Papua New Guinea's National Stock Exchange

Listing Rules

~~18 September 2023~~01 August 2024

Chapters

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Introduction

The Listing Rules

PNGX's Listing Rules govern the admission of +securities to +quotation and the inclusion of +securities on the +official list, suspension of +securities from +quotation, removal of +securities from +quotation and the +official list and the removal of issuers from listing. They also govern disclosure and some aspects of an issuer's conduct.

An issuer applying to be listed and for its +securities to be granted +quotation signs an agreement to comply with the Listing Rules as in force from time to time. This applies even if the +quotation of its +securities is deferred, suspended or subject to a +trading halt.

The *Capital Market Act 2015* context

An issuer whose +securities are granted +quotation on the +PNGX market has its +securities admitted to the +official list of PNGX and the issuer is +listed as defined in the +Capital Market Act.

The Listing Rules are "rules" for the purposes of section 2 of the +Capital Market Act. The Listing Rules are "listing rules" as defined in section 2 of the +Capital Market Act. The Listing Rules and any amendment to them are approved by +SECOM in accordance with section 11 of the +Capital Market Act.

The +PNGX market is a stock market as defined in the +Capital Market Act. PNGX, as operator of the market, acts in its capacity as a stock exchange as defined in the +Capital Market Act.

PNGX Obligations under the *Capital Market Act 2015*

PNGX has obligations as set out in the +Capital Market Act. Specifically, section 13 of the +Capital Market Act requires PNGX to take appropriate action as required under these Listing Rules for the purpose of monitoring or securing compliance with them.

Issuer obligation to comply with Listing Rules

The Listing Rules are enforceable against issuers and their associates under contract.

If an issuer does not comply with the Listing Rules, PNGX may, in its absolute discretion, revoke, suspend or remove the +securities from +quotation.

In addition to any actions taken by PNGX, section 443 of the +Capital Market Act provides that where an issuer, being a person to whom the Listing Rules apply, fails to comply with or observe the Listing Rules, that +person has committed a breach. If a +person has committed a breach, +SECOM may take action as set out in section 443(3) including:

a) directing the issuer to comply with the Listing Rules;
b) a reprimand; or
c) imposing a penalty not exceeding PGK 5,000,000.

Under section 458 of the +Capital Market Act, a person who with intent to deceive, makes or furnishes, or knowingly authorises or permits the making or furnishing of, any false or misleading statement to PNGX relating to the enforcement of the Listing Rules is guilty of an offence.

Under section 420 of the +Companies Act every director or employee of an issuer who makes or furnishes, or authorises or permits the making or furnishing of, a statement or report to PNGX that relates to the affairs of the issuer and that is false or misleading in a material particular, knowing it to be false or misleading, commits an offence.

Issuer obligation to comply with the *Capital Market Act 2015*

An issuer whose +securities are granted +quotation on the +PNGX market is +listed as defined in the +Capital Market Act. As such the issuer has certain obligations under a number of sections of the +Capital Market Act. Particular attention is drawn, but not limited, to:

a) the issue of securities (Part IV);

b) market misconduct including insider trading (Part VII);

c) disclosure of interests by chief executive officers and directors, prohibited conduct of directors or officers, duties of auditors, false or misleading financial statements, protection for persons against retaliation for reporting, registers of interests (Part X),

d) disclosure of substantial securities holdings (Part XII); and

e) falsification of records and false reporting (Part XVI)

An issuer should obtain its own legal advice in relation to its obligations under the +Capital Market Act.

Application of the Listing Rules

The Listing Rules are not intended to be applied in a mechanistic or legalistic way. They are to be interpreted:

a) in accordance with their principles, spirit, intention and purpose;

b) by looking beyond form to substance; and

c) in a way that best promotes the principles on which they are based.

PNGX has an absolute discretion concerning the +quotation of +securities. PNGX also has broad discretions under the Listing Rules whether to require, or waive, compliance with the Listing Rules in a particular case, to suspend +securities from +quotation or to remove +securities from +quotation.

In exercising these discretions, PNGX takes into account the principles on which the Listing Rules are based and the imperative of maintaining the reputation, integrity and efficiency of the +PNGX market.

PNGX may entertain an application for a waiver from compliance with a Listing Rule where:

a) the applicant can clearly demonstrate that it will suffer a commercial detriment or other disadvantage if the waiver is not granted;

b) PNGX is satisfied that granting the waiver is not inconsistent with its statutory obligations as a stock exchange in PNG having particular regard to sections 13(2) and (3) of the +Capital Market Act, the principles on which the Listing Rules are based or the policy underlying the particular Rule sought to be waived; and

c) PNGX is also satisfied that granting the waiver will not adversely affect the reputation, integrity or efficiency of the +PNGX market.

PNGX may grant a waiver with conditions and such conditions must be complied with for the waiver to be effective.

PNGX will periodically publish waivers and provide them to +SECOM.

How to use the Listing Rules

It is impracticable and undesirable for the Listing Rules to attempt to govern all circumstances that may arise in commercial practice. Accordingly, the Listing Rules fall into two categories as follows:

a) principles (the "Principles") which must be observed in all +corporate actions and also in all submissions pertaining to +quoted securities and issuers seeking +quotation of +securities; and

b) the Listing Rules which consist of these Chapters, Appendixes and +Procedures. The Listing Rules are based on the application and interpretation of the Principles by PNGX.

The spirit of the Principles may be applied by PNGX in areas or circumstances not expressly covered in the Listing Rules.

The Listing Rules are divided into chapters and a Definitions and Interpretation section. Related topics have been grouped together as far as possible.

Some chapters have an explanatory note, which helps readers to understand the structure and content of the chapter.

Defined terms (except 'PNGX', 'Listing Rules' and 'issuer') are marked with a cross (eg, +debt security). The definitions are found in the Definitions and Interpretations section. The cross is not used in headings, explanatory notes, notes or examples or when the word is used in the definition of the term itself (eg, the word 'aware' is not marked in the definition of 'aware'). The terms 'PNGX', 'Listing Rules' and 'issuer' are used throughout the Rules and, for ease of reading, while defined are not marked with a cross.

There are 'notes' to the rules alongside each Listing Rule. These include the history and origin of the particular rule and sometimes include other relevant information, such as an example of the operation of the rule. If there is an example, it is for guidance only and does not affect the operation of the rule.

If there is any doubt as to the interpretation or application of the Listing Rules then PNGX should be consulted.

Guidance Notes

PNGX issues Guidance Notes to promote commercial certainty, reduce costs to business and assist market participants. They set out PNGX's general approach to a subject. They should not be regarded as a definitive statement of the application of the rules in every case. Nor are they a substitute for an issuer obtaining its own legal advice on a matter of concern to it.

Issuers with Listings on other Exchanges

Attention is drawn to the fact that other stock exchanges may have different requirements relating to the issue of +securities. Issuers with a primary listing on PNGX which are also +quoted on such other exchanges should, therefore, ensure that the requirements of both PNGX and other such exchanges are complied with when submitting draft documents to PNGX for approval.

Where a company's primary listing is on another exchange acceptable to PNGX as set out in these Listing Rules, PNGX will accept the listing requirements of that exchange as long as the company takes all necessary actions to ensure that investors on the PNG register are not treated differently from investors on other register(s) and the +PNGX market remains orderly and fair.

The principles on which the Listing Rules are based

The Listing Rules serve the interests of issuers, investors and PNGX all of whom have a vital interest in maintaining the reputation and integrity of the +PNGX market and ensuring that it is internationally competitive and facilitates efficient capital raising.

Section 13 of the +Capital Market Act requires that PNGX shall ensure, as far as may be reasonably practicable, an orderly and fair market in the securities that are traded through its facilities. It also requires that in performing this duty PNGX shall:

(a) act in the public interest having particular regard to the need for protection of investors; and

(b) ensure that where any interests that it is required to serve under any law relating to corporations conflict with the interest referred to in (a), the latter shall prevail.

The principles which underpin the obligations imposed on issuers by the Listing Rules include:

Principle 1	An issuer should satisfy appropriate minimum standards of quality, size, operations and management experience and expertise before its +securities are +quoted and admitted to the +official list and disclose sufficient information about itself to allow an informed market in its +securities once they are +quoted.
Principle 2	Sufficient investor interest in an issuer's +securities should be demonstrated before it's +securities are +quoted and admitted to the +official list.
Principle 3	+Securities should be issued in circumstances, and have rights and obligations attaching to them, that are fair to new and existing +security holders.
Principle 4	Timely disclosure should be made of information which may have a +material effect on the price or value of an issuer's +securities.
Principle 5	An issuer must present a balanced and understandable assessment of the issuer's position and prospects in all disclosures.
Principle 6	Financial statements should be produced in accordance with acceptable accounting and auditing standards.
Principle 7	An issuer should disclose information about its corporate governance practices and explain any departure from generally accepted standards of good corporate governance.
Principle 8	The practices adopted in relation to meetings of +security holders should allow +security holders the opportunity to express their views openly to the board and management.
Principle 9	Certain significant transactions should require +security holder approval.
Principle 10	Directors should act in the interests of all shareholders as a whole.

In accepting the benefits of access to the +PNGX market, issuers and their +officers should also recognise that they assume a concomitant responsibility to the market and investors in that market. In addition to complying with their obligations under the Listing Rules, they are expected to comply with the general law and to maintain high standards of corporate integrity and accountability.

Chapter 1 – Requirements for quotation of an initial class of securities

Explanatory note

This chapter sets out requirements that must be satisfied for quotation of an initial class of securities of the issuer. Quoted securities are included in the official list of PNGX.

PNGX takes into account the particular circumstances of each applicant. PNGX may grant approval even though not all the requirements have been met. PNGX may refuse approval even though all the requirements have been met.

PNGX may copy information and documents lodged in support of an application to SECOM or the Registrar of Companies. Information and documents given to PNGX in support of an application become PNGX's property and may be made public.

Issuers that are admitted to the official list will come within one of the following categories:

- Domestic Issuer;
- Foreign Issuer;
- Exempt Issuer; or
- Debt Issuer.

An issuer admitted as an Exempt Issuer is required to comply with the Rules of its overseas home exchange and to release information to PNGX that is released to its overseas home exchange. Except to a limited extent, it will not normally be required to comply with PNGX Listing Rules. The ongoing obligations of an Exempt Issuer are set out in Chapter 23.

A Foreign Issuer that is not admitted as an Exempt Issuer will come within the Foreign Issuer or Debt Issuer categories.

Requirements for all Issuers

1.1	PNGX must be satisfied that the issuer will comply with the Listing Rules.	Introduced 03/07/2023
1.2	An issuer's structure and operations must be appropriate for a listed issuer.	When deciding if an issuer's structure and operations are appropriate for that issuer to be listed, one matter that PNGX may have regard to is the principles on which the Listing Rules are based. Note: The variable interest issuer ("VIE") structure is typically adopted by companies in the People's Republic of China ("PRC") operating in industries subject to PRC Government restrictions on foreign investment that are seeking to list on foreign markets. The adoption of VIE

structures currently introduces a number of risks for investors. PNGX is of the view that the VIE structure is not an appropriate structure for an issuer on the PNGX market. Accordingly, VIE structures will not satisfy this requirement.

Introduced 03/07/2023

Requirements for Domestic Issuers

1.3	To apply as a Domestic Issuer, an issuer must do the following:	Introduced 03/07/2023
1.3.1	complete Appendix 1A and the information required by the +Procedures and give them to PNGX;	Introduced 03/07/2023
1.3.2	pay fees in accordance with Chapter 25; and	Introduced 03/07/2023
1.3.3	pay a bond as set out in the +Procedures	Introduced 03/07/2023
1.4	To have its +securities +quoted as a Domestic Issuer, the issuer must meet the following conditions to PNGX's satisfaction:	Introduced 03/07/2023
Condition 1	The issuer must satisfy a) the +working capital test in Rule 1.11; b) either i. the profit test in Rule 1.12; or ii. the assets test in Rule 1.13; and c) the spread test in Rule 1.15.	Introduced 03/07/2023
Condition 2	If the issuer is a +mining exploration issuer or an +oil and gas exploration issuer, the issuer must (a) have commitments for at least half of its cash and assets in a form readily convertible to cash. The commitments must be for the +acquisition and exploration of +mining tenements, or the +acquisition of plant and equipment and may include the costs of capital raising. The cost of +acquiring +mining tenements includes the cost of +acquiring and exercising an option over them; and (b) give PNGX a written statement from an independent expert that the issuer has a satisfactory and clearly defined exploration and expenditure program which is reasonable having regard to its stated objectives; and that enough exploration has taken place in the past 2 years to justify the budgeted exploration and expenditure program.	Introduced 03/07/2023

Condition 3	If the issuer is an +oil and gas exploration issuer, the issuer must: (a) have commitments for at least half of its cash and assets in a form readily convertible to cash. The commitments must be for the +acquisition and exploration of +petroleum tenements, or the +acquisition of plant and equipment and may include the costs of capital raising. The cost of +acquiring +petroleum tenements includes the cost of +acquiring and exercising an option over them; and (b) give PNGX a written statement from an independent expert that the issuer has a satisfactory and clearly defined exploration and expenditure program which is reasonable having regard to its stated objectives; and that enough exploration has taken place in the past 2 years to justify the budgeted exploration and expenditure program.	Introduced 03/07/2023
Condition 4	If the issuer is a +special purpose acquisition company, the company must appoint an independent trustee to hold the +cash assets of the company and to ensure they are only utilised in accordance with the investment criteria and these Listing Rules.	Introduced 03/07/2023
Condition 5	If the issuer is a +registered scheme: a) it must be registered in accordance with section 186 of the +Capital Market Act; b) the +trustee of the +registered scheme must be the issuer of the +securities; c) the +trustee of the +registered scheme must appoint an +investment manager and the constitution must set out the rights and obligations of the +investment manager; and d) no-one must be under an obligation to buy-back +units in the +registered scheme or to allow a +security holder to withdraw from the +registered scheme.	Note: Condition 5(d) prohibits the adoption of provisions in a trust deed referred to in section 257(1) and (2) of the Capital Market Act. Introduced 03/07/2023
Condition 6	The issuer must: (a) satisfy PNGX that each director and proposed director of the issuer at the date of application is fit and proper to be a director: (b) satisfy PNGX that each director, proposed director, +CEO (or equivalent), and company secretary of the issuer at the date of application has appropriate experience and expertise for the governance and management of the issuer; and	The reference in this Rule to a “proposed director” includes any person named in the issuer’s prospectus as a proposed director of the issuer. If the issuer is a registered scheme or foreign MIS, references to the directors or proposed directors of the issuer will be taken to mean the directors or proposed directors of the trustee and manager. The Board must, as a minimum satisfy itself and PNGX that all Directors possess

(c) provide a statutory declaration in the form of Appendix 1E from each director and proposed director.

appropriate skills, knowledge and qualifications to carry out their role as a Director. This includes, but is not limited to, a working knowledge of the obligations of directors, the Companies Act, the Capital Market Act and these Rules.

A person who currently satisfies the fit and proper requirements of Bank of PNG Superannuation Prudential Standard 7/2012 Corporate Governance will satisfy this requirement.

If a director is not able to give the required statutory declaration, they must provide a statement to that effect and a detailed explanation of the circumstances involved.

Introduced 03/07/2023

Condition 7

The issuer must provide a statement disclosing the extent to which the issuer will, as at the date of application, follow the corporate governance recommendations set out in the +PNGX Corporate Governance Standards.

(a) If the issuer does intend to follow a recommendation, it must identify how it will be followed; and

(b) If the issuer does not intend to follow a recommendation, it must state its reasons for not following the recommendation and what (if any) alternative governance practices it intends to adopt in lieu of the recommendation.

The statement provided under this condition may incorporate material by reference (for example, on an issuer's website or in another part of its prospectus) provided that material is freely available and the statement clearly indicates where interested parties can read or obtain a copy of that material.

Introduced 03/07/2023

Condition 8

The issuer must satisfy the +trading policy requirements of Rule 17.4.

Introduced 03/07/2023

Condition 9

The issuer must have a constitution which is consistent with Chapter 18.

Introduced 03/07/2023

Condition 10

A +prospectus or +information memorandum must be issued and lodged with +SECOM.

Part IV Division 3 of the Capital Market Act addresses prospectus and information memorandum requirements.

PNGX will waive this condition if SECOM advises the issuer, in writing, that a prospectus or information memorandum is not required.

Introduced 03/07/2023

Condition 11

The +prospectus or +information memorandum must include prominent statements as prescribed in the +Procedures.

Introduced 03/07/2023

Condition 12

The issuer must apply for, and be granted permission for +quotation of, all the +securities in its +main class of +securities (except +restricted securities and +employee securities).

Application is made in Appendix 1A.

An issuer may apply for quotation of securities issued under an employee incentive scheme which are subject to restrictions on transfer either at the time of issue, or within the time period permitted

		by Rule 2.5.4 Condition 10 is satisfied if permission for quotation (ie, not actual quotation) is granted on conditions. An issuer may also apply for quotation of other classes of securities. Introduced 03/07/2023 Amended 18/09/2023
Condition 13	The issuer must apply for, and be granted permission for +quotation of, all the +securities in a +class of +securities to be quoted in addition to its +main class of +securities (except +restricted securities and +employee securities).	An issuer may apply for quotation of securities issued under an employee incentive scheme which are subject to restrictions on transfer either at the time of issue, or within the time period permitted by Rule 2.5.4 Introduced 03/07/2023
Condition 14	The terms of +securities must comply with Chapter 3.	Introduced 03/07/2023
Condition 15	The issue price or sale price of +main class of +securities (except +options) must be at least 20 toea in cash.	This Rule does not preclude: (a) restricted securities being quoted after the escrow period ends; or (b) securities issued under an employee incentive scheme after any transfer restrictions lapse even though they are issued or sold at less than 20 toea. Introduced 03/07/2023
Condition 16	If the issuer has +options on issue the exercise price for each +underlying security must be at least 20 toea in cash.	This applies to both quoted and unquoted options. Introduced 03/07/2023
Condition 17	Transfer of +quoted +securities must comply with Chapter 21.	Introduced 03/07/2023
Condition 18	If the issuer issues +restricted securities before its +securities are +quoted, it must comply with Chapter 13 and give completed restriction agreements to PNGX.	Introduced 03/07/2023
Condition 19	The issuer must appoint at least one competent individual located in PNG to be responsible for communication with PNGX in relation to Listing Rules matters.	Note: For many issuers the company secretary will be an appropriate individual to be responsible for liaison with PNGX, although this may not always be the case, taking into account the structure of the issuer. PNGX expects that the person will have a high degree of familiarity with an issuer's operations or have ready access to senior management who have responsibility for day to day management of the issuer. An issuer may nominate more than one person to be responsible for communication with PNGX but at any time

		at least one of the individuals nominated must be available to PNGX. The nomination of such a person is for administrative convenience only and does not in any way abrogate the responsibility that lies on the issuer under the Listing Rules. Introduced 03/07/2023
Condition 20	The issuer must: (a) agree with PNGX in writing that documents may be given to PNGX and authenticated electronically; and (b) establish the facilities required for the issuer to give documents to PNGX electronically.	Note: The agreement is contained in Appendix 1A Introduced 03/07/2023
Condition 21	If ownership or registration of a +securities is restricted to a +class or classes of +persons pursuant to the +Capital Market Act (including any order given there under) or any other PNG law, that fact must be clearly, concisely and accurately disclosed.	Introduced 03/07/2023

Requirements for Foreign Issuers

1.5	To apply as a Foreign Issuer, an issuer must do the following:	Introduced 03/07/2023
1.5.1	complete Appendix 1B and the information required by the +Procedures and give them to PNGX;	Introduced 03/07/2023
1.5.2	pay fees in accordance with Chapter 25; and	Introduced 03/07/2023
1.5.3	pay a bond as set out in the +Procedures	Introduced 03/07/2023
1.6	To have its +securities +quoted as a Foreign Issuer, the issuer must meet the following conditions to PNGX's satisfaction:	If a condition is not satisfied, the issuer may be removed from the official list. Introduced 03/07/2023
Condition 1	The issuer must be incorporated (or established) in a country other than PNG.	Introduced 03/07/2023
Condition 2	The issuer must be registered as an overseas company under the +Companies Act.	Part XX of the Companies Act addresses registration of overseas companies. Introduced 03/07/2023
Condition 3	If the issuer is listed on an overseas exchange, PNGX must be satisfied that the issuer complies with, and has complied with for the previous 2 years, the Listing Rules (or their equivalent) of its +overseas home exchange.	Introduced 03/07/2023
Condition 4	The issuer must satisfy a) the +working capital test in Rule 1.11; b) either i. the profit test in Rule 1.12; or	Introduced 03/07/2023

ii. the assets test in Rule 1.13; and

c) the spread test in Rule 1.15.

Condition 5	If the issuer is a +mining exploration issuer or an +oil and gas exploration issuer, the issuer must (a) have commitments for at least half of its cash and assets in a form readily convertible to cash. The commitments must be for the +acquisition and exploration of +mining tenements, or the +acquisition of plant and equipment and may include the costs of capital raising. The cost of +acquiring +mining tenements includes the cost of +acquiring and exercising an option over them; and (b) give PNGX a written statement from an independent expert that the issuer has a satisfactory and clearly defined exploration and expenditure program which is reasonable having regard to its stated objectives; and that enough exploration has taken place in the past 2 years to justify the budgeted exploration and expenditure program.	Introduced 03/07/2023
Condition 6	If the issuer is an +oil and gas exploration issuer, the issuer must: (a) have commitments for at least half of its cash and assets in a form readily convertible to cash. The commitments must be for the +acquisition and exploration of +petroleum tenements, or the +acquisition of plant and equipment and may include the costs of capital raising. The cost of +acquiring +petroleum tenements includes the cost of +acquiring and exercising an option over them; and (b) give PNGX a written statement from an independent expert that the issuer has a satisfactory and clearly defined exploration and expenditure program which is reasonable having regard to its stated objectives; and that enough exploration has taken place in the past 2 years to justify the budgeted exploration and expenditure program.	Introduced 03/07/2023
Condition 7	If the issuer is a +special purpose acquisition company, the company must appoint an independent trustee to hold the +cash assets of the company and to ensure they are only utilised in accordance with the investment criteria and these Listing Rules.	Introduced 03/07/2023
Condition 8	If the issuer is a +foreign MIS:	Introduced 03/07/2023

a) it must be registered in accordance with section 186 of the +Capital Market Act;
b) the +trustee of the +foreign MIS must be the issuer of the +securities;
c) the +trustee of the +foreign MIS must appoint an +investment manager and the constitution must set out the rights and obligations of the +investment manager; and
d) no-one must be under an obligation to buy-back +units in the +foreign MIS or to allow a +security holder to withdraw from the +foreign MIS.

