www.excellonresources.com. Forward-looking statements are inherently subject to known and unknown risks, uncertainties, contingencies and other factors which may cause the actual plans, results, performance or achievements of the Company to differ materially from any future results, plans, performance or achievements expressed or implied by the forward-looking statements. Such risks, uncertainties, contingencies and other factors include, among others, the timing, closing completion or non-completion of the La Negra Transactions, including due to the parties failing to receive, in a timely manner and on satisfactory terms, the necessary securityholder, stock exchange and other approvals or the inability of the parties to satisfy or waive in a timely manner the other conditions to the closing or the conditions precedent or covenants, as applicable, of the La Negra Acquisition (including the timing and outcome of the required meeting of shareholders and completion thereof, as well as the completion of the Convertible Debenture restructuring and Closing Private Placement) and the other La Negra Transactions; inability to complete the Closing Private Placement; inability to achieve the benefits or synergies anticipated from the La Negra Transactions; actual operating cash flows, development and operating costs, free cash flows, mineral resources, total cash, transaction costs, and administrative costs of Excellon differing from those anticipated; project infrastructure requirements and anticipated processing methods, risks related to partnership or other joint operations; actual results of current exploration activities; variations in mineral resources, mineral production, grades or recovery rates or optimization efforts and sales; the results of the La Negra preliminary economic assessment; the ability to obtain on a timely basis, and maintain, necessary permits and other approvals; delays in obtaining financing or in the completion of development or construction activities; uninsured risks, including pollution, cave ins or hazards for which insurance cannot be obtained; regulatory changes; defects in title; availability or integration of personnel, materials and equipment; inability to recruit or retain management and key personnel; performance of facilities, equipment and processes relative to specifications and expectations; unanticipated environmental impacts on operations; market prices; production, construction and technological risks related to Excellon and La Negra; capital requirements and operating risks associated with the operations or an expansion of the operations of Excellon including La Negra; dilution due to the La Negra Transactions and any other future acquisitions or other transactions including the Closing Private Placement; fluctuations in silver, lead, zinc, copper, gold and other precious metal prices and currency exchange rates; uncertainty relating to future production and cash resources; inability to successfully complete new development projects, planned expansions or other projects within the timelines anticipated; adverse changes to market, political and general economic conditions or laws, rules and regulations applicable to Excellon and La Negra; changes in project parameters; the possibility of project cost overruns or unanticipated costs and expenses; accidents, labour disputes, community and stakeholder protests and other risks of the mining industry; failure of plant, equipment or processes to operate as anticipated; risk of an undiscovered defect in title or other adverse

claim; and the "Risk Factors" in the AIF, and the risks, uncertainties, contingencies and other factors identified in the 2022 & Q1 2023 Financial Disclosure, the Technical Reports, the Referenced News Releases and other applicable Company Disclosure. The foregoing list of risks, uncertainties, contingencies and other factors is not exhaustive; readers should consult the more complete discussion of the Company's business, financial condition and prospects that is provided in the AIF and the other aforementioned Company Disclosure. Although Excellon has attempted to identify important factors that could cause plans, actions, events or results to differ materially from those described in forward-looking statements in this news release and the other Company Disclosure referenced herein, there may be other factors that cause plans, actions, events or results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate as actual plans, results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements in this news release nor in the documents referenced herein. Readers are cautioned not to place undue reliance on forward-looking statements. The forward-looking statements referenced or contained in this news release are expressly qualified by these Cautionary Statements, together with those below, as well as the Cautionary Statements in the 2022 & Q1 2023 Financial Disclosure, the AIF, the Technical Reports, the Referenced News Releases and other applicable Company Disclosure. Forward-looking statements contained herein are made as of this news release (or as otherwise expressly specified) 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 applicable laws.

Mineral Resources

Until mineral deposits are actually mined and processed, mineral resources must be considered as estimates only. Mineral resource estimates that are not classified as mineral reserves do not have demonstrated economic viability. The estimation of mineral resources is inherently uncertain, involves subjective judgement about many relevant factors and may be materially affected by, among other things, environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant risks, uncertainties, contingencies and other factors described in the foregoing Cautionary Statements on Forward-Looking Statements. The quantity and grade of reported "inferred" mineral resource estimates are uncertain in nature and there has been insufficient exploration to define "inferred" mineral resource estimates as an "indicated" or "measured" mineral resource and it is uncertain if further exploration will result in upgrading "inferred" mineral resource estimates to an "indicated" or "measured" mineral resource category. The accuracy of any mineral resource estimates is a function of the quantity and quality of available data, and of the assumptions made and judgments used in engineering and geological interpretation, which may prove to be unreliable and depend, to a certain extent, upon the analysis of drilling results and statistical inferences that may ultimately prove to be inaccurate. The quantity and grade of "inferred" mineral resource estimates are uncertain in nature and there has been insufficient exploration to define "inferred" mineral resource estimates as an "indicated" or "measured" mineral resource and it is uncertain if further exploration will result in upgrading "inferred" mineral resource estimates to an "indicated" or "measured" mineral resource category. Mineral resource estimates may have to be re-estimated based on, among other things: (i) fluctuations in mineral prices; (ii) results of drilling and development; (iii) results of geological and structural modeling including stope design; (iv) metallurgical testing and other testing; (v) proposed mining operations including dilution; and (vi) the possible failure to receive and/or maintain required permits, licenses and other approvals. It cannot be assumed that all or any part of a "inferred", "indicated" or "measured" mineral resource estimate will ever be upgraded to a higher category including a mineral reserve.

