EXCELLON RESOURCES INC.

ANNUAL INFORMATION FORM

For the Year Ended December 31, 2023

April 1, 2024

PRELIMINARY NOTES

Interpretation

References to "Excellon", the "Company", "its", "our" and "we", or related terms, refer to Excellon Resources Inc. or Excellon Resources Inc. and/or one or more or all of its subsidiaries, as may be applicable in the context.

Words importing the singular number, where the context requires, include the plural and vice versa, and words importing any gender include all genders.

Unless stated otherwise, capitalized terms used in this AIF have the meanings set out in the section entitled "*Glossary of Technical Terms and Abbreviations*" or as may otherwise be defined herein.

Currency

All dollar amounts herein are in Canadian dollars, denoted by "C$", or United States dollars, denoted by "US$", unless otherwise stated.

Date of Information

Unless otherwise noted, the information set forth in this AIF is presented as of December 31, 2023.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS AND OTHER MATTERS

Forward-Looking Statements

All statements, other than statements of historical fact, contained or incorporated by reference in this AIF 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: "ability", "achieve", "acquire", "advancement", "analyze", "anticipated", "appear", "appreciate", "assessment", "assurance", "availability", "believes", "beyond", "budget", "capabilities", "change", "closure", "compliance", "conceptual", "consider", "contemplated", "contingencies", "continuing", "control", "convert", "could", "create", "deferred", "depend", "derisking", "design", "development", "discovery", "emerging", "encouraging", "ensure", "envision", "estimate", "expect", "exploration", "exposed", "extend", "find", "following", "foresee", "forward", "further", "future", "growth", "guarantee", "hedge", "if", "indicate", "infer", "initial", "initiate", "innovative", "intend", "integrate", "life of mine" or "LOM", "liability", "long-term", "mapping", "may", "mitigate", "model", "near-term", "needed", "new", "objective", "obligation", "ongoing", "opinion", "opportunity", "optimization", "option", "payable", "PEA", "pending", "petition", "plan", "position", "possible", "potential", "predicted", "preliminary", "proceedings", "procurement", "program", "project", "projected", "prospectively", "provides", "provision", "realize", "reassess", "reclamation", "rehabilitation", "require", "restart", "restructuring", "risk", "schedule", "search", "seek", "sensitivity", "short-term", "speculative", "stability", "strategy", "study", "subject to", "targets", "testing", "timeline", "time-to-time", "trend", "uncertainty", "until", "update", "viability", "volatility", "when", "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. 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 mineral resource estimates and any other mineralization (including tonnes, grade, and expansion and conversion of such estimates; see also below in these cautionary statements under "Mineral Resources", "U.S. Readers" and "Preliminary Economic Assessments (or PEAs)"); 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 of any of the foregoing to Shareholders and investors.

Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct, and any forward-looking statements by the Company are not guarantees of future actions, results or performance. Forward-looking statements are based on assumptions, estimates, expectations and opinions, which are considered reasonable and represent best judgment based on available facts, as of the date such statements are made. If such assumptions, estimates, expectations and opinions prove to be incorrect, actual and future results may be materially different than expressed or implied in the forward-looking statements. The estimates, expectations and opinions referenced or contained in this AIF, which may prove to be incorrect, are subject to a number of assumptions which include the various assumptions set forth herein as well as set forth in the most recent technical reports for the Company's projects and the Company Disclosure all of which are available under Excellon's issuer profile on SEDAR+ (www.sedarplus.com) and/or on its website at www.excellonresources.com.

Certain of the forward-looking statements and other information contained herein concerning the mining industry and Excellon's general expectations concerning the mining industry and Excellon are based on estimates prepared by Excellon using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which Excellon believes to be reasonable. However, although generally indicative of relative market positions, market shares and performance characteristics, this data is inherently imprecise. While Excellon is not aware of any misstatement regarding any industry data presented herein, the mining industry involves risks and uncertainties that are subject to change based on various factors.

In addition, forward-looking statements in this AIF are based on certain assumptions and involves risks related to the business and operations of Excellon. Other assumptions include interest and exchange rates; the price of gold, silver, lead, zinc and other precious metals; competitive conditions in the mining industry; title to mineral properties; financing and funding requirements; general economic, political and market conditions; and changes in laws, rules and regulations applicable to Excellon.

Forward-looking statements involve known and unknown risks, uncertainties, contingencies and other factors which may cause the actual plans, results, performance or achievements of Excellon to differ materially from any future plans, results, performance or achievements expressed or implied by the forward-looking statements. Such risks, uncertainties, contingencies and other factors include, among others, the ability to obtain 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; capital requirements and operating risks associated with the operations or an expansion of the operations of Excellon; dilution due to future acquisitions, equity financings or other transactions; fluctuations in gold, silver, lead, zinc and other precious metal prices and currency exchange rates; uncertainty relating to future production, and cash resources; inability to successfully complete new development projects, planned expansions or other projects within the timelines anticipated; adverse changes to market, political and general economic conditions or laws, rules and regulations applicable to Excellon; changes in project parameters; the possibility of project cost overruns or unanticipated costs and expenses; accidents, labour disputes, community and stakeholder protests and other risks of the mining industry; failure of plant, equipment or processes to operate as anticipated; risk of an undiscovered defect in title or other adverse claim; and the "Risk Factors" section of this AIF and the risks, uncertainties, contingencies and other factors identified in other Company Disclosure. The foregoing list of risks, uncertainties, contingencies and other factors is not exhaustive. Although Excellon has attempted to identify important factors that could cause plans, actions, events or results to differ materially from those described in forward-looking statements in this AIF, and the documents referenced herein, there may be other factors that cause plans, actions, events or results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate as actual plans, results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements in this AIF, nor in any other Company Disclosure or 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 this AIF are expressly qualified by the foregoing and following cautionary statements in this AIF as well as the cautionary statements in other Company Disclosure. Forward-looking statements contained herein are made as of the date of this AIF (or as otherwise expressly specified) and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable laws.

Mineral Resources

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

The mineral resource estimates referenced in this AIF 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.

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 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. 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.

Qualified Persons

Mr. Paul Keller, P. Eng., former Chief Operating Officer of the Company and a Qualified Person reviewed, verified and approved the scientific and technical information in this AIF.

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GLOSSARY OF TERMS AND ABBREVIATIONS

The following is a glossary of terms and abbreviations that appear in this AIF:

ADR means Adsorption-Desorption-Recovery.

AgEq means silver equivalent ounces.

AIF means this Annual Information Form.

AIPG means the American Institute of Professional Geologists.

Au means the elemental symbol for gold.

Audit Committee means the audit committee of the Board.

Board means the board of directors of Excellon Resources Inc.

Centerra means Centerra (U.S.) Inc., a subsidiary of Centerra Gold Inc.

CIL means carbon in leach.

CIM means the Canadian Institute of Mining, Metallurgy and Petroleum.

CIM Standards means CIM *Definition Standards for Mineral Resources and Mineral Reserves* (May 2014).

CIP means carbon in pulp.

Common Shares means the common shares in the capital of the Company.

Company (or **Excellon**) means Excellon Resources Inc. or Excellon Resources Inc. and/or one or more or all of its subsidiaries, as may be applicable in the context.

Company Disclosure means the Company's MD&A for the year-ended December 31, 2023 together with the accompanying financial statements and the Company's other applicable public disclosure.

Compensation Committee means the compensation committee of the Board.

Court means the Mexican Bankruptcy Court.

CPG means AIPG Certified Professional Geologist.

CRD means Carbonate Replacement Deposit, a type of mineral deposit found worldwide and formed through a chemical reaction whereby mineral-bearing fluids dissolve carbonate minerals and immediately precipitate sulphide minerals in their place. CRD mineralization may also be deposited into pre-existing openings in various rock types in particular carbonate rocks. Mineralized fluids in CRDs often follow structures for long distances creating elongate deposits called "**chimneys**" when standing at high angles and "**mantos**" when flat-lying.

CSA means the Canadian Securities Administrators.

Debentures means the Company's outstanding secured convertible debentures in the aggregate principal amount of C$7,500,000, convertible into Common Shares at a conversion price of C$0.10 per Common Share prior to maturity on August 31, 2026. The Debentures bear interest at an annual rate of 6.50%, payable semi-annually in cash or, at the Company's option, in Common Shares at an effective interest rate of 10% per annum and are secured against the Kilgore Project assets.

Debenture Indenture means the amended and restated indenture originally dated as of July 30, 2020 and amended and restated as of September 19, 2022 and as further amended by a first supplemental indenture dated as of September 29, 2023 and a second supplemental indenture dated as of March 28, 2024 between Excellon, as issuer, and TSX Trust Company as trustee and collateral agent, in respect of the Debentures.

DSU means a deferred share unit issued pursuant to the Share Incentive Plan representing the right to receive for each vested deferred share unit, one Common Share or cash equal to the fair market value of one Common Share, at the time, in the manner, and subject to the terms, set forth in the Share Incentive Plan and the applicable grant agreement.

EA and Decision means an Environmental Assessment and Decision Notice/Finding of No Significant Impact issued by the USFS.

EDGAR means the Electronic Data Gathering, Analysis, and Retrieval system maintained by the SEC and used by public companies to transmit required filings, such as quarterly reports, annual reports and other required disclosures.

EIGI means Excellon Idaho Gold Inc.

Excellon New Mining Projects means the Company's wholly-owned Mexican subsidiary, Excellon New Mining Projects, S.A. de C.V.

Exchange Act means the *Securities Exchange Act of 1934.*

Evolución Concessions means two mineral concessions totaling 31,280 hectares located in the states of Durango and Zacatecas, Mexico, held by Excellon New Mining Projects.

Evolución Project means an exploration-stage project comprising two mineral concessions totaling 31,280 hectares, and 35 kilometres of strike.

FAusIMM means a Fellow of the Australasian Institute of Mining and Metallurgy.

Financial Reports means the Company's audited consolidated financial statements and related notes for the financial years ended December 31, 2023 and 2022, and the accompanying MD&A.

g/T means grams per tonne.

Globex means Globex Mining Enterprises Inc.

GRE means Global Resource Engineering, Ltd.

hydrothermal means heated or superheated fluid or water from depth in the Earth's crust.

ICL/GYC means the Idaho Conservation League and Greater Yellowstone Coalition.

IFRS means the International Financial Reporting Standards as issued by the International Accounting Standards Board.

include, **includes** and **including** are to be interpreted as being without limitation, and no such term is intended to limit any statement which it follows to the specific or similar items or matters immediately following.

indicated mineral resource means that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation.

inferred mineral resource means that part of a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

IRR means internal rate of return.

IT means information technology.

Judgment means an award of US$22,175,000 granted to the Plaintiff.

Kilgore 2021 EA means the 2021 EA and Decision concerning the Kilgore Project including approval of EIGI's plans to commence drilling at the project in Q3 2022.

Kilgore Project means the approximately 6,788 hectares of mineral concessions located in Clark County, situated in eastern Idaho, U.S.A., as more particularly described in this AIF and the Kilgore Technical Report.

Kilgore Technical Report means the NI 43-101 technical report entitled *"Independent Technical Report and Preliminary Economic Assessment, Kilgore Project, Clark County, Idaho, USA"*, with an effective date of July 30, 2019 and issued August 26, 2019, prepared by Terre A. Lane, MMSA Qualified Professional, SME RM, and Jeffrey Todd Harvey, PhD, SME RM, of Global Resource Engineering, Ltd., Jennifer J. Brown, PG, SME RM, of Hard Rock Consulting, LLC, and David Rowe, CPG, of Rowearth LLC, a copy of which is available on the Company's website and under the Otis Gold profile on SEDAR+ (www.sedarplus.com).

La Antigua means the La Antigua mineral concession, a non-material mineral concession within the Miguel Auza Property.

La Antigua Agreement means an exploration and exploitation agreement between San Pedro and the Plaintiff dated December 3, 2006, with a purchase option and, among other obligations, a 3% NSR if the property is brought into production.

lb/t means pounds per ton.

manto means a tabular, relatively flat-lying mineral deposit that tends to lie within a particular rock bed or series of beds, derived from the Spanish word for blanket.

MD&A means management discussion and analysis for the years ended December 31, 2023 and 2022.

measured mineral resource is that part of a mineral resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation.

Miguel Auza Mill means the Company's mineral processing facility located on the Miguel Auza Property, owned by San Pedro.

Miguel Auza Property (together with the Evolución Concessions, formerly known as the Evolución Property) means the nineteen (19) mineral concessions totaling 14,080 hectares located in the states of Durango and Zacatecas, Mexico, held by San Pedro.

mineral reserve means the economically mineable part of a measured or indicated mineral resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility (as defined in the CIM Standards) or Feasibility (as defined in the CIM Standards) level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. Mineral reserves are classified as probable or proven.

mineral resource means a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

MJDS means Multijurisdictional Disclosure System.

Modifying Factors include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors.

MMSA means the Mining and Metallurgical Society of America.

NI 43-101 means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* of the CSA.

NI 51-102 means National Instrument 51-102 – *Continuous Disclosure Obligations* of the CSA.

NI 52-110 means National Instrument 52-110 – *Audit Committees* of the CSA**.**

Nominating and Corporate Governance Committee means the nominating and corporate governance committee of the Board.

NPV means net present value.

NSR means net smelter return or net smelter royalty and means a defined percentage of the gross revenue from a resource extraction operation, generally less a proportionate share of transportation, insurance, and processing costs.

NYSE Am Compliance Plan means the plan submitted by Excellon on May 31, 2022 to regain compliance with the continued listing standards by October 30, 2023.

NYSE American means the NYSE American, LLC stock exchange in the U.S.A.

NYSE Delisting means the Board's approval of the voluntary delisting of the Common Shares from the NYSE American.

OBCA means the Ontario *Business Corporations Act* including the regulations thereunder (as amended from time-to-time).

opt means ounces per ton.

Option means an option to acquire Common Shares granted under the Share Incentive Plan.

Otis Gold means Otis Gold Corp., a wholly-owned subsidiary of the Company.

OTCQB means the OTCQB Venture Market, a U.S. trading platform that is operated by the OTC Markets Group in New York.

Pb means the elemental symbol for lead.

PEA means Preliminary Economic Assessment.

PG means licensed or registered Professional Geologist.

Plaintiff means the claimant to an action that San Pedro is party to in respect of damages under a property agreement regarding La Antigua.

Platosa Mine means the Company's past-producing mine located at the Platosa Property.

Platosa Property means the approximately 11,000 hectares of mineral concessions in Durango State, Mexico.

professional association means a self-regulating organization with the power to discipline its members, of engineers, geoscientists or both engineers and geoscientists that is recognized under the terms of NI 43-101.

QA/QC means quality assurance/quality control, which are systematic procedures that are used to validate the control and testing of samples in a specified manner.

Qualified Person means an individual who is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these; has experience relevant to the subject matter of the mineral project; and is a member or licensee in good standing of a professional association.

RC means reverse circulation.

Regulation FD means Regulation Fair Disclosure under the Exchange Act.

ROM means run-of-mine.

RSU means restricted share unit issued pursuant to the Share Incentive Plan.

San Pedro means the Company's former indirect wholly-owned Mexican subsidiary, San Pedro Resources S.A. de C.V.

SEC means the United States Securities and Exchange Commission.

SEC Deregistration means the Board's approval of the deregistration of its class of Common Shares under Section 12(b) of the Exchange Act.

SEC Deregistration Notification means the filing by Excellon of a Form 25 to initiate the NYSE Delisting and the SEC Deregistration.

SEDAR+ means the System for Electronic Document Analysis and Retrieval, an electronic filing system developed for the CSA to facilitate electronic filing and dissemination of securities regulatory documents by reporting issuers and related communications with securities regulators, accessible at www.sedarplus.com.

Shareholders means the holders of the Common Shares.

Share Incentive Plan means the share incentive plan approved by Shareholders on August 12, 2022, under which the Company may issue Options, RSUs and DSUs from time to time.

Silver City Project means the Bräunsdorf, Frauenstein, Mohorn and Oederan exploration licenses comprising the approximately 340 km^2 silver district in Saxony, Germany.

Skarn refers to an alteration assemblage dominated by calcium and magnesium silicate minerals (dominantly garnets, pyroxenes and amphiboles), formed by reaction between silica-bearing fluids and carbonate rocks, converting original carbonate minerals to silicate minerals. Economically mineralized skarns contain potentially extractable amounts of certain metals and are classified based on the dominant metal (e.g., copper skarn or lead-zinc skarn). Skarns typically form near intrusive bodies and may have massive sulphide replacement mineralization on their distal sides.

SK-1300 means Subpart 1300 of Regulation S-K.

SME means the Society for Mining, Metallurgy and Exploration, Inc.

TSX means the Toronto Stock Exchange.

U.S. and **U.S.A.** mean the United States of America.

USFS means the United States Forest Service.

Zn means the elemental symbol for zinc.

