



EXACO
RESOURCES LTD

AMEC 2009 National Mining Congress

21-22 May 2009

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 AUS\$ 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 Mr Mike Dunbar, (who is a full time employee of the Mitchell River Group and a consultant to Exco Resources Ltd), both Mr Konecny and Mr Dunbar are members of The Australasian Institute of Mining and Metallurgy. Mr Konecny and Mr Dunbar 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 Mr Dunbar consent to the inclusion of the data in the form and context in which it appears.

- **Snapshot of Exco**
- **Strategic Focus**
- **Development Options**
 - White Dam Gold Project
 - Cloncurry Copper Project (CCP)
 - Ore Supply scenario
- **Summary**



SNAPSHOT OF EXCO (ASX:EXS)

EXS – Ordinary Shares	254,083,625
- Employee Options	14,500,000
Current Share Price (21/5/09)	A\$0.20
- 12-month range	A\$0.063 - A\$0.42
Market Capitalisation (undiluted)	A\$50.8M
(fully diluted)	A\$53.7M
Current Cash (at end Q1/09)	A\$3.8M



Board of Directors

Barry Sullivan	Chairman
Michael Anderson	Managing Director
Alasdair Cooke	Executive Director
Craig Burton	Non-Exec Director
Peter Reeve	Non-Exec Director

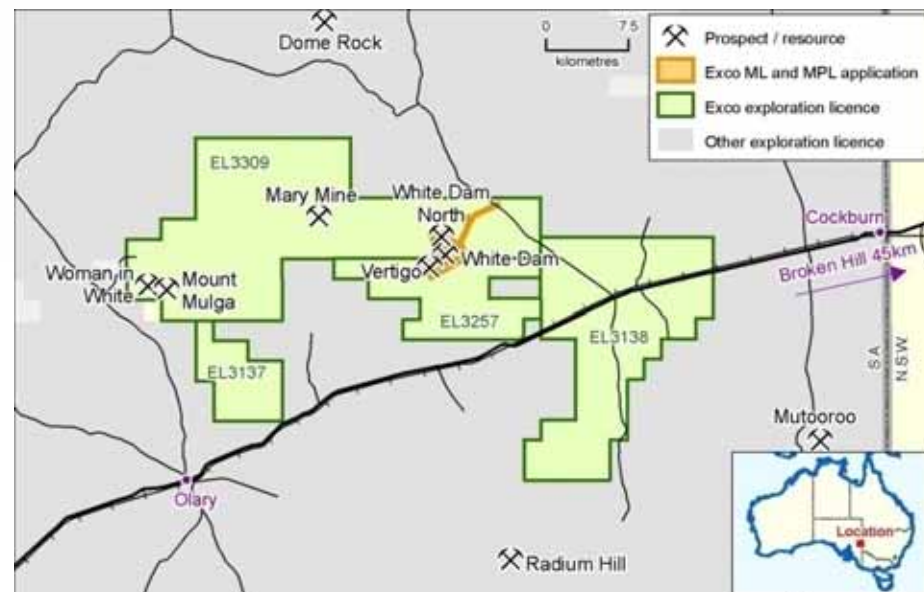
Major Shareholders

Ivanhoe Australia Ltd	19.9 %
Lion Selection Group Limited	10.4 %
Alasdair Cooke	6.4 %
TOP 10	56 %

- ❖ **OPPORTUNITY** Exco's project portfolio offers near-term opportunities to create cash flow and a platform to grow a significant business.
- ❖ **WHITE DAM** Final approvals received. Focus on financing & implementation planning in JV with Polymetals, targeting first gold and cash flow by end 2009.
- ❖ **CLONCURRY** DFS drilling complete. Resource modeling continues to add further value. Finalising EIS in support of project approvals. Granted "significant" status.
- ❖ **ORE SUPPLY** Treatment of Exco's E1 ores through Xstrata's Ernest Henry operation represents a potentially compelling alternative to stand alone development.
- ❖ **CASH POSITION** The Company remains adequately funded to achieve immediate objectives.

