



EXCO
RESOURCES LTD

EXCO - VALUE CREATION

Mining 2011 Resources Convention

26th – 28th October

Presented by Geoff Laing – Acting CEO



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.

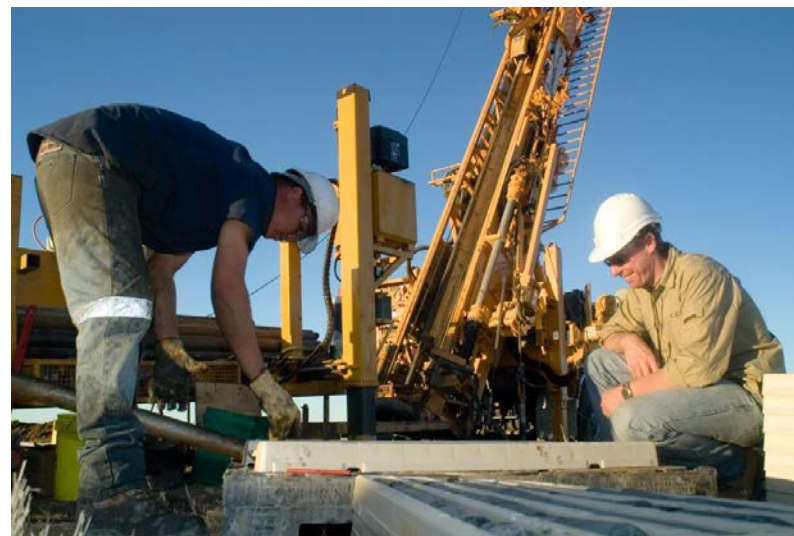
All references to dollars, cents or \$ in this presentation are to AUD currency, unless otherwise stated.

Information in this presentation relating to mineral resources and exploration results is based on data compiled by Exco's Exploration Manager Stephen Konecny and Exco's Resource Manager Ms Christine Shore who are members of The Australasian Institute of Mining and Metallurgy. Both Mr Konecny and Ms Shore have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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 and Ms Shore consent to the inclusion of the data in the form and context in which it appears.

Agenda

- Snapshot of Exco
- Achievements in 2010/11
 - Successful Track Record
 - Exco: Return to Shareholders
 - White Dam Gold Project
 - Great Australia Royalty
 - Mount Colin Resource Upgrade
- Exco Going Forward
 - Exco Business & Forward Strategy
 - Exploration Projects
 - Exco Strategy 2011/12
- Conclusion





Snapshot of Exco (ASX:EXS)

BOARD

Barry Sullivan	Non-Executive Chairman
Alasdair Cooke	Executive Director
Peter Reeve	Non-Executive Director
Tom Whiting	Non-Executive Director

MANAGEMENT

Acting CEO	Geoff Laing
Bruce McLarty	GM Commercial
Eamon Byrne	CFO & Co. Secretary

Major Shareholders (13th October 2011)

Ivanhoe Australia Ltd	22.55%
WH Soul Pattinson & Co	13.25%
Alasdair Cooke	4.9%
TOP 10	> 56%

EXS: 12-month share price history



EXS – Ordinary Shares	351,544,187
- Unlisted Options	4,500,000

Current Share Price (12/10/2011)	A\$0.69
- 12-month range	A\$0.50 - A\$0.69

Market Capitalisation (undiluted)	A\$242.6M
(fully diluted)	A\$245.5M

Cash (at end June 2011)	A\$224.5M
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Exco – Successful Track Record

Cloncurry Copper Project

Profit (before tax)	\$175M
Return on Equity (10 years)	825%*
<ul style="list-style-type: none">• Efficient Resource Development• Targeted Project Development• Stakeholder relationships DERM, DEEDI, Locals• Negotiating strategy with XTA (deal with majors)	

White Dam

Profit (before tax)	\$65M
Return on Equity (5 years)	800%
<ul style="list-style-type: none">• Purchased at low gold prices• Developed through tail of GFC – low cost• Partnerships: Barclays & Polymetals	

Great Australia

Profit (Estimated)	\$25M
Return on Equity (5 years)	TBC%
<ul style="list-style-type: none">• Efficient Resource Development• Strategic Alliance with CopperChem• Cash flow, with minimal development cost	

Distribution Breakdown

- **Full Distribution of AUD \$135M (38 cents/share)**
 - Capital Return of AUD\$36M (10 cents/share)
 - Dividend (fully franked) of AUD \$99M (28 cents/share)

Distribution Time Line

- Shareholder Meeting – 24th November 2011
 - **RECORD DATE – 2nd December 2011**
 - **PAYMENT DATE – 9th December 2011**

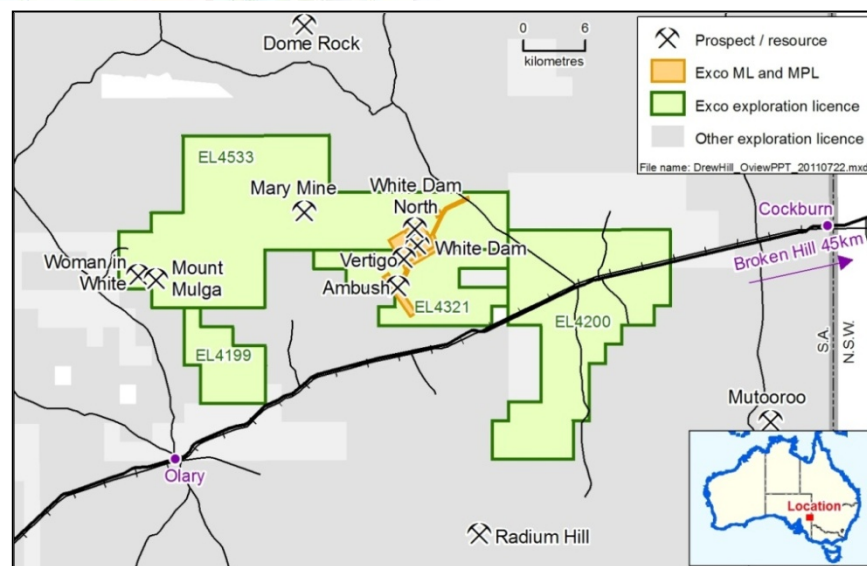
The Company now has a proven track record for delivering value to shareholders, and the Exco Team is confident that it can build on that success, and replicate it.

