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CIRCULAR
May 10, 2006

FINAL CONTRACT ADJUSTMENT

Talisman Energy Inc. (TLM) Stock Split

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.

The Bourse and CDCC wish to inform you that Talisman Energy Inc. (TLM) has received its shareholders' approval for the three-for-one stock split of the company's outstanding common shares.

Each shareholder will receive two additional common shares of TLM for each common share held. Share certificates representing the additional common shares will be mailed on May 30, 2006 to shareholders of record at the close of business on May 25, 2006.

Stock split - adjustment details:

- **EX-DATE:** **May 23, 2006**
- **RECORD DATE:** **May 25, 2006**
- **PAYABLE DATE:** **May 30, 2006**

Circular no.: 093-2006

Tour de la Bourse
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CDCC - adjustment details:

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

- **EFFECTIVE DATE:** **May 23, 2006**
- **OPTION SYMBOL:** **TLM**
- **NUMBER OF CONTRACTS:** **Tripled**
- **NEW DELIVERABLE PER CONTRACT:** **100 TLM common shares**
- **STRIKE PRICES:** **An adjustment will be made for all existing series**
- **MULTIPLIER:** **100**
- **POSITION AND EXERCISE LIMITS :** **Effective May 23, 2006, Position and Exercise Limits will be unchanged at 75,000 contracts**
- **CUSIP :** **87425E103**

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.

The Bourse - adjustment details:

It is important to note that on the effective date, all open orders on these options classes **will not be modified** to reflect the stock split and will have to **be registered again** into the Montreal Automated System (SAM) by the approved participants.

At the opening of business on May 23, 2006 the Bourse will adjust the Strike Prices for TLM series as indicated below:

Talisman Energy Inc.				
Symbol	Actual Strike Prices	New Strike Prices	Strike Price Codes	Adjusted Symbol
TLM	\$ 44.00	\$ 14.625	Z	TLX
TLM	\$ 46.00	\$ 15.375	Y	TLX
TLM	\$ 48.00	\$ 16.00	M	TLX
TLM	\$ 50.00	\$ 16.625	X	TLX
TLM	\$ 52.00	\$ 17.375	W	TLX
TLM	\$ 54.00	\$ 18.00	Q	TLX
TLM	\$ 56.00	\$ 18.625	U	TLX
TLM	\$ 57.00	\$ 19.00	S	TLX
TLM	\$ 58.00	\$ 19.375	V	TLX
TLM	\$ 60.00	\$ 20.00	D	TLX
TLM	\$ 62.00	\$ 20.625	A	TLX
TLM	\$ 63.00	\$ 21.00	L	TLX
TLM	\$ 64.00	\$ 21.375	T	TLX
TLM	\$ 66.00	\$ 22.00	N	TLX
TLM	\$ 68.00	\$ 22.625	R	TLX
TLM	\$ 69.00	\$ 23.00	P	TLX
TLM	\$ 70.00	\$ 23.375	B	TLX
TLM	\$ 72.00	\$ 24.00	J	TLM
TLM	\$ 74.00	\$ 24.625	K	TLM
TLM	\$ 76.00	\$ 25.375	M	TLM
TLM	\$ 78.00	\$ 26.00	S	TLM

The Bourse will also adjust the Strike Prices for long term TLM series as indicated below:

Talisman Energy Inc. Long-Term Equity Options 2007			
Symbol	Actual Strike Prices	New Strike Prices	Strike Price Codes
VLM	\$ 54.00	\$ 18.00	Q
VLM	\$ 57.00	\$ 19.00	S
VLM	\$ 60.00	\$ 20.00	D
VLM	\$ 63.00	\$ 21.00	L
VLM	\$ 66.00	\$ 22.00	N
VLM	\$ 69.00	\$ 23.00	P
VLM	\$ 72.00	\$ 24.00	R
VLM	\$ 75.00	\$ 25.00	E

Talisman Energy Inc. Long-Term Equity Options 2008			
Symbol	Actual Strike Prices	New Strike Prices	Strike Price Codes
LLM	\$ 54.00	\$ 18.00	Q
LLM	\$ 57.00	\$ 19.00	S
LLM	\$ 60.00	\$ 20.00	D
LLM	\$ 63.00	\$ 21.00	L
LLM	\$ 66.00	\$ 22.00	N
LLM	\$ 69.00	\$ 23.00	P
LLM	\$ 72.00	\$ 24.00	R
LLM	\$ 75.00	\$ 25.00	E

Strike prices are subject to change, depending on the underlying value closing price on Friday, May 19, 2006.

PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS 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 or CDCC's Operations Department.

Caroline Bilodeau
Legal Counsel
Secretariat and legal Affairs