



EXCO
RESOURCES LTD

EXCO'S PROJECT PIPELINE

Investor Presentation

JANUARY 2011

Presented by Michael Anderson – Managing Director



DISCLAIMER



This presentation contains forward looking statements that are subject to risk factors associated with resources businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

All references to dollars, cents or \$ in this presentation are to AUD currency, unless otherwise stated.

Information in this presentation relating to mineral resources and exploration results is based on data compiled by Exco's Exploration Manager Stephen Konecny who is a member of The Australasian Institute of Mining and Metallurgy. Mr Konecny has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as Competent Persons under the 2004 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Konecny consents to the inclusion of the data in the form and context in which it appears.



AGENDA

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- **Snapshot of Exco**
- **Achievements in 2009/10**
 - **White Dam**
 - **Cloncurry Copper Project**
 - **Exploration**
- **What lies ahead in 2011**
- **Summary**





SNAPSHOT OF EXCO (ASX:EXS)



EXS – Ordinary Shares	346,494,187
- Unlisted Options	9,150,000
Average Daily Volume	~626,000
Current Share Price (close 12/1/11)	A\$0.515
- 12-month range	A\$0.175 - A\$0.625
Market Capitalisation (undiluted)	A\$178.4M
(fully diluted)	A\$183.2M
Cash (estimated end Q4/10)	A\$14.0M

EXS: 12-month share price history



Management Team

Michael Anderson	Managing Director
Alasdair Cooke	Executive Director
Geoff Laing	GM Projects & BD
Eamon Byrne	CFO & Co. Secretary
Bruce McLarty	GM Commercial
Steve Konecny	Exploration Manager

Major Shareholders (as of 21/10/10)

Ivanhoe Australia Ltd	22.9%
JP Morgan Nominees	8.5%
WH Soul Pattinson & Co	7.5%
Alasdair Cooke	4.9%
Sin-Tang (Aus-Ore)	4.7%
TOP 10	> 60%

EXCO's BOARD OF DIRECTORS



BARRY SULLIVAN

*BSc(Min), ARSM,
FAusIMM, MAICD*

**Chairman
Non-Exec Director**

- Experienced mining engineer
- Career in South Africa with Anglo American Ltd (1969-74) and Australia with Mount Isa Mines (MIM 1974-95).
- 6 years as Executive General Manager at MIM responsible for all operations including exploration, underground and open cut mining, power stations, dams & support services.
- Director since 2005.
- Also a Non-Executive Director of Catalpa Resources Ltd (since June 2008).



MICHAEL ANDERSON

*BSc (Mining Geology), PhD,
ARSM*

Managing Director

- 18 years industry experience in South Africa & Australia.
- Previous roles include exploration geology with Anglo American, metallurgy & process development with Mintek, and management roles with engineering groups Bateman and Kellogg Brown & Root.
- Prior to joining Exco, he was Group Manager for Business Development with Gallery Gold Ltd, responsible for corporate strategy including project development activities in both Botswana & Tanzania.
- Managing Director since May 2006.



ALASDAIR COOKE

*BSc (Hons Geology),
MAIG*

Executive Director

- One of the founders of Exco.
- 21 years of experience in the exploration & resources industry including 8 years with BHP Minerals & 10 years managing public resource companies.
- Founding partner of the Mitchell River Group, which has established numerous ASX-Ltd companies, including Panoramic Resources, Albidon, Mirabela Nickel & African Energy Resources.
- Director since 2001.
- Current directorships include African Energy Resources Ltd (since 2006) and Energy Ventures Ltd (since 2007).



PETER REEVE

BSc (Metallurgy)

Non-Exec Director

- Involved in the Australian resources industry for 26 years.
- Held positions with Rio Tinto, Shell-Billiton & Normet Consulting before joining Goldman Sachs/JBWere in investment management & corporate finance roles.
- Newcrest Mining Ltd (2001-06), as part of Exec. Committee responsible for corporate development & market related matters.
- Currently CEO & Managing Director of Ivanhoe Australia Ltd (Exco's major shareholder).
- Director since 2008. Also a Non-Executive Director of Emmerson Resources Ltd (since 2009).

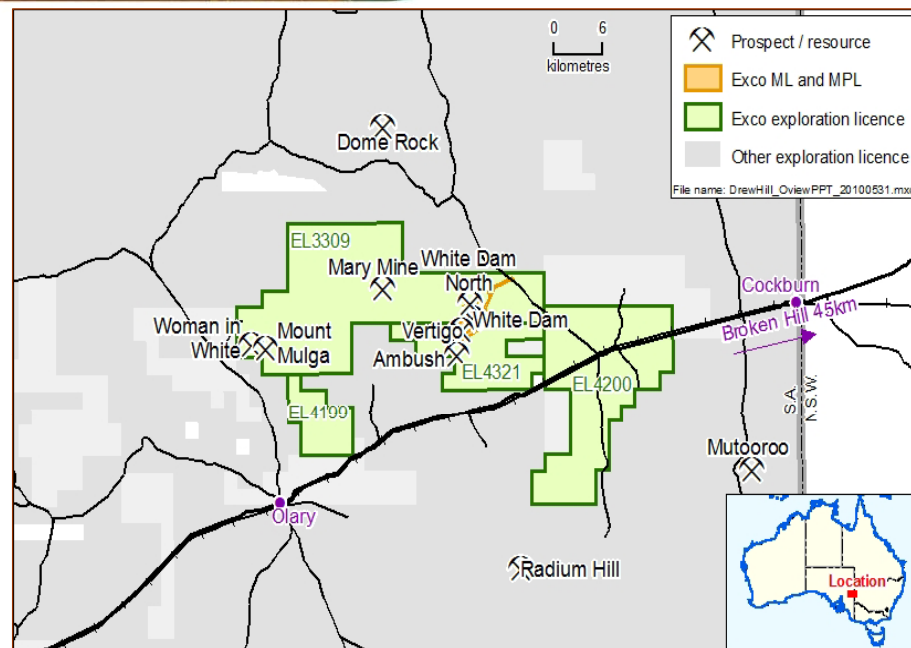


WHITE DAM GOLD (EXS – 75%)



- First gold produced in April 2010 after very successful construction & commissioning
- Cash positive 2 months earlier than expected, and now generating profit!
- Production rate of >65,000oz pa achieved (30% above expectations)
- Barclays debt fully repaid; nine months early
- Ongoing focus on three key areas of upside;

- **Recovery** - Initial operating performance is very encouraging
- **Exploration** at Vertigo, White Dam North & Ambush can extend mine life
- **A\$ gold price** - very attractive margins with costs ~A\$600/oz & a pragmatic approach to hedging.