White Dam Gold Project

White Dam Production

Gold poured (oz)	~114,924
<i>Exco's 75% share (oz) less Barclays loan</i>	<i>70,508</i>
Average sale price (A\$/oz)	~\$1,400
Average cash costs (A\$/oz)	~\$475
Exco Free Cash (A\$m)	~\$65

Focus is on extending the White Dam Project as far as possible through near mine resources and ensuring optimal recovery from the existing heap



Great Australia Royalty

- Exco-CopperChem entered into an alliance agreement in September 2009.
- Under the alliance:
 - Exco entitled to a royalty on 1.7 million tonnes of sulphide ore (~26,000t Cu) within the Great Australia deposit.
 - Expected gross royalty cash flows of up to ~\$25 million based on copper prices of US\$3.50/lb.
 - Operations have commenced with ore mining to start shortly.
 - Potential for additional ore processing with CopperChem in the future.

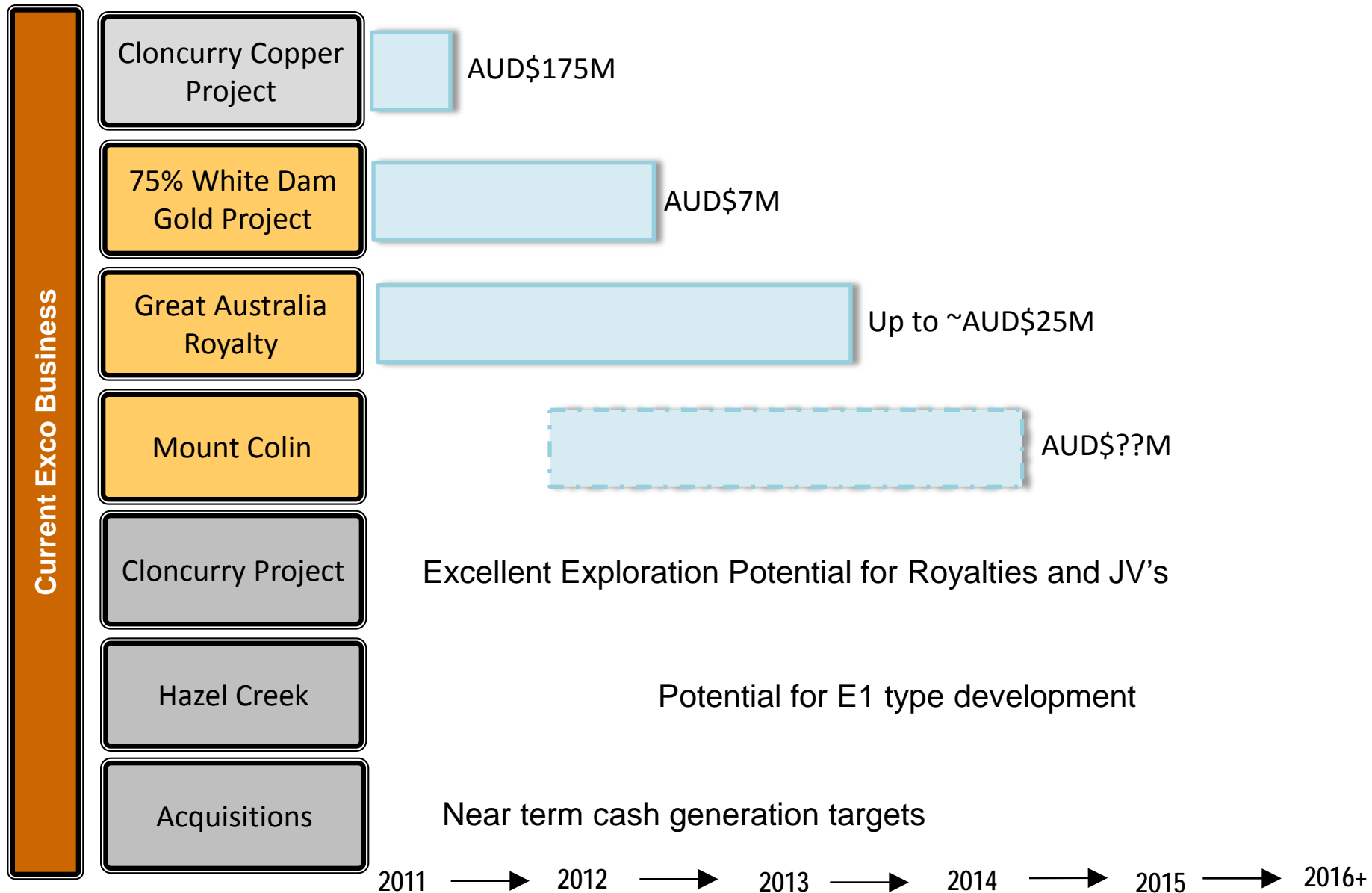


Mount Colin Deposit

- Granted Mining Lease.
- Recently released updated resource estimate of **1.92Mt @ 2.59% Cu**. Representing an overall mineral resource increase of 29%.
- Ores classified as Indicated Mineral Resource increased by 68% to 1.04Mt @ 3.04% Cu.
- A scoping study completed on the previous resource indicated robust economic potential.
- Further work is in progress for underground mining design.

