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<input checked="" type="checkbox"/>	Trading – Equity and Index Derivatives	<input checked="" type="checkbox"/>	Technology
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**CIRCULAR**  
August 18, 2006

**ANTICIPATED CONTRACT ADJUSTMENT  
Falconbridge Limited (FAL) – Xstrata Plc  
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.**

The Bourse and CDCC wish to inform you that Xstrata Plc (Xstrata) announced on August 15, 2006 that 67.8% of Falconbridge Limited (Falconbridge) shares have been tendered and that it now owns 92.1% of the issued and outstanding Falconbridge common shares. Xstrata has also extended the expiry date of its all-cash offer to enable remaining Falconbridge shareholders to receive prompt payment of the C\$62.50 per share consideration under the offer. The offer will expire at midnight (Vancouver time) on Friday, August 25, 2006.

Xstrata's shareholders overwhelmingly approved the acquisition of all outstanding shares of Falconbridge at an Extraordinary General Meeting held on August 14, 2006. Xstrata intends to acquire all common shares not tendered to the offer following the expiry of the offer pursuant to a compulsory acquisition or subsequent acquisition transaction.

**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 or CDCC's Operations Department.

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Vce-President, Legal Affairs and Secretary

Circular no.: 150-2006

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