



EXCELLON RESOURCES INC.

Ms. Julieta Rossi  
Director  
International Network for Economic, Social and Cultural Rights  
211 East 43<sup>rd</sup> Street, Suite 906  
New York, NY 10017

June 6th, 2011

**RE: Continuing Labour Rights Concerns at La Platosa Mine in Durango, Mexico**

Dear Ms. Rossi,

We acknowledge receipt of your letter dated May 24<sup>th</sup> 2011.

We also acknowledge receipt of your letter dated December 20<sup>th</sup> 2010, which alleges threats and harassment by our Management to workers at La Platosa site. Please be advised that we conducted a thorough investigation early last January and found that neither our local Management nor any officers, directors, employees of or from our Company carried out any threats or harassment against any other employees of the Company. Obviously, you were not aware of the fact that all hourly workers at La Platosa have belonged to a union since the mine commenced operation in 2005. Attached hereto is a copy of the union agreement and a recent amendment thereto. Accordingly, your allegation that we repressed the freedom of our workers to associate with a union and that we harassed them in connection with joining a union is totally unfounded. We wish to advise you that the relationship with the existing union and the employees at La Platosa mine has been cordial and totally satisfactory to the employees, the employees' union and the Company. At no time, since the opening of the mine have there been any allegations by the union or anyone else of any wrongful conduct by the Company or any violation of human rights. The Management of Excellon Resources Inc. is conscious of its legal and social obligations.

For your information, since Excellon acquired the Miguel Auza operations in June 2009, we have also worked with the National Union of Mine and Metal Workers of the Mexican Republic ("SNTMMSRM") which represents the workers at Miguel Auza and there have been no issues, of which we are aware, raised by the union or the workers at the Miguel Auza site and the relationship with the SNTMMSRM has been cordial. We would further respectfully suggest that you review your factual circumstances before you make any further allegations against the Company. The Company is proud of its workers and its community relations. Excellon knows that its relationship with the Ejido La Sierrita, whose members are the most effected stakeholders by the La Platosa mine as they live immediately surrounding the minesite, is a good relationship and there are no issues of which the Company is aware. For your information, please be aware that the SNTMMSRM is legally banned in Mexico, and its leader is a fugitive from justice in Mexico and lives in exile in Vancouver, Canada. Excellon is aware of this as cheques for union dues –which Excellon is contractually bound to pay- have been returned by SNTMMSRM's bank as the Mexican Government has legally frozen said union's bank account.

We have interviewed our Platosa General Manager, Mr. Pablo Gurrola, and we have his assurance that he did not pressure 65 workers to sign a document stating their disinterest in unionizing and he has further assured us that he never interfered with any Platosa worker's right to freedom of association nor has he offered pay hikes to pressure employees to join any union. For your information, it is our understanding that La Platosa wages are amongst the highest in the mining industry in Mexico.

Excellon prides itself with its health and safety program and it has gone to great efforts to have the highest standards of workers health and safety, for both of its Mexican worksites. Are you not aware that safety is priority No. 1 at both Platosa and Miguel Auza? There are daily workers health and safety meetings. If you check your facts, you will realize that the Company has gone to great lengths in health and safety training and has created a very high health and safety culture among its work staff.

Our investigation of your allegations indicates that neither the Company nor any of its local Management, either at La Platosa or at Miguel Auza, have committed any violation of any Mexican labour laws or any international (transnational) labour law standards.

Excellon Resources Inc. -like you- takes its responsibilities very seriously and the Company and its Management have never violated any of its employees' human rights.

With respect to Mr. Mora, we wish to advise you that Mr. Mora violated safety procedures by leaving a scoop tram running while he was asleep while on duty. This is a very serious health and safety issue, which Mr. Mora had been warned about, as the consequences can lead to overheating of the vehicle potentially resulting in a fire and the potential production of toxic gases, which could cause loss of lives as well as injury to other workers and equipment. The Company has no intention of reinstating Mr. Mora as he violated our safety procedures. You should also be advised that Mexican Labour laws require that underground workers who fall asleep anywhere in an underground mine are subject to being fired as it is a severe breach of Worker's Health & Safety rules.

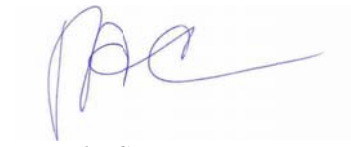
From our knowledge, we do not believe that is the will of the majority of the workers at La Platosa to affiliate themselves with the SNTMMSRM or any similar union. Please be aware that there are laws in Mexico which permit any union to get workers to sign cards supporting such union and then to seek decertification of the existing union and the certification of their union. We are not aware that the SNTMMSRM has taken any overt steps to follow these legal procedures which are freely available to the SNTMMSRM. We believe that this is because it has no legal status as a union as it is illegal for it to conduct union activities in Mexico. Should the SNTMMSRM, or any other union, be successful in obtaining certification under the current legislation, please be advised that Excellon will respect the process and deal with the SNTMMSRM or said other union, using the same standards of cooperation and respect that it is currently using at Miguel Auza and La Platosa.

For your information, Excellon has guaranteed its workers freedom of association and other human rights unconditionally since its involvement and will continue to do so. Please note that we currently have a union at Platosa and there are no issues with our current union that have not been dealt with and resolved satisfactorily to all parties.

Additionally, please be advised that we are actively participating in the review process led by Canada's Corporate Social Responsibility Counsellor's office to find a mutually satisfactory solution for all parties.

It is obvious to us that your allegations are unfounded and unfair and we would respectfully request you cease and desist from repeating such allegations. We would also respectfully suggest that before you make any other allegations against the Company you check your facts. We would be delighted to hear from you if you think that there are any other issues between the Company and its workers as we are more than willing to resolve them, should they exist, in a mutually satisfactory manner to all concerned parties.

Yours sincerely,



Peter A. Crossgrove  
President and Chief Executive Officer

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