Condition 9

The issuer must:

(a) satisfy PNGX that each director and proposed director of the issuer at the date of application is fit and proper to be a director:
(b) satisfy PNGX that each director, proposed director, +CEO (or equivalent), and company secretary of the issuer at the date of application has appropriate experience and expertise for the governance and management of the issuer; and
(c) provide a statutory declaration in the form of Appendix 1E from each director and proposed director.

The reference in this Rule to a "proposed director" includes any person named in the issuer's prospectus as a proposed director of the issuer. If the issuer is a registered scheme or foreign MIS, references to the directors or proposed directors of the issuer will be taken to mean the directors or proposed directors of the trustee and manager.

The Board must, as a minimum satisfy itself and PNGX that all Directors possess appropriate skills, knowledge and qualifications to carry out their role as a Director. This includes, but is not limited to, a working knowledge of the obligations of directors, the Companies Act, the Capital Market Act and these Rules.

A person who currently satisfies the fit and proper requirements of Bank of PNG Superannuation Prudential Standard 7/2012 Corporate Governance will satisfy this requirement.

If a director is not able to give the required statutory declaration, they must provide a statement to that effect and a detailed explanation of the circumstances involved.

Introduced 03/07/2023

Condition 10

The issuer must provide a statement disclosing the extent to which the issuer will, as at the date of application, follow the corporate governance recommendations set out in the +PNGX Corporate Governance Standards.

(a) If the issuer does intend to follow a recommendation, it must identify how it will be followed; and
(b) If the issuer does not intend to follow a recommendation, it must state its reasons for not following the recommendation and what (if any) alternative governance practices it intends to adopt in lieu of the recommendation.

The statement provided under this condition may incorporate material by reference (for example, on an issuer's website or in another part of its prospectus) provided that material is freely available and the statement clearly indicates where interested parties can read or obtain a copy of that material.

Introduced 03/07/2023

Condition 11	The issuer must satisfy the +trading policy requirements of Rule 17.4.	Introduced 03/07/2023
Condition 12	The issuer must have a constitution which is consistent with Chapter 18.	Introduced 03/07/2023
Condition 13	PNGX must be satisfied that the issuer complies with its constitution and the laws that govern it.	Introduced 03/07/2023
Condition 14	A +prospectus or +information memorandum must be issued and lodged with +SECOM.	Part IV Division 3 of the Capital Market Act addresses prospectus and information memorandum requirements. PNGX will waive this condition if SECOM advises the issuer, in writing, that a prospectus or information memorandum is not required. Introduced 03/07/2023
Condition 15	The +prospectus or +information memorandum must include prominent statements as prescribed in the +Procedures.	Introduced 03/07/2023
Condition 16	The issuer must apply for, and be granted permission for +quotation of, all the +securities in its +main class of +securities (except +restricted securities and +employee securities).	An issuer may apply for quotation of securities issued under an employee incentive scheme which are subject to restrictions on transfer either at the time of issue, or within the time period permitted by Rule 2.5.4 Condition 4 is satisfied if permission for quotation (ie, not actual quotation) is granted on conditions. An issuer may also apply for quotation of other classes of securities. Introduced 03/07/2023
Condition 17	The issuer must apply for, and be granted permission for +quotation of, all the +securities in a +class of +securities to be quoted in addition to its +main class of +securities (except +restricted securities and +employee securities).	Application is made in Appendix 1B. An issuer may apply for quotation of securities issued under an employee incentive scheme which are subject to restrictions on transfer either at the time of issue, or within the time period permitted by Rule 2.5,4 Introduced 03/07/2023 Amended 18/09/2023
Condition 18	The terms of +securities must comply with Chapter 3.	Introduced 03/07/2023
Condition 19	The issue price or sale price of +main class of +securities (except +options) must be at least 20 toea in cash.	This Rule does not preclude: (c) restricted securities being quoted after the escrow period ends; or (d) securities issued under an employee incentive scheme after any transfer restrictions lapse

		even though they are issued or sold at less than 20 toea. Introduced 03/07/2023
Condition 20	If the issuer has +options on issue the exercise price for each +underlying security must be at least 20 toea in cash.	This applies to both quoted and unquoted options. Introduced 03/07/2023
Condition 21	Transfer of +quoted +securities must comply with Chapter 21.	Introduced 03/07/2023
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Condition 24	The issuer must: (a) agree with PNGX in writing that documents may be given to PNGX and authenticated electronically; and (b) establish the facilities required for the issuer to give documents to PNGX electronically.	Note: The agreement is contained in Appendix 1B Introduced 03/07/2023
Condition 25	If ownership or registration of a +securities is restricted to a class or classes of +persons pursuant to the +Capital Market Act (including any order given there under) or any other PNG law, that fact must be clearly, concisely and accurately disclosed.	Introduced 03/07/2023

Requirements for Exempt Issuers

1.7	To apply as an Exempt Issuer, an issuer must do the following:	Introduced 03/07/2023
1.7.1	complete Appendix 1C and the information required by the +Procedures and give them to PNGX; and	Introduced 03/07/2023
1.7.2	pay fees in accordance with Chapter 25.	Introduced 03/07/2023
1.8	To have its +securities +quoted as an Exempt Issuer, the issuer must meet the following conditions to PNGX's satisfaction:	If a condition is not satisfied, the issuer may be removed from the official list. Introduced 03/07/2023
Condition 1	The issuer must be incorporated (or established) in a country other than PNG and must have as its +overseas home exchange a stock exchange set out in the +Procedures.	Introduced 03/07/2023
Condition 2	PNGX must be satisfied that the issuer complies with its constitution and the laws that govern it.	Introduced 03/07/2023
Condition 3	PNGX must be satisfied that the issuer complies with the Listing Rules (or their equivalent) of its +overseas home exchange.	One way for PNGX to be satisfied of this is to take into account a statement signed by at least two directors that the issuer complies with, or will comply with, those Listing Rules (or their equivalent). Introduced 03/07/2023
Condition 4	The issuer must inform PNGX of any waiver of all or part of any Listing Rule (or the equivalent) of its +overseas home exchange that will be in effect in respect of the issuer upon +quotation of its +securities. If PNGX requires, the issuer must release details of any such waiver to the market.	The reference in this Rule to a waiver includes any relief from or modification of all or part of a Rule. Any waiver that is granted to the issuer up to the time of its admission to the official list must be disclosed under this Rule, so issuers should disclose any pending waiver applications as part of their listing application. PNGX will normally require disclosure to the market of any waiver if disclosure to the market would be required in relation to an equivalent waiver granted by PNGX. Introduced 03/07/2023
Condition 5	The issuer must be registered as an overseas company under the +Companies Act.	Part XX of the Companies Act addresses registration of overseas companies. Introduced 03/07/2023
Condition 6	The issuer must satisfy the market capitalisation test in Rule 1.14.	Introduced 03/07/2023
Condition 7	The issuer must: (a) satisfy PNGX that each director and proposed director of the issuer at the date of application is fit and proper to be a director: (b) satisfy PNGX that each director, proposed director, +CEO (or equivalent), and company secretary of the issuer at the date of application has appropriate	The reference in this Rule to a "proposed director" includes any person named in the issuer's prospectus as a proposed director of the issuer. If the issuer is a registered scheme or foreign MIS, references to the directors or proposed directors of the issuer will be taken to mean the directors or proposed directors of the trustee and manager.

	experience and expertise for the governance and management of the issuer; and (c) provide a statutory declaration in the form of Appendix 1E from each director and proposed director.	The Board must, as a minimum satisfy itself and PNGX that all Directors possess appropriate skills, knowledge and qualifications to carry out their role as a Director. This includes, but is not limited to, a working knowledge of the obligations of directors, the Companies Act, the Capital Market Act and these Rules. A person who currently satisfies the fit and proper requirements of Bank of PNG Superannuation Prudential Standard 7/2012 Corporate Governance will satisfy this requirement. If a director is not able to give the required statutory declaration, they must provide a statement to that effect and a detailed explanation of the circumstances involved. Introduced 03/07/2023
Condition 8	A +prospectus or +information memorandum must be issued and lodged with +SECOM.	Part IV Division 3 of the Capital Market Act addresses prospectus and information memorandum requirements. PNGX will waive this condition if SECOM advises the issuer, in writing, that a prospectus or information memorandum is not required. Introduced 03/07/2023
Condition 9	The +prospectus or +information memorandum must include prominent statements as prescribed in the +Procedures.	Introduced 03/07/2023
Condition 10	The issuer must apply for and be granted permission for +quotation of the number of +securities that are in the +class for which it seeks +quotation.	Application is made in Appendix 1C. The condition is satisfied if permission for quotation (ie, not actual quotation) is granted on conditions. If a condition is not satisfied, the issuer may be removed from the official list. Introduced 03/07/2023 Amended 18/09/2023
Condition 11	Transfer of +quoted +securities must comply with Chapter 21.	Introduced 03/07/2023
Condition 12	The issuer must appoint at least one competent individual to be responsible for communication with PNGX in relation to Listing Rules matters.	Note: For many issuers the company secretary will be an appropriate individual to be responsible for liaison with PNGX, although this may not always be the case, taking into account the structure of the issuer. PNGX expects that the person will have a high degree of familiarity with an issuer's operations or have ready access to senior management who have responsibility for day to day management of the issuer.

An issuer may nominate more than one person to be responsible for communication with PNGX but at any time at least one of the individuals nominated must be available to PNGX.

The nomination of such a person is for administrative convenience only and does not in any way abrogate the responsibility that lies on the issuer under the Listing Rules.

Introduced 03/07/2023

Condition 13 The issuer must:

(a) agree with PNGX in writing that documents may be given to PNGX and authenticated electronically; and

(b) establish the facilities required for the issuer to give documents to PNGX electronically.

Note: The agreement is contained in Appendix 1C

Introduced 03/07/2023

Condition 14 If ownership or registration of a +securities is restricted to a class or classes of +persons pursuant to the +Capital Market Act (including any order given there under) or any other PNG law, that fact must be clearly, concisely and accurately disclosed.

Introduced 03/07/2023

Requirements for Debt Issuers

1.9 To apply as a Debt Issuer, an issuer must do the following:

Introduced 03/07/2023

1.9.1 complete Appendix 1D and the information required by the +Procedures and give them to PNGX.

Introduced 03/07/2023

1.9.2 pay fees in accordance with Chapter 25.

Introduced 03/07/2023

1.10 For an issuer to have its +securities +quoted as a Debt Issuer, the issuer must satisfy the requirements in Chapter 1 of the +PNGX Debt Market Rules.

Introduced 03/07/2023

The Working Capital Test

1.11 An issuer required to satisfy the +working capital test must satisfy the following conditions to PNGX's satisfaction:

Introduced 03/07/2023

Condition 1 The issuer must have +working capital of at least PGK 300,000.

Introduced 03/07/2023

Condition 2 The issuer must have +working capital which is sufficient for projected normal operations for at least the first 12 months after initial +quotation of its +securities.

Introduced 03/07/2023

Condition 3	If the issuer's +prospectus does not contain a statement that the issuer will have enough +working capital at the time of its admission which is sufficient for projected normal operations for at least the first 12 months after initial +quotation of its +securities and to carry out its stated objectives, the issuer must give PNGX a statement to that effect from an independent expert.	Introduced 03/07/2023

The Profit Test

1.12	An issuer required to satisfy the profit test must satisfy the following conditions to PNGX's satisfaction:	Introduced 03/07/2023
Condition 1	The issuer must be a going concern. This Rule is satisfied if the issuer is the successor of a going concern.	Introduced 03/07/2023
Condition 2	The issuer's main business activity must be the same as it was during the last 3 full financial years.	Introduced 03/07/2023
Condition 3	The issuer's aggregated +profit from continuing operations for the last 3 full financial years must have been at least PGK1 million.	Introduced 03/07/2023
Condition 4	The issuer's consolidated +profit from continuing operations for the 12 months to a date no more than 2 months before the date the issuer applied for +quotation must exceed PGK500,000.	Introduced 03/07/2023
Condition 5	The issuer must give PNGX a statement from all directors confirming that they have made enquiries and nothing has come to their attention to suggest that the issuer is not continuing to earn +profit from continuing operations up to the date of application.	Introduced 03/07/2023
Condition 6	The issuer must give PNGX each of the following. (a) Audited +accounts for the last 3 full financial years. If the issuer applies for +quotation less than 90 days after the end of its last financial year, unless the issuer has audited +accounts for its latest full financial year, the +accounts may be for the 3 years to the end of the previous financial year but must also include audited or reviewed +accounts for its most recent half year as well; (b) If the issuer applies for +quotation more than 6 months and 75 days after the end of its last financial year, audited or reviewed +accounts for its most recent half year (or longer period if available); (c) A reviewed pro forma statement of financial position. The review must be conducted by a	Introduced 03/07/2023

registered company auditor (or, if the issuer is a +foreign issuer, an overseas equivalent of a registered company auditor) or an independent accountant; and

(d) The issuer must provide the audit report or review to PNGX.

The Assets Test

1.13	An issuer required to satisfy the assets test must satisfy the following conditions to PNGX's satisfaction:	Introduced 03/07/2023
Condition 1	The issuer must be a going concern. This Rule is satisfied if the issuer is the successor of a going concern.	Introduced 03/07/2023
Condition 2	In the case of an issuer that is not an +investment company or a +special purpose acquisition company, at the time of +quotation the issuer must have net tangible assets of at least PGK4 million (after raising any funds and after deducting the costs of raising those funds).	Note: PNGX would normally not treat a limited recourse loan as a tangible asset. Introduced 03/07/2023
Condition 3	In the case of an issuer that is not an +investment company or a +special purpose acquisition company, at the time of +quotation less than half of the issuer's total tangible assets (after raising any funds and after deducting the costs of raising those funds) must be +cash assets.	Introduced 03/07/2023
Condition 4	In the case of an issuer that is an +investment company or a +special purpose acquisition company, at the time of +quotation the issuer must have net tangible assets of at least PGK15 million (after raising any funds and after deducting the costs of raising those funds).	Note: PNGX would normally not treat a limited recourse loan as a tangible asset. Introduced 03/07/2023
Condition 5	In the case of an issuer that is not an +investment company or a +special purpose acquisition company, at the time of +quotation the issuer must have firm commitments consistent with its business objectives to spend at least half of its +cash assets (after raising any funds and after deducting the costs of raising those funds). The business objectives must be clearly stated and include the proposed use of the funds raised. If its +prospectus does not contain a statement of the business objectives, the issuer must give a statement of its business objectives to PNGX.	Example: If a company raises PGK 2.0 million, and the cost of its capital raising is PGK 200,000, PNGX would normally require it to have commitments for PGK 900,000 (which is half the PGK1.8 million raised after the costs of the capital raising). Introduced 03/07/2023
Condition 6	In the case of an issuer that is not an +investment company or a +special purpose acquisition company, unless PNGX agrees otherwise, the issuer must give PNGX each of the following. (a) Audited +accounts for the last 2 full financial years. If the issuer applies for +quotation less than 90 days	Example: If an issuer raises capital or acquires or disposes of assets, the pro forma statement of financial position will reflect these changes. It will also show any material changes in the financial position of the issuer since the date of the last balance sheet. PNGX may agree that a pro forma statement of financial position is not

after the end of its last financial year, unless the issuer has audited +accounts for its latest full financial year, the +accounts may be for the 2 years to the end of the previous financial year but must also include audited or reviewed +accounts for its most recent half year as well.

(b) If the issuer applies for +quotation more than 6 months and 75 days after the end of its last financial year, audited or reviewed +accounts for its most recent half year (or longer period if available).

(c) If the issuer has in the 12 months prior to applying for +quotation +acquired, or is proposing in connection with its application for +quotation to +acquire, another issuer or business that is significant in the context of the issuer:

a. Audited +accounts for the last 2 full financial years for that other issuer or business. If the issuer applies for +quotation less than 90 days after the end of the last financial year for that other issuer or business, unless the other issuer or business has audited +accounts for its latest full financial year, the +accounts may be for the 2 years to the end of the previous financial year but must also include audited or reviewed +accounts for its most recent half year as well;

b. If the issuer applies for +quotation more than 6 months and 75 days after the end of the last financial year for that other issuer or business, audited or reviewed +accounts for that other issuer or business for its most recent half year (or longer period if available);

(d) A reviewed pro forma statement of financial position. The review must be conducted by a registered company auditor (or, if the issuer is a +foreign issuer, an overseas equivalent of a registered company auditor) or an independent accountant; and

(e) The issuer must provide the audit report or review to PNGX.

needed if there are no changes of this nature.

Any agreement by PNGX to accept less than 2 full financial years of audited accounts may be conditional on the issuer providing additional financial information about itself required by PNGX. PNGX may require that additional financial information to be audited or reviewed or otherwise opined upon by an expert.

Introduced 03/07/2023

Condition 7

In the case of an issuer that is an +investment company or a +special purpose acquisition company, unless PNGX agrees otherwise, the issuer must give PNGX each of the following.

Introduced 03/07/2023

(a) Audited +accounts for the last 1 full financial year. If the issuer applies for +quotation less than 90 days after the end of its last financial year, unless the issuer has audited +accounts for its latest full financial year, the +accounts may be for the 1 year to the end of the previous financial year but must also include audited or reviewed +accounts for its most recent half year as well.

(b) If the issuer applies for +quotation more than 6 months and 75 days after the end of its last financial year, audited or reviewed +accounts for its most recent half year (or longer period if available).

(c) If the issuer has in the 12 months prior to applying for +quotation +acquired, or is proposing in connection with its application for +quotation to +acquire, another issuer or business that is significant in the context of the issuer:

a. Audited +accounts for the last 2 full financial years for that other issuer or business. If the issuer applies for +quotation less than 90 days after the end of the last financial year for that other issuer or business, unless the other issuer or business has audited +accounts for its latest full financial year, the +accounts may be for the 2 years to the end of the previous financial year but must also include audited or reviewed +accounts for its most recent half year as well;

b. If the issuer applies for +quotation more than 6 months and 75 days after the end of the last financial year for that other issuer or business, audited or reviewed +accounts for that other issuer or business for its most recent half year (or longer period if available);

(d) A reviewed pro forma statement of financial position. The review must be conducted by a registered company auditor (or, if the issuer is a +foreign issuer, an overseas equivalent of a registered company auditor) or an independent accountant; and

(e) The issuer must provide the audit report or review to PNGX.

The Market Capitalisation Test

1.14	An issuer required to satisfy the market capitalisation test must satisfy the following conditions PNGX's satisfaction:	Introduced 03/07/2023
Condition 1	The issuer must be a going concern. This Rule is satisfied if the issuer is the successor of a going concern;	Introduced 03/07/2023
Condition 2	The issuer must, at the time of +quotation, have had a continuous +market capitalisation on its +overseas home exchange of at least PGK 50 million for the preceding 12 months; and	Introduced 03/07/2023
Condition 3	The +securities to be +quoted on PNGX must, at the time of +quotation, have been continuously +quoted on its +overseas home exchange for the preceding 12 months	Introduced 03/07/2023

The Spread Test

1.15	An issuer required to satisfy the spread test must satisfy the following conditions to PNGX's satisfaction:	In the case of an IPO, this condition may need to be satisfied after application and prior to quotation. In this case, at the time of application PNGX will accept a written undertaking to comply with Rule 1.15 and proof of satisfaction of the condition will be a pre-condition for quotation. Introduced 03/07/2023
Condition 1	The entity must have a +free float in its +main class of +securities at the time of its admission to the +official list of not less than 20% held by +non-affiliated security holders.	Introduced 03/07/2023
Condition 2	There must be at least 200 +non-affiliated security holders, each of whom holds a parcel of the +main class of +securities with a value of at least PGK1,000 (except +restricted securities and +employee securities).	If +DIs are issued over +securities in the +main class, holders of +DIs will be included. This condition is not met if spread is obtained by artificial means. Examples: The following ways of obtaining spread are examples of artificial means. • Giving shares away. • Offering non-recourse loans to prospective shareholders to acquire their shares. • Using combinations of nominee companies and names. Note: Where an entity is undertaking a material capital raising in conjunction with its listing, PNGX will normally use the offer price under the prospectus for that capital raising to calculate the value of the entity's free float and the value of a parcel of securities. PNGX may, however, use a different price to determine these values if the entity is not undertaking a material capital raising in conjunction with its listing

or if PNGX is concerned that the offer price under the prospectus does not fairly reflect the value of its main class of securities.

PNGX may require some or all security holders to be residents of Papua New Guinea.

Introduced 03/07/2023

Condition 3 If the +securities are a +class of +equity securities, or other +securities with rights of +conversion to equity, other than the +main class of +securities, there must be at least 100,000 +securities and 20 holders with holdings greater than a +small holding (excluding +restricted securities). This condition does not apply if either of the following requirements is met:

(a) The +securities would be in the same +class as the fully paid +ordinary securities of the issuer (ignoring the fact that they do not rank equally for the next dividend and ignoring any right to participate in a concurrent offer) and there are at least 1 million +securities; or

(b) The +securities are a +class of partly paid +securities, there are at least 1 million +securities, they are paid to not less than 40% of their issue price and the uncalled amount is payable on a fixed date which is within 12 months after the +issue date.

Introduced 03/07/2023

PNGX enquiries

1.16 PNGX may seek additional information from the issuer, or any other +person, in relation to the application for approval.

Introduced 03/07/2023

1.17 PNGX may submit, or require the issuer to submit, any information provided to PNGX to be scrutinised by an expert selected by PNGX. The issuer must pay for the expert.

