

# Mexico's highest-grade Silver producer

TSX:EXN | OTC:EXLLF

Investor Presentation - September 2013

**EXCELLON**

# Forward Looking Statements

## Disclaimer

This document contains “forward-looking statements” within the meaning of applicable Canadian securities legislation and applicable U.S. securities laws. Except for statements of historical fact relating to the Company, such forward-looking statements include, without limitation, statements regarding the future results of operations, performance and achievements of the Company, including potential property acquisitions, the timing, content, cost and results of proposed work programs, the discovery and delineation of mineral deposits/resources/reserves, geological interpretations, the potential of the Company’s properties, proposed production rates, potential mineral recovery processes and rates, business plans and future operating revenues. Forward looking statements are made based on management’s beliefs, estimates, assumptions and opinions on the date the statements are made. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct and the Company undertakes no obligation to forward-looking statements, except as may be required by law. Forward-looking statements are typically identified by words such as: believes, expects, anticipates, intends, estimates, targets, plans, postulates, and similar expressions, or are those which, by their nature, refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward-looking statements as a result of various risk factors, including, but not limited to, variations in the nature, quality and quantity of any mineral deposits that may be located, significant downward variations in the market price of any minerals produced (particularly silver), the Company’s inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies. A description of the risk factors applicable to the Company can be found in the Company’s most recent Annual Information Form under “Description of the Business – Risk Factors”. All of the Company’s public disclosure filings may be accessed via [www.sedar.com](http://www.sedar.com) and readers are urged to review these materials, including the technical reports filed with respect to the Company’s mineral properties, and particularly the latest NI 43-101-compliant technical report prepared by Roscoe Postle Associates Inc. with respect to the Platosa Property. This document is not, and is not to be construed in any way as, an offer to buy or sell securities in the United States.

## Cautionary Note to United States Investors Concerning Estimates of Measured, Indicated and Inferred Resources

The terms “Measured”, “Indicated” and “Inferred” Mineral Resources used or reference in this document are defined in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) under the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the “CIM”) Standards on Mineral Resources and Mineral Reserves. The CIM standards differ significantly from standards in the United States. United States investors are advised that while such terms are recognized and required by Canadian regulations, the United States Securities and Exchange Commission does not recognize them. “Inferred Mineral Resources” have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category or that Mineral Resources will ever be upgraded to Mineral Reserves. Under Canadian rules, estimates of Inferred Mineral Resources may not form the basis of feasibility or other economic studies. United States investors are cautioned not to assume that all or any part of Indicated Mineral Resources will ever be converted into Mineral Reserves. United States investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists or is economically or legally mineable, or that an Indicated Mineral Resource is economically or legally mineable.

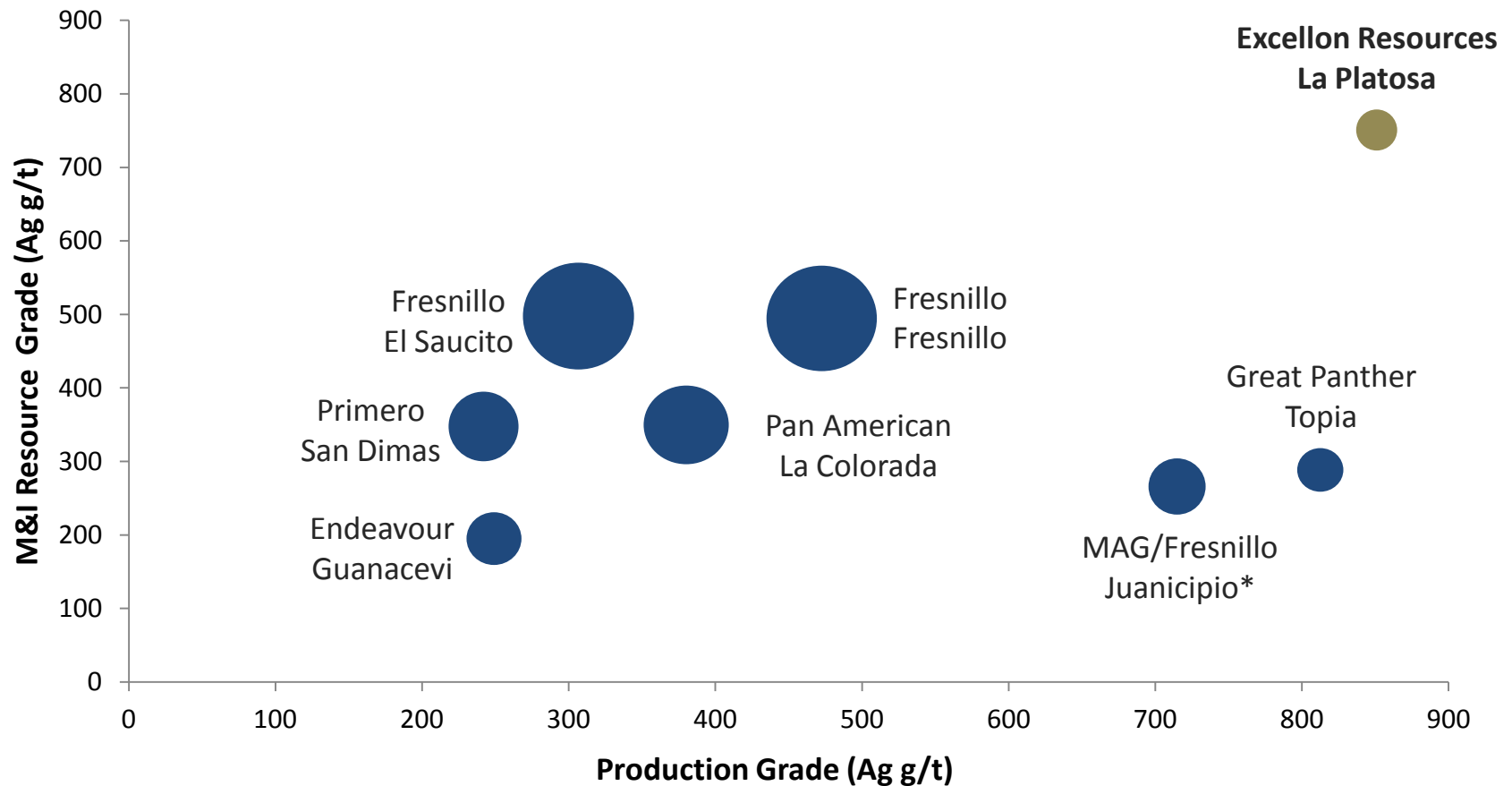
## Cautionary Note to United States Investors regarding Adjacent or Similar Properties

This document may also contain information with respect to adjacent or similar mineral properties in respect of which the Company has no interest or rights to explore or mine. The Company advises United States investors that the United States Securities and Exchange Commission’s mining guidelines strictly prohibit information of this type in documents filed with the SEC. Readers are cautioned that the Company has no interest in or right to acquire any interest in any such properties, and that mineral deposits on adjacent or similar properties are not indicative of mineral deposits on the Company’s properties.

