EXCO TECHNOLOGIES LIMITED
MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This information circular is furnished in connection with the solicitation by the management of Exco Technologies Limited (the "Corporation") of proxies to be used at the annual meeting of shareholders of the Corporation to be held on Wednesday, January 25, 2006, at 4:30 p.m., and at all adjournments thereof, for the purposes set forth in the accompanying notice of meeting. It is expected that the solicitation will be made primarily by mail but proxies may also be solicited personally or by telephone by regular employees of the Corporation. The shareholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address, and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. The cost of solicitation of proxies will be borne by the Corporation.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of proxy are directors of the Corporation. **A shareholder has the right to appoint a person to represent such shareholder at the meeting other than the persons designated in the accompanying form of proxy.** Such right may be exercised by inserting in the space provided the name of the other person the shareholder wishes to appoint. Such other person need not be a shareholder of the Corporation.

To be valid, proxies must be deposited with Equity Transfer Services Inc. 120 Adelaide St. W., Suite 420, Toronto, Ontario, M5H 4C3, not later than the close of business (Toronto time) on January 23, 2006.

A shareholder who has given a proxy has the power to revoke it as to any matter on which a vote shall not already have been cast pursuant to the authority conferred by such proxy and may do so (1) by completing and signing a proxy bearing a later date and depositing it as described above; (2) by depositing an instrument in writing executed by such shareholder or by such shareholder's attorney authorized in writing at the registered office of the Corporation at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used, or (3) in any other manner permitted by law.

VOTING OF PROXIES

The shares represented by the accompanying form of proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and, if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. If no instruction has been made with respect to any such matter, such shares will be voted by the management representatives for the election of directors and for the appointment of the auditor and the determination of its remuneration, each as set forth in this information circular.

The accompanying form of proxy confers discretionary authority upon the management representatives named therein with respect to amendments or variations to matters identified in the notice of meeting and other matters which may properly come before the meeting. At the date of this information circular, the management of the Corporation knows of no such amendments, variations or other matters. If matters which are not known at the date hereof should properly come before the meeting, the form of proxy will be voted on such matters in accordance with the best judgment of the person voting it.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As of the date hereof, the Corporation has outstanding 41,586,710 common shares. Each common share ("Common Share") entitles the holder of record, as of the close of business on December 9, 2005, the record date established for notice of the meeting, to one vote on all matters to come before the meeting, or any adjournment thereof, except to the extent that a person has transferred any such shares after that date and the transferee of such shares (i) establishes that he owns such shares, and (ii) makes a written demand to be added to the shareholders' list, both at least 10 days before the date of the meeting, to the Secretary of the Corporation at the Corporation's registered office, in which case the transferee will be entitled to vote such shares.

Corporations owned or controlled by Brian A. Robbins and/or trusts of which the beneficiaries are Brian A. Robbins, his wife and children beneficially own 8,500,546 Common Shares. Brian A. Robbins and his wife also beneficially own an additional 777,966 Common Shares, which together with the Common Shares referred to in the immediately preceding sentence, represent approximately 22% of the issued and outstanding Common Shares. In addition, the Corporation has been advised that Howson Tattersall Investment Counsel Limited, a registered investment counsel and portfolio manager, holds, as manager in one or more of its pension fund and mutual fund clients' accounts, 5,776,830 Common Shares, representing approximately 14% of all the issued and outstanding Common Shares. To the knowledge of the directors or officers of the Corporation, no other person beneficially owns, or exercises control or direction over more than 10% of the issued and outstanding Common Shares.

VOTING BY BENEFICIAL SHAREHOLDERS

The information in this section is important to many shareholders as a substantial number of shareholders do not hold their shares in their own name. Shareholders who hold shares through their brokers, intermediaries, trustees, or other nominees (such shareholders being collectively called “Beneficial Shareholders”) should note that only proxies deposited by shareholders whose names appear on the share register of the Corporation may be recognized and acted upon at the Meeting. If shares are shown on an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases the name of such Beneficial Shareholders **will not** appear on the share register of the Corporation. Such shares will most likely be registered in the name of the broker or an agent of the broker. In Canada, the vast majority of such shares will be registered in the name of "CDS & Co.", the registration name of The Canadian Depository for Securities Limited, which acts as a nominee for many brokerage firms. Such shares can only be voted by brokers, agents, or nominees and can only be voted by them in accordance with instructions received from Beneficial Shareholders. **As a result, Beneficial Shareholders should carefully review the voting instructions provided by their broker, agent or nominee with this information circular and ensure that they direct the voting of their shares in accordance with those instructions**.

