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CROSS-BORDER LISTINGS

A GUIDE FOR MINING COMPANIES



Introduction

Mining companies undertaking capital raisings have a wide range of stock exchanges to choose from throughout the world. From major international finance hubs to other international markets that are particularly attractive to development-phase companies, more and more mining companies are considering cross-border capital raisings to address their project financing needs. This guide highlights stock exchanges in Australia, Hong Kong, Johannesburg, London and Toronto—all of which have been especially active in cross-border capital raising for the mining industry.

The mining industry has an increasing choice in selecting among exchanges as companies consider factors such as the ability to meet listing criteria, location of projects and industry peers, stage of development, access to an investor base, and ongoing requirements and costs. In particular, mining companies should weigh the following characteristics about the exchanges they are considering.

Ability to satisfy listing requirements

Most exchanges have listing requirements dealing with financial track record or assets, minimum number of shareholders, public float, minimum share price and capitalization. A company's operational stage may make meeting the requirements of certain exchanges more feasible than others.

For example, a company focused on exploration or in the development phase may be more likely to satisfy requirements on exchanges that offer asset test financial requirements. In addition, prospectus disclosures covering matters such as financials, working capital requirements, and reporting on reserves and resources could require significant time and costs to satisfy.

Geographic location of projects and mines

The location of projects and mines and proximity to key customers may be an important consideration for mining companies choosing among exchanges. For instance, investors active on certain exchanges may be more comfortable and place higher valuations on companies that operate in certain countries or regions, particularly in strongly emerging resources sectors in Africa or South America.

Location of mining industry peers

Mining companies concentrating on particular commodities or regions may be more prevalent on certain exchanges, which may assist investors and analysts experienced in those sectors to provide more favorable valuations. Similarly, investor appetite for the quality, stage of development and risks associated with particular mining assets can differ market by market.



Amount of capital required

Some exchanges are better placed to deal with large capital raisings due to the size and level of liquidity in that market, while others may offer a more efficient means to raise smaller amounts of capital in a more timely manner. In addition, some exchanges offer more flexible requirements for already-listed companies to raise additional capital, including allowing flexibility in structuring and size of placements.

Ongoing regulatory requirements

Ongoing exchange or securities regulator requirements, such as financial reporting and reserves/resources disclosures, may be more stringent on certain exchanges than others, which can result in significant compliance costs. It is important for a mining company to determine early on whether it will be able to meet all ongoing regulatory obligations for a chosen exchange.

About the exchanges

This guide summarizes key requirements and other considerations for listing securities on the following stock exchanges, each of which offers its own unique advantages for a mining company that is considering listing abroad.

Australian Securities Exchange

- Investor base with a well-informed focus on resource companies
- Inviting platform for junior and mid-cap resource companies, particularly early-stage companies planning for growth

London Stock Exchange

- One of the largest international markets worldwide
- Cost efficient access to large pool of international equity

Hong Kong Stock Exchange

- International finance center and gateway to Mainland China and Asia
- Sound regulatory framework and market standards

Toronto Stock Exchange & TSX Venture Exchange

- Home to many resource companies and an investor base that is well-versed in mining
- Listing standards with specific financial requirements for mining companies

Johannesburg-JSE Limited

- Africa's premier and largest exchange, offering access to investor base throughout Africa
- Junior board offers small junior mining companies access to equity markets



Key issues for mining companies

A mining company should take into account the following key issues when undertaking the process of capital raising and listing on a stock exchange.

Stage of operations

With considerable variation in financial listing requirements among stock exchanges, a mining company's stage of operations is an important aspect to consider at the onset when choosing a listing venue.

Many stock exchanges have general requirements that are based on a track record of profitability, revenues, cash flow, market capitalization and/or working capital. Others offer alternative financial tests based on assets, provide separate criteria specifically applicable to mining companies or may waive generally applicable tests on a case-by-case basis.

A mining company in the exploration or early development phase, for example, may be more likely to satisfy asset-based or industry-specific requirements than other general financial tests. Consideration of the operational stage therefore is an important factor in a mining company's listing venue decisions early on in the process.

Due diligence

Due diligence investigations for mining companies are typically more specialized than for many other companies, with a heavy focus on the tenure of licenses, land access and industry-specific regulation.

Often key to a mining company's business is its exclusive right to exploit a resource and access the land on which the resource is located. As such, it is critical to verify the necessary legal rights associated with mining tenement tenure, land access and compensation arrangements. Exploration permits, mineral licenses, native title and indigenous rights agreements, land access contracts, royalty deeds, and governmental concessions and agreements all should be investigated and addressed as part of the legal due diligence process.



In addition, due diligence investigations for mining companies often focus on the broader regulatory environment applicable to the industry. Not only are mining companies subject to mining laws applicable in each jurisdiction of operation, but many other legal and regulatory regimes apply, such as laws relating to the environment, health and safety, labor, foreign exchange, foreign investment and taxation. It is therefore critical for a mining company to seek guidance from advisers well-versed across the regulatory spectrum.