WHITE DAM GOLD PROJECT

- Mining Lease granted & MARP now approved
- Restructure of JV Agreement with Polymetals will see Exco retain 75% of the project
- Plan to treat 2Mtpa (50,000oz pa) commencing in late 2009. Process facility in storage.
- Detailed implementation planning & financial modeling underway
- Current A\$ gold price offers very attractive margins with projected costs \leq A\$600/oz
- Funding discussions underway; indicative proposals under review



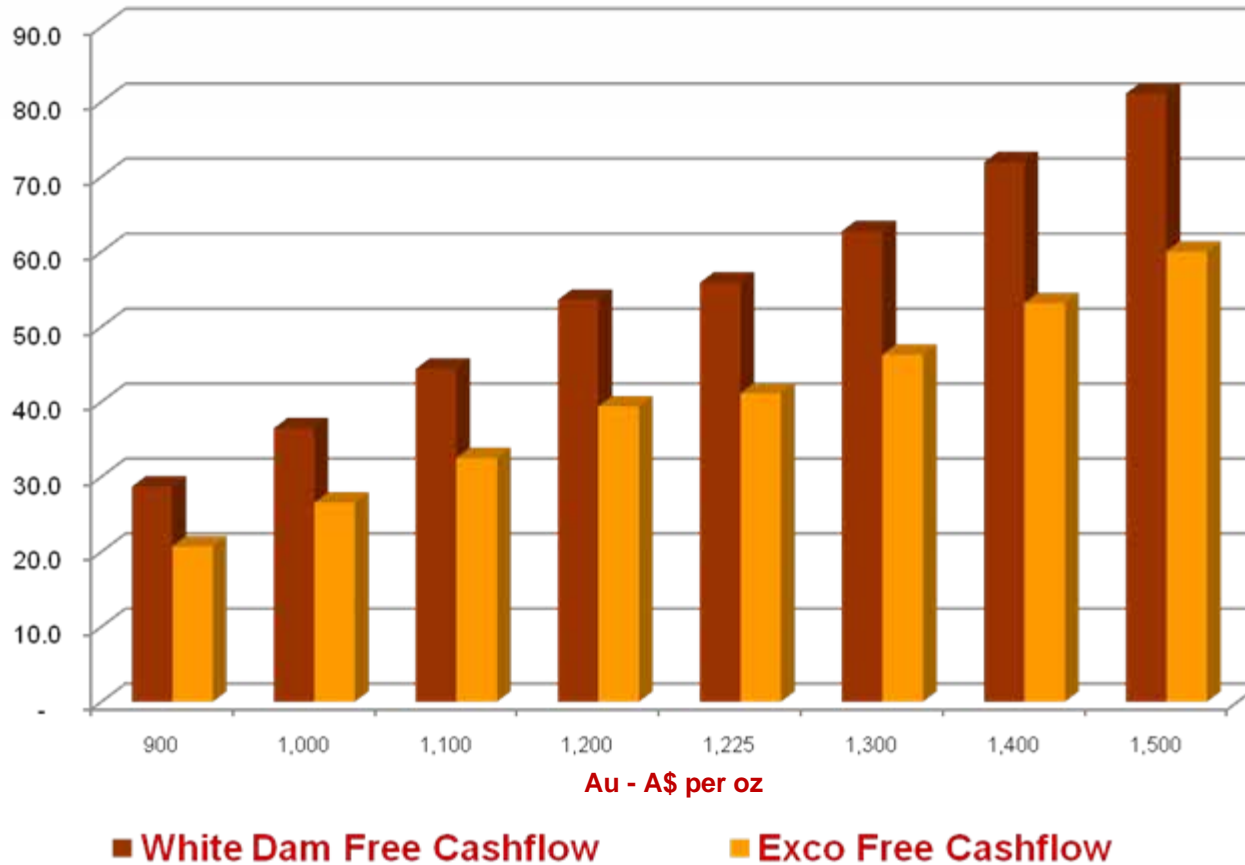
WHITE DAM RESOURCE BASE

- **Total Resources – 10.12 Mt @ 1.04 g/t Au for 338,000 oz**
- **Including a Probable Reserve of 4.43Mt @ 1.04 g/t Au for 149,000 oz (Strip ratio 1:1)**
- **Further potential at Vertigo, White Dam & White Dam North**

