



# Silver City Project

## Saxony, Germany

TSX:EXN | OTC:EXLLF | EXN.WT | FRA:E4X1  
Investor Presentation – September 2019

**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](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. 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.

## Qualified Persons

Ben Pullinger, P.Geo, Senior 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.

# Silver City

## First mover advantage in a historic mining district

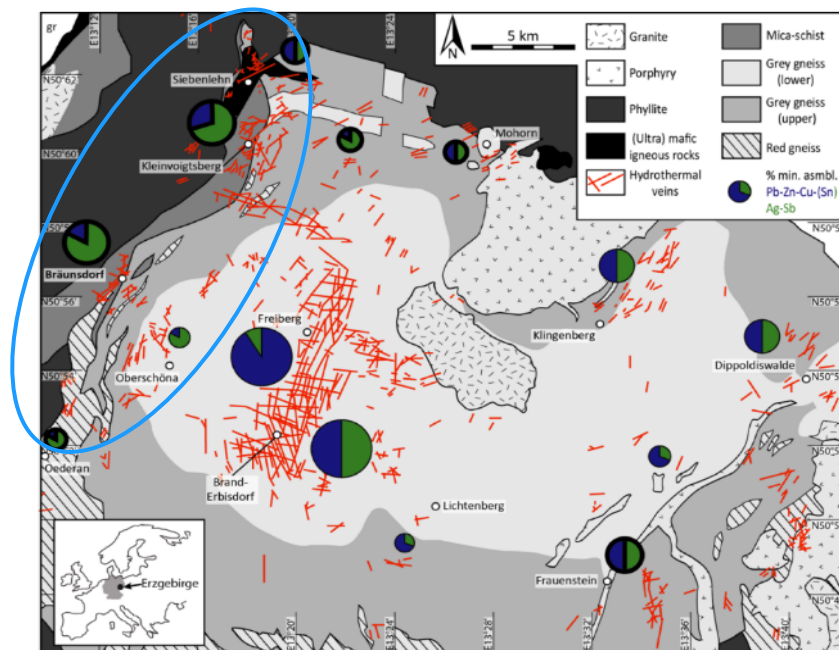


- Large, high-grade epithermal system with a long history in Saxony, Germany
- Option to own 100% interest of a 164 km<sup>2</sup> land package
- Current strike of 36 km by up to 5 km
- Aligns with our focus on exploring large, underexplored properties for high-grade discoveries on world-class precious metal belts