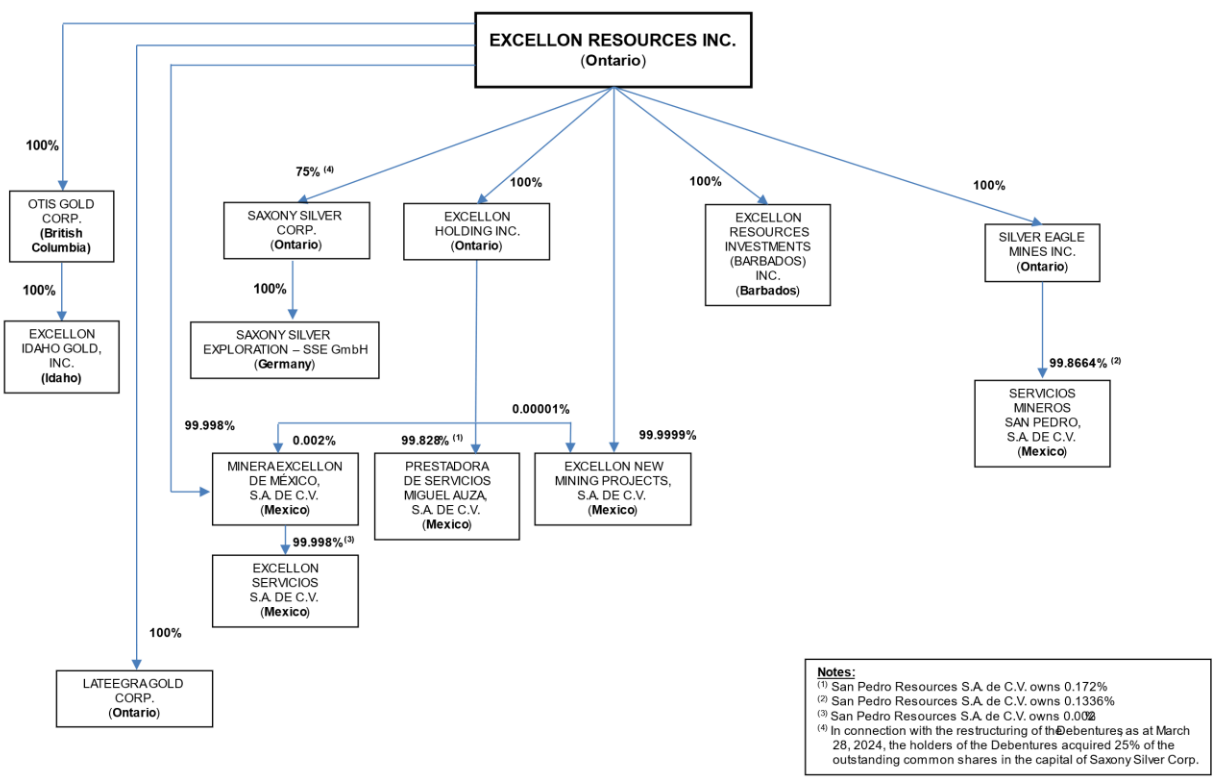
CORPORATE STRUCTURE

Incorporation

Excellon was incorporated under the *Company Act* (British Columbia) on March 4, 1987 and was continued under the *Business Corporations Act* (Ontario) on May 31, 2012. The registered and principal office of the Company is 3400 One First Canadian Place, 100 King Street West, Toronto, Ontario, M5X 1A4.

Corporate Structure

A significant portion of Excellon's business is carried on through its various subsidiaries. A chart showing the names of the significant subsidiaries of Excellon, along with the jurisdiction of incorporation, formation, continuation or organization of each subsidiary, is set out below as of April 1, 2024. All subsidiaries are 100% owned (directly or indirectly) unless otherwise noted.



GENERAL DEVELOPMENT OF THE BUSINESS

Excellon is principally engaged in the acquisition, exploration and advancement of mineral properties in the United States, Mexico and Germany.

During the past few years, Excellon has been involved primarily in the exploration and development of silver-lead zinc mineralization on its Platosa Property, and advancing the Kilgore Project, a high-quality advanced exploration gold project in Idaho with strong economics and significant growth and discovery potential, and the Silver City Project, a high-grade epithermal silver district in Saxony, Germany with 750 years of mining history and no modern exploration. As a result of the Platosa Property moving into care and maintenance at the end of 2022, Excellon no longer holds an interest in a producing mineral property.

Three-Year History

During the past three years, the Company has conducted mining and mineral production, development and exploration activities in Mexico, the United States and Germany, with the focus being mining and mineral production at the Platosa Mine in Durango, Mexico. The principal product and source of cash flow for Excellon was saleable lead-silver and zinc-silver concentrates from production at the Platosa Property and processing at the Miguel Auza Mill, until production ceased and the mine and mill were placed on care and maintenance in Q4 2022.

Events that influenced the general development of the business over the past three years are described below (with date of press release in brackets, if applicable):

<u>2021</u>

- Operations were impacted by weather conditions in the American southwest which led to an increase in operational costs during the first quarter of 2021 (February 16, 2021);
- Doubled ground position at the Silver City Project with the addition of the Frauenstein, Mohorn and Oederan exploration licenses (March 15, 2021);
- Announced an updated mineral resource estimate for the Platosa Property (May 13, 2021);
- Commenced drilling at the Oakley Project in collaboration with Centerra (May 26, 2021);
- Completed an updated technical report for the Platosa Property as at March 31, 2021 (June 17, 2021);
- Mr. Jorge Ortega was appointed Vice President Exploration (October 25, 2021);
- Received approval from the USFS regarding the Kilgore 2021 EA to conduct mineral exploration activities at the project (November 18, 2021);
- Completed a technical report for the Silver City Project as at September 17, 2021 (December 23, 2021); and
- Produced 2.0 million AgEq ounces, including 1.2 million ounces silver, 7.6 million pounds lead and 9.0 million pounds zinc.

<u>2022</u>

- Based on the results of the analysis, exploration work in Q4 2021 and Q1 2022 and consideration of current and forecast economic factors, Excellon announced that it expected to responsibly wind down operations at the Platosa Mine during Q3 2022, subject to results from ongoing exploration programs (March 31, 2022);
- Mr. Daniel Hall was appointed as Chief Financial Officer (April 1, 2022);

- Excellon announced that it had resolved the previously reported labour action at the Platosa Mine (April 1, 2022);
- Excellon provided notice of change of auditor pursuant to NI 51-102 in respect of the resignation of PricewaterhouseCoopers LLP as the auditor of Excellon and the appointment of Ernst & Young LLP as auditor of Excellon (May 2, 2022);
- Excellon announced that it received a notice from NYSE American stating that it was not in compliance with the continued listing standards, with no immediate effect on trading on the NYSE American and, on May 31, 2022, Excellon submitted the NYSE Am Compliance Plan (May 5, 2022);
- Excellon announced that the ICL/GYC had filed a legal action in U.S. District Court challenging the Kilgore 2021 EA. This legal action followed the denial of nearly all of the ICL/GYC claims in the prior similar such challenge by ICL/GYC to the Kilgore 2018 EA, and the USFS' steps to address any remaining issues in the Kilgore 2021 EA. Excellon also announced that EIGI expected to file a motion to intervene as a defendant-intervenor to protect its interests in the matter (June 7, 2022);
- Excellon announced the extension to September 30, 2025 of the 164 km^2 Bräunsdorf exploration license, comprising part of the Silver City Project in Saxony, Germany (June 9, 2022);
- Excellon announced the appointment of Ms. Zoya Shashkova to the Board (June 23, 2022);
- Excellon announced the appointment of Mr. Shawn Howarth to the role of President and Chief Executive Officer of Excellon, effective July 28, 2022 (July 12, 2022);
- Excellon announced an update that NYSE American had accepted its NYSE Am Compliance Plan and was granted a plan period through October 30, 2023 (July 14, 2022);
- Mr. Nicholas J. Hayduk was appointed as Chief Legal Officer and Vice President, Corporate Affairs of Excellon (July 28, 2022);
- Production ceased at the Platosa Mine and, accordingly, the mine and the Miguel Auza Mill were placed on care and maintenance (October 2022); and
- San Pedro filed a petition for bankruptcy with the Mexican Bankruptcy Court (November 30, 2022) which the Court accepted for adjudication (December 15, 2022).

2023

- Excellon announced entering into the La Negra Acquisition Agreement and the Transfer Agreement, setting forth the terms and conditions for the La Negra Acquisition (January 9, 2023);
- Concurrent with the La Negra Acquisition, the Company announced that it had entered into a binding term sheet to restructure its secured convertible debentures. The Company also announced a planned subscription receipt closing private placement of US$10 million (January 9, 2023);
- Excellon announced the NYSE Delisting and the SEC Deregistration (January 9, 2023);
- Excellon announced that it had filed the La Negra Technical Report (January 19, 2023);
- Excellon filed the SEC Deregistration Notification (January 20, 2023);
- As previously announced, the Common Shares ceased trading on the NYSE American (January 30, 2023);
- Excellon announced that the Common Shares would commence trading on the OTCQB under the symbol "EXNRF" (January 31, 2023);
- Excellon announced the initial results of the 2022-2023 drilling program conducted by Centerra at the Oakley Project (March 20, 2023);
- San Pedro was declared bankrupt by the Mexican Bankruptcy Court (March 28, 2023);
- Excellon announced the reversal of the US$22 million litigation liability as a result of the deconsolidation of San Pedro's assets and liabilities (April 3, 2023);

- Excellon announced up to C$10 million non-brokered private placement of subscription receipts in relation to the La Negra Acquisition (April 13, 2023);
- Centerra exercised their first option to earn an initial 51% interest in Oakley and provided notice of intention to proceed to exercise the second option to acquire an additional 19% (May 15, 2024);
- Excellon provided an update on the proposed La Negra Acquisition and related debenture restructuring (June 19, 2023);
- The Company unexpectedly received a notice of termination of the La Negra Acquisition from the seller. Consequently, the Company also announced the termination of its subscription receipts offering (July 20, 2023);
- Excellon announced an agreement to extend the maturity of its secured convertible debentures to July 31, 2024, for an extension fee of 6% of the outstanding principal amount, payable in Common Shares priced at C$0.156 per Common Share (July 24, 2023);
- U.S. District Court ruled in favour of the USFS and Excellon, upholding the 2021 EA and rejecting ICL/GYC's claims against the USFS (August 14, 2023);
- Excellon announces sale of interest in non-core Oakley Project to Centerra for US$1 million in cash (August 30, 2023);
- Excellon announced a debenture restructuring to reduce the outstanding principal amount to C$7.5 million, representing a 58% reduction in principal, and to amend the terms of the remaining debentures to, among other things, further extend the maturity date to August 31, 2026 (September 21, 2023);
- Excellon announced the closing of the debenture extension (October 3, 2023);
- Excellon announced the closing of the sale of the Oakley Project (October 19, 2023);
- Excellon announced results of the Annual and Special meeting, including the approval of the debenture restructuring resolution (November 24, 2023);

2024

- Excellon announced the closing of the debenture restructuring (March 28, 2024);

DESCRIPTION OF THE BUSINESS

Principal Product

Until Q4 2022 when production at the Platosa Mine ceased and it was placed on care and maintenance, the Company's principal product was lead-silver and zinc-silver concentrates.

Production

Until Q4 2022, crushed ore mined from the Platosa Property was shipped to the Miguel Auza Mill for processing, where separate mineral concentrates containing lead-silver and zinc-silver were produced on site. Those mineral concentrates were then transported and sold to third parties for further processing.

Competitive Conditions

The precious metal mineral exploration and mining business is a competitive business. The Company competes with numerous other companies and individuals in the search for and the acquisition of attractive precious metal mineral properties. The ability of the Company to acquire precious metal mineral properties in the future will depend not only on its ability to develop its present properties, but also on its ability to select and acquire suitable producing properties or prospects for precious metal development or mineral exploration. Refer to the "*Risk Factors*" section below.

Foreign Operations

The Company's revenue was dependent on production from the Platosa Mine, its only producing property located in Mexico, until the mine completed production and was placed on care and maintenance in Q4 2022, after which the Company's only remaining revenues were from the sale of the financial concentrates produced in that period. The Company's operations are exposed to various levels of political, economic and other risks and uncertainties as discussed in the "*Risk Factors*" section below.

Employees

As at December 31, 2023, the Company and its wholly-owned subsidiaries employed 3 full-time individuals.

Specialized Skill and Knowledge

Most aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, permitting, drilling, metallurgy, mining engineering, process engineering, safety, health, environmental protection, community relation, human rights, logistical planning and implementation of exploration programs as well as legal, finance and accounting. The Company has retained employees and consultants with extensive experience in such areas and with the skills necessary to assist in the Company's day-to-day operations.

Changes to Contracts

Other than the debenture restructuring, it is not expected that any aspect of the Company's business will be affected in the current financial year by the renegotiation, amendment or termination of contracts or subcontracts after the date of this AIF.

Bankruptcy and Similar Procedures

There have been no bankruptcy, receivership or similar proceedings against the Company or any subsidiary of the Company, or any voluntary bankruptcy, receivership or similar proceedings by the Company or any subsidiary of the Company, within the three most recently completed financial years or during, the current financial year, with the exception of the Company's wholly-owned subsidiary, San Pedro. On November 30, 2022, San Pedro filed a petition for bankruptcy with the Mexican Bankruptcy Court which, on December 15, 2022, accepted such petition for adjudication and, on March 28, 2023, declared San Pedro bankrupt; the Court appointed a trustee to take possession and control of San Pedro for the benefit of its creditors. See also the "*Legal Proceedings and Regulatory Actions*" section below for additional details.

Reorganizations

There have been no material reorganizations of the Company or any subsidiary of the Company within the three most recently completed financial years or completed during, or proposed for, the current financial year.

Environmental Protection

The Company conducted exploration activities in the United States and Germany, and, until Q4, 2022, mining and processing activities in Mexico. Such activities are subject to various laws, rules and regulations governing the protection of the environment, including requirements for closure and reclamation of mining properties.

In the jurisdictions where the Company operates, specific statutory and regulatory requirements impose standards which must be met throughout the exploration, development and operational stages of a mining property with regard to air quality, water quality, fisheries and wildlife protection, solid and hazardous waste management and disposal, mine waste management, noise, land use and reclamation. Changes in any applicable governmental regulations to which the Company is subject may adversely affect its operations. Failure to comply with any condition set out in any required permit or with applicable regulatory requirements may result in the Company being unable to continue to carry out its activities. The impact of these requirements cannot accurately be predicted.

The financial and operational effects of environmental protection requirements on the Company's capital expenditures, earnings and competitive position have not been significant in the year ended December 31, 2023 and are not expected to become significant until the full closure of mining operations (which entered into care and maintenance in Q4 2022) and the Company undertakes reclamation activities on its properties. Details and quantification of the Company's reclamation and closure costs are discussed in the Company's Financial Reports, available on SEDAR+ (www.sedarplus.com) the Company's website at www.excellonresources.com, and in the sections entitled "Closure and Rehabilitation" and "Risk Factors" below.

Subsidiary Corporate Governance and Internal Controls

The Company has implemented a system of corporate governance, internal controls over financial reporting, and disclosure controls and procedures that apply at all levels of the Company and its subsidiaries. These systems are overseen by the Board and implemented by the Company's management. The relevant features of these systems include:

Control Over Subsidiaries

The Company's corporate structure has been designed to ensure that the Company controls or has a measure of direct oversight over the operations of its subsidiaries. The Company's subsidiaries are 100% beneficially owned, controlled or directed, directly or indirectly, by the Company. The Company, as the ultimate shareholder, has internal policies and systems in place which provide it with visibility into the operations of its subsidiaries, including its subsidiaries operating in emerging markets, and the Company's management team is responsible for monitoring the activities of the subsidiaries.

In addition, the Company directly controls the appointments of the directors and officers of its subsidiaries. The directors of the Company's subsidiaries are ultimately accountable to the Company as the shareholder appointing him or her, and the Board and its senior management. The annual budget, capital investment and exploration program in respect of the Company's mineral properties are established by the Company.

Further, the authorized signing officers for the bank accounts of the foreign subsidiaries are either senior employees of the Company or senior employees of the subsidiaries, as the case may be.

All the minute books and corporate records of the Company's subsidiaries are kept at the offices of local corporate secretarial services in the respective jurisdictions in which such subsidiaries exist. All disbursements of corporate funds and operating capital to subsidiaries of the Company are reviewed and approved by the Chief Executive Officer and the Chief Financial Officer of the Company and are based upon pre-approved budgeted expenditures.

In connection with the acquisition, ownership and disposition of material property interests in Mexico, the United States and Germany, including mining concessions and real property interests, the Company engages reputable, local law firms located in such jurisdictions to periodically conduct a review of the Company's ownership of its material property interests. In respect of other assets, such as equipment or materials purchased by its foreign subsidiaries, the Company has enacted internal control procedures to ensure that all appropriate documentation is obtained for the legal transfer of assets to the Company (or its applicable subsidiary). The Company and its local legal counsel are familiar with the nature of transactions customary in the Mexican, United States and German mining industry which allows them to identify and ensure that ownership of property interests and other assets is legally valid.

Strategic Direction

While the operations of each of the Company's subsidiaries are managed locally, the Board is responsible for the overall stewardship of the Company and, as such, supervises the management of the business and affairs of the Company (and its subsidiaries). More specifically, the Board is responsible for reviewing the strategic business plans and corporate objectives, and approving acquisitions, dispositions, investments, capital expenditures and other transactions and matters that are material to the Company including those of its material subsidiaries.

The Company has ensured that only the Chief Executive Officer and the Chief Financial Officer of the Company have the authority to authorize the sale or disposition of the property of the Company's foreign subsidiaries to protect the Company's interests and to ensure that appropriate authorization of material asset transactions has been provided. In addition, the Company has established a series of internal control procedures to govern the operation of the foreign subsidiaries and has granted certain limited powers of attorney to employees who are involved with the management of the foreign subsidiaries to allow such individuals to operate the day-to-day operations of the foreign subsidiaries.

Internal Control Over Financial Reporting

The Company prepares its consolidated financial statements and management's discussion and analysis on a quarterly and annual basis, using IFRS, which require financial information and disclosures from its subsidiaries. The Company implements internal controls over the preparation of its financial statements and other financial disclosures to provide reasonable assurance that its financial reporting is reliable and that the quarterly and annual financial statements and management's discussion and analysis are being prepared in accordance with IFRS and applicable Canadian securities laws.

All public documents and statements relating to the Company and its subsidiaries containing material information (including financial information) are reviewed by senior management, including the Chief Executive Officer and the Chief Financial Officer before such material information is disclosed, to ensure that all material information has been considered by management of the Company and properly disclosed.

These systems of corporate governance, internal control over financial reporting and disclosure controls and procedures are designed to ensure that, among other things, the Company has access to all material information about its subsidiaries, including those operating in emerging markets.

Local Laws and Government Relations

The Company hires and engages local experts and professionals (i.e., legal and tax consultants) to advise the Company with respect to current and new regulations in Mexico, the United States and Germany in respect of banking, financial, tax and operational matters. The Company utilizes large, established and well-recognized financial institutions in Canada, Mexico, the United States and Germany. There are no material differences between day-to-day banking operations in Mexico, the United States and Germany and those in Canada. The government of Mexico regulates mining activities through the Ministry (Secretariat) of the Economy. The Company uses local counsel and local consultants to assist it with its government and community relations.

Enforcement of Judgments

All of the Company's material assets (i.e., permits, land, equipment, etc.), other than its unallocated cash (which is maintained with Canadian chartered banks) are located in Mexico, Germany and the United States. An investor's cause of action under Canadian securities laws would be against the Company, not against any of its subsidiaries outside of Canada. Accordingly, any investor with jurisdiction to do so is entitled to file suit against the Company to exercise its statutory rights and remedies under Canadian securities laws. The location of the assets does not affect this right, although the presence of the Company's cash resources in Canada would, if any suit were ever successful, provide an investor with the possibility of enforcing against the cash assets in Canada. That said, to the extent the Company's cash resources are advanced to the Company's foreign subsidiaries, investors may have difficulty collecting from and enforcing against the Company and its foreign subsidiaries any judgments obtained in Canada. See "*Risk Factors – Enforcement of Legal Rights*".

