



Mexico's highest grade

Silver producer

**Annual and Special Meeting of Shareholders
May 10, 2017**

EXCELLON

Forward Looking Statements

Disclaimer

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

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

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

Cautionary Note to United States Investors regarding Adjacent or Similar Properties

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

Cautionary Note Regarding the Preliminary Economic Assessment (PEA)

The assessments in the PEA are preliminary in nature, mineral resources are not mineral reserves and do not have demonstrated economic viability, and there is no assurance the preliminary assessments will be realized. The outcome of this PEA may be materially affected by the closing of the financing, metals pricing, environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

Qualified Persons

Ben Pullinger, P.Geo, Vice-President Geology, is responsible for the Company’s exploration programs and has supervised the preparation of the technical information, which is disclosed in this presentation. He has acted as the Qualified Person, as defined in NI 43-101, for this disclosure.



2016 – A transformative year

Delivering

A strong year creating shareholder value

Key additions to board and management

Corporate responsibility enhancements

Completed key financings to move the company forward

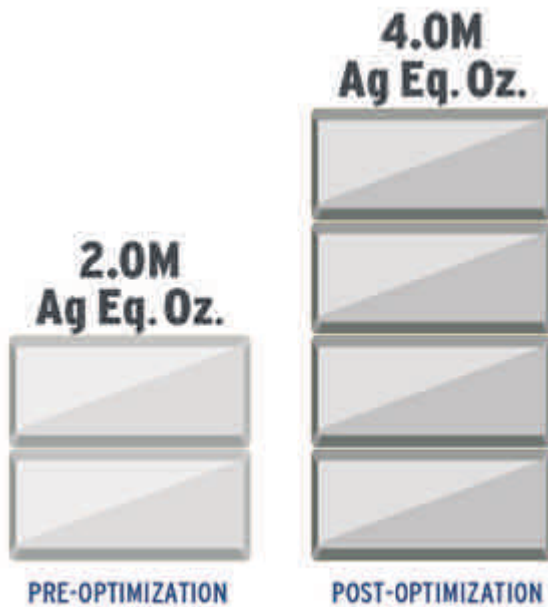
Implemented a simple strategy to double production and halve costs

Resumed exploration with immediate success

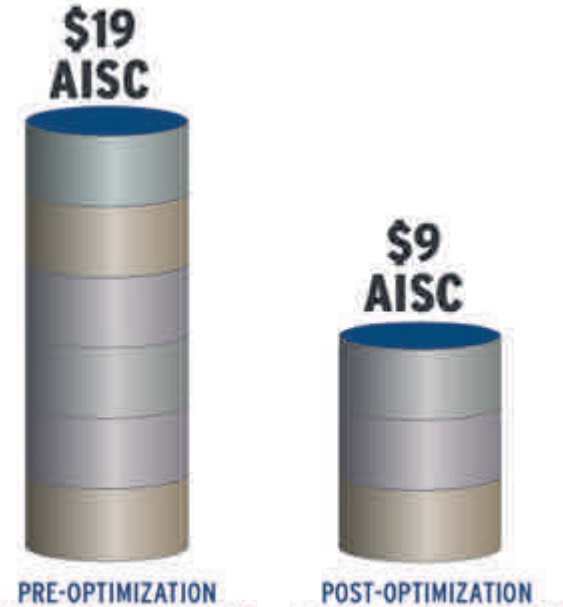


Opportunity

DOUBLING PRODUCTION



HALVING COSTS



US\$50m+ in free cash flow (2017-2020)