White Dam Gold Project - Mineral Resource Estimate							
<i>[(White Dam resource re-estimated in 2009 using Ordinary Kriging (0.4/t cut-off grade)]</i>							
Deposit	Indicated		Inferred		Total		
	Tonnes	g/t	Tonnes	g/t	Tonnes	g/t	Ounces
White Dam Oxide	4,780,000	1.05	830,000	1.13	5,610,000	1.06	191,000
White Dam Fresh	830,000	1.04	1,150,000	0.87	1,980,000	0.95	60,000
Sub -Total	5,610, 000	1.05	1,980,000	0.98	7,590,000	1.03	251,000
Vertigo Oxide			1,200,000	1.00	1,200,000	1.00	38,000
Vertigo Fresh			1,330,000	1.14	1,330,000	1.14	49,000
Sub -Total			2,530,000	1.07	2,530,000	1.07	251,000
TOTAL	5,610, 000	1.05	4,510,000	1.03	10,120,000	1.04	338,000

WHITE DAM CASH FLOW

A\$ Millions



ASSUMPTIONS

- Au – A\$1225/oz
- Recovery 70%
- Production 120,000oz
- 30 month project life
- Costs – A\$570/oz
- Peak Funding ~A\$19M

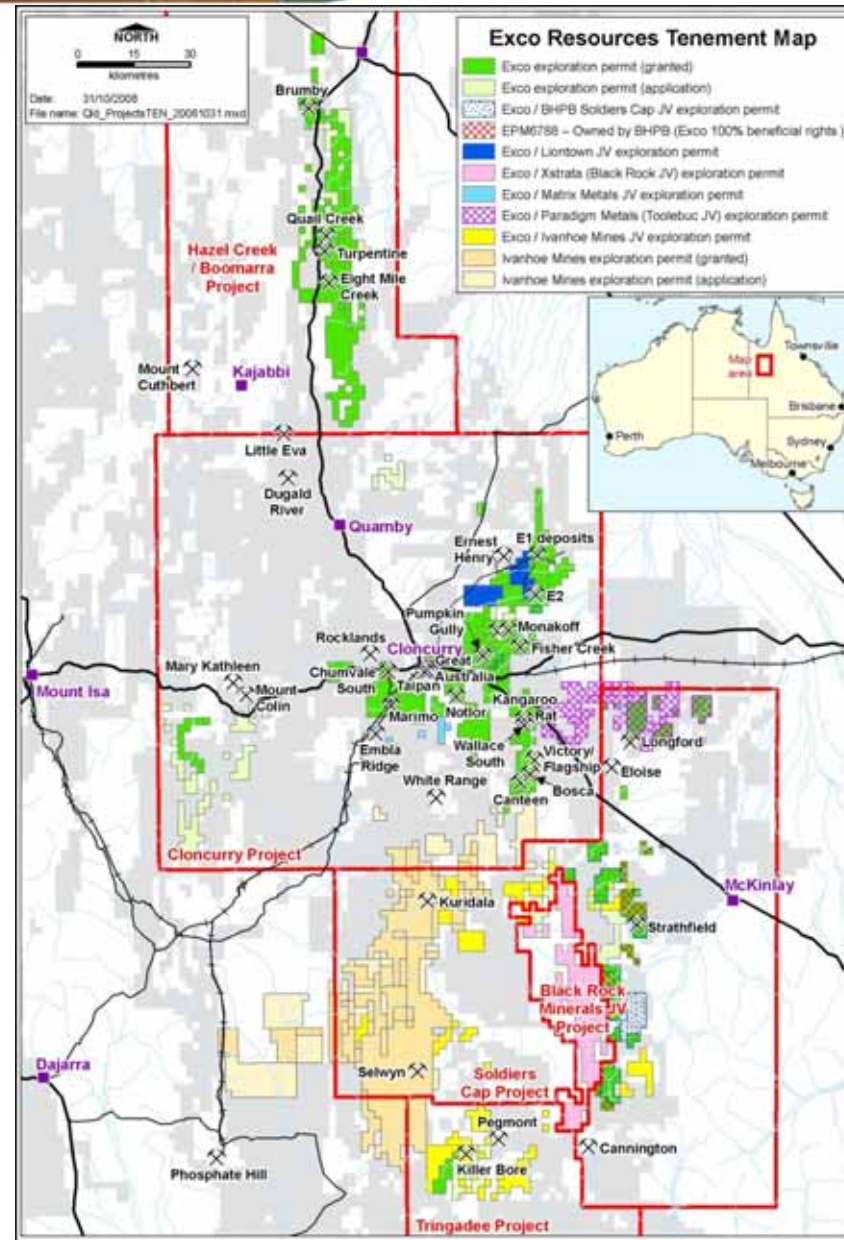
CASH FLOW *

- Project - A\$56M
- Exco (75%) - A\$41M

* After financing, before discounting & tax

CLONCURRY COPPER PROJECT

- Stand-alone concentrator concept