Introduced 03/07/2023

PNGX's discretion concerning quotation

1.18 In assessing each application, PNGX:

(a) will take into account the particular circumstances of each issuer;

(b) may use any information available to it or in the public domain;

Introduced 03/07/2023

(c) may in its discretion grant +quotation even though all the requirements have not been met; and

(d) may in its discretion refuse +quotation even though all the requirements have been met.

1.19 Quotation of an issuer's +securities is in PNGX's absolute discretion. PNGX may grant +quotation on any condition or grant a waiver on any conditions it thinks appropriate. PNGX may grant, refuse or withdraw +quotation of an issuer's +securities without giving any reasons.

Introduced 03/07/2023

Category of admission to the official list

1.20 An issuer's securities are admitted to the +official list in the particular category and subcategory in which PNGX decides to admit them. Admission to a category and subcategory of the +official list is in PNGX's absolute discretion.

Categories include

- Domestic Issuer
- Foreign Issuer
- Exempt Issuer
- Debt Issuer

Subcategories also include, but are not limited to

- General
- Mining Company
- Mining Exploration Company
- Oil & Gas Company
- Oil & Gas Exploration Company
- Investment company
- Special purpose acquisition companies

Introduced 03/07/2023

How and when quotation occurs

1.21 PNGX may grant +quotation subject to any conditions which PNGX considers appropriate in its absolute discretion. Compliance with relevant conditions may not of itself ensure an issuer's suitability for +quotation of its +securities.

Introduced 03/07/2023

1.22 If +quotation of +securities is conditional, the +securities will be +quoted at a time and date specified by PNGX after the conditions are met or PNGX accepts undertakings to meet them and after the issuer has made the disclosures set out in the +Procedures.

Introduced 03/07/2023

1.23 If +quotation of +securities is unconditional, the +securities will be +quoted at a time and date specified by PNGX after the issuer has made the disclosures set out in the +Procedures..

Introduced 03/07/2023

1.24	If +quotation of +securities is refused, an issuer has no right to appeal against the refusal.	Introduced 03/07/2023
1.25	PNGX may commence +quotation of the +securities on any conditions it thinks appropriate.	Introduced 03/07/2023

Chapter 2 – Quotation of additional securities

Explanatory note

This chapter deals with quotation of securities after initial quotation. In this case, the securities for which quotation is sought may be additional securities in a class already quoted (for example, ordinary shares) or a new class of securities not previously quoted (for example, options).

PNGX takes into account the particular circumstances of each applicant. PNGX may grant quotation even though not all the requirements have been met. PNGX may refuse to grant quotation even though all the requirements have been met.

Applying for quotation of new classes of securities after initial quotation

2.1 To apply for +quotation of a new +class of +securities (other than +debt securities) after initial +quotation, an issuer must complete Appendix 2A and give it to PNGX.

If the securities are being issued under a bonus issue or pro rata issue, the Appendix 2A is given to PNGX when the issue is announced. In the case of other issues, the Appendix 2B is not given to PNGX until the issue has been made.

Introduced 03/07/2023

2.2 To apply for +quotation of a new +class of +debt securities after admission to the +official list, an issuer must complete Appendix 2C and give it to PNGX.

Introduced 03/07/2023

Notification of change to the number of securities in an existing class

2.3 An issuer must immediately notify PNGX of a change in the number of securities on issue in a +class of +securities, whether +quoted or not +quoted, in the form of Appendix 2B.

Introduced 03/07/2023

Fees for quotation of additional securities after initial quotation

2.4 An issuer increasing the number of +quoted +securities must pay fees in accordance with Chapter 25.

Introduced 03/07/2023

Time limits for applying for quotation and notifying of changes after initial quotation

2.5 An issuer must apply for +quotation of a new +class of +securities or notify PNGX of a change in the number of securities on issue as follows:

Introduced 03/07/2023

2.5.1 In accordance with Appendix 12A;

Introduced 03/07/2023

2.5.2 If the +securities are +restricted securities - within 10 +business days after the end of the escrow period;

Introduced 03/07/2023

2.5.3 If unquoted partly paid +securities become fully paid +securities in the same +class as +quoted fully paid +securities - within 10 +business days after the date of final payment;

Introduced 03/07/2023

2.5.4 If the +securities are subject to restrictions on transfer under an +employee incentive scheme - within 10 +business days after the end of the restrictions.

If the +securities are issued in the case of an +employee incentive scheme that involves frequent issues of a non-material number of +securities, PNGX may agree that notification for +quotation may be made quarterly; or

Note: In relation to securities issued under an employee incentive scheme, PNGX may also agree that an issuer may pay subsequent fees for quotation of these securities every three months.

Introduced 03/07/2023

2.5.5 In other cases — on or before the +issue date.

Introduced 03/07/2023

PNGX's discretion concerning quotation after admission

2.6 +Quotation of an issuer's +securities is in PNGX's absolute discretion. PNGX may grant +quotation on any condition or grant a waiver on any conditions it thinks appropriate. PNGX may grant, refuse or withdraw +quotation of an issuer's +securities without giving any reasons.

Introduced 03/07/2023

How and when quotation occurs after admission

2.7 PNGX will commence +quotation of +securities on the date it decides. PNGX may commence +quotation of the +securities on any conditions it thinks appropriate.

In the case of an issuer seeking first quotation of a new class of securities, quotation will normally be granted 3 business days after certificates have been sent to holders. PNGX may quote securities earlier if it is satisfied that the market is fully informed and all participants have an equal opportunity to participate in the market at the time quotation starts.

Introduced 03/07/2023

Requirements for new classes of securities after admission

2.8 For a new +class of an issuer's +securities (other than +debt securities) to be +quoted after admission, the following conditions must be met to PNGX's satisfaction.

Introduced 03/07/2023

Condition 1 The terms of the issuer's +securities must comply with Chapter 3

Introduced 03/07/2023

Condition 2	Transfer of either: (a) the +securities; or (b) if the issuer is established in a jurisdiction whose laws have the effect that the issuer's +securities cannot be registered or transferred under the Listing Rules, DIs issued over those +securities, must comply with Chapter 21.	Introduced 03/07/2023
Condition 3	If the +securities are a +class of +equity securities, or other +securities with rights of +conversion to equity, that are not already +quoted, there must be at least 100,000 +securities and 20 holders with holdings greater than a +small holding (excluding +restricted securities). This condition does not apply if either of the following requirements is met: (c) The +securities would be in the same +class as the fully paid +ordinary securities of the issuer (ignoring the fact that they do not rank equally for the next dividend and ignoring any right to participate in a concurrent offer) and there are at least 1 million +securities; or (d) The +securities are a +class of partly paid +securities, there are at least 1 million +securities, they are paid to not less than 40% of their issue price and the uncalled amount is payable on a fixed date which is within 12 months after the +issue date.	Introduced 03/07/2023
Condition 4	If ownership or registration of a +securities is restricted to a class or classes of +persons pursuant to the +Capital Market Act (including any order given there under) or any other PNG law, that fact must be clearly, concisely and accurately disclosed.	Introduced 03/07/2023

No quotation of restricted securities during escrow period

2.9	+Restricted securities will not be +quoted during the escrow period. +Restricted securities must comply with Chapter 13.	Introduced 03/07/2023

Chapter 3 –Securities

Explanatory note

This Chapter deals with the rights and obligations that must be attached to securities of an issuer. The requirements in this Chapter apply to both quoted and unquoted securities unless otherwise stated.

Timetables relating to this Chapter are in Appendix 12A.

Fair and orderly market requirement for all securities

3.1 The terms that apply to each +class of +securities must, in PNGX's opinion and as far as may be reasonably practicable, enable PNGX to provide an orderly and fair market in the +securities.

Example: Options must have a fixed:

a) Expiry date;
b) Exercise price; and
c) Exercise ratio (normally one ordinary share for every option exercised).

Example: If a term of options ("primary options") require the issue of further options ("secondary options") upon exercise of the primary options, the primary options must:

a) have an expiry date; and
b) be exercisable only on the expiry date.

Introduced 03/07/2023

Appropriate and equitable requirement for all securities

3.2 The terms that apply to each +class of +equity securities must, in PNGX's opinion, be appropriate and equitable.

PNGX has regard to the relationship between voting and other rights when it looks at whether the rights and obligations are appropriate and equitable.

Introduced 03/07/2023

Rules that apply to all equity securities

Voting rights

3.3 On a resolution to be decided on a show of hands, each holder of an +ordinary security, and each holder of a preference +security who has a right to vote, must be entitled to one vote.

This Rule does not apply to a +registered scheme.

An issuer's constitution may provide that a proxy is entitled to vote on a show of hands. However, an issuer whose constitution does not allow a proxy to vote on a show of hands is not in breach of this Rule. The issuer must allow a proxy to vote on a poll.

Note: Sections 239 to 245 of the Capital Market Act deal with voting rights for a registered scheme.

Introduced 03/07/2023

3.4 On a resolution to be decided on a poll, each holder of an +ordinary security, and each holder of a preference +security who has a right to vote, must be entitled to one vote for each fully paid +security and a fraction of a vote for each partly paid +security. The fraction must be equivalent to the proportion which the amount paid is of the total amounts paid and payable. In this Rule, amounts paid in advance of a call are ignored when calculating the proportion.

This Rule does not apply to a +registered scheme.

Example: A company issues shares paid to 1 toea and with a further 19 toea to pay. The voting entitlement of the share is one-twentieth (1/20) of a vote.

Note: Sections 239 to 245 of the Capital Market Act deal with voting rights for a registered scheme.

Introduced 03/07/2023

Removing or changing voting rights and dividend (distribution) rights

3.5 An issuer must not remove or change a +security holder's right to vote, or receive dividends in respect of particular +securities except in any of the following cases:

Introduced 03/07/2023

3.5.1 Calls due and payable on those +securities have not been paid;

Introduced 03/07/2023

3.5.2 In the case of the voting right, the instrument appointing a proxy in respect of those +securities has not been deposited in accordance with the issuer's constitution;

Introduced 03/07/2023

3.5.3 In the case of the voting right, the +person became the holder of those +securities after the time determined under the +Companies Act as the specified time for deciding who held +securities for the purposes of the meeting;

Subject to section 105 of the Companies Act, Schedule 2.6 of the Companies Act refers to the timeframe for the production of proxies.

Introduced 03/07/2023

3.5.4 The right is removed or changed under Papua New Guinea legislation, or under a provision in the issuer's constitution that must be included to comply with Papua New Guinea legislation. Any provision must cease to operate once it is no longer necessary;

Introduced 03/07/2023

3.5.5 The right is removed or changed under a provision in the issuer's constitution that is permitted by the Listing Rules, or that PNGX has approved as appropriate and equitable; or

PNGX requires provisions restricting the right to vote restricted securities in some circumstances.

Example: PNGX may approve provisions needed by an issuer to get or maintain a licence, or approval for its business, from a government in PNG or another jurisdiction. PNGX will have regard to the mechanism the issuer adopts for removing the right to vote.

Introduced 03/07/2023

3.5.6 The right is removed or changed under a court order.

Introduced 03/07/2023

Dividends and issues of bonus securities

3.6 The holder of a partly paid +security must not be entitled to a greater proportion of either:

The prohibition on the issue of bonus securities covers pro rata bonus issues and

(a) a dividend; or

(b) an issue of bonus +securities,

than the proportion which the amount paid is of the total amounts paid and payable. In this Rule, amounts paid in advance of a call are ignored when calculating the proportion.

an issue of bonus securities which is not pro rata.

Example: A company issues shares paid to 1 toea and with a further 19 toea to pay. The voting entitlement of the share is one-twentieth (1/20) of a vote.

Introduced 03/07/2023

One class of ordinary securities

3.7 An issuer may have only one +class of +ordinary securities unless either of the following applies:

(a) PNGX approves the terms of an additional +class; or

(b) The additional +class is of partly paid +securities which, if fully paid, would be in the same +class as the +ordinary securities.

PNGX has regard to the relationship between voting and other rights when it looks at whether the rights and obligations are appropriate and equitable.

DIs issued over an issuer's ordinary securities are not an additional class of ordinary securities.

An issuer may have different classes of preference securities.

Introduced 03/07/2023

Partly paid securities

3.8 Partly paid +securities must have a defined call program setting out the date and amount of each proposed call. The call program may provide for one extension of up to 6 months of the date for payment of a call, on provision of at least 2 months' written notice to holders of the partly paid +securities. However, the call program must require payment in full within 5 years after the +issue date and must not be extended past 5 years.

This Rule applies to both quoted and unquoted partly paid securities.

Note: Refer to section 82 of the *Companies Act 1997* in relation to liability for calls.

Introduced 03/07/2023

Preference securities

3.9 The holder of a preference share must be entitled to a right to vote in each of the following circumstances and in no others.

(a) During a period during which a dividend (or part of a dividend) in respect of the share is in arrears;
(b) On a proposal to reduce the issuer's share capital;
(c) On a resolution to approve the terms of a buy-back agreement;
(d) On a proposal that affects rights attached to the share;
(e) On a proposal to wind up the issuer;
(f) On a proposal for the disposal of the whole of the issuer's property, business and +undertaking; and

Introduced 03/07/2023

(g) During the winding up of the issuer.

3.10	A preference +security that is a +unit in a +registered scheme or +foreign MIS must entitle the holder to rights to vote as set out in Rule 3.9, with any necessary adaptation.	Introduced 03/07/2023
3.11	The holder of a preference +security must be entitled to a dividend at a commercial rate in preference to holders of +ordinary securities.	The matters PNGX may have regard to in deciding if this Rule has been met include the rate of return relative to the return on the issuer's ordinary securities, and the return available in the money market generally. Introduced 03/07/2023
3.12	A holder of a preference +security must be entitled to a return of capital in preference to holders of +ordinary securities when the company is wound up or the issuer is ended.	Introduced 03/07/2023
3.13	A holder of a preference +security must be entitled to the same rights as a holder of an +ordinary security in relation to receiving notices, reports and audited +accounts, and attending meetings.	

Options

3.14	All +options must have an expiry date. All +options issued by an issuer with the same expiry date must have the same terms.	Introduced 03/07/2023
3.15	An +option's terms must allow the rights of an +option holder to be changed to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.	Introduced 03/07/2023
3.16	An +option must not be exercisable over a percentage of the issuer's capital.	Introduced 03/07/2023
3.17	An +option must not confer the right to participate in a new issue without exercising the +option.	Introduced 03/07/2023
3.18	An +option must not confer the right to a change in exercise price, or a change to the number of +underlying securities over which it can be exercised unless the right is permitted as set out in the Procedures.	Introduced 03/07/2023
3.19	A change to the terms of an +option which has the effect of cancelling the +option for no consideration can be made without obtaining the approval of holders of ordinary +securities	Introduced 03/07/2023
3.20	A change to the terms of an +option which has the effect of cancelling the +option for consideration can only be made if:	Introduced 03/07/2023

(a) holders of ordinary +securities approve the change; and

(b) the notice of meeting includes a +voting exclusion statement stating that any votes of a +person who holds an +option that is the subject of the approval are to be disregarded.

3.21 Any other change to the terms of an +option which has the effect of reducing the exercise price, increasing the period for exercise or increasing the number of +securities received on exercise cannot be made.

Introduced 03/07/2023

3.22 Any other change to the terms of an +option which is not prohibited by these Rules can only be made if:

Introduced 03/07/2023

(a) holders of +ordinary securities approve the change; and

(b) the notice of meeting must include a +voting exclusion statement stating that any votes of a +person who holds an +option that is the subject of the approval are to be disregarded.

3.23 For the purpose of Rules 3.19 to 3.22, separate transactions will be aggregated if, in PNGX's opinion, they form part of the same commercial transaction.

Introduced 03/07/2023

Divestment of equity securities

3.24 An +equity security holder must not be divested of any +equity security except in any of the following cases:

Introduced 03/07/2023

3.24.1 The divestment is under PNG legislation (including any appropriate order), and the mechanism the issuer adopts for divesting the +equity security is set out in the legislation or is approved by PNGX as appropriate and equitable. Any provision in the issuer's terms must cease to operate once it is no longer necessary;

Introduced 03/07/2023

3.24.2 The divestment is under a provision in the +issuer's constitution that must be included to comply with PNG legislation. Any provision must cease to operate once it is no longer necessary;

Introduced 03/07/2023

3.24.3 The divestment is under a provision in the +issuer's constitution that is permitted by the Listing Rules, or that PNGX has approved as appropriate and equitable;

Example: PNGX may approve provisions needed by an issuer to get or maintain a PNG licence or approval for its business. PNGX will have regard to the mechanism the issuer adopts for divesting the securities.

Introduced 03/07/2023

3.24.4 The divestment is under a court order; or

Introduced 03/07/2023

3.24.5	The divestment is under a lien permitted by Listing Rule 3.26.	Introduced 03/07/2023

Divestment of debt securities

3.25	A +debt security holder must not be divested of any +debt security except in any of the following cases:	Introduced 03/07/2023
3.25.1	The divestment is under PNG legislation (including any appropriate order), and the mechanism the issuer adopts for divesting the +debt security is set out in the legislation or is approved by PNGX as appropriate and equitable. The terms of the +debt securities must state that any divestment provisions in the debt issuer's terms will cease to operate once they are no longer necessary;	Example: Refer to the *Securities Commission (Wholesale Corporate Bonds excluded issues and offers) Order, 2022.* Introduced 03/07/2023
3.25.2	The divestment is under a provision in the +debt security's terms that must be included to comply with PNG legislation. The terms of the +debt securities must state that any divestment provisions in the debt issuer's terms will cease to operate once they are no longer necessary;	Introduced 03/07/2023
3.25.3	The divestment is under a provision in the +debt security's terms that is permitted by the Debt Market Rules, or that PNGX has approved as appropriate and equitable;	Example: PNGX may approve provisions needed by an issuer to get or maintain a PNG licence or approval for its business. PNGX will have regard to the mechanism the issuer adopts for divesting the securities. Introduced 03/07/2023
3.25.4	The divestment is under a court order; or	Introduced 03/07/2023
3.25.5	The divestment is under a lien permitted by the Listing Rules.	Introduced 03/07/2023

Right to a lien on equity securities

3.26	An issuer must not have a lien over particular +securities, or over dividends it pays on them, except in any of the following circumstances, in which case the lien extends only to reasonable interest and expenses incurred because an amount remains unpaid:	Introduced 03/07/2023
3.26.1	A call or installment is due but unpaid on those +securities;	Note: Refer to section 82 of the *Companies Act 1997* in relation to liability for calls. Introduced 03/07/2023
3.26.2	If the +securities were +acquired under an +employee incentive scheme, an amount is owed to the issuer for acquiring them; or	Introduced 03/07/2023
3.26.3	An amount the issuer was required to pay by law in respect of the +securities of a holder or deceased former holder.	Introduced 03/07/2023

Chapter 4 - Continuous Disclosure

Explanatory note

This Chapter sets out the continuous disclosure requirements that an issuer must satisfy. Information for release to the market must be given to PNGX's market announcements office.

Issuers should note Chapter 5 which deals with periodic disclosure and Chapter 6 which deals with event specific disclosures. Chapter 24 sets out where the draft and final documents must be lodged.

Issuers must present a balanced and understandable assessment of the company's position and prospects in all disclosures.

Immediate notice of material information

4.1 Once an issuer is or becomes +aware of any +information concerning it that a +reasonable person would expect to have a +material effect on the price or value of the issuer's +securities, the issuer must immediately tell PNGX that +information.

Note: "Information" may include information necessary to prevent or correct a false market, see Listing Rule 4.3. It may also include matters of supposition and other matters that are insufficiently definite to warrant disclosure to the market, and matters relating to the intentions, or likely intentions, of a person (see the definition of "information" in the Definitions section). A confidentiality agreement cannot prevent an issuer from complying with its obligations under the Listing Rules and, in particular its obligation to give PNGX information for release to the market where required by the Listing Rules.

Examples: The following is a non-exhaustive list of examples of the type of information that, depending on the circumstances, could require disclosure by an issuer under this Rule:

- any circumstance which reflects on the ability or perceived ability of the issuer to make payments under the terms of debt securities;
- a transaction that will lead to a significant change in the nature or scale of the issuer's activities;
- any statement or notification required by the issuer's constitution, the Companies Act or Capital Market Act
- Election, re-election and removal of directors and senior administration
- Removal, resignation or appointment of a bond trustee
- the appointment of a liquidator, administrator or receiver;

- the commission of an event of default under, or other event entitling a financier to terminate, a material financing facility;
- any rating applied by a rating agency to an issuer or its securities and any change to such a rating;
- a change in the issuer's financial forecast or expectation;
- if the issuer is a registered scheme or foreign MIS then any statement or notification required pursuant to the trust deed;
- an issuer executing a material contract, varying a term or terminating a material contract;
- the granting or withdrawal of a material licence;
- a material guarantee provided by the issuer or obtained;
- the calling of a meeting of holders of securities;
- the decisions made at a meeting of holders of securities;
- becoming a plaintiff or defendant in a material law suit;
- significant changes to and the implementation of strategic alliances;
- regulatory action by an overseas regulator or stock exchange which might have an impact on the price or value of securities or which may impact upon the maintenance of a fair and orderly market; and
- a change in control of the issuer

Introduced 03/07/2023

Exception to Rule 4.1

4.2 Listing Rule 4.1 does not apply to particular +information while each of conditions 1, 2 and 3 is satisfied in relation to the +information:

Introduced 03/07/2023

Condition 1 One or more of the following 5 situations applies:

(a) It would be a breach of a law to disclose the +information;

(b) The +information concerns an incomplete proposal or negotiation;

Introduced 03/07/2023

(c) The +information comprises matters of supposition or is insufficiently definite to warrant disclosure;

(d) The +information is generated for the internal management purposes of the issuer; or

(e) The +information is a trade secret; and

Condition 2	The +information is confidential and PNGX has not formed the view that the +information has ceased to be confidential; and	Introduced 03/07/2023
Condition 3	A +reasonable person would not expect the +information to be disclosed.	Introduced 03/07/2023

False market

4.3	If PNGX considers that there is or is likely to be a false market in an issuer's +securities and asks the issuer to give it +information to correct or prevent a false market, the issuer must immediately give PNGX that +information.	Note: The obligation to give information under this Rule arises even if the exception under Rule 4.2 applies. Introduced 03/07/2023

Chapter 5 - Periodic Disclosure

Explanatory note

This Chapter sets out the relevant periodic disclosure requirements that an issuer will be required to satisfy in relation to each financial year. Periodic disclosure requirements support and supplement the continuous disclosure obligations of an issuer under Chapter 4.

