

## EXCELLON REPORTS FIRST QUARTER 2015 FINANCIAL RESULTS

Toronto, Ontario – May 14, 2015 – Excellon Resources Inc. (TSX:EXN; OTC:EXLLF) ("Excellon" or the "Company"), Mexico's highest grade silver producer, is pleased to report financial results for the three-month period ended March 31, 2015.

### Q1 2015 Financial Highlights

- Revenue of \$5.1 million (Q1 2014 – \$10.5 million)
- Sales of 379,279 silver equivalent ounce ("AgEq oz") payable (Q1 2014 – 565,129 AgEq oz payable)
- Net loss of \$0.2 million or \$0.00/share (Q1 2014 – net income of \$1.9 million or \$0.03/share)
- Cash flow from operations of \$0.4 million or \$0.01/share before changes in working capital (Q1 2014 – cash flow of \$2.1 million or \$0.04/share)
- Cash costs per Ag oz payable of \$14.24 (Q1 2014 – \$11.76)
- All-in sustaining cost per Ag oz payable ("AISC") of \$20.69 (Q1 2014 – \$17.28 per Ag oz payable)
- Cash and current account receivable totaled \$3.1 million at March 31, 2015 (\$5.2 million at December 31, 2014)
- Net working capital totaled \$5.1 million at March 31, 2015 (\$6.2 million at December 31, 2014)

"Production and costs during the first quarter were a marked improvement from the fourth quarter of 2014," stated Brendan Cahill, President and Chief Executive Officer. "We continue to identify further opportunities to reduce costs, particularly on electrical and maintenance at the mine and on corporate G&A. Our primary focus right now is on the planning and implementation of the long-term optimization plan for Platosa, with a preliminary economic assessment on the plan scheduled to be released during this quarter."

### Financial and Operating Highlights

Financial results for the three month periods ended March 31, 2015 and 2014 and December 31, 2014 are as follows:

('000s of USD, except amounts per share and per ounce)	Q1 2015	Q4 2014	Q1 2014
Revenues <sup>(1)</sup>	5,055	4,234	10,536
Production costs	(4,560)	(5,702)	(6,804)
Depletion and amortization	(847)	(877)	(993)
Cost of sales	(5,407)	(6,579)	(7,797)
Earnings/(loss) from mining operations	(352)	(2,345)	2,739
Corporate administration	(792)	(940)	(1,185)
Exploration	(226)	(269)	(337)
Other (incl. finance cost)	524	(1,076)	1,078
Income tax recovery (expense)	609	2,044	(420)
Net income (loss)	(237)	(2,586)	1,875
Earnings (loss) per share – basic and diluted	(0.00)	(0.05)	0.03
Cash flow from (used in) operations <sup>(2)</sup>	430	(1,528)	2,136

('000s of USD, except amounts per share and per ounce)	Q1 2015	Q4 2014	Q1 2014
Cash flow from (used in) operations per share – basic <sup>(2)</sup>	0.01	(0.03)	0.04
Total cash cost per silver ounce payable (\$/Ag oz)	14.24	24.39	11.76
All-in sustaining cost per silver ounce payable (\$/Ag oz)	20.69	38.66	17.28

- (1) Revenues are net of treatment and refining charges.  
(2) Cash flow from operations before changes in working capital.

Operations during the first quarter continued to focus on development to improve production in future quarters, with a 43% increase in development meterage relative to Q1 2014. Production of 408,095 silver equivalent ounces in Q1 2015 was lower, compared to 589,881 silver equivalent ounces in Q1 2014. In Q1 2015 tonnage mined and milled improved by 29% and 18% respectively from Q4 2014.

Cost of sales decreased by 31% during the period as a result of lower tonnage mined and milled relative to the same period in 2014. Maintenance costs were significantly lower as repairs to major pumps and mobile equipment were completed in the prior quarter to improve availability and reduce ongoing repair costs. Ongoing cost savings initiatives being implemented at the mine site are reducing unit costs, particularly in the electrical area.

The Company recorded a net loss of \$0.2 million for Q1 2015 compared to a net income of \$1.9 million in Q1 2014, for the reasons described above. Other principal factors contributing to the loss and difference in revenues included a lower average realized silver price of \$16.22/oz in Q1 2015 (Q1 2014 – \$20.60/oz). While silver prices impacted the Company’s revenues and operating profits, lead and zinc prices remained strong and accounted in the aggregate for 46% (Q1 2014 – 36%) of the Company’s cash inflows from metals sold during the quarter. As silver prices were also relatively stable during the quarter, revenues were not significantly impacted by any mark-to-market adjustments.

Cash corporate administrative expenses of \$0.6 million in Q1 2015 (Q1 2014 – \$0.85 million) were 28% lower than in the comparable period and reflective of ongoing cost discipline at the corporate head office in Toronto. Quarterly cash G&A expense was the lowest since 2005 (the year prior to Platosa’s first full year of production).