Mineral resource estimates disclosed by the Company were estimated and reported in accordance with National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101") using Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards for Mineral Resources and Mineral Reserves (the "CIM Standards"), which govern the public disclosure of scientific and technical information concerning mineral projects by Canadian issuers such as Excellon, and applying the CIM's Mineral Resources and Mineral Reserves Best Practices guidelines (as applicable). For additional discussion of the Company's mineral resource estimates at the Company's projects and La Negra, as well as an overall more detailed discussion of such projects, the reader should refer to the AIF and the applicable Technical Reports.

U.S. Readers

The terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" as disclosed by the Company are Canadian mining terms defined in the CIM Standards (collectively, the "CIM Definitions") in accordance with NI 43-101. NI 43-101 establishes standards for all public disclosure that a Canadian issuer makes of scientific and technical information concerning mineral projects. These Canadian standards differ from the requirements of the U.S. Securities and Exchange

Commission ("SEC") applicable to United States domestic and certain foreign reporting companies under Subpart 1300 of Regulation S-K ("S-K 1300"). Accordingly, information describing mineral resource estimates for the Company's projects and La Negra, may not be comparable to similar information publicly reported in accordance with the applicable requirements of the SEC, and so there can be no assurance that any mineral resource estimate for the Company's projects or La Negra would be the same had the estimates been prepared per the SEC's reporting and disclosure requirements under applicable United States federal securities laws, and the rules and regulations thereunder, including but not limited to S-K 1300. Further, there is no assurance that any mineral resource or mineral reserve estimate that the Company may report under NI 43-101 would be the same had the Company prepared such estimates under S-K 1300.

Preliminary Economic Assessments (or PEAs)

A PEA, including the La Negra PEA, is only a conceptual study of the potential viability of the subject project's mineral resource estimates, and the economic and technical viability of the project and its estimated mineral resources has not been demonstrated. A PEA is preliminary in nature and provides only an initial, high-level review of the subject project's potential and design options; there is no certainty that a PEA will be realized. The conceptual LOM plan and economic model in a PEA include numerous assumptions and mineral resource estimates including inferred mineral resource estimates. Inferred mineral resource estimates are considered to be too speculative geologically to have any economic considerations applied to such estimates. Under NI 43-101, estimates of inferred mineral resources may not form the basis of feasibility studies, pre-feasibility studies or other economic studies, except in prescribed cases, such as in a preliminary economic assessment under certain circumstances. There is no guarantee that inferred mineral resource estimates will be converted to indicated or measured mineral resources, or that indicated or measured mineral resources can be converted to mineral reserves. Mineral resources that are not mineral reserves do not have demonstrated economic viability, and as such there is no guarantee the economics described in any PEA, including the La Negra PEA, will be achieved. Mineral resource estimates may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant risks, uncertainties and other factors, as more particularly described in the foregoing other Cautionary Statements of this news release.

Qualified Persons

Mr. Paul Keller, P. Eng., Chief Operating Officer of the Company and a Qualified Person as defined in NI 43-101 (a "QP"), reviewed, verified and approved the scientific and technical information relating to operations and production results contained in this news release. Mr. Jorge Ortega, M.Sc., P.Geo., Vice President Exploration of the Company and a QP, reviewed, verified and approved the scientific and technical information relating to geological interpretation and results contained in this news release.

^a For further details, refer to the Company's related news release dated January 9, 2023.

^b Average annual production from 2013 to 2015 at throughput of approximately 2,500 tonnes per day.

^c Refer also to the La Negra Technical Report which was filed on January 19, 2023 under Excellon's profile on SEDAR and on the Company's website.

^d Indicated: 2.46 million tonnes at average grades of 64.0 g/t Ag, 1.95% Zinc (Zn), 0.50% Copper (Cu), 0.27% lead (Pb); Inferred: 6.42 million tonnes at average grades of 80.0 g/t Ag, 1.80% Zn, 0.40% Cu, 0.65% Pb. Mineral resource estimate effective as at March 31, 2022. See also Cautionary Statements on "Mineral Resources" and "U.S. Readers" at the end of this news release.

^e Long-term commodity price estimates used in analysis: US\$22.00/oz Ag, US\$1.15/lb Zn, US\$3.60/lb Cu, US\$0.95/lb Pb.

^f For further details, refer to the Company's related news release dated April 13, 2023.

^g For further details, refer to the Company's related news release dated April 3, 2023.

^h For further details, refer to the Company's related news release dated March 20, 2023.

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