Applicable regulatory policies require brokers and intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Each broker or intermediary has its own mailing procedures and provides its own return instructions to clients. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder by such shareholder's broker, agent, or nominee is limited to instructing the registered holder of the relevant shares on how to vote such shares on behalf of the Beneficial Shareholder. Most brokers now delegate responsibility for obtaining instructions from clients to ADP Investor Communications ("ADP"). ADP typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to ADP or follow specific telephone or other voting procedures. ADP then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of shares at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from ADP cannot use that form to vote shares directly at the Meeting. Instead, the voting instruction form must be returned to ADP or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure that such shares are voted**.

The purpose of these procedures is to permit Beneficial Shareholders to direct the voting of the common shares which they beneficially own. A Beneficial Holder who receives a pre-signed form of proxy and who wishes to attend and vote at the meeting in person (or to have another person attend and vote on his behalf) should print the Beneficial Shareholder's (or such other person's) name in the blank space provided on the proxy form, or in the case of a voting instruction form, follow the corresponding instructions on that form.

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

ELECTION OF DIRECTORS

The articles of the Corporation provide for a minimum of 3 and a maximum of 15 directors. By resolution of the shareholders of the Corporation dated July 22, 1998, the Board of Directors is empowered to determine the number of directors from time to time. At the annual meeting of shareholders on January 26, 2005 the number of directors was set at 7, and the Board of Directors has determined that the number of directors to be elected at this meeting is 7.

The persons named in the enclosed form of proxy intend to vote for the election of the nominees whose names are set forth below. Management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee at their discretion. Each director elected will hold office until the next annual meeting or until his successor is elected or appointed unless his/her office is earlier vacated.

The following summary sets forth the names of all persons proposed to be nominated for election as directors, all other major positions and offices with the Corporation now held by them, their principal occupations, their periods of service as directors of the Corporation and the number of Common Shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised by each of them. All directors are residents of Ontario, Canada.

Nominee for Election as Director	**Director Since**	**Principal Occupation**	**Other Positions and Offices Presently Held With Corporation**	**Common Shares Beneficially Owned, Controlled or Directed** (3)
Helmut Hofmann (2)	January 1991	Chairman, Heroux-Devtek Inc. (manufacturing)	Chairman	170,000
Geoffrey F. Hyland (1) (2)	January 2001	Corporate Director	None	116,400
Richard D. McGraw (2)	January 1992	President Lochan Ora Group of Companies (investments)	None	158,900
Brian A. Robbins	January 1972	President & Chief Executive Officer of the Corporation	None	9,278,512 *
Brian J. Steck (1)	January 2001	President, St. Andrews Financial Corporation (investments)	None	25,000
Ralph J. Zarboni (1)	January 1999	Chairman & CEO The EM Group (plastic and electric products distribution)	None	40,000
Laurie Bennett (1)	January 2005	Retired Partner Ernst & Young, LLP	None	18,500

(1) Member of the Audit Committee
(2) Member of the Human Resources, Compensation & Governance Committee
(3) Information as to shares beneficially owned or over which control or direction is exercised is furnished by each director individually and is as of December 9, 2005.

* 8,500,546 of these shares are held by Corporations owned by or on behalf of Brian A. Robbins and his family. See section headed "Voting Shares and Principal Holders Thereof".

APPOINTMENT OF AUDITORS

The persons named in the enclosed form of proxy intend to vote for the reappointment of Ernst & Young LLP, Chartered Accountants, Toronto, Ontario as auditor of the Corporation to hold office until the next annual meeting of shareholders at a remuneration to be determined by the directors of the Corporation. Ernst & Young LLP was first appointed auditor of the Corporation on January 22, 1992. For the fiscal year ended September 30, 2005, the

Corporation incurred $277,890 in fees from Ernst & Young LLP for audit, audit related, and tax and other fees.

Audit	$232,500
Audit Related	$ 17,280
Tax	$ 28,110
Other	$ -
Total	$277,890

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table provides a summary of compensation earned during each of the last 3 fiscal years by the Chief Executive Officer, Chief Financial Officer and the 3 most highly compensated executive officers who served as executive officers of the Corporation at the end of the fiscal year ended September 30, 2005 (the "Named Executive Officers").