# Our Strategy For Success

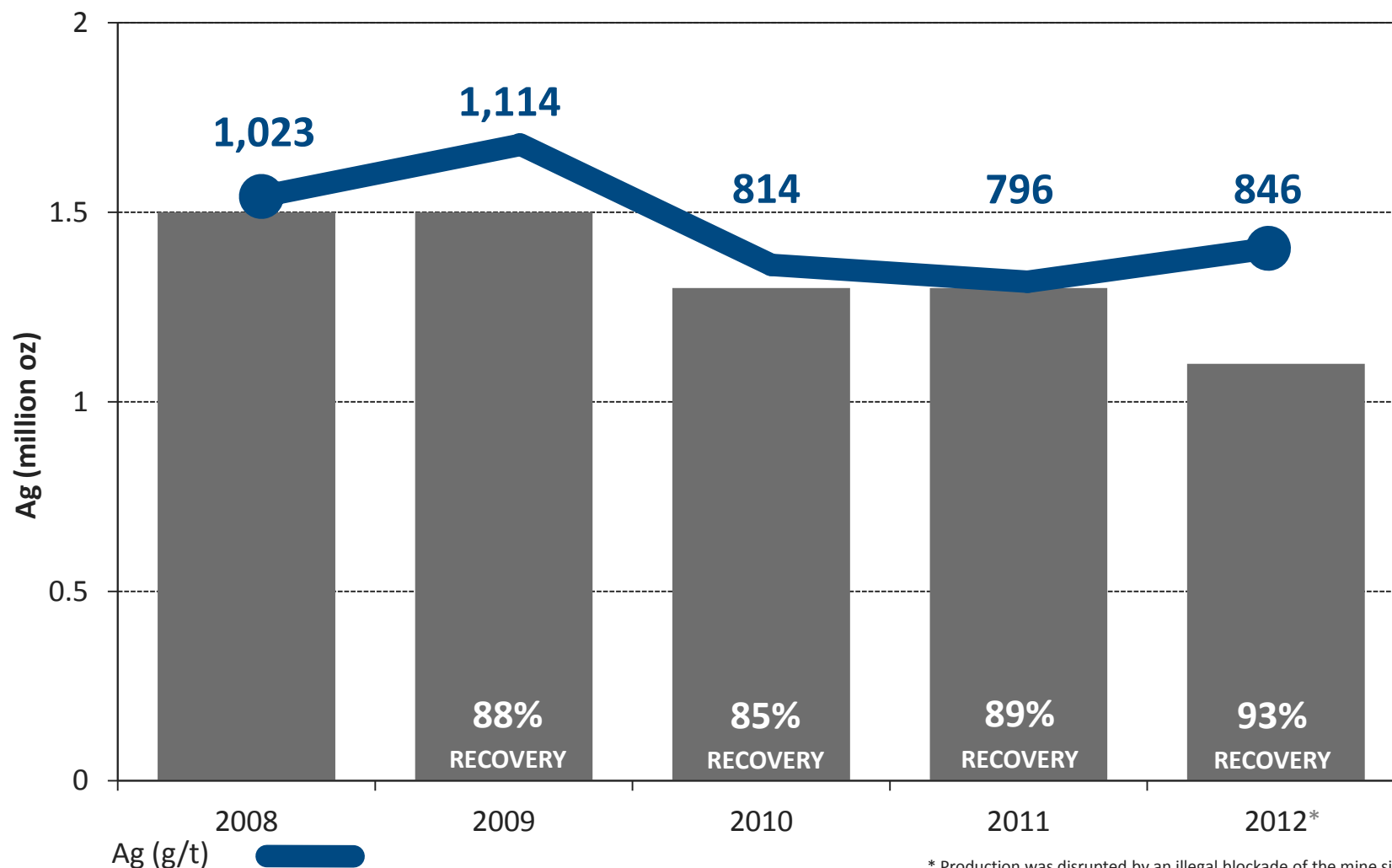


# Platosa's High Grade Advantage

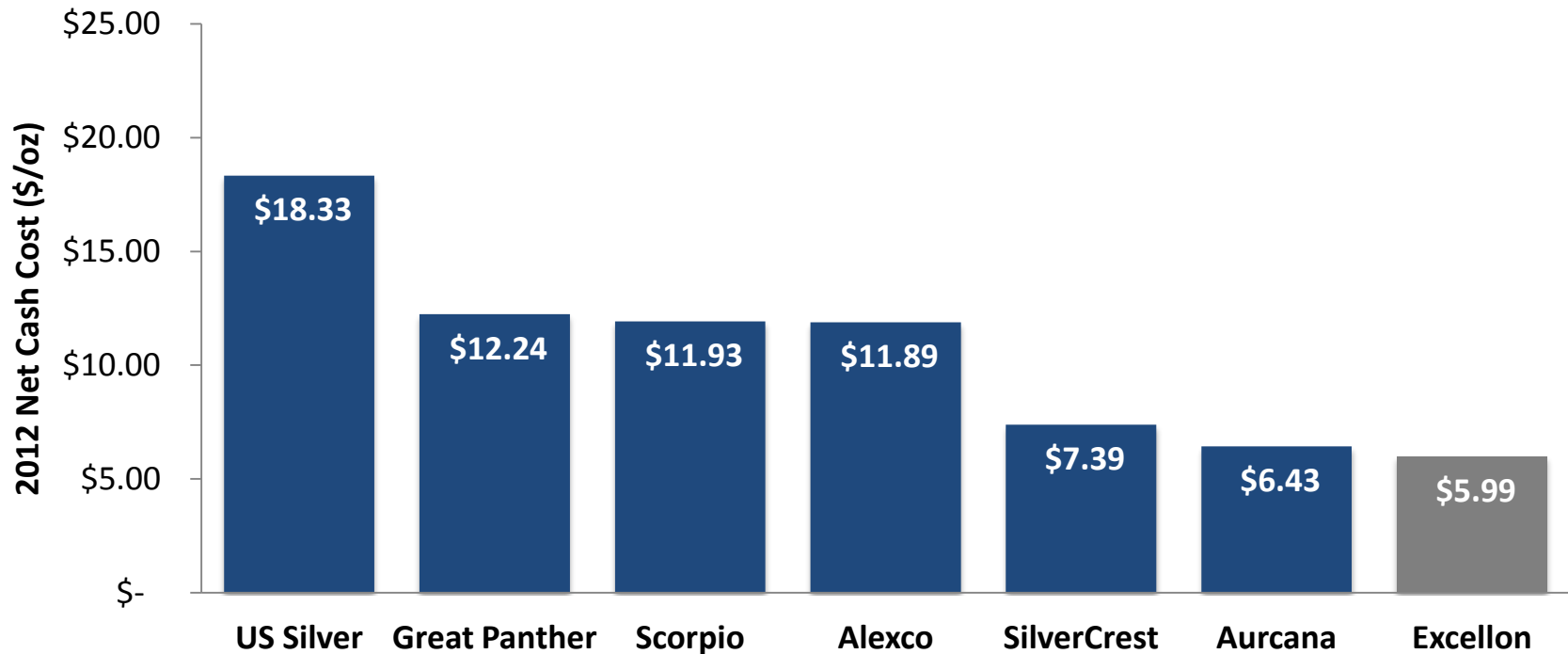


\*Development stage project  
As at September 9, 2013

# Track Record of High Grade Production



# Lowest Net Cash Costs Amongst Peers



\* Information is based on public disclosure documents

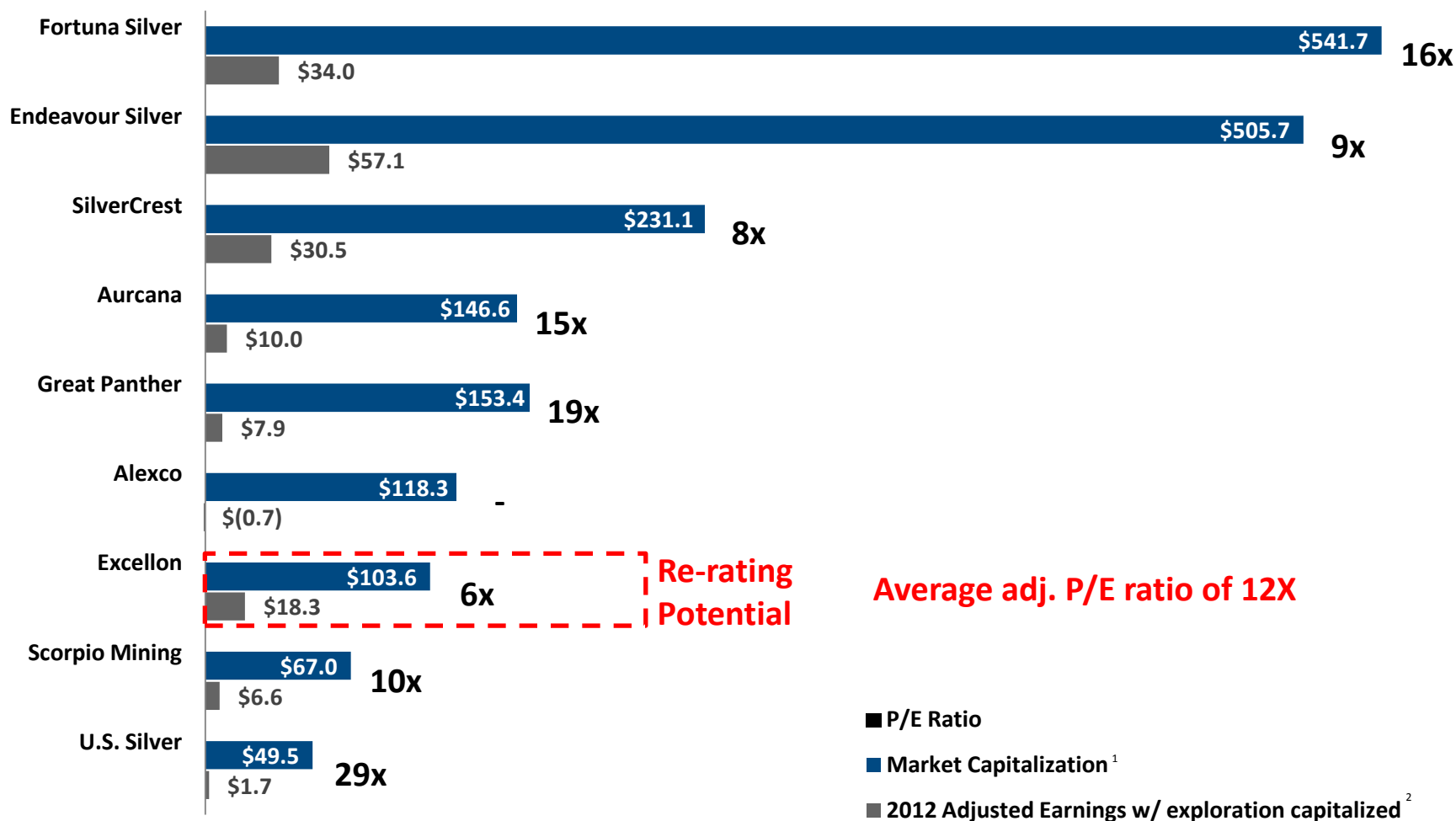
# All-in Costs: Measure of True Profitability

	2013 est.	2012 <sup>1</sup>	2011
<b>Cash Operating Cost</b>	\$18,940,000	\$13,382,000	\$14,784,000
General and Admin Expenses	\$4,380,000	\$6,103,000	\$5,843,000
Drilling Expenses (Manto Resource Drilling)	\$2,260,000	\$3,146,000	\$6,000,000
Capital Expenditures	\$4,550,000	\$2,777,000	\$4,145,000
<b>All-in cost</b>	\$30,130,000	\$25,408,000	\$30,772,000
<b>Ag equivalent ounces sold</b>	2,152,000	1,658,000	1,882,000
<b>Cash Cost per silver equivalent ounce</b>	<b>\$8.80</b>	\$8.07	\$7.86
<b>All-in cost per silver equivalent ounce<sup>2</sup></b>	<b>\$14.00</b>	\$15.32	\$16.35

<sup>1</sup> From ~3 quarters of production

<sup>2</sup> "All-in" includes total direct costs + capital expenditures + corporate G&A (net of stock option expense) + exploration related to resource expansion

# Unrecognized Profitability



<sup>1</sup> As of September 9, 2013. All figure amounts are in millions of dollars.

<sup>2</sup> Excellon expenses exploration and evaluation related costs. Adjusted earnings figures assume exploration expenses have been capitalized for each company listed. All figure amounts are in thousands or millions of dollars and is based on public disclosure documents.



