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EXCELLON REPORTS SECOND QUARTER 2013 FINANCIAL RESULTS

Toronto, Ontario – August 14, 2013 – Excellon Resources Inc. (TSX:EXN; OTC:EXLLF) ("Excellon" or the "Company"), Mexico's highest grade silver producer, is pleased to report financial results for the second quarter of 2013.

Highlights

- **Production of 401,858 silver-equivalent ounces during the quarter (902,887 silver-equivalent ounces to June 30, 2013) from the 100%-owned and royalty-free La Platosa Mine in Durango, Mexico**

- **Net loss of $5.0 million during the quarter, primarily attributable to non-production costs associated with the significant decline in silver prices, including:**

    - **$3 million in negative revenue adjustments relating to declines in metal prices affecting final payment for concentrates**
    - **$1.2 million in unrealized losses on marketable securities representing an interest in 134,732 ounces of silver**
    - **$1 million of drilling expenses incurred early in the period**

- **July 2013 production demonstrating benefits of second quarter development, with ore grades of almost 900 g/t silver and improved production tonnage during the third quarter to date**

- **Net cash costs per silver ounce during the quarter of $12.07 ($9.60 to June 30, 2013)**

- **Cash, marketable securities and accounts receivable total approximately $5.8 million as of August 14, 2013**

"We made progress at La Platosa during the first half of 2013, albeit in a difficult silver-price environment," stated Brendan Cahill, President and Chief Executive Officer. "The development work conducted during the second quarter is showing positive results, with ore milled during July grading 895 g/t silver as we accessed high-grade ore in the Guadalupe South Manto. We are now accessing high-grade ore from the 6A and 6B mantos and plan to open new faces in the 623 Manto during the coming months. Further mine optimization that commenced early in the third quarter should improve our profitability and decrease our cash costs per ounce going forward."

Mr. Cahill continued, "The significant drop in silver prices during the second quarter affected our revenues and profitability, particularly as the final settlement of concentrate deliveries made at higher silver prices during earlier periods required negative revenue adjustments totaling $3 million. These adjustments will lessen or be reversed as the silver price stabilizes or increases, which should greatly improve profitability during the remainder of the year. Our near-term goal is profitable operation even in the current depressed silver price environment."

Financial and Operating Highlights

Financial results for the three and six month periods ended June 30, 2013 and 2012 are as follows:

	3 months ended June 30, 2013 $	3 months ended June 30, 2012 $	6 months ended June 30, 2013 $	6 months ended June 30, 2012 $
Revenue	4,187 [(1)]	13,994	14,242	27,100
Cost of sales	(6,003)	(5,377)	(11,966)	(10,218)
Gross profit	(1,816)	8,617	2,276	16,882
Expenses:				
Corporate administration	(1,547)	(2,294)	(3,330)	(4,098)
Exploration	(1,368)	(2,498)	(6,207)	(4,578)
Other (incl. finance cost)	(1,789)	(2,542)	304	(338)
Income tax	1,485	(805)	1,321	(1,770)
Net income (loss) for the period	(5,035)	478	(5,636)	6,098

(1) Revenue was $7,152 prior to negative adjustments of $2,965 relating to declines in metal prices affecting final payment for concentrates.

The net loss during the quarter resulted from decreased revenue from mine production, which was primarily attributable to the significant decline in silver prices and a negative revenue adjustment of approximately $3 million upon final settlement of sales of concentrate delivered at higher prices prior to the second quarter. The Company does not anticipate adjustments of similar magnitude in future periods, assuming that the price of silver stabilizes. Revenues were additionally affected by lower production tonnage and grades during the quarter as the Company undertook necessary development into higher-grade mantos.

Exploration expenses during the quarter totaled approximately $1.4 million, $1 million of which was spent on 5,500 metres of diamond drilling at La Platosa early in the second quarter. Due to current silver prices and market conditions, the Company has suspended drilling at La Platosa, though drill rigs remain on site and available to resume drilling when market conditions improve.

Other expenses include an unrealized loss on marketable securities of $1.2 million. The marketable securities are an investment in the Sprott Physical Silver Trust, which represents an underlying investment in 134,732 ounces of silver. The decline in silver prices impacted the fair value of these securities, which resulted in an unrealized loss for the period.

