



# Management’s Discussion & Analysis of Financial Results

For the year ended December 31, 2025

Excellon Resources Inc. (the “Company” or “Excellon”) has prepared this Management’s Discussion and Analysis of Financial Results (“MD&A”) for the year ended December 31, 2025 in accordance with the requirements of National Instrument 51-102 (“NI 51-102”).

This MD&A contains information as at April 28, 2026 and provides information on the operations of the Company for the years ended December 31, 2025 and 2024 and subsequent to the period end, and should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2025 and 2024, which have been filed under Excellon’s profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)). The audited consolidated financial statements for the years ended December 31, 2025 and 2024 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). All figures in this MD&A are in thousands of United States dollars (\$’000) unless otherwise noted.

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### BUSINESS AND STRATEGIC PRIORITIES

Excellon's vision is to realize opportunities through the acquisition and advancement of quality precious and base metal assets, leveraging an experienced management team for the benefit of its employees, communities and shareholders. The Company is focused on the potential restart of the Mally Silver Mine in Peru. Excellon also holds a portfolio of exploration-stage projects, including the Tres Cerros Gold/Silver Exploration Property in Peru; Kilgore, an advanced gold project in Idaho; and Silver City, a high-grade epithermal silver district in Saxony, Germany, providing additional growth upside.

The common shares of Excellon trade on the Toronto Venture Stock Exchange (the "TSXV") under the symbol "EXN", the OTC in the United States under the symbol "EXNRF", and on the Frankfurt Stock Exchange under the symbol "E4X2".

### KEY DEVELOPMENTS

- **Mally Acquisition and Restart Progress:** Completed the acquisition of the Mally Mine and the nearby Tres Cerros Exploration Property. The Company re-established underground mining and haulage cycles, and progressed a staged restart sequence, including stockpile build-up, in line with monthly plans.
- **Independent Mally Mineral Resource Estimate:** Announced a first independent NI 43-101 mineral resource estimate ("MRE") for Mally comprising Indicated Mineral Resources of 890,000 tonnes grading 195 g/t silver, 3.33% lead and 4.83% zinc, and Inferred Mineral Resources of 362,000 tonnes grading 149 g/t silver, 2.67% lead and 4.32% zinc. The MRE totals 12.01 Moz AgEq grading 420 g/t Indicated and 4.00 Moz AgEq grading 344 g/t Inferred. A NI 43-101 technical report supporting the MRE, prepared by SGS Canada (Geological Services) with an effective date of February 18, 2026, was filed on SEDAR+ on April 8, 2026.
- **Mally Exploration and Resource Growth:** Advanced exploration and technical work at Mally through an updated geological model linking the Pierina, Shafra and Mally Deeps targets, confirming continuity of Pierina below existing workings and identifying priority near-mine and depth targets for follow-up drilling. The Company also identified the emerging calc-silicate Footwall Zone adjacent to the Isguiz vein, with widths of 3 to 8 metres, historical mineralized intercepts and initial metallurgical work supporting potential blending opportunities. The Shafra Zone surface sampling campaign (2025) returned anomalous gold in 96% of 78 samples, with values up to 62.38 g/t Au, supporting the interpretation of a multi-stage gold-silver system at depth. The Footwall Zone has been delineated over approximately 330 metres vertically and 500 metres along strike.
- **Tres Cerros Expansion and Drill Readiness:** Expanded the Tres Cerros land package by acquiring two additional mineral concessions to the south, increasing the total land position by approximately 52% to 3,310 hectares and extending the prospective corridor by about five kilometres to the south. The Company also initiated permitting for an initial 5,000-metre drill program, positioning Tres Cerros as an important growth opportunity alongside Mally.

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- **Financing and liquidity:** Strengthened the balance sheet through multiple financings, including a brokered unit private placement for gross proceeds of approximately C\$8.0 million in May 2025, a brokered LIFE private placement for gross proceeds of C\$12.0 million in September 2025, and a bought deal and concurrent private placement for aggregate gross proceeds of approximately C\$21.8 million in March 2026. Together, these financings support the Mallay Mine restart, Peru exploration and development, working capital and general corporate purposes.

