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Dear Sirs

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**Takeover Bid by Washington H. Soul Pattinson and Company Limited for Exco Resources Limited – Notice of dispatch of Bidder's Statement – acceptance facility and interests of substantial holder**

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.

On behalf of WHSP in accordance with section 671B of the *Corporations Act 2001* (Cth), we attach a notice of change of interests of substantial holder in respect of WHSP (**Form 604**).

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 certain shareholders who hold Exco shares either directly or beneficially.

The Offer acceptances reflected in substantial holder notices provided by WHSP to Exco (**Offer Acceptances**) do not include acceptances held by the Facility Agent under the acceptance facility (**Facility Acceptances**).

In addition to the information set out in the Form 604, the following table summaries the aggregate Facility Acceptances and Offer Acceptances as at close of business on 31 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	3,866,335	1.05%
Facility Acceptances	158,617,241	43.19%
Total	233,336,369	63.54%

\* rounded to the second decimal point

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

Yours faithfully



Shaun Clyne  
Partner  
Norton Rose Australia