

# AIX Mining Company Rules

# MCR

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## MCR 1

### Scope and Application

- MCR 1.1 (R) These **Rules** apply in respect of listed **Issuers**, and **Applicants** for **Admission to Trading**, that are **Mining Companies**.
- MCR 1.2 (R) Listed **Issuers**, and **Applicants** for **Admission to Trading**, that are **Mining Companies** must also comply with all other **AIX Rules** that apply to listed **Issuers** and/or **Applicants** (as applicable).
- MCR 1.3 (R) **AIX** may, by **Notice**, specify different categories of **Mining Company** for the purposes of these **AIX Mining Company Rules** (in addition to **Tier 1** and **Tier 2 Mining Companies**) and, in relation to those categories of **Mining Company**, may (without limiting **AIX**'s discretion):
- (a) exempt specified categories of **Mining Company** from compliance with some or all of these **Rules**;
  - (b) modify the application of these **Rules** to specified categories of **Mining Company**; and
  - (c) impose additional requirements for specified categories of **Mining Company**.
- MCR 1.4 (R) **AIX** may advise a listed **Issuer** or **Applicant** that, in accordance with these **Rules** as applied to its business and activities, it is (or is not) a **Mining Company** with effect from a specified date or the occurrence of a specified event.
- MCR 1.5 (R) A listed **Issuer** must provide **AIX** with as much advance notice as practicable if it expects to become (or cease to be) a **Mining Company**, whether by a change in its activities, the acquisition or disposal of a business, or otherwise.
- MCR 1.6 (R) **AIX** may waive or modify one or more requirements of this chapter for **Mining Companies** where appropriate, provided that such waiver or modification would not unduly prejudice holders of **Securities** in the affected **Mining Companies**.

## MCR 2

### Definitions

- MCR 2.1 (R) For the purposes of these **AIX Mining Company Rules**:
- (a) “**Competent Person**”, in respect of a **Mining Company**, means a “**Competent Person**” (as defined in the applicable **Qualifying Reporting Standard**) that is free of:
    - (i) any financial interest in the **Mining Company** or in any of its **Mineral Projects**; or
    - (ii) any other circumstance (including being an employee or director of the **Mining Company**) that would, in the opinion of a reasonable person aware of all relevant facts, be likely to interfere with his or her

independent judgement or performance  
of the role of *Competent Person*.

- (b) “*Minerals*” means diamonds, natural solid inorganic material, or natural solid fossilized organic material, and includes base and precious metals, coal, and industrial minerals, but for the avoidance of doubt excludes petroleum.
- (c) “*Mineral Project*” means any exploration, development or production activity, including a royalty interest or similar interest in these activities, in respect of *Minerals*.
- (d) “*Mining Company*” means a listed *Issuer* (excluding any listed *Issuers* admitted to listing prior to the enactment of these *Rules*) of, or *Applicant* for *Admission to Trading* of, *Shares* (or *Certificates* over *Shares*) that has, as its principal business activities:
  - (i) the prospecting or exploration for *Minerals*; and/or
  - (ii) development or production activities in respect of *Minerals*,including a royalty or similar interest in such activities.
- (e) “*Qualifying Reporting Standard*”, means:
  - (i) in respect of a *Tier 1 Mining Company*, a *Tier 1 Qualifying Reporting Standard*; or
  - (iii) in respect of a *Tier 2 Mining Company*, a *Tier 2 Qualifying Reporting Standard*.
- (f) “*Tier*” means each of *Tier 1* and *Tier 2*.
- (g) “*Tier 1*” means the tier of *Mining Companies* that *AIX* is satisfied have a 50% or more ownership interest in a *Mineral Project* with proved reserves or measured resources in accordance with the applicable *Tier 1 Qualifying Reporting Standard*, and have the capability to develop them.
- (h) “*Tier 1 Qualifying Reporting Standard*” means either the Australasian Joint Ore Reserves Committee “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2012 edition) or the Canadian National Instrument 43-101 “Standards of Disclosure for Mineral Projects”, in each case as selected by the *Mining Company* from time to time (subject to *AIX*’s reasonable approval) provided that the identity of the selected standard is publicly disclosed by the *Mining Company* in accordance with *Rule MDR 7*.
- (i) “*Tier 2*” means the tier of *Mining Companies* that do not satisfy the requirements of these *Rules* applicable to *Tier 1 Mining Companies*.
- (j) “*Tier 2 Qualifying Reporting Standard*” means either the Australasian Joint Ore Reserves Committee “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (2012 edition), the Canadian National

Instrument 43-101 “Standards of Disclosure for Mineral Projects”, or the “Kazakhstan Code for the Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves”, in each case as selected by the *Mining Company* from time to time (subject to *AIX*’s reasonable approval) provided that the identity of the selected standard is publicly disclosed by the *Mining Company* in accordance with *Rule MDR 7*.