### ASSET SUMMARY

Refer to the Company's Annual Information Form ("AIF") for a detailed overview of the Company's exploration projects, including mineral resource estimates, and the Company's website for an overview of the Mallay Silver Mine and the Tres Cerros Gold/Silver Exploration Property in Peru.

### OUTLOOK

#### *Mallay Mine – Transitioning to Production*

- **Mallay Restart Advancing:** Following the completion of the acquisition of Minera CRC and the advancement of underground rehabilitation activities at Mallay, the Company expects to continue progressing a staged restart of operations in 2026. Planned work includes continued underground development, access preparation, dewatering and mine readiness activities, with the objective of supporting a ramp-up toward the 600 tonnes per day nameplate mill capacity in 2026. The Company has not completed a feasibility study on Mallay. Any decision to commence or resume production at Mallay will not be based on a feasibility study of mineral reserves demonstrating economic and technical viability, which increases the uncertainty and risk of failure associated with any production decision.
- **Definition Drilling and Mine Planning:** With the initial independent NI 43-101 mineral resource estimate for Mallay now complete, the Company has commenced a 10,000-metre underground definition and infill drill program from rehabilitated drill bays on the 4090 level, and is advancing detailed mine planning to support the delineation of initial mining areas, refine sequencing for restart and support a disciplined, capital-efficient ramp-up strategy.
- **Near-Mine Growth Potential at Mallay:** The Company expects to continue evaluating opportunities to expand the Mallay mineral inventory through in-mine and near-mine exploration targeting the Pierina, Isguiz, Shafra and Mallay Deeps areas, as well as the emerging Footwall Zone. Management believes these targets have the potential to support mine life extension and enhance the longer-term production profile at Mallay. A 6-hole (~3,500-metre) Shafra Zone drill program combined with downhole EM geophysics is being targeted. Initial third-party metallurgical testwork on Footwall Zone material has been completed and a staged stockpiling is underway to support planned blending with Isguiz material during restart.
- **Advancing Tres Cerros:** At Tres Cerros, the Company expects to continue advancing permitting and drill preparation for its initial 5,000-metre program across the expanded land package. The Company believes Tres Cerros represents a compelling district-scale exploration opportunity with potential to identify additional mineralized zones within trucking distance of the Mallay processing infrastructure.

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- **Permitted Infrastructure and Operational Readiness:** Mally benefits from substantial existing permitted infrastructure, and the Company expects to continue leveraging this infrastructure to support restart and exploration activities. All key mining and environmental permits remain in good standing, which positions the Company well to advance its near-term operational and exploration objectives.

### *Kilgore Project, Idaho*

Kilgore is an advanced exploration-stage project located in Clark County, Idaho. A preliminary economic assessment was completed on Kilgore in 2019 that demonstrated potential as a low-cost, open pit, heap-leach mining operation. The Company acquired Kilgore for approximately US\$20 million in 2020 at a time when the average gold price was approximately US\$1,600/oz.

### *Silver City Project, Optionality in Germany*

Silver City, in the heart of the "Ore Mountains of Germany", is comprised of four mineral licences totalling 340 km<sup>2</sup>. Excellon has invested approximately C\$8 million in exploration expenditures including over 22,000 metres of drilling over 2021 and 2022. Excellon believes this is an opportune time to be exploring for minerals in Europe. The European framework for minerals investment is rapidly changing to support domestic supply security and a new "Saxon Raw Materials Strategy" was recently published supporting the importance of promoting a local mining industry.

Excellon will continue to assess the market for spin-out of the project. Priorities with a spin-out are to raise sufficient capital to adequately fund the next exploration campaign and a valuation that justifies return on historical exploration capital. As the holding costs for Silver City are exceptionally low relative to other exploration jurisdictions globally, Excellon has the benefit of optionality and timing to successfully deliver the project into the capital markets.

