

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  EXCO Resources, Inc.		<b>2</b> Issuer's employer identification number (EIN)  74-1492779	
<b>3</b> Name of contact for additional information  Mark Fesmire	<b>4</b> Telephone No. of contact  214-368-2084	<b>5</b> Email address of contact  mfesmire@excoresources.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  12377 Merit Drive, Suite 1700		<b>7</b> City, town, or post office, state, and Zip code of contact  Dallas, TX 75251	
<b>8</b> Date of action  March 15, 2017		<b>9</b> Classification and description  1.75 Lien Term Loans	
<b>10</b> CUSIP number  N/A	<b>11</b> Serial number(s)  N/A	<b>12</b> Ticker symbol  N/A	<b>13</b> Account number(s)  N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On March 15, 2017, EXCO Resources, Inc. (the "Company") exchanged approximately \$683 million of second lien term loans for a like amount of 1.75 lien term loans.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The Company intends to take the position that the 1.75 lien term loans are traded on an established market within the meaning of Treas. Reg. Sec. 1.1273-2(f). Pursuant to Treas. Reg. Sec. 1.1273-2(f) the Company believes there was a firm quote of \$73 - \$75 per \$100 of principal within 15 days of issuance of the 1.75 lien term loans. The company has taken the position that the 1.75 lien term loans were issued at \$75 per \$100 of principal for federal income tax purposes..

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See 15 above.