Periodic disclosure is made to PNGX's market announcements office. If the Companies Act or the Capital Market Act applies, and an issuer lodges accounts with SECOM or IPA, all of the documents lodged with SECOM or IPA under the relevant provisions of the Companies Act or Capital Market Act must also be given to PNGX no later than the time they are lodged with SECOM or IPA and in any event no later than the time limits which apply under the Listing Rules.

Issuers must present a balanced and understandable assessment of the company's position and prospects in all disclosures.

Weekly NTA reporting

5.1 A +special purpose acquisition company must tell PNGX the +net tangible asset backing of its +quoted +securities as at the end of each week prior to 9.45am on the following Monday.

Refer to Interpretation 9 in relation to Monday being a public holiday.

Introduced 03/07/2023

Monthly NTA reporting

5.2 An +investment company must tell PNGX the +net tangible asset backing of its +quoted +securities as at the end of each month within 10 +business days after the end of each month.

Introduced 03/07/2023

Quarterly cashflow reporting

5.3 The following issuers must provide a quarterly cashflow report in the form of Appendix 5A to PNGX:

(a) a +mining exploration issuer;

(b) an +oil and gas exploration issuer;

(c) a +special purpose acquisition company; and

(d) an issuer which PNGX has advised must provide a quarterly cashflow report.

Introduced 03/07/2023

5.4 The issuer must give PNGX the completed quarterly cashflow report in the form of Appendix 5A as required by Rule 5.3 immediately the information is available, and in any event

There may be information available that is material under Rule 4.1. If so, it must be given to PNGX immediately in accordance with that Rule, even though the information within 1 month after the end of each quarter of its financial year.

may later also be included in the information given to PNGX under Rule 5.3.

Introduced 03/07/2023

5.5 An issuer which PNGX has advised must provide a quarterly cashflow report must continue to provide the quarterly cashflow report until such time as PNGX advises otherwise.

Introduced 03/07/2023

Quarterly activities reporting

Mining exploration issuers

5.6 A +mining exploration issuer must complete a quarterly activities report concerning each quarter of its financial year and give it to PNGX for release to the market. It must do so no later than 1 month after the end of the quarter. The report must include all of the following information:

Introduced 03/07/2023

5.6.1 Details of the activities of the +mining exploration issuer and all +child entities (on a consolidated basis) relating to +exploration and a summary of the expenditure incurred on those activities. If there have been no activities relating to +exploration, that fact must be stated;

Introduced 03/07/2023

5.6.2 Details of the activities of the +mining exploration issuer and all +child entities (on a consolidated basis) relating to mining production and development and a summary of the expenditure incurred on those activities. If there have been no activities relating to production or development, that fact must be stated; and

Introduced 03/07/2023

5.6.3 All of the following information in relation to the +mining exploration issuer and all +child entities (on a consolidated basis):

Introduced 03/07/2023

(a) The +mining tenements held at the end of the quarter and their location;

(b) The +mining tenements +acquired and +disposed of during the quarter and their location;

(c) The beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter; and

(d) The beneficial percentage interests in farm-in or farm-out agreements +acquired or +disposed of during the quarter.

Oil and gas exploration issuers

5.7 An +oil and gas exploration issuer must complete a quarterly activities report concerning each quarter of its financial year

Introduced 03/07/2023

and give it to PNGX for release to the market. It must do so no later than 1 month after the end of the quarter. The report must include all of the following information:

5.7.1 Details of the activities of the +oil and gas exploration issuer and all +child entities (on a consolidated basis) relating to oil and gas +exploration and a summary of the expenditure incurred on those activities. If there have been no activities relating to +exploration, that fact must be stated; Introduced 03/07/2023

5.7.2 Details of the activities of the +oil and gas exploration issuer and all +child entities (on a consolidated basis) relating to oil and gas production and development and a summary of the expenditure incurred on those activities. If there have been no activities relating to production or development, that fact must be stated; and Introduced 03/07/2023

5.7.3 All of the following information in relation to the +oil and gas exploration issuer and all +child entities. Introduced 03/07/2023

(a) The +petroleum tenements held at the end of the quarter and their location.

(b) The +petroleum tenements +acquired and +disposed of during the quarter and their location.

(c) The beneficial percentage interests at the end of the quarter in farm-in or farm-out agreements.

(d) The beneficial percentage interests in farm-in or farm-out agreements +acquired or +disposed of during the quarter.

Mining production issuers

5.8 A +mining production issuer must complete a quarterly activities report concerning each quarter of its financial year and give it to PNGX for release to the market. It must do so no later than 1 month after the end of the quarter. The report must include all of the following information: Introduced 03/07/2023

5.8.1 Details of the activities of the +mining production issuer and all +child entities (on a consolidated basis) relating to mining production and development and a summary of the expenditure incurred on those activities. If there have been no activities relating to production or development, that fact must be stated; and Introduced 03/07/2023

5.8.2 A summary of the activities of the +mining production issuer and all +child entities (on a consolidated basis) relating to +exploration and a summary of the expenditure incurred on those activities. If there have been no activities relating to +exploration, that fact must be stated. Introduced 03/07/2023

Oil & gas production issuers

5.9	An +oil and gas production issuer must complete a quarterly activities report concerning each quarter of its financial year and give it to PNGX for release to the market. It must do so no later than 1 month after the end of the quarter. The report must include all of the following information:	Introduced 03/07/2023
5.9.1	Details of the activities of the +oil and gas production issuer and all +child entities (on a consolidated basis) relating to oil and gas production and development and a summary of the expenditure incurred on those activities. If there have been no activities relating to oil and gas production or development, that fact must be stated; and	Introduced 03/07/2023
5.9.2	A summary of the activities of the +oil and gas production issuer and all +child entities (on a consolidated basis) relating to oil and gas +exploration and a summary of the expenditure incurred on those activities. If there have been no activities relating to oil and gas +exploration, that fact must be stated.	Introduced 03/07/2023

Special purpose acquisition companies and issuers required by PNGX to provide a quarterly report

5.10	A +special purpose acquisition company and an issuer which PNGX has advised must provide a quarterly cashflow report must provide a quarterly activities report concerning each quarter of its financial year and give it to PNGX for release to the market. It must do so no later than 1 month after the end of the quarter. The report must include all of the following information:	Introduced 03/07/2023
5.10.1	Details of its business activities for the quarter, including any material developments or material changes in those activities, and a summary of the expenditure incurred on those activities. If there were no substantive business activities during the quarter, that fact must be stated;	Introduced 03/07/2023
5.10.2	If the quarter is included in a period covered by a “use of funds” statement or expenditure program in a +prospectus, a comparison of the issuer’s actual expenditure on the individual items in the “use of funds” statement or expenditure program against the estimated expenditure on those items in the “use of funds” statement or expenditure program in the +prospectus and an explanation of any material variances; and	Introduced 03/07/2023
5.10.3	A description of, and an explanation for, any payments to, or to an +associate of, a +related party of the issuer during the quarter.	Introduced 03/07/2023

Half year financial reporting

5.11 An issuer other than the following issuers must provide a half yearly report in the form of Appendix 5B to PNGX:

(a) a +mining exploration issuer;

(b) an +oil and gas exploration issuer; or

(c) a +special purpose acquisition company.

Introduced 03/07/2023

5.12 The issuer must give PNGX the completed half yearly report in the form of Appendix 5B required by Rule 5.11 immediately the information is available, and in any event within 75 days after the end of the first half of its financial year.

There may be information available that is material under Rule 4.1. If so, it must be given to PNGX immediately in accordance with that Rule, even though the information may later also be included in the information given to PNGX under Rule 5.12.

Introduced 03/07/2023

Full year preliminary financial reporting

5.13 An issuer other than the following issuers must provide a full year preliminary report in the form of Appendix 5C to PNGX:

(a) a +mining exploration issuer;

(b) an +oil and gas exploration issuer; or

(c) a +special purpose acquisition company.

Introduced 03/07/2023

5.14 The issuer must give PNGX the completed full year preliminary report in the form of Appendix 5C required by Rule 5.13 immediately the information is available, and in any event within 75 days after the end of its full financial year.

There may be information available that is material under Rule 4.1. If so, it must be given to PNGX immediately in accordance with that Rule, even though the information may later also be included in the information given to PNGX under Rule 5.14.

Introduced 03/07/2023

Variations between full year preliminary reporting and annual statutory accounts

5.15 Once an issuer is or becomes +aware of any circumstances which are likely to materially affect the results or other information contained in the full year preliminary report given to PNGX under Rule 5.14 the issuer must immediately give PNGX an explanation of the circumstances and the effects the circumstances are expected to have on the issuer's current or future financial performance or financial position.

Rule 5.14 requires the disclosure of this information immediately the issuer becomes aware of it, consistent with the continuous disclosure requirements in Rule 4.1. An issuer should be aware of this information by no later than the time it finalises its annual audited accounts. It may be aware of this information earlier than that time. This is particularly the case if the issuer becomes aware of a matter during the audit process which is likely to materially affect the information provided to the market in accordance with Rule 5.14.

Introduced 03/07/2023

Annual statutory accounts

5.16 If an issuer is required to comply with the +Companies Act in relation to the lodgment of audited annual +accounts, it must give PNGX a copy of the documents that it lodges with the +Registrar of Companies under the +Companies Act no later than the time that it lodges them. If it is not required to comply with the +Companies Act, it must give to PNGX, in English, a copy of any audited annual +accounts that it lodges with the regulatory authorities in the jurisdiction in which it is established within 10 +business days of lodging them.

Note: Section 215 of the Companies Act deals with the lodgment of annual financial information by issuers registered in PNG.

Introduced 03/07/2023

5.17 If an issuer has +quoted +debt securities which were granted +quotation on the basis of a guarantee provided by a guarantor, and the guarantor is required to comply with the +Companies Act, the issuer must give PNGX a copy of the audited annual +accounts that the guarantor lodges with the +Registrar of Companies under the +Companies Act no later than the time that the guarantor lodges them. If the guarantor is not required to comply with the +Companies Act, the issuer must give to PNGX, in English, a copy of any audited annual +accounts that the guarantor lodges with the regulatory authorities in the jurisdiction in which it is established, immediately after the guarantor lodges them.

Introduced 03/07/2023

Annual Report

5.18 An issuer must provide an +annual report.

Section 209 of the Companies Act requires an issuer to prepare an annual report within 5 months of its balance date.

Section 209 of the Companies Act prescribes the content of an annual report.

Introduced 03/07/2023

5.19 The issuer must give PNGX the +annual report immediately it is available, and in any event within 5 months after its +balance date.

There may be information available that is material under Rule 4.1. If so, it must be given to PNGX immediately in accordance with that Rule, even though the information may later also be included in the information given to PNGX under Rule 5.19.

Introduced 03/07/2023

5.20 An issuer must include the following in its +annual report:

The requirements of Rule 5.20 are additional to those of Section 209 of the Companies Act

Introduced 03/07/2023

5.20.1 A director's report that contains the following information:

Introduced 03/07/2023

(a) a review of operations during the year and the results of those operations;
(b) details of any significant changes in the issuer's state of affairs during the year;
(c) details of the issuer's principal activities during the year and any significant changes in the nature of those activities during the year;
(d) details of any matter or circumstance that has arisen since the end of the year that has significantly affected, or may significantly affect:
    a. the issuer's operations in future financial years;
    b. the results of those operations in future financial years; or
    c. the issuer's state of affairs in future financial years;
(e) the business strategies and prospects for future financial years. The report may omit material that would otherwise be included if it is likely to result in unreasonable prejudice to the issuer. If material is omitted, the report must say so;
(f) if the issuer's operations are subject to any particular and significant environmental regulation under a law of PNG, details of the issuer's performance in relation to those environmental regulations;
(g) a statement to the effect that, to the best of the knowledge of the directors, the issuer has not engaged in any activities, which materially contravene laws and regulations;
(h) a statement to the effect that directors have declared all material interests in contracts involving the company and refrained from voting on matters in which they were materially interested. If directors have voted on contracts involving the company in which they were materially interested those matters must be identified;
(i) a statement to the effect that the company has made all endeavours to ensure the equitable treatment of shareholders;
(j) a statement to the effect that the issuer is a going concern, with supporting assumptions or qualifications as necessary; and
(k) statement to the effect that directors have conducted a review of the internal controls which cover financial, operational, environmental and social compliance and risk management and are satisfied the controls are appropriate.

5.20.2 A management report that contains the following information:

a) industry structure and development;
b) opportunities;
c) risks;
d) internal control systems and their adequacy;
e) financial performance;
f) material developments in human resources/ industrial relations;
g) the nature of engagement with traditional landowners; and
h) prospects for the future.

5.20.3 A +corporate governance statement which complies with Rule 17.3 or the URL of the page on its website where a +corporate governance statement which complies with Rule 17.3 is located;

Introduced 03/07/2023

5.20.4 The voting rights attaching to each +class of +equity securities;

Introduced 03/07/2023

5.20.5 The names of +substantial securities holders in the issuer, and the number of +equity securities to which each +substantial securities holder and the +substantial securities holder's +associates have a relevant interest, as disclosed in substantial holding notices given to the issuer. If a substantial holding notice discloses that related bodies corporate have the same relevant interest in the same number of +equity securities, the +annual report need only include the name of the holding company;

Introduced 03/07/2023

5.20.6 A +twenty largest holders schedule;

Introduced 03/07/2023

5.20.7 A +distribution schedule;

Introduced 03/07/2023

5.20.8 The number of holders holding less than a +small holding of the issuer's +main class of +securities (in the case of +securities over which +DIs have been issued, including holders of +DIs), based on the +closing market price at the specified date;

Introduced 03/07/2023

5.20.9 The number and +class of +restricted securities that are on issue, and the date that the escrow period ends;

Introduced 03/07/2023

5.20.10 The number and +class of +securities subject to +voluntary escrow that are on issue, and the date that the +voluntary escrow period ends;

Note: Securities issued under an employee incentive scheme that have restrictions on their transfer under the terms of the scheme are not regarded as being subject to voluntary escrow.

Introduced 03/07/2023

5.20.11 For each +class of unquoted +equity securities (except +DIs), the number of +equity securities that are on issue and the number of holders. In addition, if a person holds 20% or more of the +equity securities in an unquoted +class, the name of the holder and number of +equity securities held, unless the securities were issued or +acquired under an +employee incentive scheme;

Introduced 03/07/2023

5.20.12 If during the reporting period any +securities were purchased +on-market under or for the purposes of an +employee incentive scheme or to satisfy the +entitlements of the holders of +options or other rights to +acquire +securities granted under an +employee incentive scheme, the following information:

(a) the total number of +securities purchased during the reporting period; and
(b) the average price per +security at which the +securities were purchased during the reporting period;

Note: This Rule applies regardless of who purchased the securities (whether it was the issuer, a child entity, or an independent trustee of an employee incentive scheme to whom the issuer or a child entity has directly or indirectly provided funds for that purpose). The disclosure required by this Rule may be made in the remuneration report included in the issuer's annual report.

Introduced 03/07/2023

5.20.13 The name of the issuer's secretary;

Introduced 03/07/2023

5.20.14 The address and telephone number of the issuer's registered office in PNG and of its principal administrative office (if the two are different);

Introduced 03/07/2023

5.20.15 The address and telephone number of each office at which a register of +securities, register of depositary receipts or other facilities for registration of transfers is kept; and

Introduced 03/07/2023

5.20.16 A list of stock exchanges on which any of the issuer's +securities are +quoted.

Introduced 03/07/2023

5.20.17 Details of:

a) whether each Director is an +Executive Director, +Non-Executive Director or +Independent Director;
b) the chair and members of any Nomination Committee;
c) the chair and members of any Remuneration Committee;
d) the chair and members of any Audit Committee;
e) the number of Board and committee meetings attended by each director;
f) details of remuneration of all Directors, including any bonus payments and +employee incentive scheme entitlements.

Introduced 03/07/2023

Investment companies

5.21 In addition to the requirements of Rule 5.20, an +investment company must include the following in its +annual report:

Introduced 03/07/2023

5.21.1 A list of all investments held by it and its +child entities at the +balance date;

Introduced 03/07/2023

5.21.2 The total number of transactions in +securities during the reporting period, together with the total brokerage paid or accrued during that period; and

Introduced 03/07/2023

5.21.3	The total management fees paid or accrued during the reporting period, together with a summary of the material terms of any management agreement with an +investment manager.	Introduced 03/07/2023

Special purpose acquisition companies

5.22	In addition to the requirements of Rule 5.20, a company which was categorized as a +special purpose acquisition company during any part of the financial year must include the following in its +annual report:	Introduced 03/07/2023
5.22.1	In its first two +annual reports after initial +quotation it must include a statement about whether the issuer used the +cash assets that it had at the time of initial +quotation in a way consistent with its business objectives. If the use was not consistent, an explanation of how the +cash assets were used. The statement in the first +annual report must be for the time between initial +quotation and the end of the reporting period. The statement in the second +annual report must be for the whole of the reporting period.	Introduced 03/07/2023
5.22.2	If the issuer has been subject of a +backdoor listing, in its first two +annual reports after reinstatement it must include a statement about whether the issuer used the +cash assets that it had at the time of reinstatement in a way consistent with its business objectives. If the use was not consistent, an explanation of how the +cash assets were used. The statement in the first +annual report must be for the time between reinstatement to +quotation and the end of the reporting period. The statement in the second +annual report must be for the whole of the reporting period.	Introduced 03/07/2023
5.22.3	A statement by the independent trustee responsible for holding the +cash assets as to whether or not the cash assets were used in accordance with the investment criteria and these Listing Rules.	Introduced 03/07/2023

Mining exploration issuers

5.23	In addition to the requirements of Rule 5.20, a +mining exploration issuer must include the following in its +annual report:	Introduced 03/07/2023
5.23.1	the +mining tenements held by the +mining exploration issuer and its +child entities and their location; and	Introduced 03/07/2023
5.23.2	the percentage interest it or they hold in each +mining tenement.	Introduced 03/07/2023

5.24 In addition to the requirements of Rule 5.20, a +mining exploration issuer must include a +mineral resources and ore reserves holding statement in its +annual report which includes all of the following information:

Note: compliance with this Rule satisfies the requirement in clause 14 of the JORC Code for a mining issuer to publicly report on mineral resources and ore reserves annually.

Introduced 03/07/2023

5.24.1 A summary of the results of the +mining exploration issuer's annual review of its +ore reserves and +mineral resource;

Introduced 03/07/2023

5.24.2 As at the +mining exploration issuer's +balance date (or such other appropriate disclosed proximate date), the +mining exploration issuer's +mineral resources and ore reserves holdings in tabular form reported on the following basis:

(a) by commodity type, including the grade or quality;

(b) by +ore reserve category and +mineral resource category; and

(c) by geographical area based on the materiality of the +mineral resources and ore reserves holdings to the +mining exploration issuer;

Note: mineral resources and ore reserves holdings include mineral resources and ore reserves in which the mining issuer or any of its child entities has an economic interest.

Introduced 03/07/2023

5.24.3 If the +mining exploration issuer reports as at a date other than its +balance date, the +mining exploration issuer must include a brief explanation of any material changes in the +mineral resources and ore reserves holdings in the period between the date of annual review of its +ore reserves and +mineral resources and the +balance date;

Introduced 03/07/2023

5.24.4 A comparison of the +mining exploration issuer's +mineral resources and ore reserves holdings against that from the previous year on the following basis:

(a) by commodity type, including the grade or quality; and

(b) total +ore reserves and total +mineral resources by geographical area based on the materiality of the +mineral resources and ore reserves holdings to the +mining exploration issuer,

including an explanation of any material changes in the +mineral resources and ore reserves holdings from the previous year;

Introduced 03/07/2023

5.24.5 A summary of the governance arrangements and internal controls that the +mining exploration issuer has put in place with respect to its estimates of +mineral resources and +ore reserves and the estimation process; and

Introduced 03/07/2023

5.24.6 An +issuer that has publicly reported +historical estimates or +foreign estimates in accordance with Rule 8.7 which have not subsequently been verified and reported as +mineral

Introduced 03/07/2023

resources or +ore reserves in accordance with the +JORC Code, must include:

5.24.6.1 a statement on: Introduced 03/07/2023

(a) the progress made in evaluating the previously reported +historical estimates or +foreign estimates; and

(b) the status of any further evaluation and/or +exploration work required to verify the +historical estimates or +foreign estimates as +mineral resources or +ore reserves in accordance with the +JORC Code; and

5.24.6.2 if the +historical estimates or +foreign estimates have not been verified and reported as +mineral resources or +ore reserves in accordance with the +JORC Code after 3 years from the date the +historical estimates or +foreign estimates were initially reported, for that year and every subsequent year, a statement on: Introduced 03/07/2023

(a) why the +historical estimates or +foreign estimates have not been verified and reported as +mineral resources or +ore reserves in accordance with the +JORC Code; and

(b) a statement of the +issuer's intention with regard to verifying and reporting the +historical estimates or +foreign estimates as +mineral resources or +ore reserves in accordance with the +JORC Code.

Mining production issuers

5.25 In addition to the requirements of Rule 5.20, a +mining production issuer must include a +mineral resources and ore reserves holding statement in its +annual report which includes all of the following information:

Note: compliance with this Rule satisfies the requirement in clause 14 of the JORC Code for a mining issuer to publicly report on mineral resources and ore reserves annually.

Introduced 03/07/2023

5.25.1 A summary of the results of the +mining production issuer's annual review of its +ore reserves and +mineral resources; Introduced 03/07/2023

5.25.2 As at the +mining production issuer's +balance date (or such other appropriate disclosed proximate date), the +mining production issuer's +mineral resources and ore reserves holdings in tabular form reported on the following basis:

Note: mineral resources and ore reserves holdings include mineral resources and ore reserves in which the mining issuer or any of its child entities has an economic interest

Introduced 03/07/2023.

