

1280142

Certified a true copy
The Shares (Directors)
23/5/97

DATED 14th October 1996

PASSED FOR FILING

- (1) EXCO PLC
- (2) EXCO INTERNATIONAL PLC

AGREEMENT

relating to the sale of a share in
RMJ Securities (Canada) Limited

COOPERS & LYBRAND
1 Embankment Place
London WC2N 6NN

Tel: 0171 583 5000
Fax: 0171 213 2481



THIS AGREEMENT is made the day of 1996

BETWEEN:-

- (1) **EXCO PLC**, a company incorporated in England and Wales (registered no. 1423001) whose registered office is at Sherborne House, 119 Cannon Street, London EC4N 5AX (the "**Transferor**"); and
- (2) **EXCO INTERNATIONAL PLC**, a company incorporated in England and Wales (registered no. 1280142) whose registered office is at Sherborne House, 119 Cannon Street, London EC4N 5AX (the "**Transferee**").

WHEREAS:

- (A) The Transferee is a wholly owned subsidiary of the Transferor.
- (B) The Transferor and the Transferee have agreed to enter into this Agreement to reflect the terms upon which the Transferor will sell its shareholding in the Company to the Transferee.

IT IS AGREED as follows:-

1 INTERPRETATION

1.1 In this Agreement and the Recitals:-

"Company" means RMJ Securities (Canada) Limited, a company limited by shares incorporated in Canada;

"Completion" means completion of the sale of the Share for the Transferee Shares;

"Encumbrance"	means any mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, any other encumbrance or security interest of any kind, and any other type of preferential arrangement (including, without limitation, title transfer and retention arrangements) having a similar effect;
"Share"	means the one share of common stock of the Company registered in the name of and beneficially owned by the Transferor constituting all of the issued and outstanding capital stock of the Company;
"Transferee Shares"	means the 83,907 fully paid shares of £1 in the capital of the Transferee to be allotted and issued pursuant to Clause 3.

1.2 The headings in this Agreement shall not affect the interpretation of this Agreement.

1.3 References to clauses are references to clauses in this Agreement.

2. SALE OF SHARE

2.1 In accordance with and subject to the terms of this Agreement the Transferor with full title guarantee shall sell the Share free from all Encumbrances to the Transferee (or as it may direct) in consideration for the allotment and issue of the Transferee Shares by the Transferee to the Transferor (or as it may direct).

2.2 The sale of the Share shall have effect with the intent that the entire beneficial ownership of the Share shall be acquired by the Transferee to the

exclusion of the Transferor on and from Completion together with all rights, privileges and advantages attached thereto at the date of Completion including the right to all dividends and distributions declared or made in respect of the Share after such date.

3. CONSIDERATION

- 3.1 The consideration for the Share shall be satisfied by the allotment and issue by the Transferee to the Transferor (or as it may direct) of the Transferee Shares.
- 3.2 The Transferee Shares shall rank pari passu with all other shares in the capital of the Transferee and in particular but without limitation shall include the right to all dividends and distributions declared or made in respect of the Transferee Shares on or after Completion and shall be free from all Encumbrances.

4. COMPLETION

- 4.1 Completion shall take place at the offices of the Transferee immediately following exchange of this Agreement.
- 4.2 At Completion:-
 - 4.2.1 the Transferor shall procure that the directors of the Company shall convene and hold a meeting of the board of directors of the Company at which the directors shall vote in favour of the registration of the Transferee as a member of the Company in respect of the Share; and
 - 4.2.2 the directors of the Transferee shall resolve to allot and issue the Transferee Shares to the Transferor (or its nominee) together with a share certificate in respect of the Transferee Shares in favour of the Transferor (or its nominee, as the Transferor may direct).

5. WARRANTIES

The Transferor hereby warrants and represents to the Transferee that:-

- 5.1 the Share is in issue and is fully paid; and
- 5.2 it is the registered and beneficial owner of the Share free from Encumbrances.

6. ASSIGNMENT

Neither party shall, without the prior consent of the other party, assign, transfer, charge or deal in any other manner with this Agreement or its rights hereunder or part thereof, or purport to do any of the same, nor sub-contract any or all of its obligations under this Agreement.

7. AGREEMENT SURVIVES COMPLETION

Each of the provisions of this Agreement, insofar as the same shall not have been performed at Completion, shall remain in full force and effect notwithstanding Completion.

8. FURTHER ASSURANCE

- 8.1 At any time after the date hereof the Transferor shall, at the request and cost of the Transferee, execute such documents and do such acts and things as the Transferee may reasonably require for the purpose of vesting the Share in the Transferee or its nominees and giving to the Transferee the full benefit of all the provisions of this Agreement.
- 8.2 At any time after the date hereof the Transferee shall, at the request and cost of the Transferor, execute such documents and do such acts and things as the Transferor may reasonably require for the purpose of vesting the Transferee Share in the Transferor or its nominees and giving to the Transferor the full benefit of the Transferee Shares.

9. NOTICES

9.1 Any notice or other communication under or in connection with this Agreement shall be in writing and shall be delivered personally or sent by first class post (and air mail if overseas) or by telex or by telefax, to the party due to receive the notice or communication at its address set out in this Agreement or such other address as either party may specify by notice in writing to the other.

9.2 In the absence of evidence of earlier receipt, any notice or other communication shall be deemed to have been duly given:

9.2.1 if delivered personally, when left at the address referred to in Clause 9.1;

9.2.2 if sent by mail other than air mail, two days after posting it;

9.2.3 if sent by air mail, six days after posting it;

9.2.4 if sent by telex, when the proper answer-back is received; and

9.2.5 if sent by telefax when clearly received in full.

10. GOVERNING LAW AND JURISDICTION

10.1 This Agreement is governed by, and shall be construed in accordance with, English law.


10.2 The courts of England shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes which may arise out of or in connection with this Agreement and, for such purposes, each party irrevocably submits to the jurisdiction of the courts of England.

11. COUNTERPARTS

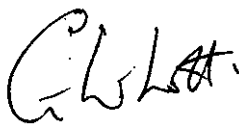
This Agreement may be executed in any number of counterparts each of which when executed and delivered shall be an original, but all the counterparts together shall constitute one and the same instrument.

AS WITNESS the hands of the duly authorised representatives of the parties to this Agreement the day and year first above written.

SIGNED by MICHAEL JOHN
[]
a duly authorised representative
for and on behalf of
EXCO PLC


.....
Signature of Director

SIGNED by GEOFF LOTT
[]
a duly authorised representative
for and on behalf of
EXCO INTERNATIONAL PLC


.....
Signature of Director