

MEMORANDUM

To: All Option Members, Member Organizations and ROTs
 From: Market Watch
 Date: July 23, 2007
 Subject: **Anglo American plc (AAUK/QEB) Demerger/Share Consolidation**

Anglo American plc (AAUK) has announced a demerger of Mondi Group, its subsidiary and a subsequent shares consolidation. Since Mondi Group shares are not registered to trade in the U.S., The Bank of New York sold the Ordinary Shares & will distribute the cash proceeds to the ADS holders. As a result, each AAUK ADS will be converted into the right to receive 0.91 (New) Anglo American plc (AAUKD) ADS's plus \$1.63703 cash. This demerger/share consolidation is expected to become effective on Wednesday, July 25, 2007.

NOTE: Anglo American plc will change its stock symbol to AAUKD for twenty (20) trading days before reverting to its original ticker symbol, AAUK.

***The foregoing is an unofficial summary of the terms of the Merger, prepared by the PHLX for the convenience of its members. PHLX accepts no responsibility for the accuracy or completeness of the summary. Members should refer to the proxy statement for the authoritative description of the merger terms and conditions.*

Pursuant to Options Clearing Corporation (OCC) By-Laws, all outstanding QEB options will be adjusted as follows:

EFFECTIVE DATE: Option changes will become effective on Wednesday, July 25, 2007
SYMBOL(s): QEB becomes QLB
STRIKE PRICE: No Change
POS/EXERCISE LIMIT: No Change
MULTIPLIER: 100*(eg., Premium of 1.00 = \$100)
NEW DELIVERABLE: 1) 91 (NEW) Anglo American plc (AAUKD) ADS's
 2) \$163.70 cash (\$1.63703 x 100)

Anglo American plc (AAUK/QEB) (Before 7/25/2007) 100 shares AAUK					Anglo American plc (AAUK/QLB) (Beginning 7/25/2007) (See New Deliverable Above)				
			Calls	Puts				Calls	Puts
QEB	AUG	25	HE	TE	QLB	AUG	25	HE	TE
QEB	AUG	30	HF	TF	QLB	AUG	30	HF	TF
QEB	AUG	35	HG	TG	QLB	AUG	35	HG	TG
QEB	SEP	25	IE	UE	QLB	SEP	25	IE	UE
QEB	SEP	30	IF	UF	QLB	SEP	30	IF	UF
QEB	SEP	35	IG	UG	QLB	SEP	35	IG	UG
QEB	DEC	25	LE	XE	QLB	DEC	25	LE	XE
QEB	DEC	30	LF	XF	QLB	DEC	30	LF	XF
QEB	DEC	35	LG	XG	QLB	DEC	35	LG	XG
QEB	MAR	25	CE	OE	QLB	MAR	25	CE	OE
QEB	MAR	30	CF	OF	QLB	MAR	30	CF	OF
QEB	MAR	35	CG	OG	QLB	MAR	35	CG	OG

Customers should be advised that all Good-til-Cancelled (GTC) orders not on AUTOM must be cancelled and re-entered prior to the effective date. GTC AUTOM orders will be deleted by PHLX Service Desk/AUTOM personnel.

The new QEB option contracts representing 100 AAUKD ADS's, will be admitted to trading on Thursday, July 26, 2007. Strike prices and expiration months will be announced on a separate release prior to that date.

Questions regarding this release may be directed to Market Watch at 1-800-THE-PHLX, choice #2, or (215) 496-5380.