

NOTICE TO MEMBERS

No. 2006 – 062 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

Canadian Derivatives Clearing Corporation

Canadian Derivatives Clearing Corporation
65 Queen Street West
Suite 700
Toronto, Ontario
Montréal, Québec
M5H 2M5
H4Z 1A9
Tel.: 416-367-2463
Tel.: 514-871-3545

Fax: 416-367-2473 Fax: 514-871-3530



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 **Tripled**

CONTRACTS:

> <u>NEW DELIVERABLE</u> 100 TLM common shares

PER CONTRACT:

STRIKE PRICES: An adjustment will be made for all existing series

MULTIPLIER: 100

> POSITION AND Effective May 23, 2006, Position and Exercise Limits

will be unchanged at 75, 000 contracts **EXERCISE LIMITS:**

 \triangleright 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.

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www.cdcc.ca



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	Т	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	В	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		

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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	Е			

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	Р		
LLM	\$ 72.00	\$ 24.00	R		
LLM	\$ 75.00	\$ 25.00	Е		

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.

Michel Favreau

Senior Vice-President and Chief Clearing Officer

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