(a) by commodity type, including the grade or quality;

(b) by +ore reserve category and +mineral resource category; and

(c) by geographical area based on the materiality of the +mineral resources and ore reserves holdings to the +mining production issuer;

5.25.3 If the +mining production issuer reports as at a date other than its +balance date, the +mining production issuer must include a brief explanation of any material changes in the +mineral resources and ore reserves holdings in the period between the date of annual review of its +ore reserves and +mineral resources and the +balance date; and

Introduced 03/07/2023

5.25.4 A comparison of the +mining production issuer's +mineral resources and ore reserves holdings against that from the previous year on the following basis:

Introduced 03/07/2023

(c) by commodity type, including the grade or quality; and

(d) total +ore reserves and total +mineral resources by geographical area based on the materiality of the +mineral resources and ore reserves holdings to the +mining production issuer,

including an explanation of any material changes in the +mineral resources and ore reserves holdings from the previous year.

Oil & gas exploration issuers

5.26 In addition to the requirements of Rule 5.20, an +oil & gas exploration issuer must include the following in its +annual report:

Introduced 03/07/2023

5.26.1 the +petroleum tenements held by the +oil and gas exploration issuer and its +child entities and their location; and

Introduced 03/07/2023

5.26.2 the percentage interest it or they hold in each +petroleum tenement.

Introduced 03/07/2023

5.27 In addition to the requirements of Rule 5.20, an +oil & gas exploration issuer must include a reserves statement in its +annual report which includes all of the following information:

Introduced 03/07/2023

5.27.1 As at the +oil and gas exploration issuer's +balance date, the +oil and gas exploration issuer's +petroleum reserves holdings in tabular form reported on the following basis:

Note: Petroleum reserves holdings include petroleum reserves in which the +oil and gas issuer or any of its +child entities have an economic interest.

(a) subject to Rule 5.27.2, by the +oil and gas exploration issuer's total +1P +petroleum reserves and +2P +petroleum reserves (split between developed and undeveloped +petroleum reserves and by product); and

Introduced 03/07/2023

(b) by total aggregated +1P +petroleum reserves and +2P +petroleum reserves by product and geographical area (split between developed and undeveloped +petroleum reserves by geographical area);

5.27.2 If the +oil and gas exploration issuer has material unconventional +petroleum resources, it must separately identify the portion of the total +1P +petroleum reserves and +2P +petroleum reserves reported under Rule 5.27.1(a) that are based on unconventional +petroleum resources;

Note: SPE-PRMS de‘ines 'developed re’erves‘ and 'undeveloped re’erves' in section 2.1 and Appendix ‘ and 'unconventional res’urces' in section 2.4 and Appendix A. Additional guidance on developed and undeveloped reserves (in sections 2.1, 6.1 and 8.2) and unconventional resources (in sections 1.1 and 8.6) is provided in the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

5.27.3 A reconciliation of the +oil and gas exploration issuer’s +petroleum reserves holdings against that from the previous year. The reconciliation can be reported on the basis of the +oil and gas exploration issuer’s total +1P +petroleum reserves and +2P +petroleum reserves by product or by total aggregated +1P +petroleum reserves and +2P +petroleum reserves by geographical area, and must include an explanation of any material changes in those holdings from the previous year;

Introduced 03/07/2023

5.27.4 If any material concentrations of undeveloped +petroleum reserves in +material oil and gas projects have remained undeveloped after 5 years from the date they were initially reported, the +oil and gas exploration issuer’s reserves statement in the +annual report for that year and every subsequent year must include:

(a) an explanation of why the undeveloped +petroleum reserves have not been developed; and

(b) a statement of the +oil and gas exploration issuer’s intention with regard to the future development of the undeveloped +petroleum reserves; and

Note: SPE-PRMS defines “undeveloped reserves” in section 2.1 and Appendix A. Additional guidance is provided on undeveloped reserves in sections 3.1, 6.1 and 8.1 of the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

5.27.5 A summary of the governance arrangements and internal controls that the +oil and gas exploration issuer has put in place, including the frequency and scope of any reviews or audits undertaken, with respect to its estimates of +petroleum reserves and the estimation process.

Introduced 03/07/2023

5.28 If an +oil and gas exploration issuer reports on +oil and gas issuer level and other aggregated estimates of +contingent resources in its reserves statement in its +annual report, the statement must include all of the following information:

Introduced 03/07/2023

5.28.1 As at the +oil and gas exploration issuer's +balance date, the +oil and gas exploration issuer's +contingent resources holdings in tabular form reported on the following basis:

(a) total +2C +contingent resources by product; and

(b) aggregated +2C +contingent resources by product and geographical area; and

Introduced 03/07/2023

5.28.2 A reconciliation of the +oil and gas exploration issuer's total +2C +contingent resources holdings against that from the previous year, including an explanation of any material changes in those holdings from the previous year.

Note: Contingent resources holdings include contingent resources in which the +oil and gas issuer and all its +child entities have an economic interest.

Introduced 03/07/2023

5.29 The reserves statement in an +oil and gas exploration issuer's +annual report must include:

(a) a statement that it is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, a +qualified petroleum reserves and resources evaluator or evaluators;

(b) a statement that the reserves statement as a whole has been approved by a named +qualified petroleum reserves and resources evaluator or evaluators;

(c) whether the +qualified petroleum reserves and resources evaluator is an employee of the +oil and gas issuer or a +related party and, if not, the name of the +qualified petroleum reserves and resources evaluator's employer; and

(d) the name of the professional organisation of which the +qualified petroleum reserves and resources evaluator is a member.

The reserves statement must only be issued with the prior written consent of the named +qualified petroleum reserves and resources evaluator or evaluators referred to in paragraph (b) as to the form and context in which it appears in the +annual report.

Note: the named qualified petroleum reserves and resources evaluator or evaluators referred to in paragraph (b) may be different to the qualified petroleum reserves and resources evaluator or evaluators referred to in paragraph (a).

Introduced 03/07/2023

Exceptions to Rules 5.27 and 5.28

5.30 Rules 5.27 and 5.28 do not apply to an +oil and gas exploration issuer that reports to the Securities and Exchange Commission (SEC) of the United States of America and files SEC compliant Forms 10-K and 20-F Reports with the SEC annually,

Note: the US Securities Exchange Act of 1934 requires certain companies to file Forms 10-K and 20-F with the SEC. PNGX may ask an oil and gas issuer to provide evidence that it has filed SEC compliant Forms 10-K and 20-F with the SEC

Introduced 03/07/2023

Oil & gas production issuers

5.31 In addition to the requirements of Rule 5.20, an +oil & gas production issuer must include a reserves statement in its +annual report which includes all of the following information:

Introduced 03/07/2023

5.31.1 As at the +oil and gas production issuer's +balance date, the +oil and gas production issuer's +petroleum reserves holdings in tabular form reported on the following basis:

(a) subject to Rule 5.31.2, by the +oil and gas production issuer's total +1P +petroleum reserves and +2P +petroleum reserves (split between developed and undeveloped +petroleum reserves and by product); and

(b) by total aggregated +1P +petroleum reserves and +2P +petroleum reserves by product and geographical area (split between developed and undeveloped +petroleum reserves by geographical area);

Note: Petroleum reserves holdings include petroleum reserves in which the +oil and gas issuer or any of its child entities have an economic interest.

Introduced 03/07/2023

5.31.2 If the +oil and gas production issuer has material unconventional +petroleum resources, it must separately identify the portion of the total +1P +petroleum reserves and +2P +petroleum reserves reported under Rule 5.31.1(a) that are based on unconventional +petroleum resources;

Note: SPE-PRMS de'ines 'developed re'erves' and 'undeveloped re'erves' in section 2.1 and Appendix ' and 'unconventional res'urces' in section 2.4 and Appendix A. Additional guidance on developed and undeveloped reserves (in sections 2.1, 6.1 and 8.2) and unconventional resources (in sections 1.1 and 8.6) is provided in the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

5.31.3 A reconciliation of the +oil and gas production issuer's +petroleum reserves holdings against that from the previous year. The reconciliation can be reported on the basis of the +oil and gas production issuer's total +1P +petroleum reserves and +2P +petroleum reserves by product or by total aggregated +1P +petroleum reserves and +2P +petroleum reserves by geographical area, and must include an explanation of any material changes in those holdings from the previous year;

Introduced 03/07/2023

5.31.4 If any material concentrations of undeveloped +petroleum reserves in +material oil and gas projects have remained undeveloped after 5 years from the date they were initially reported, the +oil and gas production issuer's reserves statement in the +annual report for that year and every subsequent year must include:

(a) an explanation of why the undeveloped +petroleum reserves have not been developed; and

Note: SPE-PRMS defines "undeveloped reserves" in section 2.1 and Appendix A. Additional guidance is provided on undeveloped reserves in sections 3.1, 6.1 and 8.1 of the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

(b) a statement of the +oil and gas production issuer's intention with regard to the future development of the undeveloped +petroleum reserves; and

5.31.5 A summary of the governance arrangements and internal controls that the +oil and gas production issuer has put in place, including the frequency and scope of any reviews or audits undertaken, with respect to its estimates of +petroleum reserves and the estimation process.

Introduced 03/07/2023

5.32 If an +oil and gas production issuer reports on +oil and gas production issuer level and other aggregated estimates of +contingent resources in its reserves statement in its +annual report, the statement must include all of the following information.

Introduced 03/07/2023

5.32.1 As at the +oil and gas production issuer's +balance date, the +oil and gas production issuer's +contingent resources holdings in tabular form reported on the following basis:

(a) total +2C +contingent resources by product; and

(b) aggregated +2C +contingent resources by product and geographical area; and

Introduced 03/07/2023

5.32.2 A reconciliation of the +oil and gas production issuer's total +2C +contingent resources holdings against that from the previous year, including an explanation of any material changes in those holdings from the previous year.

Note: Contingent resources holdings include contingent resources in which the oil and gas issuer and all its child entities have an economic interest.

Introduced 03/07/2023

5.33 The reserves statement in an +oil and gas production issuer's +annual report must include:

(a) a statement that it is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, a +qualified petroleum reserves and resources evaluator or evaluators;

(b) a statement that the reserves statement as a whole has been approved by a named +qualified petroleum reserves and resources evaluator or evaluators;

(c) whether the +qualified petroleum reserves and resources evaluator is an employee of the +oil and gas issuer or a +related party and, if not, the name of the +qualified petroleum reserves and resources evaluator's employer; and

(d) the name of the professional organisation of which the +qualified petroleum reserves and resources evaluator is a member.

The reserves statement must only be issued with the prior written consent of the named +qualified petroleum reserves

Note: the named qualified petroleum reserves and resources evaluator or evaluators referred to in paragraph (b) may be different to the qualified petroleum reserves and resources evaluator or evaluators referred to in paragraph (a).

Introduced 03/07/2023

and resources evaluator or evaluators referred to in paragraph (b) as to the form and context in which it appears in the +annual report.

Exceptions to Rules 5.31 and 5.32

5.34 Rules 5.31 and 5.32 do not apply to an +oil and gas production issuer that reports to the Securities and Exchange Commission (SEC) of the United States of America and files SEC compliant Forms 10-K and 20-F Reports with the SEC annually,

Note: the US Securities Exchange Act of 1934 requires certain companies to file Forms 10-K and 20-F with the SEC. PNGX may ask an oil and gas issuer to provide evidence that it has filed SEC compliant Forms 10-K and 20-F with the SEC

Introduced 03/07/2023

Reporting upon change of balance date

5.35 If an issuer, except a +mining exploration issuer or an +oil and gas exploration issuer, changes its annual +balance date so that its next annual +accounts cover a period that is more than 12 months, the issuer must give PNGX the information set out in Appendix 5C for that 12 month period. The +accounts on which the information is based must be audited or subject to review if PNGX or the relevant law requires. The audit or review, if required, may be completed after the information has been given to PNGX. The audit or review report must be given to PNGX

This Rule does not require an issuer whose balance date varies by up to one week each year to provide the information for the changed period.

Example: An issuer has a balance date of 31 March. In November 2019 it decides to change its balance date to 31 October, to coincide with the balance date of its parent company. Its next balance date will be 31 October 2020. It must:

(a) give the information required by Rule 5.11 for the 6 months to 30 September 2019 to PNGX no later than 30 November 2019;
(b) give the information required by Rule 5.13 for the 12 month period to 31 March 2020 and give it to PNGX no later than 31 May 2020;
(c) give the information required by Rule 5.6 for the 6 month period to 30 September 2020 and give it to PNGX no later than 30 November 2020;
(d) and give the information required by Rule 5.13 for the 19 month period to 31 October 2020 and give it to PNGX no later than 31 December 2020.

Introduced 03/07/2023

5.36 The issuer must give the information or documents required by Rule 5.35 to PNGX immediately all the information or documents becomes available. It must do so in any event within 2 months after the end of the 12 month period since its previous +balance date.

Introduced 03/07/2023

Chapter 6 – Disclosure of Event Specific Information

Explanatory note

This Chapter sets out the disclosure requirements that an issuer must satisfy in relation to specific events and disclosures. Information for release to the market must be given to PNGX's market announcements office.

Issuers should note Chapter 4 which deals with continuous disclosures and Chapter 5, which deals with periodic disclosure. Chapter 24 sets out where the draft and final documents must be lodged.

Capital

6.1 An issuer must immediately tell PNGX the following information:

Introduced 03/07/2023

6.1.1 Details of a reorganisation to be made to its capital;

Introduced 03/07/2023

6.1.2 Details of a call to be made on its securities;

Introduced 03/07/2023

6.1.3 The lodging of any +prospectus. A copy must be given to PNGX immediately after it is lodged with +SECOM;

Introduced 03/07/2023

6.1.4 A proposed issue of +securities which is a +pro rata issue. The issuer must complete Appendix 6D and give it to PNGX. If the issue is of a new +class of +securities, the issuer must complete Appendix 2A or 2C and give them to PNGX at the same time. The issuer must immediately tell PNGX if there is a change to any information after it has been given to PNGX;

The announcement must be made at least 5 business days before the record date.

Introduced 03/07/2023

6.1.5 A proposed issue of +securities which is not a +pro rata issue. The issuer must complete Appendix 2A, 2B or 2C and give it to PNGX at the same time. The issuer must give PNGX the following information:

a) +Class of +securities to be issued.

b) Number of +securities to be issued (if known) or maximum number which may be issued.

c) Principal terms of the +securities to be issued.

d) Issue price or consideration.

e) Purpose of the issue.

f) Whether the issuer will seek +security holder approval in relation to the proposed issue of +securities.

g) Whether the issue will be to a +class of +security holders.

The issuer must immediately tell PNGX if there is a change to any information after it has been given to PNGX;

Note: An agreement which, alone or with another agreement, may result in an issue of securities is covered by this Rule. The exercise of options is also covered by this Rule.

Note: The issuer must give PNGX Appendix 2A or 2C if the issue is of a new class of securities. The issuer must give PNGX Appendix 2B if the issue is of an existing class of securities immediately the inew securities are allotted.

Introduced 03/07/2023

6.1.6	An issue of +securities that has been made which was not a +pro rata issue. The issuer must complete Appendix 2A, 2B or 2C and give them to PNGX at the same time. If any of the +securities issued are +restricted securities or are subject to +voluntary escrow, the issuer must tell PNGX the number and +class of the +securities and the date from which they cease to be +restricted securities or subject to +voluntary escrow;	Note: The issuer must give PNGX Appendix 2A or 2C if the issue is of a new class of securities. The issuer must give PNGX Appendix 2B if the issue is of an existing class of securities immediately the inew securities are allotted. Introduced 03/07/2023
6.1.7	Details of the exercise by an underwriter of a right to avoid or change the underwriter's obligations;	Introduced 03/07/2023
6.1.8	In the case of +convertible securities, an event has occurred that gives +security holders a right of conversion or exercise, and details of the conversion or exercise period;	Introduced 03/07/2023
6.1.9	If a +dividend plan is established, amended, deactivated or reactivated. A copy of the terms of the +dividend plan or any amendment to it must be given to PNGX; and	Introduced 03/07/2023
6.1.10	Immediately after it enters into an underwriting agreement for a +dividend plan. The issuer must tell PNGX the name of the underwriter and the fee or commission payable.	Introduced 03/07/2023

Release of restricted securities

6.2	An issuer must tell PNGX that +restricted securities or +securities subject to +voluntary escrow will be released. It must do so not less than 10 +business days before the end of the escrow period.	Introduced 03/07/2023

Options

6.3	An issuer must tell PNGX the following information for release to the market:	Introduced 03/07/2023
6.3.1	A change to the exercise price of an +option, or the number of +underlying securities over which the +option is exercisable, and the date the change becomes effective. The issuer must tell PNGX at least 5 +business days before the change becomes effective; and	Chapter 3 sets out ways in which the exercise price of an option may change Introduced 03/07/2023
6.3.2	Immediately after it enters into an underwriting agreement for the exercise of +options. The issuer must tell PNGX the name of the underwriter and the fee or commission payable.	Introduced 03/07/2023

Buybacks

6.4	An issuer must tell PNGX immediately the issuer decides to buy back +equity securities.	Introduced 03/07/2023
6.5	An issuer must tell PNGX immediately the issuer decides to discontinue to buy back +equity securities.	Introduced 03/07/2023
6.6	An issuer must, at least half an hour before the commencement of trading on the +business day after any day on which +equity securities are bought back, tell PNGX the details of the buy-back in the form of Appendix 6A.	Introduced 03/07/2023
6.7	An issuer must tell PNGX immediately the issuer cancels any +equity securities it bought back. The issuer must complete Appendix 6B.	Introduced 03/07/2023
6.8	An issuer must, at least half an hour before the commencement of trading on the +business day after the day on which the issuer concludes a buy-back of +equity securities, tell PNGX the details of the buy-back in the form of Appendix 6B.	Introduced 03/07/2023

Meetings of securityholders

6.9	An issuer must tell PNGX the following information for release to the market:	Introduced 03/07/2023
6.9.1	If directors may be elected at a meeting of +security holders, the issuer must tell PNGX the date of the meeting at least 5 +business days before the closing date for the receipt of nominations;	Introduced 03/07/2023
6.9.1	The contents of any prepared announcement (including any prepared address by the chairperson) that will be delivered at a meeting of +security holders. A copy must be given to PNGX no later than the start of the meeting; and	Note: PNGX does not recognise embargos on the release of information. See Listing Rule 24.10. If other information is released at the meeting, the issuer must immediately tell PNGX. Introduced 03/07/2023
6.9.2	The outcome in respect of each resolution to be put to a meeting of +security holders. The issuer must do so immediately after the meeting has been held. If the meeting is adjourned, the issuer must immediately tell PNGX of the adjournment and the outcome in respect of each resolution dealt with before the adjournment.	Introduced 03/07/2023

Offices

6.10	A debt issuer must immediately tell PNGX the following information for release to the market:	Introduced 03/07/2023
6.10.1	a change of the address, telephone number or facsimile number of its registered office; and	Introduced 03/07/2023
6.10.2	a change of the address, telephone number or facsimile number of its principal administrative office	Introduced 03/07/2023

Registers

6.11	An issuer must immediately tell PNGX the following information:	Introduced 03/07/2023
6.11.1	A change of address of an office at which a register of its +securities is kept;	Introduced 03/07/2023
6.11.2	If the issuer is a +Domestic Issuer, a proposal to cease operating a register (or subregister) of its +securities in PNG. It must do so at least 20 +business days before the date the register (or subregister) will cease to operate. The issuer must also tell PNGX the address of the register (or subregister) on which +securities will be recorded; and	Introduced 03/07/2023
6.11.3	If the issuer is a +Foreign Issuer or an +Exempt Issuer, a proposal to cease operating a +securities register (or subregister) or a register of depositary receipts in PNG. It must do so at least 20 +business days before the date the register (or subregister) will cease to operate. The issuer must also tell PNGX the address of the register (or subregister) on which +securities will be recorded, or give PNGX information necessary to facilitate registration of its +securities overseas.	Introduced 03/07/2023

Chairperson, directors, trustee, auditors etc

6.12	An issuer must immediately tell PNGX the following information:	Note: When an issuer tells PNGX of a change under Rule 6.12, the name and role of the new person should be given. Introduced 03/07/2023
6.12.1	A change of chairperson or director. The notice must be accompanied by: a) a brief resume of the person, the nature of their expertise in relevant functional areas, and any Board	If a director is not able to give the required statutory declaration, they must provide a statement to that effect and a detailed explanation of the circumstances involved. Introduced 03/07/2023

committees to which the person is to be appointed; and

b) a statutory declaration in the form of Appendix 1E;

6.12.2 A change of +CEO;

Introduced 03/07/2023

6.12.3 If the issuer is a +MIS:

Introduced 03/07/2023

a) a change of the +trustee or the chairperson, director, +CEO (or equivalent) or secretary of the +trustee;
b) any change in members of any compliance committee;

6.12.4 A change of its auditor; and

Introduced 03/07/2023

6.12.5 The material terms of any employment, service or consultancy agreement it or a +child entity enters into with:

a) its +CEO (or equivalent);
b) any of its directors; or
c) any other person or issuer who is a +related party of its +CEO or any of its directors,

and of any material variation to such an agreement

The issuer may satisfy this obligation by giving a copy of the agreement or variation to PNGX or an announcement summarising its material terms.

An issuer, however, is not required to disclose under this Rule:

(a) non-executive director fees paid out of a pool of remuneration approved by security holders;

(b) superannuation contributions in relation to such fees;

(c) an increase in director fees approved by security holders;

(d) periodic remuneration reviews in accordance with the terms of an employment, service or consultancy agreement;

(e) provisions entitling a CEO or director to reimbursement of reasonable out of pocket expenses;

(f) provisions requiring the issuer to indemnify officers or exempt them from liability that conform with PNG law (or, if the issuer is a +foreign issuer, the laws applicable in the jurisdiction where it is established);

(g) provisions requiring the issuer to maintain directors and officers liability insurance;

(h) provisions (commonly referred to as “access arrangements”) allowing a CEO or director access to issuer records for a period of time after they cease to be a CEO or director; or

(i) a bona fide employment, service or consultancy agreement, or any bona fide variation to such an agreement, that it or a +child entity has entered into with a relative of its CEO, or a relative of any of its directors, that is on arms' length and ordinary commercial terms.

