



Toronto Stock Exchange – EXN
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EXCELLON AGREES TO ACQUIRE SILVER EAGLE

Toronto, Ontario – March 5, 2009 – Excellon Resources Inc. (TSX: EXN) and Silver Eagle Mines Inc. (TSX: SEG) are pleased to announce that they have signed a letter of intent (the “Letter of Intent”) providing for the acquisition by Excellon of all of the issued and outstanding common shares of Silver Eagle (the “Transaction”). Under the terms of the proposed Transaction, Silver Eagle shareholders will receive 0.2704 Excellon common shares in exchange for each Silver Eagle share held. Following the acquisition, Excellon will have approximately 176 million shares issued and outstanding. The Transaction is expected to be completed by way of statutory plan of arrangement under the *Business Corporations Act* (Ontario). The completion of the Transaction will be subject to, among other things, completion of due diligence, Excellon completing its financing arrangements, the entering into a definitive agreement, obtaining Silver Eagle shareholder approval (not less than 66 2/3% of the votes cast at a special shareholder meeting) and obtaining all required court and regulatory approvals.

Excellon has also agreed to provide Silver Eagle with a bridge loan of US\$500,000 plus any additional amounts that are reasonably agreed to, that are required to facilitate the closing of the transaction. The first \$250,000 of the bridge loan has been advanced to Silver Eagle with a further \$250,000 to be advanced on the signing of the definitive agreement. The bridge loan is secured by the shares of Silver Eagle’s Mexican Subsidiary, San Pedro Resources, S.A. de C.V. As part consideration for providing the bridge loan, Silver Eagle has agreed that, in the event that the Transaction is not consummated, Silver Eagle will provide Excellon with the use of their mill at the Miguel Auza site for a period of one year on reasonable commercial terms to be agreed.

Silver Eagle’s primary asset is its fully permitted Miguel Auza mine, mill and adjacent properties located in Zacatecas State, Mexico. The Miguel Auza property is located 220 kilometres from Excellon’s Platosa Property. As previously announced, Silver Eagle temporarily suspended all operations and put the Miguel Auza mine and their recently expanded mill on a care and maintenance basis in mid-December 2008 while they considered all options and strategic alternatives.

The Transaction has been approved by the board of directors of Silver Eagle, following the unanimous recommendation of a special committee comprised of independent Silver Eagle directors. The Transaction has also been approved by the board of directors of Excellon. Under the Letter of Intent, Silver Eagle has agreed to certain exclusivity terms.

Haywood Securities Inc. has provided an oral opinion to the special committee of the board of directors of Silver Eagle that, subject to their assumptions and limitations and their review and analysis of current market conditions, the consideration to be received by the shareholders of Silver Eagle in connection with the Transaction, as set out in the Letter of Intent, is fair, from a financial point of view.

Excellon's previously announced plan to construct its own mill at its Platosa site will be put on hold indefinitely as it will be able to immediately utilize the Miguel Auza mill to process all ore produced from its Platosa mine. As a result, Excellon will be able to increase near-term production at its Platosa mine to 150 tonnes per day (4,500 tonnes per month) and plans to increase production to 250 tonnes per day (7,500 tonnes per month) or more in 2010. Excellon will no longer sell ore to Minera Maple, S.A. De C.V. (a subsidiary of Industrias Penoles S.A. de C.V.). Excellon will leave the Miguel Auza mine on a care and maintenance basis as it reviews its future potential.

"This is a very positive development for Excellon as it will give us immediate access to a recently expanded, modern mill and will allow us to start processing our own ore almost immediately. In addition, we have also acquired a large land package that holds significant exploration potential" said Peter Crossgrove, Excellon's Chairman and acting CEO. "We also believe it will allow shareholders from both companies to benefit from the significant upside potential that the combined properties will have."

About Excellon

Excellon, a mineral resource company operating in Durango State, Mexico, is committed to building value through production, expansion and discovery. The Company is producing silver, lead and zinc from high-grade manto deposits on its Platosa Property, strategically located in the middle of the Mexican silver belt. In fiscal and calendar 2009, Excellon's focus is on expanding its operating capacity and increasing its Mineral Resources through an aggressive exploration program. The Platosa Property, not fully explored, has several geological indicators of a large mineralized system.

About Silver Eagle

Silver Eagle is a Canadian-based mining company exploring and redeveloping an historic silver property in the heart of the Mexico Silver Belt. The Company's primary asset is the Miguel Auza mine, mill and adjacent properties in Zacatecas State, Mexico. The property includes the mineral rights to 41,498 hectares and hosts several past producing mines.

On behalf of

EXCELLON RESOURCES INC.

"Peter A. Crossgrove"
Peter A. Crossgrove,
Chairman

SILVER EAGLE MINES INC.

"John Hick"
John Hick
Chairman

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 Companies, 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, the proposed construction of a mill, business and financing plans, business trends and future operating revenues. Although the Companies believe that such statements are reasonable, they 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 Companies caution investors that any forward-looking statements by the Companies 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 Companies' inability to obtain any necessary permits, consents or authorizations required for their activities, to produce minerals from their properties successfully or profitably, to continue their projected growth, to raise the necessary capital or to be fully able to implement their business strategies. All of the Companies' 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 Companies' mineral properties. 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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