Other areas of focus for mining companies during legal due diligence often include:

- Joint venture structures;
- Governmental permits, certificates and licenses;
- Labor issues and union awards;
- Community consultation and social license to operate;
- Infrastructure access, capacity rights and obligations;
- Equipment financing and leasing arrangements;
- Sales commitments; and
- Environmental impact, offsets and remediation.

In addition, other important aspects of due diligence include technical mining reviews, resources and reserves evaluations, and financial reviews on project funding and working capital requirements.

Prospectus disclosures

Mining companies should be mindful of a number of specific prospectus disclosure issues that commonly arise.

Describing the highly technical business of mining—from property rights to mineral exploration to reserves calculations—often poses one of the most challenging aspects a mining company must undertake in a prospectus. The crux of the challenge is to describe the business accurately and in accordance with applicable regulations, while satisfying investors' and securities regulators' desires for easy-to-understand disclosure.

In addition, because of the broad regulatory environment applicable to mining companies, as discussed above, special prospectus disclosures may be required or advisable. For example, where a legal regime is particularly onerous or unique, a mining company should consider including in the prospectus a summary of the relevant laws. Knowledgeable regulatory advisers that are also experienced in crafting disclosure are vital to the prospectus drafting process.

Further, many exchanges require mining companies to provide specific disclosures in or with the prospectus, such as:

- A technical report from a "competent person" or "qualified person" in accordance with specific mineral project reporting standards, which can vary by exchange;
- Specific details about resources and reserves, which must comply with applicable reporting codes that can vary by exchange;
- Descriptions about plans for exploration, development and extraction;
- Information about any third party rights or legal claims affecting the tenement tenure;
- Transactions with interested persons; and
- Transactions with governmental entities.

Management and technical team

The skill set, experience and track record of a mining company's management and technical team in the relevant mineral, geographical area and geophysical environment are also important factors. Highlighting the team's relevant credentials may provide investors and regulators with confidence in the company and its prospects of developing projects in the manner described to investors in the prospectus. Typically, a mining company would include within the prospectus relatively extensive curriculum vitae for key team members.

Eight practical tips for a successful listing

Regardless of the particular stock exchanges considered for listing, a mining company can increase its chances of success by following these practical tips.

- ✓ **Prioritize** your goals for the listing. For example, are you seeking access to a broader investor base, greater visibility among mining industry peers or another goal?
- ✓ **Consider** the likelihood that a particular exchange can meet those goals.
- ✓ **Analyze** the trading price and volume of comparable mining stocks on the exchanges you are considering.
- ✓ **Critique** any timetable provided by an adviser, exchange or other third party to confirm that it is realistic.
- ✓ **Understand** the liability risks of listing on a particular exchange.
- ✓ **Quantify** all initial and ongoing costs associated with a particular exchange. These can include, for example, initial listing fees, annual fees, ongoing disclosure costs, mineral project reporting expenses and other compliance-related costs.
- ✓ **Seek** an exchange where investors are familiar with other companies in the mining industry.
- ✓ **Choose** financial, legal and accounting advisers that have mining industry knowledge and on-the-ground experience with local and international aspects of listing on a particular exchange.



Australian Securities Exchange

ABOUT THE EXCHANGE

The Australian Securities Exchange (ASX) is an internationally recognized market for resource companies and an inviting platform for junior and mid-cap resource and energy companies to access equity capital markets. Australian investors generally have a well-informed investment focus on resource companies with projects both in Australia and internationally, including in North America, South America, Africa and Asia. Resources companies represent about half of the companies listed on ASX, including a number of foreign companies, having a total market capitalization of over A\$500 billion. The ASX is particularly attractive to early-stage companies as the ability to list under the assets test (described below) provides a viable avenue for resource exploration and other early-stage companies to access capital markets by listing on the exchange. As a result, the ASX offers an appealing platform for companies to grow, with the potential to be included in ASX indices or to seek dual listings on other exchanges once they have established a track record and stronger financial and market position.

