PPT-042-DeutscheBnkConf_5-29-08

EXCO Resources, Inc.

Deutsche Bank
2008 Energy & Utilities Conference
May 29, 2008

Forward Looking Statements

This presentation contains forward-looking statements, as defined in Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, or the Exchange Act. These forward-looking statements relate to, among other things, the following:

- our future financial and operating performance and results;
- our business strategy;
- market prices;
- our future commodity price risk management activities; and
- our plans and forecasts.

We have based these forward-looking statements on our current assumptions, expectations and projections about future events.

We use the words "may," "expect," "anticipate," "estimate," "believe," "continue," "intend," "plan," "budget" and other similar words to identify forward-looking statements. You should read statements that contain these words carefully because they discuss future expectations, contain projections of results of operations or of our financial condition and/or state other "forward-looking" information. We do not undertake any obligation to update or revise publicly any forward-looking statements, except as required by law. These statements also involve risks and uncertainties that could cause our actual results or financial condition to materially differ from our expectations in this presentation, including, but not limited to:

- fluctuations in prices of oil and natural gas;
- imports of foreign oil and natural gas, including liquefied natural gas;
- future capital requirements and availability of financing;
- estimates of reserves and economic assumptions used in connection with our acquisitions;
- geological concentration of our reserves;
- risks associated with drilling and operating wells;
- exploratory risks, including our Marcellus and Huron shale plays in Appalachia and our Haynesville shale play in East Texas/North Louisiana;
- risks associated with operation of natural gas pipelines and gathering systems;
- discovery, acquisition, development and replacement of oil and natural gas reserves;
- cash flow and liquidity;
- impact of our private placement of preferred stock and the impact of dividends on our capital resources and liquidity;
- timing and amount of future production of oil and natural gas;
- availability of drilling and production equipment;
- marketing of oil and natural gas;
- developments in oil-producing and natural gas-producing countries;
- title to our properties;
- competition;
- litigation;
- general economic conditions, including costs associated with drilling and operation of our properties;
- governmental regulations;
- receipt of amounts owed to us by purchasers of our production and counterparties to our derivative financial instruments;
- deciding whether or not to enter into derivative financial instruments;
- events similar to those of September 11, 2001;
- actions of third party co-owners of interests in properties in which we also own an interest;
- fluctuations in interest rates; and
- our ability to effectively integrate companies and properties that we acquire.

Forward Looking Statements (continued)

We believe that it is important to communicate our expectations of future performance to our investors. However, events may occur in the future that we are unable to accurately predict, or over which we have no control. You are cautioned not to place undue reliance on a forward-looking statement. When considering our forward-looking statements, keep in mind the risk factors and other cautionary statements in this presentation, and the risk factors included in the Annual Reports on Form 10-K and our Quarterly Reports on Form 10-Q.

Our revenues, operating results, financial condition and ability to borrow funds or obtain additional capital depend substantially on prevailing prices for oil and natural gas. Declines in oil or natural gas prices may materially adversely affect our financial condition, liquidity, ability to obtain financing and operating results. Lower oil or natural gas prices also may reduce the amount of oil or natural gas that we can produce economically. A decline in oil and/or natural gas prices could have a material adverse effect on the estimated value and estimated quantities of our oil and natural gas reserves, our ability to fund our operations and our financial condition, cash flow, results of operations and access to capital. Historically, oil and natural gas prices and markets have been volatile, with prices fluctuating widely, and they are likely to continue to be volatile.

The SEC has generally permitted oil and natural gas companies, in filings made with the SEC, to disclose only proved reserves that a company has demonstrated by actual production or conclusive formation tests to be economically and legally producible under existing economic and operating conditions. We use the terms “probable”, “possible”, “potential” or “unproved” to describe volumes of reserves potentially recoverable through additional drilling or recovery techniques that the SEC’s guidelines prohibit us from including in filings with the SEC. These estimates are by their nature more speculative than estimates of proved reserves and accordingly are subject to substantially greater risk of being actually realized by the company. While we believe our calculations of unproved drillsites and estimation of unproved reserves have been appropriately risked and are reasonable, such calculations and estimates have not been reviewed by third party engineers or appraisers. Investors are urged to consider closely the disclosure in our Annual Report on Form 10-K for the year ended December 31, 2007 available on our website at www.excoresources.com under the Investor Relations tab or by calling us at 214-368-2084.

