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**CIRCULAR**  
May 16, 2007

**FINAL CONTRACT ADJUSTMENT**  
**Novelis Inc. (NVL)**  
**Plan of arrangement**

**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 CERTAIN TERMS OF THE AFOREMENTIONED ADJUSTMENT. CDCC AND THE BOURSE ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. CDCC MEMBERS AND BOURSE APPROVED PARTICIPANTS MUST ENSURE THEY HAVE REVIEWED THE DOCUMENTATION PUBLISHED BY THE ISSUERS INVOLVED IN THIS CORPORATE ACTION.**

The Bourse and CDCC will adjust Novelis options contracts pursuant to the Hindalco offer to acquire all of Novelis' issued and outstanding common shares at a price of US\$44.93 per share. The adjusted deliverable of the Novelis options contracts will therefore be US\$4,493 per contract.

**CDCC - adjustment details:**

Pursuant to Terms of Adjustment provided in Section A-902 of the Rules of CDCC, all Novelis' options will be adjusted as follows:

- **EFFECTIVE DATE:**                      **May 18 2007**
- **OPTIONS SYMBOL:**                      **NVL becomes NVQ**
- **NUMBER OF CONTRACTS:**              **No change**
- **MULTIPLIER:**                              **100**
- **NEW DELIVERABLE PER CONTRACT:**              **US\$4,493.00 \***

\*The cash portion of the deliverable will remain permanently fixed as the option deliverable, and will not vary.

- **POSITION AND EXERCISE LIMITS:**              **As of May 18, 2007, position and exercise limits will remain unchanged at 22,500 contracts.**

Circular no.: 087-2007

➤ **CUSIP :** NOTACUSIP

CDCC will not adjust any outstanding escrow receipts. Members who want to maintain margin relief for their entire position will be required to deposit additional escrow receipts.

**Bourse de Montréal Inc. adjustment details:**

It is important to note that on the effective date mentioned above, all open orders on this option class **will not be automatically modified** to reflect the plan of arrangement and will therefore have to **be re-entered by the approved participants** into the Montreal Automated System (SAM).

The existing series of the NVL options class will be transferred to the NVQ options class representing the new deliverable. Please note that only closing transactions will be permitted on the adjusted class. Actual series that do not have open interest will not be adjusted.

<b>Novelis Inc.</b>		
Actual Strike Prices	Actual Class Symbol	Adjusted Class Symbol
\$ 26.00	NVL	NVQ
\$ 28.00	NVL	NVQ
\$ 30.00	NVL	NVQ
\$ 32.00	NVL	NVQ
\$ 34.00	NVL	NVQ
\$ 36.00	NVL	NVQ
\$ 38.00	NVL	NVQ
\$ 40.00	NVL	NVQ
\$ 42.00	NVL	NVQ
\$ 44.00	NVL	NVQ
\$ 46.00	NVL	NVQ
\$ 48.00	NVL	NVQ
\$ 50.00	NVL	NVQ
\$ 52.00	NVL	NVQ
\$ 54.00	NVL	NVQ
\$ 56.00	NVL	NVQ

**PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS OPTION CLASS ARE ADVISED OF THIS NOTICE.**

For further information, please contact Louise Leclair, Trading Systems Analyst Market Operations, Bourse de Montréal Inc. at (514) 871-3526. CDCC clearing members may contact the CDCC Operations Department.

Caroline Bilodeau  
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