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Market Release (via electronic lodgement)

Fox-Davies Capital appointed as International Capital Markets Advisor

Exco Resources Limited (Exco) is pleased to announce that it has appointed Fox-Davies Capital Limited (FDC) as its International Capital Markets Advisor with immediate effect.

FDC is a Member of the London Stock Exchange and specialises in providing corporate finance advisory, broking and capital raising services to international resource companies. FDC provides its corporate clients with access to specialised investors in the UK, European and North American capital markets.

Daniel Fox-Davies, Founder and Managing Director of FDC, said:

"We are delighted to have been appointed as International Capital Markets Advisor to Exco.

Exco has an impressive range of projects that are of interest to investors both inside and outside of Australia. We will work alongside Exco to support and promote the Company to international investors in order to highlight the Company's exciting portfolio of projects that we believe has excellent development prospects. With our specialist skills in natural resources and our wide-ranging relationships with specialist investors in the UK and internationally, FDC is positioned ideally to assist Exco going forward."

Further information on Exco is available at www.excoresources.com.au and on FDC at: www.fdcap.com.

*On behalf of the Board of
Exco Resources Ltd*

For further information contact:

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Richard Hail (Head of Corporate Finance)

Information on Exco Resources

Exco is an Australian focused ASX-listed mining company (ASX: EXS) with a clear focus on developing the Cloncurry Copper Project (CCP) in north-west Queensland, where the Company holds a large (>4,100km²), strategically located and highly prospective land package.

The CCP comprises numerous tenements and mining leases, which host the flagship E1 Camp, Monakoff and Great Australia deposits. Resources delineated for the project to date total 35.8 Mt of ore, containing 332,500 tonnes of copper and 287,100 ounces of gold, with further exploration underway and indicated resource development nearing completion.

Exco recently completed a Pre-Feasibility Study (PFS) on the CCP, which demonstrated the technical and commercial credentials of a 2Mtpa project. Encouraged by the positive PFS results, and with ongoing drilling expected to deliver further resource upgrades in the short term, the Company has commenced a Definitive Feasibility Study (DFS) on a slightly larger operation treating 2.5 to 3Mtpa through a concentrator facility located at the E1 Camp. At this expanded throughput the project will produce ≥25,000 tonnes of copper in concentrate per annum (25% more than envisaged by the PFS) with substantial by-product credits from gold, cobalt, magnetite and potentially uranium.

The Company expects to complete the DFS in early 2009 and is targeting first production by late 2010 with a view to capitalising on sustained copper demand, projected supply gaps and the positive forward price outlook for copper and the project's various by-products.

Exco also has a number of exploration joint ventures in Queensland with major companies including Xstrata, BHP Billiton and Ivanhoe Mines. These JVs are managed by Exco's partners, creating additional development options, and allowing the Company to maintain its primary focus on the CCP.

In South Australia Exco has entered into an agreement with Polymetals Group Pty Ltd for their acquisition of a 50% interest in the White Dam Gold Project, which contains a resource inventory of 330,400 ounces of gold. Subject to final approvals being obtained, the parties anticipate that the project can commence construction in late 2008, with first gold production scheduled by mid 2009. Exco's share of prospective cash flows from White Dam will ultimately assist in expediting development of the Cloncurry Copper Project.

The Board of Exco, backed by the Company's major shareholders including Ivanhoe Mines, the Lion Selection Group and management, are committed to unlocking value from this highly prospective portfolio of projects, and looks forward to keeping shareholders informed of developments.

Further information is available at www.excoresources.com.au

Information in this report relating to mineral resources and exploration results is based on data compiled by Exco's Exploration Manager Stephen Konecny, BSc Hons Geo. (MAusIMM), and Mr Mike Dunbar, (who is a full time employee of the Mitchell River Group and a consultant to Exco Resources Ltd), and who is a member 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 & Mr Dunbar consent to the inclusion of the data in the form and context in which it appears