Fourth Quarter & Full Year 2016 Review

Hal Hickey	Chief Executive Officer
Harold Jameson	Chief Operating Officer
Tyler Farquharson	Chief Financial Officer

March 20, 2017

Strategic Plan Update

Focus Area	#	Improvement Plan	Update
Liability Management	1	Improve Debt Structure To Provide Structural Liquidity	• Issued $300MM in new 1.5 Lien Notes and exchanged $683MM in existing 2nd Lien Term Loans for new 1.75 Lien Term Loans. These instruments allow for the Company to pay interest in either common shares or additional debt • Credit Agreement amended to establish a borrowing base of $150MM; amendments allow for the issuance of 1.5 Lien Notes and 1.75 Lien Term Loans and modification of certain covenants • Liquidity pro forma for recent transactions totals $182MM • Continuing to evaluate repurchase of 2018 and 2022 unsecured notes. The Company currently has $132MM outstanding on its 2018 Notes and $70MM outstanding on its 2022 Notes
	2	Restructure Gathering And Transportation Contracts To Provide Liquidity	• Negotiating with midstream and transportation providers to restructure gathering and transportation contracts • Significant amount of underutilized capacity and fee structures above current market rates
Operational Performance	3	Reduce LOE and G&A Load To Reduce Fixed Cost Burden	• Divested non-core, conventional assets in Pennsylvania and West Virginia which had the highest LOE per Mcfe in the Company's portfolio; footprint in Marcellus, Upper Devonian and Utica remains unchanged post sale • Decreased LOE costs by 35% in '16 compared to '15 • Adjusted G&A decreased by 39% in '16 compared to '15, excluding equity based compensation, restructuring and severance costs
	4	Improve Drilling And Completion Performance To Improve Capital Returns	• Enhanced completions in the Haynesville with 2,700 lbs/ft have improved EUR/ft to 2.3 Bcf/1,000 ft in NLA and to 2.6 Bcf/1,000 ft in ETX • Company is implementing larger completion designs in 2017, increasing proppant amount from 2,700 lbs/ft to 3,500 lbs/ft • Achieved the lowest Haynesville development cost per completed lateral ft in EXCO's history ($1,150/ft with most recent NLA wells in 2016)
Capital Deployment	5	Implement A "Liquidity Driven" Prioritized Capital Allocation System To Ensure Highest And Best Use Of Capital	• Measuring capital allocation decisions against liquidity intensity benchmark • Evaluating potential sale of South Texas asset; proceeds from sale would primarily be redeployed to develop the Company's position in North Louisiana and East Texas

$300 Million Issuance Of Secured Debt To Provide Liquidity For Drilling Program

	Item	Key Highlights
1	Secured Debt With Low Cash Coupon With Optionality	• Interest is payable on the 1.5 Lien Notes in cash at a rate of 8% per annum, or at EXCO's option, payable in EXCO's common shares or additional 1.5 Lien Notes at a rate of 11% per annum, subject to certain limitations • Interest payable on the 1.75 Lien Term Loans in cash at a rate of 12.5% per annum, or at EXCO's option, payable in EXCO's common shares or additional 1.75 Lien Term Loans at a rate of 15% per annum, subject to certain limitations
2	Provided Liquidity For Capital Investment Program	• Increased pro forma liquidity by $116MM • Provides EXCO the optionality to reduce cash interest payments up to $109MM[1] per year, or $433MM[1] through maturity, through the issuance of common shares or additional indebtedness on 1.5 Lien Notes and 1.75 Lien Term Loans, subject to certain restrictions • EXCO intends to deploy this capital towards the 850 gross (280 net) operated locations in our portfolio with rates of return in excess of 25%
3	Obtained Covenant Relief	• The Second Lien Terms Loans were amended, with the consent of the exchanging lenders, to permit the issuance of the 1.5 Lien Notes and 1.75 Lien Term Loans, and eliminate substantially all of the covenants and events of default • Amended Credit Agreement to establish a borrowing base of $150 million, permit the issuance of the 1.5 Lien Notes and the 1.75 Lien Term Loans, and modify certain financial covenants
4	Extended Runway	• Extended weighted average debt maturity from 3.0 years to 3.9 years, 30% improvement
5	Improved Long Term Value	• Established structural liquidity to deploy capital towards EXCO's portfolio of drilling opportunities with high rates of return • Warrants have $0.93/share strike price, which represents approximately a 50% premium to our current share price

1. Assumes all interest is paid in common shares or additional indebtedness

Capital Transaction Detail

Sources & Uses $MM 1

Sources Of Cash	
New 1.5 Lien Notes	300
Subtotal, Sources of Cash	300
Uses of Cash	
Repay Credit Agreement[1]	254
1.5 Lien Commitment Fee	4
2nd Lien Amendment Fee	9
Fees and Expenses	12
Cash to Balance Sheet[2]	22
Subtotal, Uses Of Cash	300

Cap Table $MM 2

	12/31/2016	Pro Forma	% Change
Cash And Restricted Cash[2]	20	42	110%
Credit Agreement[1]	229	0	(100)%
1.5 Lien Notes	0	300	N/A
1.75 Lien Term Loans	0	683	N/A
2nd Lien Term Loans	700	17	(98)%
2018 Unsecured Notes	132	132	0%
2022 Unsecured Notes	70	70	0%
Gross Debt	1,131	1,202	6%
Net Debt	1,111	1,160	4%
Key Metrics			
Borrowing capacity on revolver	285	150	(47)%
Liquidity	66	182	176%

