Excellon Resources Inc. Responses to Church of England/Swedish National Pensions Fund Information Request on Tailings Management

Annex 2: Disclosure requirements

Overview question: **Please: a) Provide an overview of your tailings management system, and how you manage risk b) Confirm whether your approach to tailings management has changed or will change in light of the recent tailings disasters at Brumadinho, Mariana, Mt. Polley and others. Have you, for example, reviewed all tailings storage facilities with upstream dam construction, and taken steps necessary to protect local communities and the environment e.g. buttressing, evacuation?**

Excellon Resources Inc. is a TSX-listed silver and base metals producer headquartered in Toronto, Canada. We are a small-cap producer and have been taking steps over the past 2½ years to bring more structure and discipline to our activities. This includes focusing on improving the corporate responsibility elements of our business. We joined the Mining Association of Canada (MAC) in 2013 and committed to implementing MAC's reputational program, Towards Sustainable Mining (TSM), at our business units. This includes indicators involving tailings management, including implementing the MAC tailings guides which are recognized as evolving international best practice.

Our initial assessment in 2017 indicated that we had gaps against the TSM and MAC tailings management guidelines. We began improving our tailings management practices by developing and starting to implement a mine waste management standard. In July 2018, we retained a Canadian-based international engineering firm to perform a visual inspection of our two tailings facilities and evaluate our tailings management practices against the MAC guidelines. Engineers from the consulting firm visited our Miguel Auza business unit in March 2019. A report of their findings was received on June 4, 2019. An action plan has been developed and is in the process of being implemented.

Notes	
1. "Tailings Facility" Name/identifier	Tailings Management Facility #1 (TMF #1) • Ring embankment encompassing approximately 75 percent of the facility perimeter Tailings Management Facility #2 (TMF #2) • One linear embankment with short wings on either end
2. Location	Miguel Auza area, Zacatecas, Mexico TMF #1 – 24°17'50.54" N, 103°27'54.71" W TMF #2 – 24°18'12.21" N, 103°27'35.58" W
3. Ownership	San Pedro Resources, S.A. de C.V., a wholly-owned subsidiary of Excellon Resources Inc.
4. Status	TMF #1 – closed, re-vegetated with soil cover TMF #2 – active

We take closed to mean: a closure plan was developed and approved by the relevant local government agency, and key stakeholders were involved in its development; a closed facility means the noted approved closure plan was fully implemented or the closure plan is in the process of being implemented. A facility that is inactive or under C&M is not considered closed until such time as a closure plan has been implemented.

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5. Date of initial operation	TMF #1 – 2007 TMF #2 – 2017 (Stage 1 constructed in 2016)
6. Is the Dam currently operated or closed as per currently approved design?	TMF #1 – unknown; see 16. below TMF #2 – yes
7. Raising method	TMF #1 – Starter dam only, no raises constructed TMF #2 – Stage 1 (starter dam), Stages 2 and 3 will be downstream raises (to be constructed), Stages 4 and 5 are currently proposed to be upstream raises (design and raise method to be confirmed)
8. Current Maximum Height	TMF #1 – 6.5 m TMF #2 – 6 m (Stage 1)
9. Current Tailings Storage Impoundment Volume	TMF #1 – 313,000 m^3 TMF #2 – 90,000 m^3
10. Planned Tailings Storage Impoundment Volume in 5 years time.	TMF #1 – 313,000 m^3 TMF #2 – 1,012,000 m^3
11.Most recent Independent Expert Review	March, 2019
12. Do you have full and complete relevant engineering records including design, construction, operation, maintenance, and/or closure?	TMF #1 – No TMF #2 – No (data gaps are currently being addressed)
13. What is your hazard categorisation of this facility, based on the consequence of failure? We use the hazard classification developed by the Canadian Dam Association (2013 and 2014). This five-level rating system categorizes embankments as “Low”, “Significant”, “High”, “Very high” or “Extreme” based on a number of factors. TMF #1 – Significant TMF #2 – High	
14. What guideline do you follow for the classification system? Canadian Dam Association (CDA, 2013). Dam Safety Guidelines. Canadian Dam Association (CDA, 2014). Technical Bulletin: Application of Dam Safety Guidelines to Mining Dams.	

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15. Has this facility, at any point in its history, failed to be confirmed or certified as stable, or experienced notable stability concerns, as identified by an independent engineer (even if later certified as stable by the same or a different firm).	TMF #1 – No TMF #2 – No
Stability concerns might include toe seepage, dam movement, overtopping, spillway failure, piping etc. If yes, have appropriately designed and reviewed mitigation actions been implemented? We also note that this question does not bear upon the appropriateness of the criteria, but rather the stewardship levels of the facility or the dam. Additional comments/information may be supplied in your answer to Q20.	
16. Do you have internal/in house engineering specialist oversight of this facility? Or do you have external engineering support for this purpose?	An experienced executive has corporate-level oversight of mine waste management. Experienced geotechnical engineers from a third-party, international consulting firm were retained to perform a visual inspection and review of operating practices of TMF #1 and TMF #2. This firm is currently providing Designer of Record (DoR) services relating to the Stage 2 raise design at TMF #2. Actions being undertaken as part of the TMF #2 Stage 2 raise design will address knowledge gaps with TMF #1 and TMF #2 Stage 1. We expect that such information will allow the DoR firm to take on the Engineer of Record (EoR) role going forward.
17. Has a formal analysis of the downstream impact on communities, ecosystems and critical infrastructure in the event of catastrophic failure been undertaken and to reflect final conditions? If so, when did this assessment take place?	TMF #1 – No TMF #2 – No
18. Is there a) a closure plan in place for this dam, and b) does it include long term monitoring?	TMF #1 – there is an approved closure plan in place that includes post-closure monitoring TMF #2 – there is a conceptual closure plan in place that includes post-closure monitoring
19. Have you, or do you plan to assess your tailings facilities against the impact of more regular extreme weather events as a result of climate change, e.g. over the next two years?	We plan to undertake a Dam Safety Review over the next two years and we expect that it will include an analysis of flood/weather vulnerability.

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20. Any other relevant information and supporting documentation.	We recognized in 2017 that we were lacking some historic design and construction records for TMF #1. Furthermore, the design of TMF #2 was performed by an in-house engineer in Mexico and did not go through the customary analysis and review. These factors, coupled with our commitment to the MAC tailings management guidelines, led us to accelerate the third-party review that was initiated in 2018. The process to bring both TMFs up to the MAC standards will be an on-going process. In the meantime, we are ensuring a focus on documenting our operational oversight and monitoring to ensure safe operation of the active TMF #2.
Please state if you have omitted any other exposure to tailings facilities through any joint ventures you may have. No such facilities exist as Excellon does not have any joint ventures.	