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### FINANCIAL REVIEW

#### Summary of Annual and Quarterly Financial Results

Annual financial statement highlights for the previous three years are as follows:

(in US\$ 000's)	2025	2024	2023
General & admin expense (includes share-based comp ("SBC"))	(2,905)	(2,552)	(3,652)
Exploration and holding expense	(360)	(281)	(1,448)
Other income (expense)	626	(678)	4,475
Net finance expense	(1,653)	(2,443)	(4,764)
Gain on deconsolidation of Mexican subsidiaries	-	8,288	24,255
Reclassification of currency translation adjustments	-	(7,622)	(6,923)
Impairment loss	-	-	(5,612)
Care and maintenance and wind down expense	-	-	(540)
Income tax recovery	-	-	743
Net (loss) income for the year	(4,292)	(5,288)	6,534
(Loss) income per share – basic	(0.02)	(0.05)	0.16
Operating cash flows before changes in working capital	(1,930)	(1,821)	(4,827)
Total assets	41,606	18,388	16,641
Total liabilities	16,420	8,940	26,468
Total equity (deficit)	25,186	9,448	(9,827)
Non-current liabilities	5,734	3,250	748

#### Summary of Quarterly Financial Results

Financial statement highlights for the quarter ended December 31, 2025, and the last eight quarters are as follows:

(in US\$ 000's)	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
General & admin expense (& SBC)	(1,084)	(805)	(436)	(580)	(751)	(606)	(721)	(474)
Exploration and holding expense	(134)	(174)	(35)	(17)	(40)	(154)	(44)	(43)
Other income (expense)	542	122	(25)	(13)	(3)	280	(235)	(720)
Net finance expense	(450)	(374)	(480)	(349)	(577)	(295)	(336)	(1,235)
Gain on deconsolidation	-	-	-	-	-	-	8,288	-
Reclassification of CTA	-	-	-	-	-	-	(7,622)	-
Net loss	(1,126)	(1,231)	(976)	(959)	(1,371)	(775)	(670)	(2,472)
Net loss per share, basic	(0.00)	(0.00)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.04)

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The following is a discussion of the material variances between Q4 2025 and Q4 2024 and the year ended December 31, 2025 versus the year ended December 31, 2024.

	Q4		Year ended December 31,	
	2025	2024	2025	2024
<b>Net loss</b>	<b>(1,126)</b>	<b>(1,371)</b>	<b>(4,292)</b>	<b>(5,288)</b>

Net loss for Q4 2025 decreased by \$0.2 million compared to Q4 2024, primarily due to a \$0.5 million increase in other income resulting from unrealized foreign exchange gains in Q4 2025 and a \$0.1 million decrease in finance expense following the conversion of C\$1.8 million of convertible debenture principal into shares in 2025. These favourable variances were partially offset by a \$0.3 million increase in general and administrative expenses in Q4 2025, including \$0.2 million related to public company costs and accruals.

Net loss for 2025 decreased by \$1.0 million compared to 2024, primarily due to a \$1.3 million favourable variance in other income and expense, reflecting a \$0.8 million loss on debenture restructuring recognized in 2024 and a \$0.7 million variance in unrealized foreign exchange gains and losses, as well as a \$0.8 million decrease in finance expense following the conversion of C\$1.8 million of convertible debenture principal into shares in 2025. These favourable variances were partially offset by a net \$0.6 million gain recognized in 2024 related to the deconsolidation of certain Mexican subsidiaries and related currency translation adjustments.

<b>Exploration and holding expenses</b>	<b>134</b>	<b>40</b>	<b>360</b>	<b>281</b>
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Exploration and holding expense increased by \$0.1 million in Q4 2025 and in 2025, relative to the comparative periods, primarily reflecting higher consulting and technical study costs associated with the Mallay Mine and Tres Cerros exploration project.

<b>General &amp; administrative expense (including SBC)</b>	<b>1,084</b>	<b>751</b>	<b>2,905</b>	<b>2,552</b>
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General and administrative expense, includes personnel costs, office and overhead, corporate development, legal, public company costs, share-based compensation and amortization, and were \$0.3 million higher in Q4 2025 compared to the comparative period, including \$0.2 million related to public company costs and accruals.