Disciplined Growth Strategy

EXCO's formula for creating equity value enables us to deliver strong, sustainable equity returns over the long term

Disciplined Growth Strategy

Aggressively Develop Asset Base

IRR Target: 25-45%

Acquire Long-Life Properties in Key Areas

IRR Target: 12-15%

Identify and Exploit Upside Potential

IRR Target: 25-100%

Operate Efficiently

Finance Appropriately

Achieve Outstanding Equity Returns
Target – 25-35%
Actual – 43.4%
since 1998

Key Investment Highlights

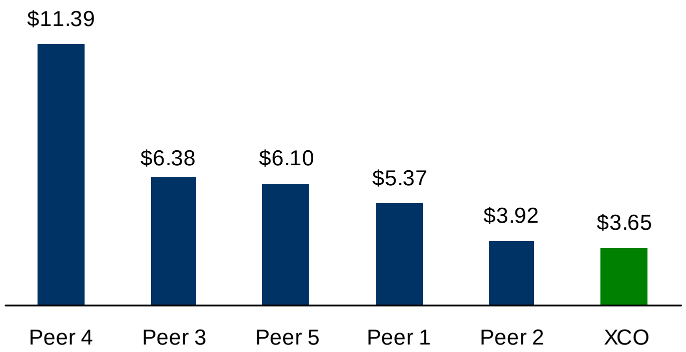
Our track record and reserve base have positioned us as a Top 25 US domestic oil and natural gas company

- **Outstanding Track Record**
  - **43.4% annualized growth** in common share value since 1998
  - **40%** and **69%** compounded **growth rates** in production and reserves since 2004
- **Outstanding Reserve Base**(1)
  - **2.1 Tcfe** proved reserves
  - **2.4 Tcfe** low risk unproved reserves
  - **10.5 - 18.5 Tcfe** additional higher risk potential
- **Strong Inventory of Drilling Locations and Acreage**
  - More than **12,000 engineered, low risk drilling locations**; approximately **900 engineered exploitation projects**
  - **2.0 million net acres** including acreage in Marcellus, Huron and Haynesville shale
- **Experienced Management Team with Significant Insider Ownership**
  - Average **20+ years of public/private** experience
  - **Management** and **ALL employees own 13.0%** of common shares on a fully diluted basis (excluding preferred shares)
  - **Outside board members and their affiliates own 19.7%** of common shares on a fully diluted basis (excluding preferred shares)
- **Competitive Industry Position**
  - **Top 25 US domestic oil and gas company** in reserves and production, including the majors
  - **$7.7 billion enterprise value**

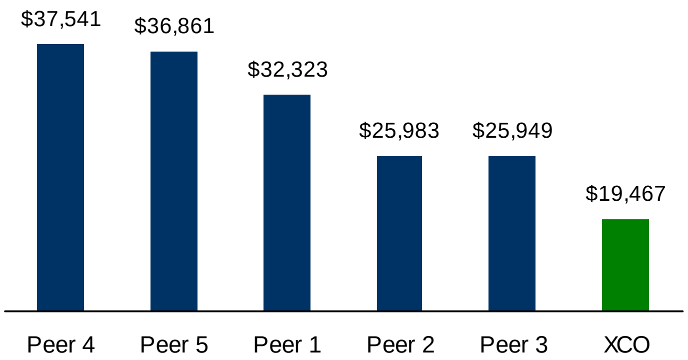
(1) The reserve estimates provided throughout this document reflect $8 natural gas and $60 oil pricing, adjusted for differentials and excluding hedge effects