		Annual Compensation			**Long-Term Compensation Awards**
Name and Principal Position	**Year**	**Salary $**	**Bonus $**	**Other Annual Compensation (1) $**	**Securities Under Options Granted (2) #**
Brian A. Robbins	2005	348,128	366,360	1,145,161**(3)**	
President and Chief	2004	348,128	357,348	68,413	
Executive Officer	2003	348,128	705,228	94,202	
Bonnie M. Cartwright	2005	217,500	90,000		10,000
Executive Vice-President	2004	207,500	105,000		10,000
	2003	190,000	100,000		20,000
Paul E. Riganelli	2005	175,000	90,000		10,000
Vice-President Finance and	2004	120,000	80,000		
Chief Financial Officer (4)					
Jan M. Tesar	2005	268,300	361,482		56,877
President, Casting	2004	268,300	151,961		20,587
Technologies Division	2003	268,300	301,132		40,000
Lawrence Robbins	2005	293,750	29,956		-
President, Extrusion	2004	275,000	70,648		2,797
Tooling	2003	275,000	80,000		2,915

(1) The value of annual perquisites and benefits for each of the Named Executive Officers is shown only when the value exceeds the lesser of $50,000 and 10% of the total annual salary and bonus.
(2) Figures reflect 2 for 1 stock dividend paid February 2003.
(3) Included in this amount is $1,036,541 which represents the taxable benefit on the exercise of stock options (the difference between the market price of the Corporation's shares on the date of exercise and the option exercise price, multiplied by the number of shares purchased).
(4) Mr. Riganelli's employment with the Corporation commenced January 1, 2004

Option Grants During the Most Recently Completed Financial Year

Option Grants During the 2005 Financial Year					
Name	**Securities Under Options Granted**	**% of Total Options Granted to Employees in Financial Year**	**Exercise or Base Price ($/Security)**	**Market Value of Securities Underlying Options on the Date of Grant ($/Security)**	**Expiration Date**
Brian A Robbins	nil	-	-	-	-
Bonnie M. Cartwright	10,000	4.1%	7.15	7.15	May 31, 2010
Jan M. Tesar	56,877	23.0%	4.00	4.00	Nov 18, 2015
Paul Riganelli	10,000	4.1%	7.15	7.15	May 31, 2010
Lawrence Robbins	0	-	-	-	-

Aggregated Option Exercises During the Most Recently Completed Financial Year and Financial Year-End Option Values

The following table summarizes for each of the Named Executive Officers, the number of stock options exercised during the financial year ended September 30, 2005, the aggregate value realized upon the exercise and the total number and value of unexercised options held at September 30, 2005.

Name	Shares Acquired On Exercise	Aggregate Value Realized (1)	Unexercised Options at FY-End (#) Exercisable/Unexercisable	Value of Unexercised in-the-Money Options at FY-End (2) ($) Exercisable/Unexercisable
Brian A. Robbins	222,912	1,036,541	219,086/30,734	69,153/22,901
Bonnie M. Cartwright	0	0	41,200/46,800	16,880/5,020
Paul E. Riganelli	0	0	0/10,000	0/0
Jan M. Tesar	0	0	438,478/128,659	118,747/33,386
Lawrence Robbins	10,000	7,250	52,103/19,005	20,364/6,919

(1) Aggregate value realized is the difference between the market value, based on the closing price of the common shares on the Toronto Stock Exchange (the “TSX”) on the exercise date and, respectively, the exercise or base price of the option.

(2) Aggregate value of unexercised in-the-money options at financial year-end is the difference between the market value of the underlying common shares at financial year-end, based on the closing price of the common shares on the TSX, and, respectively, the exercise or base price of the option.

STOCK OPTION PLAN

On October 21, 1992, the Corporation established a stock option plan (the “Plan”) for directors, officers and key employees of the Corporation and its affiliates to be administered by the board of directors. The Plan was most recently amended effective January 26, 2005 to increase the maximum number of common shares issuable upon exercise of options ('Options') to 6,000,000 common shares. **Since 1992 5,443,428 Options have been granted of which 2,969,086 Options have been exercised and 2,474,342 Options remain outstanding.** As of the date of this information circular the said **2,474,342** Options outstanding and unexercised constitute 6% of the issued and outstanding shares of the Company.

Options may be granted from time to time by the board of directors of the Corporation at an exercise price to be determined by the board of directors, which in all cases shall not be less than the minimum price permitted by the Toronto Stock Exchange ("TSX") and any other exchange on which the shares may be listed.

It has been the board's historical practice to link Option grants to the compensation of certain officers and key business unit managers by requiring that any such person whose bonus entitlement pursuant to the criteria described in "Report on Executive Compensation" exceeds \$50,000 is required to receive, in lieu of cash, Options equal to 1/4 of the bonus entitlement exceeding \$50,000. These Option grants are 10 years in duration and vest at the rate of 20% per year. The primary purpose of this requirement is to align the interests of our business unit managers with the long-term success of the Corporation. The Plan was amended on January 26, 2005 to ensure that, at no time, will the aggregate of stock options held by all eligible directors exceed 1% of the Corporation's issued and outstanding stock.