Mt Colin Mineral Resource (1.25% Cu Cut-off)									
Resource Category	2011 Resource depleted to Apr 2011					Previous (Feb 2010) depleted to Aug 2006			
	Kt	Cu (%)	Au (g/t)	Cu (t)	Au (oz)	Kt	Cu (%)	Au (g/t)	Cu (t)
Indicated	1,042	3.04	0.42	31,629	14,207	620	3.14	not reported	19,500
Inferred	880	2.09	0.41	18,344	11,597	870	2.00	not reported	17,500
Total	1,922	2.59	0.42	49,855	25,829	1,490	2.47	-	37,000

Exco Business and Forward Strategy



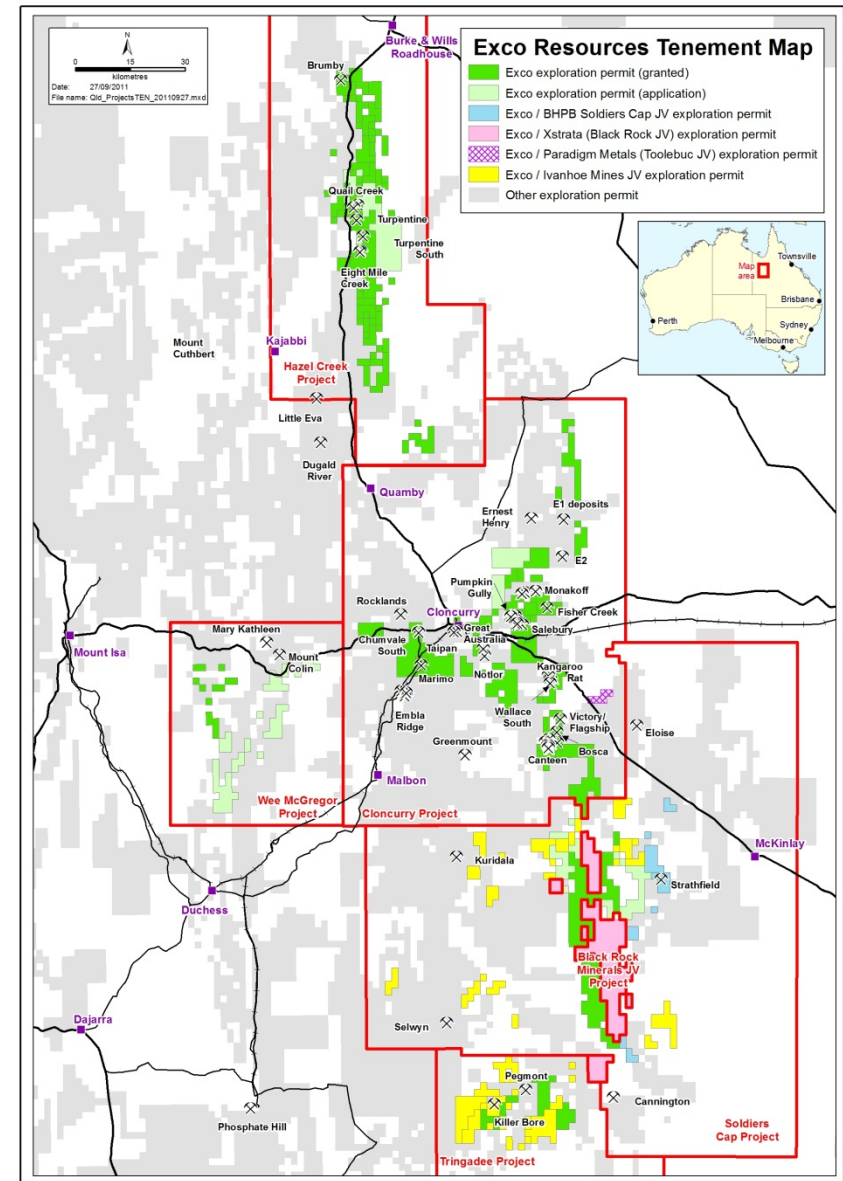
Exploration Strategy

For The Cloncurry Project...

- Develop resources suitable for transactions with third parties within the region (Short to medium term projects)
- Develop larger self sustaining resources (Medium and longer term projects)
- Working with JV partners on Southern Tenements to ensure exploration is in line with Exco strategy.