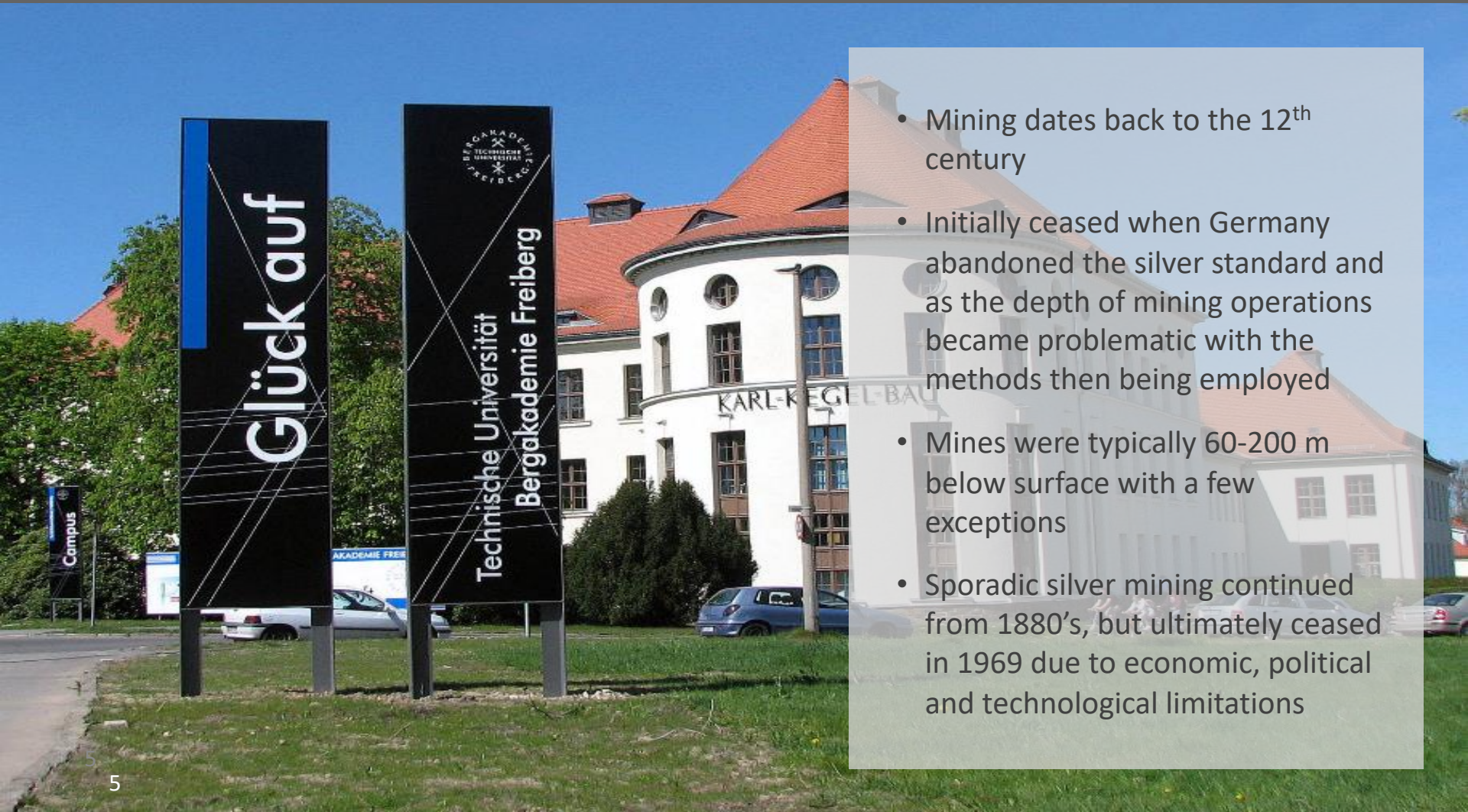
# Ready to be Reinvigorated

- License includes 6 major historic silver mine camps, 5 minor camps and other prospects, with no modern exploration completed to date
- Historically reported veins ranged from 0.5 to 10 m width, with grades of over 3,500 g/t Ag
- Petrographic and fluid inclusion studies recently conducted by the Mineral Systems Analysis Group at the Freiberg University of Mining and Technology suggests a productive depth for precious metals from 50 to 450 m below surface



# Freiberg Mining District

Over 700 years of mining history



- Mining dates back to the 12<sup>th</sup> century
- Initially ceased when Germany abandoned the silver standard and as the depth of mining operations became problematic with the methods then being employed
- Mines were typically 60-200 m below surface with a few exceptions
- Sporadic silver mining continued from 1880's, but ultimately ceased in 1969 due to economic, political and technological limitations



# Mining Perception in Saxony and Germany

## Governments actively working to attract mining investment

### Latest News



#### Freiberg city council enables the expansion of the HIF campus

The a majority of the Freiberg city council voted this week to sell 3.2 hectare to the State of Saxony to enable the expansion of the new HIF campus. Until 2030 up to 100 Mio Euros are planned to be invested into the area of the former research institute for processing (FIA) and to increase the number of employees from 140 to 350. Currently, the campus is undergoing constructions for the new metallurgy pilot plant. Another pilot plant as well as offices and labs will follow.

◆ The ROHSA 3 project – Saxon raw materials data

➤ Project ROHSA 3

➤ Objectives, Work Packages, Results

➤ Project area

➤ Information on ROHSA search engine

➤ Project history

➤ News and events

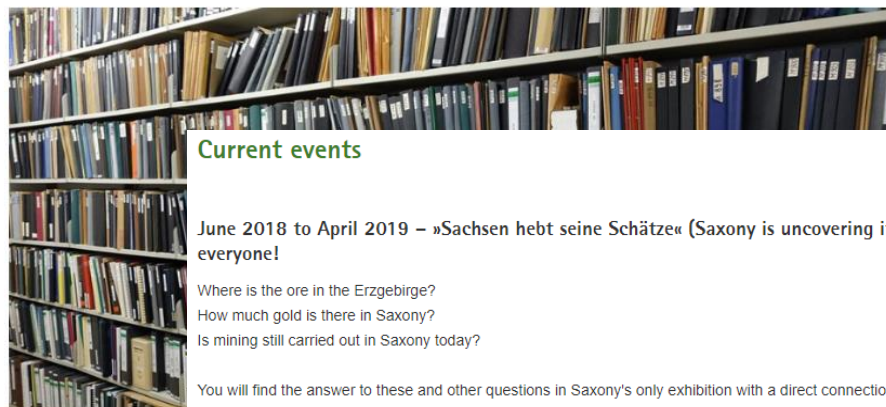
➤ Project organization and project partners