## **MCR 3**

### ***Tiers of Mining Companies***

- MCR 3.1 (R) At the same time as it submits an *Application* for *Admission to Trading*, an *Applicant* that is a *Mining Company* must advise *AIX* whether it seeks *Admission* as a *Tier 1 Mining Company* or a *Tier 2 Mining Company*. If *AIX* accepts an *Application* for *Admission to Trading* of *Securities* of a *Mining Company*, *AIX* will advise the *Applicant* of (and will publicly disclose) which *Tier* the *Applicant* is admitted to.
- MCR 3.2 (R) Following its *Admission to Trading*, a *Mining Company* may request *AIX* to transfer it from one *Tier* to the other, in which case it shall pay the fee prescribed by *AIX* by *Notice* for processing such requests (if any). Any such transfer will be at *AIX*’s discretion and (if accepted) will take effect at the time specified by *AIX* by *Notice*.
- MCR 3.3 (R) *AIX* may, by *Notice*, require a *Mining Company* to transfer from *Tier 1* to *Tier 2*, if the *Mining Company* is in *Tier 1* and *AIX* considers that the *Mining Company* no longer meets (or is likely to cease to meet) the requirements applicable to *Tier 1*.
- MCR 3.4 (R) Upon transferring from *Tier 2* to *Tier 1*, a *Mining Company* that had, as its *Qualifying Reporting Standard*, the “Kazakhstan Code for the Public Reporting of Exploration Results, Mineral Resources and Mineral Reserves”, must select a *Tier 1 Qualifying Reporting Standard* to comply with.
- MCR 3.5 (R) *AIX* may, by *Notice*, impose additional requirements, or waive or modify the application of the requirements of these *Rules* (with or without conditions), in respect of *Mining Companies* in either or both *Tiers*, provided that such action would not unduly prejudice holders of *Securities* in the affected *Mining Companies*.

## **MCR 4**

### ***Admission to Trading of Mining Companies – both Tiers***

- MCR 4.1 (R) In assessing the suitability for listing of an *Applicant* that is a *Mining Company* (in either *Tier*) under *Rule MLR 6.1*, in addition to the factors set out in *Rule MLR 6.2*, *AIX* will also take into account:
- (a) the experience and technical expertise of the *Applicant*’s management and directors relevant to its business and industry, and their relevant public company experience;
  - (b) the availability to the *Applicant* of suitably qualified technical personnel and experts, and the infrastructure required for the *Applicant*’s proposed exploration, development and production programmes;

- (c) the status and terms of the *Applicant*'s rights and licences for its *Mineral Projects* and proposed activities; and
  - (d) the *Applicant*'s ability to comply with the terms of its mining licences and material contracts, and with applicable *Laws*.
- MCR 4.2 (R) Prior to listing a *Mining Company* must obtain any relevant permits, consents, approvals, or authorisations from, and/or file notifications with, governmental and/or other regulatory bodies, if required by law, in respect of the *Admission to Trading* of its *Shares* (or *Certificates* over *Shares*), and must provide copies thereof to *AIX* together with its *Application*.
- (G) A *Mining Company* with a *Mineral Project* in Kazakhstan must, if required by law, obtain (and provide *AIX* with a copy of, together with its *Application*) a consent to its listing on *AIX* to be issued by the competent authority of Kazakhstan.
- (G) A *Mining Company* with a *Mineral Project* in Kazakhstan in respect of uranium must, if required by law, also obtain (and provide *AIX* with a copy of, together with its *Application*) a waiver of priority right to be issued by the competent authority of Kazakhstan.
- MCR 4.3 (R) The following additional requirements will apply to *Applicants* that are *Mining Companies*:
- (a) The *Applicant*'s *Prospectus* must:
    - (i) comply with the applicable *Qualifying Reporting Standard*, to the extent it contains information relating to the *Mining Company*'s *Mineral Projects*;
    - (ii) set out sufficient details of the *Applicant*'s current and planned exploration, development and production activities; and
    - (iii) contain, or be accompanied by, a report or reports by a *Competent Person* (who will be treated as an *Expert* for the purposes of the *AIX Prospectus Rules*) setting out the status of exploration, development and production, and assessments of reserves and resources, in respect of each of the *Applicant*'s *Mineral Projects*.
  - (b) The *Applicant*'s reports for the purposes of *Rule MCR 4.3(a)(iii)* must:
    - (i) be satisfactory to *AIX*;
    - (ii) comply with the applicable *Qualifying Reporting Standard*; and
    - (iii) comply with the requirements of clause 9.4 of Schedule 1 to the *AIFC Market Rules*, relating to *Expert* reports for special categories of *Company*.
- MCR 4.4 (R) In respect of an *Applicant* that is a *Mining Company*, *Rule MLR 4.1(2)* (requiring one of the previous three years' accounts to show a net profit) is deleted.

## MCR 5

### ***Admission to Trading of Tier 1 Mining Companies***

- MCR 5.1 (R) A ***Tier 1 Applicant*** must have the financial capability to execute its stated work programme for 18 months following ***Admission to Trading***, taking into account any expected production.
- MCR 5.2 (R) A ***Tier 1 Applicant***'s reports for the purposes of ***Rule MCR 4.3(a)(iii)*** must demonstrate proved reserves or measured resources (in accordance with the applicable ***Tier 1 Qualifying Reporting Standard***) at one or more of the ***Mineral Projects*** in which the ***Tier 1 Applicant*** has a 50% or more ownership interest (and if only demonstrating proven resources, this must be made clear in the report and ***Prospectus***, and the reasons explained).