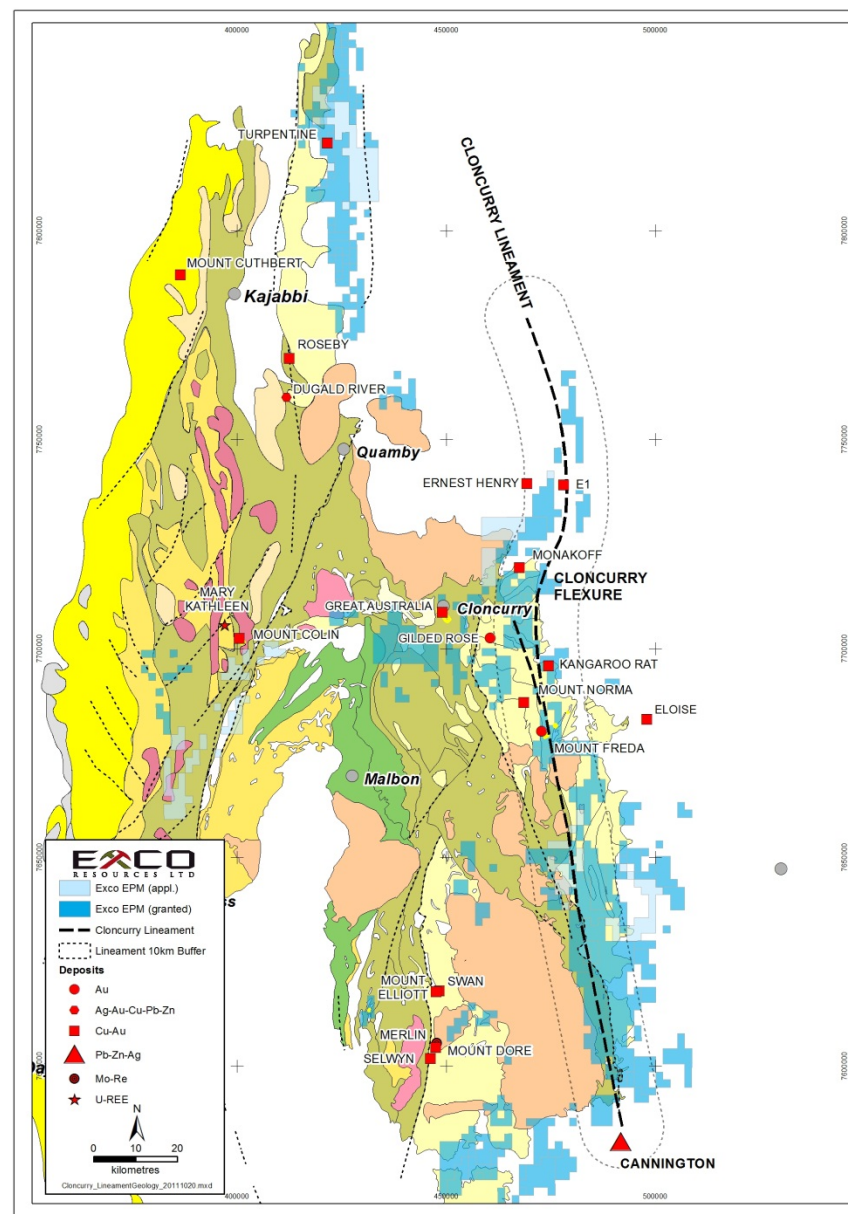
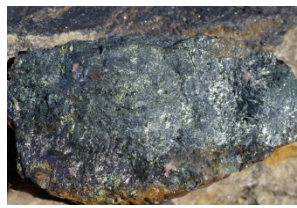
For The Hazel Creek Project...

- The focus is on large scale self-sustaining resources. (Longer term projects)



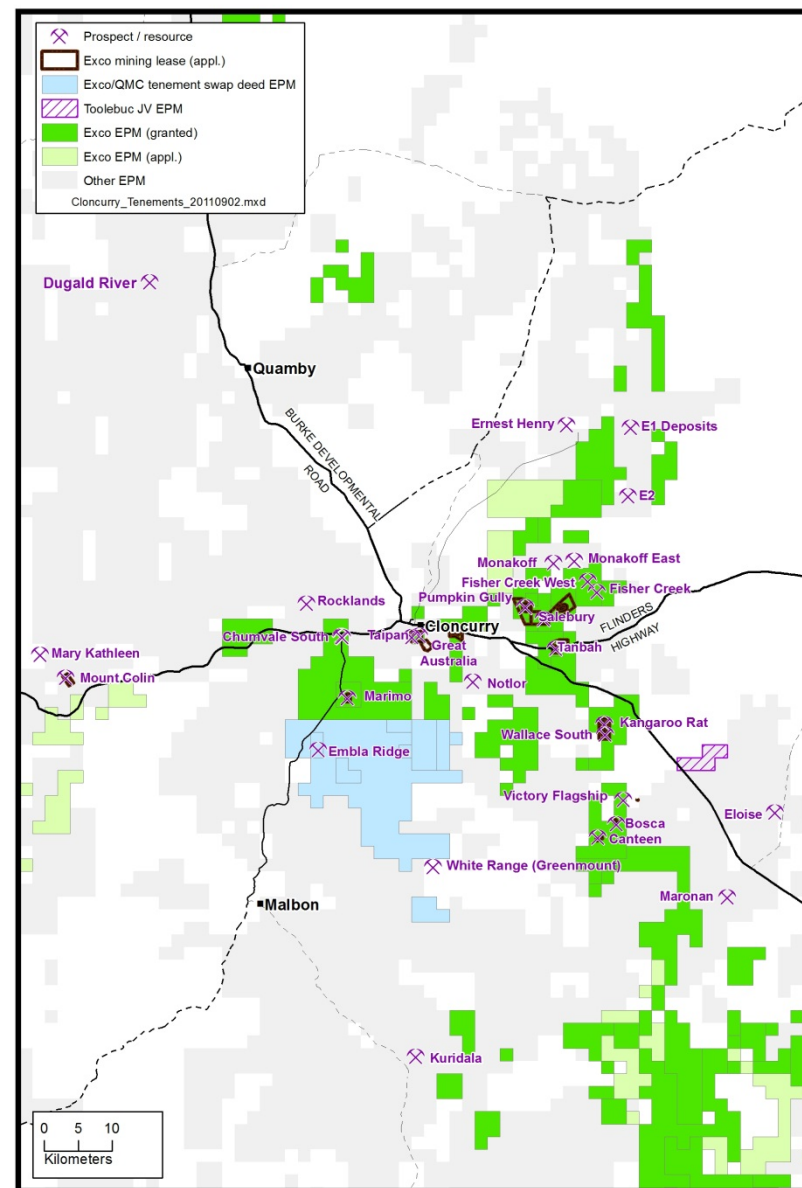
Cloncurry Project

- Strategic tenure position of >1900km² targeting the highly prospective Cloncurry Lineament between the Ernest Henry and Cannington deposits.
- Drilling commenced on June 4th 2011.
- To date, 70 holes for 7000m have been completed at the following prospects;
 - Uncle Toms
 - Fisher Creek West
 - Salebury
 - Tanbah
 - Canteen
 - Bosca
 - Victory/Flagship



