

ASX Listed Entities Update

Listed Entities Update 22 November 2012

Update no 11/12

Important Information for Listed Entities

1. Enhanced disclosure rules for mining and oil and gas companies: new ASX Listing Rules to come into effect on 1 December 2013

Following a period of consultation, ASX has received regulatory approval to introduce new listing rules to enhance disclosure of reserves and resources by ASX-listed mining exploration and production companies, and oil and gas exploration and production companies.

Companies will be provided with a 12-month transition period, with the new rules coming into effect on 1 December 2013.

The new rules will be underpinned by an updated Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (JORC Code), which is expected to be released by the Joint Ore Reserves Committee (JORC) in mid-December 2012.

The updated ASX Listing Rules are available [here](#). They include a substantially rewritten Chapter 5; consequential amendments to a number of other rules; a new Guidance Note 31 *Reporting on Mining Activities*; and a new Guidance Note 32 *Reporting on Oil and Gas Activities*.

The principal themes of the new rules are:

- For mining companies.
 - A requirement to report in accordance with the 2012 JORC Code (which is expected to be released by JORC in mid-December 2012).
 - Disclosure of additional information when exploration results, estimates of mineral resources and ore reserves, and production targets are disclosed for material projects.
 - Streamlining of the requirement for prior written consent of the competent person for public reports.
 - Ability for companies to report historical or foreign estimates of mineralisation for material projects, subject to certain conditions being satisfied.
- For oil and gas companies.
 - A requirement to report in accordance with the Society of Petroleum Engineers - Petroleum Resources Management System (SPE-PRMS).
 - Disclosure of additional information when estimates of reserves, contingent resources and prospective resources are disclosed for material projects.
- For both mining companies and oil and gas companies.
 - A requirement to include an annual mineral resources and ore reserves statement or an annual petroleum reserves statement (as the case may be) in the annual report.

ASX encourages companies to familiarise themselves with the new rules in advance of the rules' coming into effect. If you have queries concerning the new rules, please contact your ASX Listings Adviser.

2. Listing rule amendments effective 1 November 2012

As indicated in [Listed Entities Update 07/12](#), amendments to the admission listing rules in [Chapter 1](#) of the Listing Rules became effective on 1 November 2012. The amended admission requirements will apply to any application for admission (or any proposed re-compliance with the admission and quotation requirements under listing rule 11.1.3) that is lodged with ASX after 1 November 2012.

Security holder spread test

The security holder "spread test" applies to all entities applying for admission to the official list as ASX Listings. Condition 7 of listing rule 1.1 has been amended to provide 3 alternative "spread tests" under which an applicant entity may apply for admission. An applicant entity only need satisfy one of the following "spread tests":

- a. 400 holders of securities in the main class, each holding parcels of securities in the main class with a value of at least \$2,000 (excluding restricted securities). There is no minimum percentage of the issued capital that non-related parties must hold.

or
- b. Both of the following must be satisfied.
 - o 350 holders of securities in the main class, each holding parcels of securities in the main class with a value of at least \$2,000 (excluding restricted securities).
 - o Persons who are not related parties of the entity must hold that number of securities in the main class (excluding restricted securities) which is not less than 25% of the total number of securities in the main class.

or
- c. Both of the following must be satisfied.
 - o 300 holders of securities in the main class, each holding parcels of securities in the main class with a value of at least \$2,000 (excluding restricted securities).
 - o Persons who are not related parties of the entity must hold that number of securities in the main class (excluding restricted securities) which is not less than 50% of the total number of securities in the main class.

NTA test

The assets test in listing rule 1.3 applies to all entities applying for admission as ASX Listings, other than those that comply with the profit test in listing rule 1.2.

The net tangible assets (NTA) test in listing rule 1.3.1 has been amended to increase the minimum NTA required of applicant entities seeking admission under that test from \$2 million to \$3 million. Applicant entities seeking admission under this test will be required to have NTA of at least \$3 million after deducting the costs

of fund raising.

The alternative test in listing rule 1.3.1, under which an entity is not required to have NTA of the minimum required amount if it has a market capitalisation of at least \$10 million, has not been changed.

The test applicable to entities classified as investment entities in listing rule 1.3.1A has also not been changed.

3. Amended Guidance Notes effective 31 October 2012

The following Guidance Notes have been substantially rewritten and were reissued on 31 October 2012.

Guidance Note 14 ASX Market Announcements Platform

[Guidance Note 14](#) assists listed entities and their advisers to understand the operations of the ASX Market Announcements Platform (MAP) and the ASX Market Announcements Office (AMA).

Guidance Note 21 Appeals

ASX discontinued the Listing Rules Guidance Note on appeals in 2008 following the introduction of the first consolidated appeals rule book, which is now the ASX Enforcement and Appeals Rulebook. ASX has reissued [Guidance Note 21](#) to assist listed entities and entities applying for admission to the official list to understand which decisions under the ASX Listing Rules can be appealed to the ASX Appeal Tribunal and the process that applies to such appeals.

To help keep our Listed Entities informed of information and events ASX will be sending emails to the Company Secretary's Office from time to time. You are receiving this email because you have been identified as a key contact within the Company Secretary's Office at your organisation. If you would like to update your email address please do so via the Directors/Senior Management page on [ASX Online for Companies](#). Feel free to forward this email to any relevant parties within your organisation.

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