

## EXCELLON ANNOUNCES POSITIVE RESULTS FROM OPTIMIZATION STUDY OF PLATOSA MINE

**Toronto, Ontario – April 27, 2015 – Excellon Resources Inc. (TSX:EXN; OTC:EXLLF)** ("Excellon" or the "Company"), Mexico's highest grade silver producer, is pleased to announce favourable results from a hydrogeological study (the "Hydro Study") on the Platosa Mine in Durango, Mexico recently completed by Hydro-Ressources Inc. of Canada, with support from Technosub Inc. of Canada.

The study was completed as part of the Company's ongoing optimization and water management of the Platosa mine operations.

### Highlights and Impact of the Hydro Study

- **Optimization plan expected to result in more favourable mining conditions at Platosa, allowing for significantly increased rates of production and lower operating costs**
- **Three-stage plan proposed and underway to:**
  - **improve pump efficiency and electrical consumption;**
  - **enhance existing pumping with high efficiency pumps in fault-targeted underground wells; and**
  - **implement a long-term dewatering system utilizing surface wells**
- **Roscoe Postle Associates Inc. ("RPA") engaged to prepare a preliminary economic assessment ("PEA") on the project, with results expected to be released during Q2 2015**

"We now have a clear and realistic framework to achieve improved mining conditions at Platosa," stated Brendan Cahill, Chief Executive Officer. "The simple goal of this optimization is to increase production and lower costs. In dry areas of the mine, current production rates and costs are significantly better than in wet areas. Over the course of 2015, we will be transitioning to a proactive and more efficient approach to water management, without disrupting ongoing operations. It's just a far better way of doing what we already do and will allow us to realize the full advantage of Platosa's high-grade silver, lead and zinc resources."

### Summary of the Hydro Study

The Platosa deposit comprises massive sulphides hosted in limestone, and has been mined by Excellon since 2005. In 2007, as mine workings extended below the local water table, the Company began an intensive program of reactive grouting and pumping to control and prevent water inflows. This program has been effective in managing inflows, but has been time, labour and cost intensive, which has historically limited production to less than 200 tonnes per day.

In late 2014, the Company engaged Hydro-Ressources to investigate alternative water management solutions through which mine operations could achieve consistent, increased production rates and lower costs. The Hydro Study confirms that dry mining conditions are achievable at Platosa and proposes to eliminate the current grouting and pumping process by replacing it with a more efficient and permanent dewatering system.

The new dewatering system aims to maintain a localized “cone of depression” of the water table below mine workings. Based on field observations, pumping has already created a localized and steep cone of depression, with water levels at the mine over 30 metres lower than in nearby monitoring wells. The new dewatering system will ensure through enhanced and more efficient pumping that this cone of depression is maintained and advanced in front of mine development, thus providing optimal conditions for development and, most importantly, allowing rapid access to additional mineralization.

The program will be implemented in three phases:

- (i) reengineering pumping infrastructure within the mine;
- (ii) drilling drainage holes into known water bearing faults below existing mine workings to increase efficient pumping capacity from underground; and
- (iii) constructing up to four dewatering wells from surface targeting high-flow zones that have been identified by Hydro-Ressources through invasive field testing.

### **Continued Optimization of Platosa Operations**

The benefits of drier mining conditions at Platosa include:

- significantly increased development rates;
- increased production volume;
- the virtual elimination of grouting activities;
- increased machine hour availability and reduced maintenance costs; and
- significantly reduced pumping costs.

As importantly, Platosa has no significant capacity constraints on increasing production, with spare mill, ramp, personnel and equipment capacity of 50% or more.

The Company has engaged RPA to conduct a PEA on the project, which PEA is expected to be completed during the second quarter of 2015. The PEA is intended to assess the economic impact of the optimization plan proposed in the Hydro Study on Platosa’s future production rates, costs and cash flow.

### **Outlook**

The optimization plan is not expected to impact production and should become increasingly effective throughout 2015. As such, production for 2015 is expected to be similar to 2014 production, with targeted 2015 production of 0.9 million to 1.1 million ounces of silver or 1.9 to 2.1 million silver equivalent ounces (based on \$16/oz silver, \$0.90/lb lead and \$1.00/lb zinc).

### **Qualified Person**

Michael Verreault has acted as the qualified person as defined in National Instrument 43-101 for this disclosure and supervised the preparation of the technical information in this release. Mr. Verreault has a Masters in Applied Science (Hydrogeology) and 15 years of relevant experience focussed on hydrogeology. He is a certified professional engineer (OIQ 125243) by the Ordre des ingénieurs du

Québec and is President of Hydro-Ressources Inc. Mr. Verreault is independent of the Company and visited Platosa several times during the preparation of the Hydro Study.

### **About Excellon**

Excellon's 100%-owned and royalty-free La Platosa Mine in Durango is Mexico's highest grade silver mine, with lead and zinc by-products historically 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).

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### **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 March 25, 2014 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.*