The grant of Options to business unit managers and other senior management is also intended to provide them with retirement income as these individuals are not entitled to and do not participate in the Corporation's Deferred Profit Sharing Plan or Employee Share Purchase Plan. In fact, apart from the Plan, the Corporation provides no pension plan or otherwise makes provision for its senior executives' or business unit managers' retirement needs. In effect, the Corporation views the long term rewards inherent in the Plan as providing retirement income to its business unit managers. Options are also granted to directors and other senior executives annually as described in "Compensation of Directors" herein.

EMPLOYEE SHARE PURCHASE PLAN

On January 21, 1993 the Corporation established an employee share purchase plan (the "ESP Plan") for employees of the Corporation and its US Subsidiaries who are not insiders of the Company and do not participate in the Stock Option Plan. Employees may elect to participate in the ESP Plan and are limited to allocating no more than 10% of their pay to participation in the ESP Plan. The ESP Plan was most recently amended on January 26, 2005 to increase the maximum number of common shares issuable under the ESP Plan to 1,500,000 common shares. **Since 1993 1,321,640 options have been granted of which 982,144 options have been exercised and 339,496 options remain outstanding.**

Options under the ESP Plan may only be granted in December of each year ('Grant Date') at an exercise price equal to the weighted average of trading prices on the last 5 trading days prior to the Grant Date. **These options are one year in duration** and can only be exercised in December of the year following the Grant Date ('Exercise Date'). Appropriate payroll deductions are made throughout the year to ensure that sufficient funds are available on the Exercise Date to fund the exercise of the Options if the employee elects to so exercise. If the employee elects not to exercise the Corporation will refund to the employee the funds collected by payroll deduction plus interest thereon.

Report on Executive Compensation

The Human Resources, Compensation and Governance Committee ('HRC Committee') consist of three directors, Richard D. McGraw (Committee Chairman), Helmut Hofmann, and Geoffrey F. Hyland. These members are all independent as defined in Multilateral Instrument 52-110. To assist it in achieving its goals, the HRC Committee may call on the assistance of compensation consultants from time to time. The HRC Committee is responsible for recommending, for approval by the Board of Directors, the remuneration package of the senior officers and business unit managers of the Corporation. The remuneration of the senior officers and business unit managers of the Corporation consists of four components: base salary, annual bonus program, long-term stock option program and in certain cases long term incentive arrangements.

Base Salary

The Corporation pays base salaries that the HRC Committee believes are competitive with salaries paid for similar positions within the North American marketplace for public companies of relatively comparable size. These salaries are reviewed annually.

Annual Bonus Program

The annual bonus program is designed to compensate business unit managers for the financial performance of the operations for which they are responsible. Accordingly, the annual bonus payable is based upon a percentage of the pre-tax profit of the relevant operation(s). The amount of the bonus increases as the percentage of pre tax profit to sales increases. The bonus is paid in cash or cash and Options in cases where the bonus exceeds $50,000. See 'Stock Option Program' below.

The annual bonus program of the Chief Executive Officer is 3% of the adjusted consolidated pre-tax profit of the Corporation. The adjustment to pre tax profit is in the form of a capital charge. The capital charge consists of the Corporations cost of borrowing multiplied by the prior year-end shareholders' equity.

Stock Option Program

Where the annual bonus payable to business unit managers exceeds $50,000 the entitled individual is required to accept, in lieu of cash, Options equal to ¼ of the bonus entitlement exceeding $50,000. These Options are 10-year stock options granted at the market price at the time of grant.

The performance of the Corporation and continued growth in the value of its shares is dependent on striking a balance between short-term and long-term objectives. The HRC Committee believes that the remuneration of its senior executives and business unit managers should mirror these objectives. The Committee believes that the Corporation's remuneration package consisting of competitive base salaries, annual bonus program and its stock option plan achieves this goal.

Long Term Incentive Plan (LTIP)