Peer Valuation Comparison

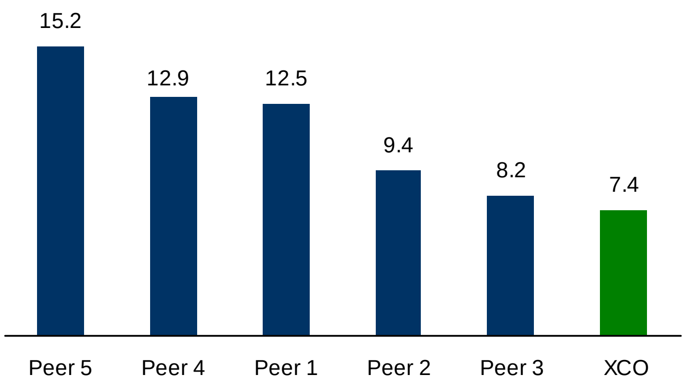
Enterprise Value / Proved Reserves[1,2]



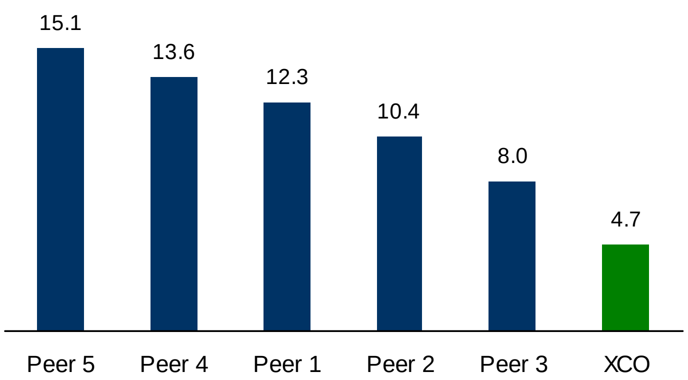
Enterprise Value / Daily Production[3]



Enterprise Value / EBITDA[4]



Share Price / Cash Flow per Share[5]



1) Enterprise value based on first quarter 2008 balance sheet and adjusted for latest disclosed equity offerings, acquisitions, and dispositions with the stock price as of close on 5/22/08
2) Proved reserves as of 12/31/07 and adjusted based on latest disclosed acquisitions and dispositions through 5/21/08
3) Daily production as of first quarter 2008
4) EBITDA is the mean 2008 projection from Thomson Financial as of 5/22/08
5) See footnote one for discussion on stock price, and cash flow per share is the mean 2008 projection from Thomson Financial as of 5/22/08

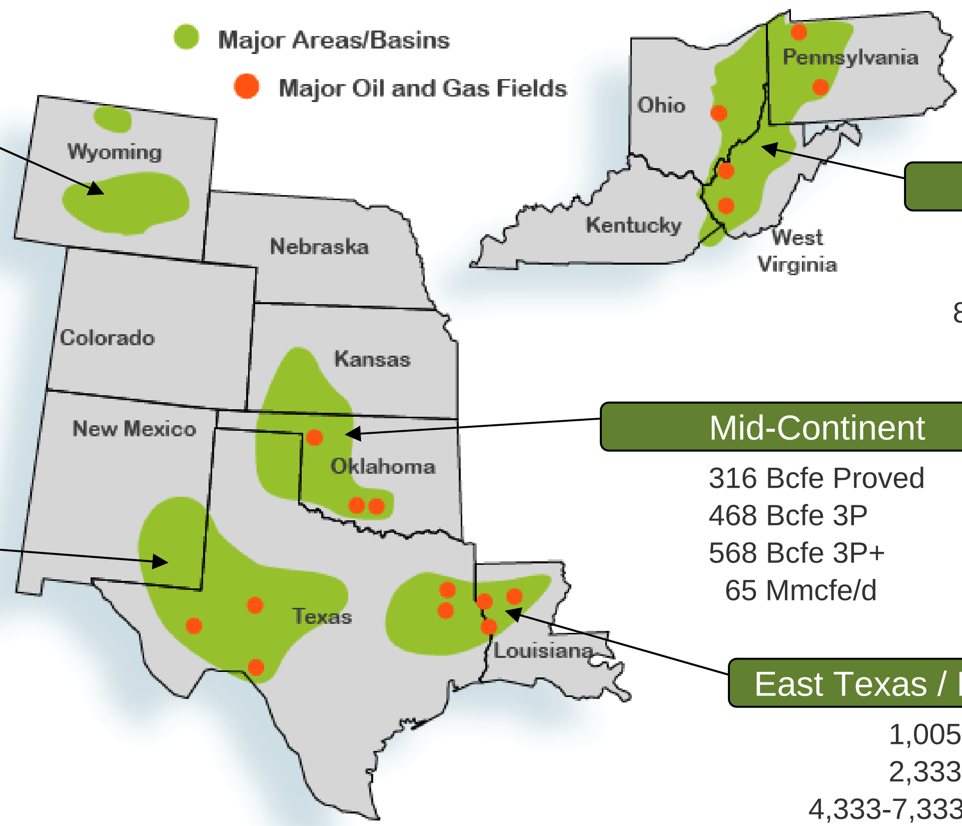
Note: Peers include RRC, COG, HK, SWN, and SD