Warrants Q4 16; Mixed Measures 3

	Unit	Warrants Strike Price	Warrants Outstanding[3]	Common Shares Outstanding
Common Shares Outstanding (as of 12/31/2016)	$/MM			283.0
Financing Warrants	$/MM	0.93	322.6	
Commitment Fee Warrants	$/MM	0.01	6.5	
Amendment Fee Warrants	$/MM	0.01	19.9	

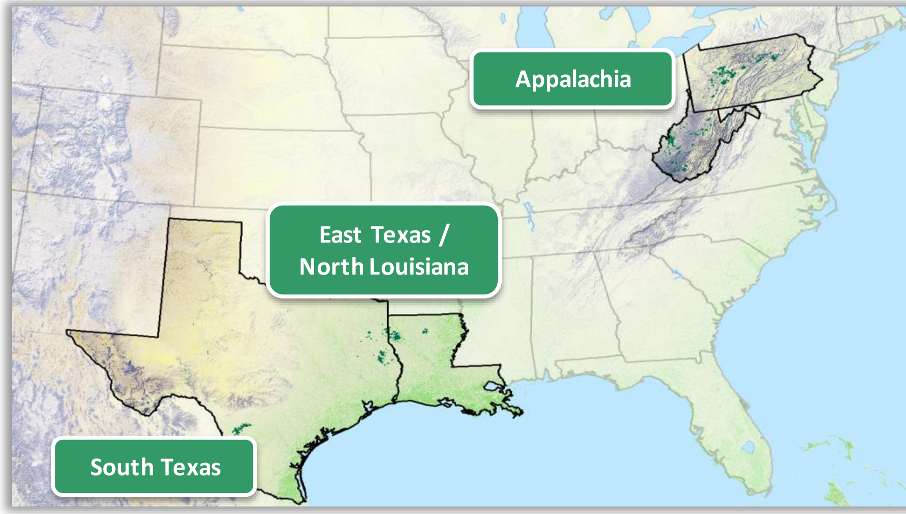
1. Balance includes amount drawn on revolver of $229 million at December 31, 2016, plus additional borrowings of $25 million incurred subsequent to December 31, 2016.
2. Pro forma cash is equal to cash and restricted cash at 12/31/2016 plus cash to balance sheet from sources & uses table
3. The exercisability of the warrants are subject to conditions including the receipt of shareholder approval. The amount of actual common shares purchased by the exercise of the Financing Warrants could be significantly lower than the amount depicted depending on the holder's election of either cash or cashless exercise.

EXCO Overview: Three Concentrated Resource Positions

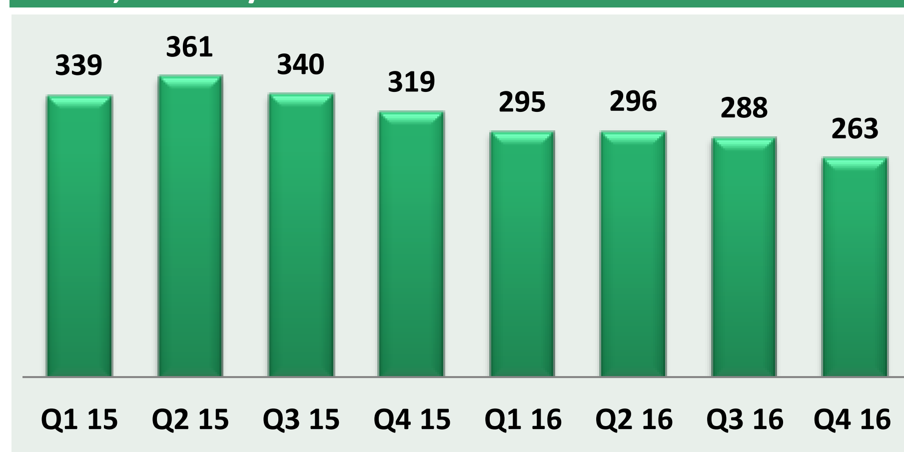
Operating Area Overview 1

East Texas and North Louisiana	
Net Acres/%HBP[1]	96,300/87%
Q4 ‘16 Operated Rigs	0
Q4 ‘16 Net Production (Mmcfe/d)	209
12/31/16 Proved Reserves (Bcfe)[2]	1,110
South Texas	
Net Acres/% HBP[1]	49,300/95%
Q4 ‘16 Operated Rigs	0
Q4 ‘16 Net Production (Boe/d)	4,500
12/31/16 Proved Reserves (Bcfe)[2]	155
Appalachia and Other	
Net Acres/% HBP[1]	184,100/93%
Q4 ‘16 Operated Rigs	0
Q4 ‘16 Net Production (Mmcfe/d)	27
12/31/16 Proved Reserves (Bcfe)[2]	238
Total	
Net Acres/% HBP[1]	329,700/92%
Q4 ‘16 Operated Rigs	0
Q4 ‘16 Net Production (Mmcfe/d)	263
12/31/16 Proved Reserves (Bcfe)[2]	1,503

