

## EXCELLON REPORTS SECOND QUARTER PRODUCTION AND EXPLORATION RESULTS

Toronto, Ontario – July 16, 2013 – Excellon Resources Inc. (TSX:EXN; OTC:EXLLF) ("Excellon" or the "Company"), Mexico's highest grade silver producer, is pleased to report production results for the second quarter of 2013 and assay results from nine diamond drill-holes at the La Platosa Mine in Durango, Mexico.

### Highlights

- **Production of 404,225 silver equivalent ounces, including:**
  - Ore grades of 627 g/t (18.29 oz/T) Ag, 6.62% Pb and 10.44% Zn;
  - 252,789 oz Ag;
  - 1,514,465 lbs Pb; and
  - 2,460,728 lbs Zn;
- **Metal recoveries continue to improve and exceed expectations;**
- **Mantos drilling intersected near-infrastructure high-grade mineralization with elevated gold values, expanding the 6A Manto, including:**
  - 512 g/t Ag, 5.26% Pb, 5.85% Zn and 0.550 g/t Au over 5.33 metres from 134 metres down-hole in LP1075;
  - 795 g/t Ag, 9.04% Pb, 11.07% Zn and 0.256 g/t Au over 5.34 metres from 134 metres down-hole in LP1083.

"During the second quarter we began taking steps to increase La Platosa's high-grade production and mine life," stated Brendan Cahill, President and Chief Executive Officer. "We conducted significant mine development that should effectively double operating mining faces in the coming months. Despite the impact on production, this necessary development positions us well for the remainder of the year. We continue the process of developing into higher-grade areas of the resource, which should also increase production grades later this year."

Mr. Cahill continued, "Drilling during the quarter intersected high-grade silver/lead/zinc mineralization along with anomalous gold on the periphery of the 6A Manto. Gold mineralization in the mantos themselves is a new development at La Platosa and has the potential to further improve the mine's profitability in the future."

### Production Results for the Second Quarter, 2013

	Q2 2013*	Q2 2012	6-Mos 2013**	6-Mos 2012
<b>Tonnes</b>	13,608	17,463	31,969	34,596
<b>Grades:</b>				
<b>Silver (g/t)</b>	627	825	609	884
<b>Silver (oz/T)</b>	18.29	24.06	17.76	25.78
<b>Lead (%)</b>	6.62	7.07	6.47	6.83
<b>Zinc (%)</b>	10.44	13.52	10.20	12.07
<b>Recoveries:</b>				
<b>Silver (%)</b>	95.7	93.5	94.1	92.9
<b>Lead (%)</b>	84.7	83.9	84.7	80.6

	Q2 2013*	Q2 2012	6-Mos 2013**	6-Mos 2012
<b>Zinc (%)</b>	84.6	86.3	84.1	85.4
<b>Metal Production:</b>				
<b>Silver (oz)</b>	252,789	374,204	544,002	810,555
<b>Lead (lb)</b>	1,514,465	2,157,535	3,700,257	4,059,564
<b>Zinc (lb)</b>	2,460,728	4,383,176	5,870,006	7,638,129
<b>Ag Eq (oz)</b>	404,225 <sup>(1)</sup>	577,192 <sup>(2)</sup>	889,512 <sup>(3)</sup>	1,139,553 <sup>(4)</sup>

\* Q2 data remains subject to adjustment following settlement with concentrate purchaser.

\*\* Q1 2013 data has been adjusted to reflect settlement with concentrate purchaser.

Silver equivalent ounces established for each period using prices of:

(1) US\$22 per oz Ag, US\$0.90 per lb Pb, and US\$0.80 per lb Zn;

(2) US\$29 per oz Ag, US\$0.90 per lb Pb, and US\$0.90 per lb Zn;

(3) US\$26 per oz Ag, US\$1.00 per lb Pb, and US\$0.90 per lb Zn;

(4) US\$32 per oz Ag, US\$0.90 per lb Pb, and US\$0.90 per lb Zn;

applied to the recovered metal content of the concentrates.

During the quarter, the Company continued to develop into higher grade areas and development meterage was approximately 50% above plan. While production has yet to fully access higher-grade mantos, ore grades improved during the quarter as the Company accessed ore from a high-grade chimney encountered in the Guadalupe North Manto that had not been identified in resource drilling. The goal of the Company's current development is to open seven ore faces in the 6A (two faces), 6B, Guadalupe South (two faces), 623 and Rodilla mantos. Other than Rodilla, these faces are expected to enter production during the third quarter. The Company expects to provide an update on production and cash cost forecasts for the remainder of the year in the second quarter earnings release, expected in mid-August.

### La Platosa Drilling Results

Drilling around the known Platosa mantos intersected high-grade sulphides that may contribute to the defined Mineral Resource going forward. Assay results for nine diamond drill-holes are presented in the table below. All nine holes were drilled vertically and core widths are estimated true thicknesses.