KEY LISTING REQUIREMENTS

ASX

Financial requirements	<p>Companies can seek listing on ASX by satisfying at least one of the following requirements:</p> <ul style="list-style-type: none">▪ <u>Profits test:</u><ul style="list-style-type: none">▪ aggregated operating profit for the last 3 full financial years of at least A\$1 million (approx. US\$750,000);▪ consolidated operating profit of more than A\$450,000 (approx. US\$375,000) for the 12 months preceding a date no more than 2 months before the date the company applies for listing;;▪ 3 full years of audited accounts; and▪ directors must provide a statement regarding continuing profits up to the date of the listing application.▪ <u>Assets test:</u><ul style="list-style-type: none">▪ net tangible assets of at least A\$4 million (approx. US\$3 million), after deducting the costs of fund raising (A\$15 million (approx. US\$11.25 million) for an investment company), or a market capitalization of at least A\$15 million (approx. US\$11.25 million);▪ less than half of the company's total tangible assets, after deducting the costs of raising any funds, are in cash or in a form readily convertible to cash, or there are commitments consistent with business objectives to spend at least half of its cash and assets that are in a form readily convertible to cash;▪ working capital of at least A\$1.5 million (approx. US\$1.15 million), which may include budgeted revenue for the first full financial year after listing, after allowing for the first full year's budgeted administration costs and costs of acquiring assets referred to in the prospectus; and▪ 2 full years of audited accounts (subject to limited exceptions).▪ <u>Foreign exempt listing:</u><ul style="list-style-type: none">▪ company is already listed on another stock exchange and its primary listing is on a home exchange that is acceptable to ASX;▪ either operating profit (before income tax and derived from its ordinary activities) for each of the last 3 full financial years of at least A\$200 million (approx. US\$150 million), or net tangible assets or a market capitalization of at least A\$2 billion (approx. US\$1.5 billion).
Operating history	<p>Generally, mining exploration companies would seek admission under the assets test, and mining production companies would either apply under the profits test, if they have sufficient track record of profitability, or the assets test.</p> <ul style="list-style-type: none">▪ Under the profits test, generally 3 years of profitable operations from the same main business activity.▪ None under the assets test.

KEY LISTING REQUIREMENTS (continued)

ASX	
Public float & number of shareholders	<p>Minimum 20% free float requirement for securities held by non-affiliated, security holders, which excludes securities held by affiliated security holders being:</p> <ul style="list-style-type: none"> • restricted securities (i.e. ASX imposed escrow); • securities subject to voluntary escrow; • securities held by related parties (e.g. director) and their associates and persons that ASX considers should be treated as affiliated with the entity. <p>At least 300 security holders holding at least A\$2,000 (approx.. US\$1,500), excluding affiliated security holders (see above).</p>
Price per share	At least A\$0.20 (approx. US\$0.15) per share.
Management continuity requirements	None. However, all directors must satisfy requirements that they are of good fame and character.
Restricted jurisdictions	<p>For foreign exempt listings, a company's home exchange must have its primary listing on an overseas stock exchange that is acceptable to ASX, including: Borsa Italiana, Bursa Malaysia, Deutsche Borse, Euronext (Amsterdam), Euronext (Brussels), Euronext (Lisbon), Euronext (Paris), Frankfurt Stock Exchange, HKSE, JSE, NASDAQ, NYSE, NZX, LSE, SGX, SIX Swiss Exchange, TSE (Tokyo) and TSX (Toronto).</p> <p>For general listings, there are no restricted jurisdictions. However, many foreign businesses wishing to list will establish a holding company in Australia or an English-speaking jurisdiction, such as England, Canada, USA or the British Virgin Islands.</p>
Currency denomination restrictions	Trading price for foreign company securities will be in A\$ even though they may be denominated in other currencies. Foreign companies generally will be required to create CHESS Depository Interests over their shares or stock, (CDIs) which are then listed and traded on ASX.
Accounting standards	Australian Accounting Standards or other standards acceptable to ASX such as IFRS and GAAP applicable in Canada, Hong Kong, New Zealand, Singapore, South Africa, United Kingdom and USA.
Financial statements	<p>The prospectus must generally include:</p> <ul style="list-style-type: none"> • 3 full years' audited financial statements for companies seeking listing under the profit test; and • 2 full years' audited financial statements (subject to limited exceptions) for companies seeking listing under the assets test. <p>Usually also includes pro forma historical information for the same period. Forecast financial information also may be included.</p>
Lock-up & escrow requirements	<ul style="list-style-type: none"> • None if admitted under profits test. • If admitted under the assets test, certain shares may be classified as restricted securities so that they must be escrowed and cannot be dealt with for a period of up to 2 years after listing. The applicable escrow period depends on the nature of the relevant holder's relationship with the company (e.g., director, lead capitalist, promoter, vendor of assets) and the consideration provided for the shares.
Initial listing fees	Fee is based on market capitalization, with a minimum of A\$30,000 (approx. US\$22,500).
Annual fees	Fee is based on market capitalization, with a minimum of A\$13,132 (approx. US\$10,000).
Approximate timeframe for typical listing process	4 months.
Major regulators in addition to the exchange	Australian Securities and Investments Commission (ASIC).

SPECIAL REQUIREMENTS FOR MINING COMPANIES

Financial requirements specific to mining companies?	No. However, mining exploration companies generally seek admission under asset-based financial requirements, while mining production companies typically apply under financial tests based on profits if they have sufficient track record of profitability.
Standard for mineral project reporting	ASX Listing Rules Chapter 5 and Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).
Other special requirements	Once listed, there are additional reporting and disclosure requirements for mining and oil & gas exploration and producing entities and other entities reporting on mining and oil & gas activities.