# La Platosa Mine Production Results

		Q2 2013	Q1 2013	2012*	2011
Tonnes Produced		<b>13,608</b>	18,361	48,199	59,405
Grades	Ag (g/t)	<b>627</b>	591	846	796
	Lead (%)	<b>6.62</b>	6.35	6.75	6.24
	Zinc (%)	<b>10.44</b>	10.01	11.81	9.17
Metal Production	Ag (oz)	<b>252,789</b>	312,167	1,081,165	1,312,146
	Lead (lb)	<b>1,514,465</b>	2,161,223	5,731,160	6,529,018
	Zinc (lb)	<b>2,460,728</b>	3,506,965	10,450,813	8,674,527
Recoveries	Ag (%)	<b>95.7</b>	93.7	93.4	88.9
	Lead (%)	<b>84.7</b>	84.8	82.1	75.6
	Zinc (%)	<b>84.6</b>	83.8	84.8	78.5
Net Cash Costs		<b>\$12.07</b>	\$6.96	\$5.99	\$5.29

\*Production was disrupted by an illegal blockade of the mine site

# La Platosa Mine



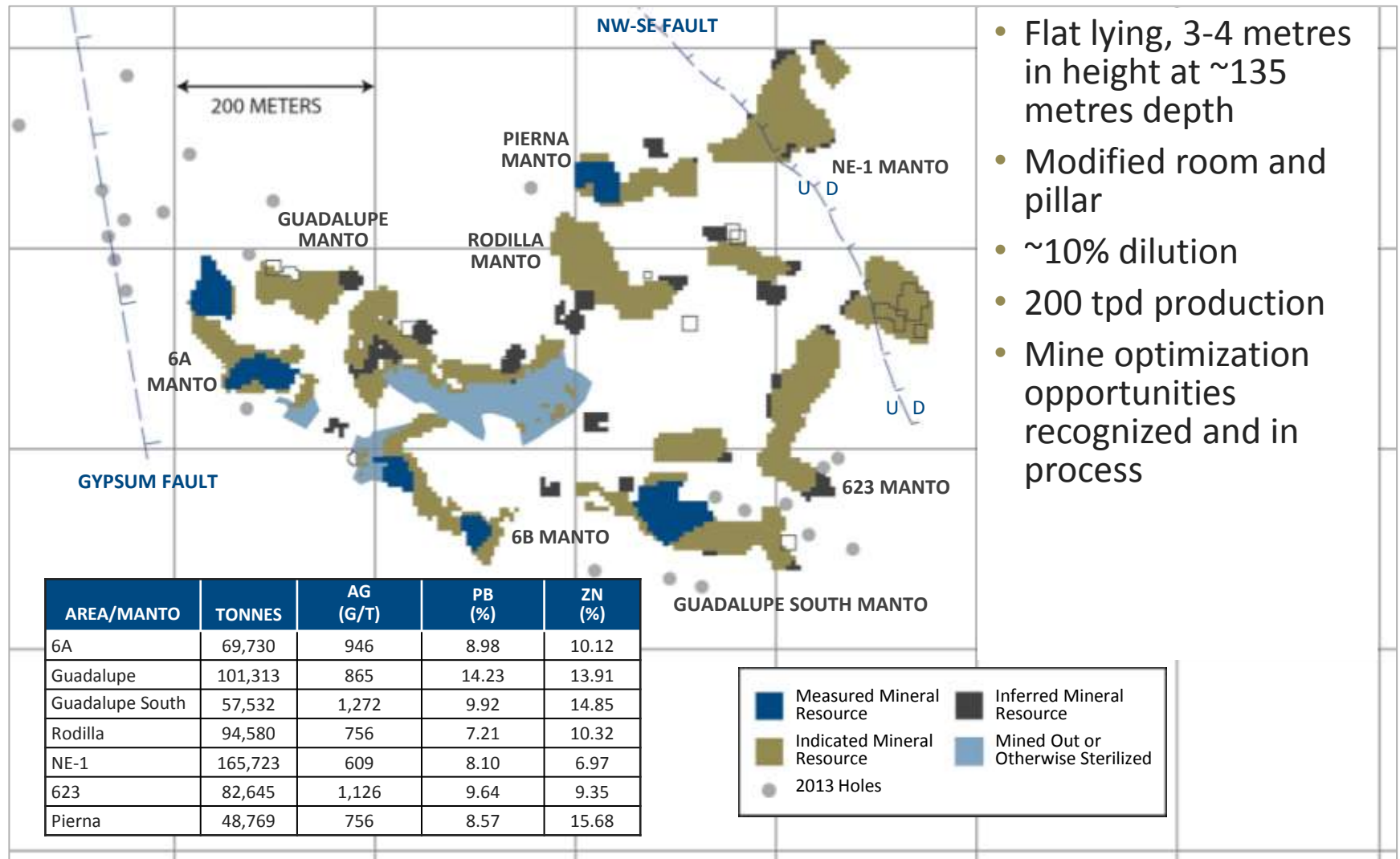
# A Decade of Quality Resource Remaining

La Platosa 2011 Mineral Resource							
Category	Tonnes ('000s)	Ag (g/t)	Pb (%)	Zn (%)	Ag (M oz)	Pb (M lb)	Zn (M lb)
Measured	88	1,064	9.14	11.99	3.0	17.8	23.3
Indicated	549	800	8.92	10.36	14.1	107.9	125.2
<b>M&amp;I</b>	<b>637</b>	<b>836</b>	<b>8.95</b>	<b>10.58</b>	<b>17.1</b>	<b>125.7</b>	<b>148.5</b>
Inferred	69	1,011	11.35	11.34	2.2	17.3	17.2