General and administrative expenses were \$0.4 million higher for 2025 compared to 2024, primarily reflecting a \$0.5 million increase in salaries, consulting, director and professional fees, partly offset by a \$0.2 million decrease in stock-based compensation expense.

<b>Other (income) expense</b>	<b>(542)</b>	<b>3</b>	<b>(626)</b>	<b>678</b>
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Other income expense includes realized and unrealized foreign exchange gains and losses, gains and losses on marketable securities and warrants, interest income and other non-routine income or expenses, if any.

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Other income increased by \$0.5 million in Q4 2025 relative to the comparative period, primarily reflecting unrealized foreign exchange gains. For 2025, other income and expense improved by \$1.3 million compared to 2024, primarily due to a \$0.8 million loss on debenture restructuring recognized in 2024 and a \$0.7 million variance in unrealized foreign exchange gains and losses.

	Q4		Year ended December 31,	
	2025	2024	2025	2024
<b>Finance expense</b>	<b>450</b>	<b>577</b>	<b>1,653</b>	<b>2,443</b>

Net finance expense consists primarily of interest on the convertible debentures recognized using the effective interest method. The conversion of C\$1.8 million of convertible debenture principal into shares in 2025 reduced interest expense by \$0.2 million in Q4 2025 and by \$1.0 million for the year ended 2025, relative to the comparative periods. These favourable variances were partially offset by a \$0.1 million increase in other interest expense and accretion on the rehabilitation provision in Q4 2025 and 2025.

### COMMON SHARE DATA AS AT APRIL 28, 2026

<b>Common shares issued and outstanding</b>	<b>384,860,623</b>
Stock options	13,290,000
DSUs	7,965,642
RSUs	2,485,000
Warrants (\$0.27, expiry May 2026)	441,333
Warrants (\$0.15, expiry Dec 2026)	9,714,300
Warrants (\$0.15, expiry May 2028)	24,117,238
<b>Diluted common shares <sup>(1)</sup></b>	<b>442,874,136</b>

(1) Conversion of all outstanding convertible debentures would result in the issuance of an additional 55,230,000 common shares of the Company.

### LIQUIDITY AND CAPITAL RESOURCES

The consolidated financial statements are prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. Refer to Note 2 of the consolidated financial statements for discussion of the material uncertainties which may cast significant doubt on the Company's ability to realize its assets and discharge its liabilities in the normal course of business.

The Company does not currently have a source of operating cash flows; it is dependent on obtaining capital either through external financing or through cash flows generated from the restart of the Mallay Mine. A continuous review of the Company's capital expenditure and exploration programs ensures the Company's capital resources are utilized in a responsible and sustainable manner. See also "Commitments" below, for further detail.

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For the year ended December 31, 2025

	December 31, 2025	December 31, 2024
Cash and cash equivalents	7,161	1,362

In 2025, the Company completed two equity financings. On May 14, 2025, the Company closed a brokered private placement of 76.2 million units at C\$0.105 per unit for aggregate gross proceeds of C\$8.0 million. On September 9, 2025, the Company completed a brokered private placement of 60.0 million common shares at C\$0.20 per share for aggregate gross proceeds of C\$12.0 million. Net proceeds from these financings of \$13.1 million, after agent fees and transaction costs, were used to fund upfront costs and transaction costs related to the Mallay Acquisition, rehabilitation and development of the Mallay Mine, exploration and holding costs, general and administrative costs, and working capital.

The Company intends to use the net proceeds of the financings for exploration and development activities at the Mallay Mine and the Tres Cerros Exploration Property, working capital and general corporate purposes. As of the date of this MD&A, the Company is using the funds as intended. Subsequent to December 31, 2025, on March 12, 2026, the Company closed a bought deal private placement and a concurrent private placement, issuing a total of 36,369,500 common shares at C\$0.60 per share for aggregate gross proceeds of C\$21.8 million. The Company intends to use the net proceeds for exploration and development activities in Peru, working capital and general corporate purposes. Together with the undrawn Glencore Facility, this financing provides the Company with meaningful liquidity to advance the staged restart of the Mallay Mine.

