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**CIRCULAR
March 10, 2005**

**CONTRACT ADJUSTMENT
ANTICIPATED
Falconbridge Limited (FL) and Noranda Inc. (NRD)
Proposed Merger**

THE FOLLOWING INFORMATION IS PREPARED FOR THE CONVENIENCE OF CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC) MEMBERS AND BOURSE DE MONTRÉAL INC. (the BOURSE) APPROVED PARTICIPANTS. THIS DOCUMENT IS AN UNOFFICIAL SUMMARY OF THE TERMS OF THE AFOREMENTIONED PROPOSED MERGER. CDCC AND THE BOURSE ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY.

The Bourse and CDCC hereby inform you that Falconbridge Limited (Falconbridge) announced on March 9, 2005 that it has entered into an agreement to combine with its major shareholder, Noranda Inc. (Noranda).

According to the information provided by the company, the merger will be completed by way of share exchange take over bid under which Falconbridge common shareholders (other than Noranda) will be offered 1.77 Noranda common shares for each Falconbridge common share. Each Noranda common shareholder, after the issuer bid, will continue to own one common share of the new entity, NorandaFalconbridge, for each common share of Noranda held prior to the merger.

The offer will expire on or about May 4, 2005.

The Bourse and CDCC will adjust the equity options of both Noranda and Falconbridge according to the terms of the proposed merger and will issue additional notices once further information becomes available.

Furthermore, note that long equity options on Noranda will also be adjusted.

For further information, please contact your local CDCC office.

Joëlle Saint-Arnault
Vice-President, Legal Affairs and Secretary

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