



EXCELLON

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EXCELLON PROVIDES STRATEGIC UPDATE

Toronto, Ontario – March 26, 2013 – Excellon Resources Inc. (TSX:EXN) ("Excellon" or "the Company"), Mexico's highest grade silver producer, is pleased to announce strategic revisions to the Company's business plan, improvements to its capital structure and additions to its Board of Directors. Highlights include:

- Revision of near-term business strategy to focus on increasing production, cash flow and mine life and to position the Company to capitalize more effectively on developing market opportunities;
- Proposal to improve the investment attraction of the Company's common shares by consolidating the outstanding common shares on a five-for-one basis;
- Appointment of Brendan Cahill as Chief Executive Officer; and
- Nomination of Ned Goodman, CEO of Dundee Corporation, Joanne Ferstman, former CEO of Dundee Capital Markets Inc., and Brendan Cahill for election to the Board of Directors.

"The current mining investment market is providing opportunities seldom seen in a generation," stated Peter Crossgrove, Executive Chairman. *"We are positioning ourselves to seize these opportunities and build Excellon into another of Mexico's successful mid-tier silver producers by refocusing on the basics – the yet-to-be-realized potential for increased production and mine life at our high-grade, low cost and profitable La Platosa Mine."*

"We will also seek shareholder approval to streamline our capital structure by consolidating the Company's common shares on a five-for-one basis. The Board believes that La Platosa's strong cash flow will fund future growth in both production and mine life without requiring further equity financing. We are convinced, therefore, that the proposed consolidation should improve long-term shareholder value by broadening the potential investor base, raising market visibility and enhancing the perceived value of the Company's common shares."

Mr. Crossgrove continued, *"The Board of Directors is pleased to announce the nomination for election of Ned Goodman and Joanne Ferstman. They are founders and builders of internationally successful mining and financial companies and bring exceptional business, financial and capital market experience to the Company. We are also pleased to announce the appointment of Brendan Cahill, currently President, as Chief Executive Officer of Excellon. He will also be standing for election to the Board of Directors at the upcoming Annual and Special Meeting of Shareholders. These nominees add to last year's appointment of Oliver Fernández and the high level Mexican business and government relationships that he brings to the table."*

Excellon's Business Strategy

The valuation of many promising exploration, resource development and development stage projects continue to be affected by ongoing volatile market conditions. The Board of Directors has revised the Company's business strategy to focus on increasing Excellon's relative advantages in this market: high-grade/low-cost production, consistent cash flow and mineable resources. This focus should deliver better market valuation and enhance the Company's ability to capitalize on the decreasing valuations of assets and companies that do not currently have cash flow.



During 2013, Company management will be focused on:

- optimizing mining operations with the aid of external consultants to increase production materially beyond the budgeted rate of 200 tonnes per day;
- increasing La Platosa's mining workforce to further facilitate increased production;
- seeking custom milling opportunities and small mine acquisitions in the states of Durango, Zacatecas and San Luis Potosi to better utilize the Company's Miguel Auza Mill, which is currently running at 55% capacity;
- redirecting primary exploration efforts to define further high-grade manto mineralization near existing mining infrastructure; and
- as always, seeking to reduce costs at all levels of the business, particularly those not immediately associated with mine production.

The Company's exploration program at La Platosa now contemplates 58,000 metres of lower cost drilling, primarily focused on expanding existing high-grade mantos resources. Exploration will continue for Source-style mineralization, though at a more measured pace in the near term. The Company's geologists will continue to plan further exploration for Source-style mineralization and will drill selective Source targets throughout the year. The Company expects to release further drill results from the Source exploration program in due course.

Proposal to Streamline Excellon's Capital Structure

The Board of Directors has proposed the consolidation of the Company's common shares on a five-for-one basis (the "Consolidation"). The Board is convinced that the Consolidation will contribute to immediate and long-term shareholder value post-Consolidation by, among others:

- increasing the breadth and sophistication of the Company's eligible investor base;
- increasing trading volume in the stock through a broader investor base;
- increasing the valuation level and investment profile of the common shares as the Company should no longer be considered a "penny stock";
- aligning the nominal market price of the common shares with those of the Company's peers.

If approved, the Consolidation would reduce the Company's current 274,960,967 issued and outstanding common shares to approximately 54,992,193 common shares. The number and exercise price of outstanding stock options would be proportionately adjusted based upon the same consolidation ratio.

The Consolidation is subject to the approval of the Toronto Stock Exchange and two-thirds of Excellon's shareholders.

Full details of the Consolidation will be included in the management information circular (the "Circular") to be mailed on April 3, 2013 to all Excellon shareholders of record as of March 26, 2013 in connection with the Annual and Special Meeting of Shareholders to be held on Tuesday, April 30, 2013. The Circular will also be posted and available on SEDAR at www.sedar.com.