➤ Information

➤ Contact Person

➤ Saxony is uncovering its treasures

### Project ROHSA 3



#### Current events

June 2018 to April 2019 – »Sachsen hebt seine Schätze« (Saxony is uncovering its treasures). An exhibition for everyone!

Where is the ore in the Erzgebirge?

How much gold is there in Saxony?

Is mining still carried out in Saxony today?

You will find the answer to these and other questions in Saxony's only exhibition with a direct connection to destinations all over the world! The exhibition at Dresden Airport is open daily from June 2018 to April 2019, admission is free.

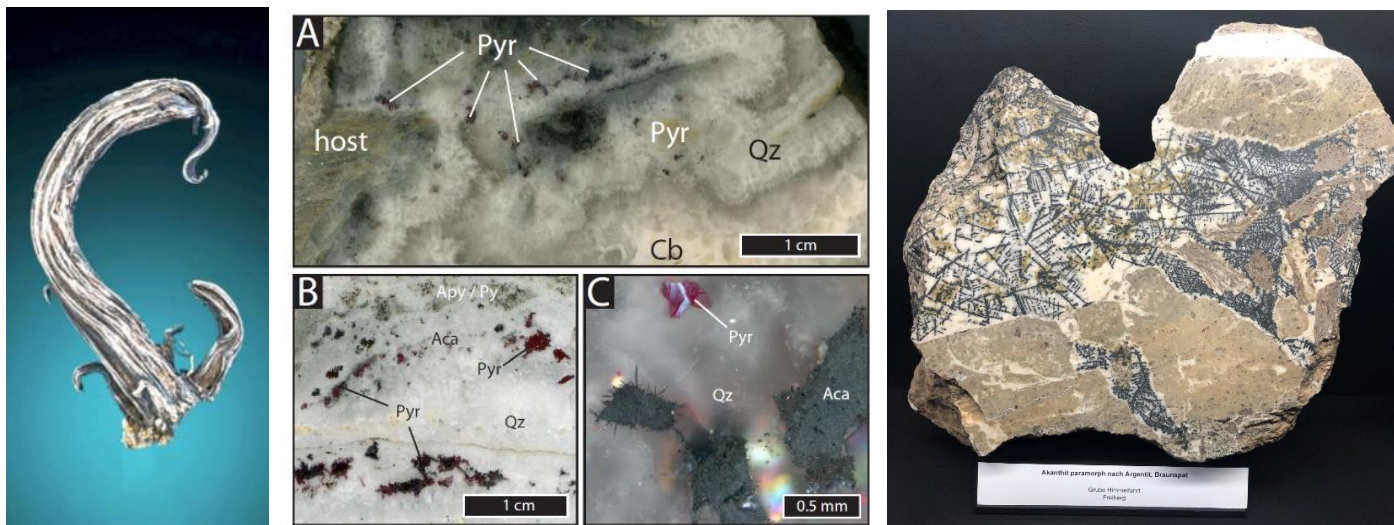
➤ Information about the exhibition

**Saxony geology survey is compiling and publishing all historical mining data in archives**

**Public events being held about mining in Germany**

# Freiberg's Mineral Wealth Today

- Freiberg is home to the Freiberg University of Mining and Technology, the oldest university of mining and metallurgy in the world and Helmholtz Institute Freiberg, which specializes in a broad array of innovative mining technologies
- The institutes are actively studying the mineral wealth of the area through hand samples from historic mines
- The Freiberg museum has a spectacular collection of these samples, some of which assay multi-kilo per tonne silver



## VISION

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*To Create Wealth*

## MISSION

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*We realize strategic opportunities through discipline and innovation for the benefit of our employees, communities and shareholders.*