MINERAL RESOURCE ESTIMATES

The estimated mineral resources presented in this AIF have been calculated in accordance with the CIM Standards, which are incorporated in NI 43-101 of the CSA.

Gold Projects

Kilgore Deposit – Idaho, United States

Category	Tonnes (‘000s)	Au (g/t)	Au (‘000s oz)
Indicated	44,556	0.58	825
Inferred	9,399	0.45	136

Notes:

(1) Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves.
(2) Mineral resources are reported above a 0.21 g/T Au (0.006 opt) cut-off, gold price of US$1,300/oz, and assuming metal recoveries of 80%.
(3) Mineral resources reported here are constrained within an optimized pit shell. Pit shell input parameters: Gold price US$1,300, Selling price US$2.20/oz, Recovery 80%, Mining cost US$2/ton, Process cost + G&A US$4/ton, Pit slope 50°.
(4) Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.
(5) See also the Kilgore Technical Report.

MATERIAL MINERAL PROJECTS

Excellon has identified Kilgore as its sole material property as of the date hereof.

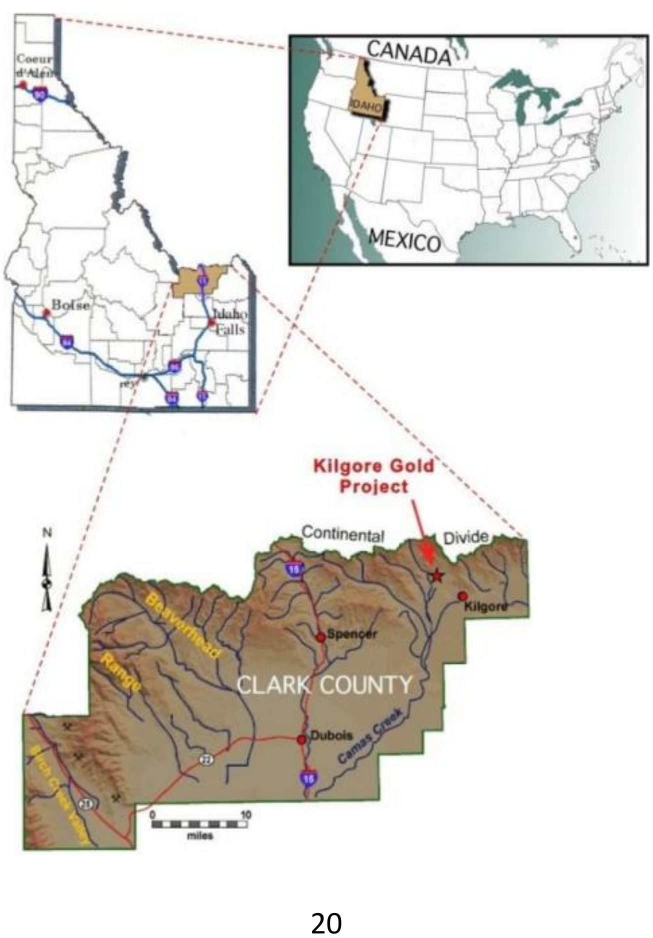
KILGORE PROJECT, IDAHO, UNITED STATES

A Kilgore Technical Report was issued on August 26, 2019, bearing an effective date of July 30, 2019 and entitled *"Independent Technical Report and Preliminary Economic Assessment, Kilgore Project, Clark County, Idaho, USA",* prepared by Terre A. Lane, MMSA Qualified Professional, SME RM, and Jeffrey Todd Harvey, PhD, SME RM, of Global Resource Engineering, Ltd., Jennifer J. Brown, PG, SME RM, of Hard Rock Consulting, LLC, and David Rowe, CPG, of Rowearth LLC, a copy of which is available on the Company's website and under the Otis Gold profile on SEDAR+ (www.sedarplus.com).

The following is a summary overview of the Kilgore Project. The summary is based on assumptions, qualifications and procedures which are not fully described herein. It is recommended that you read the Kilgore Technical Report in its entirety for additional details relating to the Kilgore Project. Defined terms and abbreviations used in this section and not otherwise defined have the meanings attributed to them in the Kilgore Technical Report.

Location and Property History

The Kilgore deposit is a volcanic-and sediment-hosted epithermal gold property located on the northern margin of the eastern Snake River Plain, approximately 5 miles west-northwest of the small rural hamlet of Kilgore, Clark County, Idaho.



Excellon has a 100% undivided interest in 789 unpatented Federal lode claims totalling 6,788 hectares on U.S. Forest Service lands. The claims area is mountainous; relief on the Kilgore Property ranges from 6,450 feet (1966 metres) in the West Camas Creek drainage to 8,940 feet (2725 metres) at Monument Peak.

The property's initial discovery and earliest known gold exploration and production work was reported to have been in the 1930s by the Blue Ledge Mining Company. Evidence of Blue Ledge's activity remains as several collapsed underground adits, prospect pits, a tram car, and an old foundation, though there is no record of gold production from this period. Six different companies have explored the Kilgore property in modern times, beginning with Bear Creek Mining in 1983, followed by Placer Dome U.S., Pegasus, Echo Bay Exploration (Echo Bay), Latitude Minerals, Kilgore Minerals Ltd., and Otis Gold. Each of the companies conducted one or more campaigns of drilling that presently total 296,246 feet (88,873 metres).

The property has excellent three-season access via County and Forest Service gravel roads immediately east of the project, and currently has limited access during winter. Primary electric distribution power is available in Camas Creek Valley south and east of the project and via high voltage transmission lines located in Pleasant Valley 10 miles west of the project. The project is located within the Mud Lake closed basin, runoff within the basin is used for irrigation or it flows to Mud Lake where evaporation and ground water infiltration occur.

Geology and Mineralization

The Kilgore Project is located in the northeastern portion of the Eastern Snake River Plain, locally situated to the south of the Centennial Mountains and regionally along the northern margin of the Miocene-Pliocene Heise Volcanic Field.

The Project is hosted within the northern margin of a Miocene to Pliocene caldera volcanic complex with associated intrusive, extrusive and pyroclastic sequences known as the Heise Volcanic Field, which in turn unconformably overly Cretaceous arkosic sediments. Specifically, the project occurs on the northeastern rim of the Kilgore Caldera, one of four eruptive events that make up the Heise Volcanic Field. To both the north and south, the volcanic rocks are locally blanketed by the tuff of Kilgore, a relatively distinct welded ash flow tuff thought to represent the last major eruptive event of the Kilgore caldera and dated at about 4.45 (±0.05) million years (Morgan, 2005).

The Kilgore deposit is interpreted as being a low sulfidation epithermal deposit associated with caldera-related volcanic and intrusive activity. The current known resource area is a zone of mineralization approximately 800 meters long, 600 meters wide, and 325 meters deep from ground surface to the maximum inferred mineral resource depth. Mineralized intercepts generally average 40 meters (130 feet) and range up to 100 meters (330 feet) in thickness in the Mine Ridge core and North Target areas. Near surface gold mineralization occurs primarily in rocks of volcanic or subvolcanic origin, including the Tertiary lithic tuff and sub-vertical felsic dikes, dike swarms, and granodioritic bodies that intrude it. These are underlain by sedimentary rocks of the Aspen Formation (Ka), which comprise an additional host of mineralization, one which is characterized by sediment-hosted, low-moderate grade, bulk-mineable type distribution.

Gold mineralization in the volcanic and related intrusive rocks is moderate to high grade as a result of weak to moderate vein development and open space fracture-fill, together within a broad, low grade halo of disseminated gold within variably silicified and argillically altered rocks. Gold content appears to decrease rapidly to lower grades (less than 50 to 100 parts per billion Au) with corresponding decrease in quartz or quartz-adularia alteration and increase in argillic alteration. Exceptions occur in strongly oxidized rock near the topographic surface, where strong to pervasive iron-oxide, yellow-orange to brown staining, is accompanied by higher gold grades. Mineralization in the volcanic and associated intrusive rocks accounts for an estimated 85% of the known mineral resource, with the remaining 15% occurring in the underlying Aspen Formation.

Exploration and Drilling

Seven companies since 1983 have explored Kilgore with drilling comprising 152 RC holes and 229 core holes totaling 306,541 feet (93,434 meters). One of the drill holes is PQ-size for metallurgical tests. QA/QC information is not available for drilling campaigns before Echo Bay in 1994, but drill hole logs and assay certificates are available, and all assays were performed at commercial laboratories. Echo Bay conducted studies of metallic screen assays, included in-house standards in its sample submissions, and obtained check assay information from a second laboratory.

Otis Gold drilling was completed during the period of 2008 to 2018. Otis Gold included standards and blanks with its submissions, collected core half pair data, and submitted pulps prepared at the primary laboratory for check assays to secondary commercial laboratories. The programs point to some bias in the primary lab, ALS Global, versus the check labs, but the commercial standards analyzed display no variation of concern from the certified values. Drilling exploration carried out by Otis Gold from 2012 through 2018 Kilgore Project consists of 45 RC holes and 45 diamond core holes (three of which were drilled for metallurgical testing) for a total of 22,536 meters drilled.

RC and core assays do not compare well with paired data comparisons and separate estimates showing that RC assay samples are generally higher than core. Issues are identified with both types of data, which will not be fully resolved without collecting bulk samples. The various operators of the project have been alerted to recovery and sampling issues and appear to have taken measures to reduce sample bias, reflected in the core drilling techniques used. A bulk sample testing program should be designed, including potential development of an underground bulk sample operation.

In November 2016, Otis Gold contracted Justin Modroo, P.G., to conduct a ground based geophysical magnetic survey in the vicinity of the primary Kilgore resource area (Modroo J., 2017). The survey was designed to test magnetic signatures surrounding the known deposit to better define local structural characteristics and potentially identify future drilling exploration targets. In 2018, Otis Gold conducted further regional-style exploration, including surface mapping and sampling and soil and stream sediment surveys, with the goal of identifying future drilling targets.

Metallurgical Testing

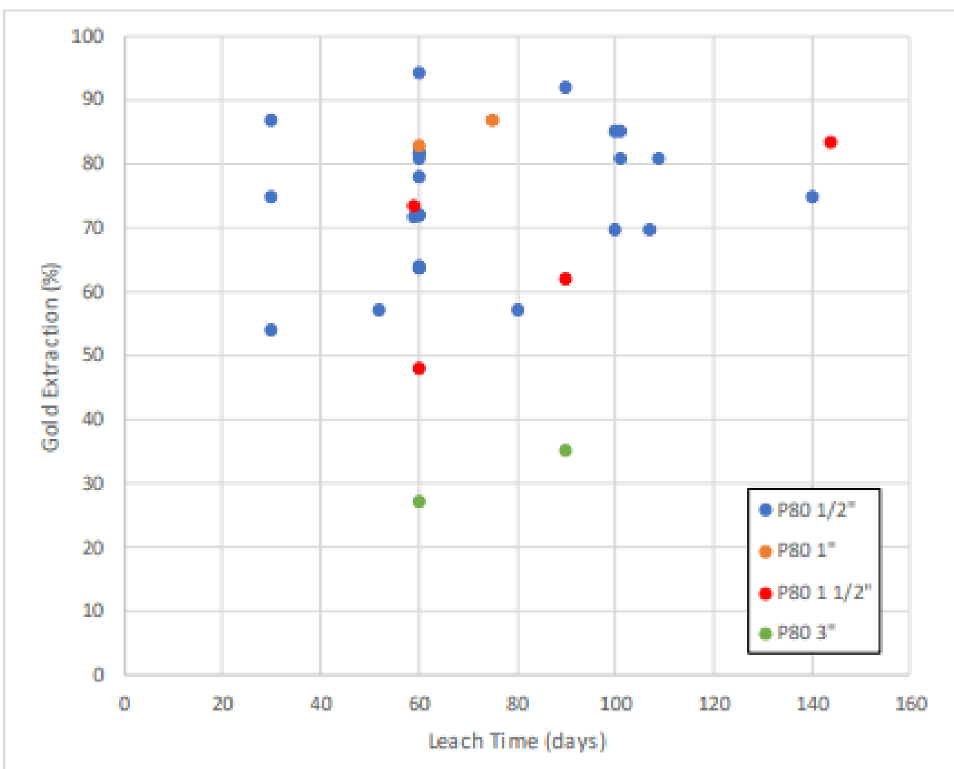
A significant amount of metallurgical test work has been conducted on the Kilgore project dating back to 1995. Echo Bay had commissioned the early test work focusing mainly on evaluating the deposit for heap leach treatment. Otis Gold has furthered these investigations with additional, more detailed testing including mineralogy, direct cyanide leach tests, more detailed heap leach testing, and physical material characteristic definition.

The Kilgore deposit is best characterized as an oxide deposit with three main oxidation states: oxidized, an underlying unoxidized portion, and a mixed or transition type portion lying between these two zones. There are no significant sulfides present in the deposit. A wide range of metallurgical samples have been tested from all zones of the deposit, and the general indication is that it responds very well to heap leaching. There is a deeper, higher-grade zone within the deposit identified as Aspen that contains some carbonaceous material that showed significant "pregnant solution-robbing" tendencies. Subsequent testing indicated that a carbon-based leaching system such as CIL or CIP will overcome negative impact of the natural carbon.

Column leach testing, used as an analog for heap leach testing, has shown excellent results for all material types with recoveries ranging from 64% to 94% in a relatively short leach time of 60 days. Gold grades tested have ranged from 0.03 to 0.055 opt. P80 crush sizes of ½ inch, 1 inch, 1 ½ inches and 3 inches have been tested. The results indicate that the overall deposit is moderately sensitive to crush size, with some areas showing potential run-of-mine leachability and others requiring a finer crush size to maintain high recovery and extraction kinetics. Cyanide and lime consumptions have shown wide ranges but there has not been any focus on optimization. Cyanide consumptions range from 0.6 to 5 lb/t, averaging approximately 2.2 lb/t. Lime has shown a similar variability, ranging from 1.0 to 4.0 lb/t and averaging 2.2 lb/t. Actual cyanide consumption will typically be in the range of 30% of that exhibited in column leach testing.

Crushing work index testing indicates the majority of the deposit is characterized as moderately hard, ranging from 10.2 to 11.7 kilowatt-hours per short ton. Abrasion index testing indicates that some portions of the deposit may be abrasive, with the index ranging from 0.15 to 0.30. Figure 1-1 shows the summary of all the gold extractions for all column leach tests to date. Both the mid-point (generally 60 days) and final leach period have been plotted.

Figure 1-1 Summary of Column Leach Gold Extractions by Leach Time and Crush Size



The design basis for the heap leach includes crushing to a P80 size of ½-inch with a 90-day primary leach cycle. Gold and silver extractions are estimated at 80% and 40%, respectively. Cyanide and lime consumptions of 0.65 and 2.2 lb/t have been assumed, respectively.

As shown above, the ore shows a fairly high degree of variability at coarser crush sizes but less at the finer crush size of P80 ½-inch. Gold extractions tend to be excellent in most cases at periods of 90 days or more for the ½-inch material.

Mineral Resources

Historic

An NI 43-101 Technical Report by Donald E. Cameron (2012) reviewed historic work and, with the addition of Otis Gold's exploration programs from 2008 through 2011, produced an estimate of mineral resources.

Historical Mineral Resources for Kilgore Property (Cameron, 2012)

Resource Category	Metric Tons (T)	Au (g/T)	Au Ounces (Troy)	Short Tons (t)	Au (opt)
Measured	-	-	-	-	-
Indicated	27,352,000	0.59	520,000	30,130,000	0.017
Total Measured and Indicated	27,352,000	0.59	520,000	30,130,000	0.017
Inferred	20,230,000	0.46	300,000	22,290,000	0.014

Mineral resources are at a gold cutoff grade of 0.24 g/T (0.007 opt).

Items are rounded off to reflect the precision of the estimate, thus metal quantity varies slightly from the product of tons and grade.

Current

CIM Standards defines a mineral resource as: "a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling." The mineral resources may be impacted by further infill and exploration drilling that may result in increase or decrease in future resource evaluations. The mineral resources may also be affected by subsequent assessment of mining, environmental, processing, permitting, taxation, socio-economic and other factors. Mineral resources are not mineral reserves and do not have demonstrated economic viability. Mineral reserves can only be estimated based on the results of an economic evaluation as part of a Pre-Feasibility Study (as defined in the CIM Standards) or Feasibility Study (as defined in the CIM Standards). Therefore, no mineral reserves have been estimated as part of this study. There is no certainty that all or any part of the mineral resources will be converted into a mineral reserve.

The requirement of "reasonable prospects for eventual economic extraction" generally implies that the quantity and grade estimates meet certain economic thresholds and that the mineral resources are reported at a cutoff grade considering appropriate extraction scenarios and processing recoveries. David Rowe of Rowearth LLC modeled the geology using Leapfrog Geo three-dimensional modeling software and then created the resource block model using Leapfrog Edge. Rowearth considered that major portions of the Kilgore deposit are amenable for open pit extraction.

To determine the quantities of material offering "reasonable prospects for economic extraction" by an open pit, GRE constructed open pit scenarios developed from the resource block model estimate using Vulcan's Lerchs-Grossman miner "Pit Optimizer" software. Reasonable mining assumptions were applied to evaluate the portions of the block model (Indicated and Inferred blocks (as defined in the CIM Standards)) that could be "reasonably expected" to be mined from an open pit. The optimization parameters presented below were selected based on experience and benchmarking against similar projects. The results are used as a guide to assist in the preparation of a mineral resource statement and to select an appropriate resource reporting cutoff grade. Rowearth considers that the blocks located within the resulting conceptual pit envelope show "reasonable prospects for economic extraction" and can be reported as a mineral resource.

The reader is cautioned that the results from the pit optimization are used solely for testing the "reasonable prospects for eventual economic extraction" by an open pit and do not represent an attempt to estimate mineral reserves. There are presently no mineral reserves on the project.