White Dam Production (to 31 Dec 2010)

Gold poured (oz)	49,767
Exco's 75% share (oz)	37,328
Barclays Repayment	(100%)
Average Sale Price – A\$/oz	1,375
Exco revenue – A\$	29,685,445



WHITE DAM GOLD PROJECT

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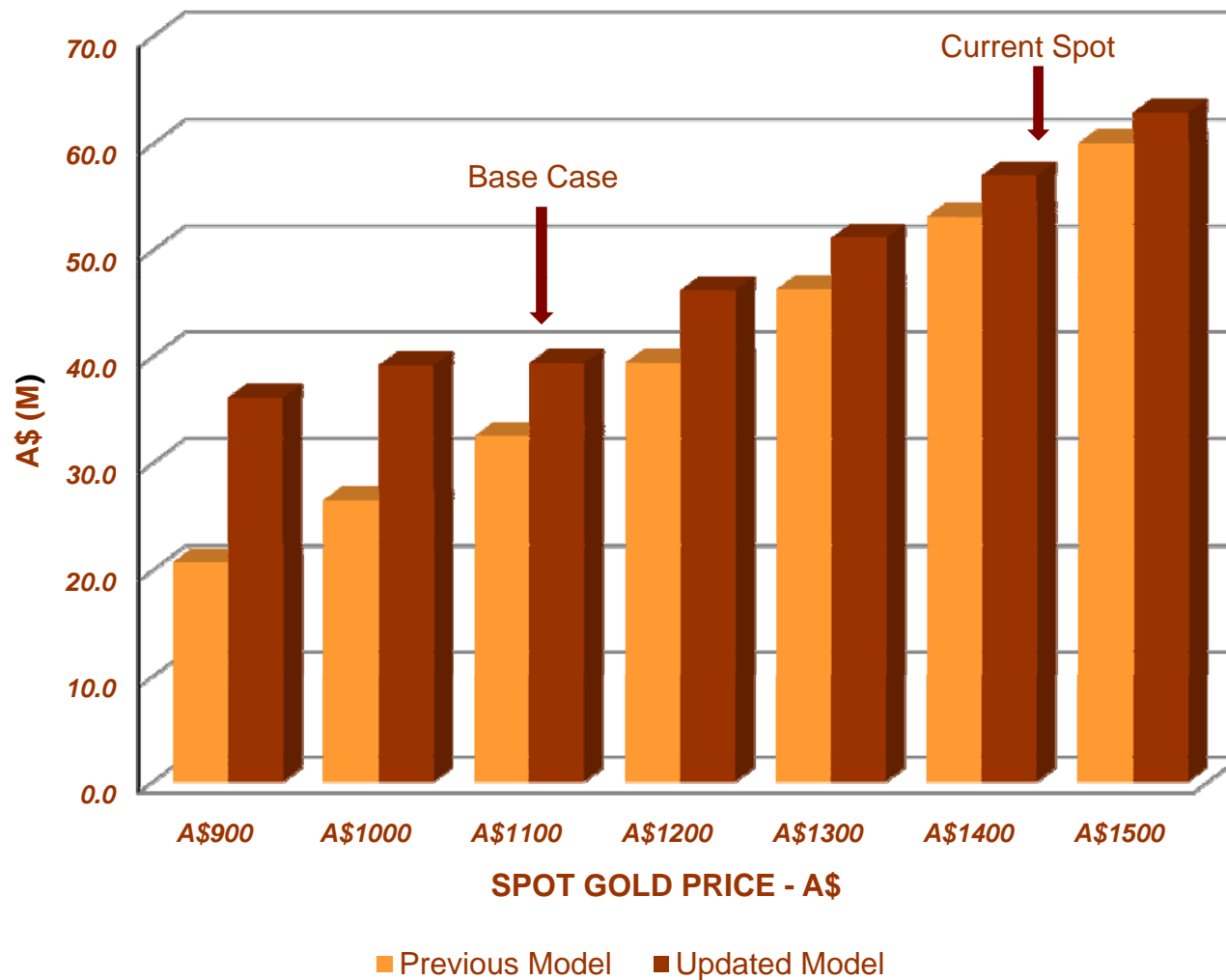
WHITE DAM RESOURCE UPSIDE

- **Total Resources – 9.6 Mt @ 1.05 g/t Au for 320,000 oz**
- **Probable Reserve - 4.94Mt @ 1.07 g/t Au for 170,400 oz (Strip ratio 1:1)**
- **In-fill drilling at Vertigo has converted 50% to Indicated category; expect upgrade to reserve shortly & extension to mine life**
- **Further potential at White Dam, White Dam North & Ambush**