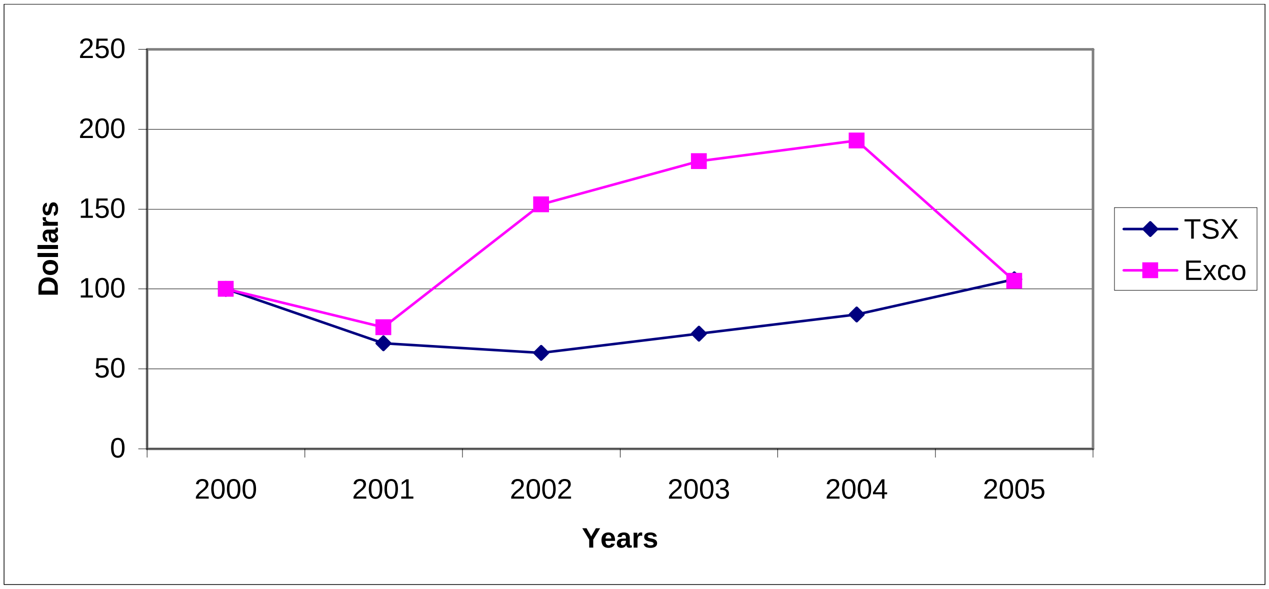
In cases where there are prospects of significant sales growth in the medium term (5 years) the Corporation extends to those business unit managers bonuses based on achieving certain sales and earnings (before interest, taxes and depreciation) ("EBITDA") targets. The size of the bonus increases with the growth in sales and EBITDA achieved in the 5th year after the grant of the LTIP. The LTIP bonus can be paid in cash or 50% cash and 50% Exco stock and is in all cases capped. No named Executive Officer has a LTIP.

Submitted by the Human Resources, Compensation and Governance Committee of the Board of Directors.

Richard D. McGraw - Chairman
Helmut Hofmann
Geoffrey F. Hyland

PERFORMANCE GRAPH

The following graph illustrates the five-year cumulative total shareholder return (assuming reinvestment of dividends) of a $100 investment in shares on September 30, 2000 to September 30, 2005 compared with the return on the S&P/TSX Composite Index.



	Sept 30/00	Sept 30/01	Sept 30/02	Sept 30/03	Sept 30/04	Sept 30/05
TSX	100	66	60	72	84	106
Exco	100	76	153	180	193	105

COMPENSATION OF DIRECTORS

In fiscal 2005, each director who was not an employee of the Corporation (an 'Eligible Director') was paid as remuneration for services as a director of the Corporation the amounts set forth below:

Annual Board Retainer	$15,000 and 5,000 options
Annual Board Chair Retainer	$15,000
Annual Audit Chair Retainer	$7,500
Annual HRC Chair	$5,000
Board Meeting – Attendance	$1,500
Committee Meeting – Attendance	$1,500

The total amount of directors fees paid to Eligible Directors during fiscal 2005 was $156,000.

The directors, other than Brian A. Robbins, hold in the aggregate 205,000 stock options pursuant to the Corporation's stock option plan. The Board on January 26, 2005 amended the stock option plan to ensure that at no time will the aggregate of stock options held by all Eligible Directors exceed 1% of the Corporations issued and outstanding stock. On November 18, 2005 the Board adopted a Deferred Unit Share Plan ("DSU Plan") for Eligible Directors. The deferred share units will be redeemed by the Corporation in cash payable after the Eligible Director departs from the Board. The DSU Plan will replace the past practice of granting Eligible Directors stock options under the Stock Option Plan.

Securities Authorized for Issuance Under Equity Compensation Plans

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options (a)	Weighted-Average Exercise Price of Outstanding Options (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) (c)
Equity compensation plan approved by security holders *(stock option plan)*	2,474,342	$4.49	636,690
Equity compensation plan approved by security holders *(employee share purchase plan)*	339,496	$4.16	178,360
Equity compensation plans not approved by security holders	nil	nil	nil
Total	2,813,838	$4.45	815,050

NORMAL COURSE ISSUER BID

On May 5, 2005 the Toronto Stock Exchange approved the Corporation's request to implement a normal course issuer bid. During the fiscal year the Corporation purchased 8,800 common shares at a price of $4.00 per share. After year-end the Corporation purchased an additional 54,200 common shares at the same price. All shares will be cancelled. The normal course issuer bid expires on May 5, 2006 and may be renewed at that time for another year.