Core Basins 2



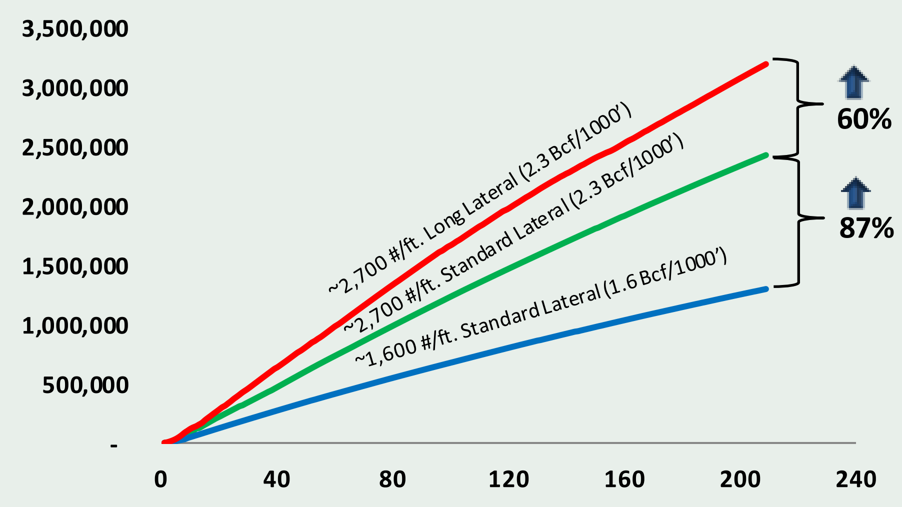
Net Production[3]
15-16; Mmcfe/d 3



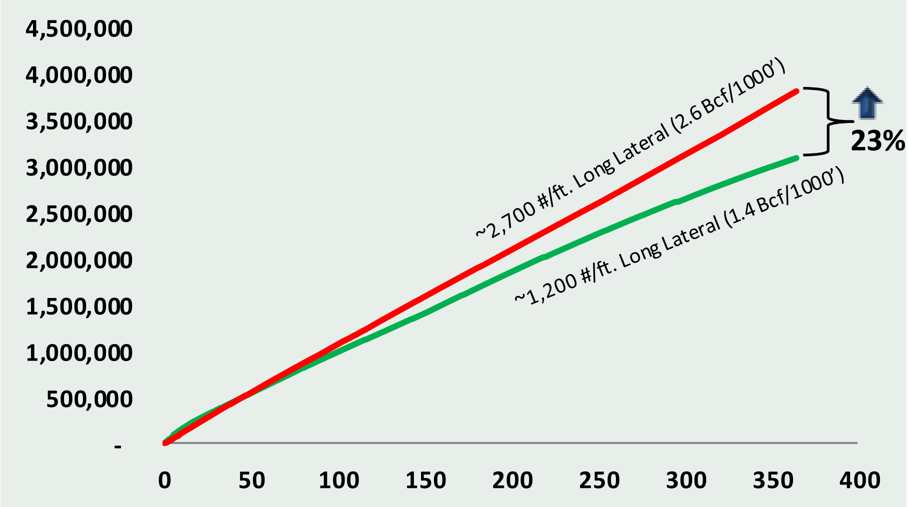
1. As of December 31, ’16.
2. Proved reserves were based on December 30, 2016 NYMEX futures prices, in each case adjusted for geographical and historical differentials. The NYMEX proved reserves disclosed differ from proved reserves that would be prepared based on the methodology prescribed by GAAP primarily due to the oil and natural gas prices and the development plans utilized in the classification of undeveloped locations. This measure should not be purported to be in accordance with GAAP nor is it indicative of the Company’s proved reserves if they were prepared in accordance with GAAP.

Improve Drilling And Completion Performance To Improve Capital Returns

NLA Cumulative Gas vs. Time Mcf; Days 1



ETX Cumulative Gas vs. Time Mcf; Days 2

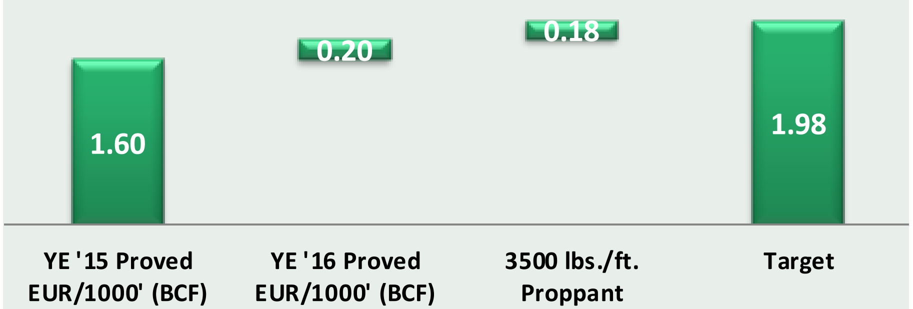


Well Performance 3

- Wells with ~2,700 lb/ft completions performance exceeding expectations
- Larger stimulation design having positive impact on existing wells
- Larger completions and longer laterals delivering 147% more volume in approximately 200 days on line in NLA
- Three long lateral wells in NLA turned-to-sales in Q3 '16 averaged $8.8MM/well
- Larger completions delivering 23% more volume in approximately 350 days online in ETX
- Most recent well TTS in the southern area of ETX in Q1 '16 cost $10.3MM. This well was drilled in the deepest part of the Haynesville play to a TVD of >14,500'