- Key deposits: E1 Camp & Monakoff
- Initial 10-year open-pit mine life
- Throughput ≤ 3.0 Mtpa of $\sim 0.9\%$ Cu ore
- Production ~ 25 ktpa Cu, ~ 17 koz Au
- Straightforward process & metallurgy
- By-product potential: Co, Fe, Acid & U(?)
- Native title agreements in place
- EIS commenced Q4/07; submission Q2/09
- “Project of Regional Significance”
- Completed PFS in Q2/2008
- Full DFS underway



Building on the PFS Base Case

	PFS	DFS*
Throughput	2Mtpa	3Mtpa
Initial Project Life	11.5 years	8-10 years
Cu recovery	93%	93%
Au recovery	80%	80%
Estimated Capital Cost ($\pm 25\%$)	~A\$209M	~A\$250M
Operating Cost (including TC/RC & royalty)	US\$1.80/lb	US\$1.73/lb
Gold credit	(US\$0.34/lb)	(US\$0.34/lb)
Total Cash Cost	US\$1.46/lb	US\$1.39/lb
Base Case NPV @8.5% (Cu & Au only)	A\$126.7M	A\$256M
IRR (Cu & Au only)	28.6%	37%
Potential By-product NPV (Co & Magnetite)	A\$50-70M	A\$50-80M
Average Cu Price assumed	US\$2.68	US\$2.50
A\$ Exchange	US\$0.9	US\$0.7
Payback period	2-3 years	2-3 years