## MCR 6

### ***Admission to Trading of Tier 2 Mining Companies***

- MCR 6.1 (R) A ***Tier 2 Applicant*** must have the financial capability to execute its stated work programme for 12 months following ***Admission to Trading***, taking into account any expected production.
- MCR 6.2 (R) In respect of a ***Tier 2 Applicant***, the following amendments apply to the ***AIX Business Rules*** identified below:
- (a) ***Rule MLR 4.1(I)*** (requiring three years' audited financial statements) is replaced with:
- “cover a prior period of the ***Applicant***'s previous two financial years, or if the ***Applicant*** has completed less than two financial years, each completed financial year since the ***Applicant***'s incorporation (if any), and which must include a balance sheet that is dated not more than 6 months before the date of any approved ***Prospectus*** and not more than 9 months before the date on which the ***Application*** is made;”
- (b) ***Rule MLR 11.1*** (requiring a minimum expected aggregate market value of the ***Applicant***'s ***Securities*** at the time of listing) will not apply, provided that if a ***Tier 2 Applicant*** is issuing new ***Securities*** in connection with its ***Admission to Trading***, ***AIX*** may require a minimum amount to be raised through that issuance.

## MCR 7

### ***Ongoing requirements for Mining Companies – both Tiers***

- MCR 7.1 (R) General requirements for public disclosures and announcements:
- (a) All public disclosures and announcements made by a ***Mining Company*** (including any required by the ***AIX Market Disclosure Rules***) must comply with the applicable ***Qualifying Reporting Standard*** to the extent it applies to such disclosures or announcements.
- (b) Any statement or information included in any such disclosure or announcement as to the ***Mining Company***'s exploration targets or results, production targets, or ore reserves or mineral resources, must also be consistent with and reflect the most recent information in respect of the ***Mining Company*** prepared or approved by a ***Competent Person***, and such disclosure or announcement must state that it accurately reflects the information prepared or approved by such ***Competent Person***.

- (c) If participating in a joint venture, a **Mining Company** must ensure that the joint venture arrangements:
  - (i) require the operator of the joint venture to immediately disclose and report to the **Mining Company** on any significant discoveries or material matters; and
  - (ii) permit the **Mining Company** to make any public disclosure or announcement required by these **AIX Mining Company Rules**.

MCR 7.2 (R)

In the event of acquisition of an interest in a new **Mineral Project** or expiration and renewal of any permits, consents, approvals, authorisations and notifications related to existing **Mineral Projects** in respect of which the **Mining Company** intends to continue its activities, a **Mining Company** must obtain such permits, consents, approvals and authorisations, and make such notifications, as are required by law for the continued listing of its **Shares** (or **Certificates** over **Shares**) in accordance with **Rule MCR 4.2**, and must provide copies thereof to **AIX**.

(G)

A **Mining Company** must ensure that:

- (a) all relevant permits, consents and approvals required for the continued listing of its **Shares** (or **Certificates** over **Shares**) are, at all times, valid;
- (b) it has received authorisations from and/or filed notifications to governmental and/or regulatory bodies, as required by law for the continued listing of its **Shares** (or **Certificates** over **Shares**), in accordance with **Rule MCR 4.2**; and
- (c) it has provided copies thereof to **AIX**.

(G)

A **Mining Company** with a **Mineral Project** in Kazakhstan must, if required by law, notify the competent authority of Kazakhstan of the **Issue** and/or listing of **Shares** (or **Certificates** over **Shares**) on **AIX**, and must provide copies thereof to **AIX**.

MCR 7.3 (R)

The existence of a duty of confidentiality does not exempt or relieve a **Mining Company** from complying with its obligations relating to disclosures under these **AIX Mining Company Rules** and the **AIX Market Disclosure Rules**.

(G)

A **Mining Company** should ensure that it does not breach a duty of confidentiality, whether based on law, contract, licence or otherwise, and should obtain any required consents for any disclosure or announcement that it proposes (or is required) to make. When entering into a confidentiality agreement or other confidentiality obligation, a **Mining Company** should ensure that it includes such exceptions as are necessary to permit the **Mining Company** to make any public disclosure or announcement required by these **AIX Mining Company Rules**.

MCR 7.4 (R)

Periodic disclosure requirements:

- (a) **Mining Companies** must, on a semi-annual basis, publicly disclose (in accordance with **Rule MDR 7**, and subject to **Rule MCR 7.1(b)** above) an update on any material changes in the status of exploration, development and production activities at each of the **Mining Company's Mineral Projects**, or a statement that there have been no such changes.
- (b) Unless otherwise specified by **AIX** by **Notice** in respect of different **Tiers** or categories of **Mining Company**, **Mining Companies** must

also, no less frequently than once per year, publicly disclose (in accordance with **Rule MDR 7**) a report or reports prepared or approved by a **Competent Person** setting out any material changes in the status of exploration, development, production, reserves and resources at each of the **Mining Company's Mineral Projects**, or a statement that there have been no such changes.