Working capital (deficit)	(5)	(3,864)
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Working capital, defined as current assets less current liabilities, improved by \$3.9 million as at December 31, 2025 relative to December 31, 2024. The increase was primarily driven by a \$8.9 million increase in current assets, reflecting increased cash of \$5.8 million and VAT recoverable of \$3.0 million acquired from Minera CRC. This was partially offset by a \$5.0 million increase in current liabilities, primarily due to a \$3.4 million increase in convertible debentures as a result of their classification as current. Of the \$8.9 million increase in current assets, cash and cash equivalents of \$7.2 million at December 31, 2025 represents the most liquid component; VAT recoverable of \$3.3 million is subject to timelines tied to the progression of Mallay operations.

In addition to cash and working capital, the Company has secured a pre-export finance loan facility of up to US\$7.5 million with Glencore plc (the "Glencore Facility") to fund the restart of the Mallay Mine. The Glencore Facility consists of an initial tranche of up to US\$5.0 million and an optional additional tranche of up to US\$2.5 million. The optional tranche was available until March 2026, and the Company is currently in discussions with Glencore regarding an extension. The facility bears interest at SOFR plus 5% and includes a six-month grace period on principal repayments following the initial drawdown. As at the date of this MD&A, no amounts had been drawn under the Glencore Facility.

The convertible debentures do not include any financial covenants related to working capital and the Company has the option to pay the interest on the convertible debentures in Common Shares.

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	December 31, 2025	December 31, 2024
<b>Investing activities</b>	<b>(7,127)</b>	<b>(1,296)</b>

In 2024 the Company invested \$1.3 million in upfront funding and transaction costs related to the Mallay Acquisition. In 2025 the Company invested a further \$1.9 million in upfront funding and transaction costs related to the Mallay Acquisition, and \$5.3 million on the Mallay Mine and Tres Cerros Project in 2025.

<b>Financing activities</b>	<b>15,007</b>	<b>3,530</b>
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The 2025 financing activities include \$13.1 million in proceeds from the private placements, net of transaction costs, as well as \$1.9 million in proceeds from the exercise of warrants in Q3 and Q4 2025.

### Financial instruments

All financial assets and financial liabilities, other than derivatives, are initially recognized at the fair value of consideration paid or received, net of transaction costs, as appropriate, and subsequently carried at fair value or amortized cost. The carrying values of payables and accruals, VAT recoverable, other VAT liabilities, the promissory note, the restricted cash and other current assets are considered to be reasonable approximations of their respective fair values due to the nature of these instruments, unless otherwise noted.

The Company's financial results are sensitive to changes in foreign exchange and interest rates, and the Company may periodically consider hedging such exposure. The Company's Board of Directors together with executive management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company may address its price-related exposure to foreign exchange through the use of options, futures, forwards and derivative contracts.

The Peruvian Sol ("PEN"), Mexican peso ("MXN"), Canadian dollar ("CAD"), Euro ("EUR") and US dollars ("USD") are the functional currencies of the Company, with currency exposures arising from transactions and balances in currencies other than the functional currencies. The fluctuation of the USD in relation to the PEN, CAD, MXN and the Euro impacts the reported financial performance of the Company.

### Contractual obligations

This table summarizes contractual obligations including payments due for each of the next five years and thereafter:

	\$ 000				
	Total	Less than one year	1 – 3 years	4 – 5 years	After 5 years
Payables and accruals	4,890	4,890	-	-	-
Promissory note	1,250	1,250	-	-	-
Convertible debentures – principal (USD)	4,002	4,002	-	-	-
Convertible debentures – 6.50% interest <sup>(1)</sup>	175	175	-	-	-
<b>Total:</b>	<b>10,317</b>	<b>10,317</b>	-	-	-

(1) Convertible debenture interest can be paid in Common Shares at the election of the Company, at a 10% interest rate.