Reserve Base

Our focus areas contain between 15 and 23 Tcfe of reserves

Proved Reserves = 2.1 Tcfe
3P+ Reserves = 15.0 – 23.0 Tcfe

3P Reserves = 4.5 Tcfe
Current Production = 400 Mmcfe/d



Rockies

12 Bcfe Proved
233 Bcfe 3P
1,333 Bcfe 3P+
2 Mmcfe/d

Permian Basin

144 Bcfe Proved
339 Bcfe 3P
639 Bcfe 3P+
30 Mmcfe/d

Appalachia

584 Bcfe Proved
1,160 Bcfe 3P
8,160-13,160 Bcfe 3P+
60 Mmcfe/d

Mid-Continent

316 Bcfe Proved
468 Bcfe 3P
568 Bcfe 3P+
65 Mmcfe/d

East Texas / North Louisiana

1,005 Bcfe Proved
2,333 Bcfe 3P
4,333-7,333 Bcfe 3P+
243 Mmcfe/d

Inventory for the Future

Includes over 23,000 drilling locations representing 13.6 - 21.6 Tcfe of reserves

Developing Potential
10.5 - 18.5 Tcfe
11,200+ Locations

	Potential Locations	Reserves (Bcfe)	Time Line To Evaluate
Appalachia	6,500+	7,000-12,000	2-5 years
ETX/NLA	1,500+	2,000-5,000	2-4 years
Mid-Continent	500+	100	3-5 years
Permian	700+	300	2-5 years
Rockies	2,000+	1,100	3-5 years

Low Risk Drilling
Upside 3.1 Tcfe
12,000 Locations

	Engineered Locations	Reserves (Bcfe)	Time Line To Develop/Prove
Appalachia	8,165	787	14-15 years
ETX/NLA	2,466	1,616	4-6 years
Mid-Continent	548	204	4-8 years
Permian	684	250	4-5 years
Rockies	150	226	2-4 years