## Notes to Mineral Resource Statement:

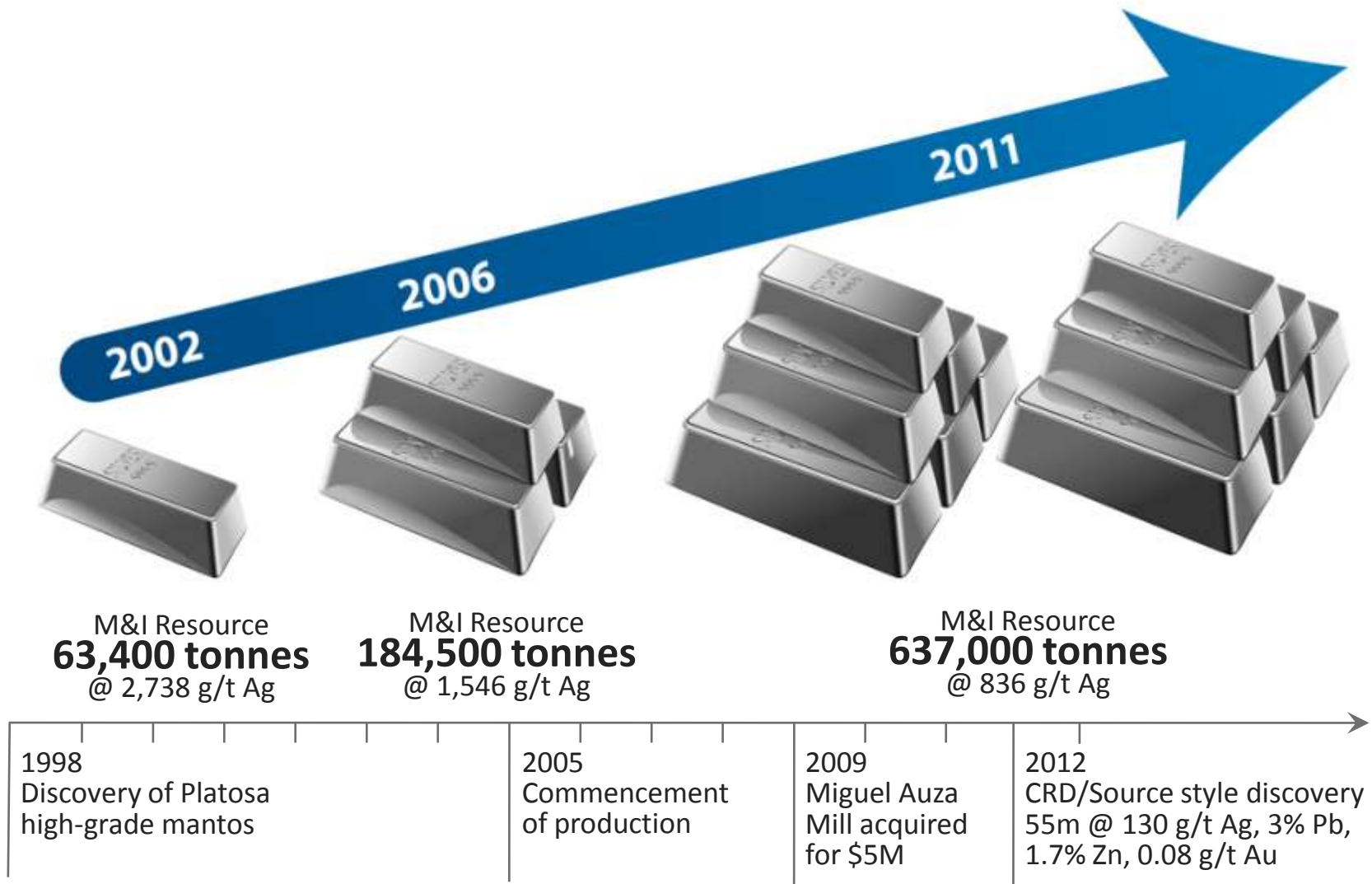
1. CIM definitions were followed for the classification of Mineral Resources.
2. Mineral Resources are estimated at an incremental NSR cut-off value of US\$200 per tonne
3. NSR metal price assumptions: Ag US\$25.00/oz, Pb US\$1.15/lb, Zn US\$1.15/lb.
4. Estimate is of Mineral Resources only and, because these do not constitute Mineral Reserves, they do not have any demonstrated economic viability.
5. NI 43-101 compliant Mineral Resource estimate prepared by David Ross, P.Geo., of Roscoe Postle Associates Inc., independent geological and mining consultants of Toronto, Ontario. Prepared as at July 31, 2011.