Kilgore Resource Parameters for Conceptual Open Pit Optimization

Parameter	Unit	Values
Metal Price	US$/oz gold	$1,300.00
Selling cost	US$/oz gold	$2.20
Gold Recovery	%	80.00%
Mining cost	US$/short ton	$2.00
Process cost	US$/short ton includes $1.00 G&A	$4.00
Pit slope	degrees	50

Mineral Resource Statement for the Kilgore Deposit

	Imperial Units			Metric Units			
Category	Cutoff (Au opt)	Short tons	Au Grade (opt)	Cutoff (Au g/T)	Metric Tonnes	Au Grade (g/T)	Au Ounces
Indicated	0.006	49,106,000	0.017	0.21	44,556,000	0.58	825,000
Inferred	0.006	10,354,700	0.013	0.21	9,399,000	0.45	136,000

Mineral resources have been classified in accordance with the CIM Definition Standards on Mineral Resources
Gold resources are reported above a 0.21 g/T Au (0.006 opt) cutoff
Mineral resources reported here are constrained within an optimized pit shell.
Pit shell input parameters: Gold price $1,300, Selling price $2.20/oz, Recovery 80%, Mining cost $2/ton, Process cost + G&A $4/ton, Pit slope 50°

Kilgore Project Resource Statement – Sensitivity to Cut-off Grade

Classification	Imperial Units			Metric Units			Au Ounces
	Cut-off (Au opt)	Short tons	Au Grade (opt)	Cut-off (Au g/t)	Metric Tonnes	Au Grade (g/t)	
Indicated	0.003	62,382,000	0.014	0.10	56,592,000	0.49	886,000
	0.004	58,647,000	0.015	0.14	53,206,000	0.51	873,000
	0.005	53,976,000	0.016	0.17	48,966,000	0.54	852,000
	0.006	**49,106,000**	**0.017**	**0.21**	**44,556,000**	**0.58**	**825,000**
	0.007	44,549,000	0.018	0.24	40,414,000	0.61	796,000
	0.008	40,294,000	0.019	0.27	36,559,000	0.64	764,000
	0.009	36,343,000	0.020	0.31	32,970,000	0.69	730,000
	0.010	32,830,000	0.021	0.34	29,786,000	0.73	697,000
Inferred	0.003	16,271,700	0.010	0.10	14,761,000	0.34	163,000
	0.004	14,511,400	0.011	0.14	13,168,000	0.37	157,000
	0.005	12,336,900	0.012	0.17	11,192,000	0.41	147,000
	0.006	**10,354,700**	**0.013**	**0.21**	**9,399,000**	**0.45**	**136,000**
	0.007	8,736,180	0.014	0.24	7,925,000	0.49	126,000
	0.008	7,272,060	0.016	0.27	6,600,000	0.54	115,000
	0.009	6,017,710	0.017	0.31	5,459,000	0.59	104,000
	0.010	5,030,820	0.019	0.34	4,567,000	0.65	95,000

Au block model metal quantities reported at various Au cut-off grades for the Kilgore deposit.

Mining Methods

For the purposes of this technical report, GRE assumed conventional open pit mining methods using drill, blast, load, and haul mining would be most applicable to the Kilgore deposit.

The PEA evaluated pits that were generated excluding the Aspen material and pits that were generated including the Aspen material. Based on review of metallurgical test work of the Aspen Formation, which shows variable recovery for different zones, GRE assumed 60% of the Aspen material would be leachable, while the other 40% was considered waste. Similarly, 60% of the reported gold ounces within the Aspen rock type were included as contained ounces and the other 40% were considered waste. GRE recommends additional geologic analysis of the Aspen Formation to identify and model the good-performing metallurgical domain relative to the portion that requires CIL or CIP processing efforts.

Four ultimate pit designs were created for the following Lerchs-Grossman pit shells:

- US$800/oz Au no Aspen included in pit
- US$800/oz Au Aspen included in pit
- US$900/oz Au no Aspen included in pit
- US$900/oz Au Aspen included in pit

GRE evaluated two leaching options for each of the ultimate pit designs:

- crushing of all material above the mining cutoff grade

- a combination of ROM and crushing:
    - ROM of all material above a cutoff grade of 0.004 opt (0.14 g/T) up to the mining cutover grade
    - crushing of all material above the mining cutover grade.

Each pit was evaluated at five mining cutoff grades: 0.006 opt (0.2057 g/T), 0.007 opt (0.24 g/T), 0.008 opt (0.274 g/T), and 0.009 opt (0.309 g/T), and 0.010 opt (0.343 g/T).

The Kilgore deposit includes potentially recoverable silver content as well as gold. Silver assays were conducted on approximately 3,906 samples; however, they were not incorporated into the block model, and the mineral resource estimate did not address silver. Based on the available data and metallurgical test results, silver will be recovered with the gold and will contribute to the economic value of the project. GRE recommends re-assaying all available pulps for silver prior to the next engineering phase and incorporating silver into the Mineral Resource and Economic Model.

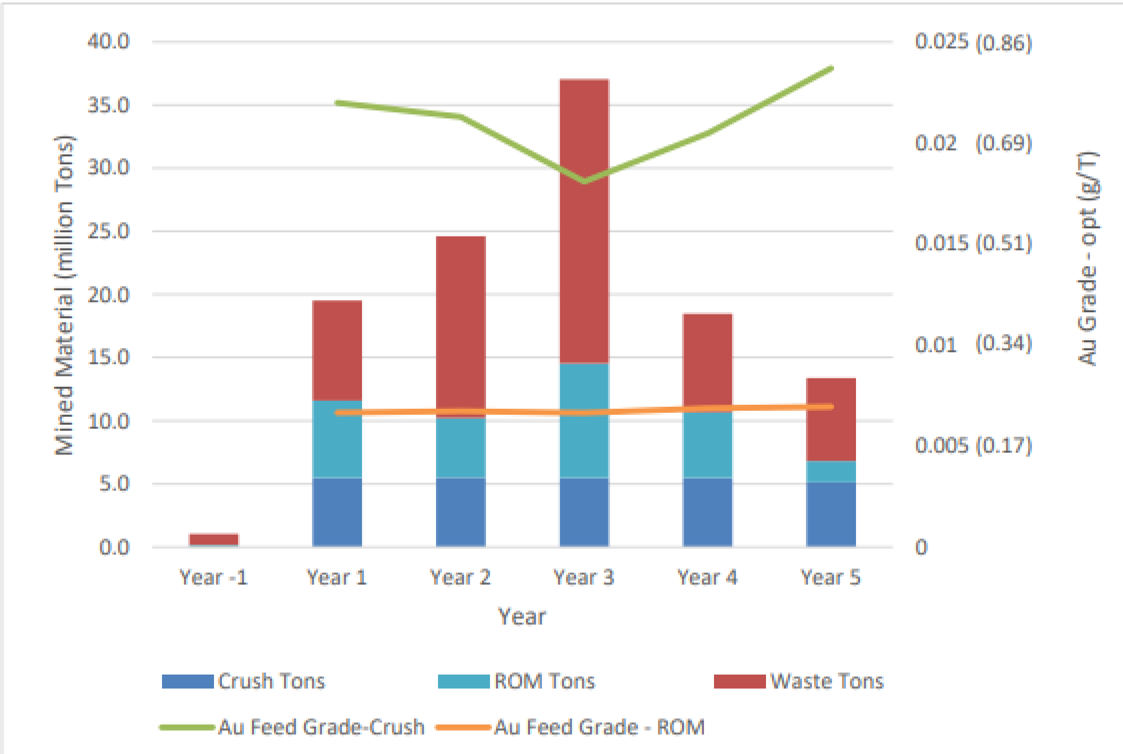
GRE selected the US$800/oz Au pit with Aspen included at a cutoff grade of 0.010 opt (0.34 g/T) with a ROM cutoff grade of 0.004 opt (0.14 g/T) and crushing as the base case. This pit has life-of-mine leach material of 54.0 million tons at a strip ratio of 1.1:1.

The mine schedule was broken into three phases of mining. GRE used the following assumptions to generate the schedule:

- Leachable/Crush Material Production Rate: 15,000 tons per day
- Mine Operating Days per Week: 7
- Mine Operating Weeks per Year: 52
- Mine Operating Shifts per Day: 2
- Mine Operating Hours per Shift: 10

These assumptions result in a mine life of 5.0 years.

Mine Production Summary



The assumed mine layout would include a crushing site, leach pad, plant site, and waste dump. The leach material and waste would be drilled and blasted using a rotary crawl driller and ammonium nitrate fuel oil and transported in dump trucks to the primary crusher, which would be located near the pit.

Crushed leach material would be transported to the secondary and tertiary crushing circuits by conveyor and then to the leach pad by conveyor. The analysis uses Caterpillar 777G size trucks, with a heaped capacity of 84 cubic yards, and Caterpillar 992K size loaders, with a bucket capacity of 16 cubic yards.

Recovery Methods

A conventional heap leach process has been proposed for the Kilgore deposit. Depending on the grade of the material, it will either be crushed to a P80 of -1/2-inch prior to being placed on the heap leach or treated directly as ROM. Both ROM and crushed material would have lime added prior to pad placement for pH control. The ROM material would be trucked dumped on the pad and ripped with a dozer after each lift is complete. The crushed material would be conveyed to the heap leach facility. This pregnant leach solution from the heap leach would be collected in a dedicated pond and either recirculated or processed in the ADR plant. The gold and silver in the solution would be collected on activated carbon in a series of carbon-in-column vessels. Gold and silver recovery would take place through stripping the activated carbon into an enriched solution that reports to an electrowinning circuit where the gold and silver is recovered as a sludge that is ultimately smelted into high purity doré bars.

Environmental Studies and Permitting

A Golder Associates Preliminary Environmental Report (2010) prepared for Otis Gold provided an overview of studies and permits that will be required to develop the Kilgore Project. The report stated that issues may arise during studies and permitting, but the information available at the time of the report did not identify a fatal flaw. Work on the Kilgore Project is subject to annual USFS Plans of Operation that must be submitted in advance.

In Q2 2020, EIGI filed an updated plan of operations for the Kilgore Project with the USFS. In Q4 2021, the USFS issued the Kilgore 2021 EA approving the Kilgore Project Plan of Operations, including planned drilling in Q3 2022.

In Q2 2022, the ICL/GYC filed suit against the USFS regarding its 2021 approval of the Kilgore Project. This legal action followed the denial by the U.S. District Court of a motion filed by the ICL/GYC in Q1 2022 to reopen the 2018 proceeding against the USFS. These legal proceedings did not impact the 2022 Kilgore drilling program. EIGI successfully filed a motion to intervene as a defendant intervenor. Scheduled briefings and a hearing to adjudicate the matter were held on May 10, 2023.

On August 4, 2023, the U.S. District Court ruled in favour of the USFS and Excellon, upholding the Kilgore 2021 EA, and rejecting ICL/GYC's claims against the USFS.

Capital and Operating Costs

Capital Costs

Capital costs include:

- The project plans to use contractor mining, and all mining equipment and facilities would be provided by the contractor, so no capital costs are included in the cost estimates for mining equipment and facilities.
- Process capital costs include an ADR recovery system, leach pad, ponds, crushing plant and stacking system, a laboratory, and mobile equipment.
- Development includes pioneering, clearing, grubbing, access road improvements, and haul road construction, assumed to be 20,000 feet of new haul roads.
- Working capital was estimated to be 2 months' operating costs. The working capital was estimated to be recovered the year after production ends. Capital contingency was set at 25%. The total estimated capital costs for the project, including contingency, are US$97.46 million, with initial capital costs of US$81.23 million, as shown below.

Summary of Kilgore Capital Costs (millions)

Capital Cost Item	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Total
Mine	$3.90	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$3.90
Process	$41.12	$0.00	$0.00	$7.87	$0.00	$6.03	$0.00	$0.00	$0.00	$55.03
G&A	$7.21	$1.52	$1.52	$1.52	$1.52	$1.42	$5.00	$0.00	$0.00	$19.71
Sustaining	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Working	$15.46	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	($15.46)	$0.00
Contingency	$13.54	$0.30	$0.30	$1.88	$0.30	$1.49	$1.00	$0.00	$0.00	$18.82
Total	**$81.23**	**$1.52**	**$1.52**	**$9.39**	**$1.52**	**$7.45**	**$5.00**	**$0.00**	**($15.46)**	**$97.46**

Operating Costs

Operating costs include:

- Operating costs for mining production and support equipment were included, as well as recovery of capital costs by the contractor every four years.
- Process operating costs include operation of the ADR plant, leach pad, and crushing plant.
- Manpower includes personnel for mining, process, and overhead.
- Overhead services and supplies were also included. The total life of mine operating costs were estimated to be US$435.57 million, with a mining unit cost of US$2.32/mined ton, and process unit cost of US$2.90/process ton, and a general and administrative unit cost of US$0.51/process ton, as shown below.

Summary of Kilgore Estimated Operating Costs (millions)

Operating Cost Item	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Mine	$1.95	$43.71	$47.14	$81.65	$54.86	$35.68	$264.99
Process	$0.08	$33.12	$30.41	$37.90	$31.31	$24.01	$156.83
G&A	$0.15	$2.76	$2.76	$2.76	$2.76	$2.58	$13.75
Total	**$2.18**	**$79.59**	**$80.31**	**$122.31**	**$88.93**	**$62.26**	**$435.57**

Summary of Kilgore Estimated Operating Unit Costs

Item		Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Mine	($/mined ton)	$1.86	$2.24	$1.92	$2.20	$2.97	$2.67	$2.32
Process	($/process ton)	$3.73	$2.85	$2.97	$2.61	$2.92	$3.52	$2.90
G&A	($/mined ton)		$0.47	$0.54	$0.38	$0.51	$0.76	$0.51

The cash operating costs per ounce of Au, all-in sustaining cost per ounce of Au, and all-in cost per ounce of Au are shown below.

Costs per Gold Ounce

Item	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Cash Operating Cost / Au ounce	$665	$720	$1,099	$809	$585	$780
All-in Sustaining Cost / Au ounce	$681	$737	$1,201	$826	$669	$832
All-in Cost / Au ounce	$681	$737	$1,201	$826	$669	$954

Cash Operating Cost / Au ounce = operating costs/Au ounces
All-in Sustaining Cost / Au ounce = capital costs less initial capital/Au ounces
All-in Cost / Au ounce = (capital costs + operating costs)/Au ounces

Economic Model

Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability under National Instrument 43-101. This PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves under National Instrument 43-101. Readers are advised that there is no certainty that the results projected in this PEA will be realized.

The economic model uses a gold price of US$1,300/ounce, which is consistent with the three-year trailing average price through the end of July 2019.

The projected metal recovery rate was 82% for crushed leach material and 50% for ROM material. Recovery was factored as 70% during the first year after placement on the leach pad, 25% during the second year after placement on the leach pad, and 5% during the third year after placement on the leach pad. The resulting base case gold revenue was US$726.36 million.

Kilgore Project Revenues (millions)

Revenue	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total
Gold Crush	$0.00	$89.84	$119.07	$111.35	$116.24	$126.68	$38.67	$6.54	$608.39
Gold ROM	$0.00	$16.28	$20.54	$32.36	$27.83	$15.54	$4.65	$0.77	$117.97

GRE included depreciation and depletion deductions from the income before taxes to obtain taxable income. Federal tax at 21% was applied to the taxable income, Idaho corporate tax at 6.925% was applied to the taxable income, Idaho license tax at 1% was applied to net revenue, and Idaho property tax at 0.78% was applied to annual net profit. The taxes were deducted from the taxable income, then the depreciation and depletion allowance were added back from taxable income to obtain net cash flows after taxes. After-tax NPV @5%, NPV@7%, NPV@9%, and IRR were calculated from the net after-tax cash flow. The total after-tax cash flow over the life of the project was US$151.82 million.

Kilgore Project Summary of Economic Model

Description	Year -1	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Total
Net Revenue	$0.00	$106.12	$139.60	$143.72	$144.07	$142.22	$43.31	$7.31	$0.00	$726.36
Total Operating Costs	$2.18	$79.59	$80.31	$122.31	$88.93	$62.26	$0.00	$0.00	$0.00	$435.57
Before Tax Cash Flow	($2.18)	$26.54	$59.29	$21.41	$55.15	$79.96	$43.31	$7.31	$0.00	$290.79
Depreciation	$0.00	$12.75	$13.52	$13.88	$16.14	$16.50	$5.14	$0.00	$0.00	$77.93
Loss Carry Forward	$0.00	($2.18)	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
Depletion Allowance	$0.00	$6.89	$20.94	$3.76	$19.51	$21.33	$6.50	$1.10	$0.00	$80.03
Taxable Income	$0.00	$4.71	$24.83	$3.76	$19.51	$42.12	$31.68	$6.21	$0.00	$132.83
Total Taxes	$0.00	$1.72	$7.78	$1.39	$6.23	$12.97	$9.55	$1.85	$0.00	$41.51
After Tax Cash Flow	($2.18)	$24.82	$51.51	$20.02	$48.92	$66.99	$33.76	$5.45	$0.00	$249.28
Total Capital Costs	$81.23	$1.82	$1.82	$11.27	$1.82	$8.94	$6.00	$0.00	($15.46)	$97.46
Net Cash Flow	($83.41)	$22.99	$49.69	$8.74	$47.09	$58.04	$27.76	$5.45	$15.46	$151.82

The resulting NPV@5% was US$110.39 million, the NPV@7% was US$96.82 million, the NPV@9% was $84.64 million, the cash flow was US$151.82 million, the IRR was 34.0%, and the payback period was 3.0 years.