White Dam Gold Project - Mineral Resource Estimate									
White Dam resource re-estimated in 2009, Vertigo re-estimated in 2011 (0.4 g/t cut-off grade)									
Deposit	Indicated			Inferred			Total		
	kts	g/t Au	koz Au	kts	g/t Au	koz Au	kts	g/t Au	koz Au
White Dam Oxide	5,149	1.09	180.1	-	-	-	5,149	1.09	180.1
White Dam Fresh	603	1.08	20.9	1,315	0.88	37.1	1,918	0.94	58
Sub -Total	5,752	1.07	201.0	1,315	0.88	37.1	7,067	1.05	238.1
Vertigo Oxide	1,008	1.1	36	703	0.73	17	1,711	0.95	52.1
Vertigo Fresh	212	1.56	11	526	1.15	19	738	1.26	30
Sub -Total	1,220	1.18	46.2	1,229	0.91	35.9	2,449	1.04	82.1
TOTAL	6,972	1.10	247.2	2,544	0.89	73.0	9,516	1.05	320.2

WHITE DAM – UPDATED MODEL

WHITE DAM CASHFLOW - EXCO (75%) *



ASSUMPTIONS

- Recovery 70%
- Production 120,000oz
- 30 month project life
- Costs – A\$570/oz
- Actuals on production to date
- Includes new hedging and put options

HIGHLIGHTS

- Increased cash flow at all levels
- Downside protected
- Exposed to upside from
 - Price
 - Recovery
 - Exploration

* After financing, before discounting & tax

EXCO's COPPER PORTFOLIO

2010
Explorer
of the
Year

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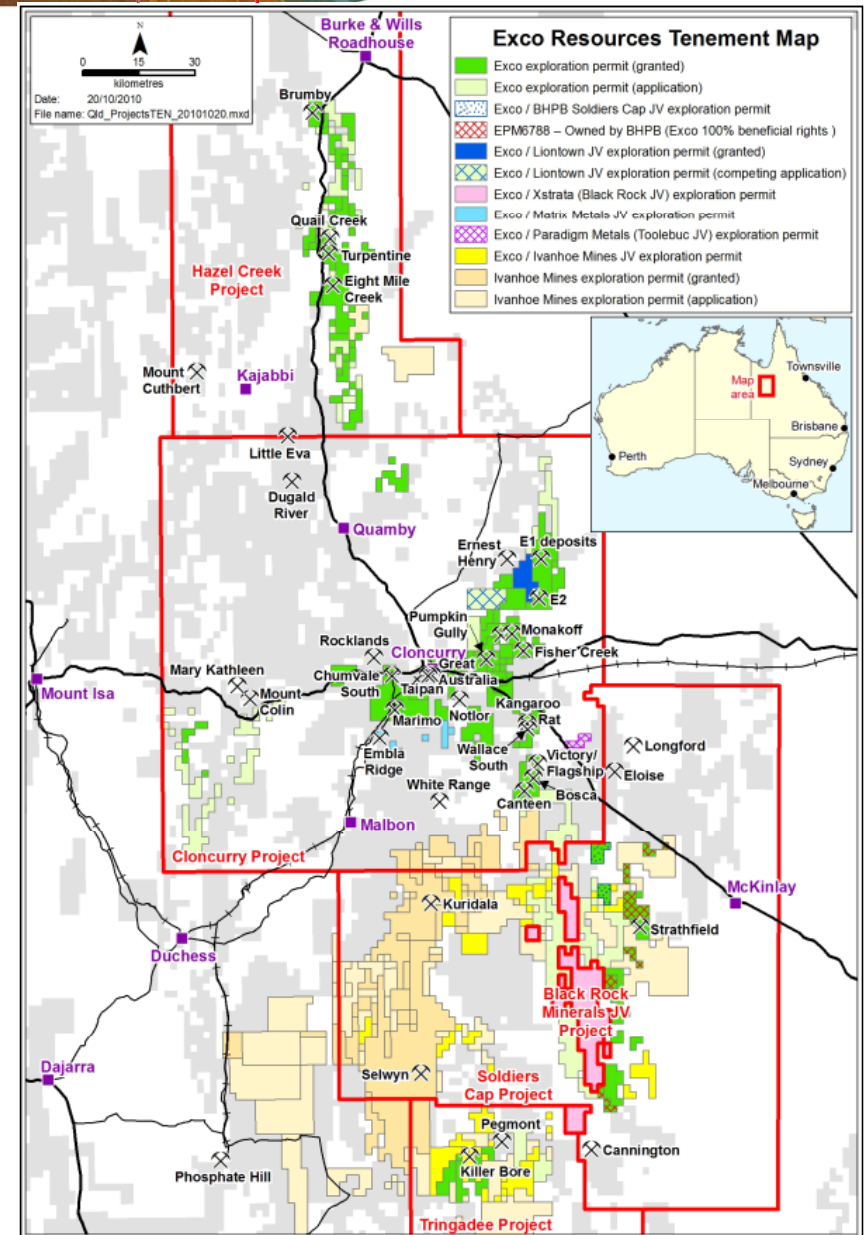
- Cu-Au-Fe-U Projects in Mt Isa Block, NW Qld
- Region hosts a number of 'world class' deposits
- Established mining culture and infrastructure
- Exco has a sizeable & strategic landholding
- Three key 'centres of gravity'