Hong Kong Stock Exchange

ABOUT THE EXCHANGE

The Stock Exchange of Hong Kong Limited (HKSE) is recognized worldwide as a premier securities exchange with access to abundant local and overseas funds and free flow of both capital and information. With its respected and well established legal system and sound regulatory framework and market standards, Hong Kong is an international financial center and acts as a gateway to Mainland China and Asia. With Hong Kong's close ties to Mainland China and other Asian economies, the HKSE is strategically placed to serve as an ideal platform for mining companies seeking exposure to rapidly growing markets in Mainland China and throughout Asia. The growing demand for resources emerging from China, India and other Asian countries may encourage mineral and resource companies to list on the HKSE. With listing rules aligned with globally recognized standards and specific requirements for mineral companies, the HKSE is becoming more attractive to the industry as a fund raising venue.

KEY LISTING REQUIREMENTS

HKSE	
Financial requirements	At least one of the following: <ul style="list-style-type: none">• <u>Profit test</u>: (1) market capitalization of at least HK\$200 million (approx. US\$25.8 million); and (2) profits of at least HK\$50 million (approx. US\$6.5 million) in the last 3 financial years, with at least HK\$20 million (approx. US\$2.6 million) recorded in the most recent year and at least HK\$30 million (approx. US\$3.9 million) recorded in the 2 years before that;• <u>Market capitalization / revenue / cash flow test</u>: (1) market capitalization of at least HK\$2 billion (approx. US\$258 million); (2) revenue of at least HK\$500 million (approx. US\$64.5 million) for the most recent audited financial year; and (3) positive cash flow from operating activities of at least HK\$100 million (approx. US\$12.9 million) for the 3 preceding financial years; or• <u>Market capitalization / revenue test</u>: (1) market capitalization of at least HK\$4 billion (approx. US\$516 million); and (2) revenue of at least HK\$500 million (approx. US\$64.5 million) for the most recent audited financial year. In addition, a company must have sufficient working capital for at least the next 12 months.
Operating history	3 years.
Public float & number of shareholders	All of the following: <ul style="list-style-type: none">• At least 300 shareholders (at the time of listing);• At least 25% of total issued share capital held by the public (at all times); and• Not more than 50% of shares held by the public can be beneficially owned by the 3 largest public shareholders (at the time of listing).
Price per share	The issue price must not be less than the nominal value.
Management continuity requirements	3 years.
Restricted jurisdictions	Suitability is assessed on a case-by-case basis if not incorporated in Hong Kong, Australia, Bermuda, Brazil, British Virgin Islands, Canada (Alberta, British Columbia or Ontario), Cayman Islands, Cyprus, England and Wales, France, Germany, Guernsey, Isle of Man, Italy, Japan, Jersey, Labuan, Luxembourg, PRC, Republic of Korea, Singapore or United States (California or Delaware).

KEY LISTING REQUIREMENTS (continued)

	HKSE
Currency denomination restrictions	Eligible securities must be traded and settled in either Hong Kong dollars, Renminbi or US dollars, even though they may be denominated in other currencies.
Accounting standards	HKFRS, IFRS or, for a PRC issuer, CASBE.
Financial statements	The listing document must generally include 3 years' audited financial statements and, if the latest financial year ended more than 6 months before the date of the listing document, then in addition an audited interim (or stub) set of accounts for part of the current financial year.
Lock-up & escrow requirements	For 6 months from when dealings commence on HKSE, controlling shareholders (those holding 30% or more of the voting power) may not dispose of any interests in the issuer. For a further 6 months, a controlling shareholder may not dispose of any interests in the issuer that would cause it to cease to be a controlling shareholder.
Initial listing fees	Fee ranges from HK\$150,000 (approx. US\$19,400) to HK\$650,000 (approx. US\$83,900), depending on the value of securities being listed.
Annual fees	At least HK\$145,000 (approx. US\$18,700) but increases depending on the nominal value of shares listed.
Approximate timeframe for typical listing process	6 months.
Major regulators in addition to the exchange	Securities and Futures Commission (SFC).

SPECIAL REQUIREMENTS FOR MINING COMPANIES

Financial requirements specific to mining companies?	<p>No. However, the HKSE may, on a case-by-case basis, waive the profit or other financial standards requirement for mineral companies if the directors and management of the issuer have sufficient and satisfactory experience of at least 5 years in mining and/or exploration activities, and the primary activity of the issuer is the exploration for and/or extraction of natural resources. The issuer must also satisfy the HKSE that its inability to fulfill the financial standards requirement is because it has been in the pre-production, exploration and/ or development phase throughout the track record period, and must demonstrate a clear path to commercial production.</p> <p>In addition, the issuer must have sufficient working capital for 125% of present requirements, for at least the next 12 months.</p>
Standard for mineral project reporting	<ul style="list-style-type: none"> • JORC Code, NI 43-101 or SAMREC Code for mineral resources and reserves. • PRMS for petroleum resources and reserves. • CIMVAL, SAMVAL Code or VALMIN Code for valuations.
Other special requirements	<ul style="list-style-type: none"> • Issuer must have the right to participate actively in the exploration for and/ or extraction of natural resources either through control over a majority (more than 50%) of the mineral assets or through adequate rights from acceptable arrangements which give it sufficient influence in decisions. • Issuer must have discovered at least a portfolio of indicated resources or contingent resources (in the case of petroleum companies) of sufficient substance. • Issuer that has begun production must provide an estimate of cash operating costs. • Issuer that has not yet begun production must disclose its plans to proceed to production with indicative dates and costs supported by a scoping study and substantiated by the opinion of a competent expert. • Listing document must include a report on reserves and/or resources prepared by an independent competent expert.