A summary of the production includes:

Total leach tons mined:	54.0 million
Total waste tons mined:	60.0 million
Head Grade:	0.014 opt (0.48 g/T)
Mine Life:	5.0 years
Tons per day mined:	15,000
Strip ratio:	1.1
Gold recovery – crushed material:	82%
Gold recovery – ROM material:	50%
Total gold ounces mined:	752,200
Total gold ounces recovered:	558,700
Average annual gold production:	111,700 ounces
Peak annual gold production:	119,600 ounces in year 1

Key economic measurements include the following:

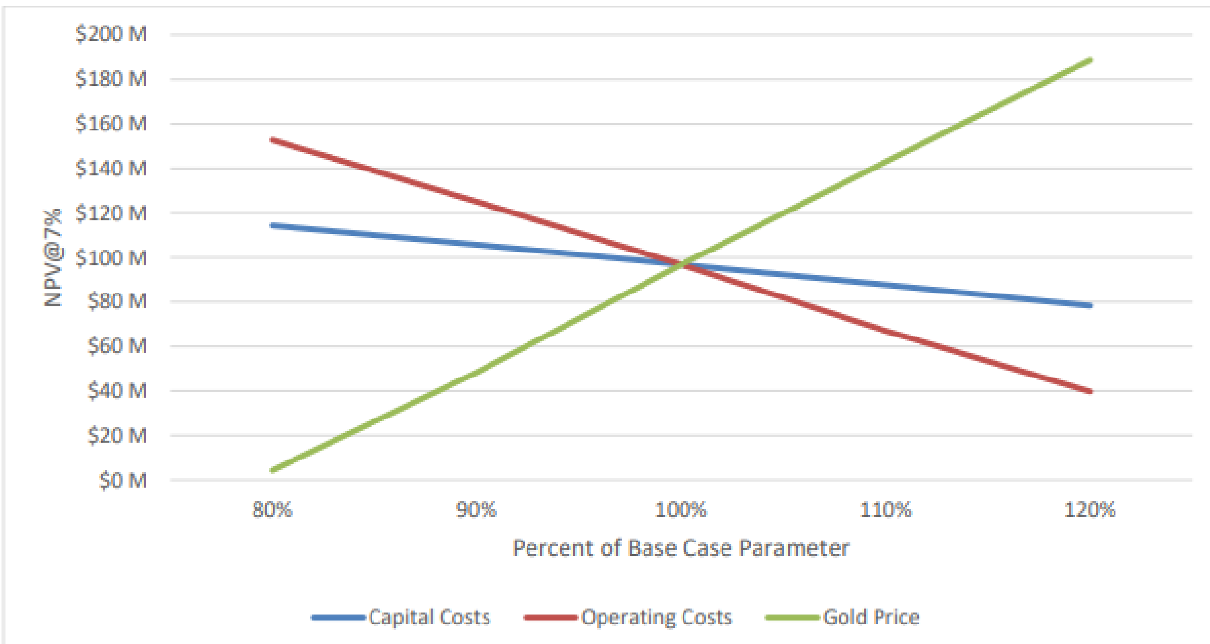
Royalties:	0%
Undiscounted operating pre-tax cash flow:	US$193.3 million
Pre-tax NPV@5%:	US$144.0 million
Pre-tax NPV@7%:	US$127.9 million
Pre-tax NPV@9%:	US$113.4 million
Pre-tax IRR:	40.6%
After-tax NPV@5%:	US$110.4 million
After-tax NPV@7%:	US$96.8 million
After-tax NPV@9%:	US$84.6 million
After-tax IRR:	34.0%
Undiscounted operating after-tax cash flow:	US$151.8 million
After-tax payback period:	3.0 years
All-in sustaining costs:	US$832/Au ounce
All-in costs:	US$954/Au ounce
Total operating costs:	US$780/Au ounce

Sensitivity analyses were conducted to determine the sensitivity of the economic model to changes in capital costs, operating costs, and gold price. The results are shown below:

Kilgore Project NPV@7% Sensitivity to Varying Gold Price, Capital Costs, and Operating Costs

Variable	NPV@7% at % Of Base Case (millions)				
	80%	90%	100%	110%	120%
Capital Cost	$114.35	$105.71	$96.82	$87.68	$78.28
Operating Cost	$152.78	$125.03	$96.82	$67.05	$39.72
Gold Price	$4.31	$48.34	$96.82	$143.00	$188.71

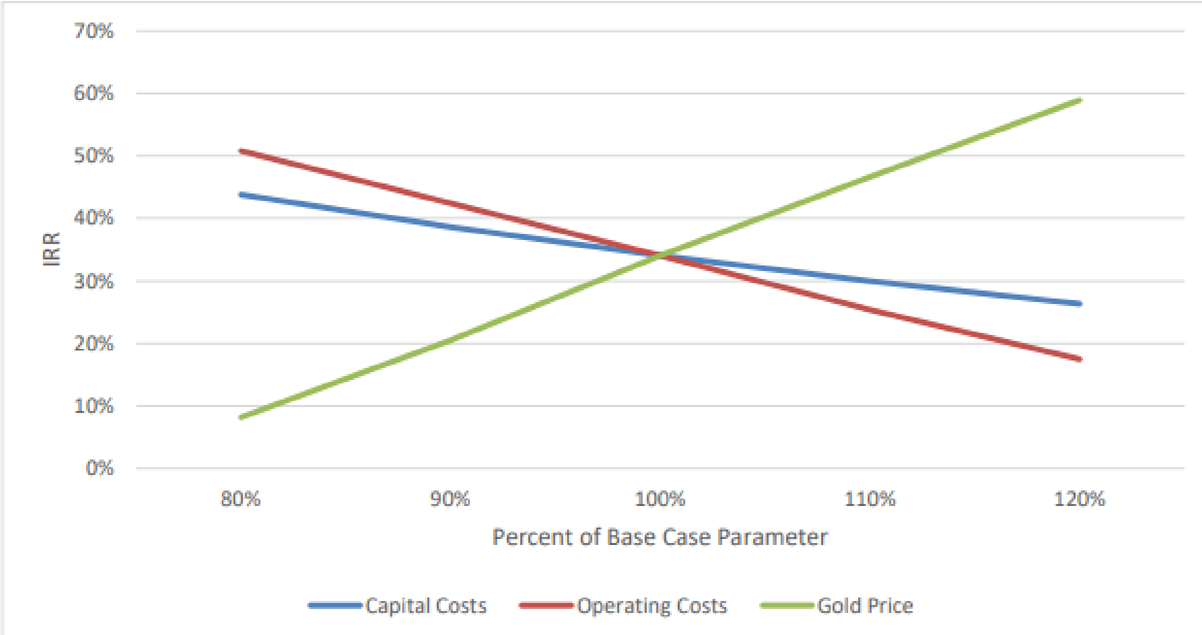
Kilgore Project NPV@7% Sensitivity to Varying Gold Price, Capital Costs, and Operating Costs



Kilgore Project IRR Sensitivity to Varying Gold Price, Capital Costs, and Operating Costs

Variable	IRR at % Of Base Case				
	80%	90%	100%	110%	120%
Capital Cost	43.81%	38.61%	34.04%	29.98%	26.33%
Operating Cost	50.80%	42.42%	34.04%	25.38%	17.50%
Gold Price	8.19%	20.53%	34.04%	46.65%	58.90%

Kilgore Project IRR Sensitivity to Varying Gold Price, Capital Costs, and Operating Costs



A positive valuation is maintained across a wide range of sensitivities on key assumptions.

Conclusions and Recommendations

The authors have reviewed data and reports supplied by Otis Gold pertaining to the project and have found them to be reasonable in the context in which they are being used. Based our analysis, the authors believe the project has economic potential and should continue to be explored, developed, and advanced to pre-feasibility study.

The individual domain resource estimates are generally contiguous and form a body of mineralization potentially amenable to bulk tonnage mining in an open pit setting. This appears to be supported by the metallurgical studies performed to date by previous companies and Otis Gold.

Exploration in and around the Kilgore Project reveals a large area of hydrothermal alteration that resulted from the geothermal system generated by the magmatism and volcanism associated with the Heise Volcanic Field. Multiple super-volcanic eruptions created both the host rocks and the structural environment to allow precious metal-bearing fluids to be emplaced throughout the Kilgore Project area. Continuing exploration work conducted by Otis Gold has demonstrated gold occurrences over the entire land package currently held. Regional exploration including stream sediment and soil sampling in combination with surface geologic mapping are valuable in identifying further near surface precious metal epithermal style mineralization.

Conventional open pit mining methods using drill, blast, load, and haul mining are applicable to the Kilgore deposit. The deposit is amenable to heap leach gold and silver recovery. Based on these findings the following recommendations have been presented:

- Continue drill testing the near surface potential of the deposit by drilling to north, south, and west where it remains open including fracture / fault studies to better define the relationship between mineralization and structure, and oriented and geotechnical drilling to assist in mine design studies.
- Assay existing pulps for silver and include silver assays in all new exploration sampling.
- Continue drill testing the lateral and vertical extent of the sediment hosted gold mineralization in the Aspen Formation.
- Drill 3-5 core holes for metallurgical test work including large diameter holes to test ROM potential in the lithic tuff and sill.
- Relog and analyze Aspen Formation intervals to identify good and poor-performing metallurgical domains.
- Ensure that all subsequent metallurgical analysis on new samples utilizes cyanide amenability tests (P80 of 10 mesh with a 96-hour bottle roll leach) to define the direction for subsequent testing. This will establish a database of amenability tests for future geometallurgy.
- Ensure that complete carbon assays are undertaken on all mineral domains.
- Quantify the ore types tested to determine the relative abundance of each domain and map the recoveries to those domains.
- Explore the crush size relationship in more detail to allow for the optimization of the ultimate heap leach design.
- A detailed analysis of the material tested and its representativity to the deposit should be conducted to ensure adequate grade, material type, and spatial representativity.
- Increase the tracking of silver in subsequent metallurgical testing and inform the model with additional silver assay details.
- More geotechnical investigation should be undertaken to ensure heap permeability under a multiple lift scenario.
- Based on the metallurgical review, a conservative approach has been taken to ensure maximum gold and silver recovery is obtained.
    - A crush size P80 of ½-inch has been selected for the heap design.
    - A primary leach period of 90 days should be employed. Based on these parameters, gold extractions of 82% for crush and 50% for ROM, should be achievable.
    - Cyanide and lime consumptions are moderate. The cyanide consumption has been scaled from the average for all column tests of 2.16 pounds per ton (lb/t) to a projected heap consumption of 0.5 lb/t. The average lime consumption from the column tests has been employed (with the removal of one outlier) to provide an expected consumption of 2.6 lb/t.
    - No agglomeration is necessary as the column tests all exhibited excellent permeability.
    - The silver grade does not appear to be high enough to warrant the use of a Merrill Crowe recovery system. A standard carbon adsorption circuit should be acceptable.
- A Lidar survey will be needed for mine, waste rock, heap leach, and plant facility designs.
- Base line surface water flows and water quality will be needed for design.
- Groundwater monitoring and testing wells will be needed to create a groundwater model and predict pit inflows and pit dewatering requirements.
- In addition to the geologic description, core holes should be logged, and rock quality designation and rock mass rating should be identified.
- Geotechnical testing of soils near the plant, waste rock, and heap leach sites.
- Geotechnical testing of rock for pit wall design.
- Continue Kilgore Project-wide exploration to test for emerging targets both inside and outside the existing land position.

OTHER MINERAL PROJECTS

SILVER CITY PROJECT, SAXONY, GERMANY

The Silver City Project is comprised of the Bräunsdorf, Frauenstein, Mohorn and Oederan exploration licenses amounting to the approximately 340 km^2 silver district in Saxony, Germany. It is situated west of the city of Freiberg (30 km southwest of Dresden) in the historic Freiberg mining district. The exploration licenses and surrounding area have a long and rich history of silver mining with numerous historic mining camps, small mines and prospects, many of which have only been explored and/or mined to shallow depths seldom exceeding 200 metres below surface.

Located along the western edge of the Erzgebirge terrain, the terrain is an erosional window of Variscan basement rocks exposed due to uplifting of the terrain during the Cenozoic period. A large number of hydrothermal veins have been emplaced into this terrain. These veins are typically sub-vertical and host predominantly silver and base metal rich deposits associated with Permian magmatic activity. In the Bräunsdorf district in particular, polymetallic veins are hosted within mica schist units, parallel to the tectonic contacts along a gneiss unit.

The area's long history of mining dates back to the 12th century. Similar to the gold rush in North America, the silver rush in Europe originated in the ore mountains of Saxony, which were the source of wealth and power for the Saxon monarchy. Mining continued until the 19th century and ceased when Germany abandoned the silver standard after the Franco-Prussian war and as the depth of mining operations became difficult with the methods then being employed. Sporadic silver mining continued in 1880's, but ultimately ceased in 1969 due to economic, political and technological limitations.

The area is home to the Freiberg University of Mining and Technology (TU Bergakademie Freiberg), one of the oldest universities of mining and metallurgy in the world and the Helmholtz Institute Freiberg, which specializes in a broad array of innovative mining technologies. The Institute was founded in 2011 by the federal government of Germany to align the country's mineral history with a new national strategy on raw materials. Currently, both the Saxon and German governments are proactively attracting mining investment and research through affiliations with several technology and mining institutes and transparent and collaborative mining law process.

The Company's interest in the Silver City Project was pursuant to an option agreement dated September 23, 2019 between the Company and Globex pursuant to which the Company acquired a 100% interest in the project for total cash and share consideration over a three-year term of C$500,000 and C$1,600,000 million respectively. In Q3 2023, the Company exercised the option, upon which Globex was granted a gross metals royalty of 3% for precious metals and 2.5% for other metals, both of which may be reduced by 1% upon a payment of C$1,500,000. Additional one-time payments of C$300k and C$700k are to be made by the Company following any future announcement of a maiden mineral resource estimate on the property and upon achievement of commercial production from the project, respectively.

EVOLUCIÓN CONCESSIONS, DURANGO AND ZACATECAS, MEXICO

The Evolución Project is an exploration-stage project comprising two mineral concessions totaling 31,280 hectares, and 35 kilometres of strike in one of the world's premier silver districts. It is a greenfield stage polymetallic silver-zinc-lead-gold exploration project on the border of northern Zacatecas and southern Durango, on the high plateau of central Mexico. The Evolución Project concessions are held by Excellon's wholly-owned subsidiary Excellon New Mining Projects. The Company's objective for the concessions is to ultimately discover Fresnillo-style epithermal mineralization. In 2021, the Company completed detailed mapping at 1:1000 scale across the entire mineral concession area. Data collected in the field relating to the structural setting and associated mineralization in the two Evolución Project concessions are being compiled and evaluated by a PhD candidate. This work will contribute to understanding the potential scale and timing of mineralization on the concessions. Mapping and prospecting continue on the southern part of the claim block where anomalous silver values have been detected on surface along a well-defined structural trend.

PLATOSA PROJECT, DURANGO, MEXICO

The Platosa Property is located in the northeast portion of the State of Durango, north-central Mexico, approximately 45 kilometres north of the city of Torreón, and five kilometres north of the village of Bermejillo. Torreón is an industrial centre of more than one million people when combined with the adjacent cities of Gomez Palacio and Lerdo. The Torreón International Airport is serviced by several daily non-stop flights to and from Mexico City and the United States. The property is 63 km north northwest by road from the airport via Mexico Highway 49, which is a major north-south trucking route. Rail and power transmission lines run parallel to the highway, and the entire project area is easily accessible year-round with two-wheel-drive vehicles.

The Company holds 74 mining concessions at the Platosa Property covering a total area of approximately 11,000 hectares. These concessions and fractional concessions are held directly by the Company. Excellon also holds certain surface rights for portions of the property.

The Platosa Property lies in the Sierra Bermejillo, a northwest-trending anticline-syncline pair developed in Mesozoic sedimentary rocks. The Sierra Bermejillo Anticline is a relatively open fold that plunges to the southeast. The Saltillera Syncline is a doubly plunging structure located west of the anticline. The folded sequence is cut by a set of north- to northwest-striking, steeply dipping fractures and faults. Tertiary felsic to intermediate dykes and plutons intrude these structures in the western part of the Sierra Bermejillo.

The principal fault system in the property area is the PSZ, a 250 to 1,500 metre-wide northwest-trending zone of fracturing and shearing that traverses the eastern margin of the Sierra Bermejillo. The PSZ includes a series of fault planes that strike north–north westerly and dip steeply east; it has been mapped along strike for five kilometres northwest and southeast of the Platosa Mine. It is characterized by brecciated, crushed, and dolomitized limestone; slickenside fracture surfaces; iron and manganese oxides; travertine-filled breccias; and coarsely crystalline selenite veins, some up to five metres thick. The faulted rocks weather recessively and create a negative topographic expression of the PSZ.

On January 5, 2022, the Company announced that it was assessing the economic viability of mining at Platosa at achievable dewatering rates and with acceptable capital expenditures, beyond mid-2022. The estimated mineral resources remaining beyond mid-2022 steepened significantly, with fewer vertical-tonnes-per-metre than historically encountered. Underground and surface drilling continued throughout Q1 and Q2 2022; however, based on the drilling results and consideration of current and expected economic factors, production ceased and the Platosa Mine was placed on care and maintenance in early Q4 2022. Consequently, the Miguel Auza Mill was also placed on care and maintenance.

Historically, the Platosa Mine produced silver-, lead-, and zinc-rich CRD ore that was processed at the Miguel Auza Mill.

RISK FACTORS

An investment in Common Shares involves a high degree of risk and must be considered a highly speculative investment due to the nature of the Company's business and the present stage of exploration and development of its mineral properties, and the many risk factors facing companies in the mining industry that could materially affect the Company. Mineral resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits, which, though present, are insufficient in quantity or quality to turn a profit from production.

The risks described below are not the only ones which may affect the Company. Additional risks that the Company currently does not foresee or believes to be immaterial may become important factors that affect the Company's business. If any of the risks described below occur, or if such other risks not currently anticipated or fully appreciated occur, the business and prospects of the Company could be materially adversely affected, which could have a material adverse effect on the valuation and the trading price for the Common Shares.

Details of the risk factors identified below and under the heading "*Cautionary Statements Regarding Forward-Looking Statements and Other Matters*" at the beginning of this AIF should be carefully reviewed and evaluated by investors before making trading decisions in respect of the Common Shares.

An investor should carefully consider the risk factors described below, together with all of the other information included in this AIF, including the "*Cautionary Statements Regarding Forward-Looking Statements and Other Matters*" at the beginning of this AIF.

Going Concern

The Company's consolidated financial statements for the years ended December 31, 2023 and 2022 contain disclosure related to the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on several factors, including its ability to obtain the necessary financing to advance its exploration projects and meet its ongoing corporate overhead costs. Although the Company has been successful in obtaining debt and equity financing in the past, there is no assurance that it will be able to do so in the future or that such arrangements will be on terms advantageous to the Company. If the Company is unable to achieve these goals, its ability to carry out and implement planned business objectives and strategies will be significantly delayed, limited or may not occur. These conditions indicate the existence of material uncertainties that cast significant doubt on the Company's ability to realize its assets and discharge its liabilities in the normal course of business and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. The Company's financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. There are no guarantees that access to equity and debt capital from public and private markets in Canada or the U.S. will be available to the Company.

Fluctuation of Metal Prices

Even if commercial quantities of mineral deposits are discovered, there is no guarantee that a profitable market will exist for the sale of the metals produced. Factors beyond the control of the Company may affect the marketability of any substances discovered. The prices of various metals have experienced significant movement over short periods of time and are affected by numerous factors beyond the control of the Company, including international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates and global or regional consumption patterns, speculative activities and increased production due to improved mining and production methods. The supply of and demand for metals are affected by various factors, including political events, economic conditions and production costs in major producing regions. There can be no assurance that the price of any minerals contained in a deposit will be such that the Company's properties can be mined at a profit. The Company is particularly exposed to the risk of movement in the price of gold and silver.