The Company invested \$0.4 million during Q1 2015 in capital expenditures for mine development compared to \$0.5 million in Q1 2014 and \$1.4 million in Q4 2014. Mine development remains a priority for 2015 as the Company continues to develop into additional high-grade mantos.

Exploration expenses incurred during the period were \$0.2 million (Q1 2014 – \$0.3 million). Planning for additional drilling continues for areas north, northeast, east and southeast of the known mantos.

Total cash cost per silver ounce payable was \$14.29/oz in Q1 2015 compared to \$11.76/oz in Q1 2014. During the period, the Company’s cash cost improved significantly from \$24.39/oz in Q4 2014 as production and water management improved. All-in sustaining cost (“AISC”) per silver ounce payable was \$20.69 during Q1 2015 compared to \$17.27 in Q1 2014, due to lower tonnage and production grades in the current period. Quarter-over-quarter, AISC improved from \$38.66 in Q4 2014, due to lower cash costs and development expenditures in the current period.

All financial information is prepared in accordance with IFRS, and all dollar amounts are expressed in U.S.

dollars unless otherwise specified. The information in this news release should be read in conjunction with the Company's consolidated financial statements for the three-month period ended March 31, 2015 and associated management discussion and analysis ("MD&A") which are available on the Company's website at [www.excellonresources.com](http://www.excellonresources.com) and under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The discussion of financial results in this press release includes reference to "cash flows from operations before changes in working capital items", "cash cost per payable silver ounce net of byproducts" and "all-in sustaining cost per payable silver ounce," which are non-IFRS performance measures. The Company presents these measures to provide additional information regarding the Company's financial results and performance. Please refer to the Company's MD&A for the three-month period ended March 31, 2015, for a reconciliation of these measures to reported IFRS results.

### Q1 2015 Production Results

	Q1 2015	Q4 2014	Q1 2014
<b>Tonnes Mined</b>	13,920	10,794	19,202
<b>Tonnes Milled</b>	13,828	11,671	18,890
<b>Grades</b>			
<b>Silver (g/t)</b>	533	632	614
<b>Lead (%)</b>	5.37	6.00	6.67
<b>Zinc (%)</b>	8.83	8.28	8.12
<b>Recoveries</b>			
<b>Silver (%)</b>	91.7	93.1	92.7
<b>Lead (%)</b>	79.2	75.7	84.2
<b>Zinc (%)</b>	83.7	79.6	80.8
<b>Metal Production*</b>			
<b>Silver (oz)</b>	217,079	206,343	365,941
<b>Lead (lb)</b>	1,252,796	1,136,853	2,346,766
<b>Zinc (lb)</b>	2,239,313	1,656,332	2,629,682
<b>AgEq (oz)**</b>	408,095	366,272	589,881

\* Subject to adjustment following settlement with concentrate purchaser.

\*\* Silver equivalent ounces established using average metal prices during the period indicated applied to the recovered metal content of concentrates.

Ore production during the first quarter was primarily from the 6A, Guadalupe South and periphery of the 623 mantos. Grades during the quarter were generally in line with estimates for the Platosa mineral resources mined during the period. Mine operations improved from the third and fourth quarters in 2014 as water management was normalized, resulting in drier mining conditions. Development continues to be a priority for the Company and will be focused on the 6A, Rodilla and 623 mantos during the second quarter of 2015, the latter of which hosts mineral resources of 83,000 tonnes at 1,232 g/t Ag (1,777 g/t AgEq). Production from 623 is currently from the lower grade periphery of the manto, with higher grade production expected to come online in late Q2 2015, though beginning with relatively limited tonnage.

The Company is currently preparing to implement an optimization program at Platosa which is designed to achieve dry mining conditions and improve overall production rates and costs. A preliminary economic

assessment is currently being prepared by Roscoe Postle Associates Inc. and is expected to be released during the second quarter of 2015.

### **About Excellon**

Excellon's 100%-owned and royalty-free La Platosa Mine in Durango is Mexico's highest grade silver mine, with lead and zinc by-products historically 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 silver production and near-term mineable resources.

Additional details on the La Platosa Mine and the rest of Excellon's exploration properties are available at [www.excellonresources.com](http://www.excellonresources.com).

### **For Further Information, Please Contact:**

Excellon Resources Inc.  
Brendan Cahill, President & Chief Executive Officer or  
Rupy Dhadwar, Chief Financial Officer  
(416) 364-1130  
[info@excellonresources.com](mailto:info@excellonresources.com)  
[www.excellonresources.com](http://www.excellonresources.com)

### **Forward-Looking Statements**

*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, 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, proposed production rates, potential mineral recovery processes and rates, business and financing plans, 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](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 March 25, 2014 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.*