* *Indicative model*

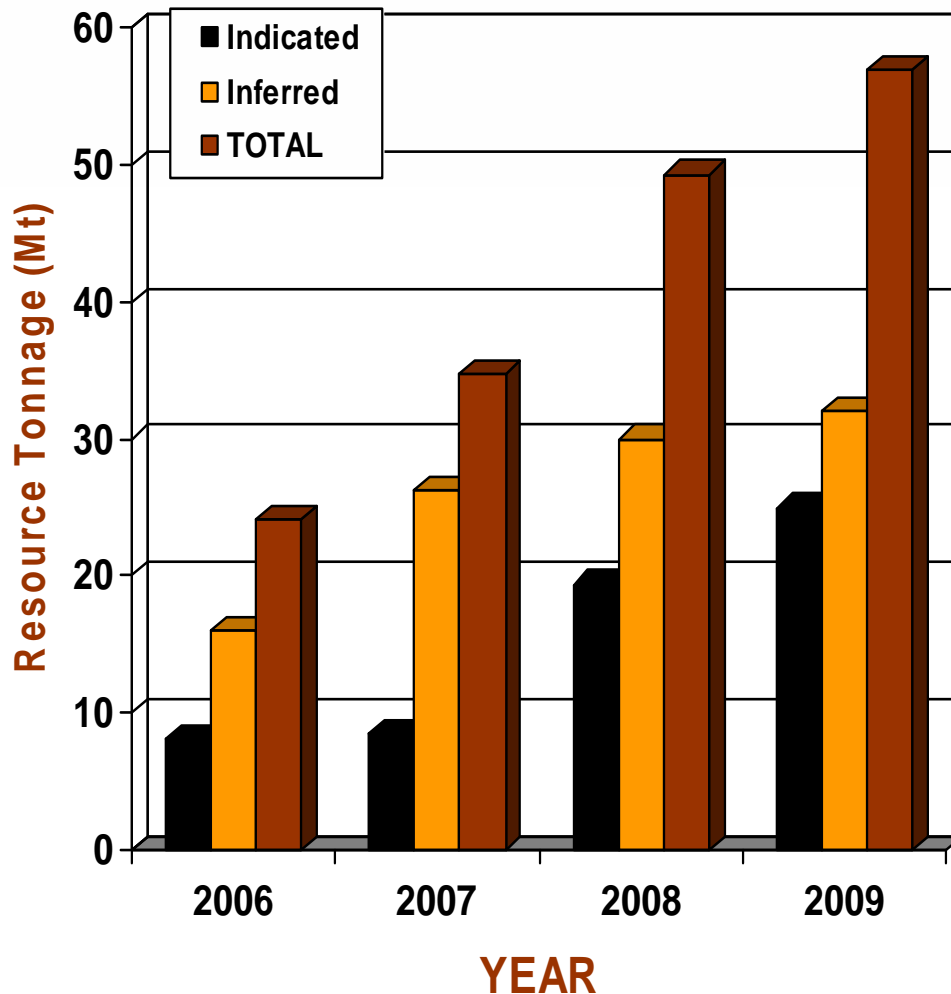
NW QLD - RESOURCE BASE

PROJECT	DEPOSIT	CLASS	TONNES	GRADE		METAL		
				Cu %	Au g/t	Cu T	Au Oz	
CLONCURRY COPPER PROJECT	E1 Camp	Indicated	19,600,000	0.85	0.25	167,000	155,200	
		Inferred	25,300,000	0.7	0.2	175,600	156,800	
		<i>Sub - total</i>	<i>44,900,000</i>	<i>0.76</i>	<i>0.22</i>	<i>343,000</i>	<i>312,000</i>	
	Monakoff * & Monakoff East	Indicated	2,000,000	1.39	0.44	27,600	28,300	
		Inferred	2,000,000	1.3	0.4	25,300	25,700	
		<i>Sub - total</i>	<i>4,000,000</i>	<i>1.32</i>	<i>0.42</i>	<i>52,900</i>	<i>54,000</i>	
	Great Australia *	Indicated	1,400,000	1.53	0.13	21,000	5,700	
		Inferred	800,000	1.57	0.14	12,000	3,300	
		<i>Sub - total</i>	<i>2,100,000</i>	<i>1.54</i>	<i>0.13</i>	<i>33,000</i>	<i>9,000</i>	
	SUB - TOTAL	Indicated	23 Mt	0.94	0.26	216,000	189,000	
		Inferred	28.1 Mt	0.76	0.21	214,000	186,000	
		<i>Total</i>	51 Mt	0.84	0.23	430,000	376,000	
	OTHER	SUB - TOTAL	<i>ALL</i>	6.0 Mt	1.16	0.55	70,180	106,600
	TOTAL			57.0 Mt	0.88	0.26	500,180	482,000

•Granted Mining Leases

Note: For breakdown of classification for "Other" deposits see Exco's Website - excoresources.com.au
Discrepancies in totals are as result of rounding

