

Excellon Provides Corporate Update

Toronto, Ontario--(Newsfile Corp. - June 19, 2023) - **Excellon Resources Inc. (TSX: EXN) (OTCQB: EXNRF) (FSE: E4X2) ("Excellon" or the "Company")** is providing an update regarding its previously announced proposed acquisition of the past-producing La Negra Mine in Queretaro, Mexico ("**La Negra**") and related transactions.

Shawn Howarth, President and CEO, commented: "We continue to advance our proposed acquisition of La Negra, though recent market conditions have made the associated previously announced subscription receipts financing challenging. We continue to strongly believe in the forward-looking value proposition of the acquisition for Excellon and our shareholders. Key stakeholders in this transaction, including Orion and Excellon's debenture holders, remain engaged. We will provide further updates to the market in due course, as further details become available."

Proposed Acquisition of La Negra

On January 9, 2023, the Company announced that it had entered into a definitive agreement with an entity owned by an investment fund managed by Orion Resource Partners ("**Orion**") to acquire La Negra (the "**Acquisition**"), together with the planned restructuring of the Company's outstanding convertible debentures maturing on July 30, 2023 in the principal amount of C\$17.9 million (the "**Debenture Restructuring**").¹

Further, on April 13, 2023, the Company announced the launch of a non-brokered private placement of up to 28,571,428 subscription receipts, at a price of C\$0.35 each, for aggregate gross proceeds of up to C\$10 million (the "**Private Placement Financing**").² Successful completion of the Private Placement Financing will provide the funds necessary to advance initial development activities for the planned restart of mining operations at La Negra, exploration and to fund general working capital requirements. Accordingly, the Private Placement Financing (and/or securing other sources of funding) is a necessary precursor to advancing the Acquisition to completion, including seeking required approval of the Toronto Stock Exchange ("**TSX**") and approval of Excellon shareholders of the common shares of the Company to be issued in connection with the Acquisition, the Private Placement Financing and the Debenture Restructuring.

The Company continues to actively engage with potential investors on the Private Placement Financing. The Company remains focused on a successful completion of C\$10 million in gross proceeds, but in parallel is reviewing potential operating scenarios that would allow Excellon to close on a lower level of initial financing that supports initiating advancement of La Negra while also adequately capitalizing the Company's broader business. The Company will provide updates to the market on progress in due course.

In parallel, the Company is in discussion with Orion regarding the proposed outside date for completion of the Acquisition, which as previously announced on April 13, 2023 was extended from April 30, 2023 to June 15, 2023.

Update on Liquidity

The Company is also in discussions with the holders representing more than 66-2/3 of the convertible debentures regarding the completion of the Debenture Restructuring. Those debentureholders remain supportive and all parties are working towards a mutually agreeable outcome.

While the Company is actively engaged in discussions relating to the Acquisition and the Debenture Restructuring, there can be no certainty that such discussions will result in any agreement on an attainable extended timeline for completing either or both such transactions on the terms as previously announced, or at all.

The Company is also assessing various interim financing options as well as other corporate development and strategic opportunities to complement the Company's go-forward strategy, which may include divestitures, mergers or spin-offs of the Company's assets to provide additional near-term liquidity.

About Excellon

Excellon's vision is to realize opportunities through the acquisition of advanced development or producing assets with further potential to gain from an experienced operational management team for the benefit of our employees, communities and shareholders. The Company is advancing a portfolio of silver, base metals and precious metals assets including Kilgore, an advanced gold exploration project in Idaho; and Silver City, a high-grade epithermal silver district in Saxony, Germany with 750 years of mining history and no modern exploration. The Company has also entered into an agreement to acquire La Negra, a past-producing Ag-Zn-Cu-Pb mine with exploration potential, located in Mexico.

Additional details on Excellon's properties are available at www.excellonresources.com.

