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CIRCULAR
May 27, 2010

FINAL CONTRACT ADJUSTMENT
Quadra Mining Ltd. (QUA) and FNX Mining Company Inc. (FNX)
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 wish to inform you that Quadra Mining Ltd. (“Quadra”) and FNX Mining Company Inc. (“FNX”) shareholders have approved, on May 19, 2010, the plan of arrangement pursuant to which the two companies will merge to create a new company that will be named Quadra FNX Mining Ltd. (“Quadra FNX”) and that will trade under the symbol QUX. Under the terms of the plan of arrangement, each FNX share will be exchanged for \$0.0001 and 0.87 Quadra FNX share and each Quadra share will be exchanged for one share of Quadra FNX.

The date for the delisting of FNX Mining shares from the Toronto Stock Exchange is at the close of business on May 27, 2010.

Quadra Mining Ltd. (QUA)

CDCC - adjustment details:

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

- **EFFECTIVE DATE:** **May 28, 2010**
- **OPTIONS SYMBOL:** **QUA will become QUX**
- **NUMBER OF CONTRACTS:** **No change**
- **MULTIPLIER:** **100**

- **NEW DELIVERABLE PER CONTRACT:** 100 common shares of Quadra FNX (QUX)
- **POSITION AND EXERCISE LIMITS:** Effective on May 28, 2010, the position and exercise limits will be 75,000 contracts.
- **CUSIP :** 74733X10

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** into the Montreal Automated System (SAM) by the approved participants.

The existing series of QUA options class will be transferred to the QUX options class representing the new deliverable. Actual series that do not have open interest will not be adjusted.

Quadra Mining Ltd. Quadra FNX Mining Ltd.		
Current Strike Prices	Current Class Symbol	New class symbol after the name change
\$ 9.00	QUA	QUX
\$ 10.00	QUA	QUX
\$ 11.00	QUA	QUX
\$ 12.00	QUA	QUX
\$ 13.00	QUA	QUX
\$ 14.00	QUA	QUX
\$ 15.00	QUA	QUX
\$ 16.00	QUA	QUX
\$ 17.00	QUA	QUX
\$ 18.00	QUA	QUX
\$ 19.00	QUA	QUX
\$ 20.00	QUA	QUX

FNX Mining Company Inc. (FNX)**CDCC - adjustment details:**

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

- **EFFECTIVE DATE:** **May 28, 2010**
- **OPTIONS SYMBOL:** **FNX will become QUX1**
- **NUMBER OF CONTRACTS:** **No change**
- **MULTIPLIER:** **100**
- **NEW DELIVERABLE PER CONTRACT:** **87 common shares of Quadra FNX (QUX) and \$0,01**
- **POSITION AND EXERCISE LIMITS:** **Effective on May 28, 2010, the position and exercise limits will be 75,000 contracts and only closing transactions will be permitted on the adjusted class.**
- **CUSIP :** **NOTACUSIP**

CDCC will not accept escrow receipts on these adjusted series.

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** into the Montreal Automated System (SAM) by the approved participants.

The existing series of FNX options class will be transferred to the QUX1 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.

FNX Mining Company Inc. (Old)		
Current Strike Prices	Current Class Symbol	New class symbol after the merge
\$ 8.00	FNX	QUX1
\$ 9.00	FNX	QUX1
\$ 10.00	FNX	QUX1
\$ 11.00	FNX	QUX1
\$ 12.00	FNX	QUX1
\$ 13.00	FNX	QUX1
\$ 14.00	FNX	QUX1
\$ 15.00	FNX	QUX1
\$ 16.00	FNX	QUX1
\$ 17.00	FNX	QUX1

PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THESE OPTIONS 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 Operations Department.

Brian Gelfand
Vice-President, Institutional Relations and Market Operations

Circulaire no : 071-2010