NW QLD - RESOURCE GROWTH



>130% increase in Resource Tonnage over last 2 years with **further upside**

Contained Cu up by 109% & contained Au up by 150%

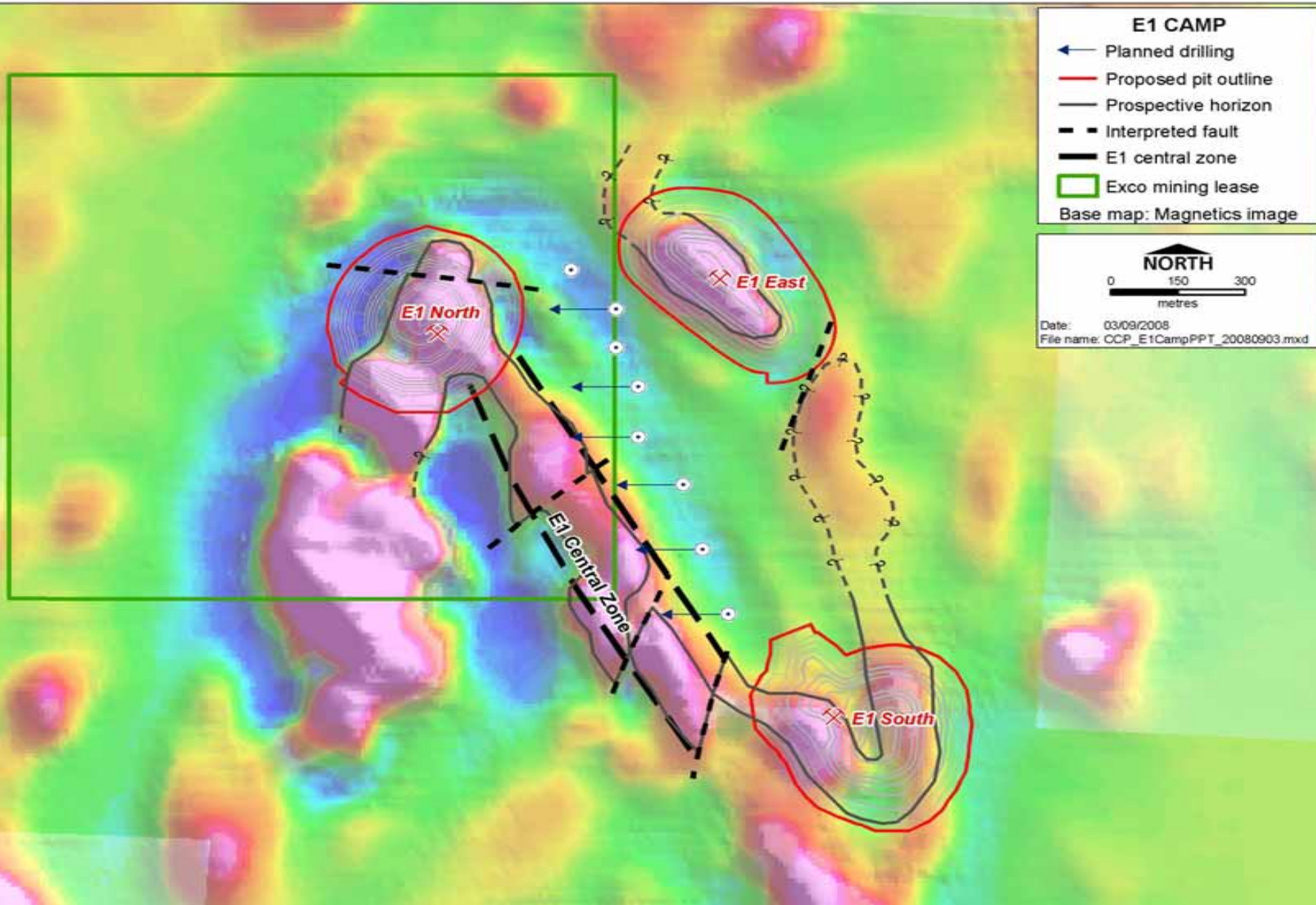
Total resource base now contains >500,000t of Cu

