TORONTO, ON--(Marketwired - January 15, 2016) - Excellon Resources Inc. (TSX: EXN) (OTC: EXLLF) ("Excellon" or the "Company"), Mexico's highest grade silver producer, is pleased to provide an update on implementation of the Company's optimization plan (the "Optimization Plan") for the Platosa Mine in Durango, Mexico. The Optimization Plan outlines a simplified dewatering solution for the Platosa Mine, as described in the technical report prepared by Roscoe Postle & Associates Inc. dated July 9, 2015 (the "Technical Report"), summarized in the Company's press releases dated June 2, 2015 and November 2, 2015. The Technical Report is available at www.sedar.com and on the Company's website at www.excellonresources.com.

Recent developments on the Optimization Plan include:

- Phase 1 fully underway with high efficiency sump pumps installed by early December 2015, pilot HQ wells complete at the first of four dewatering target zones, drilling ongoing at second zone
- Development underway for first and second 14" primary well zones (Phase 2), with primary well drilling expected to commence in mid-February
- Platosa continues to demonstrate the efficacy of the dewatering program, with the 6A and Rodilla mantos now almost entirely dry
- Near term goal of achieving 17,000 gpm of increasingly efficient flow to increase drawdown rate prior to installation of submersible pumps in first primary well

"The optimization plan for Platosa has commenced smoothly and is well underway," stated Brendan Cahill, President and Chief Executive Officer. "In the early stages of implementation, we have seen definitive proof of the plan's efficacy in the 6A and Rodilla mantos. These mantos previously presented significant water management challenges, yet both were almost entirely dry as of late-December 2015. As further progress is made on the optimization plan, we are working to accelerate dewatering using existing pumping infrastructure by focusing on areas of high and efficient flow. We're chasing flow instead of fighting water -- a new mindset at Platosa that will result in significantly higher production and lower costs as the project is fully implemented and Platosa's exceptionally high grade resources become rapidly accessible."

Description of the Optimization Plan

The dewatering system aims to maintain and increase a localized "cone of depression" of the water table below mine workings. Historical data and field observations have identified that pumping began creating a localized drawdown as pumping operations exceeded ~9,000 gpm at Platosa in 2009. The drawdown trend subsequently increased with increased rates of pumping. The revised program is designed to result in a drawdown trend of approximately 3.8 metres/month.

Historically, pumping operations have primarily been conducted directly from the mining face, resulting in increased pumping costs and wear-and-tear on pumping and piping equipment, decreased pump efficiency and frequent movement of pumps as mining faces advance.

Dewatering efforts during 2015 have demonstrated impressive results, with the 6A Manto and access to the Rodilla Manto effectively dry by the end of the year. Previously, both of these mantos presented significant water management challenges: in 6A, operations encountered an inflow of 7,000 gpm in Q3 2013, which required extensive and ongoing grouting to control; in Rodilla, operations encountered a water-bearing fault that required the closure of a water control door from late-2011 until late-2014. The lowering of the water level below mine workings in both of these areas is clear proof of the efficacy of the Company's dewatering efforts, which will be further enhanced via the higher pumping rates proposed in the Optimization Plan. The Company is currently relocating existing pump infrastructure to target known areas of high and efficient water flow as well as using natural water pressure from the pilot wells currently being drilled, which are expected to increase pumping volumes and the drawdown rate in the near term and during the period of implementation.

Following implementation of the Optimization Plan, pumping will be conducted directly from drain wells removed from mining operations and targeting high flow zones up to 120 metres below mine workings, thus allowing high efficiency pumps to pump water directly from faults below the mine.

Each drain well will be equipped with a high efficiency submersible pump to increase flow and maintain consistent pumping in advance of development. Booster pumps will be used to efficiently transit water out of the mine via existing Robbins raises. The Company has now drilled a total of 13 pilot holes underground, which demonstrate impressive yield via gravity flow and will be utilized to improve efficient flow during the implementation phase, as noted above.

The Optimization Plan is being implemented independently of ongoing day-to-day operations, which will continue as usual during the implementation period. The Company expects to realize the full impact of the Optimization Plan in mid-2016.

Update on Key Assumptions

Since the release of the Technical Report in July 2015, certain key inputs reflected in the Technical Report have changed due to

economic and market conditions, which are reflected below:

Description	PEA as at July 2015	Jan. 14, 2016	% Change
Energy cost per KWH	$0.13	$0.06	(54%)
Foreign exchange rate			
CDN/USD	1.25	1.43	(13%)
PESO/USD	14.50	17.90	(19%)

The significant reduction in energy costs in Mexico continues to be beneficial to the Optimization Plan and is largely a result of lower oil prices (resulting in reduced electricity tariffs) and the depreciation of the peso. With approximately 25% of the Company's operating costs in 2014 composed of direct electricity expenses and 85% of all operating expenditures in pesos, the improvements in these inputs are significantly beneficial to the Company's ongoing operation and future operations following implementation of the Optimization Plan.

Outlook for 2016

The Company will provide an update on expected production for 2016 in connection with the filing of annual financial statements in March 2016. As the Optimization Plan is expected to have a material impact on production at Platosa, the Company expects to adjust production forecasts throughout the year as the Optimization Plan is implemented and begins to improve mining conditions.

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 historically 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 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.

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 July 9, 2015 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.

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