

12 October 2012

By: e-Lodgement

The Manager
Companies Announcement Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000



Norton Rose Australia
ABN 32 720 868 049
Level 18, Grosvenor Place
225 George Street
SYDNEY NSW 2000
AUSTRALIA

Tel +61 2 9330 8000
Fax +61 2 9330 8111
GPO Box 3872, Sydney NSW 2001
DX 368 Sydney
nortonrose.com

Direct line
+61 2 9330 8233
Email
shaun.clyne@nortonrose.com

Dear Sirs

Takeover Bid by Washington H.Soul Pattinson and Company Limited for Exco Resources Limited — acceptance facility and interests of substantial holder

We act for Washington H. Soul Pattinson and Company Limited ABN 49 000 002 728 (**WHSP**), in relation to its off-market takeover bid for all of the ordinary shares in Exco Resources Limited ABN 99 080 339 671 (**Exco**) that it does not already hold (**Offer**). WHSP's replacement bidder's statement containing the Offer was provided to the Australian Securities Exchange (**ASX**) on 28 September 2012 (**Bidder's Statement**).

As set out in more detail in the Bidder's Statement, WHSP has established an acceptance facility in relation to its Offer, whereby Pacific Custodians Pty Ltd will act as the facility agent (**Facility Agent**) to hold acceptance instructions on behalf of shareholders who hold Exco shares either directly or beneficially.

The direct acceptances into the Offer (**Offer Acceptances**) do not include acceptances held by the Facility Agent under the acceptance facility (**Facility Acceptances**). There has not been an increase in Offer Acceptances which is required to be set out in a Form 604.

The following table summarises the aggregate Facility Acceptances and Offer Acceptances as at close of business on 11 October 2012:

	Number of Exco shares	% of all Exco shares*
WHSP's relevant interest as at the date of Bidder's Statement	70,852,793	19.3%
Offer Acceptances	1,650,089	0.45%
Facility Acceptances	35,475,005	9.66%
Total	107,977,887	29.41%

* rounded to the second decimal point

Facility Acceptances given to the Facility Agent do not constitute acceptance of the Offer.

APAC-#16327169-v1

Norton Rose Australia is a law firm as defined in the Legal Profession Acts of the Australian states and territory in which it practises. Norton Rose Australia together with Norton Rose LLP and their affiliates constitute Norton Rose Group, an international legal practice with offices worldwide, details of which, with certain regulatory information, are at www.nortonrose.com

Yours faithfully



Shaun Clyne
Partner
Norton Rose Australia