NLA Caddo Type Curve Progression 2016+; Bcf/1000' 4

NPV-10 (8/8ths) of Target is $10.7MM, up from $8.6MM at YE '15

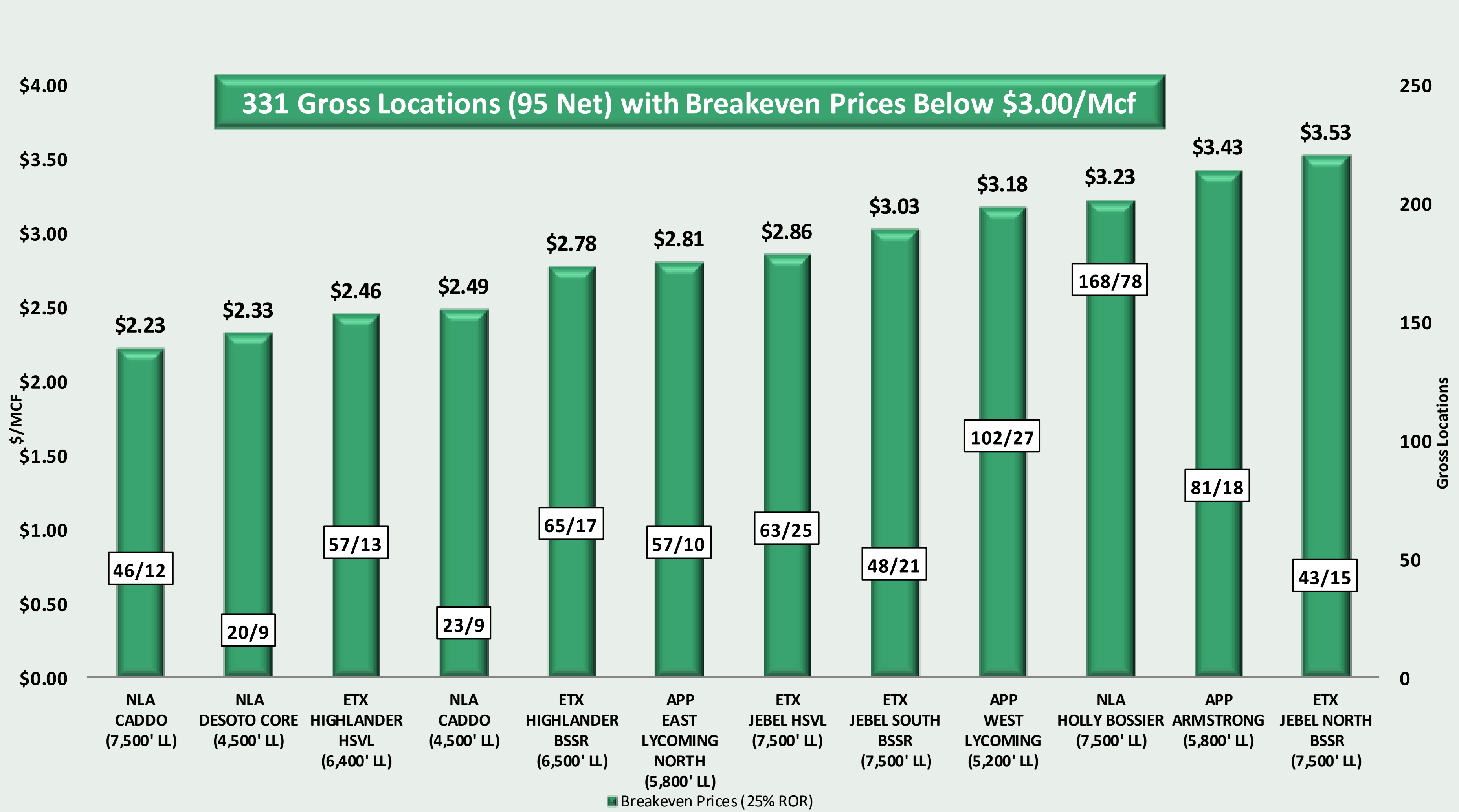


NLA and ETX wells continue to exceed expectations; pressure decline is currently <10 psi/day and volumes continue to exceed t ype curve expectations

High Quality Drilling Inventory

Drilling Inventory[1]
Breakeven Price Required for 25% IRR ($/Mcf)[2]; Gross/Net Locations

1



EXCO has more than 19 years of economic drilling locations with a 4 rig program drilling 41 wells per year