MANAGEMENT CONTRACTS

The Corporation has entered into a management contract with WS Enterprises Inc. and William Schroers for management services relating to the Automotive Solutions segment. Both parties are domiciled in the State of Michigan, USA. The amount paid to WS Enterprises Inc. under this contract by the Corporation for the fiscal year ended September 30, 2005 is US$778,916 and 75,492 options under the Corporation's Stock Option Plan. There is no indebtedness owing to the Corporation by parties to this management contract. This contract also contains a long-term incentive plan which entitles the consultant to a payment (see Long Term Incentive Plan). Given the performance of the Automotive Solutions segment since its acquisition in 2000 the WS Enterprises Inc. earned in Fiscal 2005 the maximum LTIP payment of US $2 million.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation has taken out directors' and officers' liability insurance in an amount of U.S. $10,000,000 for annual premiums of approximately U.S. $61,000. The Corporation will pay the first U.S. $100,000 of any claim made under the policy.

REPORT ON CORPORATE GOVERNANCE

All directors other than Mr. Robbins, who is the President and CEO of the Corporation and who holds in excess of 10% of the Corporation's issued and outstanding shares, are independent within the meaning of Section 1.4 of MI 52-110. Accordingly a majority of the directors, including the Chairman, are independent. A description of the Chairman's role is set out in Schedule A hereto. Several directors are presently directors of other public companies, however, no conflicts exist. Below are the public company directorships currently held by Exco's directors.

Directors	**Public Companies**
Helmut Hofmann	Heroux-Devtek Inc. (TSX: HRX)
Brian A. Robbins	Dofasco Inc.(TSX:DFS) Heroux-Devtek Inc. (TSX: HRX) Air Boss of America Corp. (TSX:BOS)
Geoffrey F. Hyland	Fortis Inc. (TSX: FTS) Enerflex Systems Ltd. (TSX: EFX) Shawcor Ltd. (TSX: SCL)
Richard D. McGraw	Vitran Corporation (NASDAQ :VTNC) (TSX: VTN)
Brian J. Steck	ITG Inc. (NYSE: ITG)

During the 2005 Fiscal year four Board meetings and one strategy meeting were held. In addition directors attended the Corporation's annual management retreat. Independent directors convene *in camera* meetings at the end of each Board meeting. Non-independent directors and members of management are not in attendance at these *in camera* sessions. In

Fiscal 2005 four such *in camera* meetings took place. The following table outlines the attendance, in person or by telephone, of directors at Board meetings in Fiscal 2005.

	Meetings Held	**Meetings Attended**
Helmut Hofmann	5	5
Geoffrey F. Hyland	5	5
Richard D. McGraw	5	5
Brian A. Robbins	5	5
Brian J. Steck	5	5
Ralph J. Zarboni	5	5
Laurie Bennett	5	3*

*Mr. Bennett joined the Corporation's board during Fiscal 2005 and therefore did not attend the first two board meetings.

The Board has a written charter, the text of which is set forth in Schedule A hereto. The Corporation has also developed a position description for the President and Chief executive Officer which is set forth in Schedule A.

Orientation of new directors is accomplished by ensuring that they attend at the Corporation's various production facilities and meet local management. Meetings with the Corporation's executives ensure that new directors are aware of the Corporation's policies, practises and major business issues. Given that the Corporation's directors are accomplished business executives who are generally engaged in the broader business community the Corporation does not have a formal continuous education policy. The Corporation does however make the Board and committees aware of emerging governance, legal and financial reporting issues that are relevant to the Corporation's affairs.

The Corporation has, in November 2005, adopted a written code of conduct ('Code') for directors and employees of the Corporation. All directors shall receive a copy of the Code each year. Employees of the Corporation will be provided with a copy from management at their place of work. The Board will rely primarily on feedback from management, the Corporation's outside auditors and the whistleblower hotline in order to detect and deal with any infractions of the Code. A copy of the Code is also available on the SEDAR website.

Directors who have any interest in any potential transaction or contract being considered by the Corporation are required to declare their interest in the matter and refrain from voting thereon.

The Corporation has 2 standing committees. These are the Audit Committee and the Human Resources, Compensation and Governance Committee. These committees consist exclusively of independent directors. For Committee membership please see "Election of Directors". For further information regarding the composition and qualifications of the Audit Committee please see the Corporation's 2005 Annual Information Form, section "Audit Committee Composition and Qualifications".