Johannesburg—JSE Limited

ABOUT THE EXCHANGE

JSE Limited (JSE)—previously known as the JSE Securities Exchange and the Johannesburg Stock Exchange—was established in 1887 and is Africa's premier and largest exchange. The JSE is South Africa's only full service securities exchange and offers a variety of investment products in a range of markets. The JSE is uniquely positioned to offer investment opportunities in securities issued by companies based in other African jurisdictions, while possibly alleviating some of the challenges presented in these jurisdictions. The JSE equity market is currently comprised of two boards, the Main Board and the Alternative Exchange Board (AltX). AltX is focused on small- and medium-sized high growth companies, and provides these smaller companies not yet able to list on the Main Board with a clear growth path and access to capital. The JSE offers mineral companies unique access to other African jurisdictions, while AltX offers small junior mining companies access to the equity capital markets.

KEY LISTING REQUIREMENTS

JSE	
Financial requirements	All of the following: <ul style="list-style-type: none">• Subscribed capital of at least R25 million (approx. US\$2.3 million);• Audited profit history for the preceding 3 years, with at least R8 million (approx. US\$740,000) in the last year; and• Carrying on as its main activity an independent business, with a revenue earning history and control over the majority of its assets for the past 3 years. <p>The JSE has discretion to waive: (i) the profit history requirement if the subscribed capital is at least R500 million (approx. US\$46.3 million) and the company has been in existence for 12 months, and (ii) the 3-year asset control requirement if the company has had control over a majority of its assets for 12 months.</p>
Operating history	Generally 3 years.
Public float & number of shareholders	Both of the following: <ul style="list-style-type: none">• At least 300 public shareholders (at the time of listing); and• At least 20% of total issued share capital held by the public (at all times).
Price per share	None.
Management continuity requirements	None.
Restricted jurisdictions	None.
Currency denomination restrictions	Securities may be denominated in any currency, but must be traded and settled in South African Rand.
Accounting standards	For primary listings, IFRS and AC 500 Standards as issued by the South African Accounting Practices Board. For secondary listings, IFRS, IFRS as adopted by the European Union, and UK, US, Australian or Canadian GAAP.

KEY LISTING REQUIREMENTS (continued)

JSE	
Financial statements	The listing document must generally include a report of historical financial information for the last 3 years. A pre-listing statement must also include pro forma financial information.
Lock-up & escrow requirements	None.
Initial listing fees	Fee ranges from R1,000 to R2.49 million (approx. US\$90 to US\$230,000), depending on the value of securities being listed.
Annual fees	Fee is equal to 0.04% of the market value of the listed securities, with a minimum of R39,576 (approx. US\$3,700) and a maximum of R201,000 (approx. US\$19,000).
Approximate timeframe for typical listing process	6 months.
Major regulators in addition to the exchange	The Companies and Intellectual Property Commission (the Commission).

SPECIAL REQUIREMENTS FOR MINING COMPANIES

Financial requirements specific to mining companies?	No. The general financial requirements are applicable to mining companies.
Standard for mineral project reporting	South African Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (SAMREC Code) and the South African Code for reporting of Mineral Asset Valuation (SAMVAL Code).
Other special requirements	<p>A mineral company must have a reasonable spread of direct interests in mineral assets and have rights to actively participate in the management of those assets, whether by voting or through other rights which give it influence in decisions relating to the assets, provided, it or its group (including companies in which the mineral company has investments) is in possession of the necessary legal title or ownership rights to explore, mine, or explore and mine the relevant minerals.</p> <p>A mineral company must disclose the following information in the prospectus and/or pre-listing statement, as applicable:</p> <ul style="list-style-type: none"> • Either in full or a detailed executive summary of a public report prepared on the mineral assets and projects of the company, which complies with the listing requirements as well as the SAMREC Code and the SAMVAL Code and is signed by the lead competent person or defined in the SAMREC Code. • Details of the interest of each director, competent person, competent valuator or related party which has (or, within 2 years of the date of the pre-listing statement, had) in any asset (inducting any right to explore for minerals) of the applicant mineral company, or any asset which has been acquired or disposed of by, or leased to or by, the applicant mineral company, including any interest in the consideration passing to or from the applicant mineral company. • A statement by the directors of the applicant mineral company in respect of any legal proceedings that may have an influence on the rights to explore or mine, or an appropriate negative statement. • Confirmation that the applicant mineral company, or its group (including companies in which it has investments), is in possession of the necessary legal title or ownership rights to explore, mine, or explore and mine the relevant minerals.