Experience

Board

André Fortier
Chairman

Alan McFarland

Daniella Dimitrov

Laurie Curtis

Ned Goodman

Oliver Fernández

Brendan Cahill

Management

Brendan Cahill
President and CEO

Rupy Dhadwar
Chief Financial Officer

Ben Pullinger
Vice-President, Geology

Denis Flood
Vice-President, Technical Services

Dr. Craig Ford
Vice-President, Responsibility

Ronald Marino
Vice-President, Finance

Nisha Hasan
Director, Investor Relations

Responsibility

Creating a platform for growth



A clear commitment to safety, environmental and community excellence

Delivering a best-in-class management system to drive performance

Well-positioned to attract Equator Bank financing

Confidence

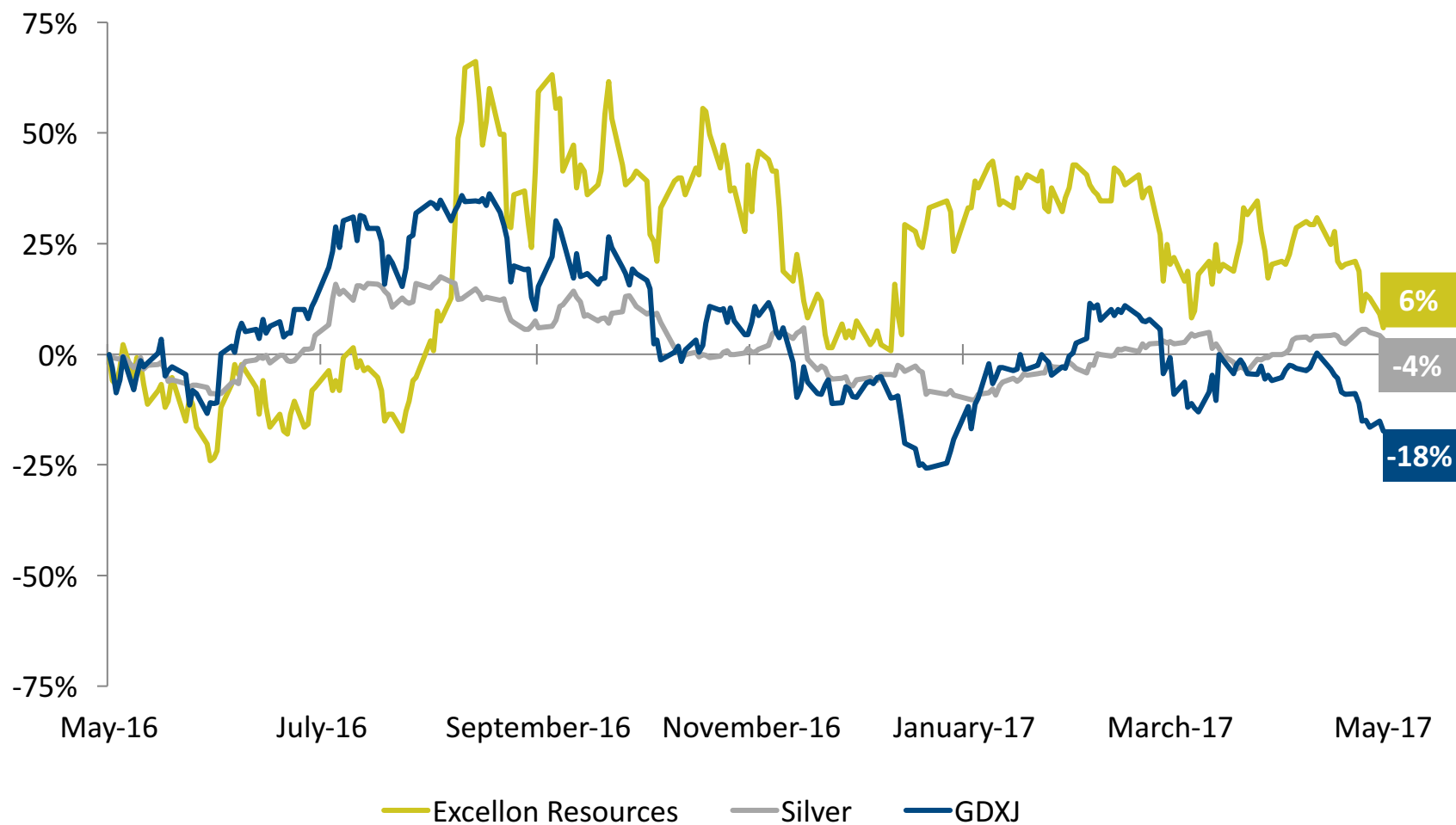
APRIL 2016:
\$3M

- Investment by Eric Sprott
- Key vote of confidence by legendary precious metal investor
- Catalyst for 160% increase in market price (\$0.50 to \$1.30)

JULY 2016:
\$15.2M

- Bought deal financing lead by Cantor Fitzgerald
- Further investment by Eric Sprott
- Catalyst for 100% increase in market price (\$1.20 to \$2.40)