1. Excludes South Texas locations.
2. Breakeven figures are wellhead returns

Financial And Operational Results

Factors	Unit	Quarter-to-Date 4Q 16 Actual	3Q 16 Actual	3Q 16 % Change[1]	4Q 15 Actual	4Q 15 % Change[1]	Year-to-Date 4Q 16 Actual	4Q 15 Actual	4Q 15 % Change[1]
Rig Count	#	0	0	0	3	(100)	1	4	(75)
Gross/Net Wells Drilled	#	0/0.0	0/0.0	0	6/2.7	(100)	6/5.2	37/17.8	(71)
Gross/Net Wells Turned To Sales	#	1/0.4	3/2.7	(85)	8/4.3	(91)	15/9.2	68/29.2	(68)
Production									
Oil	Mbbl	381	391	(3)	609	(37)	1,769	2,342	(24)
Natural Gas	Bcf	21.9	24.1	(9)	25.7	(15)	93.8	109.9	(15)
Total	Bcfe	24.2	26.5	(9)	29.3	(17)	104.4	124.0	(16)
Total Daily	Mmcfe/d	263	288	(9)	319	(18)	285	340	(16)
Realized Price Differentials									
Oil	$/Bbl	(2.86)	(3.57)	(20)	(4.57)	(37)	(4.30)	(4.78)	(10)
Natural Gas	$/Mcf	(0.50)	(0.54)	(7)	(0.63)	(21)	(0.51)	(0.61)	(16)
Financial Results									
Lease Operating Expense	$/Mcfe	0.36	0.33	9	0.41	(12)	0.33	0.43	(23)
Production Taxes	$/Mcfe	0.09	0.14	(36)	0.21	(57)	0.15	0.18	(17)
Gathering And Transportation	$/Mcfe	1.10	1.06	4	0.86	28	1.02	0.80	28
Adj. General And Administrative[2]	$MM	6	7	(11)	12	(50)	28	46	(39)
Interest Expense[3]	$MM	16	16	0	21	(24)	66	101	(35)
Adj. EBITDA[4]	$MM	26	25	4	47	(45)	96	233	(59)
Capital Expenditures	$MM	8	14	(43)	35	(77)	78	277	(72)

1. Percentage change calculated using net wells drilled and net wells turned to sales, respectively.
2. Adjusted General and Administrative is a non-GAAP measure. See appendix for definition and reconciliation.
3. Interest expense excludes the amortization of debt issuance costs, discount on notes and capitalized interest. In addition, cash payments under the Exchange Term Loan are not considered interest expense per ASC 470-60 and are excluded from the cash interest expense amounts shown. EXCO's payments on the Exchange Term Loan in '16 total $50.0 million.
4. Adjusted EBITDA is a non-GAAP measure. See appendix for definition and reconciliation.

Actuals To Guidance Comparison

		Three Months Ended				
		4Q 16	4Q 16 Guidance		1Q 17 Guidance	
Factors	Unit	Actual	Low	High	Low	High
Wells Spud (Gross/Net)	#	0/0.0	0/0.0		5/3.9	
Wells Turned To Sales (Gross/Net)	#	1/0.4	0/0.0		0/0.0	
Production						
Oil	Mbbl	381	335	355	300	320
Natural Gas	Bcf	21.9	21.5	22.3	19.4	20.1
Total	Bcfe	24.2	23.5	24.4	21.2	22.1
Total Daily	Mmcfe/d	263	255	265	235	245
Realized Price Differentials						
Oil	$/Bbl	(2.86)	(3.00)	(4.00)	(3.00)	(4.00)
Natural Gas	$/Mcf	(0.50)	(0.50)	(0.60)	(0.50)	(0.60)
Financial Results						
Lease Operating Expense	$/Mcfe	0.36	0.35	0.40	0.40	0.45
Production Taxes	$/Mcfe	0.09	0.15	0.20	0.15	0.20
Gathering And Transportation	$/Mcfe	1.10	1.05	1.10	1.20	1.25
General And Administrative[1]	$MM	10	9	10	9	10
Interest Expense[2]	$MM	16	16	18	24	28

1. Excludes equity based compensation expense.
2. Interest expenses exclude the amortization of debt issuance costs, discount on notes and capitalized interest. In addition, cash payments under the Exchange Term Loan are not considered interest expense per ASC 470-60 and are excluded from the cash interest expenses amounts shown. EXCO's expected payments on the Exchange Term Loan in '16 are $50.0 million.

Hedge Positions

Factors	Unit	Twelve Months Ended 12/31/17		Twelve Months Ended 12/31/18	
		Volume	Price	Volume	Price
Natural Gas					
Fixed Price Swaps - Henry Hub	Bbtu, $/Mmbtu	38,300	3.02	3,650	3.15
Collars - Henry Hub	Bbtu	10,950			
Sold Call Options	$/Mmbtu		3.28		
Purchased Put Options	$/Mmbtu		2.87		
Oil					
Fixed Price Swaps - WTI	Mbbl, $/Bbl	183	50.00	-	-
Percent Hedged[1]					
Natural Gas	%	71		11	
Oil	%	15		-	