1. *Cloncurry Copper Project (Feasibility)*

2. *Hazel Creek Project (Exploration)*

3. *Southern Joint Venture Projects*

- Ivanhoe
- Xstrata
- BHP Billiton





COPPER RESOURCE BASE

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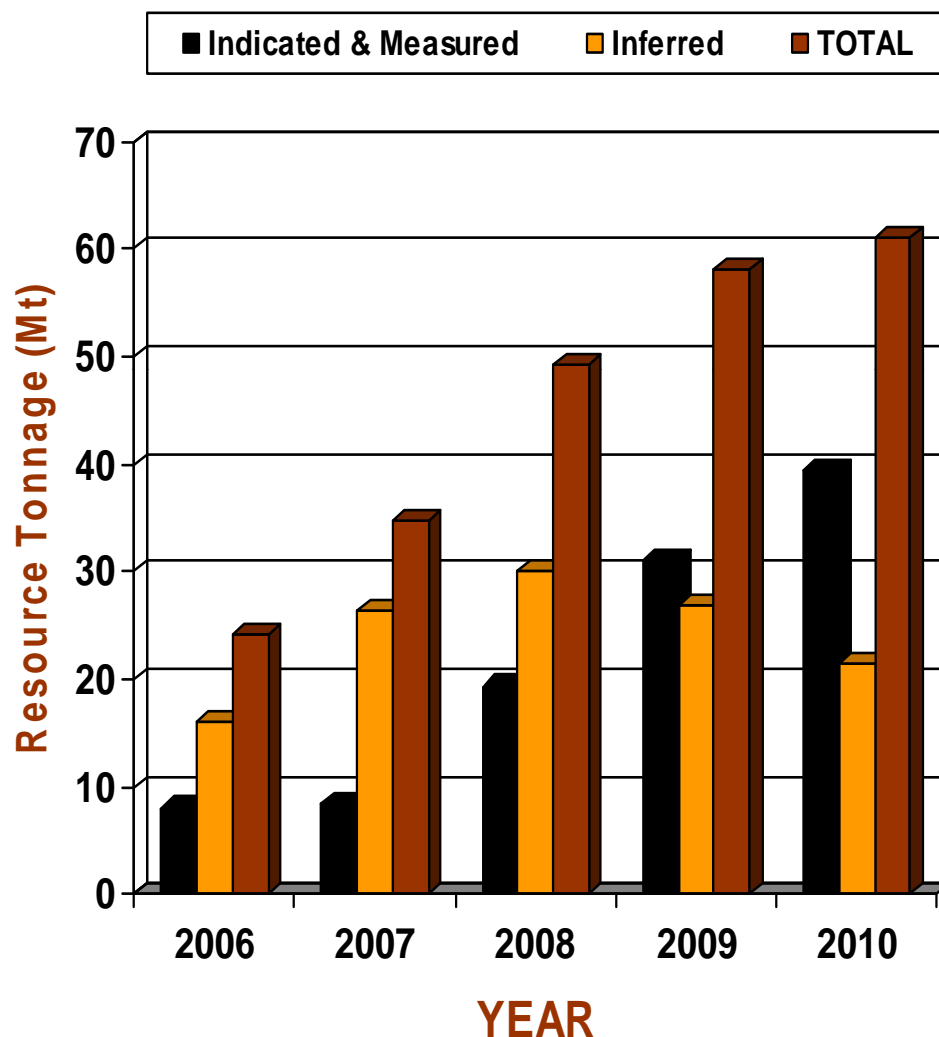
PROJECT	DEPOSIT	CLASS	TONNES	GRADE		METAL		
				Cu %	Au g/t	Cu (T)	Cu (M lbs)	Au (Oz)
CLONCURRY COPPER PROJECT	E1 Camp	Measured	9,170,000	0.87	0.25	80,000	176	75000
		Indicated	24,700,000	0.71	0.21	177,000	390	165,000
		Inferred	14,200,000	0.64	0.2	91,000	201	90,000
		<i>Sub - total</i>	<i>48,100,000</i>	<i>0.72</i>	<i>0.21</i>	<i>348,000</i>	<i>767</i>	<i>330,000</i>
	Monakoff * & Monakoff East	Indicated	2,000,000	1.39	0.44	28,000	62	28,000
		Inferred	2,000,000	1.3	0.4	25,000	55	26,000
		<i>Sub - total</i>	<i>4,000,000</i>	<i>1.32</i>	<i>0.42</i>	<i>53,000</i>	<i>117</i>	<i>54,000</i>
	Great Australia *	Indicated	1,400,000	1.53	0.13	21,000	46	6,000
		Inferred	800,000	1.57	0.14	12,000	26	3,000
		<i>Sub - total</i>	<i>2,100,000</i>	<i>1.54</i>	<i>0.13</i>	<i>33,000</i>	<i>73</i>	<i>9,000</i>
	Mt Colin *	Indicated	620,000	3.14		19,500	43	
		Inferred	870,000	2.00		17,500	39	
		<i>Sub - total</i>	<i>1,490,000</i>	<i>2.47</i>		<i>37,000</i>	<i>82</i>	
	SUB - TOTAL	Measured	9.17 Mt	0.87	0.25	80,000	176	75,000
		Indicated	28.72 Mt	0.86	0.22	246,000	542	199,000
		Inferred	17.87 Mt	0.82	0.21	146,000	322	119,000
		<i>Total</i>	<i>55.7 Mt</i>	<i>0.85</i>	<i>0.22</i>	<i>472,000</i>	<i>1,040</i>	<i>394,000</i>
OTHER	SUB - TOTAL	<i>ALL</i>	5.4 Mt	0.88	0.62	47,400	104	107,000
TOTAL			61.0 Mt	0.85	0.25	519,400	1,145	500,000



COPPER RESOURCE GROWTH

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>150% increase in Resource Tonnage over last 4 years

Contained Cu up by 115%.