Returns



Strategy

Turnaround operations



Progress

Dewatering wells drilled deep below mine workings



Progress

Equipped with high efficiency submersible pumps



Progress

Discharge line transferring water from submersibles



Progress

High efficiency booster pumps – 795 Primary



Progress

High efficiency booster pumps – 623 Secondary



Progress

Discharge line to surface



Progress

Water management



Outcome



DEVELOPMENT



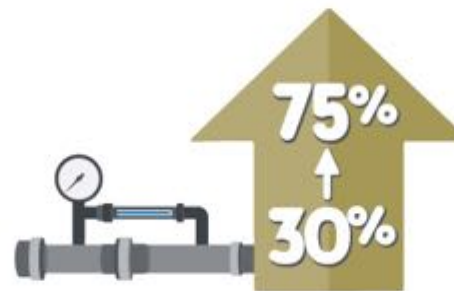
EQUIPMENT MAINTENANCE



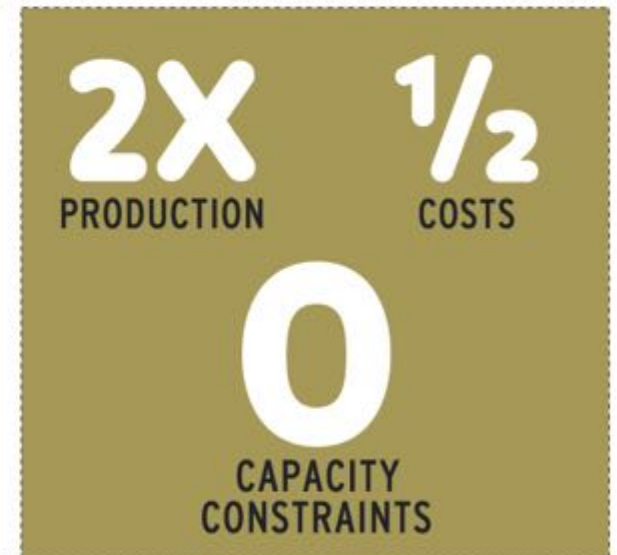
GROUTING



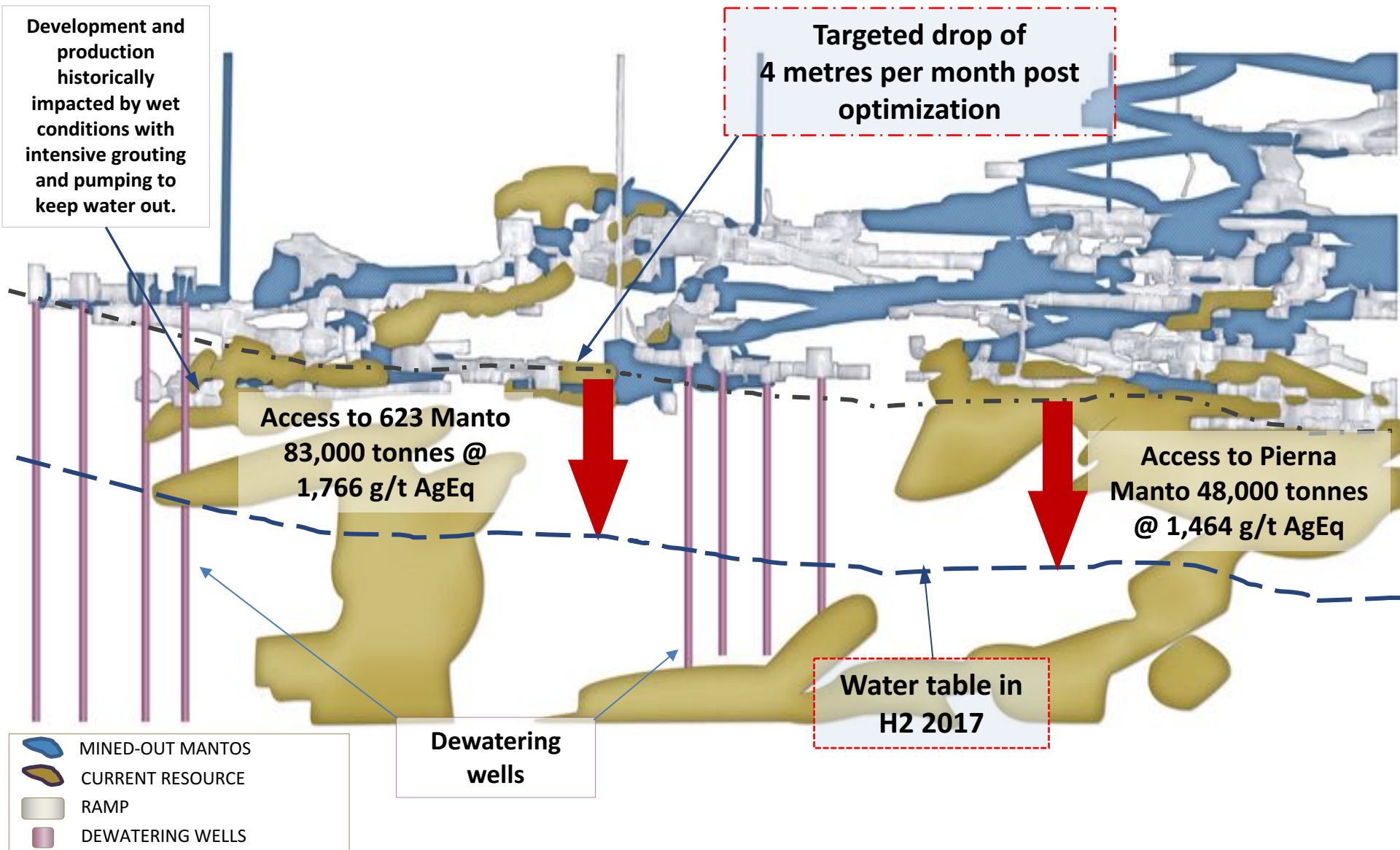
PUMPS



ELECTRICAL EFFICIENCY

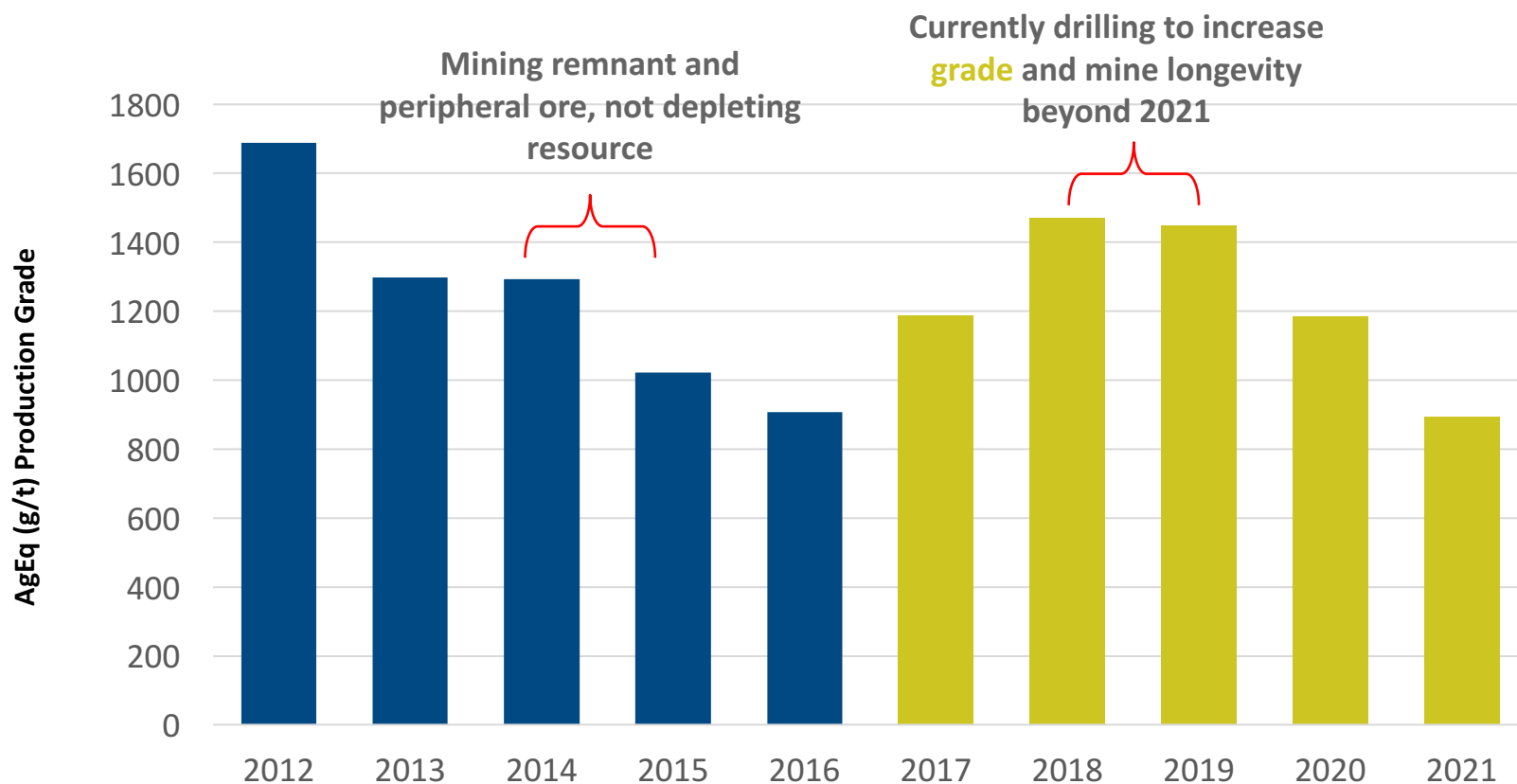


Accessing Highest Grade Mantos Post Optimization