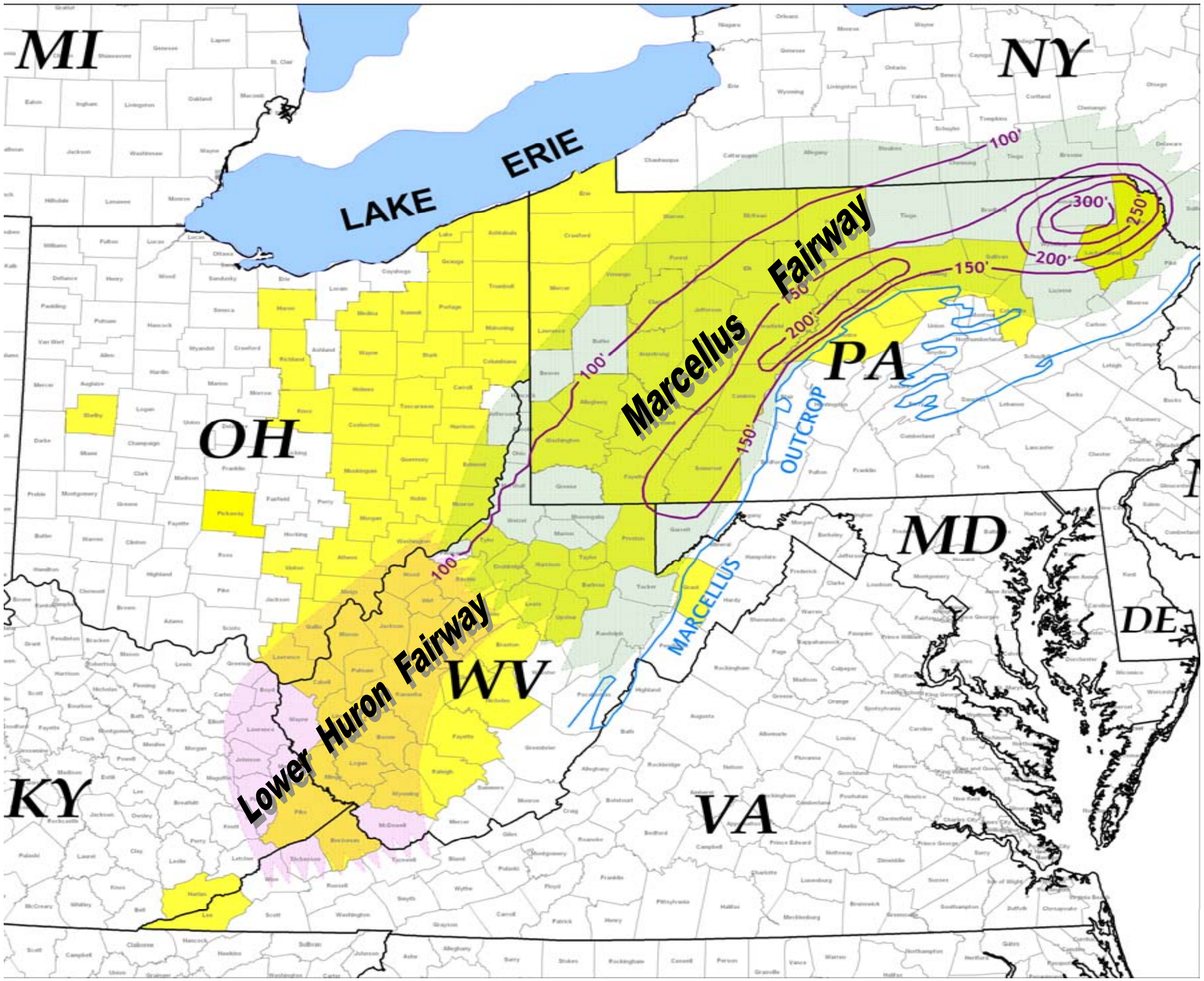
$7.3 Billion of Future Capital

Proved Developed
1.4 Tcfe

- Nearly all low risk reserves will be developed or proved over 4 to 6 years

Marcellus and Huron Shale Fairways

We believe our Appalachian Division assets contain 7 - 12 Tcfe of potential shale reserves



Marcellus

- Total Marcellus shale acreage
  - 450,000 gross
  - 415,000 net
- Marcellus fairway acreage
  - 290,000 gross
  - 276,000 net in > 100' thick and overpressured
- Drill four horizontal Marcellus wells
  - First spud in Q2 2008
- Drill seven to ten vertical Marcellus wells across acreage in 2008