No Assurance of Profitability

The Company has a limited history of earnings and due to the nature of its business there can be no assurance that the Company will be profitable. The Company has not paid dividends on its Common Shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is from the anticipated cash flow generated through the sale of Common Shares or other equity interests in the Company, short-term high-cost borrowing, or the sale or optioning of a portion of its interest in its mineral properties. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists. While the Company may generate additional working capital through cash flow from future equity offerings, short-term borrowing or through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on favourable terms, or at all. At present, it is impossible to determine what amounts of additional funds, if any, may be required. Failure to raise such additional capital could put the continued viability of the Company at risk.

Mineral Resource Exploration and Development is a Speculative Business

Mineral resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in size to return a profit from production. The marketability of natural resources that may be acquired or discovered by the Company will be affected by numerous factors beyond the control of the Company. These factors include market fluctuations, the proximity and capacity of natural resource markets, and government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital. The majority of exploration projects do not result in the discovery of commercially mineable deposits of ore.

Failure to achieve estimates or material increases in costs

The Company prepares budgets and estimates for its operations and the main costs relate to exploration and working capital. As a result of the substantial expenditures involved in the development of mineral projects and the fluctuation of costs over time, operations may be prone to material cost overruns. The Company's actual costs may vary from estimates for a variety of reasons, including short-term operating factors; risks and hazards associated with mineral exploration; natural phenomena, such as inclement weather conditions, water availability, floods, and earthquakes; and unexpected labour issues, labour shortages, strikes or community blockades. Many of these factors are beyond the Company's control.

Uncertainty of Mineral Resource Estimates

Internal and expert independent technical consultants have been engaged to advise the Company on, among other things, mineral resource estimates, geotechnical, metallurgy and project engineering. The Company believes that these experts are competent and that they have carried out their work in accordance with all internationally recognized industry standards. If, however, the work conducted by, and the mineral resource estimates of these experts are ultimately found to be incorrect or inadequate in any material respect, such events could materially and adversely affect the Company's future operations, cash flows, earnings, results of operations, financial condition and the economic viability of its projects.

The mineral resource estimates presented in this AIF are inherently subject to uncertainty and are based on geological interpretations and inferences drawn from limited information acquired through drilling, sampling, and, in some cases, through underground exploration and mining, and may require revisions based on further exploration and development work. No assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized, that mineral resources will ever be updated to mineral reserves, or that an identified mineral resource will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. The grade of mineralization actually recovered may differ materially and adversely from the estimated average grades in the resource estimate. Any future production could differ dramatically from mineral resource estimates for, among others, the following reasons:

- mineralization or formations could be different from those predicted by drilling, sampling and similar examinations;
- increases in operating mining costs and processing costs could adversely affect mineral resources;
- the grade of the mineral resources may vary significantly from time to time and there is no assurance that any particular level of gold, silver, lead, zinc or other metal may be recovered from the mineral resources; and
- declines in the market price of gold, silver, lead, zinc or other metals may render the mining of some or all of the mineral resources uneconomic.

Any of these factors may require the Company to reduce mineral resource estimates or increase its cost estimates. Short-term factors, such as the need for the additional development of a deposit or the processing of new different grades, may impair the Company's profitability. Should the market price of metals fall, the Company could be required to materially write down its investment in mining properties or delay or discontinue production or the development of new projects.

No Defined Mineral Reserves

The Company has not defined any mineral reserves on any of its properties and there can be no assurance that any of the concessions under exploration contain commercial quantities of any minerals.

Even if commercial quantities of minerals are identified, there can be no assurance that the Company will be able to exploit such mineralization or, if the Company is able to do so, that such would be on a profitable basis. Substantial expenditures may be required to locate and establish mineral reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site, and substantial additional financing may be required. It is impossible to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation. The decision as to whether a particular property contains a commercial mineral deposit and should be brought into production will depend on the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and geologists. Several significant factors will be considered, including: (i) the particular attributes of the deposit, such as size, grade and proximity to infrastructure; (ii) metal prices, which are highly cyclical; (iii) government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection; (iv) ongoing costs of production; and (v) availability and cost of additional funding. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

Epidemic and Pandemic Diseases

The Company's business could be significantly adversely affected by the effects of a widespread outbreak of contagious disease (an "**Epidemic or Pandemic**"). Global reactions to the spread of the novel coronavirus ("**COVID-19**") led to, among other things, significant restrictions on travel and gatherings of individuals, quarantines, temporary business closures and a general reduction in consumer activity. While these effects have moderated, the re-occurrence of disruptions to business internationally and the related financial impact are possible. In addition, the emergence of COVID-19 variants may continue the widespread global health crisis and could adversely affect global economies and financial markets, resulting in a protracted economic downturn that could have an adverse effect on the Company's future prospects.

In particular, an Epidemic or Pandemic could materially and adversely impact the Company's business, including employee health, workforce availability and productivity, limitations on travel, supply chain disruptions, increased insurance premiums, the availability of industry experts and personnel, restrictions to the Company's operations (including exploration and drilling programs) and the slowdown or temporary suspension of some or all of such operations. Any such disruptions or closures could have a material adverse effect on the Company's business. In addition, parties with whom the Company does business or upon whom the Company is reliant may also be adversely impacted by an Epidemic or Pandemic, which may in turn cause further disruption to the Company's business. Any long-term closures or suspensions may also result in a loss of personnel or the workforce in general, as employees seek employment elsewhere. The impact of an Epidemic or Pandemic and government responses thereto may also have a material impact on financial results and could constrain the Company's ability to obtain equity or debt financing in the future, which may have a material and adverse effect on its business, financial condition and results of operations.

COVID-19 had a direct impact on the Company's operations and business in 2020. Although the Company resumed operations, the extent to which an Epidemic or Pandemic may impact the Company's operations in the future is highly uncertain and cannot be predicted with confidence. These uncertainties include the duration of the outbreak and the impact of an Epidemic or Pandemic on the Company's work force, including potential absenteeism and future government response measures to control any such outbreak and impacts, such as safety protocols or suspensions of operations. These uncertainties and others could have further material adverse effects on the Company's revenues, financial condition or its ability to meet production targets.

Influence of Third-Party Stakeholders

The mineral properties in which the Company holds an interest, or the exploration equipment and road or other means of access which the Company intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, the Company's work programs may be delayed even if such claims are not meritorious. Such claims may result in significant financial loss and loss of opportunity for the Company.

Surface Rights and Access

Although the Company acquires the rights to some or all of the minerals in the ground subject to the mineral tenures that it acquires, or has a right to acquire, in most cases it does not thereby acquire any rights to, or ownership of, the surface to the areas covered by its mineral tenures. In such cases, applicable mining laws usually provide for rights of access to the surface for the purpose of carrying on mining activities, however, the enforcement of such rights can be costly and time consuming. It is necessary to negotiate surface access or to purchase the surface rights if long-term access is required.

There can be no guarantee that, despite having the right at law to access the surface and carry-on mining activities, the Company will be able to negotiate satisfactory agreements with any such existing landowners/occupiers for such access or purchase of such surface rights, and therefore it may be unable to carry out planned mining activities. In addition, in circumstances where such access is denied, or no agreement can be reached, the Company may need to rely on the assistance of local officials or the courts in such jurisdiction, the outcomes of which cannot be predicted with any certainty. The inability of the Company to secure surface access or purchase required surface rights could materially and adversely affect the timing, cost or overall ability of the Company to develop any mineral deposits it may locate.

Legal Proceedings

The Company may be subject to regulatory investigations, civil claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in regulatory actions and litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal. Defense and settlement costs of legal claims can be substantial, even with claims that have no merit. Management is committed to conducting business in an ethical and responsible manner, which it believes will reduce the risk of legal disputes. Nevertheless, if the Company is subject to legal disputes, there can be no assurances that these matters will not have a material adverse effect on the Company's business, financial condition, outstanding debt, results of operations, cash flows or prospects. See "*Legal Proceedings and Regulatory Actions*".

Enforcement of Legal Rights

The Company's material subsidiaries are organized under the laws of foreign jurisdictions and certain of the Company's directors, management personnel and experts are located in foreign jurisdictions. Given that the Company's material assets and certain of its experts are located outside of Canada, investors may have difficulty in effecting service of process within Canada and collecting from or enforcing against the Company or its experts, any judgments obtained by the Canadian courts or Canadian securities regulatory authorities and predicated on the civil liability provisions of Canadian securities legislation or otherwise. Similarly, in the event a dispute arises from the Company's foreign operations, the Company may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of courts in Canada.

Title

The acquisition of title to mineral resource properties in the western United States is a very detailed and time-consuming process. Not all of the mining claims that comprise the properties have been surveyed and, accordingly, the precise location of the boundaries of some of the claims and ownership of mineral rights on specific tracts of land comprising the claims may be in doubt. Such claims are subject to annual compliance with assessment work requirements and payments. Other parties may dispute the Company's title to the properties. While the Company has diligently investigated title to all mineral claims comprising the properties and, to the best of its knowledge, title to the Company's currently owned material property interests is in good standing in all material respects, this should not be construed as a guarantee of title. The properties may be subject to prior unregistered agreements or transfers or land claims, including Indigenous land claims, and title may be affected by undetected defects. There is no guarantee that title to the Company's properties will not be challenged or impugned. Also, in many countries, including the United States, claims have been made and new claims are being made by aboriginal peoples that call into question the rights granted by the governments of those countries in respect of mineral resource properties.

Permits and Licenses

The Company's current and potential future operations require licenses and permits from various governmental authorities, including the approval of environmental assessments from regulatory bodies. The Company currently has all permits and licences that it believes are necessary to carry out its current operations. The Company may require additional licences or permits in the future and there can be no assurance that the Company will be able to obtain all such additional licenses and permits. In addition, there can be no assurance that any existing licences and permits will be renewable if and when required or that such existing licences and permits will not be revoked.

Mining Industry is Intensely Competitive

The Company's business is the acquisition, exploration, development, and exploitation of mineral properties. The mining industry is intensely competitive, and the Company competes with other companies that have far greater financial resources, more significant investments in capital equipment and mining infrastructure for the ongoing development, exploration and acquisition of mineral interests, as well as for the recruitment and retention of qualified employees.

Infrastructure

Mining, processing, development and exploration activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure, could adversely affect the Company's business.

Uninsured or Uninsurable Risks

In the course of exploration, development and production of mineral properties, several risks and, in particular, unexpected or unusual geological or operating conditions, may occur. It is not always possible to fully insure against such risks, and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in an increase in costs and a decline in value of the Common Shares.

Government Regulation

Any exploration, development or mining operations carried on by the Company will be subject to government legislation, policies and controls relating to prospecting, development, production, environmental protection, mining taxes, health and safety, and employment standards. As indicated above, the Company requires permits and licenses from a variety of governmental authorities. The Company's mining, exploration and development projects could be adversely affected by amendments to such laws and regulations, by future laws and regulations, by more stringent enforcement of current laws and regulations, by changes in policies affecting foreign trade, investment, mining and repatriation of financial assets, by shifts in political attitudes and by exchange controls and currency fluctuations. The Company cannot predict the extent to which future legislation and regulation could cause additional expense, capital expenditures, restrictions, and delays in the development of its properties, including those with respect to unpatented mining claims. Further, there can be no assurance that the Company will be able to obtain or maintain all necessary licenses and permits that may be required to carry out exploration, development and mining operations at its projects.

Environmental Matters

Existing and possible future environmental legislation, regulations and actions could cause significant expense, capital expenditures, restrictions and delays in the activities of the Company, the extent of which cannot be predicted, and which may well be beyond the capacity of the Company to fund. The Company's right to exploit the mining properties is subject to various reporting requirements and to obtaining certain government approvals and there is no assurance that such approvals, including environmental approvals, will be obtained without inordinate delay or at all.

Environmental legislation is evolving in a manner which will require, in certain jurisdictions, stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. No certainty exists that future changes in environmental regulation, if any, will not adversely affect the Company's operations or development properties. Environmental hazards may exist on the Company's properties which are unknown to management at present and which have been caused by previous owners or operators of the properties.

Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in the exploration or development of exploration properties may be required to compensate those suffering loss or damage by reason of such parties' activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Decommissioning and Site Rehabilitation Costs

As at December 31, 2023, the Company re-assessed its reclamation costs, rehabilitation and closure plans. The total undiscounted amount of estimated cash flows required to settle the Company's obligations is MXN$21.2 million (US$1.3 million). The present value of the total discounted obligation is MXN$12.6 million (US$0.7million).

Key financial assumptions used in the above estimate include independent third party cost reports, an annual discount rate of 9.4% (December 31, 2022 – 8.9%), Mexican target inflation rates and the expected timing of rehabilitation work. The costs of performing the decommissioning and reclamation must be funded by the Company. These costs can be significant and are subject to change. The Company cannot predict what level of decommissioning and reclamation may be required in the future by regulators. If the Company is required to comply with significant additional regulations or if the actual cost of future decommissioning and reclamation is significantly higher than current estimates, this could have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Foreign Countries and Regulatory Requirement

The Company's projects and interests are located in Mexico, the United States and Germany, where mineral exploration and mining activities may be affected in varying degrees by political instability, economic conditions, expropriation or nationalization of property and changes in government regulations such as tax laws, business laws, environmental laws and mining laws, affecting the Company's business in these countries. Any changes in regulations or shifts in political conditions are beyond the control of the Company and may adversely affect its business, or, if significant enough, may make it impossible to continue to operate in these countries. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, foreign exchange restrictions, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Community Relationships

The Company's relationships with the communities in which it operates are critical to ensure the future success of its existing operations and any future construction and development of its projects. While the Company is committed to operating in a socially responsible manner, there is no guarantee that its efforts will be successful, in which case interventions by third parties could have a material adverse effect on the Company's business, financial position and operations.

Risks Relating to the Company's Status as a "Foreign Private Issuer" Under U.S. Securities Laws

The Company is a "foreign private issuer" under applicable U.S. federal securities laws, and is, therefore, not subject to the same requirements that are imposed upon U.S. domestic issuers by the SEC. As a result of the SEC Deregistration Notification, Excellon's obligations to make filings on EDGAR were suspended, and effective April 20, 2023, the Company had no further obligations to file any reports or other documents with the SEC on EDGAR until such time as the Company registers with the SEC again.

In addition, the Company's officers, directors, and principal Shareholders have historically been exempt from the reporting and short-swing profit recovery provisions of Section 16 of the Exchange Act. Therefore, Shareholders may not know on as timely a basis when the Company's officers, directors and principal shareholders purchase or sell Common Shares, as the reporting periods under the corresponding Canadian insider reporting requirements are longer.

As a foreign private issuer, the Company is exempt from the rules and regulations under the Exchange Act related to the furnishing and content of proxy statements. The Company is also exempt from Regulation FD, which prohibits issuers from making selective disclosures of material non-public information. While the Company complies with the corresponding requirements relating to proxy statements and disclosure of material non-public information under Canadian securities laws, these requirements differ from those under the Exchange Act and Regulation FD and shareholders should not expect to receive the same information at the same time as such information is provided by U.S. domestic companies. In addition, the Company has not historically been required under the Exchange Act to file annual and quarterly reports with the SEC as promptly as U.S. domestic companies whose securities are registered under the Exchange Act.

The Company May Lose its Status as a Foreign Private Issuer Under U.S. Securities Laws

The Company may in the future lose its foreign private issuer status if a majority of its Common Shares are held in the U.S. and if the Company fails to meet the additional requirements necessary to avoid loss of its foreign private issuer status. The regulatory and compliance costs under U.S. federal securities laws as a U.S. domestic issuer may be significantly more than the costs incurred as a Canadian foreign private issuer that is eligible to use the MJDS. If the Company is not a foreign private issuer, it would not be eligible to use the MJDS or other foreign issuer forms and would be required to file periodic and current reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive than the forms available to a foreign private issuer.

Compliance with Anti-Corruption Laws

The Company's operations are governed by, and involve interaction with, many levels of government in Mexico, the United States and Germany. The Company is subject to various anti-corruption laws and regulations such as the *Corruption of Foreign Public Officials Act* in Canada and the *Foreign Corrupt Practices Act of 1977* in the United States, which prohibit a company and its employees or intermediaries from bribing or making improper payments to foreign officials or other persons to obtain or retain business or gain some other business advantage. The Company has properties in Mexico and, according to Transparency International, Mexico is perceived as having fairly high levels of corruption relative to Canada. The Company cannot predict the nature, scope or effect of future regulatory requirements to which the Company's operations might be subject or the manner in which existing laws might be administered or interpreted.

Failure to comply with the applicable anti-corruption laws and regulations could expose the Company and its senior management to civil or criminal penalties or other sanctions, which could materially and adversely affect the Company's business, financial condition and results of operations. Likewise, any investigation of any alleged violations of the applicable anti-corruption legislation by Canadian or foreign authorities could also have an adverse impact on the Company's business, reputation, financial condition and results of operations. Although the Company has adopted policies to mitigate such risks, such measures may not be effective in ensuring that the Company, its employees or third-party agents will comply with such laws.

Dependence upon Others and Key Personnel

The success of the Company's operations will depend upon numerous factors, many of which are beyond the Company's control, including the ability to explore for minerals, develop future operations and produce minerals; the ability to attract and retain additional key personnel in sales, marketing, technical support and finance; and the ability and the operating resources to develop and maintain the properties held by the Company. The Company hires employees or consultants in the jurisdictions in which it has properties and operations to assist it in conducting its operations in accordance with applicable laws. The Company also purchases certain supplies and retains the services of various companies in such jurisdictions to meet its business plans. It may be difficult to find or hire qualified people in the mining industry who are situated in locations where the Company requires their services or to obtain all the necessary services or expertise in applicable jurisdictions or to conduct operations on its projects at reasonable rates. If qualified people and services or expertise cannot be obtained where required, the Company may need to seek and obtain those services from people located elsewhere, which will require work permits and compliance with applicable laws and could result in delays and higher costs to the Company to conduct its operations. Recruiting and retaining qualified personnel is critical to the Company's success. The number of persons skilled in acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key executive, financial, operational, administrative and mining personnel. Although the Company believes that it will be successful in attracting, training and retaining qualified personnel, there can be no assurance of such success. If the Company is not successful in attracting and training qualified personnel, the efficiency of its operations could be affected, which could have a material adverse effect on the Company's results of operations and profitability. The Company strongly depends on the business and technical expertise of its small group of management and key personnel. There is little possibility that this dependence will decrease in the near term. Key man life insurance is not in place on management or any key personnel. If the services of the Company's management and any key personnel were lost, it could have a material adverse effect on future operations.