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### Commitments

The Company’s projects are at varying stages of exploration advancement. The Company budgets exploration expenditures on an annual basis and does not commit to long-term drilling contracts. Exploration expenditures may be highly variable depending on ongoing results and a host of other factors, including available funds, permitting status, and changes in local or geopolitical risks.

In Idaho, commitments relate to annual claim fees associated with the Company’s mineral claims. There are no annual fees associated with exploration licences in Saxony, Germany. The commitments outlined below may vary depending on operational and/or exploration results or geopolitical conditions, which may lead the Company to expand or relinquish all or part of a project.

The following table summarizes the Company’s significant unrecognized commitments as of the date of this MD&A (in thousands of US dollars):

Project	Type	\$ 000				
		Total	Less than one year	1 – 3 years	4 – 5 years	After 5 years <sup>(1)</sup>
Kilgore	Fees	640	128	256	256	-
Mallay and Tres Cerros	Fees	225	45	90	90	-
Tres Cerros	Exploration <sup>(2)</sup>	7,500	1,000	6,500	-	-

(1) Concession and claim fees continue until the relinquishment or expiration of the applicable concessions or claims.

(2) Qualifying expenditures at Tres Cerros under the Back-in Right agreement with Adar.

### CONTINGENCIES

Contingencies can be either possible assets or possible liabilities arising from past events which, by their nature, will only be resolved when one or more future events not within the Company’s control occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings or regulatory or government actions that may negatively impact our business or operations, the Company with assistance from its legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims or actions.

### Legal proceedings

The Company is involved in legal proceedings and business disputes from time to time arising from the normal course of business. Management, after consultation with legal counsel, believes that the outcome of these proceedings will not have a material impact on the Company’s consolidated financial position, results of operations or liquidity.

On April 21, 2025, the Company announced that it had received a statement of claim in which it has been named as a defendant in an action commenced by Javier Martinez Lomas in the Ontario Superior Court of Justice, related to prior litigation against a former indirect Mexican subsidiary of Excellon. The plaintiff is seeking, among other things, damages in the amount of approximately US\$23 million. The claim arises from a prior dispute in Mexico involving a former subsidiary of Excellon that operated independently under Mexican law. The matter was fully litigated in the Mexican courts, where due process was followed, and the matter was believed to be resolved. The Company believes that the



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lawsuit is an opportunistic attempt to relitigate a dispute that has already been addressed under Mexican law. Excellon believes that the claims in the action are without merit, and will take all appropriate steps to defend the action and dismiss the claim. Management believes the probability of outflow related to this matter is remote.

### RELATED PARTY TRANSACTIONS

Remuneration to directors and key management who have the authority and responsibility for planning, directing and continuing the activities of the Company:

	2025	2024
	\$	\$
Salaries, fees and benefits	713	425
Directors' fees – settled in DSUs	203	170
Share-based compensation	638	278
	<b>1,554</b>	<b>873</b>

The Company had amounts owing to management of \$215 at December 31, 2025 (2024: \$181). In Q4 2024, the Company received a bridge loan of \$100 from a director in connection with the Mallay Acquisition. \$38 was repaid in cash in Q4 2024 (including interest of \$1), and \$62 (in 2024 payables and accruals) was settled through the issuance of Common Shares in Q1 2025.

### Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

### ACCOUNTING POLICIES AND INTERNAL CONTROLS

#### Disclosure Controls & Procedures and Internal Control Over Financial Reporting

Disclosure controls and procedures (“DC&P”) are designed to provide reasonable assurance that all relevant information is gathered and reported to management, including the President & CEO and CFO, on a timely basis so that appropriate decisions can be made regarding public disclosure.

Internal control over financial reporting (“ICFR”) means a process designed by or under the supervision of the President & CEO and CFO, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management uses the criteria set forth in Internal Control – Integrated Framework (2013) (“COSO 2013”) issued by the Committee of Sponsoring Organizations of the Treadway Commission to evaluate the effectiveness of the Company’s ICFR.

The internal controls are not expected to prevent and detect all misstatements due to error or fraud.

