

More Cloncurry for Exco

Michael Vaughan
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EXCO Resources has strengthened its land holding in the Cloncurry region of Queensland through a deal with Haddington Resources to acquire ground containing 28,790 tonnes of copper and 89,800 ounces of gold for \$1 million.

Exco will pay Haddington \$500,000 upfront and a further \$500,000 12 months from settlement. The second payment may be reverted to Exco shares at Haddington's discretion.

Haddington also retains a 2% net smelter royalty from production up to \$500,000.

The deal covers 400 square kilometres and contains "five priority copper gold target areas", according to Exco. The existing resources are contained in four deposits.

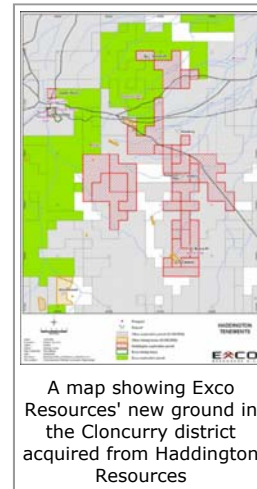
Exco says the addition of the new resources brings its resource base in the Cloncurry region up to 268,000t of copper and 250,000oz of gold.

The company's strategy is to consolidate all prospective areas in the Cloncurry district and develop them through a central processing facility.

The historic Cloncurry copper district received national attention mid-year after the developments surrounding CuDeco's (then Australian Mining Investment) Rocklands copper project.

On the day a national newspaper ran an extremely bullish story on Rocklands, CuDeco's share price shot up 79.2%. Shares in Exco also went on a run that day, closing up 34.6% at 35c.

Like CuDeco, Exco's shares have since pulled back, and were unchanged at 23.5c in morning trade.



Aspermont Limited

Street Address 613-619 Wellington Street, Perth WA Australia 6000

Postal Address PO Box 78, Leederville, WA Australia 6902

Head Office Tel +61 8 6263 9100 **Head Office Fax** +61 8 6263 9148

e-mail contact@aspermont.com **website** www.aspermont.com **ABN** 66 000 375 048