1. Percent hedged based on PDP production forecast.

Appendix

Key Transaction Terms

	Item	
1	Format	• $300MM 1.5 Lien Notes • $683MM of existing 2nd Lien Term Loans exchanged for new 1.75 Lien Term Loans
2	Issue Price	• 100%
3	Closing Date	• March 15, 2017
4	Maturity Date	• March 20, 2022
5	Use of Proceeds	• Repay revolver borrowings, transaction fees and general corporate purposes
6	1.5 Lien Interest Rate	• 8.0% cash • 11.0% PIK • PIK interest converted into shares of common stock at 20-day VWAP or additional indebtedness as of each interest payment date • Company can pay in-kind any interest payment on or prior to December 31, 2018 • Ability for Company to pay interest in-kind beyond 2018 will be governed by a liquidity scale
7	Financing Warrants	• 322.6MM 5 year tenor warrants issued to holders of new 1.5 Lien Notes with an exercise price of $0.93/share
8	1.5 Lien Commitment Fee	• Fee equal 3% of the aggregate principal amount of 1.5 Lien Notes paid to new holders • 6.5MM penny warrants issued • $4.5MM cash fees paid
9	2nd Lien Exchange	• Interest on the new 1.75 Lien Term Loans can be paid in equity or additional debt at Company's option
10	1.75 Lien Interest Rate	• 12.5% cash • 15.0% PIK
11	2nd Lien Amendment Fee	• Amendment fee equal to 10% of outstanding common stock paid to all exchanging 2nd Lien holders • 19.9MM penny warrants issued • $8.6MM cash fees paid
12	Shareholder Approval	• If requisite shareholder approvals are not obtained by the end of the 6th month after closing, the cash interest rate on the 1.5 Lien Notes will increase to 15% and the PIK interest rate will increase to 20%
13	Default	• Upon the occurrence of an event of default, the cash interest rate and the PIK interest rate will each increase by an additional 2% on the 1.5 Lien Notes and 1.75 Lien Term Loans
14	Credit Agreement	• Borrowing base reduced from $325MM to $150MM with flexibility under 1.5 Lien Notes to increase facility size up to $200MM

Single Well Economics – Internal Type Curves

		Unit	NLA DeSoto Core	NLA Caddo X-Unit Lateral	NLA Caddo Standard Lateral	NLA Bossier X-Unit Lateral	ETX Shelby HSVL	ETX Highlander HSVL	ETX Highlander BSSR
1	Target Lateral Length	Ft	4,500	7,500	4,500	7,500	7,500	6,500	6,500
2	Gross Locations	#	20	46	23	168	63	57	65
3	Net Locations	#	9	12	9	78	25	13	17
4	WI	%	43	25	37	46	39	23	26
5	NRI	%	33	19	28	36	31	18	20
6	Spacing	Acres	136	227	136	227	241	221	223
	Type Curve								
7	IP	Mcf/d or Boe/d	14,000	17,600	13,200	10,900	9,300	11,500	9,500
8	Phase I – Duration Month	Month	16	16	16	12	12	18	16
9	Phase I – B Factor	x	0	0	0	0	0	0	0
10	Phase I – Initial Decline	%	50.00	40.00	52.00	41.00	22.00	22.00	22.00
11	Phase II – Duration Month	Month	10	10	10	14	15	54	56
12	Phase II – B Factor	x	.6	.6	.6	.6	.6	.6	.6
13	Phase II – Initial Decline	%	51.04	51.82	51.04	36.77	41.60	41.60	40.81
14	Phase III – Duration Month	Month	16	16	16	16	9	24	24
15	Phase III – B Factor	x	1	1	1	1	1	1	1
16	Phase III – Initial Decline	%	42.33	42.33	42.33	37.42	38.83	24.73	24.73
17	Phase IV – Initial Decline	%	32.34	32.34	32.34	26.29	35.98	22.34	22.34
18	Terminal Decline	%	6	6	6	6	6	6	6
19	Wellhead EUR	Bcf/Mbo	9.9	14.9	8.9	12	11.3	14.1	11.7
20	EUR per 1,000' (lateral length)	Bcf or Mbo	2.20	1.98	1.98	1.60	1.50	2.20	1.80
21	D&C/Pumping Unit	$MM	6.8	9.3	6.8	11.2	9.5	10.0	9.6
22	LOE Fixed	$/month	1,770	1,770	1,770	1,770	3,034	2,690	2,690
23	Variable/Gathering Expense	$/mcf,$/bbl	.02/.47	.02/.47	.02/.47	.02/.47	0.03/0.29	0.02/0.31	0.02/0.31
24	SWD Expense	$/mcf	.03	.03	.03	.04	.05	.04	.04
	Single Well Returns								
25	NPV10 (8/8ths)[1]	$MM	6.9	10.7	5.5	3.5	4.9	8.4	5.5
26	IRR[1]	%	100	100	95	26	40	62	42
27	Breakeven Flat Price (25%)	$/MMBTU or $/BBL	2.33	2.23	2.49	3.23	2.86	2.46	2.78
28	PV/I, Disc	x	2.03	2.16	1.82	1.32	1.52	1.85	1.58

1. Economics based on NYMEX futures prices as of December 30, 2016, including natural gas prices per MMBtu of $3.63 for 2017, $3.14 for 2018, $2.87 for 2019, $2.88 for 2020, $2.90 for 2021, $2.93 for 2022, $3.02 for 2023, $3.16 for 2024 and $3.31 thereafter.