As a venture issuer, the Company is not required under *National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings* to certify the design and evaluation of DC&P and ICFR. However, Management relies on existing controls and procedures to provide reasonable assurance that material information relating to the Company is made known to them on a timely basis and that financial reporting is reliable and prepared in accordance with IFRS.

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### Accounting policy, estimates and judgements

#### Accounting standards issued but not yet effective

The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### Significant accounting estimates and judgements

The Company's significant accounting policies are described in Note 4 to the consolidated financial statements for the year ended December 31, 2025. The preparation of the consolidated financial statements require management to make estimates, assumptions and judgements that may have a significant impact on the consolidated financial statements. These estimates, assumptions and judgements are continuously evaluated and are based on management's experience and expectations of future events that are believed to be reasonable under the circumstances, however actual outcomes can differ. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

Critical judgements exercised in applying accounting policies and key sources of estimation uncertainty that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

- Acquisition of Minera CRC – the Acquisition of Minera CRC was accounted for as an asset acquisition. The Company exercised significant judgement to determine that this accounting treatment was appropriate, including the determination that the acquiree was not a business under IFRS 3, Business Combinations, because it did not have significant inputs, substantive processes and outputs that together constitute a business. The Company exercised significant judgement and estimates allocating the consideration paid to the assets acquired and liabilities assumed.
- Provision for rehabilitation – the Company records any rehabilitation obligations as a liability in the period in which the related environmental disturbance occurs, based on the present value of the estimated future costs. This obligation is adjusted at the end of each reporting period to reflect the passage of time and changes in the estimated future costs underlying the obligation. In determining this obligation, management must make a number of assumptions about the amount and timing of future cash flows, inflation rates and discount rates
- Share capital and warrants – the Company exercised judgement in determining the assumptions and valuation techniques used in valuing the private placement equity and warrants.

### **BUSINESS ENVIRONMENT AND RISKS**

#### Risks and uncertainties

The Company's business entails exposure to certain risks, including but not limited to: metal price risk; foreign exchange risk since the Company reports in United States dollars but operates in jurisdictions that use other currencies; the inherent risk of uncertainties in estimating Mineral Resources; political risk associated with operating in foreign jurisdictions; environmental risks; surface rights and access; enforcement of legal rights; and risks associated with labour relations issues. The current or future operations of Excellon are or will be governed by and subject to federal, state and municipal laws and regulations regarding mineral taxation, mineral royalties and other governmental charges. Any change to the mineral taxation and royalty regimes in the jurisdictions in which Excellon plans to operate could have an adverse financial impact on the Company's planned operations and the overall financial results of the Company,

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the extent of which cannot be predicted. For additional discussion of risk factors refer to the Company's AIF which is available under the Company's profile on SEDAR+.

### **ADDITIONAL SOURCES OF INFORMATION**

Additional disclosures pertaining to the Company, including its AIF, audited and unaudited interim financial statements, management information circular, material change reports, news releases and other information, are available under Excellon's profile on SEDAR+ or on the Company's website ([www.excellonresources.com](http://www.excellonresources.com)).