London Stock Exchange

ABOUT THE EXCHANGE

The London Stock Exchange (LSE) is one of the largest international markets in the world. The Main Market is the LSE's flagship market for larger, more established companies and is home to some of the world's best known companies. AIM is known for its balanced approach to regulation and is well-suited to smaller, growing companies. The LSE provides cost-efficient access to a large pool of international equity assets, with close to 600 international companies from over 70 countries listed and traded on its markets. Approximately 175 mining companies are listed in London, with a market value of approximately £210 billion (approximately US\$350 billion).

KEY LISTING REQUIREMENTS

	LSE Main Market	LSE AIM
Financial requirements	Both of the following: <ul style="list-style-type: none">• Expected market value of all securities to be listed must be at least £700,000 (approx. US\$1.1 million); and• Sufficient working capital for at least the next 12 months. In addition, a company seeking a premium listing generally must demonstrate that it controls the majority of its assets and has done so for at least 3 years.	Sufficient working capital for at least the next 12 months. Generally no minimum size or market capitalization requirements.
Operating history	Generally 3 years.	None.
Public float & number of shareholders	At least 25% of the class of shares to be listed must be distributed to the public in one or more EEA member states.	None.
Price per share	None.	None.
Management continuity requirements	None.	None.
Restricted jurisdictions	None.	None.
Currency denomination restrictions	None.	None.
Accounting standards	IFRS if company is incorporated in a EEA member state; IFRS or US, Japanese, Chinese, Canadian, Indian (for financial periods ending on or before December 31, 2014) or South Korean GAAP for other companies.	IAS if company is incorporated in a EEA member state; IAS, US GAAP, Canadian GAAP, Australian IFRS or Japanese GAAP for other companies.

KEY LISTING REQUIREMENTS (continued)

	LSE Main Market	LSE AIM
Financial statements	The prospectus must generally include audited historical financial information for the last 3 financial years, and any quarterly or half-yearly financial information published since the date of the last audited financial statements. In addition, the audit reports for all relevant periods must be included in full.	The admission document must generally include audited accounts for the last 3 financial years (or less if the company has been in existence for less than 3 years) and an audit report in respect of each year.
Lock-up & escrow requirements	None. However, underwriters typically require directors and major selling shareholders to agree to a lock-up arrangement.	For companies whose business has not been independent and earning revenue for at least 2 years, 1 year from admission for directors, significant shareholders (those holding 10% or more of a class of security or voting rights) and applicable employees (those holding 0.5% or more of a class of security). In addition, underwriters typically require directors and major selling shareholders to agree to a lock-up arrangement.
Initial listing fees	Fees (which are payable to both the exchange and FCA) are based on market capitalization. Fees for a company with a market capitalization of £100 million (approx. US\$160 million) are approximately £80,000 (approx. US\$130,000).	Fee is based on market capitalization. Fee for a company with a market capitalization of £50 million (approx. US\$80 million) is approximately £26,600 (approx. US\$44,000).
Annual fees	Fees (which are payable to both the exchange and FCA) are based on market capitalization. Fees for a company with a market capitalization of £100 million (approx. US\$160 million) are approximately £10,300 (approx. US\$16,800). Overseas companies with a standard listing receive a 20% discount on some of these fees.	£5,899 (approx. US\$9,600).
Approximate timeframe for typical listing process	5 months.	4 months.
Major regulators in addition to the exchange	Financial Conduct Authority (FCA) in its capacity as the UK Listing Authority.	None. The Financial Conduct Authority (FCA) is not typically involved in an AIM admission.

SPECIAL REQUIREMENTS FOR MINING COMPANIES

	LSE Main Market	LSE AIM
Financial requirements specific to mining companies?	No. However, there are modified asset ownership and audited financial information requirements for mining companies.	No, the general financial requirements are applicable to mining companies.
Standard for mineral project reporting	Australian, South African, Canadian, US, European (PERC), Chilean or Russian (NAEN Code) standards are acceptable.	Australian, South African, Canadian, US, UK (IMMM) or Russian (GOST) standards are acceptable.
Other special requirements	<ul style="list-style-type: none"> • The prospectus must include additional mining-specific disclosure (e.g., mineral resources, exploration potential, mine life, licenses). • The prospectus must contain a competent person's report (CPR) reporting on mineral resources and, where applicable, reserves and exploration results and prospects under one of the standards listed above. • Premium listed mining companies with controlling shareholders are required to carry on an independent business and enter into a relationship agreement with each controlling shareholder. 	<ul style="list-style-type: none"> • Material contracts to be disclosed in the admission document are defined more broadly. • There is a heightened focus on risk factors, specifically those applicable to the company. • Payments to governmental and regulatory authorities must be disclosed. • Where the relevant assets are outside the UK, the LSE expects the nominated adviser to obtain a legal opinion covering due incorporation and title to assets. • The admission document must contain a competent person's report (CPR) reporting on mineral resources and, where applicable, reserves and exploration results and prospects under one of the standards listed above.