Returning to Industry Leading Grades

Developing into higher grade mantos and improved mine sequencing

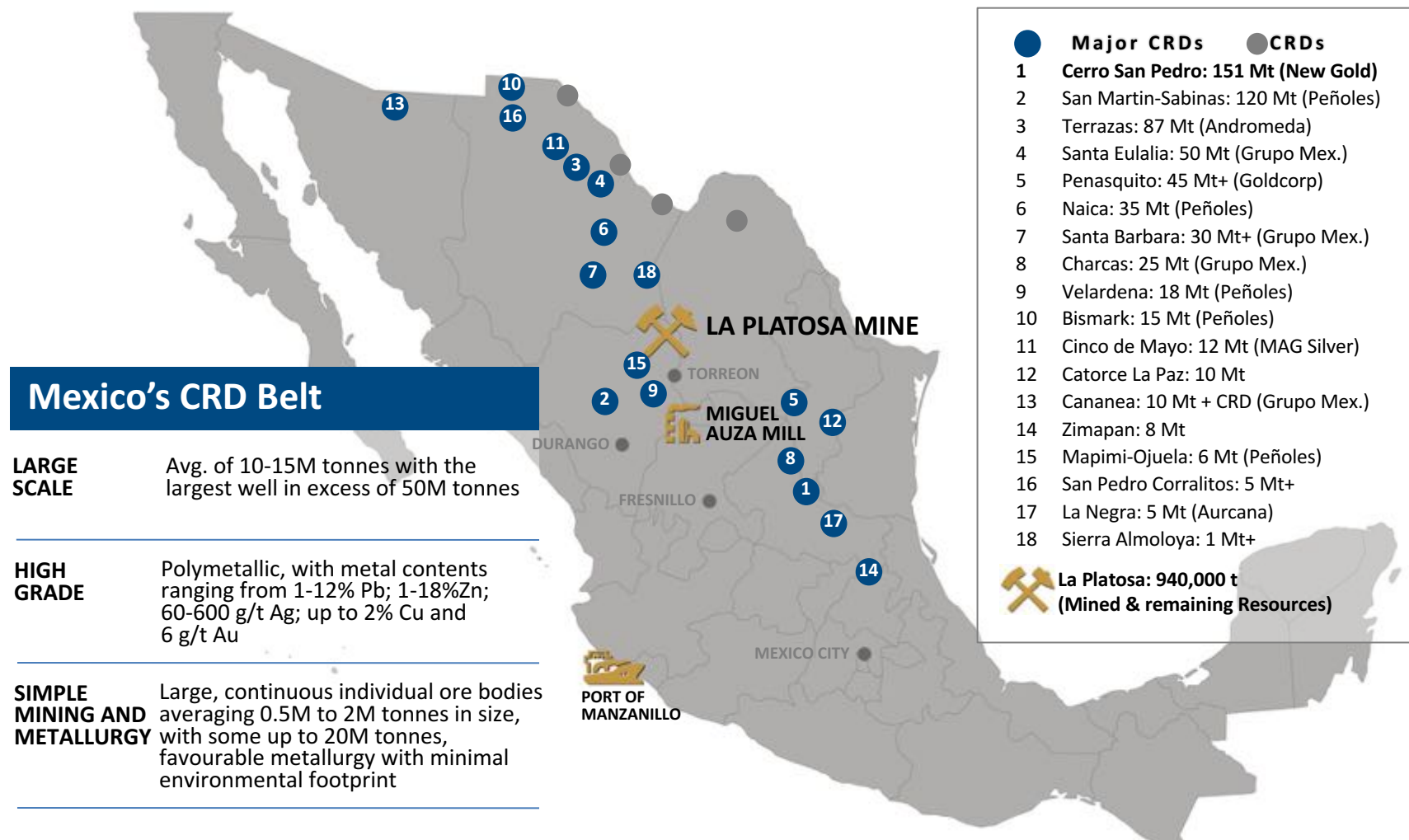


Positioned

Next Steps



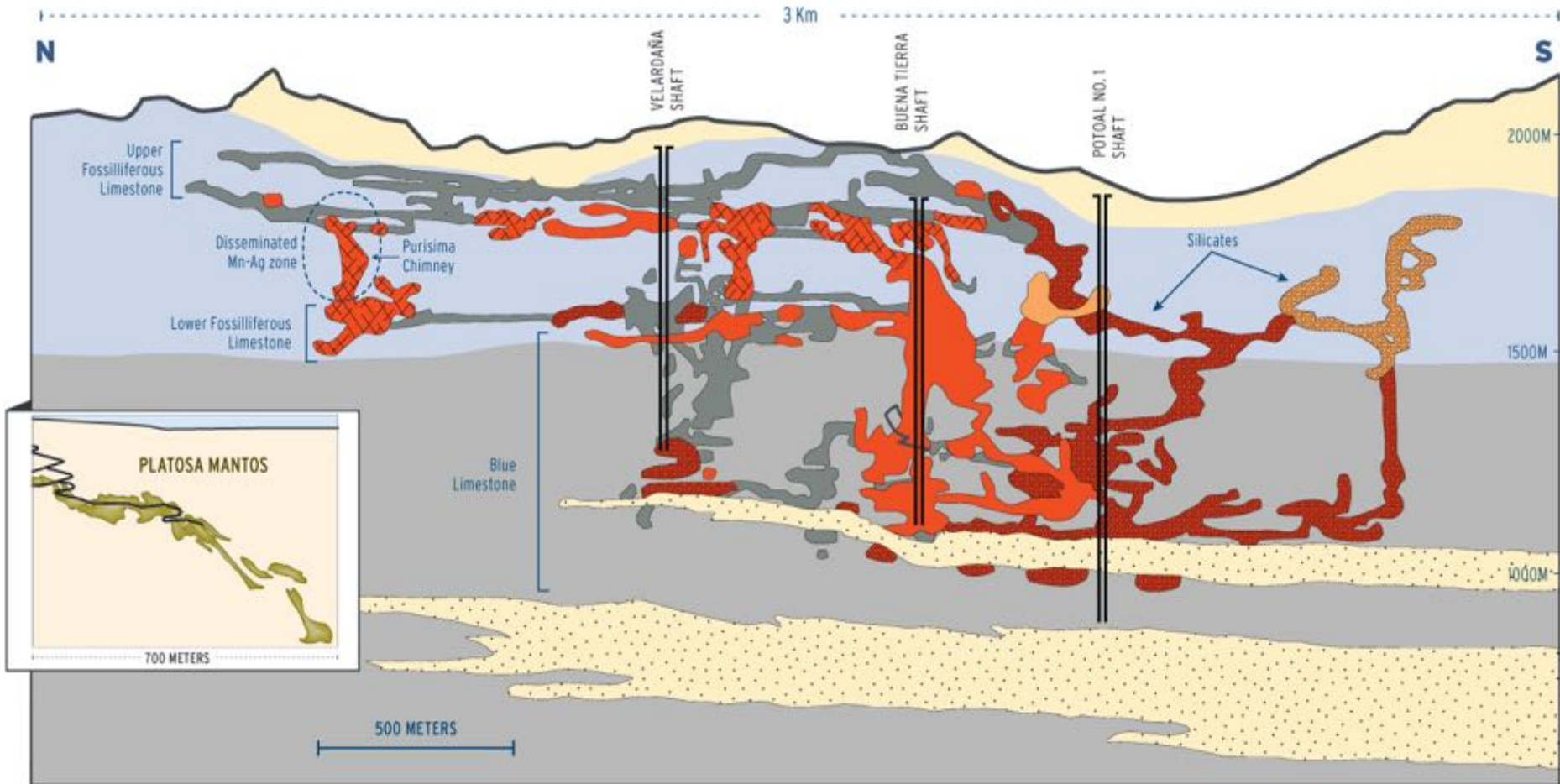
Location