Non-GAAP Measures and Reconciliations

Consolidated EBITDA and Adjusted EBITDA Reconciliations

	Three Months Ended			Year Ended	
(in thousands)	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
Net income (loss)	$ (34,699)	$ 50,936	$ (65,595)	$ (225,258)	$ (1,192,381)
Interest expense	16,252	16,997	25,260	70,438	106,082
Income tax expense	1,027	1,028	—	2,802	—
Depletion, depreciation and amortization	11,987	15,910	39,266	75,982	215,426
EBITDA(1)	$ (5,433)	$ 84,871	$ (1,069)	$ (76,036)	$ (870,873)
Accretion of discount on asset retirement obligations	204	325	579	2,210	2,277
Impairment of oil and natural gas properties	—	—	205,323	160,813	1,215,370
Other items impacting comparability	—	(1,062)	(252)	23,636	3,889
Gain on restructuring and extinguishment of debt	(83)	(57,421)	(193,276)	(119,457)	(193,276)
Equity loss	7,608	823	14,239	16,432	15,691
(Gain) loss on derivative financial instruments	22,505	(8,209)	(21,442)	34,137	(75,869)
Cash receipts of derivative financial instruments	1,052	4,709	39,823	39,149	128,800
Equity-based compensation expense	220	1,417	3,153	14,778	7,198
Adjusted EBITDA (1)	$ 26,073	$ 25,453	$ 47,078	$ 95,662	$ 233,207
Interest expense	(16,252)	(16,997)	(25,260)	(70,438)	(106,082)
Current income tax expense	—	—	—	—	—
Amortization of deferred financing costs and discount	2,006	2,251	5,911	9,256	16,994
Other operating items impacting comparability and non-operating items	5	(21)	233	437	(3,921)
Changes in working capital	(8,506)	(60,351)	(20,791)	(35,331)	(6,171)
Net cash provided by operating activities	$ 3,326	$ (49,665)	$ 7,171	$ (414)	$ 134,027

1) Earnings before interest, taxes, depreciation, depletion and amortization ("EBITDA") represents net income (loss) adjusted to exclude interest expense, income taxes and depreciation, depletion and amortization. "Adjusted EBITDA" represents EBITDA adjusted to exclude accretion of discount on asset retirement obligations, non-cash changes in the fair value of derivatives, non-cash impairments of assets, equity-based compensation, income or losses from equity method investments and other operating items impacting comparability. In previous periods, the Company added back severance costs in the determination of Adjusted EBITDA. As a result of a reduction in workforce that occurred in the second quarter 2016, management reassessed this measurement and determined it is no longer considered non-recurring. Accordingly, all periods for which Adjusted EBITDA is presented include severance costs.

EXCO has presented EBITDA and Adjusted EBITDA because they are a widely used measure by investors, analysts and rating agencies for valuations, peer comparisons and investment recommendations. In addition, similar measures are used in covenant calculations required under the Credit Agreement, the indenture governing the 1.5 Lien Notes, the indenture governing the 2018 Notes, the indenture governing the 2022 Notes and the term loan credit agreement governing the 1.75 Lien Term Loans. Compliance with the liquidity and debt incurrence covenants included in these agreements is considered material to the Company. EXCO's computations of EBITDA and Adjusted EBITDA may differ from computations of similarly titled measures of other companies due to differences in the inclusion or exclusion of items in the Company's computations as compared to those of others. EBITDA and Adjusted EBITDA are measures that are not prescribed by GAAP. EBITDA and Adjusted EBITDA specifically exclude changes in working capital, capital expenditures and other items that are set forth on a cash flow statement presentation of the Company's operating, investing and financing activities. As such, investors are encouraged not to use these measures as substitutes for the determination of net income, net cash provided by operating activities or other similar GAAP measures. The calculation of EBITDA and Adjusted EBITDA as presented herein differ in certain respects from the calculation of comparable measures in the Credit Agreement, the indentures and the term loan credit agreements.

Adjusted General and Administrative Expenses Reconciliations

	Three Months Ended			Year Ended	
(in thousands)	December 31, 2016	September 30, 2016	December 31, 2015	December 31, 2016	December 31, 2015
General and administrative, GAAP	$ 10,074	$ 10,746	$ 17,591	$ 48,700	$ 58,818
Less: Equity-based compensation	(220)	(1,417)	(3,153)	(14,778)	(7,198)
Less: Restructuring and severance costs	(3,936)	(2,697)	(2,711)	(5,645)	(5,283)
Adjusted general and administrative, non-GAAP measure (1)	5,918	6,632	11,727	28,277	46,337

1) The Company believes this non-GAAP measure is used by investors, analysts and management for valuations, peer comparisons and other recommendations. The exclusion of equity-based compensation is important to users that are evaluating the impact of the Company's cash-based general and administrative costs on its credit metrics and ability to service its indebtedness. In addition, the exclusion of cash-based costs such as restructuring and severance assists in the comparability between periods and similar measures are used in debt covenant calculations required under certain of the Company's debt agreements. Restructuring costs include legal and advisory costs incurred in connection with the Company's strategic initiative focused on restructuring its balance sheet and gathering and transportation contracts, and severance costs relate primarily to the Company's reductions in workforce.

Important Information for Investors and Shareholders

This presentation does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval.