Toronto Stock Exchange & TSX Venture Exchange

ABOUT THE EXCHANGE

The Toronto Stock Exchange (TSX) and the TSX Venture Exchange (TSX-V) are important markets for mining companies around the world. The TSX is regarded as the primary market in Canada for senior issuers, while the TSX-V is recognized as the primary Canadian market for junior issuers. With a high concentration of resource companies on both the TSX and TSX-V, investors in Canada tend to be well-versed in the mining industry, both locally and abroad. In addition, listing standards for the TSX and TSX-V offer financial tests specifically applicable to mining companies. These industry-based requirements can be particularly attractive to newly producing mining companies or companies in the exploration or development stage that may not yet be able to satisfy financial tests based on profits or revenue. More than 1,500 mining companies are listed in Toronto, with a market value of approximately C\$300 billion.

KEY LISTING REQUIREMENTS

	TSX	TSX-V
Financial requirements	<p>Two alternative listing standards (exempt and non-exempt) depending on mining company's stage of development. A company may be "exempt" if it has over C\$7.5 million in net tangible assets, earnings from ongoing operations (before taxes and extraordinary items) and pre-tax cash flow of C\$700,000 (and average pre-tax cash flow of C\$500,000 for the immediately preceding 2 years) and meets a number of other industry-specific conditions.</p> <p>Non-exempt mining companies must have an appropriate capital structure and meet industry-specific requirements:</p> <ul style="list-style-type: none">• <u>Mining (production)</u>: (1) proven and probable reserves to provide a mine life of at least 3 years, together with evidence indicating a reasonable likelihood of future profitability; (2) either be in production or have made a production decision on the qualifying project or mine; (3) sufficient funds to bring the mine into working production and adequate working capital and appropriate capital structure; and (4) net tangible assets of C\$4 million.	<p>At least one of the following:</p> <ul style="list-style-type: none">• <u>Working capital & financial resources</u>: (1) adequate working capital and financial resources to carry out its stated work program or execute its business plan for 18 months following listing for Tier 1 and 12 months following listing for Tier 2; and (2) C\$200,000 in unallocated funds for Tier 1 and C\$100,000 in unallocated funds for Tier 2;• <u>Mining companies (Tier 1)</u>: (1) C\$2 million in net tangible assets; (2) a material interest in a Tier 1 property; (3) a work program with an initial phase of no less than C\$500,000, as recommended in a geological report; (4) satisfaction of other Tier 1 property requirements, as applicable; and (5) a geological report recommending completion of the work program and sponsor report, if required;

KEY LISTING REQUIREMENTS (continued)

	TSX	TSX-V
Financial requirements	<ul style="list-style-type: none"> • <u>Mining (exploration/development-stage):</u> (1) an advanced property (with continuity of mineralization demonstrated in three dimensions at economically interesting grades) detailed in a report prepared by an independent qualified person; (2) a planned work program of exploration and/or development of at least C\$750,000 recommended by an independent qualified person; (3) sufficient funds to complete the planned program of exploration and/or development, to meet G&A costs, anticipated property payments and capital expenditures for at least 18 months; (4) working capital of at least C\$2 million; (5) net tangible assets of C\$3 million; and (6) generally hold or have a right to earn and maintain at least a 50% interest in the qualifying property. • <u>Oil & gas (producing companies):</u> (1) proved developed reserves of C\$3 million; (2) a clearly defined program that can reasonably be expected to increase reserves; (3) adequate funds to execute the program and cover all other capital expenditures and G&A and debt service expenses, for a period of 18 months with an allowance for contingencies; and (4) an appropriate capital structure. • <u>Oil & gas (development-stage):</u> (1) contingent resources of C\$500 million; (2) minimum market value of issued securities to be at least C\$200 million; (3) a clearly defined development plan that can reasonably be expected to advance the property; (4) adequate funds to either (a) execute the development plan and cover all other capital expenditures and G&A and debt expenses, for a period of 18 months with an allowance for contingencies, or (b) bring the property into commercial production and fund all capital expenditures and carry on the business for 18 months; and (5) an appropriate capital structure. 	<ul style="list-style-type: none"> • <u>Mining companies (Tier 2):</u> (1) no net tangible asset requirement; (2) significant interest in a qualifying property or, at the discretion of the TSX-V, a right to earn a significant interest in a qualifying property; (3) no less than C\$100,000 of approved expenditures by issuer on qualifying property within 36 months preceding listing application; (4) a work program with an initial phase of no less than C\$200,000, as recommended in a geological report; and (5) a geological report recommending completion of the work program and sponsor report, if required; • <u>Oil & gas (Tier 1, exploration or producing):</u> (1) for an exploration company, C\$3 million in reserves, of which a minimum of C\$1 million must be proved developed reserves and the balance probable reserves; or for a producing company, C\$2 million in proved developed reserves; (2) for an exploration company, satisfactory work program of no less than C\$500,000, which can reasonably be expected to increase reserves as recommended in a geological report; and (3) a geological report recommending completion of the work program and sponsor report, if required; or; • <u>Oil & gas (Tier 2, exploration or reserves):</u> (1) for an exploration company, (a) either (i) issuer has unproven property with prospects or (ii) issuer has joint venture interest and C\$5 million raised by prospectus offering; (b) minimum of C\$1.5 million allocated by issuer to a work program as recommended in a geological report except where issuer has a joint venture interest and C\$5 million raised by prospectus offering; and (c) a geological report recommending completion of the work program and; (2) for an issuer with reserves, either (i) satisfactory work program and (ii) in an amount of no less than \$300,000 if proved developed producing reserves have a value of less than \$500,000, as recommended by a geological report; and (3) a geological report recommending completion of the work program and sponsor report, if required.
Operating history	Generally none, but at least 2 years for research and development companies.	Generally none.