Failure of Information Systems

The Company's information systems, and those of its third-party service providers and vendors, are vulnerable to an increasing threat of continually evolving cybersecurity risks. These risks may take the form of malware, computer viruses, cyber threats, extortion, employee error, malfeasance, system errors or other types of risks, and may occur from inside or outside of our organization. Cybersecurity risk is increasingly difficult to identify and quantify and cannot be fully mitigated because of the rapid evolving nature of the threats, targets and consequences. Additionally, unauthorized parties may attempt to gain access to these systems or the Company's information through fraud or other means of deceiving third-party service providers, employees or vendors. The Company's operations depend, in part, on how well the Company and its suppliers protect networks, equipment, information technology systems and software against damage from a number of threats. The Company has entered into agreements with third parties for hardware, software, telecommunications and other services in connection with its operations. The Company's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. However, if the Company is unable or delayed in maintaining, upgrading or replacing its IT systems and software, the risk of a cyber-security incident could materially increase. Any of these and other events could result in information system failures, delays and/or increases in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the Company's reputation and results of operations.

In addition, targeted attacks on the Company's systems (or on systems of third parties that the Company relies on), failure or non-availability of a key IT system or a breach of security measures designed to protect the Company's IT systems could result in disruptions to its operations through delays or the corruption and destructions of its data, extensive personal injury, property damage, loss of confidential information or financial or reputational risks. There can be no assurance that the Company's ability to monitor for or mitigate cybersecurity risks will be fully effective, and the Company may fail to identify cybersecurity breaches or discover them in a timely way.

Currency Fluctuations

The Company maintains its accounts in Canadian dollars, U.S. dollars, Euros and Mexican pesos. The Company's operations are in Mexico, the United States and Germany and some of its payment commitments and exploration expenditures under the various agreements governing its rights to its Mexican properties and in respect of the Kilgore Project are denominated in U.S. dollars, making these rights subject to foreign currency fluctuations. Such fluctuations may materially affect the Company's financial position and results.

Price Fluctuations and Share Price Volatility

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly those considered exploration or development stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual severe fluctuations in price will not occur.

Liquidity and Financing Risks

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Until operations ceased in Q4 2022, the primary source of funds available to the Company was cash flow generated by the Platosa Mine, supplemented by equity and debt financings. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's normal operating requirements on an ongoing basis, to support its exploration plans, and to ensure that it will have sufficient liquidity to meet its liabilities when due. To the extent the Company does not believe it has sufficient liquidity to meet these obligations, management will consider securing additional funds through equity or debt transactions.

With the end of production at the Platosa Mine in Q4 2022, the Company's main source of liquidity will be derived from equity or debt financings. There can be no assurances that the Company will be able to obtain adequate funding or that the terms of such financing will be favourable. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and development of its projects and the possible loss of such properties. The Company has a limited history of earnings, has never paid a dividend, and does not anticipate paying dividends in the near future.

As at December 31, 2023, the Company had outstanding accounts payable excluding accrued liabilities, which are due within 90 days or less.

Credit Risk

Credit risk is the risk of unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and cash equivalent. Management believes the credit risk on cash and cash equivalents is low as the Company's cash and cash equivalents balance are held at large international financial institutions with strong credit ratings.

Until completion of final concentrate sales from the Platosa Mine, production at which ceased in Q4 2022, the Company was exposed to credit risk from its customers, which are large multi-national commodities traders. Accounts receivable are subject to normal industry credit risks and are considered low.

Conflicts of Interest

Certain directors are directors and/or officers of other mineral exploration companies and as such may, in certain circumstances, have a conflict of interest. Conflicts of interest, if any, which arise will be subject to and governed by procedures prescribed by the OBCA which requires a director of a corporation who is a party to, or is a director or an officer of, or has some material interest in any person who is a party to, a material contract or proposed material contract with the Company to disclose his or her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under such legislation.

International Conflict

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global commodity and financial markets and supply chains. Russia's invasion of Ukraine and the Gaza-Israel conflict has led to sanctions being levied by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on commodity prices, supply chains and global economies more broadly. Volatility in commodity prices and supply chain disruptions may adversely affect the Company's business, financial condition and results of operations. The extent and duration of the current conflicts and related international action cannot be accurately predicted at this time and the effects of such conflicts may magnify the impact of the other risks identified in this AIF, including those relating to commodity price volatility and global financial conditions. The situation is rapidly changing and unforeseeable impacts, including on our shareholders and counterparties on which we rely and transact with, may materialize and may have an adverse effect on the Company's business, results of operation and financial condition.

Dilution and Future Sales or Issuances of Equity Securities

The Company has limited financial resources and will have further capital requirements and exploration expenditures as it proceeds to expand exploration activities at its mineral projects, develop any such projects or take advantage of opportunities for acquisitions, joint ventures or other business opportunities that may be presented to it. The Company may sell additional equity securities (including through the sale of securities convertible into equity securities) in the future to finance its operations or may issue additional equity securities (including through the issuance of securities convertible into equity securities) as consideration for future acquisitions. The Company cannot predict the size or nature of future sales or issuances of equity securities or the size and terms of future sales or issuances of debt instruments or other securities convertible into equity securities or the effect, if any, that such future sales and issuances will have on the market price of the Common Shares.

Additional issuances of such securities may involve the issuance of a significant number of Common Shares at prices less than the current market price for the Common Shares. Sales or issuances of a significant number of Common Shares, or the perception that such sales or issuances could occur, may adversely affect prevailing market prices of the Common Shares. With any additional sale or issuance of Common Shares, investors will suffer dilution to their voting power and economic interest in the Company. Exercises of presently outstanding convertible securities may also result in dilution to holders of Common Shares.

Acquisition Strategy

As part of the Company's business strategy, it has sought and will continue to seek new exploration, development and mining opportunities in the resource industry. As a result, the Company may from time to time acquire additional mineral properties or securities of issuers which hold mineral properties. In pursuit of such opportunities, the Company may fail to select appropriate acquisition candidates or negotiate acceptable arrangements, including arrangements to finance acquisitions or integrate the acquired businesses and their personnel into the Company. The Company cannot assure that it can complete any acquisition or business arrangement that it pursues on favourable terms, or that any acquisitions or business arrangements completed will ultimately benefit the Company. Such acquisitions or business arrangements may result in substantial dilution to holders of Common Shares.

DIVIDENDS

Dividend Policy

The Company has no formal dividend or distribution policy and it has not declared any cash dividends or distributions during the three most recently completed financial years. The Company currently intends to retain future earnings, if any, to finance the growth and development of its business, and accordingly, it does not contemplate that any dividends will be declared on the Common Shares in the immediate or foreseeable future. Any determination with respect to the payment of cash dividends or distributions to Shareholders in the future will be at the discretion of the Board and will depend on, among other things, the financial condition, capital requirements and earnings of the Company, the satisfaction of solvency tests imposed by the OBCA for the declaration and payment of dividends, any restrictions on dividend payments and such other factors as the Board may consider and deem relevant at the time.

Restrictions on Paying Dividends

The ability of the Company to declare and pay cash dividends or other distributions on the Common Shares is affected by certain restrictions and covenants contained in the Debenture Indenture. In addition, the payment of dividends by the Company is subject to compliance with two statutory solvency tests set out in the OBCA, each of which must be satisfied by the Company at both the time of declaration of a dividend as well as at the time of payment. Pursuant to the OBCA, the Board has no discretion to declare or pay a dividend if there are reasonable grounds for believing that (i) the Company is, or would be after the payment of the dividend, unable to pay its liabilities as they become due, or (ii) the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities and the stated capital of all classes of shares of its capital.

DESCRIPTION OF CAPITAL STRUCTURE

Common Shares

The Company's authorized share capital consists of an unlimited number of Common Shares of which 49,136,407 Common Shares were issued and outstanding as at December 31, 2023. As at the date hereof, 99,624,946 Common Shares are issued and outstanding. The holders of Common Shares are entitled to receive notice of and attend all meetings of shareholders with each Common Share entitling the holder to one vote on all matters voted on by shareholders, including the election of directors. Holders of Common Shares are entitled to receive dividends when, as and if declared by the Board. In the event of the dissolution, liquidation, or winding up of Excellon, holders of Common Shares are entitled to share rateably in any assets remaining after the satisfaction in full of the prior rights of creditors, including holders of Excellon's indebtedness.

MARKET FOR SECURITIES

The Company's Common Shares are listed and posted for trading on the TSX (in Canada) under the symbol "EXN" and are quoted on the OTCQB (in the United States) under the symbol "EXNRF". The table set out below presents, on a monthly basis, the high and low sale prices for the Common Shares and trading volume on the TSX during the fiscal period ended December 31, 2023.

Date	High (C$)	Low (C$)	Volume (#)
January 2023	0.55	0.39	1,041,200
February 2023	0.42	0.36	708,400
March 2023	0.40	0.36	1,443,600
April 2023	0.46	0.37	1,175,700
May 2023	0.41	0.33	424,800
June 2023	0.32	0.21	1,132,900
July 2023	0.23	0.10	3,010,600
August 2023	0.10	0.07	1,836,700
September 2023	0.10	0.08	1,213,300
October 2023	0.11	0.09	1,322,600
November 2023	0.13	0.09	3,030,900
December 2023	0.14	0.10	5,574,100

PRIOR SALES

The following table sets out Common Shares, warrants, Options, DSUs and RSUs issued by the Company during the fiscal year ended December 31, 2023.

Date of Issuance	Number of Securities Issued	Type of Security(1)	Issue/Exercise Price (C$)(2)	Reason for Issuance
January 18, 2023	30,000	RSU	$0.44	Management compensation
April 27, 2023	30,000	RSU	$0.38	Management compensation
April 27, 2023	30,000	Options	$0.38	Management compensation
June 30, 2023	3,552,553	Common Shares	$0.156	Debenture interest
September 29, 2023	6,888,458	Common Shares	$0.1051	Debenture extension fee

(1) Options have a three-year term vesting 1/4th on the date of grant and 1/4th on the 6-, 12- and 18-month anniversaries, respectively.

(2) For RSUs and DSUs, the prices are based on the price of the Common Shares on the date of issuance. For Options, the prices are based on the exercise prices.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

To the Company's knowledge, there are no securities of the Company which are subject to escrow or to contractual restriction on transfer as at the date of this AIF.

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following table sets forth, for each of the directors and executive officers of the Company as of the date of this AIF, the person's name, province or state and country of residence, all positions and offices held with the Company, principal occupation during the last five years and, if a director, the period or periods during which the person has served as a director of the Company.

The directors who are members of the Company's Audit Committee, Nominating and Corporate Governance Committee and Compensation Committee are also noted below.

Name, Residence and Position with the Company	Director/Officer since	Principal Occupation for Five Preceding Years
DR. LAURIE CURTIS (1)(2)(3) Ontario, Canada Chairman and Director	December 15, 2016	Dr. Curtis is a Professional Geologist and former Research Mining Analyst for Clarus Securities from 2011-2013 and VP Senior Analyst Global Resources for Dundee Capital Markets from 2013-2015. He was also previously Founder, Director and Chief Executive Officer of Intrepid Minerals Corp. and Intrepid Mines from 1995-2008, and a former Director of Eastmain Resources Inc., Wheaton River Minerals Ltd., High River Gold Mines Ltd., and Breakwater Resources Ltd.
CRAIG LINDSAY (1)(2)(3) British Columbia, Canada Director	April 23, 2020	Mr. Lindsay is Managing Director of Arbutus Grove Capital Corp., an investment vehicle which provides capital and management services to the natural resource and renewable energy sectors. He was the former President and Chief Executive Officer of Otis Gold Corp. until its sale to Excellon in 2020, the former President and Chief Executive Officer of Magnum Uranium Corp. until its sale to Energy Fuels Inc. in 2009 and prior thereto was a Vice President in the Corporate Finance and Investment Banking Group at PricewaterhouseCoopers LLP. He is currently a Director of Silver North Resources Ltd., Electric Royalties Ltd., Revolve Renewable Power Corp. and VR Resources Ltd. Mr. Lindsay has a Bachelor of Commerce (Finance) from UBC (1989), an MBA (Finance and International Business) from Dalhousie University (1993) and is a Chartered Financial Analyst.
BRENDAN CAHILL (1)(2)(3) Ontario, Canada Director	April 30, 2013	Mr. Cahill was President and Chief Executive Officer of the Company from 2012 to 2022. Previously, he was Vice President Corporate Development and Corporate Secretary of the Pelangio group of companies (until July 2012). He is currently a Director of Group Eleven Resources Corp. and former director of KORE Mining Ltd. and Cryptostar Corp. He is a member of the Transplant Cabinet at the University Health Network and a member of the Law Society of Ontario.

Name, Residence and Position with the Company	Director/Officer since	Principal Occupation for Five Preceding Years
SHAWN HOWARTH Ontario, Canada Director President and Chief Executive Officer	 August 12, 2022 July 28, 2022	Mr. Howarth has over 22 years' experience in the mining industry spanning project evaluation, corporate finance, stakeholder relations and corporate strategy. Most recently, he was Vice President, Corporate Development of Harte Gold Corp., where he was instrumental in the development of the Sugar Zone mine and the ultimate restructuring and sale of the company. Previously, Mr. Howarth worked in investment banking and mining advisory on the global mining and metals teams with Standard Chartered Bank and Gryphon Partners Canada. He holds a Master of Business Administration from the Ivey School of Business and a Bachelor of Applied Science from Queen's University.
DANIEL HALL Nova Scotia, Canada Chief Financial Officer	April 1, 2022	Mr. Hall was appointed Chief Financial Officer in April 2022, prior to which he was the Company's Corporate Controller. Previously, Mr. Hall was with Deloitte LLP for 12 years in Canada, Bermuda and South Africa specializing in public company reporting and complex accounting matters, with a focus on global mining companies. He is a Chartered Accountant, a member of the Institute of Chartered Professional Accountants of Ontario and holds a Bachelor of Commerce degree with a post graduate specialization in Accounting and Finance from Rhodes University in South Africa.

(1) Member of the Audit Committee
(2) Member of the Compensation Committee
(3) Member of the Nominating and Corporate Governance Committee

The term of office of each current director of the Company will expire at the next annual meeting of the Shareholders or when his successor is duly elected or appointed. Each of the directors on the Board was elected to his present term as a director by the Company's Shareholders at the annual and special meeting held on November 23, 2023.

Based on the disclosure available on the System for Electronic Disclosure by Insiders and confirmation by management, as of the date of this AIF, the directors and executive officers of the Company, as a group, beneficially owned, or exercised control or direction over, directly or indirectly, an aggregate of 823,438 Common Shares, representing approximately 1% of the then issued and outstanding Common Shares on a non-diluted basis.

Cease Trade Orders

To the best of the Company's knowledge, none of the directors or executive officers of the Company is, as at the date of this AIF, or has been within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company, including the Company, that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

To the best of the Company's knowledge, except as noted below, none of the directors or executive officers of the Company, nor any Shareholder holding a sufficient number of Common Shares to materially affect the control of the Company:

(a) is, as at the date of this AIF, or has been within 10 years before the date hereof, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Shawn Howarth, President and Chief Executive Officer and a director of Excellon, from September 2019 to May 2022 was Vice President, Corporate Development of Harte Gold Corp., which was subject to proceedings under the *Companies' Creditors Arrangement Act* (Canada) from December 16, 2021 to May 5, 2022.

Brendan Cahill, a director of Excellon, is also the sole director of its indirect, wholly-owned Mexican subsidiary San Pedro that, as described above and below (see "*Legal Proceedings and Regulatory Actions*"), on November 30, 2022, filed a petition for bankruptcy with the Mexican Bankruptcy Court which, on December 15, 2022, accepted such petition for adjudication and, on March 28, 2023, declared San Pedro bankrupt.

Penalties and Sanctions

None of the directors or executive officers of the Company or, to the Company's best knowledge, any Shareholders holding a sufficient number of Common Shares to materially affect the control of the Company has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or have entered into a settlement agreement with a securities regulatory authority, or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

To the best knowledge of the Company, no director or officer of the Company has an existing or potential material conflict of interest with the Company or any of its subsidiaries, except to the extent that certain officers and directors of the Company also act as officers and directors of other corporations active in mining and exploration, which may compete with the Company for business opportunities, or which may, from time to time, provide financing to, or make equity investments in, competitors of the Company. Such directors are required by applicable law, however, to act honestly and in good faith with a view to the best interests of the Company and its Shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company, and further, to abstain from voting as a director for the approval of any such transaction.

AUDIT COMMITTEE DISCLOSURE

Audit Committee's Charter

The purpose of the Company's Audit Committee is to provide assistance to the Board in fulfilling its responsibilities with respect to matters involving the financial reporting process, the system of internal control and management of financial risks, the audit process, and the Company's process for monitoring compliance with laws and regulations and its own code of business conduct. A copy of the Company's Audit Committee Charter is attached as Schedule "A" and is available on the Company's website at www.excellonresources.com.

Composition of the Audit Committee

The members of the Audit Committee are Craig Lindsay (Chair), Brendan Cahill and Laurie Curtis. Mr. Lindsay and Mr. Curtis are independent within the meaning of NI 52-110. Mr. Cahill is not independent within the meaning of NI 52-110 until July 28, 2025 as he was the Company's former President and Chief Executive Officer. In light of the resignation of Mr. Swinoga and Ms. Shashkova in July 2023, the Board availed itself of the temporary exemptions contained in NI 52-110 to appoint Mr. Cahill to the Audit Committee. Based on information provided by each director, the Board determined that all members of the Audit Committee are "financially literate" as that term is defined in NI 52-110.