The full board is primarily responsible for reviewing, assessing and ultimately recommending to the Board suitable candidates for Board membership. Given the relatively small size of the Board, it is felt that the Board as a whole can effectively perform the role of a nominating committee so as to draw on the members' cumulative experience and expertise. The Chairman of the Board is ultimately responsible for initiating any Board changes. The HRC Committee is responsible for initiating, reviewing and recommending to the Board compensation arrangements for directors and officers. The Board is ultimately responsible for adopting these recommendations if it deems fit to do so.

The Board also has conducted regular assessments of its effectiveness and the effectiveness of individual directors through confidential surveys conducted by the Human Resource, Compensation and Governance Committee.

GENERAL

Unless otherwise stated, information contained herein is given as of December 9, 2005. The management of the Corporation knows of no matter to come before the annual meeting of shareholders other than the matters referred to in the notice of meeting. The contents and the sending of this management information circular have been approved by the Board of Directors of the Corporation.

Additional financial information is provided in the Corporation's comparative financial statements and Management Discussion & Analysis for Fiscal 2005. Further information relating to the Corporation is available on SEDAR at 'www.sedar.com'. Security holders may request copies of the Corporation's financial statements and management discussion and analysis for fiscal 2005 by contacting the Corporation at its corporate offices at 130 Spy Crt., 2nd Floor, Markham, Ontario, L3R 5H6, Phone 905-477-3065, Fax 905-477-2449.

BY ORDER OF THE BOARD OF DIRECTORS

Toronto, Ontario
December 9, 2005

Paul Riganelli
VP Finance, CFO & Secretary

SCHEDULE A

Role of the Chairman of the Board

The Chairman of the Board of Directors (the "Board") of Exco Technologies Limited manages the business of the Board and ensures that the Board and its committees are effectively carrying out the functions identified. In addition to ensuring the operation of the Board, the Chairman performs the following functions:

1. in consultation with the President, Chief Executive Officer & CFO prepares the agenda for each meeting of the Board;
2. ensures that all directors receive the information required for the proper performance of their duties
3. ensures that the appropriate committee structure is in place and makes initial recommendations for appointment to such committees;
4. in consultation with the Chair of the Human Resource and Governance Committee, ensures that an appropriate system is in place to evaluate the performance of the Board as a whole, the Board's committees and individual directors, which may include the use of director questionnaires and interviews of each director on his or her performance, and makes recommendations for changes when appropriate; and
5. works with the President, Chief Executive Officer and senior management to monitor progress on strategic planning, policy implementation and succession planning.

Role of the President and Chief Executive Officer

The President and Chief Executive Officer ("CEO") of Exco Technologies Limited (the "Company") provides leadership of the Company and, subject to approved policies and direction by the Board of Directors (the "Board"), manages the business and affairs of the Company and oversees the execution of its strategic plan. In addition, to managing the business and affairs of the Company, the CEO performs the following functions:

1. presents to the Board for approval a strategic plan for the Company including the strategies to achieve that plan, the risks and alternatives to these strategies and specific steps and performance indicators, which will enable the Board to evaluate progress on implementing such strategies;
2. proposes to the Board for approval annual capital and operating plans to implement the Company's strategies together with key financial and other performance goals for the Company's activities and reports regularly to the Board on the progress against these goals;
3. acts as primary spokesperson for the Company and all its stakeholders;
4. assesses the senior management of the Company and provides for the orderly succession of senior management including the recruitment, training and development required;
5. recommends to the Board the appointment or termination of any officer of the Company other than the Chair;
6. together with the Company's Chief Financial Officer, establishes and maintains disclosure controls and procedures, and internal controls and procedures for financial reporting appropriate to ensure the accuracy and integrity of the Company's financial reporting and public disclosures; and
7. ensures that the Company is in full compliance with applicable laws and regulations and with its own policies.

Board of Directors Charter

1. Role of the Board

The Board of Directors of Exco Technologies Ltd. (the "Company") is elected by the Company's shareholders to supervise directly and through its committees, the management of the business and affairs of the Company, which are conducted by its officers and employees under the direction of the President and Chief Executive Officer ("CEO").

The primary stewardship responsibility of the Board of the Company is to ensure that Management conducts the business and affairs of the Company with the main objectives to enhance shareholder value in a manner that recognizes the concerns of other stakeholders in the Company, including its employees, suppliers, customers and the communities in which it operates, to continuously improve the Company's performance and quality of its products and services, and to ensure its continuous growth and development.