Top silver producing country in the world

Potential

Santa Eulalia cross section – over 300 years of production

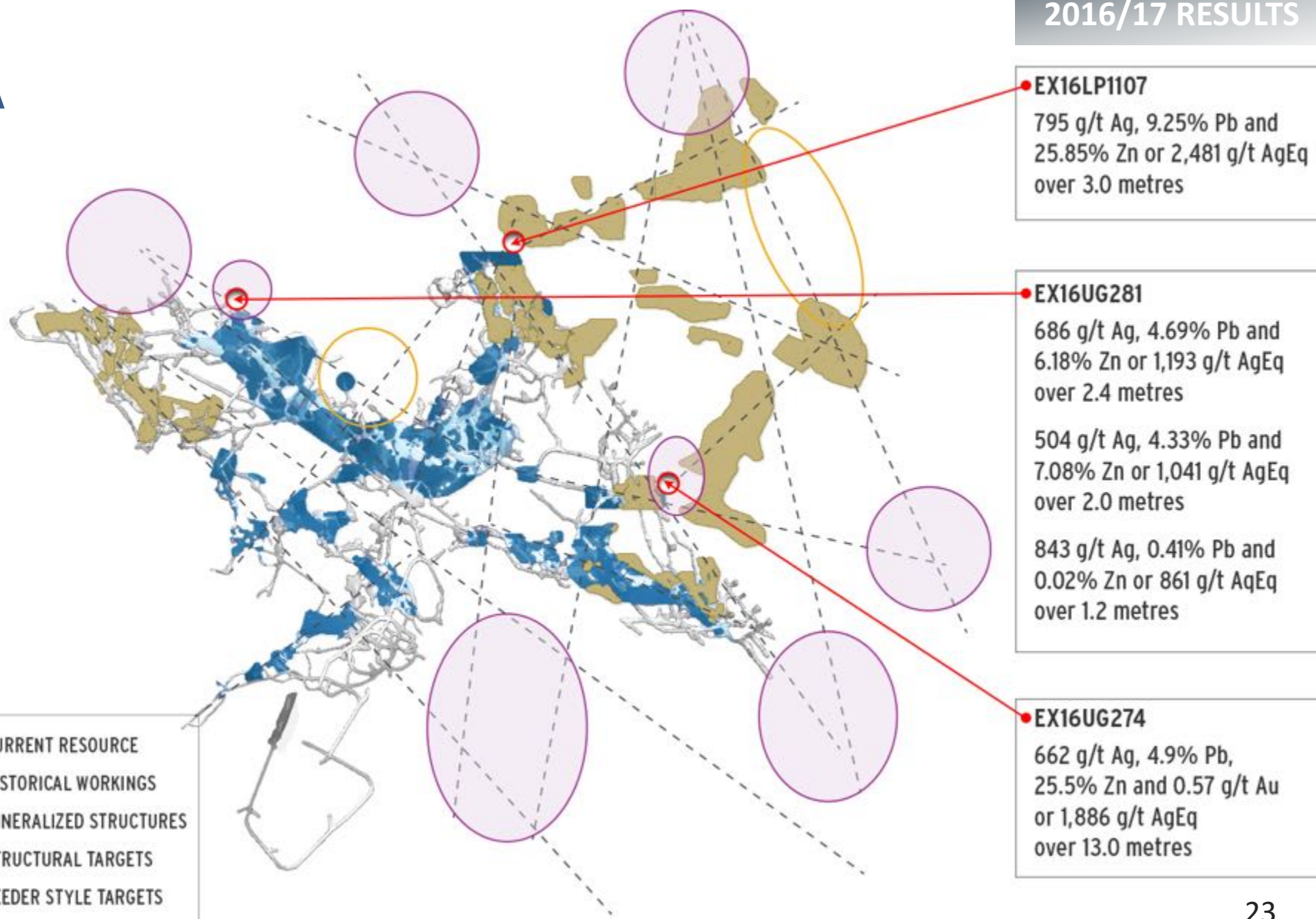


Platosa is just getting started, so far mineralization only defined in single stratigraphic horizon