# Platosa's High-Grade Mantos



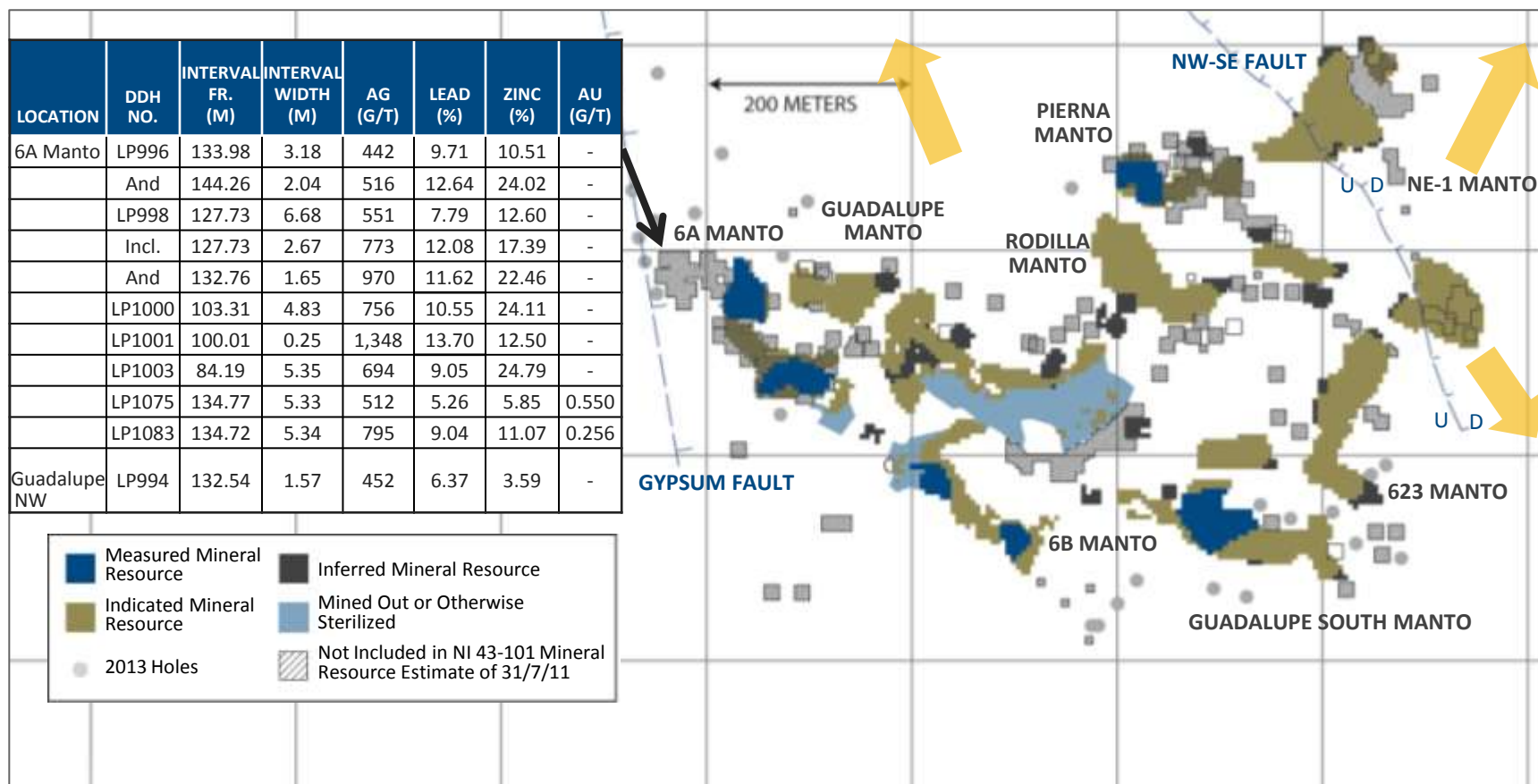


# Consistent Growth in Resources Since Discovery



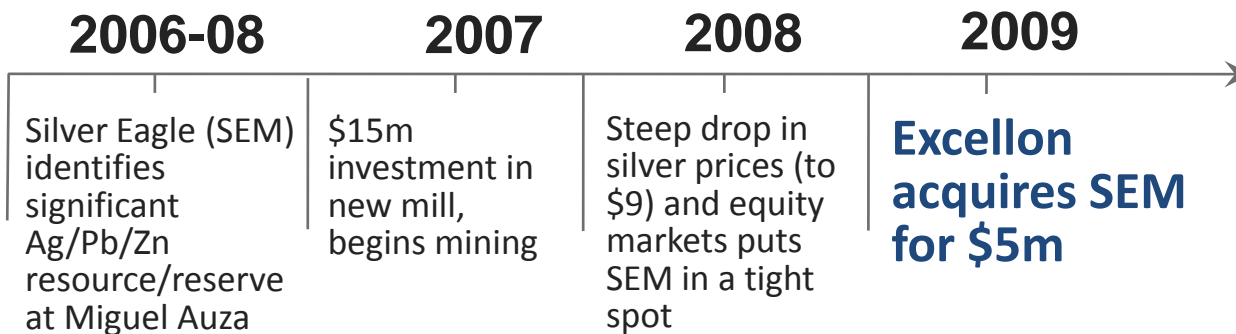
# Optimization and Resource Growth Near Mine

Drill program to grow immediately mineable manto resource near existing infrastructure and discover independent, new mantos



# Miguel Auza Mill and Mine

- Acquired brand new, scalable, 650 tpd mill (\$15m value) with 45% spare capacity in June 2009
- 41,000 ha of mineral rights on primary silver belt
- \$22m of loss carry-forwards, still creating value
- La Platosa's recoveries have increased from 70% pre-acquisition to 95% today