Exceptional Candidates Nominated for Election to Excellon's Board

The Board of Directors has nominated Ned Goodman, and Joanne Ferstman for election to one of the strongest boards in the junior mining industry. Mr. Cahill, currently President, was appointed as Chief Executive Officer by the Board. Mr. Cahill will also stand for election to the Board of Directors at the upcoming Annual and Special Meeting.

Ned Goodman

Ned Goodman has been a leader in the global mining industry for more than four decades and is widely recognized as one of Canada's most successful investment counselors. He is the President and CEO of Dundee Corporation, an independent asset management company focused in the areas of real estate and infrastructure, energy, resources and agriculture, and President, CEO and Chief Investment Officer of Ned Goodman Investment Counsel Limited ("NGIC"), a portfolio manager.



Mr. Goodman is the founder and benefactor of the Goodman Institute of Investment Management, a graduate school for investment management at Concordia University, and the Goodman School of Mines, which is under development at Laurentian University. He is also the Chancellor of Brock University in Ontario, Chairman Emeritus of the Canadian Council of Christians and Jews, a Governor of Junior Achievement of Canada and a former Director of the Mount Sinai Hospital Foundation. He is also a founding director of the Roasters Foundation, the Jodamada Foundation and the Dynamic Fund Foundation.

Mr. Goodman holds a B.Sc. in geology from McGill University and an M.B.A. from the University of Toronto. He earned the designation of Chartered Financial Analyst in 1967. In 1997, he was awarded a Doctorate of Laws, *honoris causa*, by Concordia University.

Mr. Goodman controls, directly or indirectly a total of 17,748,000 common shares of the Company.

Joanne Ferstman

Joanne Ferstman has over two decades of experience in the capital markets, financial services and mining industries, including most recently being a director and Chair of the Audit Committee of Breakwater Resources Inc. She is currently a corporate director and sits on the boards of Dundee REIT, Dundee Industrial REIT and Aimia Inc. Ms. Ferstman was most recently the President and Chief Executive Officer of Dundee Capital Markets Inc.

Ms. Ferstman was also previously Vice-Chair and Head of Capital Markets of DundeeWealth Inc., a diversified wealth management public company that managed over \$75 billion of assets, including the family of Dynamic Funds prior to its sale to the Bank of Nova Scotia in 2011. Prior to 2009, Ms. Ferstman was Executive Vice President and Chief Financial Officer of DundeeWealth Inc. and Executive Vice President, Chief Financial Officer and Corporate Secretary of Dundee Corporation. In these senior financial roles, Ms. Ferstman was intimately involved in all corporate strategy, including acquisitions and financings, and had ultimate responsibility for all public financial reporting.

Ms. Ferstman is a Chartered Accountant and holds a Bachelor of Commerce and Graduate degree in Public Accountancy from McGill University.

Brendan Cahill

Mr. Cahill has been President of Excellon since November 2012 and joined the Company as Executive Vice President in summer 2012. Since joining the Company, he has significantly advanced the Company's profile with the communities near La Platosa, all levels of Mexican government and the Company's investor base.

Mr. Cahill was previously Vice President Corporate Development of Pelangio Exploration Inc., a junior gold exploration company active in Ghana, West Africa, and served as Corporate Secretary of Pelangio Mines Inc., prior to its merger with Detour Gold Corporation. Prior to Pelangio, he was a lawyer in the M&A and corporate securities practices at Davies Ward Phillips & Vineberg LLP.

Mr. Cahill holds a law degree from the University of Western Ontario and an undergraduate degree from the University of Toronto.

About Excellon

An Evolution in High Grade Silver: *Excellon's 100%-owned La Platosa Mine in Durango is Mexico's highest grade silver mine, with lead and zinc by-products making it one of the lowest cash cost silver mines in the country. The Company is positioning itself to capitalize on undervalued projects by focusing on increasing La Platosa's profitable silver production and near term mineable resources.*

Disclaimer:

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this Press Release, which has been prepared by management. This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 27E of the Exchange Act. Such statements include, without limitation, statements regarding the future results of operations, performance and achievements of the Company, potential property acquisitions, the timing, content, cost and results of proposed work programs, the discovery and delineation of mineral deposits/resources/reserves, geological interpretations, proposed production rates, potential mineral recovery processes and rates, business and financing plans (including the proposed consolidation), business trends and future operating revenues. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate 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 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. All of the Company's public disclosure filings may be accessed via 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 November 22, 2011 NI 43-101-compliant technical report prepared by Roscoe Postle Associates Inc. with respect to the Platosa Property. This press release is not, and is not to be construed in any way as an offer to buy or sell securities in the United States.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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