For Further Information, Please Contact:

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

*All statements, other than statements of historical fact, contained, referenced or incorporated by reference in this news release constitute "forward-looking statements" and "forward-looking information" (collectively, "**forward-looking statements**") within the meaning of applicable Canadian and United States securities legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as: "advance", "attainable", "become", "believe", "continue", "development", "due course", "expectation", "exploration", "focused", "forward", "further", "initiating", "launch", "looking", "maturing", "may", "near-term", "opportunities", "options", "outcome", "outstanding", "planned", "potential", "progress", "proposed", "proposition", "provide", "restart", "reviewing", "risk", "scenarios", "seeking", "strategy", "subject to", "to be", "towards", "updates", "vision", "will", "working" and "would", or variations of such words, and similar such words, expressions or statements that certain actions, events or results can, could, may, should, will, would (or not) be achieved, occur, provide, result, complete or support in the future or which, by their nature, refer to future events. In some cases, forward-looking information may be stated in the present tense, such as in respect of current matters that may be continuing, or that may have a future impact or effect. Forward-looking statements include statements regarding the Acquisition and its related transactions including the Private Placement Financing (including any commitments and participation, and amount thereof, continuing engagement with potential investors, and total quantum and use of proceeds from such or any other sources of financing (including the availability thereof)) and the Debenture Restructuring (collectively, the "**La Negra Transactions**"), the structure, terms, completion and value proposition of the La Negra Transactions (including timelines or outside date therefor, and any related discussions with applicable parties (including outcome thereof), required approvals and receipt thereof) and success, benefits or outcomes of the La Negra Transactions; initial development activities and any restart of mining operations or exploration at La Negra (including strategy or plans and initiation, commencement or advancement thereof); maturity of the convertible debentures; potential operating scenarios that would allow Excellon to close on a lower level of initial financing that supports initiating advancement of La Negra while also adequately capitalizing the Company's broader business (including the Company's review and outcome thereof); liquidity; interim financing options and any other corporate development and strategic opportunities (including divestitures, mergers or spin-offs of the Company's assets) and purpose or outcome thereof (including any*

complement to go-forward strategy or additional near-term liquidity); Excellon's vision and advancement of its portfolio; and any updates to the market regarding any of the foregoing. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct, and any forward-looking statements by the Company are not guarantees of future actions, results or performance. Forward-looking statements are based on assumptions, estimates, expectations and opinions, which are considered reasonable and represent best judgment based on available facts, as of the date such statements are made. If such assumptions, estimates, expectations and opinions prove to be incorrect, actual and future results may be materially different than expressed or implied in the forward-looking statements. Forward-looking statements are inherently subject to known and unknown risks, uncertainties, contingencies and other factors which may cause the actual results or performance of the Company to be materially different from any future results or performance expressed or implied by the forward-looking statements. Such risks, uncertainties, contingencies and other factors include, among others, the "Risk Factors" in the Company's annual information form dated March 31, 2023 (the "2023 AIF"), and the risks, uncertainties, contingencies and other factors identified in this news release, the Company's Management's Discussion and Analysis, and accompanying financial statements, for the year ended December 31, 2022 and quarters already ended in 2023, the La Negra Technical Report, the Excellon news releases referenced in this news release, and the Company's other applicable public disclosure (collectively, "**Company Disclosure**"). The foregoing list of risks, uncertainties, contingencies and other factors is not exhaustive; readers should consult the more complete discussion of the Company's business, financial condition and prospects that is provided in the 2023 AIF and the other Company Disclosure. The forward-looking statements referenced or contained in this news release are expressly qualified by these Cautionary Statements as well as the Cautionary Statements in the other Company Disclosure. Forward-looking statements contained herein are made as of the date of this news release (or as otherwise expressly specified) and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable laws.

¹ For further details, refer to the Company's related new release dated January 9, 2023, available under Excellon's profile on SEDAR (www.sedar.com) and on the Company's website (www.excellonresources.com).

² For further details, refer to the Company's related new release dated April 13, 2023, available under Excellon's profile on SEDAR and on the Company's website.

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