Huron

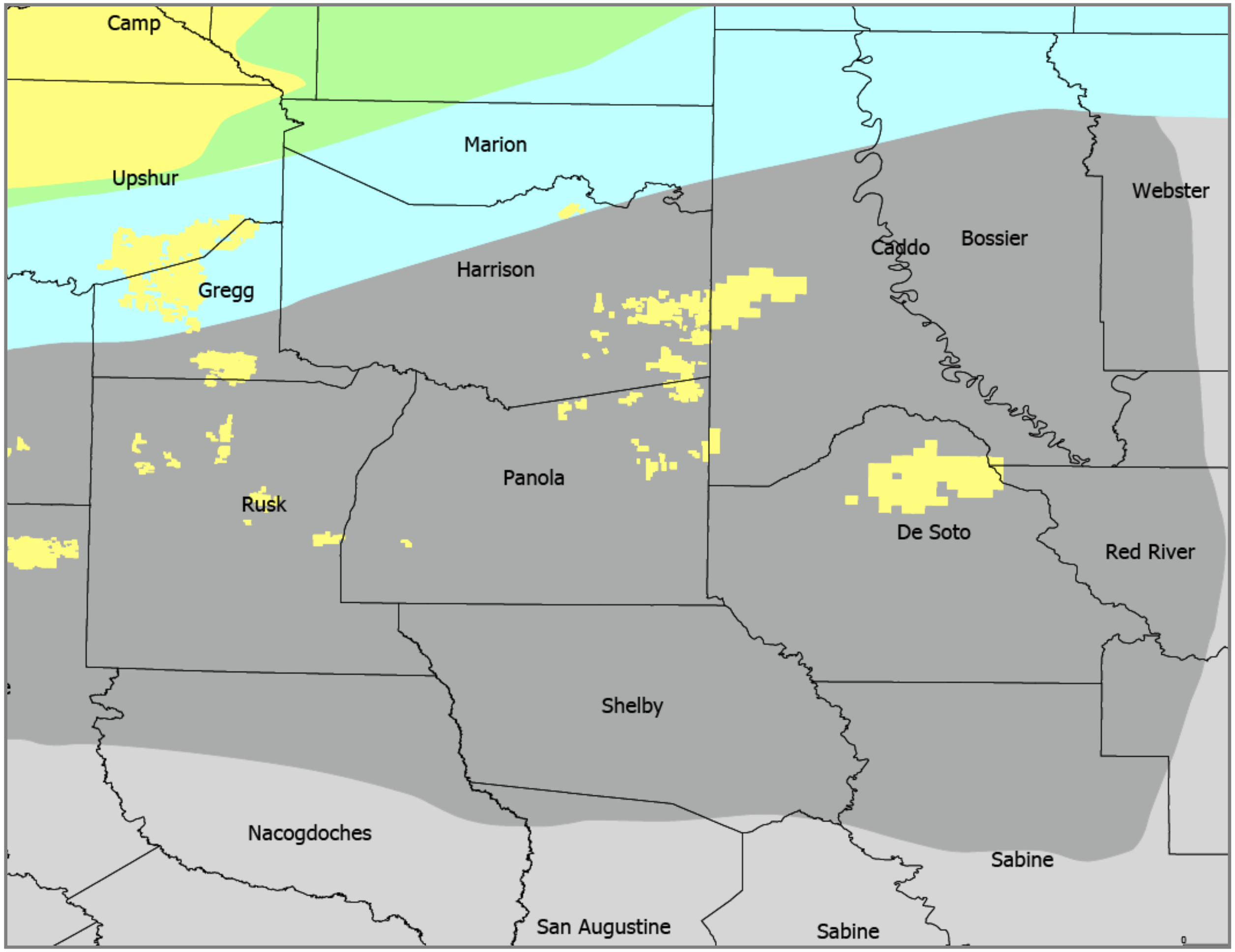
- Total Huron shale acreage
  - 142,000 gross
  - 121,000 net
- Drill 2 or more Huron wells
  - First spud in Q2 2008

Marcellus and Huron

- Continue leasing prospective acreage throughout both plays
- We believe we have 7-12 Tcfe of potential reserves in the Appalachian shales