Introduced 03/07/2023

Documents sent to security holders

6.13 An issuer must immediately give PNGX a copy of a document it sends to holders of +securities generally or in a +class.

Example: A company must give PNGX a copy of a letter sent to security holders. A registered scheme or foreign MIS must give PNGX a copy of a document sent to holders of interests in the registered scheme or foreign MIS so far as that document relates to the circumstances of holders of interests generally, and not to the individual circumstances of a holder.

Note: In some cases, an issuer must give PNGX a draft document (eg, a notice of meeting) in advance of it being sent out to holders of securities. See Chapter 24.

Where an issuer sends a letter or other communication to holders of securities generally or in a class that encloses or attaches another document that has already be given to PNGX (eg, a letter to security holders enclosing an annual report that the issuer has already given to PNGX under the Listing Rules), it is sufficient compliance with this Rule that it give to PNGX a copy of the letter or other communication and that it state in a covering letter to PNGX that the document attached to the letter or other communication has already been given to PNGX and the state the date on which it was so given.

Introduced 03/07/2023

Documents received about substantial security holdings

6.14 If an issuer is a:

a) Domestic Issuer and it becomes +aware that it is in receipt of a notice about a substantial holding which the +substantial securities holder has failed to provide to PNGX as required by law, the issuer must immediately give a copy of that notice to PNGX; or
b) Foreign Issuer or Exempt Issuer, the issuer must immediately give PNGX a copy of a document it receives, or becomes +aware of, about a substantial holding of +securities under any overseas law or

Section 402 of the Capital Market Act requires a substantial shareholder to make disclosures to PNGX.

Introduced 03/07/2023

provision in its constitution which is equivalent to Section 402 of the +Capital Market Act.

6.15	If an issuer is a +Domestic Issuer, the issuer must immediately give PNGX a copy of a document it receives about a substantial holding of +securities under Part XII Division 3 of the +Capital Market Act that reveals materially different information to the most current information (if any) it has received about that substantial holding under Part XII Division 2 of the +Capital Market Act.	Part XII Division 2 of the Capital Market Act relates to disclosure of substantial shareholdings, including section 402 of the Capital Market Act which requires a substantial shareholder to make disclosures to PNGX. Part XII Division 3 of the Capital Market Act relates to the tracing provisions of relevant interests. Introduced 03/07/2023
6.16	If an issuer is a +Foreign Issuer or +Exempt Issuer, the issuer must immediately give PNGX a copy of a document it receives about a substantial holding of +securities under any overseas law or provision in its constitution which is equivalent to Part XII Division 3 of the +Capital Market Act that reveals materially different information to the most current information (if any) it has received about that substantial holding equivalent to Part XII Division 2 of the +Capital Market Act.	Part XII Division 2 of the Capital Market Act relates to disclosure of substantial shareholdings, including section 402 of the Capital Market Act which requires a substantial shareholder to make disclosures to PNGX. Part XII Division 3 relates to the tracing provisions of relevant interests. Introduced 03/07/2023

Requisitions from security holders

6.17	An issuer must give PNGX the following information not more than two +business days after receipt:	Introduced 03/07/2023
6.17.1	Information about the material terms of any notice it receives from a holder or holders of +securities calling, or requesting the calling of, or proposing to move a resolution at, a meeting of the holders of +securities; and	Note: The issuer may satisfy this obligation by giving a copy of the notice to PNGX or an announcement summarising its material terms. If the issuer gives a copy of the notice, it may redact any defamatory material that it would not otherwise be required to circulate to security holders under the Companies Act or any equivalent overseas law or equivalent provisions in its constitution. If the issuer gives an announcement summarising the material terms of the notice, it may exclude from the summary any such defamatory material. An issuer is not required to give information to PNGX about such a notice if the notice is withdrawn by the relevant holder or holders of securities within two business days of it having been received by the issuer. It should be noted that if a reasonable person would expect information about such a notice to have a material effect on the price or value of the issuer's securities, the

information must be given to PNGX immediately under Listing Rule 4.1 and not within two business days of receipt.

Introduced 03/07/2023

6.17.2 Information that a notice previously notified to PNGX under Rule 6.17.1 has been withdrawn by the holder or holders who gave it.

Introduced 03/07/2023

Ownership limits

6.18 If an issuer's constitution with PNGX's agreement, or if required by a law, restricts the ownership or control of +securities or control of votes to a specified percentage, and the issuer becomes +aware that the percentage held by a class of +persons restricted to owning or controlling that percentage has come within 5 percentage points of the restriction, or equals or exceeds it, the following Rules apply:

Example: A law requires a company to restrict ownership to a class of persons to no more than 40% of its total ordinary capital. If the issuer becomes aware that ownership of its ordinary capital has reached 35% of its total ordinary capital it must tell PNGX under this Rule. It must tell PNGX under Rule 6.18.1 if it becomes aware of changes that reach 36%, 37% of its total ordinary capital etc. It must tell PNGX under listing 6.18.3 if it becomes aware of changes that take the level of restricted ownership below 35%.

Introduced 03/07/2023

6.18.1 If the issuer becomes +aware of any changes of more than 1 percentage point in the capital or votes held by +persons in the class the issuer must immediately tell PNGX of the change. It must do so for each change it becomes +aware of until Rule 6.18.3 applies.

Introduced 03/07/2023

6.18.2 Each time the issuer tells PNGX of any change, it must state what action it will take to divest the +securities, or to remove or change the voting or other rights attaching to them, if it receives a transfer document for +securities whose transfer would result in the restriction being exceeded.

Introduced 03/07/2023

6.18.3 If the issuer becomes +aware that the percentage of capital (interests) or votes held by the class of +persons referred to in Rule 6.18.1 has ceased to be within 5 percentage points of the restriction, or to equal or exceed it, the issuer must immediately tell PNGX.

Introduced 03/07/2023

Financial documents given to an overseas stock exchange

6.19 If an issuer or its +securities are also +listed on an overseas stock exchange, it must immediately give PNGX a copy of any document it gives to the overseas stock exchange that meets the following requirements:

Note: If the document is not in English, it must be accompanied by an English translation (see Rule 24.3).

A document that does not include accounts or other similar financial information given by an issuer listed on an overseas exchange to that exchange may also need to be given to PNGX under Listing Rule 4.1 if a reasonable person would expect the information it contains to have a material effect on the price or value of the issuer's securities.

Introduced 03/07/2023

6.19.1	the document is given to the overseas stock exchange by the issuer in its capacity as an issuer +listed or traded on that exchange; and	Introduced 03/07/2023
6.19.2	the document is, or will be, made public by the overseas stock exchange; and	Introduced 03/07/2023
6.19.3	the document includes +accounts or other similar financial information; and	Introduced 03/07/2023
6.19.4	the document is not materially the same as another document that the issuer has already given to PNGX.	Introduced 03/07/2023

Laws affecting the rights or obligations of security holders in foreign issuers

6.20	If a +Foreign Issuer or +Exempt Issuer becomes +aware of a change to the laws applicable in the jurisdiction where it is established that materially affects the rights or obligations of +security holders, it must immediately give PNGX details of that change.	Introduced 03/07/2023

Record Date, compliance with timetable and information requirements

6.21	An issuer must tell PNGX immediately it decides a proposed +record date or any change to a proposed +record date.	An issuer is required to give notice to PNGX under this Rule when a record date is reasonably certain. E.g. PNGX would not require notification where an issuer has determined a time period in which a record date may occur for internal management purposes Introduced 03/07/2023
6.22	An issuer must give PNGX not less than four +business days' notice of a proposed +record date or any change to a proposed +record date and must comply with Appendix 6C unless a specific timetable in Appendix 12A applies.	Note: If an issuer fails to tell PNGX of a change to a proposed record date, PNGX may require the issuer to adhere to the record date originally advised to PNGX. Introduced 03/07/2023
6.23	Unless PNGX agrees otherwise, an issuer must provide the information in the numbered parts to Appendix 6C within the timeframes specified therein.	Introduced 03/07/2023

Dividends

6.24 An issuer must tell PNGX immediately it decides to pay a dividend or decides that a dividend will not be paid.

Introduced 03/07/2023

Amended documents setting out the terms of debt securities

6.25 An issuer must give PNGX the following information for release to the market:

Introduced 03/07/2023

6.25.1 a copy of documents setting out amendments to the terms of +debt securities; and

Introduced 03/07/2023

6.25.2 a copy of the consolidated, amended documents setting out the terms of +debt securities after the amendments have been made.

Introduced 03/07/2023

Additional disclosures at PNGX request

6.26 An issuer with loans included in its assets must give PNGX the following information if PNGX asks:

a) The amount of each loan;
b) The identity of the borrower, and any direct or indirect interest which a director of the issuer has in the borrower;
c) The security held;
d) The interest rate;
e) The maturity date; and
f) Any other information in relation to the loan that PNGX asks for.

Other than in the case where the value of a loan is material to the issuer, PNGX would not ordinarily request some or all of the information referred to in Rule 6.26 from an issuer which lends money in the ordinary course of business.

Introduced 03/07/2023

6.27 An issuer with a material asset being securities in an unlisted entity, or loans or advances to it, must give PNGX the following information if PNGX asks:

a) The latest +accounts of the unlisted entity;
b) Any audit report or review related to the latest +accounts; and
c) Any other information in relation to the unlisted entity, securities or loan that PNGX asks for.

If the issuer advises PNGX that the unlisted entity's accounts are consolidated in the accounts of the issuer, the information does not need to be provided.,

Introduced 03/07/2023

Trading Halts, Suspension and Reinstatement of Foreign Issuers

6.28 A Foreign Issuer which is listed on another exchange must immediately request a +trading halt in respect of its +securities or a +class of them if trading in those +securities or that +class is halted on another exchange. The issuer must

Introduced 03/07/2023

provide to PNGX the same information in relation to the request as it provides to that other exchange and all information released to the market on that other exchange.

6.29 A Foreign Issuer which is listed on another exchange must immediately notify PNGX when a +trading halt in respect of its +securities or a +class of them on that other exchange has concluded. The issuer must provide to PNGX the same information in relation to the conclusion as it provides to that other exchange and all information released to the market on that other exchange.

Introduced 03/07/2023

6.30 A Foreign Issuer which is listed on another exchange must immediately notify PNGX if trading is suspended in respect of its +securities or a +class of them on that other exchange. The issuer must provide to PNGX the reasons for the suspension on that other exchange and all information released to the market on that other exchange.

Introduced 03/07/2023

6.31 A Foreign Issuer which is listed on another exchange must immediately notify PNGX if a suspension in respect of its +securities or a +class of them on that other exchange is concluded. The issuer must provide to PNGX the same information in relation to the conclusion as it provides to that other exchange and all information released to the market on that other exchange.

Introduced 03/07/2023

Takeover offers

6.32 Within 10 +business days after the end of the offer period for a +takeover offer, an issuer must give PNGX the following information:

Introduced 03/07/2023

Amended 18/09/2023

6.32.1 If the issuer (or one of its +child entities) made the +takeover offer and the consideration was +equity securities in the issuer:

a) a +distribution schedule; and
b) a +twenty largest holders schedule.

Introduced 03/07/2023

Amended 18/09/2023

6.32.2 If the issuer was subject to the +takeover offer and compulsory acquisition will not proceed:

a) a +distribution schedule; and
b) a +twenty largest holders schedule.

Note: Compulsory acquisition occurs in accordance with Part 7 of the Takeovers and Mergers Code

Introduced 03/07/2023

Amended 18/09/2023

Chapter 7 – Requirements for the Activities of Special Purpose Acquisition Companies

Explanatory note

This Chapter deals with the activities and additional disclosures required by special purpose acquisition companies.

Issuers should note Chapter 15 which relates to major transactions

Investment criteria

7.1	A +special purpose acquisition company must disclose the criteria for any investment (other than in cash or near-cash investments) which alone, or in aggregate, would exceed 5% of the +net tangible asset backing of the issuer as at its last +balance date.	Introduced 03/07/2023
7.2	Once the investment criteria has been disclosed in accordance with Rule 7.1, any material change to that investment criteria must be approved by the holders of +ordinary securities in general meeting where the notice of meeting contains a +voting exclusion statement stating that any votes of a +person who is a promoter are to be disregarded.	Introduced 03/07/2023

Use of funds

7.3	A +special purpose acquisition company must not +acquire assets from, or lend monies to, a +related party.	Introduced 03/07/2023
7.4	The only business permitted to be undertaken by a +special purpose acquisition company (other than investment in cash or near-cash investments) is the identification and evaluation of assets or businesses with a view to completing a +major transaction.	Introduced 03/07/2023
7.5	Until completion of a +major transaction, neither the +special purpose acquisition company nor any other party on behalf of the +special purpose acquisition company will have engaged or will engage the services of any +person to provide investor relations activities or promotional, advertising or marketing services.	Introduced 03/07/2023
7.6	A +special purpose acquisition company may: a) reimburse a +related party for:	

i. reasonable expenses for office supplies, office rent and related utilities;
ii. reasonable expenses for equipment leases;
iii. legal services; and
iv. accounting services; and

b) reimburse a +related party for reasonable out-of-pocket expenses incurred in pursuing the completion of a +major transaction.

7.7 No payment of any kind may be made, directly or indirectly, to a +related party, or to any +person engaged in investor relations activities or promotional, advertising or marketing services activities in respect of the +special purpose acquisition company by any means including:

Introduced 03/07/2023

a) remuneration, which includes, but is not limited to:
   i. salaries;
   ii. consulting fees;
   iii. management contract fees or +directors' fees;
   iv. finder's fees;
   v. loans;
   vi. advances;
   vii. bonuses; and
b) deposits and similar payments.

7.8 No payment referred to in Rule 7.6 or 7.7 may be made by a +special purpose acquisition company or by any +person on behalf of the +special purpose acquisition company, after the completion of a +major transaction, if the payment relates to services rendered or obligations incurred before or in connection with the +major transaction.

Introduced 03/07/2023

7.9 Until the completion of a +major transaction, the gross proceeds realised from the issue of all securities by the +special purpose acquisition company may only be used to identify and evaluate assets or businesses and obtain +security holder approval for a proposed +major transaction. The proceeds may be used for expenses such as expenses incurred for the preparation of:

Introduced 03/07/2023

a) valuations or appraisals;
b) business plans;
c) +feasibility studies and technical assessments;
d) sponsorship reports;
e) geological reports;
f) financial statements;
g) fees for legal and accounting services; and
h) Agents fees, costs and commissions; relating to the identification and evaluation of assets or businesses

and the obtaining of shareholder approval for the +major transaction.

Completion of a major transaction

7.10 A +special purpose acquisition company must complete a +major transaction within 24 months of being categorised as a +special purpose acquisition company by PNGX.

Introduced 03/07/2023

Notice of meeting requirements

7.11 The notice of meeting to approve a +major transaction must include:

a) the names of any +person to whom a payment has been, or will be, made in accordance with Rules 7.6, 7.7 and 7.9 and the amount of those payments;
b) a statement that no payment referred to in Rule 7.6 will be made by the issuer or by any +person on behalf of the issuer, after the completion of the +major transaction, if the payment relates to services rendered or obligations incurred before, or in connection with, the +major transaction;
c) a resolution on the proposed use of any residual capital not allocated to the +major transaction for which approval is being sought; and
d) a statement that if the holders of +ordinary securities do not approve the use of the residual capital, the residual capital will be returned to +security holders on a pro rata basis within one month of the date of the meeting.

The notice of meeting to approve a major transaction must also comply with Chapter 15

Introduced 03/07/2023

Failure to complete a major transaction

7.12 In the event that a +special purpose acquisition company has not completed a +major transaction within 24 months of being categorised as a +special purpose acquisition company by PNGX then, within two months of the conclusion of the 24 month period, it must:

a) return all remaining capital (less sufficient capital to satisfy the solvency test in section 4 of the +Companies Act) to +security holders on a pro rata basis; and

Introduced 03/07/2023

b) convene a general meeting of +ordinary securities to approve the appointment of a liquidator in accordance with the +Companies Act.

7.13 PNGX may suspend +quotation of the +special purpose acquisition company's +securities until it has satisfied the requirements of Rule 7.12.

Introduced 03/07/2023

Trustee to hold cash assets

7.14 Whilst ever an issuer is categorised as a +special purpose acquisition company by PNGX it must appoint an independent trustee to hold the +cash assets of the company and to ensure they are only utilised in accordance with the investment criteria and these Listing Rules.

Introduced 03/07/2023

Chapter 8 – Requirements for Reporting by Mining Companies

Explanatory note

This Chapter sets out additional reporting and disclosure requirements for mining issuers and other issuers reporting on mining activities.

Information to be given to PNGX for release to the market must be given to PNGX's market announcements office.

Requirements applicable to all public reporting

8.1 Subject to Rule 8.5, a public report prepared by a +mining issuer must be prepared in accordance with Rules 8.2 to 8.16 if applicable and the +JORC Code if applicable if the report includes a statement relating to any of the following.

(a) +Exploration targets.

(b) +Exploration results.

(c) +Mineral resources or +ore reserves.

(d) +Production targets

Note: the Rules in this Chapter relate to the reporting of exploration results, mineral resources, ore reserves, historical and foreign estimates and production targets. The JORC Code relates to the reporting of exploration targets, exploration results, mineral resources and ore reserves. This Rule is not confined to reports under this Chapter. It also applies to all public reports, including prospectuses, bidder's and target's statements, annual reports, financial statements, technical papers, presentations, website content and information given to PNGX for release to the market under other Chapters of these Rules.

Introduced 03/07/2023

Requirements applicable to reporting of exploration results for material mining projects

8.2 An +issuer publicly reporting in relation to a +material mining project, either:

(a) +exploration results for the first time; or

(b) any new +exploration results,

must include all the following information in a market announcement and give it to PNGX for release to the market:

Introduced 03/07/2023

8.2.1 As an addendum to the market announcement, a separate report providing all information that is material to understanding the +exploration results, in relation to each of the criteria in section 1 (sampling techniques and data) and section 2 (reporting of exploration results) of Table 1 in the +JORC Code. An +issuer that determines that one or more of those criteria is not material for this purpose must identify each such criterion and explain why it has determined that it is not material to understanding the +exploration results.

Introduced 03/07/2023

8.2.2 As an addendum to the market announcement, a separate table setting out the following information for material drill-holes unless the +issuer determines that the information is not material:

(a) easting and northing of the drill-hole collar;

(b) elevation or RL of the drill-hole collar;

(c) dip and azimuth of the hole;

(d) down hole width and depth; and

(e) end of hole.

An +issuer that determines that a drill-hole table setting out the information described above is not material, is not required to attach the table to the market announcement but must explain why it has determined that the table is not material to understanding the +exploration results.

Note: clauses 17 and 18 of the JORC Code set out additional requirements for public reports on exploration results that also must be complied with. Proposed amendments to the JORC Code also require reporting against Table 1 of the JORC Code on an 'if not, why not' basis.

Introduced 03/07/2023

Requirements applicable to reporting of mineral resources for material mining projects

8.3 An +issuer publicly reporting estimates of +inferred mineral resources, +indicated mineral resources or +measured mineral resources in relation to a +material mining project, either:

(a) for the first time; or

(b) that have materially changed from when those estimates were last reported in accordance with this Rule,

must include all the following information in a market announcement and give it to PNGX for release to the market.

Introduced 03/07/2023

8.3.1 In the market announcement, a fair and balanced representation of the information contained in the separate report prepared in accordance with Rule 8.3.2 including a summary of all information material to understanding the reported estimates of +mineral resources in relation to the following matters:

(a) geology and geological interpretation;

(b) sampling and sub-sampling techniques;

(c) drilling techniques;

(d) the criteria used for classification, including drill and data spacing and distribution. This includes separately identifying the drill spacing used to classify each category of +mineral resources (inferred, indicated and measured) where

Introduced 03/07/2023

estimates for more than one category of +mineral resource are reported;

(e) sample analysis method;

(f) estimation methodology;

(g) cut-off grade(s), including the basis for the selected cut-off grade(s); and

(h) mining and metallurgical methods and parameters, and other material modifying factors considered to date.

8.3.2 As an addendum to the market announcement, a separate report providing all information that is material to understanding the estimates of +mineral resources, in relation to each of the following criteria in Table 1 of the +JORC Code:

(a) section 1 (sampling techniques and data),

(b) section 2 (reporting of exploration results), and

(c) section 3 (estimation and reporting of mineral resources); and

(d) for all +issuers reporting diamonds and other gemstones, section 5 (estimation and reporting of diamonds and other gemstones).

An +issuer that determines that one or more of those criteria is not material for this purpose must identify each such criterion and explain why it has determined that it is not material to understanding the estimates of +mineral resources.

Note: clauses 19 to 27 of the JORC Code set out additional requirements for public reports on mineral resources that also must be complied With. proposed amendments to the JORC Code also require reporting against Table 1 of the JORC Code on an 'if not, why not' basis.

Introduced 03/07/2023

Requirements applicable to reporting of ore reserves for material mining projects

Introduced 03/07/2023

8.4 An +issuer publicly reporting estimates of +probable ore reserves and +proved ore reserves in relation to a +material mining project, either:

(a) for the first time; or

(b) that have materially changed from when those estimates were last reported in accordance with this Rule,

must include all the following information in a market announcement and give it to PNGX for release to the market.