Cloncurry Project

- Covers approximately 1920km² and encompasses the Tringadee, Pumpkin Gully and Soldier's Cap project areas.
- Six JORC Compliant Resources deposits, with a royalty over 1.7Mt of the Great Australia reported resource.
- The total Resource for the Cloncurry Project now contains 111,400 tonnes of copper and 130,000 ounces of gold.
- Hosts Copper, Gold, Uranium, Zinc, Lead and Magnetite targets.
- Pumpkin Gully project area prospects are key targets; Salebury, Uncle Tom's, Fisher Creek West and Tanbah.



Resource Summary

EXCO RESOURCES – CLONCURRY PROJECT RESOURCE SUMMARY

Deposit	Class	Tonnes	Grade		Metal	
			Cu%	Au g/t	Cu T	Au Oz
Great Australia ⁽¹⁾	<i>Indicated</i>	1,400,000	1.53	0.13	21,000	6,000
	<i>Inferred</i>	800,000	1.57	0.14	12,000	3,000
TOTAL		2,200,000	1.54	0.13	33,000	9,000
Mt Colin ⁽¹⁾	<i>Indicated*</i>	1,042,000	3.04	0.42	32,000	14,000
	<i>Inferred*</i>	880,000	2.09	0.41	18,000	12,000
TOTAL *		1,922,000	2.59	0.42	50,000	26,000
Taipan	<i>Inferred</i>	1,460,000	0.80	0.1	12,000	5,000
Kangaroo Rat ⁽¹⁾	<i>Inferred</i>	875,000	1.65	1.0	14,400	28,000
Wallace South	<i>Inferred**</i>	1,000,000	-	1.6	-	53,000
Victory-Flagship	<i>Inferred</i>	196,000	1.20	1.4	2,000	9,000
Total Cloncurry Project		7,653,000	1.69	0.52	111,400	130,000

Notes: Discrepancies in totals are as result of rounding.

Unless otherwise stated the above resources are reported at a 0.5% Cu cut-off.

⁽¹⁾Granted Mining Lease.

*Mt Colin resource cut-off = 1.25% Cu.

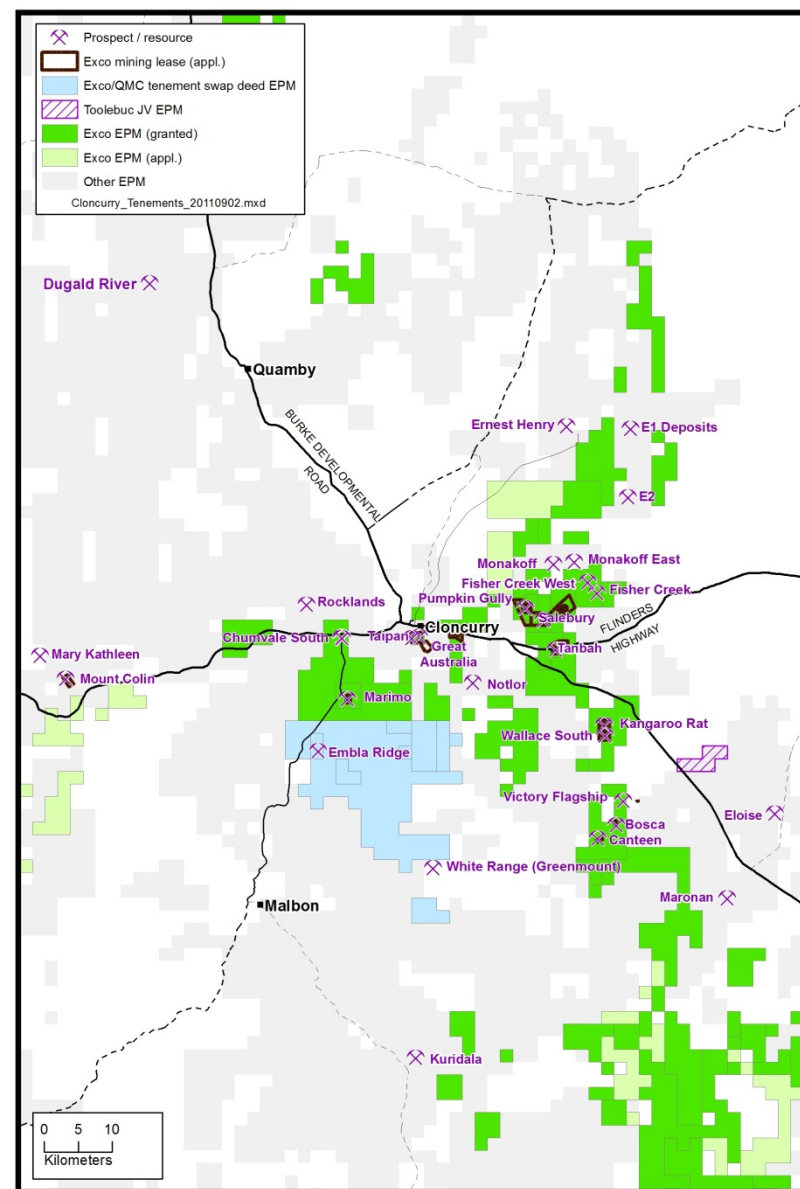
** Wallace South resource cut-off = 0.5g/t

