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## What did EXCO announce and why now?

- On January 15, 2018, EXCO and certain of its subsidiaries filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of Texas to facilitate a restructuring of the Company's balance sheet.
- This action was taken to enable EXCO to operate in the ordinary course of business as it continues to engage in constructive discussions with its creditor constituencies regarding the terms of a financial restructuring plan.
- In conjunction with this process, EXCO will also explore potential strategic alternatives to maximize value for the benefit of its stakeholders, including the marketing of the Company's assets. This marketing process may or may not result in a sale of some or all of the Company's assets.
- EXCO has received a commitment of \$250 million in debtor-in-possession financing from certain of its existing lenders, which, subject to court approval, is expected to support the Company's day-to-day operations during the restructuring process.

## What is Chapter 11?

- Chapter 11 is the section of the U.S. Bankruptcy Code that allows companies to implement financial restructurings through a court-supervised proceeding while continuing to operate their businesses.

## Did all EXCO entities commence Chapter 11 cases?

- EXCO Resources, Inc. and many of its related entities are part of the Chapter 11 filing process. Certain jointly held entities, including EXCO Resources (PA), LLC and EXCO Appalachia Midstream, LLC are not filing entities.

## Will EXCO be going out of business?

- It is important to understand that this is a financial restructuring and the Company's operations will continue by-and-large in the ordinary course of business during this court-supervised process.
- As previously announced in December, the Company received a commitment of \$250 million in debtor-in-possession financing from certain of its existing lenders to continue financing its operations and pay down its RBL.
- Importantly, with its strong asset base and operational expertise, the Company remains confident in its ability to deliver value for the benefit of its stakeholders.

## Is EXCO for sale?

- As EXCO continues to engage in constructive discussions with its creditor constituencies regarding the terms of its financial restructuring plan, the Company will also explore potential strategic alternatives to maximize value for the benefit of its stakeholders, including the marketing of the Company's assets.

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- This marketing process may or may not result in a sale of some or all of the Company's assets.
  - With its strong asset base and operational expertise, the Company remains confident in its ability to deliver value for the benefit of its stakeholders.

### **Does EXCO have sufficient liquidity to meet its business obligations?**

- The Company expects to have sufficient liquidity to continue its operations and meet its business obligations during the financial restructuring.
- EXCO has received a commitment of \$250 million in debtor-in-possession financing from certain of its existing lenders, which, subject to court approval, is expected to support the Company's day-to-day operations during the restructuring process.

### **What will happen to EXCO vendors and business partners?**

- EXCO will continue to work with its vendors and business partners.
- EXCO expects to issue payments in the ordinary course of business for goods and services provided on or after the filing date of January 15, 2018.
- Payments for goods and services provided before the filing date, or "pre-petition claims," will be paid only with specific Bankruptcy Court approval.
- EXCO values the important relationships it has developed with its vendors and business partners and intends to work closely with them throughout this process and in the future.

### **When does EXCO expect to complete the Chapter 11 process?**

- There is no definitive time frame for how long a company remains in Chapter 11.
- EXCO intends to move through this restructuring process as quickly as possible.

### **Should I sell my stock in EXCO? Who should I speak to about my investments?**

- Neither the Company, nor any of its employees, advisors or representatives provide financial advice with respect to an investment in EXCO.
- All investors are encouraged to consult their personal financial advisor(s).

### **Will EXCO be a publicly-listed company after it emerges from bankruptcy?**

- The Company is exploring strategic alternatives and it would be inappropriate to speculate on the outcome at this time.

### **Where can I get further information about the filing?**

- Information on the Chapter 11 filing is available at a website administered by the Company's claims agent, Epiq Systems, at <http://dm.epiq11.com/EXCO>.
- Information is also available by calling (800) 683-4332.