Haynesville Shale

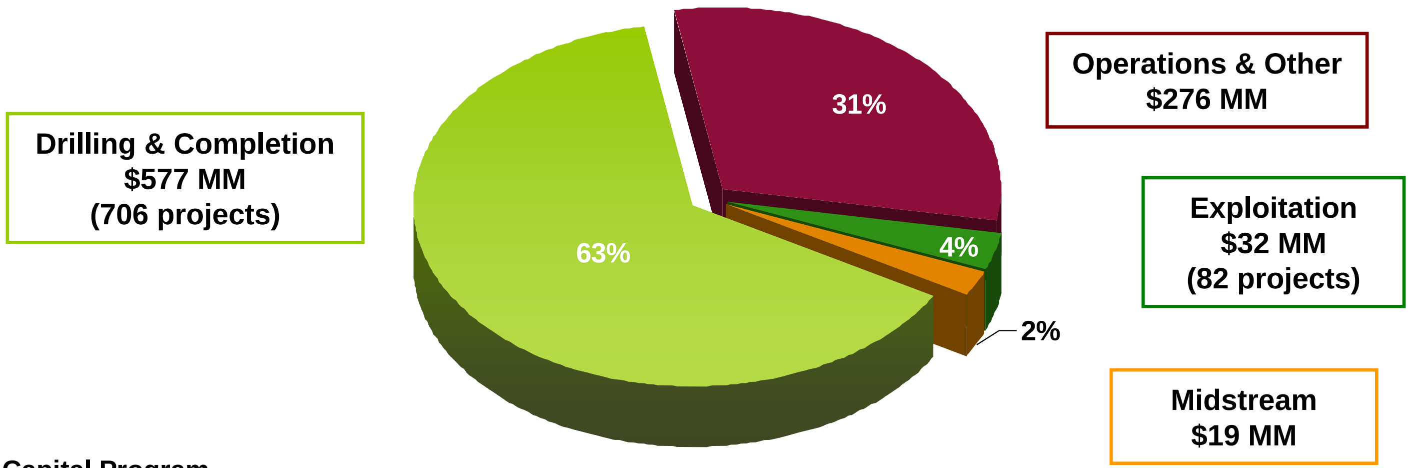
We believe our East Texas / North Louisiana division assets contain 2-5 Tcfe of Haynesville shale potential



- Total Haynesville shale acreage
  - 123,000 gross
  - 101,000 net
- 2008 activities
  - Drilled 2 vertical evaluation wells
  - Plan to drill 3-4 horizontals and 10 or more verticals in 2008
  - Continue leasing prospective acreage
- We believe there are 2-5 Tcfe of potential reserves

2008 Capital Budget and Drilling Schedule

Our currently approved development budget totals $923[1] million, which includes $150 million for Marcellus shale leasing and drilling and $90 million for Haynesville shale leasing and drilling



2008 Capital Program

Area	Drilling & Completion (Net MM)	Gross Projects (#)	Exploitation (Net MM)	Gross Projects (#)	Operations & Other (Net MM)	Total 2008 Captial Budget (Net MM)
ETX / NLA	$309	149	$26	25	$126	**$461**
Appalachia	111	335	1	22	131	**243**
Mid-Continent	48	57	4	30	5	**57**
Permian	98	156	1	3	10	**109**
Rockies	11	9	-	2	4	**15**
Total	$577	706	$32	82	$276	**$885**

(1) Includes $19MM of Midstream capital and $19MM of IT capital

Liquidity and Financial Position

(in thousands)	March 31, 2008	May 1, 2008
Cash	$ 9,113	$ 80,078
Bank debt (LIBOR + 125-175bps)	$ 2,024,200	$ 2,105,500
Senior notes (7 $^1/_4$%)(1)	444,720	444,720
Total debt	$ 2,468,920	$ 2,550,220
7% convertible preferred(2)	$ 2,000,000	
Common shareholders' equity	925,191	
Total capitalization	$ 5,394,111	
Net debt to total capitalization	46%	
Borrowing base	$ 2,475,000	$ 2,475,000
Unused borrowing base(3)	$ 446,500	$ 365,200

(1) Excludes unamortized bond premium
(2) Excludes $7 million in offering costs
(3) Net of $4.3 million in letters of credit at both March 31, 2008 and May 1, 2008

Current Hedge Position

NYMEX Swaps	Gas Mmcf	Contract price per Mmcf	Oil Mbbls	Contract price per Bbl	Percent Hedged[1]
Q2 2008	26,695	$ 8.27	355	$ 68.23	80%
Q3 2008	26,900	8.29	358	68.20	79%
Q4 2008	26,910	8.39	358	68.16	77%
2009	100,530	8.18	1,215	69.11	72%
2010	40,748	8.03	473	84.85	29%
2011	9,125	7.97	-	-	6%
2012	1,830	4.51	-	-	1%
2013	1,825	4.51	-	-	1%
Total	234,563	$ 8.14	2,759	$ 71.45	
	Total of 251,117 Mmcfe Hedged at $8.38				

- Target hedging 65-80% of production volumes for 3-5 years
- Hedging program covers long term debt
- Only 12% of Proved Reserves hedged
- $700 million of interest rate swaps at an average LIBOR rate of 2.66%

(1) Based on 2008 production guidance

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