Total resource base now contains >500,000t (1.1 billion lbs) of Cu

Contained Au up by 150%

“Critical Mass” of >55Mt now within the Cloncurry Copper Project (CCP)

Maiden Reserve for the CCP:

28.1Mt @ 0.83% Cu & 0.24 g/t Au

Provides basis for a 10-year mine life

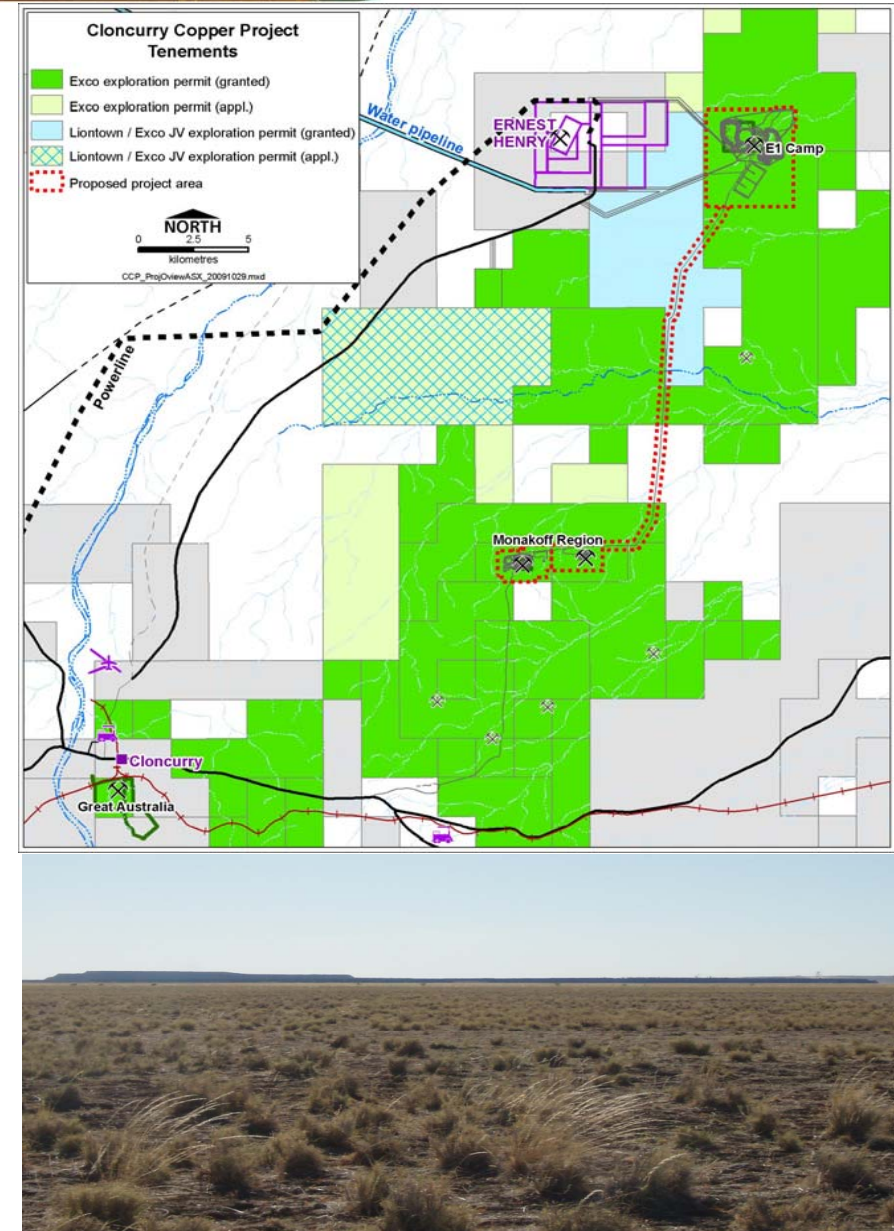
Expect significant further upside from ongoing exploration & resource development activities



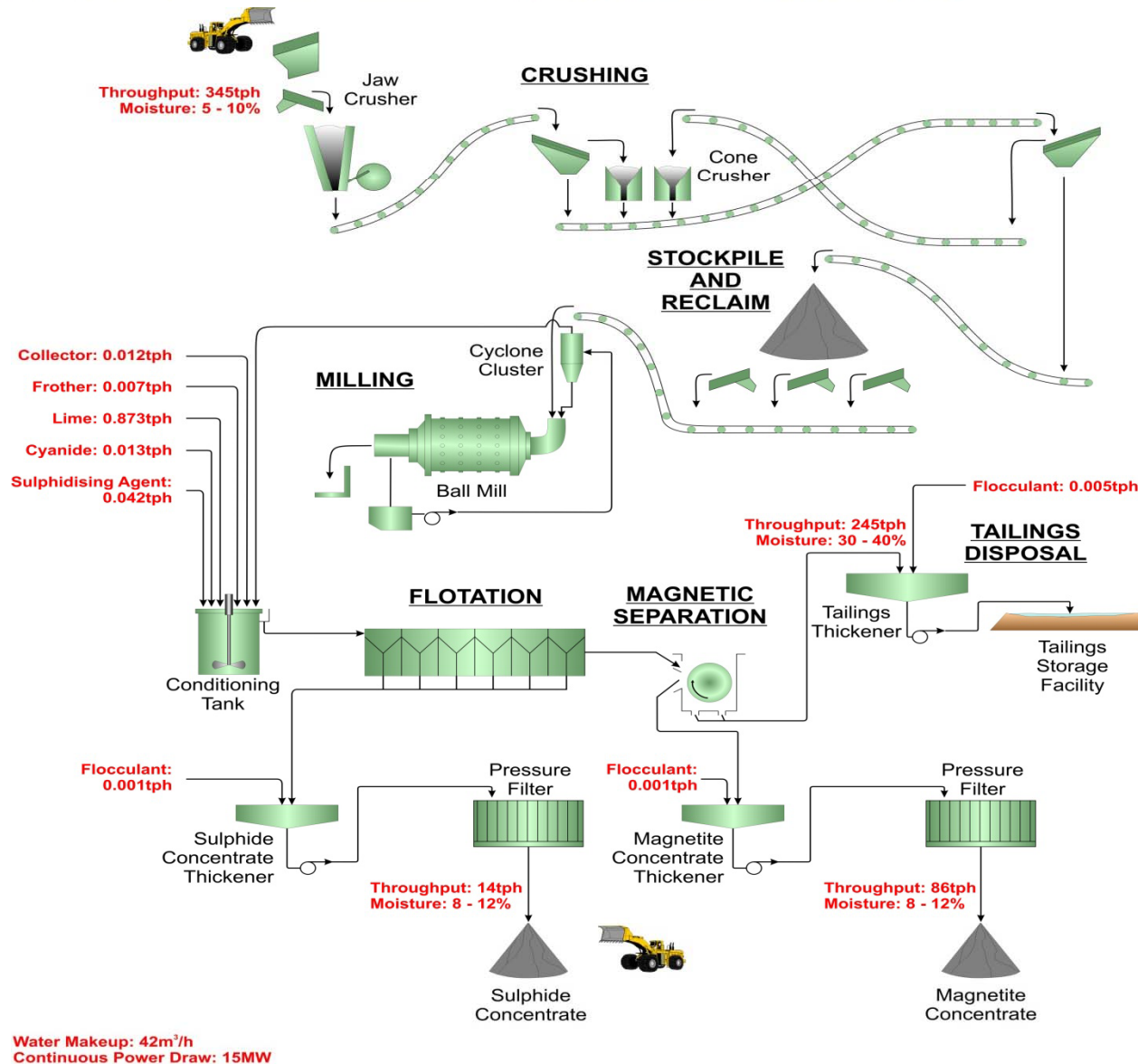
CLONCURRY COPPER PROJECT (CCP)