**Capitalizing on opportunities in volatile markets**

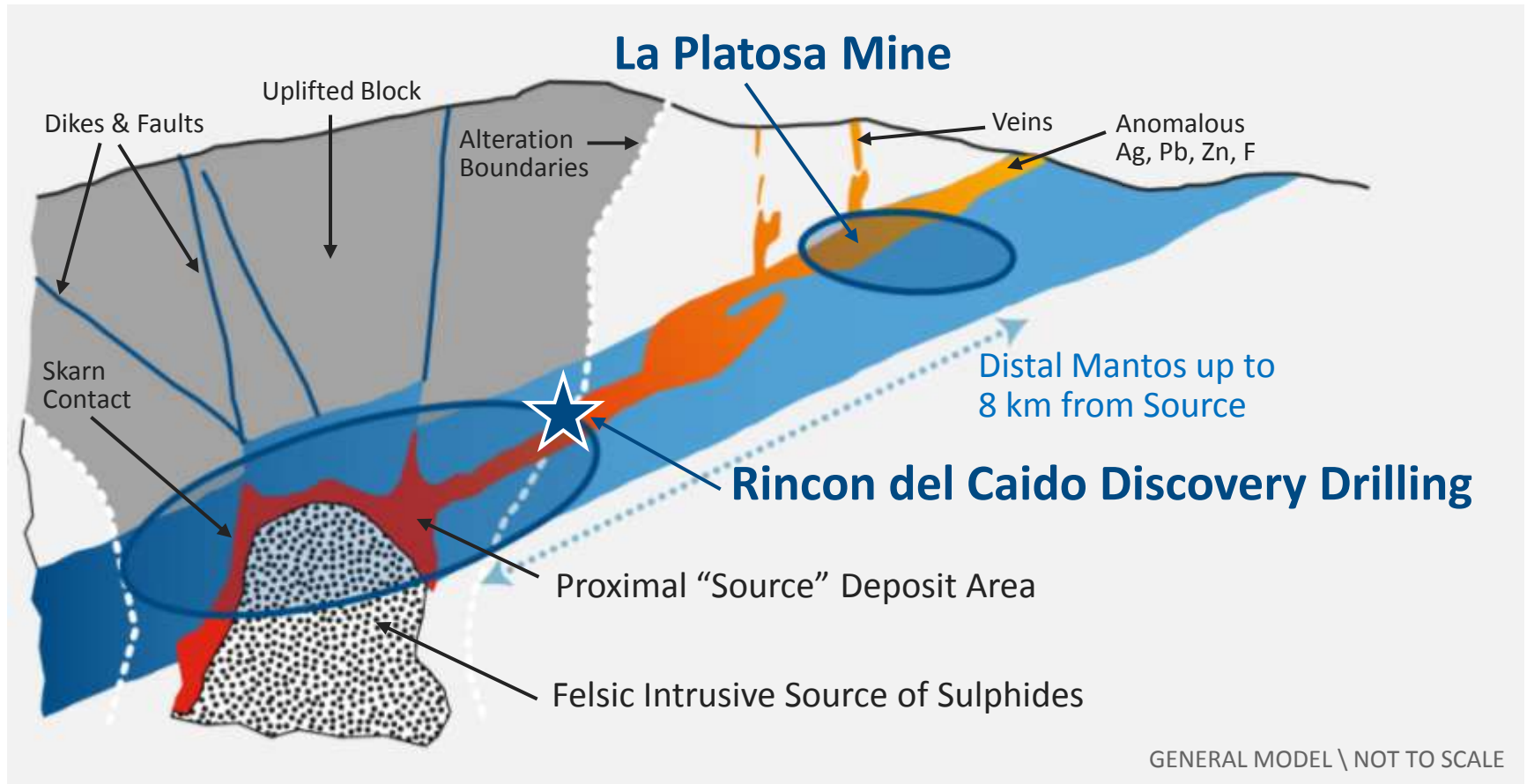
# Mexico's CRD Belt



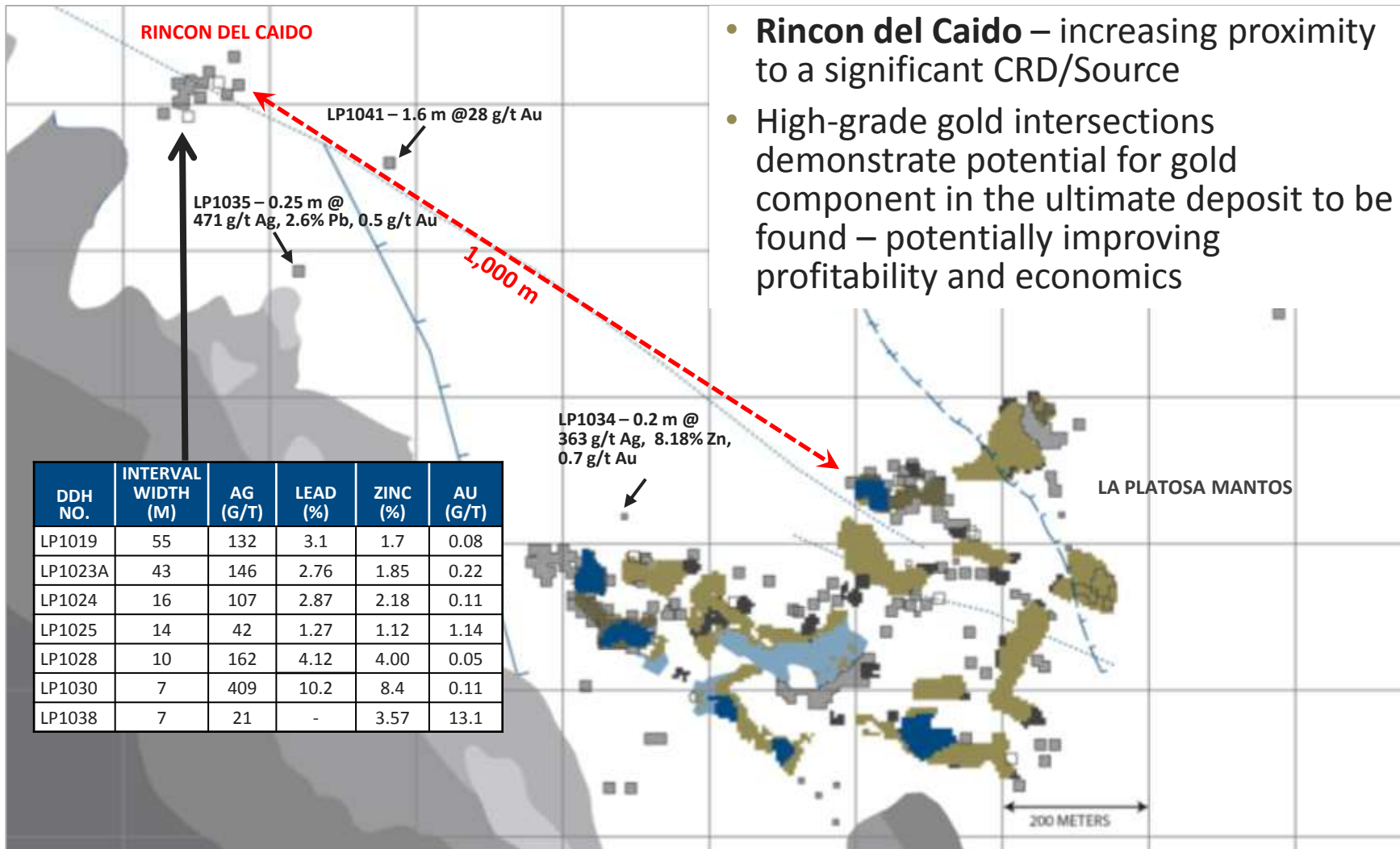


# Significant Expansion Potential – “Source Deposit”

High grade mantos of La Platosa are found on the periphery of a major Carbonate Replacement Deposit System



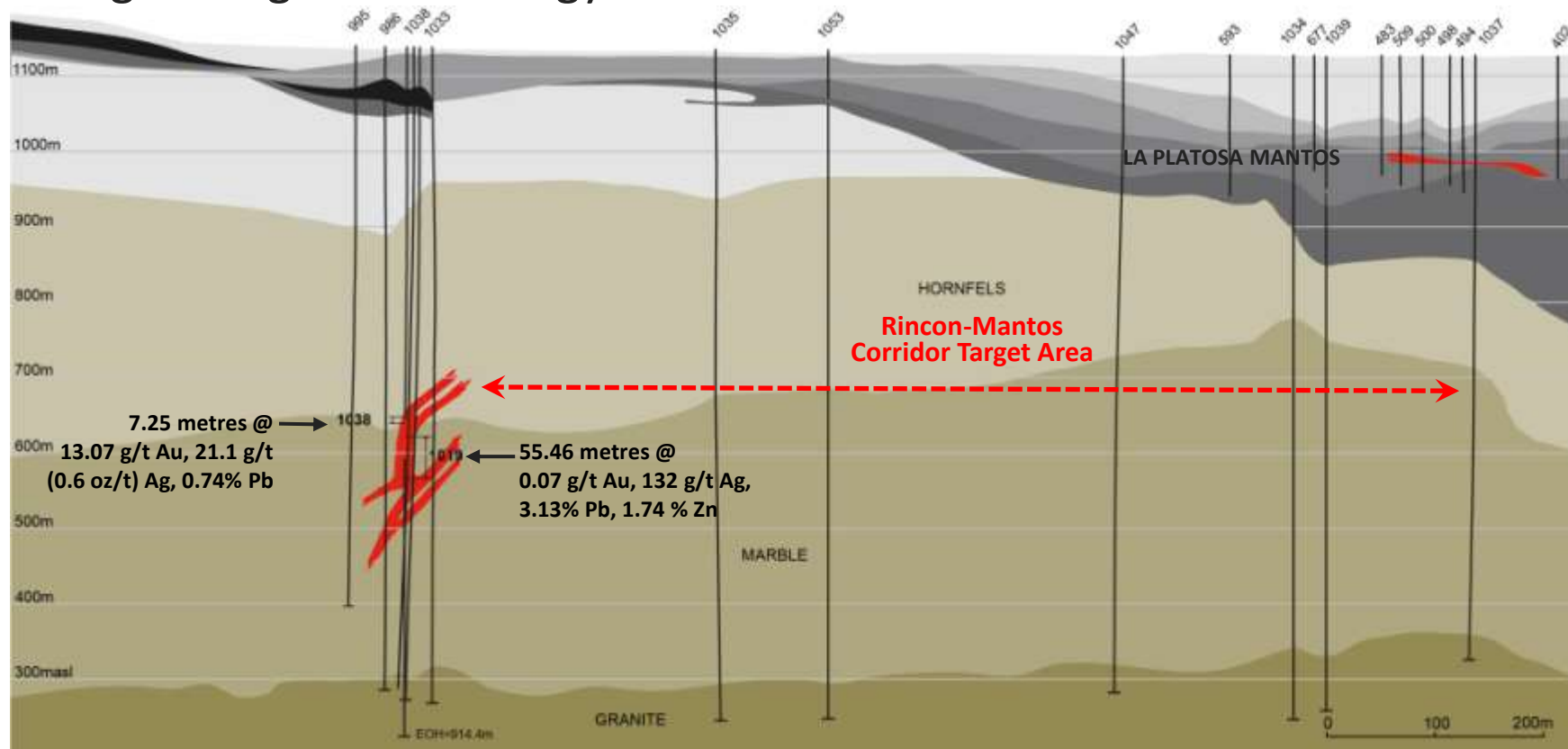
# New Discovery less than 1km from Platosa