Relevant Education and Experience

The education and experience of each member of the Audit Committee that is relevant to the performance of Audit Committee responsibilities is described below:

Laurence (Laurie) Curtis: Dr. Curtis brings over 40 years of experience in the mining industry and capital markets, with a proven track record in corporate development, mine development and project financing. He is the founder of Intrepid Minerals, and was a key member of the senior management and technical teams overseeing all aspects from discovery through operations. Under his guidance as Chief Executive Officer and Chief Operating Officer, Intrepid transitioned through merger and acquisition to become a gold producer and developer, ultimately attaining a market capitalization in excess of $1.2 billion. During his distinguished career as an exploration geologist, Laurie was involved with a number of worldwide discoveries including the initial discovery and staking of the Back River gold belt, which now hosts the 5M-ounce gold deposit held by Sabina Gold & Silver Corp., and led teams to the discovery of several epithermal systems in the Caribbean Basin. He was actively involved as director of several junior developers with producing mines on several continents, including Wheaton River Minerals, High River Gold Mines, Breakwater Resources and Buryatzolo. Dr. Curtis has also held several positions in the financial sector, including Research and Analyst Mining for Clarus Securities, Vice President and Senior Analyst Global Resources for Dundee Capital Markets.

Craig Lindsay: Mr. Lindsay is Managing Director of Arbutus Grove Capital Corp., an investment vehicle which provides capital and management services to the natural resource and renewable energy sectors. He was the former President and Chief Executive Officer of Otis Gold Corp. until its sale to Excellon in 2020, the former President and Chief Executive Officer of Magnum Uranium Corp. until its sale to Energy Fuels Inc. in 2009 and prior thereto was a Vice President in the Corporate Finance and Investment Banking

Group at PricewaterhouseCoopers LLP. He is currently a Director of Silver North Resources Ltd., Electric Royalties Ltd., Revolve Renewable Power Corp. and VR Resources Ltd. Mr. Lindsay has a Bachelor of Commerce (Finance) from UBC (1989), an MBA (Finance and International Business) from Dalhousie University (1993) and is a Chartered Financial Analyst.

Brendan Cahill: Mr. Cahill was President and Chief Executive Officer of the Company from 2012 to 2022. Previously, he was Vice President Corporate Development and Corporate Secretary of the Pelangio group of companies (until July 2012). He is currently a Director of Group Eleven Resources Corp. and former director of KORE Mining Ltd. and Cryptostar Corp.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee has a practice of pre-approving audit and non-audit services provided by the independent auditor. The Audit Committee has delegated to its Chair, the authority, to be exercised between regularly scheduled meetings of the Audit Committee, to pre-approve audit and non-audit services provided by the independent auditor. All such pre-approvals shall be reported by the Chair at the meeting of the Audit Committee next following the pre-approval.

External Auditor Service Fees

The fees billed by the Company's auditor in each of the last two fiscal years are as follows:

	Year ended December 31, 2023	Year ended December 31, 2022
Audit Fees(1)	US$94,858	US$325,535
Tax Fees(2)	US$64,303	US$64,655
Total	**US$159,161**	**US$390,190**

(1) The aggregate audit fees billed in connection with statutory and regulatory filings, principally for the audit of the annual financial statements.

(2) The aggregate fees billed for services related to tax compliance, tax advice and tax planning, including tax return preparation and other compliance matters.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Other than as disclosed herein, management is not aware of any material litigation matters involving the Company outstanding as of the date hereof.

San Pedro is party to an action by the Plaintiff in respect of damages under a property agreement regarding La Antigua. La Antigua is subject to the La Antigua Agreement. Pursuant to the La Antigua Agreement, San Pedro had the right to purchase absolute title to La Antigua including the NSR royalty upon payment of $500,000. San Pedro was under no contractual obligation to put the mine into production and has not done so. The Plaintiff was initially awarded damages of US$700,000 in the court of first instance. On appeal by both parties, the appellate court confirmed the initial decision but, subsequently, in late 2019, granted the Judgment to the Plaintiff, which San Pedro and the Company both believe is multiple times greater than any income the applicable NSR royalty could ever have produced had La Antigua ever been put into commercial production. In Q3 2021, San Pedro's appeal of this decision was fully and finally dismissed by the Mexican Federal Court, with no further right of appeal in Mexico. Accordingly, the Company recorded a corresponding provision for litigation of US$22.3 million.

The Judgment is solely against San Pedro as defendant and the Company believes that the Plaintiff has no recourse against the Company's other assets in Mexico, the United States, Germany or Canada. San Pedro is a wholly-owned, indirect subsidiary of the Company that holds the Miguel Auza Mill and the Miguel Auza Property. To date, the Judgment and related enforcement actions by the Plaintiff have not impacted use of the land, plant or mineral concessions.

San Pedro continued to operate in the ordinary course until it had processed the last ore from the Platosa Mine following its completion of production and transition to care and maintenance in early Q4 2022. In Q1 and Q2 2022, the Plaintiff registered the Judgment against the real property and certain assets owned by San Pedro. With no further ore to process, and the continuing recourse of the Plaintiff under the Judgment, on November 30, 2022, San Pedro filed a petition for bankruptcy, which was a confidential filing pending its acceptance by the Mexican Bankruptcy Court on December 15, 2022. In early March 2023, the Court-appointed auditor completed their review of San Pedro's petition and, on March 28, 2023, the Court declared San Pedro bankrupt. The Court-appointed trustee has taken possession and control of San Pedro for the benefit of its creditors.

In Q2 2020, EIGI filed an updated plan of operations for the Kilgore Project with the USFS. In Q4 2021, the USFS approved the Kilgore 2021 EA. In Q1 2022, an application was filed by the ICL/GYC requesting that the U.S. District Court reopen the USFS approval of the Kilgore 2021 EA. EIGI successfully filed a motion to intervene as a defendant intervenor. Scheduled briefings in the proceedings were held on May 10, 2023. These proceedings did not impact the 2022 drill program, and follow the denial of nearly all of the ICL/GYC claims in its prior similar such challenge to the Kilgore 2018 EA, and USFS' steps to address any remaining issues in the Kilgore 2021 EA. On August 4, 2023, the U.S. District Court ruled in favour of the USFS and Excellon, upholding the 2021 EA, and rejecting ICL/GYC's claims against the USFS.

A company retained to perform drilling services at the Kilgore Project in 2022 commenced legal proceedings against the Company and has separately claimed a statutory lien on six of the project's unpatented mining claims, based on payments alleged as due under the drilling contract in the amount of US$1.1 million. Excellon disputes the amounts claimed in such proceedings and asserted under the lien, including the basis therefor. Excellon believes that such legal proceedings and the lien are without merit and is vigorously defending itself against such claims, including advancing a rigorous defence and counterclaim in legal proceedings and challenge of the basis for and validity of the lien. Excellon will continue to steadfastly contest both such claims.

Other than as disclosed above, during the fiscal year ended December 31, 2023, the Company was not subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority;

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision; or

(c) any settlement agreements entered into with a court relating to securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No directors or executive officers of the Company and no person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of the Common Shares or any of their respective associates or affiliates, has or has had a material interest, direct or indirect, in any material transaction, whether proposed or concluded, which had, or may have, a material effect on the Company or its subsidiaries within the three most recently completed financial years or during the current financial year.

TRANSFER AGENTS AND REGISTRARS

The Company's transfer agent and registrar for its Common Shares is TSX Trust Company, 100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1.

MATERIAL CONTRACTS

Other than material contracts entered into in the ordinary course of business and not required to be filed under Section 12.2 of NI 51-102, the following material contracts were entered into within the last financial year or before the last financial year if such material contract is still in effect:

- Debenture Indenture

INTERESTS OF EXPERTS

The Kilgore Technical Report was prepared by Terre A. Lane and Jeffrey Todd Harvey, PhD of Global Resource Engineering, Ltd., Jennifer J. Brown, P.G., of Hard Rock Consulting, LLC, and David Rowe, Certified Professional Geologist, AIPG of Rowearth LLC, who are independent of the Company, a copy of which is available on the Company's website and under the Otis Gold profile on SEDAR+ (www.sedarplus.com).

To the Company's knowledge, as at the date hereof, the persons or companies referred to above beneficially owned, directly or indirectly, less than 1% of the outstanding securities of the Company.

The Company's independent auditors are Ernst & Young LLP, Chartered Professional Accountants, who have issued an independent auditor's report dated April 1, 2024, in respect of the Company's consolidated financial statements as at December 31, 2023 and for the year then ended. Ernst & Young LLP has advised that they are independent with respect to the Company within the meaning of the Chartered Professional Accountants of Ontario CPA Code of Professional Conduct.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on the Company's website at www.excellonresources.com and under the Company's profile on SEDAR+ (www.sedarplus.com).

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Common Shares and the Common Shares authorized for issuance under the Company's Share Incentive Plan, is contained in the Company's management information circular for its most recent annual meeting of Shareholders.

Additional financial information is provided in the Company's consolidated financial statements and MD&A for its financial year ended December 31, 2023, available on the Company's website at www.excellonresources.com and under the Company's profile on SEDAR+ (www.sedarplus.com).

SCHEDULE "A"

Audit Committee Charter

OVERALL PURPOSE AND OBJECTIVES

1. The Audit Committee ("**Committee**") is established by and among the Board of Directors (the **"Board"**) of Excellon Resources Inc. (the **"Company"**) for the primary purpose of assisting the Board in fulfilling its oversight responsibility to shareholders, potential shareholders, the investment community and others relating to:

   - The integrity of the Company's financial statements, management's discussion and analysis ("**MD&A**"), and financial press releases before publicly disclosed.
   - The Company's compliance with legal and regulatory requirements.
   - The Company's public accounting firm's (independent auditor's) qualifications and independence.
   - The performance of the Company's independent auditor which include preparation of the audit committee reports as required by applicable regulators.
   - The Company's systems of disclosure controls and procedures, internal controls over financial reporting, and compliance with ethical standards adopted by the Company.

2. In performing its duties, the Committee will maintain effective working relationships with the Board, management, and the independent auditors and monitor the independence of those auditors. To perform his or her role effectively, each Committee member will obtain an understanding of the responsibilities of Committee membership as well as the Company's business, operations and risks.

3. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures, and practices at all levels. The Committee should also provide for open communication among the independent auditor, financial and senior management, the internal audit function, if any, and the Board.

AUTHORITY

4. The Board authorizes the Committee, within the scope of its responsibilities, to seek any information it requires from any employee and from external parties, to obtain outside legal or other professional advice and to ensure the attendance of Company officers at meetings as appropriate.

5. The Committee has the authority to conduct investigations into any matters within its scope of responsibility and obtain advice and assistance from outside legal, accounting, or other advisers, as necessary, to perform its duties and responsibilities.

6. In carrying out its duties and responsibilities, the Committee shall also have the authority to meet with and seek any information it requires from employees, officers, directors, or external parties.

7. The Committee will primarily fulfill its responsibilities by carrying out the activities enumerated in Section III of this charter.

COMPOSITION AND MEETINGS

8. The Committee will comprise three or more directors as determined by the Board.

9. Each Committee member will meet the applicable standards of independence within the meaning of applicable securities laws, rules, policies, regulations, guidelines and instruments, including National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") and by any stock exchanges on which the Company's securities are listed.

10. Each member of the Committee shall be financially literate. Financial literacy is defined in NI 52-110 as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

11. To help meet these requirements, the Committee will provide its members with access to annual continuing education opportunities in financial reporting and other areas relevant to the Committee.

12. Committee members will be appointed by the Board at the annual organizational meeting of the Board to serve until their successors are elected. Unless a Chairperson is elected by the full Board, the members of the Committee may designate a Chairperson by majority vote.

13. The Committee will meet at least quarterly, or more frequently as circumstances dictate. The internal auditors may request a meeting, if they consider one is necessary, as may any Committee member. Notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee, and any other person required to attend, no later than 48 hours prior to the meeting.

14. The Committee Chairperson will approve the agenda for the Committee's meetings and any member may suggest items for consideration. Briefing materials will be provided to the Committee as far in advance of meetings as practicable.

15. Members may attend meetings either in person, by telephone or through other electronic means of communication. At any meeting of the Committee, a quorum shall be a majority of the members.

16. The secretary of the Committee will keep regular minutes of Committee proceedings, and will circulate them to all Committee members, the Chair of the Board, and to any other director on a timely basis, when requested. Decisions and recommendations of the Committee shall be made by a majority of the members present at the meeting.

17. At the end of the meeting, the Committee shall hold an in-camera session with the independent auditors and without any senior officers present at each meeting of the Committee, unless such a session is not considered necessary by the members present.

18. As part of its responsibility to foster open communication, the Committee will meet periodically with management and the independent auditor in separate executive sessions. In addition, the

Committee will meet with the management and the independent auditor to discuss the annual audited financial statements and quarterly financial statements, including the disclosures in the accompanying MD&As.

ROLES, RESPONSIBILITIES AND DUTIES

19. To fulfill its responsibilities and duties, the Committee will:

<u>Documents / reports / accounting information review</u>

20. Review this charter at least annually and recommend to the Board any necessary amendments.

21. Meet with management and the independent auditor to:

    a. review and discuss the Company's annual financial statements and quarterly financial statements (prior to the Company's regulatory filings or release of earnings), as well as all internal control reports (or summaries thereof)
    b. review other relevant reports or financial information submitted by the Company to any governmental body or the public, including MD&As, press releases containing financial information, management certifications and relevant reports rendered by the independent auditor (or summaries thereof).

22. Discuss earnings press releases, including the type and presentation of information, paying attention to any pro forma or adjusted information.

23. Discuss financial information and guidance provided to the public, analysts and ratings agencies, as applicable.

24. Review the regular internal reports to management (or summaries thereof) prepared by the internal audit function, if any, as well as management's response.

<u>Independent Auditor</u>

25. Appoint, compensate, retain, and oversee the work performed by the independent auditor retained to prepare or issue an audit or review report or related work. Review the performance and independence of the independent auditor and remove the independent auditor if circumstances warrant. The independent auditor will report directly to the Committee and the Committee will oversee the resolution of disagreements between management and the independent auditor if any arise.

26. Actively engage in dialogue with the independent auditor with respect to any disclosed relationships or services that may affect the independence and objectivity of the auditor and take appropriate actions to oversee the independence of the independent auditor.

27. Review the independent auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.

28. Review and preapprove both audit and non-audit services to be provided by the independent auditor. The authority to grant preapprovals may be delegated to one or more designated members of the Committee, whose decisions will be presented to the full Committee at its next regularly scheduled meeting.

29. Consider whether the auditor's provision of permissible non-audit services is compatible with the auditor's independence.

30. Review with the independent auditor any problems, difficulties or disagreements with management regarding the preparation of the financial statements and review management's response.

31. Hold timely discussions with the independent auditor regarding the following:
    a. All critical accounting policies and practices.
    b. All alternative treatments of financial information within generally accepted accounting principles related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
    c. Other material written communications between the independent auditor and management, including, but not limited to, the management letter and schedule of unadjusted differences.

32. At least annually, obtain and review a report by the independent auditor describing:
    a. The independent auditor's internal quality-control procedures.
    b. Any material issues raised by the most recent internal quality-control review or peer review, or by any inquiry or investigation by governmental or professional authorities within the preceding five years with respect to independent audits carried out by the independent auditor, and any steps taken to deal with such issues.

    This report should be used to evaluate the independent auditor's qualifications, performance, and independence. Further, the Committee will review the experience and qualifications of the lead partner each year and determine that all partner rotation requirements, as promulgated by applicable rules and regulations, are executed. The Committee will also consider whether there should be rotation of the independent auditor itself. The Committee should present its conclusions to the full Board.

33. Review and approve the Company's hiring policies, as applicable, regarding partners, employees and former partners and employees of the present and former independent auditors of the Company.

<u>Financial Reporting Process / Accounting Policies / Internal Control Procedures</u>

34. Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.

35. Evaluate the fairness of annual and interim financial statements and related disclosures including the associated Management's Discussion and Analysis, and obtain explanations from management on whether:

    a. actual financial results for the interim period varied significantly from budgeted or projected results;
    b. generally accepted accounting principles have been consistently applied;
    c. there are any actual or proposed changes in accounting or financial reporting practices; or
    d. there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.

36. Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

37. In consultation with the independent auditor and the internal audit function, review the integrity of the Company's financial reporting processes (both internal and external).

38. Periodically review the adequacy and effectiveness of the Company's disclosure controls and procedures and the Company's internal control over financial reporting, including any significant deficiencies and significant changes in internal controls. As part of the review, the Committee should gain an understanding of whether internal control recommendations made by the independent auditors have been implemented by management.

39. Understand the scope of the internal and independent auditors' review of internal control over financial reporting and obtain reports on significant findings and recommendations, together with management responses.

40. Receive and review any disclosure from the Company's CEO and CFO made in connection with the certification of the Company's quarterly and annual reports of: a) significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize, and report financial data; and b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls.

41. Review major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles; major issues as to the adequacy of the Company's internal controls; and any special audit steps adopted in light of material control deficiencies.

42. Review analyses prepared by management and the independent auditor setting forth significant financial reporting issues and judgments made during the preparation of the financial statements, including analyses of the effects of alternative IFRS methods on the financial statements.

43. Review the effect of regulatory and accounting initiatives, as well as off-balance-sheet structures, on the financial statements of the Company.

44. Review related party transactions to ensure that they reflect market practice and are in the best interests of the Company.

45. Oversee confidential investigation of anonymous submissions by Company employees regarding questionable accounting, auditing, or internal control matters in accordance with the Company's Whistleblower Policy. In accordance with the Whistleblower Policy, establish procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters.

46. Receive reports from the Company's Chief Financial Officer on the scope and material results of the Company's internal control activities.

Internal Audit

47. Review and advise on the selection, reassignment or and dismissal of the internal audit officer (if applicable).

48. Review the activities and organizational structure of the internal audit function, as well as the qualifications of its personnel.

49. Annually, review and recommend changes (if any) to the internal audit charter.

50. Periodically review with the internal audit officer (if any), any significant difficulties, disagreements with management, or scope restrictions encountered while performing the function's work including the resolution of disagreements between management and the internal auditors regarding internal controls.

51. Periodically review, with the independent auditor, the internal audit function's responsibility, budget, and staffing.

Ethical Compliance/Legal Compliance/Risk Management

52. Oversee, review, and periodically update the Company's code of business conduct and ethics and the Company's system to monitor compliance with and enforce this code.

53. Review, with the Company's counsel, legal compliance and legal matters that could have a significant impact on the Company's financial statements reporting.

54. Discuss policies with respect to risk assessment and risk management, including appropriate guidelines and policies to govern the process, as well as the Company's major financial risk exposures and the steps management has undertaken to identify, manage, and mitigate them.

55. Consider the risk of management's ability to override the Company's internal controls.

Adopted by the Board on December 14, 2004,
Last updated and approved by the Board on September 12, 2018