8.4.1 In the market announcement, a fair and balanced representation of the information contained in the separate report prepared in accordance with Rule 8.4.2 including a summary of all information material to understanding the

Note: economic assumptions may not be commercially sensitive. PNGX would not expect an issuer to have to disclose commercially sensitive information (for example, pricing or volumes under long term contractual commitments) to meet this reported estimates of +ore reserves in relation to the following matters:

(a) the material assumptions and the outcomes from the +preliminary feasibility study or the +feasibility study (as the case may be). If the economic assumptions are commercially sensitive to the +mining issuer, an explanation of the methodology used to determine the assumptions rather than the actual figure can be reported;

(b) the criteria used for classification, including the classification of the +mineral resources on which the +ore reserves are based and the confidence in the modifying factors applied;

(c) the mining method selected and other mining assumptions, including mining recovery factors and mining dilution factors;

(d) the processing method selected and other processing assumptions, including the recovery factors applied and the allowances made for deleterious elements;

(e) the basis of the cut-off grade(s) or quality parameters applied;

(f) estimation methodology; and

(g) material modifying factors, including the status of environmental approvals, +mining tenements and approvals, other governmental factors and infrastructure requirements for selected mining methods and for transportation to market.

requirement (although an issuer should carefully consider whether this information needs to be disclosed to meet other disclosure requirements). However, in such cases, the issuer:

(a) should explain why the information is considered a trade secret or commercially sensitive; and

(b) must disclose sufficient information (perhaps in narrative rather than numerical form, where the numbers are commercially sensitive) for investors to understand the methodology it has used to determine these factors and assumptions and the basis on which it is estimating its mineral resources and ore reserves.

Issuers should be careful not to claim that information is commercially sensitive when that is not so. For example, if an issuer is not a producing issuer and it has not yet entered into any commercially sensitive contracts that underpin its price, capital expenditure or operational expenditure assumptions, it is difficult to see how information about those assumptions could be commercially sensitive.

Introduced 03/07/2023

8.4.2 As an addendum to the market announcement, a separate report providing all information that is material to understanding the estimates of +ore reserves, in relation to each of the following criteria in Table 1 of the +JORC Code:

(a) section 1 (sampling techniques and data),

(b) section 2 (reporting of exploration results),

(c) section 3 (estimation and reporting of mineral resources),

(d) section 4 (estimation and reporting of ore reserves); and

(e) for all +issuers reporting diamonds and other gemstones, section 5 (estimation and reporting of diamonds and other gemstones).

Note: clauses 28 to 35 of the JORC Code set out additional requirements for public reports on ore reserves that also must be complied with. Proposed amendments to the JORC Code also require reporting against Table 1 of the JORC Code on an 'if not, why not' basis.

Introduced 03/07/2023

An +issuer that determines that one or more of those criteria is not material for this purpose must identify each such criterion and explain why it has determined that it is not material to understanding the estimates of +ore reserves.

Requirements applicable to reporting of historical estimates or foreign estimates of mineralisation for material mining projects

8.5	An +issuer reporting +historical estimates or +foreign estimates of mineralisation in relation to a +material mining project to the public is not required to comply with Rule 8.1 provided the +issuer complies with Rules 8.7, 8.8 and 8.9.	Introduced 03/07/2023
8.6	An +issuer must not include +historical estimates or +foreign estimates (other than +qualifying foreign estimates) of mineralisation in an economic analysis (including a +scoping study, +preliminary feasibility study, or a +feasibility study) of the +issuer's +mineral resources and ore reserves holdings.	Introduced 03/07/2023
8.7	Subject to Rule 8.8, an +issuer reporting +historical estimates or +foreign estimates of mineralisation in relation to a +material mining project must include all of the following information in a market announcement and give it to PNGX for release to the market:	Introduced 03/07/2023
8.7.1	The source and date of the +historical estimates or +foreign estimates;	Introduced 03/07/2023
8.7.2	Whether the +historical estimates or +foreign estimates use categories of mineralisation other than those defined in the +JORC Code and if so, an explanation of the differences;	Introduced 03/07/2023
8.7.3	The relevance and materiality of the +historical estimates or +foreign estimates to the +issuer;	Introduced 03/07/2023
8.7.4	The reliability of the +historical estimates or +foreign estimates, including by reference to any of the criteria in Table 1 of the +JORC Code which are relevant to understanding the reliability of the +historical estimates or +foreign estimates;	Introduced 03/07/2023
8.7.5	To the extent known, a summary of the work programs on which the +historical estimates or +foreign estimates are based and a summary of the key assumptions, mining and processing parameters and methods used to prepare the +historical estimates or +foreign estimates;	Introduced 03/07/2023
8.7.6	Any more recent estimates or data relevant to the reported mineralisation available to the +issuer;	Introduced 03/07/2023
8.7.7	The evaluation and/or +exploration work that needs to be completed to verify the +historical estimates or +foreign	Introduced 03/07/2023

estimates as +mineral resources or +ore reserves in accordance with the +JORC Code;

8.7.8	The proposed timing of any evaluation and/or +exploration work that the +issuer intends to undertake and a comment on how the +issuer intends to fund that work;	Introduced 03/07/2023
8.7.9	A cautionary statement proximate to, and with equal prominence as, the reported +historical estimates or +foreign estimates stating that:	Introduced 03/07/2023

(a) the estimates are +historical estimates or +foreign estimates and are not reported in accordance with the +JORC Code;

(b) a +competent person has not done sufficient work to classify the +historical estimates or +foreign estimates as +mineral resources or +ore reserves in accordance with the +JORC Code; and

(c) it is uncertain that following evaluation and/or further +exploration work that the +historical estimates or +foreign estimates will be able to be reported as +mineral resources or +ore reserves in accordance with the +JORC Code; and

8.7.10	A statement by a named +competent person or persons that the information in the market announcement provided under Rules 8.7.2 to 8.7.7 is an accurate representation of the available data and studies for the +material mining project and	Introduced 03/07/2023

(a) in each case, whether the +competent person is an employee of the +mining issuer or a +related party and, if not, the name of the +competent person's employer; and

(b) in each case, the name of the professional organisation of which the +competent person is a member.

8.8	An +issuer that has issued a market announcement under Rule 8.7 is not required to include the information set out in Rule 8.7 in any subsequent public report in relation to the +historical estimates or +foreign estimates provided all of the following conditions are satisfied:	Introduced 03/07/2023
Condition 1	The subsequent public report cross-references the initial market announcement referred to in Rule 8.7;	Introduced 03/07/2023
Condition 2	The +issuer is not in possession of any new information or data relating the +historical estimates or +foreign estimates that materially impacts on the reliability of the estimates or the +mining issuer's ability to verify the +historical estimates	Introduced 03/07/2023

or +foreign estimates as +mineral resources or +ore reserves in accordance with the +JORC Code;

Condition 3 The +issuer confirms in the subsequent public report that the supporting information provided in the initial market announcement referred to in Rule 8.7 continues to apply and has not materially changed; and — Introduced 03/07/2023

Condition 4 The subsequent public report includes a cautionary statement proximate to, and with equal prominence as, the reported +historical estimates or +foreign estimates stating that: — Introduced 03/07/2023

(a) the estimates are +historical estimates or +foreign estimates and are not reported in accordance with the +JORC Code;

(b) a +competent person has not done sufficient work to classify the +historical estimates or +foreign estimates as +mineral resources or +ore reserves in accordance with the +JORC Code; and

(c) it is uncertain that following evaluation and/or further +exploration work that the +historical estimates or +foreign estimates will be able to be reported as +mineral resources or +ore reserves in accordance with the +JORC Code.

Requirements applicable to reporting of production targets

8.9 An +issuer must not issue a public report containing or referring to a +production target that is based: — Introduced 03/07/2023

(a) solely on an +exploration target or solely on a combination of +inferred mineral resources and an +exploration target; or

(b) solely or partly on +historical estimates or +foreign estimates (other than +qualifying foreign estimates) of mineralisation.

8.10 A public report by an +issuer containing a +production target relating to: — Introduced 03/07/2023

(a) the +mineral resources and ore reserves holdings of the +issuer (an issuer level +production target); or

(b) a +material mining project of the +issuer (or two or more +mining projects which together are material to the +issuer),

must include all of the following information and be given to PNGX for release to the market:

8.10.1 All material assumptions on which the +production target is based. If the economic assumptions are commercially sensitive to the +mining issuer, an explanation of the methodology used to determine the assumptions rather than the actual figure can be reported;

Note: economic assumptions may not be commercially sensitive. PNGX would not expect an issuer to have to disclose commercially sensitive information (for example, pricing or volumes under long term contractual commitments) to meet this requirement (although an issuer should carefully consider whether this information needs to be disclosed to meet other disclosure requirements). However, in such cases, the issuer:

(c) should explain why the information is considered a trade secret or commercially sensitive; and
(d) must disclose sufficient information (perhaps in narrative rather than numerical form, where the numbers are commercially sensitive) for investors to understand the methodology it has used to determine these factors and assumptions and the basis on which it is estimating its mineral resources and ore reserves.

Issuers should be careful not to claim that information is commercially sensitive when that is not so. For example, if an issuer is not a producing issuer and it has not yet entered into any commercially sensitive contracts that underpin its price, capital expenditure or operational expenditure assumptions, it is difficult to see how information about those assumptions could be commercially sensitive.

Introduced 03/07/2023

8.10.2 A statement that the estimated +ore reserves and/or +mineral resources underpinning the +production target have been prepared by a +competent person or persons in accordance with the requirements in the +JORC Code;

Introduced 03/07/2023

8.10.3 The relevant proportions of:

(a) +probable ore reserves and +proved ore reserves;

(b) +inferred mineral resources, +indicated mineral resources and +measured mineral resources;

(c) an +exploration target; and

(d) an +qualifying foreign estimates,

Introduced 03/07/2023

underpinning the +production target.

8.10.4 If a proportion of the +production target is based on +inferred mineral resources, a cautionary statement proximate to, and with equal prominence as, the reported +production target, stating that:

Introduced 03/07/2023

> *"There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised".*

8.10.5 If a proportion of the +production target is based on an +exploration target, a statement of the factors that lead the +issuer to believe that it has a reasonable basis for reporting a +production target in that context, and a cautionary statement proximate to, and with equal prominence as, the reported +production target, stating that:

Introduced 03/07/2023

> *"The potential quantity and grade of an exploration target is conceptual in nature, there has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of mineral resources or that the production target itself will be realised".*

8.10.6 If the +production target is based solely on +inferred mineral resources:

a) a statement of the factors that lead the +issuer to believe that it has a reasonable basis for reporting a +production target based solely on +inferred mineral resources;

b) the level of confidence with which the +inferred mineral resources are estimated and the basis for that level of confidence;

c) a technical report of a sufficient level of confidence to support the +production target. The technical report must be prepared by, or under the supervision of, a named independent +competent person or persons and

   i. in each case, whether the +competent person is an employee of the +mining issuer or a +related party and, if not, the name of the +competent person's employer; and

   ii. in each case, the name of the professional organisation of which the +competent person is a member; and

Note: this Rule requires that the technical report must be prepared by, or under the supervision of, an independent +competent person. The +inferred mineral resources underlying the +production target must be prepared by, or under the supervision of, a +competent person or persons, but are not required to be prepared by, or under the supervision of, an independent +competent person or persons.

Introduced 03/07/2023

d) a cautionary statement proximate to, and with equal prominence as, the reported +production target, stating that:

"There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised. The stated production target is based on the company's current expectations of future results or events and should not be solely relied upon by investors when making investment decisions. Further evaluation work and appropriate studies are required to establish sufficient confidence that this target will be met."

8.10.7 If a proportion of the +production target is based on +qualifying foreign estimates that have not been verified and reported as +mineral resources or +ore reserves in accordance with the +JORC Code after 3 years from the date the +qualifying foreign estimates were initially reported, a statement on:

(a) why the +historical estimates or +foreign estimates have not been verified and reported as +mineral resources or +ore reserves in accordance with the +JORC Code; and

(b) a statement of the +issuer's intention with regard to verifying and reporting the +historical estimates or +foreign estimates as +mineral resources or +ore reserves in accordance with the +JORC Code..

Note: the proximate cautionary statement referred to in Rule 8.7.9 will also be required and should be provided together with the statement and explanation referred to above

Introduced 03/07/2023.

8.11 Subject to Rules 8.12 and 8.13, a public report by an +issuer containing forecast financial information derived from a +production target relating to:

(a) the +mineral resources and ore reserves holdings of the +issuer (an issuer level +production target); or

(b) a +material mining project of the +issuer (or two or more +mining projects which together are material to the +issuer),

must include all the following information and be given to PNGX for release to the market:

Introduced 03/07/2023

8.11.1 All material assumptions on which the forecast financial information is based. If the economic assumptions are commercially sensitive to the +mining issuer, an explanation

Note: economic assumptions may not be commercially sensitive. PNGX would not expect an issuer to have to disclose commercially sensitive information (for example, pricing or volumes under long term contractual commitments) to meet this

	of the methodology used to determine the assumptions rather than the actual figure can be reported;	requirement (although an issuer should carefully consider whether this information needs to be disclosed to meet other disclosure requirements). However, in such cases, the issuer: (a) should explain why the information is considered a trade secret or commercially sensitive; and (b) must disclose sufficient information (perhaps in narrative rather than numerical form, where the numbers are commercially sensitive) for investors to understand the methodology it has used to determine these factors and assumptions and the basis on which it is estimating its mineral resources and ore reserves. Issuers should be careful not to claim that information is commercially sensitive when that is not so. For example, if an issuer is not a producing issuer and it has not yet entered into any commercially sensitive contracts that underpin its price, capital expenditure or operational expenditure assumptions, it is difficult to see how information about those assumptions could be commercially sensitive. Introduced 03/07/2023
8.11.2	The +production target from which the forecast financial information is derived (including all the information contained in Rule 8.10); and	Introduced 03/07/2023
8.11.3	If a significant proportion of the +production target is based on an +exploration target, the implications for the forecast financial information of not including the +exploration target in the +production target.	Introduced 03/07/2023

Exceptions to Rules 8.10 and 8.11

8.12	A public report by an +issuer containing a +production target, or forecast financial information derived from a +production target, relating to an operating mine(s) and that is underpinned: (a) solely by +ore reserves; or (b) solely by a combination of +ore reserves and +measured mineral resources; or	Introduced 03/07/2023

(c) solely by a combination of +ore reserves and:

a. +measured mineral resources; and/or

b. +indicated mineral resources,

provided in this case that the +indicated mineral resources are not the determining factor in project viability,

is not required to comply with Rules 8.10.1 or 8.11.1 (as the case may be) in relation to that +production target or forecast financial information.

8.13 An +issuer that has issued a public report under Rules 8.10 or 8.11 is not required to include the information set out in Rules 8.10 and 8.11 in any subsequent public report in relation to a +production target, or forecast financial information derived from a +production target, provided all the following conditions are satisfied: Introduced 03/07/2023

Condition 1 The subsequent public report cross-references the initial public report referred to in Rules 8.10 or 8.11 (as the case may be); Introduced 03/07/2023

Condition 2 The +issuer confirms in the subsequent public report that all the material assumptions underpinning the +production target, or the forecast financial information derived from a +production target, in the initial public report referred to in Rules 8.10 or 8.11 (as the case may be) continue to apply and have not materially changed; Introduced 03/07/2023

Condition 3 If the +production target is based solely on +inferred mineral resources, the subsequent public report includes a cautionary statement proximate to, and with equal prominence as, the reported +production target, or the forecast financial information derived from a +production target, which includes the statement set out in Rule 8.10.4; and Introduced 03/07/2023

Condition 4 If a proportion of the +production target is based on an +exploration target, the subsequent public report includes a cautionary statement proximate to, and with equal prominence as, the reported +production target, or forecast financial information derived from a +production target, which includes the statement set out in Rule 8.10.5. Introduced 03/07/2023

Competent person requirements

8.14 Subject to Rule 8.15, a market announcement by an +issuer containing +exploration results or estimates of +mineral

Note: this requirement applies to market announcements containing +exploration results under Rule 8.2 or estimates (original resources or +ore reserves in relation to a +material mining project must state:

(a) that it is based on, and fairly represents, information and supporting documentation prepared by a named +competent person or persons;

(b) in each case, whether the +competent person is an employee of the +mining issuer or a +related party and, if not, the name of the +competent person's employer; and

(c) in each case, the name of the professional organisation of which the +competent person is a member.

The market announcement must only be issued with the prior written consent of the +competent person or persons as to the form and context in which the +exploration results or estimates of +mineral resources or +ore reserves (as the case may be) and the supporting information are presented in the market announcement.

or updated) of +mineral resources or +ore reserves under Rule 8.3 or 8.4.

Introduced 03/07/2023

8.15 The requirements in Rule 8.14 only apply the first time an +issuer publicly reports +exploration results in accordance with Rule 8.2 or estimates (original or updated) of +mineral resources or +ore reserves in accordance with Rule 8.3 or Rule 8.4 (as the case may be) provided all the following conditions are satisfied:

Introduced 03/07/2023

Condition 1 Any subsequent public report that refers to those +exploration results or estimates of +mineral resources or +ore reserves cross-references the relevant market announcement containing the statements and consent referred to in Rule 8.14.

Introduced 03/07/2023

Condition 2 The +issuer confirms in the subsequent public report that it is not +aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of +mineral resources or +ore reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Introduced 03/07/2023

Condition 3 The mineral resources and ore reserves statement in a +mining issuer's +annual report must include:

a) a statement that it is based on, and fairly represents, information and supporting documentation prepared by a +competent person or persons; and

Note: the named competent person or persons referred to in paragraph (b) may be a different to the competent person or persons referred to in paragraph (a).

Introduced 03/07/2023

b) a statement that the mineral resources and ore reserves statement as a whole has been approved by a named +competent person or persons, and

i. in each case, whether the +competent person is an employee of the +mining issuer or a +related party and, if not, the name of the +competent person's employer; and

ii. in each case, the name of the professional organisation of which the +competent person is a member.

The mineral resources and ore reserves statement must only be issued with the prior written consent of the named +competent person or persons referred to in paragraph (b) as to the form and context in which it appears in the +annual report.

Terms of a mining tenement joint venture

8.17 An +issuer must not, and must ensure that all its +child entities do not, enter a joint venture agreement to investigate or explore a +mining tenement, unless the agreement provides that if the +issuer requires it: Introduced 03/07/2023

(a) the operator of the joint venture will give the +issuer all the information the +issuer requires to comply with the Listing Rules; and
(b) the information may be given to PNGX for release to the market, if necessary, for the +issuer to comply with the Listing Rules.

Chapter 9 – Requirements for Reporting by Oil & Gas Companies

Explanatory note

This Chapter sets out additional reporting and disclosure requirements for oil and gas issuers and other issuers reporting on oil and gas activities.

Information to be given to PNGX for release to the market must be given t' PNGX's market announcements office

Requirements applicable to all public reporting

9.1 An +issuer publicly reporting +petroleum resources, including estimates of:

(a) +petroleum reserves;

(b) +contingent resources; or

(c) +prospective resources,

must ensure all of the following requirements are complied with in the report:

Note: this Rule is not confined to reports under this Chapter. It also applies to all public reports, including prospectuses, 'idder's statements, target's statements, annual reports, financial statements, technical papers, presentations, website content and information given to PNGX for release to the market under other Chapters of these Rules.

Introduced 03/07/2023

9.1.1 The date at which the estimates are reported must be disclosed in the report;

Note: The date referred to in Rule 9.1.1 may be referenced as the "evaluation date".

Introduced 03/07/2023

9.1.2 +Petroleum resources must be classified in accordance with +SPE-PRMS and reported in the most specific resource class in which +petroleum resources can be classified under +SPE-PRMS;

Note: the specific classes for petroleum resources are mentioned in section 1.1 of SPE-PRMS. They are production, reserves, contingent resources, prospective resources and unrecoverable petroleum. Additional guidance on petroleum resource classification is provided in the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

9.1.3 The disclosure of total petroleum initially-in-place, total resource base, estimated ultimate recovery, remaining recoverable resources or +hydrocarbon endowment is prohibited unless all of the following information is included in the report proximate to that disclosure:

(a) an estimate of +petroleum reserves;

(b) an estimate of +contingent resources;

(c) an estimate of +prospective resources; and

(d) whether and how each of the resource classes in the summation were adjusted for risk;

Note: SPE-PRMS de'ines 'total petroleum initially-in'place' in section 1.1 and Append'x A, 'estimated ultimate re'overy' in section 1.1 and Appendix A' and 'recoverable res'urces' in section 1.2 and Appendix A. Additional guidance on total petroleum initially-in-place is provided in section 2.2 of the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

9.1.4 The disclosure of discovered petroleum-initially-in-place is prohibited unless all of the following information is included in the report proximate to that disclosure.

(a) an estimate of +petroleum reserves;

(b) an estimate of +contingent resources; and

(c) whether and how each of the resource classes in the summation were adjusted for risk;

Note: +SPE-PRMS de'ines 'discovered petroleum initially-in'place' in section 1.1 and Appendix A.

Introduced 03/07/2023

9.1.5 Estimates of +petroleum reserves, +contingent resources and +prospective resources must:

(a) be reported according to the +issuer's economic interest in the +petroleum reserves, +contingent resources and +prospective resources including its entitlements under production-sharing contracts and risked-service contracts;

(b) be reported net of:

a. royalties that the +issuer is required by agreement (including overriding royalties provided for in farm-out agreements) to give in-kind to the royalty owner; or

b. those volumes that the +issuer is allowed to lift and sell on behalf of the royalty owner; and

(c) not be reported in relation to pure service contracts;

SPE-PRMS de'ines 'production-sharing co'tract' in section 3.3.2 and Appendix ' and 'risked-service co'tract' in section 3.3.2 and Appendix A. Additional guidance on production-sharing contracts (in section 10.33) and risked-service contracts (in section 10.4) is provided in the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

9.1.6 The +issuer must disclose whether the deterministic or probabilistic method was used to prepare the estimates of +petroleum reserves, +contingent resources and +prospective resources in the report; and

Note: SPE-PRMS define' the 'deterministic estimation 'ethod' an' the 'probabilistic estimation 'ethod' in section 4.2 and Appendix A. Additional guidance on the deterministic estimation method (in sections 2.2, 3.1, 6.2 and 7.1) and the probabilistic estimation method (in sections 5.3 and 7.1) is provided in the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

9.1.7 If estimates of +petroleum reserves, +contingent resources and +prospective resources are reported in units of equivalency between oil and gas, the +issuer must disclose in the report the conversion factor used to convert:

(a) gas to oil, where the estimates are reported in +BOEs; and

(b) oil to gas, where the estimates are reported in +McfGEs.