2. Duties and Responsibilities of the Board

The Board shall meet regularly to review reports by management on the performance of the Company. In addition to the general supervision of Management, the Board performs the following functions:

a) **strategic planning** –overseeing the strategic planning process within the Company and reviewing, approving and monitoring the Company's strategic plan, including fundamental financial and business strategies and objectives, taking into account, among other things, the opportunities and risks of the business, market and product global trends, and growth potential;

b) **risk assessment** – monitoring and assessing the principal risks of the Company's business and ensuring the implementation of appropriate systems to manage these risks;

c) **integrity of CEO and other executive officers** –to the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and satisfying itself that the CEO and other executive officers create a culture of integrity throughout the organization.

d) **senior management** – overseeing the selection, evaluation and compensation of the CEO and senior management and monitoring succession planning;

e) **maintaining integrity** –reviewing and monitoring the controls and procedures within the Company to maintain the integrity and accuracy of its financial reporting, internal controls, disclosure controls, management information systems and compliance with its Conflict of Interest Policy.

f) **expectations** –ensuring that its expectations of Management are understood, that the appropriate matters come before the Board and that the Board is kept informed of shareholder feedback

g) **CEO** –reviewing and approving, upon the recommendation of the Human Resource and Governance Committee ('HR&G Committee'), the appointment, compensation, and performance of the CEO and the succession plan for him and senior managers;

h) **Selection of Board nominees** –selecting, upon the recommendation of the HR&G Committee nominees for election as directors;

i) **Compensation of non-management directors** –reviewing and approving upon the recommendation of the HR&G Committee, the compensation of non-management directors, and ensuring that their compensation adequately reflects the risks and responsibilities, and time commitment involved in being an effective director;

j) **Independent functioning** –ensuring that appropriate structures and procedures are in place so that the Board and its committees can function independently of Management.

k) **Approval of key policies** –reviewing and approving the key policy statements developed by Management for issues such as conflicts of interest, compliance, communications, environment, health and safety, and public disclosure;

l) **Approval of disclosure documents** –reviewing and approving the contents of the annual information form, annual and quarterly management's discussion and analysis, press releases in connection with quarterly and annual financial results and the corresponding financial statements, and the management proxy circular;

m) **Approval of financial activities**- reviewing and approving significant capital expenditures, raising of capital, significant loans and other major financial activities;

n) Approval of significant operations –reviewing and approving significant reorganizations, restructuring, acquisitions, and divestitures; and

o) **Corporate governance monitoring** –developing and monitoring, through the HR&G Committee, the systems of corporate governance of the Company.

3. Composition and Procedures

a) **Size of Board and selection process** – The size of the Board must be sufficient in number to ensure diversity of skills and perspectives and to provide useful experience to the Board supervising the management of the Company as well as to staff on the various Board committees, while allowing the Board to function efficiently and effectively. The Board reviews and approves the choice of candidates for nomination and election by the shareholders. Between annual meetings, the Board may appoint directors to service until the next annual meeting.

b) **Qualifications** –Directors should have the highest personal and professional ethics and values and be committed to advancing the best interests of the shareholders of the Company. They should possess skills and competencies in areas that are relevant to the Company's activities, solid business experience, good judgment, integrity, financial literacy and the ability to allocate the necessary time and effort to perform Board and committees duties. A majority of the Board shall be composed of independent directors within the meaning of section 1.4 of Multilateral Instrument 52-110 *Audit Committee.*

c) **Chairman of the Board –**The Board shall appoint a director to be Chairman of the Board. At all times the same person may not occupy the position of Chairman of the Board and of President and/or CEO.

d) **Director orientation –**Management is responsible for providing an orientation and education program for new directors with a view to ascertaining that all new directors fully understand the role of the Board and its committees, as well as the contribution individual directors are expected to make (including, in particular, the commitment of time and energy that the Company expects from its directors), and the nature and operation of the Company's business.

e) **Meetings** –The Board has at least five scheduled meetings a year. Additional meetings may be held when required. The Board is responsible for its agenda. Materials for each meeting will be distributed to the directors in advance of the meetings. At each of the five scheduled meetings, the final agenda item is an "in-camera' session which excludes management and non independent directors.

f) **Committees** –The Board has established two standing committees to assist the Board in discharging its responsibilities: the HR&G committee and the Audit Committee. Special committees may be established from time to time to assist the Board in connection with specific matters. The chair of each committee reports to the Board following meetings of the committee.

g) **Evaluation** –The HR&G Committee bears the responsibility to assess the Board's performance as a whole as well as that of individual directors, the committees of the Board and the contributions of individual directors.

h) **Compensation** –The HR&G Committee recommends to the Board the compensation for non-management directors. In reviewing the adequacy and form of compensation, the committee seeks to ensure that the compensation reflects the responsibilities and risks involved in being a director of the Company and aligns the interests of the directors with the best interests of the shareholders.

i) **Access or independent advisors** –the Board, any committee and/or any director may at any time retain outside financial or legal advisors at the expense of the Company. The retention and the terms and conditions of the retention of external advisors shall receive prior approval by the HR&G Committee.