Location	DDH No.	From (m)	To (m)	Width (m)	Ag (g/t)	Ag (oz/T)	Pb (%)	Zn (%)	Au (g/t)
6A Manto	LP1075	134.77	140.10	5.33	512	14.9	5.26	5.85	0.550
	LP1080	144.72	146.07	1.35	887	25.9	11.81	4.82	—
	LP1082	101.67	102.62	0.95	135	3.9	2.86	4.54	0.156
	LP1083	134.72	140.06	5.34	795	23.2	9.04	11.07	0.256
Guadalupe Manto	LP1084	138.40	138.75	0.35	1218	35.5	30.2	9.92	0.851
	LP1070	137.90	139.00	1.10	221	6.5	2.64	3.04	—
	incl.	137.90	138.25	0.35	595	17.4	7.20	8.81	—
Guadalupe South Manto	LP1072	155.50	156.60	1.10	232	6.8	2.69	9.27	—
	LP1076	150.12	151.15	1.03	47	1.4	0.75	1.77	—
	LP1077	192.00	193.00	1.00	212	6.2	1.48	-	—

In addition to these nine holes, sixteen additional holes have been drilled since early April 2013. Though these holes did not contain significant sulphides, the Rincon del Caido holes encountered skarnified marble and the manto holes all encountered the favourable limestone unit, adding to the geological knowledge of both environments.

The presence of anomalous gold in the recent 6A Manto holes is a significant development at

Platosa. Gold has now been intersected in three locations, the NE-1 Manto where gold occurs in a siliceous unit some distance above the massive sulphides, at Rincon del Caido where it is found with the skarnified proximal sulphides and in the 6A Manto where it occurs with the massive sulphides. A study is underway to determine if these gold occurrences are related in some manner and whether they may serve as a guide to the location of additional massive sulphides and/or the heart of the Platosa Carbonate Replacement Deposit ("CRD") system itself.

The Company has modified its exploration plans to conserve cash in light of current silver prices and is not currently drilling, though five rigs remain on site and drilling can resume quickly upon the improvement of market conditions. Company geologists are compiling data and planning the next stages of drilling, both for additional high-grade massive sulphide manto resources and to follow-up on the Source-style skarn-sulphide mineralization encountered during 2012 and early 2013 at Rincon del Caido, one kilometre northwest of the mine. A detailed study of the Rincon area continues and results are expected to improve further targeting of the large-tonnage proximal CRD deposit believed to be nearby.

Mr. Cahill commented, "While we are in the fortunate position of being a high-grade, low-cost producer, the decrease in silver prices from near \$30 to below \$20 during the second quarter obviously impacts our business. The settlement of concentrate deliveries made during the first quarter required us to repay the difference in silver price per ounce between the delivery and settlement dates. These repayments were made from operating cash flow and will affect our operating margins during the quarter. We remain fully committed to further optimizing our mining operation at La Platosa and we believe that our strategy at the mine will, in due course, further improve La Platosa's high-grade, low-cost silver production. We are, however, significantly reducing corporate and exploration expenditures at this time and have already cut over \$1 million in annual corporate expenditures, including significant reductions in executive and board compensation. Further cuts of over \$1 million are planned should silver prices not improve in the near term. Our focus remains on increasing production and we look forward to a profitable remainder of the year, even at \$19 silver."

#### **Update on Lawsuit with the Ejido La Sierrita**

The Company is also pleased to report on the status of its agrarian legal suit against the Ejido La Sierrita (the "Ejido"), which was filed in August 2012. At the last hearing of the Agrarian Court, held on June 28, 2013, Excellon submitted a proposal to purchase or lease 10 hectares from the Ejido based on a court-supervised appraisal of the value of these particular hectares. Yesterday, the legal representatives of the Ejido reported that they had not yet submitted Excellon's proposal to the Ejido assembly. The next hearing date in the suit is scheduled for September 23, 2013.

#### **Technical Information**

Platosa drill core samples are prepared and assayed by SGS Minerals Services in Durango, Mexico. The lab is accredited to ISO/IEC 17025. Excellon has a comprehensive QA/QC program, supervised by an independent Qualified Person.

The Company's exploration programs are supervised by John Sullivan, Vice-President of Exploration, and he has acted as the Qualified Person, as defined in National Instrument 43-101 ("NI 43-101"), for this disclosure.

## About Excellon

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

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

### For Further Information, Please Contact:

Excellon Resources Inc.  
Brendan Cahill, President & CEO or  
John Sullivan, VP Exploration  
(416) 364-1130  
[info@excellonresources.com](mailto:info@excellonresources.com)  
[www.excellonresources.com](http://www.excellonresources.com)

### Forward-Looking Statements

*The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this Press Release, which has been prepared by management. This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 27E of the Exchange Act. Such statements include, without limitation, statements regarding the future results of operations, performance and achievements of the Company, including potential property acquisitions, the timing, content, cost and results of proposed work programs, the discovery and delineation of mineral deposits/resources/reserves, geological interpretations, proposed production rates, potential mineral recovery processes and rates, business and financing plans, business trends and future operating revenues. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, variations in the nature, quality and quantity of any mineral deposits that may be located, significant downward variations in the market price of any minerals produced [particularly silver], the Company's inability to obtain any necessary permits, consents or authorizations required for its activities, to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies. All of the Company's public disclosure filings may be accessed via [www.sedar.com](http://www.sedar.com) and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties, and particularly the November 22, 2011 NI 43-101-compliant technical report prepared by Roscoe Postle Associates Inc. with respect to the Platosa Property. This press release is not, and is not to be construed in any way as, an offer to buy or sell securities in the United States.*