“Critical Mass” of >50Mt now within the Cloncurry Copper Project

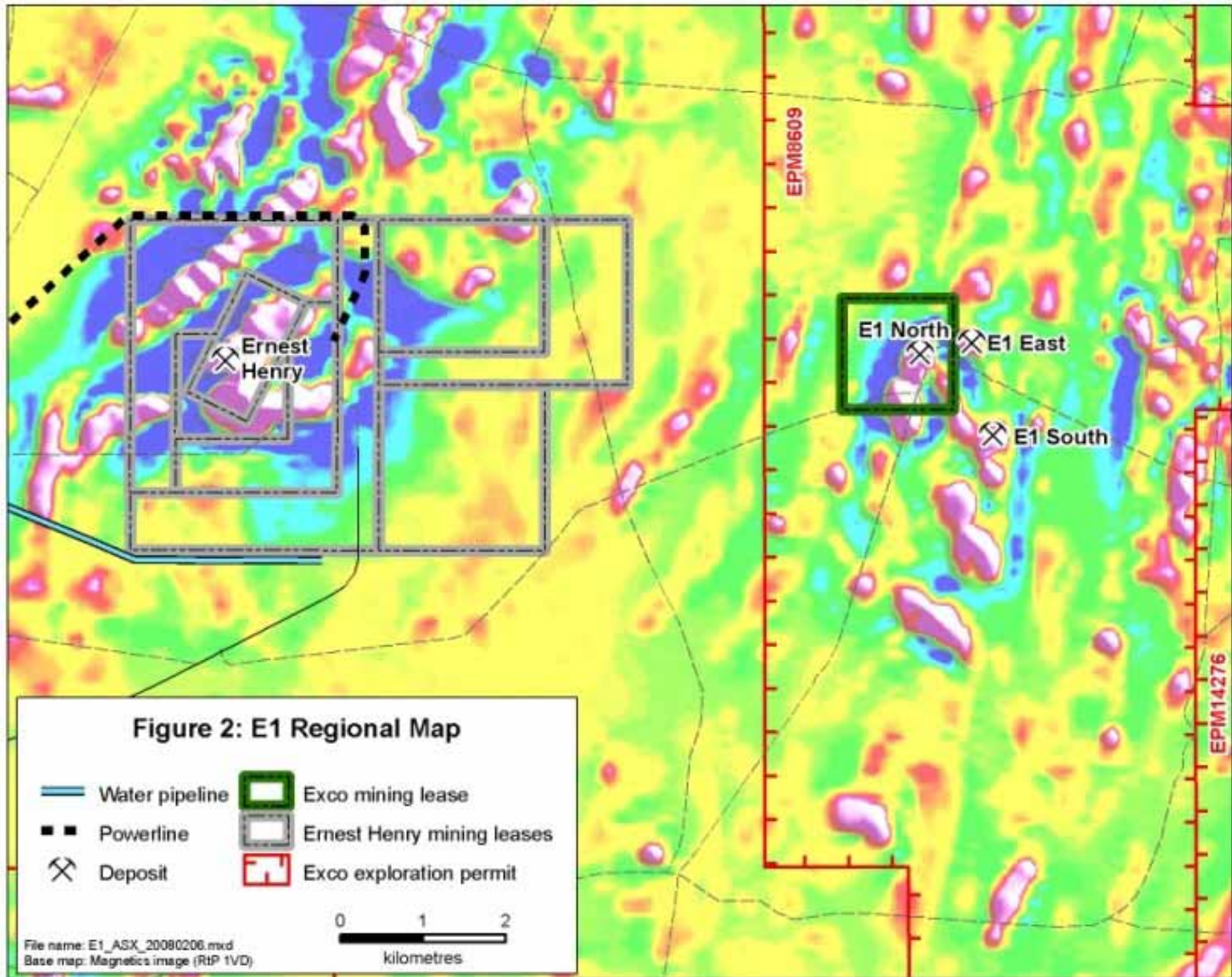
Recently completed drilling will continue to convert resources to Indicated category

On track to deliver reserves of ≥ 25 Mt as basis for a 10-year mine life

FURTHER UPSIDE AT E1 CAMP



XSTRATA ORE SUPPLY OPTION



XSTRATA ORE SUPPLY OPTION

- E1 ores 8km from Ernest Henry Mine (EHM)
- Existing 11Mtpa Concentrator at EHM
- EHM open pit mine life nearing an end
- Recent EHM pit failure may reduce reserves
- EHM evaluating U/G potential from 2011
- Potential for EXS to fill production gaps
- Significant tonnages at E1 with upside
- Compatible mineralogy / metallurgy
- Lower capital risk option for EXS
- Lower operating cost structure
- EXS pursuing long-term arrangement
- No formal agreement yet in place



- ❖ **MANAGEMENT**: A Board & Management Team with the track record and experience to deal with current market conditions
- ❖ **ASSET QUALITY**: Strategic ground positions in highly prospective belts, and a resource base which continues to grow
- ❖ **DEVELOPMENT OPTIONS**: Three near-term opportunities to produce significant cash flow for Exco:
 1. *Development of White Dam Gold Project in JV with Polymetals*
 2. *Ore-Supply arrangements with Xstrata's Ernest Henry Mine*
 3. *Stand-alone development of the 100% owned Cloncurry Copper Project*
- ❖ **COMMITMENT**: Exco is committed to expediting the path to cash flow, and to creating maximum value for shareholders



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THANK YOU

ASX: EXS

www.excoresources.com.au