- **Rincon del Caído** – increasing proximity to a significant CRD/Source
- High-grade gold intersections demonstrate potential for gold component in the ultimate deposit to be found – potentially improving profitability and economics

# Rincon del Caído Long Section

- Promising structural corridors identified
- Study underway to identify vectors for future drilling
- Compelling exploration play and a key prospect in the Company's long-term growth strategy



# Excellon's Contributions in Mexico

## Our 2012 Footprint in Mexico

- Our Workers – Newly Elected Union
- Communities – Bermejillo & Mapimi and the Concerned Women of Bermejillo
- Government – Local, State and Federal
- Member of the Mexican Mining Task Force, Mining Association of Canada, and PDAC





# Commitment to Our Communities



Working collaboratively with our local communities and stakeholders to ensure we benefit together from La Platosa and that our actions and investments provide value over the long-term

# Why Excellon?

## HIGH GRADE/ LOW COST

+800 g/t Ag (average grade)  
\$5.99/oz net cash cost (2012)  
\$14.00/Ag Eq oz all-in cost (2013 est.)

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## LONG LIFE

8-10 years of quality resource remaining

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## GROWTH PIPELINE

Increasing production through optimization  
Growing through acquisition strategy  
Expanding resources through exploration

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## EXPERIENCED TEAM

Broad depth of management and the strongest  
board in junior mining

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## TRANSPARENT AND RESPONSIBLE MINING

Committed to social and environmental responsibility

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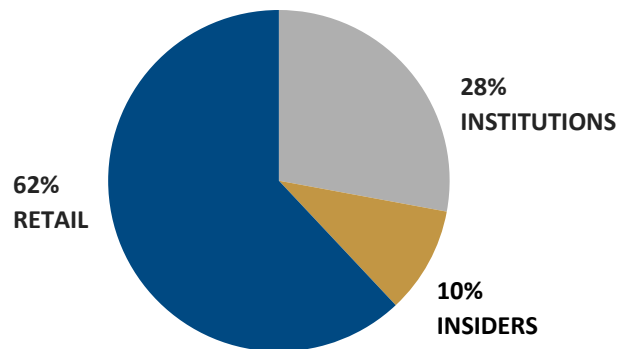
# Investor Information

## SHARE STRUCTURE

Issued & Outstanding: 55.1M  
Options: 2.5M  
Fully Diluted: 57.6M

## MANAGEMENT & KEY SHAREHOLDERS

Sprott Asset Management  
Dundee Corp  
Notae Investments



## TRADING SUMMARY\*

Listed:  
90-Day Avg. Daily Volume:  
52 Week High/Low:  
Market Cap:

TSX:EXN | OTC:EXLLF  
27,022  
C\$2.85-C\$1.45  
C\$105M



Treasury (Q2-2013):  
Net Income (2012):  
Production: YE-2012

\$5.8M  
\$8.4M  
1.1M oz Ag (in con.)  
1.6M oz Ag equivalent

No debt/no hedges

\*As at September 9, 2013

# Board of Directors

<b>Peter Crossgrove</b> <b>Executive Chairman</b>	Orders of Canada and Ontario. Vice Chair, Detour Gold; Director of Lake Shore Gold. Former CEO of Placer Dome; Director of Barrick; Founder of Masonite International. Former Treasurer of Care International.
<b>Thor Eaton</b>	Canadian businessman and philanthropist. Founder of Thor & Nicole Eaton Foundation.
<b>Alan McFarland</b>	Former director of Placer Dome and Masonite International. Founding director of the World Resources Institute.
<b>Ned Goodman</b>	President of Dundee Corp. Founder of Goodman Institute of Investment Management and Goodman School of Mining. Member of the Mining Hall of Fame.
<b>Joanne Ferstman</b>	Chair of Dundee Industrial REIT. Former CEO of Dundee Capital Markets. Former Vice-Chair of Dundee Wealth.
<b>Tim Ryan</b> <b>Chair of Audit Committee</b>	Founder of First General Securities. Venture capitalist and director of a number of technology, financial and mining companies.
<b>André Fortier</b>	Director of Ferrinov Inc. Former SVP of Noranda, CEO of Kerr Addison Mines, and Campbell Resources. Former Chairman of Conseil de Patronat du Québec.
<b>Oliver Fernández</b>	Mexican businessman and Founder of Credito Maestro. Consultant to Oceanografía, major supplier of PEMEX.
<b>Brendan Cahill</b> <b>President and CEO</b>	Former VP Corp. Dev. of Pelangio Exploration and M&A/securities lawyer (Davies Ward Phillips & Vineberg LLP). Member of the Young Presidents' Organization, the Law Society of Upper Canada and a board Member of the Mining Association of Canada.



# Management Team

<b>Brendan Cahill</b> <b>President and CEO</b>	Former VP Corp. Dev. of Pelangio Exploration and M&A/securities lawyer (Davies Ward Phillips & Vineberg LLP). Member of the Young Presidents' Organization, the Law Society of Upper Canada and a board Member of the Mining Association of Canada.
<b>Rupy Dhadwar</b> <b>Chief Financial Officer</b>	Appointed CFO in August 2012 and was previously the Company's Controller, since 2010. Range of expertise in accounting, finance and business.
<b>Rob Moore</b> <b>Chief Operating Officer</b>	30+ years of experience with North American Palladium, DeBeers, Miramar, Royal Oak and Hudson Bay. Former manager of Silver Eagle Mines. Excellon COO since 2009.
<b>John Sullivan</b> <b>Vice-President, Exploration</b>	35+ years of experience. Directed major exploration programs and property evaluations in Canada, Europe, Africa and Latin America. Former positions with Noranda, Watts, Griffiths & McQuat and Hudson Bay. Excellon VP Exploration since 2007.
<b>Nisha Hasan</b> <b>Director, Investor Relations</b>	Previously lead investor relations programs for several Canadian mining companies including, Continental Gold, Mukuba Resources and Verde Potash. Formerly with the TMX Group of Companies and a Member of the Canadian Investor Relations Institute.




## Appendix

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# Mexico: World's Top Silver Producing Country



- Supportive government and communities with centuries of mining tradition
- Political and financial stability
- Modern communications and transportation infrastructure
- Highly qualified human resources



**Our vision is to be a  
premier silver producer by**

**capitalizing on generational opportunities and striving to always do better  
for our shareholders, employees and neighbouring communities**

**Nisha Hasan**

**Director, Investor Relations**

416-364-1130 | [info@excellonresources.com](mailto:info@excellonresources.com)

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