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- Good progress on all aspects of the DFS
- Maiden 28Mt reserve released; supports an initial 10-year mine life
- Open-pit mine plans in place for all key deposits
- Simple process flowsheet designed. Now in final stages of metallurgical optimisation.
- Evaluating by-product potential [Magnetite (Fe), Co & U]
- Approvals process progressing. EIS submitted in late 2009; Environmental Management Plan (EMP) submitted Dec 2010
- Ongoing discussions with numerous potential partners with the aim to establish a preferred development strategy in the very near future.



CCP - FLOWSHEET



*NOTE: All numbers reflect life of mine averages

CCP INDICATIVE FINANCIAL MODEL

Throughput	3Mtpa
Initial Project Life	~10 years
Recovery	Cu = 90-92%; Au = 70%
Annual Cu Production	25,000t / 55 M lbs
Estimated Capital Cost (±25%)	~A\$200M*
Operating Cost (including TC/RC & royalty)	US\$1.75/lb*
Gold credit	(US\$0.25/lb)
Total Cash Cost	US\$1.50/lb
Average Cu Price (US\$/lb) assumed	US\$3.00
Average Au Price (US\$/oz) assumed	US\$1,000
A\$ Exchange	US\$0.85
Base Case NPV @ 8.5% (Cu & Au only)	A\$256M
IRR (Cu & Au only)	24%
Potential By-product NPV (Co & Magnetite)	A\$50-80M
Payback period	2-3 years
Spot NPV @ 8.5% (Cu & Au only) – 21/12/10	A\$478M

* excludes Mining Fleet; operating cost assumes contract mining



CCP DEVELOPMENT SCENARIOS



1	STANDALONE CONCENTRATOR DEVELOPMENT	<ul style="list-style-type: none">• Maiden reserve established as basis for ~10 year mine life• Project economics are robust at current and long-term Cu prices• Targeting production in 2012 (subject to approvals & funding)• Discussions underway with potential JV partners (e.g. Sin-Tang)• Significant interest in funding, construction and off-take
2	XSTRATA / EHM ORE SUPPLY	<ul style="list-style-type: none">• Closest known sulphide resources to Ernest Henry Mine (EHM)• EHM deal potentially offers lower cost base & earlier production• Xstrata's commitment to underground project is a major positive• Recent announcements suggest availability of spare capacity• Exco is flexible on approach to commercial structure

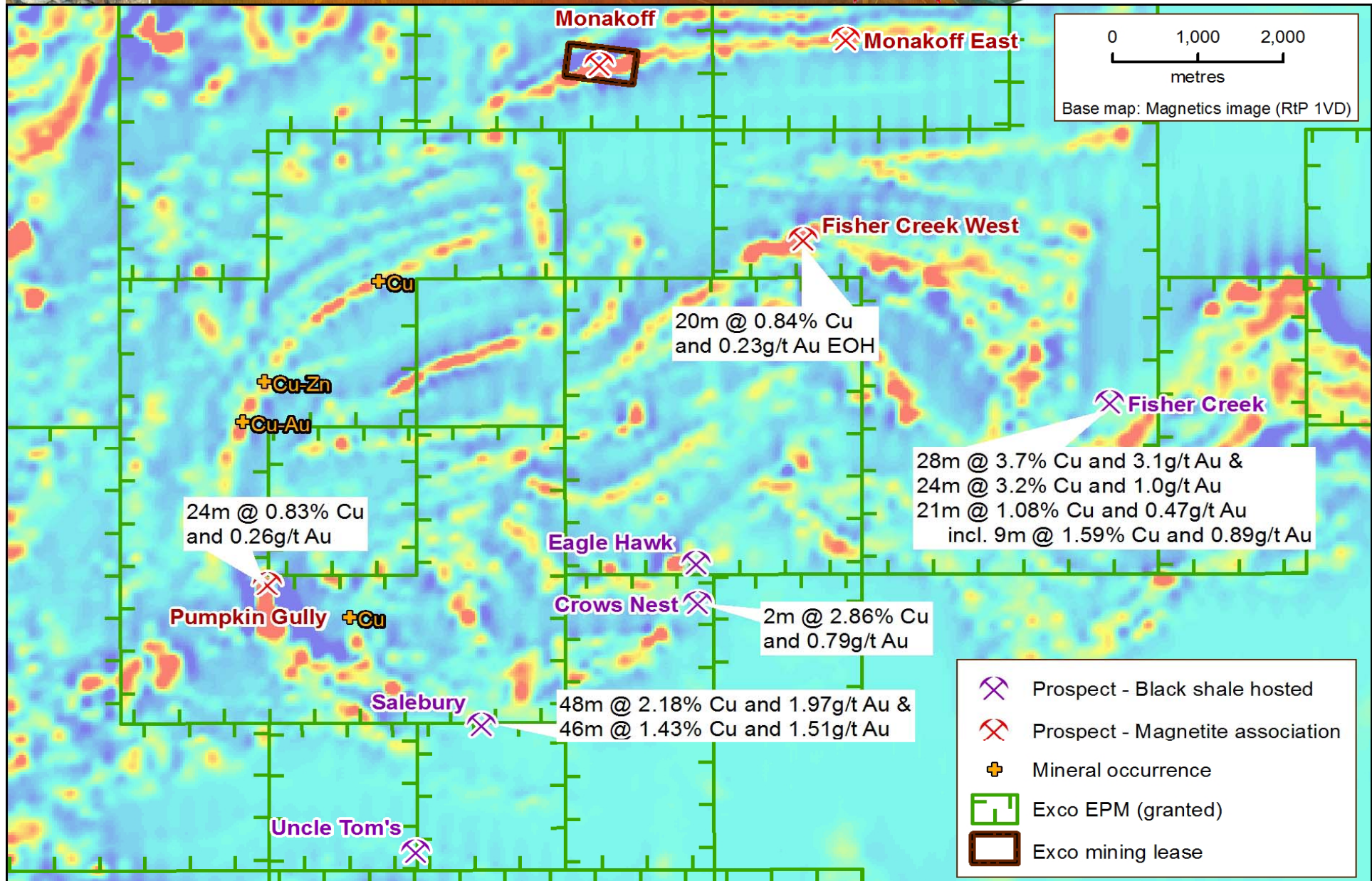
Exco is proactively evaluating each of these scenarios and is committed to achieving the best long-term value proposition for the Company & its shareholders