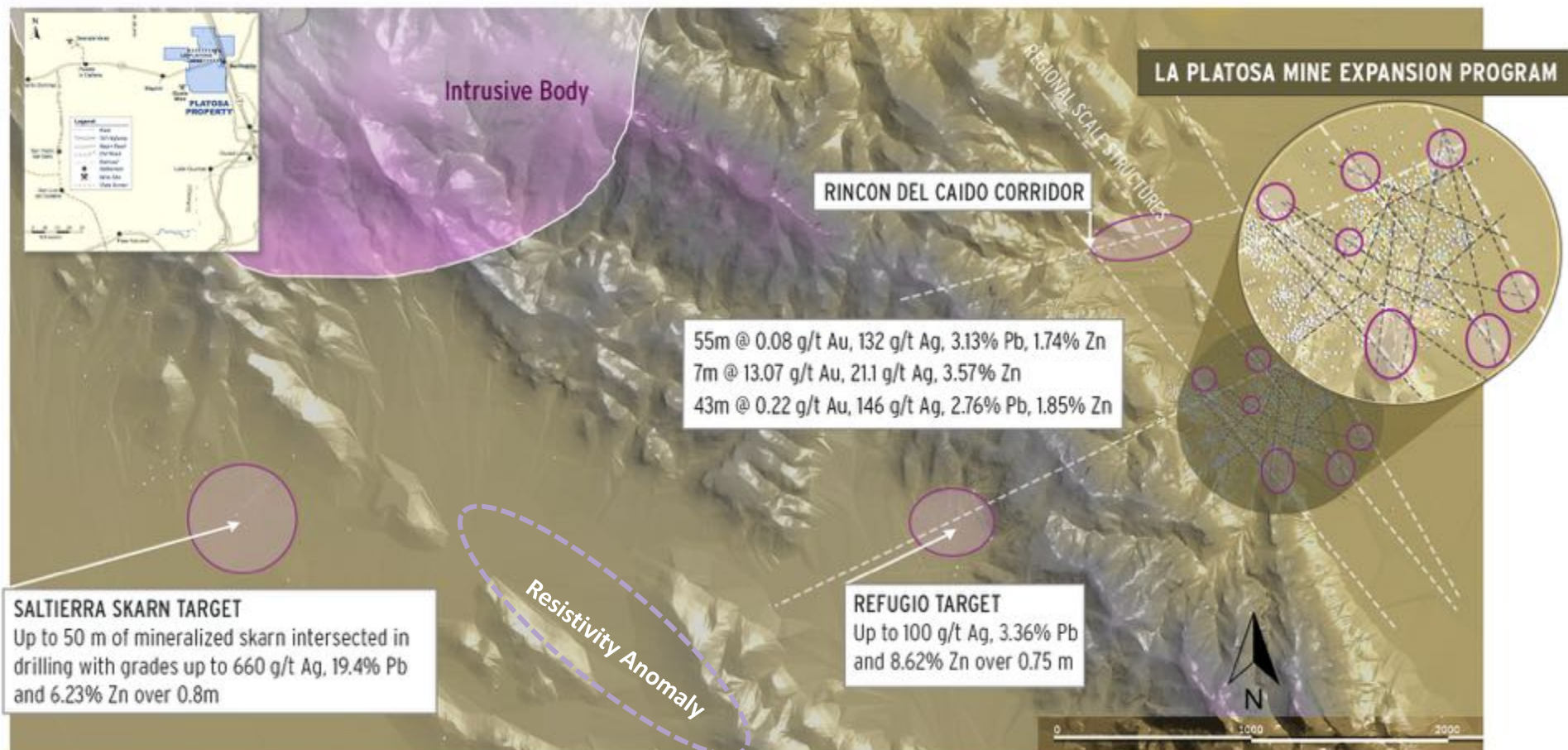
Growth



2016/17 RESULTS



Upside



Platosa mine on 56 ha of 21,000 ha prospective terrain

Capital

SHARE STRUCTURE

Issued & Outstanding:	76.2 M
Options (avg. \$1.08):	1.8 M
DSUs:	2.2 M
RSUs:	1.9 M
Warrants (C\$0.50):	1.9 M
(C\$0.65):	3.3 M
(EXN.WT at C\$1.75):	6.6 M
Convertible Debentures (\$0.50):	10.5M
Fully Diluted:	104.4M

TRADING SUMMARY

	TSX:EXN	OTC:EXLLF
90-Day Av. Daily Vol:	109,953	50,600
52-Week Range:	\$2.40-1.00	\$1.85-0.76
Market Cap:	CAD\$111M	US\$84M
Net Working Capital (Q1-2017):	\$6.2M CAD	
Production (YE-2016):	0.8M oz Ag (in con.)	
	1.3M oz Ag equivalent	

KEY SHAREHOLDERS

Eric Sprott
Sprott Asset Management
Dundee Corporation
PureFunds Silver Miners ETF – SILJ
Notae Investments
Global X Silver Miners ETF – SIL
Charteris Treasury Portfolio Manager
Blackrock Global Silver Miners ETF – SLVP

RECENT FINANCINGS

C\$6.6 M – C\$5.61M 3.75% convertible debentures (4 year, C\$0.50 conversion) and sale of 1.25% NSR for C\$0.99M

C\$3.0M private placement with Eric Sprott

C\$15.2M bought deal public offering (closed in early Q3 2016)

ANALYST COVERAGE

Cormark Securities – Graeme Jennings
Red Cloud – Derek Macpherson

*As at May 8, 2017

In Memory





To become a premier precious metals producer by capitalizing on generational opportunities and striving to always do better for our shareholders, employees and neighbouring communities

Nisha Hasan
Director, Investor Relations
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