Cloncurry Project

Tambah Prospect

- Hosted by amphibolite and black shales on Toole Creek Volcanic – Mt Norna Quartzite contact.
- Truncated by major structure.
- Strong magnetic anomalies.
- Radiometric anomaly.
- Regionally anomalous Cu-Au-As stream sediment anomaly.
- Better intercepts include;

Hole ID	Length	Cu %	Au g/t	From
ECDT341	23	1.52	0.75	40
ECDT345	202	0.33	0.34	38
ECDD003	47	0.59	0.25	34
ECDD004	51	0.42	0.27	48

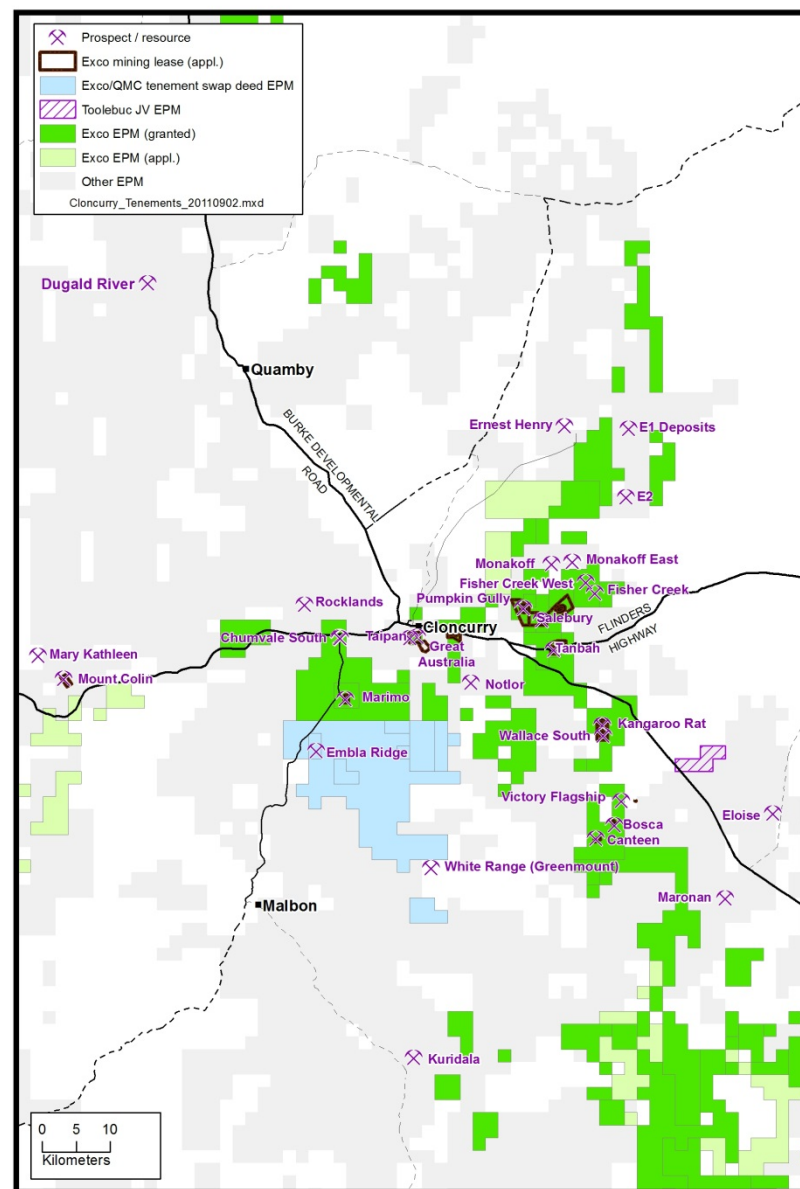


Cloncurry Project

Salebury Prospect

- Located approximately 20km east of Cloncurry on the southern limb of the Pumpkin Gully Syncline.
- Hosted by black shale and amphibolite with calc-silicate breccia bodies.
- 18 RC holes drilled during 2011.
- Better intersections to date include;