The requisite shareholder approval matters are expected to be submitted to the shareholders of the Company for their consideration pursuant to a Definitive Proxy Statement on Schedule 14A (the "Proxy Statement") that will be filed by the Company with the SEC and mailed to the Company's shareholders. INVESTORS AND SECURITY HOLDERS OF THE COMPANY ARE URGED TO READ THE PROXY STATEMENT AND OTHER RELEVANT DOCUMENTS RELATED TO THE TRANSACTIONS DESCRIBED HEREIN THAT ARE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY AS THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE REQUISITE SHAREHOLDER APPROVAL MATTERS. Investors and shareholders will be able to obtain free copies of the Proxy Statement and other documents containing important information about the Company, once such documents are filed with the SEC, through the website maintained by the SEC at www.sec.gov. The Company will make available free of charge at www.excoresources.com (in the "Investor Relations" section), copies of materials it files with, or furnishes to, the SEC, or investors and shareholders may contact the Company at (214) 368-2084 to receive copies of documents that it files with or furnishes to the SEC.

Participants in the Proxy Solicitation

The Company and certain of its respective directors and officers may be deemed to be participants in the solicitation of proxies from the shareholders of the Company in connection with the requisite shareholder approval matters. Information about the directors and officers of the Company is set forth in its Definitive Proxy Statement on Schedule 14A for its 2016 annual meeting of shareholders, which was filed with the SEC on April 6, 2016, as well as its Current Reports on Form 8-K filed with the SEC on April 7, 2016, May 24, 2016, August 22, 2016, October 25, 2016, February 2, 2017 and March 3, 2017. These documents can be obtained free of charge from the sources indicated above. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the Proxy Statement and other relevant materials to be filed with the SEC when they become available.

Forward Looking Statements

This presentation contains forward-looking statements, as defined in Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. These forward-looking statements relate to, among other things, the following:

- future financial and operating performance and results;
- business strategy;
- market prices;
- future use of derivative financial instruments; and
- plans and forecasts.

The Company based these forward-looking statements on current assumptions, expectations and projections about future events.

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

- fluctuations in the prices of oil and natural gas;
- the availability of oil and natural gas;
- future capital requirements and availability of financing, including limitations on our ability to incur certain types of indebtedness under our debt agreements;
- our ability to meet our current and future debt service obligations, including our ability to maintain compliance with our debt covenants;
- disruption of credit and capital markets and the ability of financial institutions to honor their commitments;
- estimates of reserves and economic assumptions, including estimates related to acquisitions and dispositions of oil and natural gas properties;
- geological concentration of our reserves;
- risks associated with drilling and operating wells;
- exploratory risks, including those related to our activities in shale formations;
- discovery, acquisition, development and replacement of oil and natural gas reserves;
- outcome of divestitures of non-core assets, including the potential sale of our assets in the South Texas region;
- cash flow and liquidity;
- timing and amount of future production of oil and natural gas;
- availability of drilling and production equipment;
- availability of water, sand and other materials for drilling and completion activities;
- marketing of oil and natural gas;
- political and economic conditions and events in oil-producing and natural gas-producing countries;
- title to our properties;
- litigation;
- competition;
- our ability to attract and retain key personnel;
- general economic conditions, including costs associated with drilling and operations of our properties;
- our ability to comply with the listing requirements of, and maintain the listing of our common shares on, the New York Stock Exchange ("NYSE");
- environmental or other governmental regulations, including legislation to reduce emissions of greenhouse gases, legislation of derivative financial instruments, regulation of hydraulic fracture stimulation and elimination of income tax incentives available to our industry;
- receipt and collectability of amounts owed to us by purchasers of our production and counterparties to our derivative financial instruments;
- decisions whether or not to enter into derivative financial instruments;
- potential acts of terrorism;
- our ability to manage joint ventures with third parties, including the resolution of any material disagreements and our partners' ability to satisfy obligations under these arrangements;
- actions of third party co-owners of interests in properties in which we also own an interest;
- fluctuations in interest rates;
- our ability to effectively integrate companies and properties that we acquire
- our ability to execute our business strategies and other corporate actions;
- outcome of shareholder approvals related to the warrants and issuance of equity in connection with the 1.5 Lien Notes and 1.75 Lien Term Loans;
- decisions to pay interest on the 1.5 Lien Notes and 1.75 Lien Term Loans in cash, common shares or additional indebtedness; and
- our ability to continue as a going concern

It is important to communicate expectations of future performance to investors. However, events may occur in the future that EXCO is unable to accurately predict, or over which EXCO has no control. Users of the financial statements are cautioned not to place undue reliance on any forward-looking statements. When considering EXCO's forward-looking statements, investors are urged to read the cautionary statements and the risk factors included in EXCO's Annual Report on Form 10-K for the year ended December 31, 2016, filed with the Securities and Exchange Commission ("SEC") on March 16, 2017 and its other periodic filings with the SEC.

Any number of factors could cause actual results to differ materially from those in EXCO's forward-looking statements, including, but not limited to, the volatility of oil and natural gas prices, future capital requirements and the availability of capital and financing, uncertainties about reserve estimates, the outcome of future drilling activity, environmental risks and regulatory changes. Revenues, operating results and financial condition substantially depend on prevailing prices for oil and natural gas and the availability of capital. Declines in oil or natural gas prices may have a material adverse effect on financial condition, liquidity, results of operations, the amount of oil or natural gas that we can produce economically and the ability to fund operations. Historically, oil and natural gas prices and markets have been volatile, with prices fluctuating widely, and they are likely to continue to be volatile. EXCO undertakes no obligation to publicly update or revise any forward-looking statements.