### **CAUTIONARY STATEMENTS ON FORWARD-LOOKING STATEMENTS AND OTHER MATTERS**

#### **Forward-Looking Statements**

All statements, other than statements of historical fact, contained or incorporated by reference in this Management's Discussion & Analysis of Financial Results for the years ended December 31, 2025 and 2024 and the accompanying financial statements for the same period (together, the "2025 Financial Disclosure") 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: "advancing", "aim", "alternatives", "believes", "considering", "contemplated", "contingencies", "continuing", "could", "demonstrated", "development", "de-risking", "discovery", "early-stage", "evaluate", "expected", "exploration", "estimate", "focus", "further", "future", "goals", "indicate", "initial", "intends", "investigate", "may", "model", "monitor", "near-term", "new", "observation", "ongoing", "opportunities", "option", "outlook", "pending", "pipeline", "plan", "potential", "priorities", "program", "project", "proposed", "proposition", "prospective", "prospecting", "provide", "provision", "re-assaying", "reassessing", "relogging", "review", "risk", "samples", "seeking", "should", "strategic", "studies", "subject to", "survey", "target", "test", "timelines", "trend", "uncertainties", "viability", "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 opportunities, outlook and strategic alternatives (including any form, aspect, value or other impacts thereof); advancing a portfolio of assets; mineralization, mineralized area or footprint, or mineral deposits (including potential, grade, further definition or expansion or extension, continuation, openness and location); mineral resource estimates (including tonnes, grade, and any expansion, increase, conversion or reclassification thereof; see also below in these Cautionary Statements under "Mineral Resources", "U.S. Readers" and "Preliminary Economic Assessments (or PEAs)"); exploration programs and activities (including prospectivity or potential (and any increase thereof), targets and assessments or interpretations of drilling and results thereof to date); any other acquisition and other strategic opportunities; closure and reclamation (including activities, expenditures, costs and provisions, and timing thereof); pending or ongoing regulatory, administrative, litigation or other legal proceedings, and provisions therefor, and assessments and outcomes thereof (including the drilling contractor claim and lien in respect of the Kilgore Project) or recourse thereunder; compliance with and maintenance and effects of controls, policies, procedures, processes and systems of the Company; 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; and future impacts of Covid-19 and actions taken to mitigate such. Although the Company believes that such statements are reasonable, it can give no assurance

## Management's Discussion & Analysis of Financial Results

For the year ended December 31, 2025

*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 the 2025 Financial Disclosure, which may prove to be incorrect, are subject to a number of assumptions which include those set forth or referenced in the 2025 Financial Disclosure, the Company's Management's Discussion and Analysis, and accompanying financial statements, for the year ended December 31, 2025 (collectively, the "FYE 2025 Financial Disclosure"), the Company's AIF, the current technical reports for the Company's projects (collectively, the "Technical Reports") and the Company's other applicable public disclosure (collectively, "Company Disclosure"), all available under the Company's profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) and/or on its website at [www.excellonresources.com](http://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, that the 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 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; capital requirements and operating risks associated with the operations or an expansion of the operations of Excellon; dilution due to any future acquisitions or other transactions; fluctuations in gold, silver, lead, zinc and other precious metal prices and currency exchange rates; 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; 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; risk of an undiscovered defect in title or other adverse claim; and the "Risk Factors" in the Company's AIF, and the risks, uncertainties, contingencies and other factors identified in the 2025 Financial Disclosure, the Technical Reports 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 Company's 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 the 2025 Financial Disclosure 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 the 2025 Financial Disclosure, nor in the documents incorporated by reference herein. Readers are cautioned not to place undue reliance on forward-looking statements. The forward-looking statements referenced or contained in the 2025 Financial Disclosure are expressly qualified by these Cautionary Statements, together with those*

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below, as well as the Cautionary Statements in the Company's AIF, the Technical Reports and other applicable Company Disclosure. Forward-looking statements contained herein are made as of the date of the 2025 Financial Disclosure (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 an "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, licences 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.

The mineral resource estimates referenced in the 2025 Financial Disclosure were estimated, categorized and reported using standards and definitions using the CIM Standards in accordance with NI 43-101 of the CSA, which governs the public disclosure of scientific and technical information concerning mineral projects by Canadian issuers such as Excellon.

The mineral resource estimates disclosed and/or referenced in the 2025 Financial Disclosure were 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**") 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, as well as an overall more detailed discussion of such projects, the reader should refer to the Company's AIF and the applicable Technical Reports.

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### **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 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, 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 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.

The 2025 Financial Disclosure 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 SEC’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.

### **Preliminary Economic Assessments (or PEAs)**

A 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, 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 MD&A.

### **Qualified Persons**

Allan Armitage, Ph.D., P.Ge. of SGS Geological Services an independent Qualified Person as defined by NI 43-101, has reviewed and approved the Mineral Resource Estimate and the scientific and technical information relating to the MRE contained in this MD&A. Armitage completed a site visit to the project on December 12-13, 2025. Mr. Paul Keller, P. Eng., Qualified Person, reviewed, verified and approved the scientific and technical information related to the Kilgore and Silver City Projects contained in this MD&A.