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EXPLORATION HIGHLIGHTS

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EXPLORATION HIGHLIGHTS

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Salebury

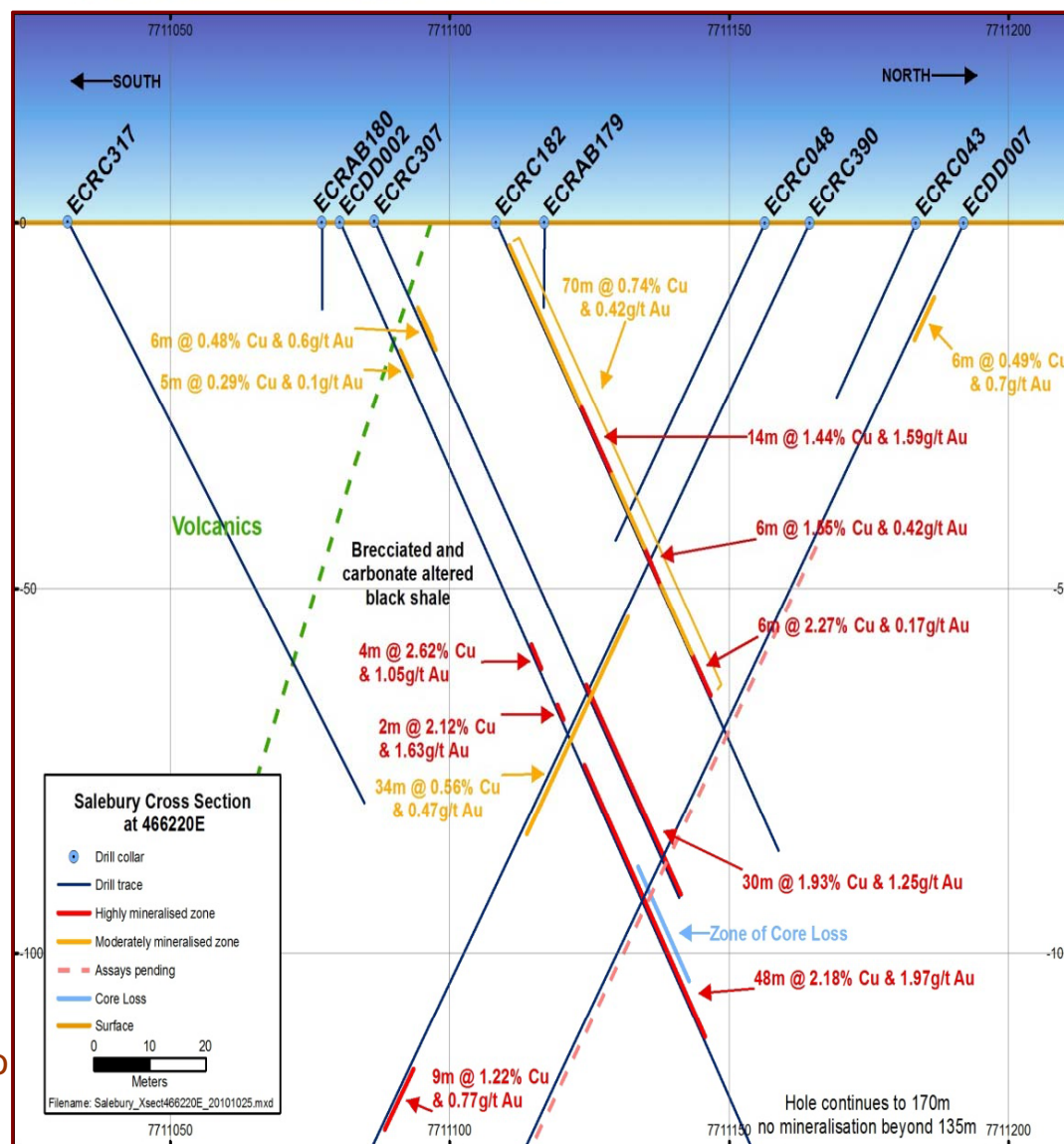
Significant resource potential with numerous high grade intersections including:

- 48m @ 2.18% Cu & 1.97 g/t Au
- 42m @ 1.24% Cu & 0.79 g/t Au
- 30m @ 1.93% Cu & 1.25 g/t Au

Tanbah

Widespread mineralisation and elevated Co levels; e.g.,

- 23m @ 1.52% Cu, 0.75 g/t Au & 206 ppm Co
- 47m @ 0.59% Cu, 0.25 g/t Au & 160 ppm Co
- 202m @ 0.32% Cu, 0.32 g/t Au & 676 ppm Co





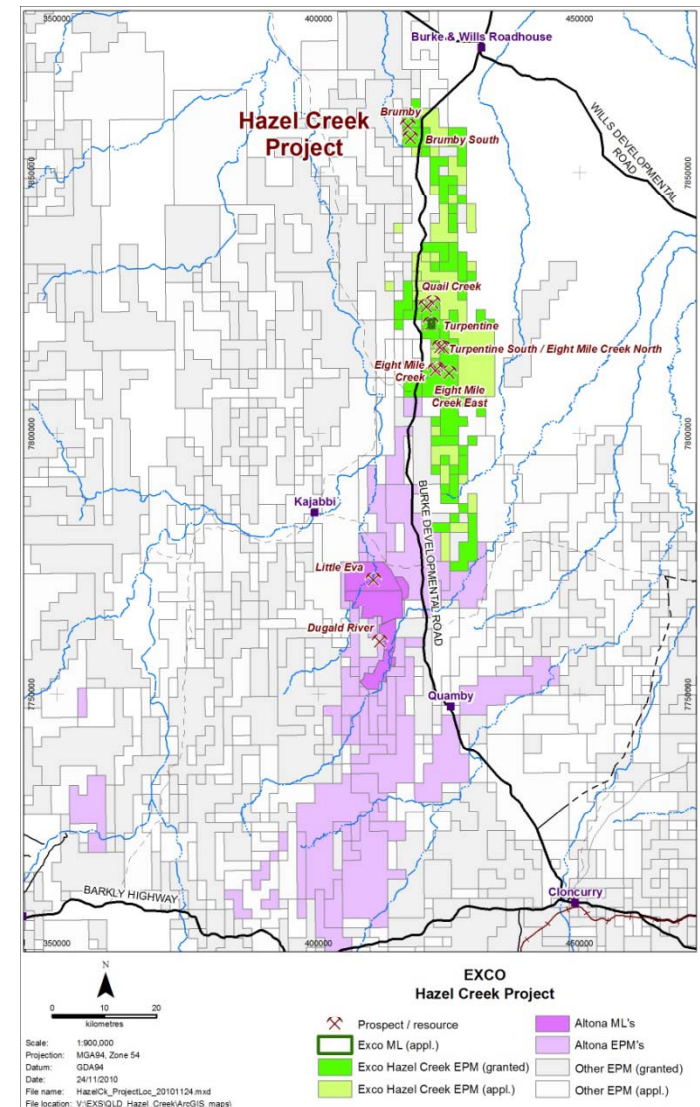
HAZEL CREEK EXPLORATION

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- Greenfields exploration project with >500km² of highly prospective tenements.
- One of few remaining underexplored belts. Majority of targets remain untested. Until now!
- Geophysics has identified targets with numerous ore grade intersections to date.
- Recent drilling has demonstrated further potential
 - **Eight Mile Creek East:**
 - 41m @ 0.72% Cu & 0.17g/t Au, incl 9m @ 1.54% Cu & 0.31 g/t Au
 - 18m @ 0.77% Cu & .21g/t Au
 - 48m @ 0.71% Cu & 0.21g/t Au
 - 54m @ 0.51% Cu & 0.09g/t Au, incl 30m @ 0.70% Cu & 0.36 g/t Au
 - **Turpentine Extensions:**
 - 11m @ 2.01% Cu & 0.51g/t Au, incl 3m @ 5.11% Cu & 1.35g/t Au
 - 35m @ 0.44% Cu & 0.09g/t Au, incl 7m @ 1.29% Cu & 0.35g/t Au
 - **Turpentine South:**
 - 6m @ 1.51% Cu & 0.11g/t Au
 - 24m @ 1.52% Cu & 0.45g/t Au, incl 6m @ 4.97% Cu & 1.46g/t Au

- Further results expected shortly





WHAT TO EXPECT IN 2011



❖ WHITE DAM

- Ongoing gold production & significant cashflow to EXS
- Exploration & resource development success leading to an extended mine life (e.g., Vertigo)

❖ CLONCURRY

- Exploration & resource development success
- Completion of the Definitive Feasibility Study & Approvals process
- Commitment to a preferred development scenario

❖ HAZEL CREEK

- Exploration success & identification of resource potential



EXS – STRATEGIC OVERVIEW



- ❖ **MANAGEMENT:** A Board & Management Team with the track record & experience to deliver value from Exco's project portfolio.
- ❖ **ASSET QUALITY:** Strategic ground positions in highly prospective belts, a resource base which continues to grow & profitable production!
- ❖ **FUNDING:** White Dam will add significantly to the current robust cash position. Well placed to achieve immediate objectives & drive exploration.
- ❖ **A PIPELINE OF PROJECTS:** Platform in place to grow the business:
 1. *Production at White Dam Gold Project in 75:25 JV with Polymetals*
 2. *Stand-alone, JV and ore-supply options at the Cloncurry Copper Project*
 3. *Exploration potential at Cloncurry & Hazel Creek*
 4. *Joint Venture optionality with 'major' partners including Ivanhoe*
- ❖ **COMMITMENT:** Our goal is to create maximum value for shareholders.



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THANK YOU

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