KEY LISTING REQUIREMENTS (continued)

	TSX	TSX-V
Public float & number of shareholders	<p>All of the following:</p> <ul style="list-style-type: none"> • At least 1,000,000 freely tradable shares; • At least 300 holders of one board lot or more; and • Aggregate market value of C\$4 million (C\$10 million for technology companies). 	<p>All of the following:</p> <ul style="list-style-type: none"> • At least 1,000,000 freely tradable shares for Tier 1 (500,000 for Tier 2); • At least 250 public shareholders for Tier 1 (200 for Tier 2), each holding a board lot and having no resale restrictions on their shares; and • At least 20% of issued and outstanding shares held by the public.
Price per share	None.	Generally, at least C\$0.10 per share.
Management continuity requirements	None.	None.
Restricted jurisdictions	<p>None. However, if a company's jurisdiction does not require companies to provide certain shareholder protections, the exchange may require certain amendments to the company's articles of incorporation (or equivalent document) as a condition of listing. Additional scrutiny may face entities organized in or with principal properties or businesses located in emerging market jurisdictions.</p>	<p>None. However, if a company's jurisdiction does not require companies to provide certain shareholder protections, the exchange may require certain amendments to the company's articles of incorporation (or equivalent document) as a condition of listing. Additional scrutiny may face entities organized in or with principal properties or businesses located in emerging market jurisdictions.</p>
Currency denomination restrictions	Securities can be listed in either Canadian or US dollars.	Securities can be listed in either Canadian or US dollars.
Accounting standards	IFRS, as applicable in Canada.	IFRS, as applicable in Canada.
Financial statements	<p>The following financial statements must be filed with or included in the principal listing document:</p> <ul style="list-style-type: none"> • Audited financial statements for the most recently completed financial year, signed by two directors on behalf of the full Board; • Unaudited financial statements for the most recently completed financial quarter; and • If the company has recently completed or proposes to complete material transaction (such as a business acquisition or a significant disposition that materially affect the company's financial position or operating results), pro forma financial statements that give effect to the transaction 	<p>The following financial statements must be filed with or included in the principal listing document:</p> <ul style="list-style-type: none"> • Audited financial statements for the most recently completed financial year, signed by two directors on behalf of the full Board; • Unaudited financial statements for the most recently completed financial quarter, signed by two directors on behalf of the full Board; and • If the company has recently completed or proposes to complete material transaction (such as a business acquisition or a significant disposition that materially affect the company's financial position or operating results), pro forma financial statements that give effect to the transaction.

KEY LISTING REQUIREMENTS (continued)

	TSX	TSX-V
Lock-up & escrow requirements	The exchange imposes certain escrow requirements for management and key principals, which may differ based on market capitalization and on whether the issuer is an exempt or non-exempt issuer. Generally, the securities held by management and key principals will be escrowed and gradually released over a period of 18 to 36 months from the date of listing.	The exchange imposes certain escrow requirements for management and key principals, which may differ based on whether the issuer is a Tier 1 or Tier 2 issuer. Generally, the securities held by management and key principals will be escrowed and gradually released over a period of 18 to 36 months from the date of listing.
Initial listing fees	Fee ranges from C\$7,500 to C\$150,000, plus a non-refundable amount of C\$7,500 payable at the time of the application.	Fee ranges from C\$10,000 to C\$40,000, depending on the number of shares involved.
Annual fees	Fee ranges from C\$12,500 to C\$95,000, based on market capitalization.	Fee ranges from C\$5,200 to C\$90,000, depending on the number of shares outstanding.
Approximate timeframe for typical listing process	4 months.	4 months.
Major regulators in addition to the exchange	Investment Industry Regulatory Organization of Canada (IIROC) and applicable provincial or territorial securities commissions.	Investment Industry Regulatory Organization of Canada (IIROC) and applicable provincial or territorial securities commissions.

SPECIAL REQUIREMENTS FOR MINING COMPANIES

Financial requirements specific to mining companies?	Yes. There are specific sets of financial requirements for both mining production companies and for mining exploration/development companies.
Standard for mineral project reporting	National Instrument 43-101.



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