Corporate administration expenses decreased by approximately $750,000 or 33% during the second quarter of 2013 relative to the same period in 2012. Further reductions in corporate administration, compensation and other expenses of at least $1 million on an annual basis will be realized in subsequent periods.

Cash cost per silver ounce net of by-products was $12.07 during the quarter versus $6.96 in the first quarter of 2013 and $4.25 in the second quarter of 2012. The increase in cash cost was primarily attributable to the mining of lower-grade ore and lower tonnages produced resulting in lower by-product credits per silver ounce, in both cases related to the Company's focus on necessary development into higher-grade mantos.

Mine production for the three and six months periods ended June 30, 2013 and 2012 was as follows:

		3 months ended June 30, 2013*	3 months ended June 30, 2012	6 months ended June 30, 2013**	6 months ended June 30, 2012
Tonnes of ore processed		13,608	17,463	31,969	34,596
Ore grades:					
	Silver (g/t)	627	825	609	884
	Silver (oz/T)	18.29	24.06	17,76	25.78
	Lead (%)	6.62	7.07	6.47	6.83
	Zinc (%)	10.44	13.52	10.20	12.07
Recoveries:					
	Silver (%)	95.7	93.5	94.1	92.9
	Lead (%)	84.7	83.9	84.7	80.6
	Zinc (%)	84.6	86.3	84.1	85.4
Production:					
	Silver – (oz)	252,789	374,204	544,002	810,555
	Silver equivalent ounces (oz) (1)	401,858	619,481	902,887	1,249,219
	Lead – (lb)	1,514,465	2,157,535	3,700,257	4,059,564
	Zinc – (lb)	2,460,728	4,383,176	5,870,006	7,638,129
Sales:					
	Silver ounces – (oz)	255,369	380,299	557,835	782,395
	Silver equivalent ounces (oz) (1)	417,290	625,719	921,062	1,205,470
	Lead – (lb)	1,643,948	2,196,453	3,736,910	3,912,626
	Zinc – (lb)	2,673,949	4,348,078	5,949,140	7,369,372
Realized prices: (2)					
	Silver – ($US/oz)	21.07	29.26	22.15	31.66
	Lead – ($US/lb)	0.92	0.90	0.93	0.93
	Zinc – ($US/lb)	0.83	0.89	0.86	0.92

* Q2 data remains subject to adjustment following settlement with concentrate purchaser
** Q1 2013 data has been adjusted to reflect settlement with concentrate purchaser.

(1) Silver equivalent ounces established for each period using prices of US$24 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.
(2) Average realized price is calculated on current period sale deliveries and does not include prior period provisional adjustments in the period. A complete reconciliation of net realized prices is set out in the Company's Q2 2013 MD&A.

Note: "t"= tonne; "T"= ton

Outlook

As a result of the lower than expected production achieved during the first six months of 2013 due to significant mine development, the Company expects to be below its previously announced target of approximately 1.5 million ounces of silver, 9.6 million pounds of lead and 13.0 million pounds of zinc. Improving silver grades during July and August production-to-date are an encouraging sign that the Company's development and mine optimization initiatives will be reflected in future quarters. Therefore, production is expected to be more closely aligned with original 2013 production guidance during the third and fourth quarters.

The Company expects cash costs to decrease for the remainder of the year as higher ore grade areas are accessed and focus is reshifted from mine development to cost reduction and efficiency. The Company has already implemented a number of changes given the significant reduction in commodity prices experienced this year and will continue to monitor these items going forward. Capital expenditures and mine planning are currently being reviewed to ensure that they are optimized for current market conditions. Exploration drilling in Mexico will remain suspended to improve net cash flows at current commodity prices. The Company continues to focus on increasing production to maximize operating cash flow.

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 Excellon's exploration properties are available at www.excellonresources.com.

For Further Information, Please Contact:

Excellon Resources Inc.
Brendan Cahill, President & CEO or
Rupy Dhadwar, Chief Financial Officer
(416) 364-1130
info@excellonresources.com
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 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.