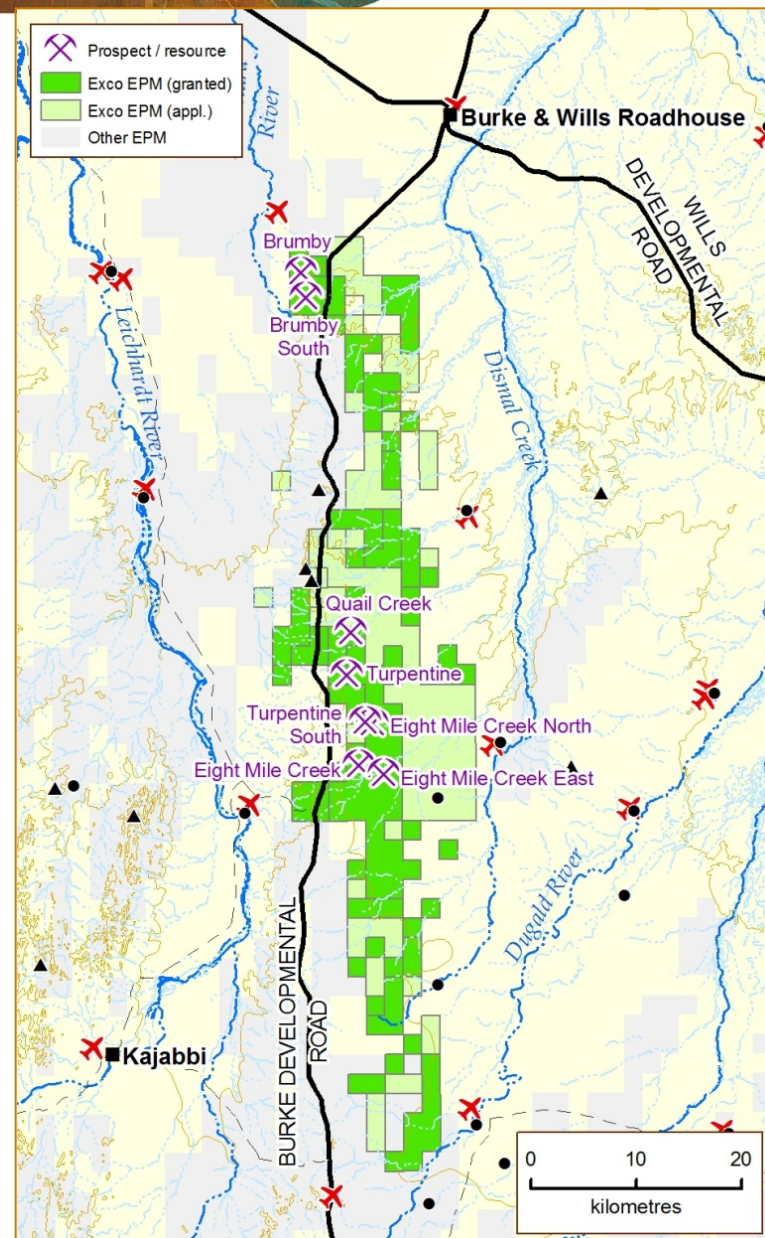
Hole ID	Length	Cu %	Au g/t	From
ECRC397	20	2.07	1.53	32
and	12	3.17	2.38	32
ECRC307	30	1.93	1.25	78
ECDD007	46	1.43	0.45	89
ECDD002	48	2.18	1.97	87



Hazel Creek Project

- Large scale IOCG style hydrothermal system within 1000km² of highly prospective tenements.
- Turpentine Deposit: 1.8Mt @1.03% Cu & 0.2g/t Au.
- 71 holes for 9211m drilled at Hazel Creek during 2011.
- Regional Geophysical surveys to take place during December 2011.
- Majority of drilling at Eight Mile Creek, Eight Mile Creek East and Turpentine South.
- Drilling has typically continued to deliver sporadic broad low grade IOCG style Cu-Au mineralisation

Potential for large scale copper discoveries



Hazel Creek Project

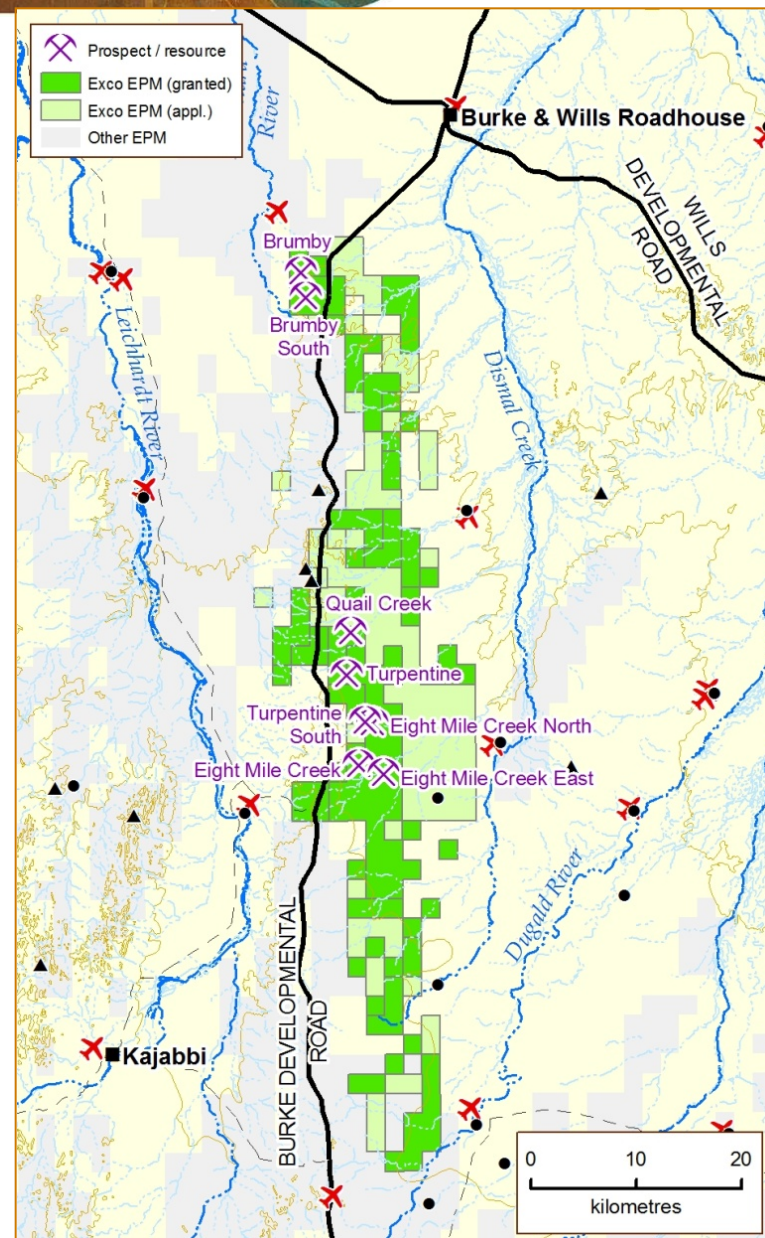
Eight Mile Creek Prospect

- Previous drilling during the 1990's intersected 30m @ 0.90% Cu.
- Recent SAM survey outlined a number of significant magnetic & conductive anomalies coincident with this historical intersection.
- Exco drilled 27 RC holes during Q3/2011
- Significant intersections from these holes include;

Hole ID	Length	Cu (%)	Au (g/t)	From
EHRC323	10	0.90	0.13	54
EHRC327	18	0.27	0.16	12
EHRC328	12	0.65	0.11	48
EHRC340	30	0.19		12

*not all assays have been received.

- A detailed ground gravity survey will be completed over the prospect during December.



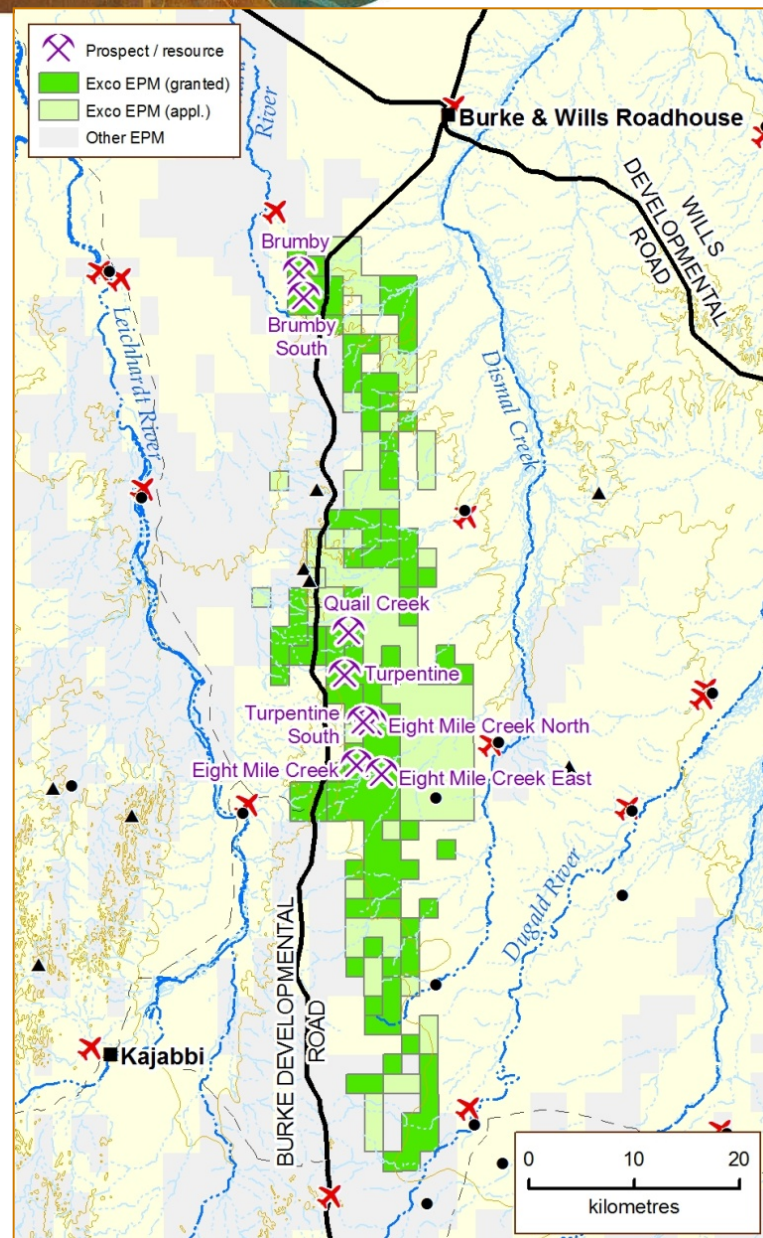
Hazel Creek Project

Turpentine South Prospect

- Located between Turpentine and Eight Mile Creek prospects.
- Better intersections to date include;

Hole ID	Length	Cu (%)	Au (g/t)	From
EHRC267	6	1.51	0.11	66
and	24	1.52	0.45	150

- Currently drill testing coincident linear magnetic and conductivity anomaly on eastern side of prospect.
- Working on understanding controls on mineralisation.



Cloncurry Exploration

- Resource Development at Cloncurry Project.
 - Focus on Hazel Creek Project.
-

White Dam

- Ongoing gold production and cash flow to Exco.
 - Exploration and resource development success to extend mine life.
-

Great Australia Royalty

- Cash flow to commence imminently.
 - Future processing options for additional deposits pursuant to Exco-CopperChem alliance.
-

New Growth Opportunities

- Use balance sheet strength to acquire new assets.
- Strong track record of adding value through acquisition.

- *Successful track record - Crystallised well in excess of \$200M of value from two key assets; White Dam Gold Mine and the Cloncurry Copper Project.*
- *Continuing cash flow from White Dam, soon to be bolstered by Great Australia royalty.*
- *Highly prospective tenement package in NW Queensland; Hazel Creek and Cloncurry Projects.*
- *Well funded to pursue growth through exploration and acquisition.*

It is our intention to replicate previous success through a combination of structured exploration and innovative acquisition.



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THANK YOU

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