Note: Additional guidance on BOEs is provided in sections 4.12 and 9.13 in the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

Requirements applicable to reporting of petroleum reserves

9.2 An +issuer publicly reporting estimates of +petroleum reserves must ensure all of the following requirements are complied with in that report:

Introduced 03/07/2023

9.2.1 The +issuer must have a high degree of confidence in the commercial producibility of the reservoir;

Introduced 03/07/2023

9.2.2 The‘term 're’erves' must only be used in connection with estimates of commercially recoverable quantities of +petroleum and must not be used in connection with estimated quantities of +petroleum that are not commercially recoverable;

Introduced 03/07/2023

9.2.3 +Petroleum reserves must be categorised and reported in the most specific category that reflects the degree of uncertainty in the estimated quantities of recoverable +petroleum, that is, +1P, +2P or +3P. If an estimate of +3P is reported, estimates of +2P and +1P must also be reported;

Introduced 03/07/2023

9.2.4 If +petroleum reserves are not reported net of +lease fuel up to the +reference point, the report must disclose the portion of the +petroleum reserves estimates that will be consumed as fuel in production and lease plant operations;

Note: additional guidance on lease fuel (in section 9.1) and reference points (in sections 7.1 and 9.13) is provided in the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

9.2.5 The +issuer must disclose the +reference point used for the purpose of measuring and assessing the estimated +petroleum reserves;

Note: Additional guidance is provided on reference points in sections 7.1 and 9.13 of the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

9.2.6 The disclosure of a mean estimate of +petroleum reserves is prohibited;

Note: SPE-PRMS defines 'aggregated' in section 4.2.1 and Appendix A.

Introduced 03/07/2023

9.2.7 Where reported +petroleum reserves represent aggregated estimates of +petroleum reserves, the method of aggregation must be disclosed which must be either:

(a) arithmetic summation by category (that is, +1P, +2P or +3P); or

(b) statistical aggregation of uncertainty distributions up to the field, property or project level;

Introduced 03/07/2023

9.2.8 If +petroleum reserves are reported beyond the field, property or project level, estimates of +petroleum reserves must be aggregated by arithmetic summation by category beyond that level of reporting. In this case, the +issuer must include a note in the report cautioning that the aggregate +1P may be a very conservative estimate and the aggregate +3P may be a very optimistic estimate due to the portfolio effects of arithmetic summation; and

Note: additional guidance is provided on aggregation in sections 1.1, 2.1, 4.1, 5.1, 6.26 and 8.1 of the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

9.2.9	If a +petroleum reserves replacement ratio is reported, the +issuer must include an explanation of how the petroleum reserves replacement ratio was calculated in the report.	Introduced 03/07/2023

Requirements applicable to reporting of estimates of contingent resources

9.3	An +issuer publicly reporting estimates of +contingent resources must ensure all of the following requirements are complied with in that report:	Introduced 03/07/2023
9.3.1	+Contingent resources must be categorised and reported in the most specific category that reflects the degree of uncertainty in the estimated quantities of potentially recoverable +petroleum, that is, +1C, +2C or +3C. If an estimate of +3C is reported, estimates of +2C and +1C must also be reported;	Introduced 03/07/2023
9.3.2	The disclosure of a mean estimate of +contingent resources is prohibited;	Introduced 03/07/2023
9.3.3	Where reported +contingent resources represent aggregated estimates of +contingent resources, the method of aggregation must be disclosed and must be either: (a) arithmetic summation by category (that is, +1C, +2C or +3C); or (b) statistical aggregation of uncertainty distributions up to the field, property or project level; and	Introduced 03/07/2023
9.3.4	If +contingent resources are reported beyond the field, property or project level, estimates of +contingent resources must be aggregated by arithmetic summation by category beyond that level of reporting. In this case, the +issuer must include a note in the report cautioning that the aggregate +1C may be a very conservative estimate and the aggregate +3C may be a very optimistic estimate due to the portfolio effects of arithmetic summation.	Note: additional guidance is provided on aggregation in sections 1.1, 2.1, 4.1, 5.1, 6.26 and 8.1 of the Guidelines for Application of the Petroleum Resources Management System (November 2011). Introduced 03/07/2023

Requirements applicable to reporting of estimates of prospective resources

9.4	An +issuer publicly reporting estimates of +prospective resources must ensure all of the following requirements are complied with in that report:	Introduced 03/07/2023
9.4.1	+Prospective resources must be categorised and reported in the most specific category that reflects the degree of uncertainty in the estimated quantities of potentially recoverable +petroleum, that is, +low estimate, +best estimate or +high estimate. If a +high estimate of +prospective	Introduced 03/07/2023

resources is reported, the +best estimate and +low estimate of +prospective resources must also be reported; and

9.4.2 A cautionary statement proximate to, and with equal prominence as, the reported +prospective resources must be included in the report, stating that: Introduced 03/07/2023

> *"The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons".*

Requirements applicable to reporting on geophysical surveys

9.5 A public report by an +issuer on any geophysical survey in relation to +petroleum must include the name, nature and status of the survey, and the permit under which the survey is being conducted. Introduced 03/07/2023

Requirements applicable to reporting on material exploration and drilling results

9.6 An +issuer publicly reporting material +exploration and drilling results in relation to +petroleum resources must include all of the following information in that report and give the report to PNGX for release to the market: Introduced 03/07/2023

9.6.1 The name and type of well; Introduced 03/07/2023

9.6.2 The location of the well and the details of the permit or lease in which the well is located; Introduced 03/07/2023

9.6.3 The +issuer's working interest in the well; Introduced 03/07/2023

9.6.4 If the gross pay thickness is reported for an interval of conventional resources, the net pay thickness; Introduced 03/07/2023

9.6.5 The geological rock type of the formation drilled; Introduced 03/07/2023

9.6.6 The depth of the zones tested; Introduced 03/07/2023

9.6.7 The types of test(s) undertaken and the duration of the test(s); Introduced 03/07/2023

9.6.8 The +hydrocarbon phases recovered in the test(s); Introduced 03/07/2023

9.6.9 Any other recovery, such as, formation water and water, associated with the test(s) and their respective proportions; Introduced 03/07/2023

9.6.10	The choke size used, the flow rates and, if measured, the volumes of the hydrocarbon phases measured;	Introduced 03/07/2023
9.6.11	If applicable, the number of fracture stimulation stages and the size and nature of fracture stimulation applied;	Introduced 03/07/2023
9.6.12	Any material volumes of non-+hydrocarbon gases, such as, carbon dioxide, nitrogen, hydrogen sulphide and Sulphur; and	Introduced 03/07/2023
9.6.13	Any other information that is material to understanding the reported results.	Introduced 03/07/2023

Requirements applicable to reporting on estimates of petroleum reserves for material oil and gas projects

9.7	The first time an +issuer publicly reports estimates of +petroleum reserves in relation to a +material oil and gas project, the +issuer must include all of the following information in a market announcement and give it to PNGX for release to the market:	Note: SPE-PRMS de'ines 'developed re'erves' and 'undeveloped re'erves' in section 2.1 and Appendix A. Additional guidance is provided on developed reserves and undeveloped reserves in sections 3.1, 6.1 and 8.1 of the Guidelines for Application of the Petroleum Resources Management System (November 2011). Introduced 03/07/2023
9.7.1	All material economic assumptions used to calculate the estimates of +petroleum reserves. If those economic assumptions are commercially sensitive to the +oil and gas issuer, an explanation of the methodology used to determine the assumptions rather than the actual figure can be reported;	Introduced 03/07/2023
9.7.2	Whether the +issuer has operator or non-operator interests in the +material oil and gas project. If the +issuer has non-operator interests, the name of the operator;	Introduced 03/07/2023
9.7.3	The types of permits or licences held by the +issuer in respect of the reported estimates of +petroleum reserves;	Introduced 03/07/2023
9.7.4	A brief description of: (a) the basis for confirming commercial producibility and booking +petroleum reserves; (b) the analytical procedures used to estimate the +petroleum reserves; (c) the proposed +extraction method; and (d) if applicable, any specialised processing required following +extraction;	Introduced 03/07/2023
9.7.5	The estimated quantities (in aggregate) to be recovered: (a) from existing wells and facilities (developed +petroleum reserves); and	Introduced 03/07/2023

(b) through future investments (undeveloped +petroleum reserves);

9.7.6 If the reported estimates of +petroleum reserves relate to undeveloped +petroleum reserves, a brief statement regarding: Introduced 03/07/2023

(a) the status of the +material oil and gas project;

(b) when development is anticipated;

(c) the marketing arrangements that justify development;

(d) access to transportation infrastructure; and

(e) environmental approvals required;

9.7.7 If the reported estimates of +petroleum reserves relate to unconventional +petroleum resources, the land area and the number of wells for which the estimates of +petroleum reserves are provided; and

Note: SPE-PRMS defines 'unconventional resources' in section 2.4 and Appendix A. Additional guidance on unconventional petroleum resources is provided in sections 1.1 and 8.6 of the Guidelines for Application of the Petroleum Resources Management System (November 2011).

Introduced 03/07/2023

9.7.8 If +1P is zero for the reported estimates of +petroleum reserves, a brief explanation of why +1P is zero and why, in the absence of +1P, +3P and +2P have been determined and reported. Introduced 03/07/2023

9.8 The first time an +issuer publicly reports estimates of +petroleum reserves in relation to a +material oil and gas project that have materially changed from when those estimates were previously reported, the +issuer must include all of the following information in a market announcement and give it to PNGX for release to the market: Introduced 03/07/2023

9.8.1 An explanation of the new data and information; Introduced 03/07/2023

9.8.2 An explanation of how the new data and information has affected the estimates of +petroleum reserves; AND Introduced 03/07/2023

9.8.3 Any changes or additions to the information provided under Rules 9.7.1 to 9.7.7. Introduced 03/07/2023

Requirements applicable to reporting on contingent resources for material oil and gas projects

9.9 The first time an +issuer publicly reports estimates of +contingent resources in relation to a +material oil and gas project, the +issuer must include all of the following information in a market announcement and give it to PNGX for release to the market: Introduced 03/07/2023

9.9.1	The types of permits or licences held by the +issuer in respect of the reported estimates of +contingent resources;	Introduced 03/07/2023
9.9.2	The basis for confirming the existence of a significant quantity of potentially moveable +hydrocarbons and the determination of a discovery.	Introduced 03/07/2023
9.9.3	A brief description of: (a) the analytical procedures used to estimate the +contingent resources; (b) the key contingencies that prevent the +contingent resources from being classified as +petroleum reserves; and (c) any further appraisal drilling and evaluation work to be undertaken to assess the potential for commercial recovery, and to progress the +material oil and gas project;	Introduced 03/07/2023
9.9.4	If the reported estimates of +contingent resources are contingent on technology under development, a brief explanation of: (a) whether the technology is under active development; (b) whether a pilot for that technology is planned and budgeted; and (c) whether the technology has been demonstrated to be commercially viable in analogous reservoirs and, if not, whether it has been demonstrated to be commercial viable in other reservoirs; AND	Introduced 03/07/2023
9.9.5	If the reported estimates of +contingent resources relate to unconventional +petroleum resources, the land area and the number of wells for which the estimates of +contingent resources are provided.	Note: SPE-PRMS defines 'unconventional resources' in section 2.4 and Appendix A. Additional guidance on unconventional petroleum resources (in sections 1.1 and 8.6) and on the key contingencies for a classification of contingent resources is provided in the Guidelines for Application of the Petroleum Resources Management System (November 2011). Introduced 03/07/2023
9.10	The first time an +issuer publicly reports estimates of +contingent resources in relation to a +material oil and gas project that have materially changed from when those estimates were previously reported, the +issuer must include all of the following information in a market announcement and give it to PNGX for release to the market:	Introduced 03/07/2023
9.10.1	An explanation of the new data and information;	Introduced 03/07/2023

9.10.2	An explanation of how the new data and information has affected the estimates of +contingent resources; and	Introduced 03/07/2023
9.10.3	Any changes or additions to the information provided under Rules 9.9.1 to 9.9.5.	Introduced 03/07/2023

Requirements applicable to reporting on prospective resources for material oil and gas projects

9.11	The first time an +issuer publicly reports estimates of +prospective resources in relation to a +material oil and gas project, the +issuer must include all of the following information in a market announcement and give it to PNGX for release to the market:	Note: additional guidance on prospective resources is provided in the Guidelines for Application of the Petroleum Resources Management System (November 2011). Introduced 03/07/2023
9.11.1	The types of permits or licences held by the +issuer in respect of the reported estimates of +prospective resources;	Introduced 03/07/2023
9.11.2	A brief description of: (a) the basis on which the +prospective resources are estimated; and (b) any further +exploration activities, including studies, further data acquisition and evaluation work, and +exploration drilling to be undertaken and the expected timing of those +exploration activities;	Introduced 03/07/2023
9.11.3	The +issuer's assessment of the chance of discovery and the chance of development associated with the reported estimates of +prospective resources; and	Introduced 03/07/2023
9.11.4	If risked estimates of +prospective resources are reported, an explanation of how the estimates were adjusted for risk.	Introduced 03/07/2023
9.12	The first time an +issuer publicly reports estimates of +prospective resources in relation to a +material oil and gas project that have materially changed from when those estimates were previously reported, the +issuer must include all of the following information in a market announcement and give it to PNGX for release to the market:	Introduced 03/07/2023
9.12.1	An explanation of the new data and information;	Introduced 03/07/2023
9.12.2	An explanation of how the new data and information has affected the estimates of +prospective resources; and	Introduced 03/07/2023
9.12.3	Any changes or additions to the information provided under Rules 9.11.1 to 9.11.4.	Introduced 03/07/2023

Qualified petroleum reserves and resources evaluator requirements

9.13 An +issuer publicly reporting on estimates of +petroleum reserves, +contingent resources and +prospective resources must ensure that those estimates are prepared by, or under the supervision of, a +qualified petroleum reserves and resources evaluator or evaluators.

Introduced 03/07/2023

9.14 Subject to Rule 9.15, a public report by an +issuer containing estimates of +petroleum reserves, +contingent resources and +prospective resources must state:

(a) that it is based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, a named +qualified petroleum reserves and resources evaluator or evaluators;

(b) whether the +qualified petroleum reserves and resources evaluator is an employee of the +oil and gas issuer or a +related party and, if not, the name of the +qualified petroleum reserves and resources evaluator's employer; and

(c) the name of the professional organisation of which the +qualified petroleum reserves and resources evaluator is a member.

The report must only be issued with the prior written consent of the +qualified petroleum reserves and resources evaluator as to the form and context in which the estimated +petroleum reserves, +contingent resources and +prospective resources and the supporting information are presented in the public report.

Note: this requirement applies (but is not limited) to public reports containing estimates of petroleum reserves or materially changed estimates of petroleum reserves in accordance with Rules 9.7 or 9.8, estimates of contingent resources or materially changed estimates of contingent resources in accordance with Rules 9.9 or 9.10 quote and estimates of prospective resources or materially changed estimates of prospective resources in accordance with Rules 9.11 or 9.12.

Introduced 03/07/2023

9.15 The requirements in Rule 9.14 only apply the first time an +issuer publicly reports estimates of +petroleum reserves, +contingent resources or +prospective resources (original or updated) provided all of the following conditions are satisfied:

Introduced 03/07/2023

Condition 1 Any subsequent public report that refers to those estimates of +petroleum reserves, +contingent resources or +prospective resources cross-references the relevant market announcement containing the statements and consent referred to in Rule 9.14; and

Introduced 03/07/2023

Condition 2 The +issuer confirms in the subsequent public report that it is not +aware of any new information or data that materially affects the information included in the relevant market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Introduced 03/07/2023

Terms of a petroleum tenement joint venture

9.17 An +issuer must not, and must ensure that all its +child entities do not, enter a joint venture agreement to investigate or explore a +petroleum tenement, unless the agreement provides that if the +issuer requires it:

Introduced 03/07/2023

(a) the operator of the joint venture will give the +issuer all the information the +issuer requires to comply with the Listing Rules; and

(b) the information may be given to PNGX for release to the market if necessary for the +issuer to comply with the Listing Rules.

Chapter 10 – Disclosure of Directors' and CEO's Dealings

Explanatory note

This Chapter sets out the disclosure requirements that an issuer must satisfy in relation to dealings by directors and CEOs.

Issuer to have arrangements with directors and CEO

10.1 An issuer must make such arrangements as are necessary with all directors and +CEOs of the issuer to ensure that each director and +CEO discloses to the issuer all the information required by the issuer to allow the issuer to comply with Rules 10.4 and 10.5.

Section 126 of the Companies Act requires directors to disclosure relevant interests in shares to the issuer.

Sections 375 and 376 of the Capital Market Act require directors and the CEO to disclose their interests to the issuer.

Introduced 03/07/2023

10.2 An issuer must enforce the arrangements it has in place pursuant to Rule 10.1

Introduced 03/07/2023

10.3 For the purpose of this Chapter 10 +CEO and director includes a spouse, child or parent of the +CEO or director.

This Rule ensures consistency with section 375(6) of the Capital Market Act.

Introduced 03/07/2023

Disclosure of directors' dealings

10.4 An issuer must tell PNGX the following:

An issuer is not required to give information to PNGX under this Rule that a director or CEO has not given to it under the arrangements mentioned in Rules 10.1 to 10.2 and of which it is otherwise not aware. In such a case the director may be in breach of section 126 of the Companies Act or section 375 or 376 of the Capital Market Act.

Introduced 03/07/2023

10.4.1 the +notifiable interests of each director and +CEO at the date of initial +quotation. The issuer must complete Appendix 10A and give it to PNGX no more than 5 +business days after initial +quotation;

If a director or CEO has no notifiable interests at the time when the issuer is required to complete an Appendix 10A the issuer must lodge an Appendix 10A that discloses that the director or CEO has no notifiable interests.

Introduced 03/07/2023

10.4.2 the +notifiable interests of a director or +CEO at the date that the director or +CEO is appointed. The issuer must complete Appendix 10A and give it to PNGX no more than 5 business days after the director's or +CEO's appointment;

If a director or CEO has no notifiable interests at the time when the issuer is required to complete an Appendix 10A the issuer must lodge an Appendix 10A that discloses that the director or CEO has no notifiable interests.

Introduced 03/07/2023

10.4.3 the +notifiable interests of a director or +CEO following a change to a +notifiable interest. The disclosure must include whether the change occurred during a +closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The issuer must complete Appendix 10B and give it to PNGX no more than 5 +business days after the change occurs; and

Introduced 03/07/2023

10.4.4 the +notifiable interests of a director or +CEO at the date that the director or +CEO ceases to be a director or +CEO. The issuer must complete Appendix 10C and give it to PNGX no more than 5 +business days after the director or +CEO ceases to be a director or +CEO.

If a director or CEO has no notifiable interests at the time when the issuer is required to complete an Appendix 10C the issuer must lodge an Appendix 10C that discloses that the director or CEO has no notifiable interests.

Introduced 03/07/2023

Disclosure regarding new directors

10.5 An issuer must provide a statutory declaration in the form of Appendix 1E from each newly appointed director and +CEO no more than 5 +business days after the director's or +CEO's appointment.

Introduced 03/07/2023

Application to MIS

10.6 Rules 10.1, 10.2, 10.3, 10.4 and 10.5 apply to directors and +CEOs of both the +trustee and the +investment manager of a +registered scheme.

Introduced 03/07/2023

Chapter 11 – Issues of New Securities

Explanatory note

This Chapter deals with issues of new securities.

Issuers should also have regard to Chapter 14 which includes issues of new securities to related parties.

Issues up to 20%

11.1 An issuer may, without prior +securityholder approval, issue or agree to issue +ordinary securities up to an annual limit calculated according to the following formula: — Introduced 03/07/2023

$$(Annual\ New\ Issue\ Limit\ x\ Base\ Amount) - Limiting\ Issues$$

11.1.1 For the purposes of Rule 11.1, the Annual New Issue Limit is: — Introduced 03/07/2023

(a) 20%; or
(b) the percentage, being not more than 30%, approved by +securityholders at an Annual General Meeting in accordance with Rule 11.9.

11.1.2 For the purposes of Rule 11.1, the Base Amount is: — Introduced 03/07/2023

(a) the number of fully paid +ordinary securities on issue on the Base Date;
(b) plus the number of fully paid +ordinary securities issued as an exempt issue in Rule 11.5 since the Base Date;
(c) plus the number of partly paid +ordinary securities that became fully paid since the Base Date,
(d) plus the number of fully paid +ordinary securities issued with approval of holders of +ordinary securities under Rule 11.6 or 11.8 since the Base Date;
(e) less the number of fully paid +ordinary securities cancelled since the Base Date.

11.1.3 For the purposes of Rule 11.1, the Limiting Issues amount is the number of +equity securities issued or agreed to be issued since the Base Date that are not issued: — Introduced 03/07/2023

(a) under an exception in Rule 11.5; or
(b) with approval of holders of +ordinary securities under Rule 11.6 or 11.8.

11.1.4 For the purposes of Rule 11.1, the Base Date is — Introduced 03/07/2023

(a) if the issuer's +ordinary securities were first +quoted less than 12 months before the date of issue or agreement, the date the issuer's +ordinary securities were first +quoted; or

(b) if the issuer's +ordinary securities were first +quoted more than 12 months before the date of issue or agreement, the date 12 months before the +issue date or date of agreement to issue.

Rules applicable to the calculation of the Annual New Issue Limit

11.2 In working out the number of +equity securities that an issuer may issue or agree to issue under Rule 11.1 unless PNGX determines otherwise:

(a) if the +equity securities are fully paid +ordinary securities, each +security is counted as one;

(b) if the +equity securities are partly paid +securities, each +security is counted as the maximum number of fully paid +ordinary securities into which it can be paid up;

(c) if the +equity securities are +convertible securities, each +security is counted as the maximum number of fully paid +ordinary securities into which it can be converted; and

(d) in any other case, each +security is counted as PNGX decides.

In making decisions under this Rule, PNGX will consider the policy objective of the Rule being control over the dilution of security holders and the economic and voting characteristics of the security.

If the security is convertible into ordinary securities, each security will generally be counted as the maximum number of ordinary securities into which it can be converted. If it converts based on the market value of ordinary securities at the time of conversion, it will generally be counted as the maximum number of ordinary securities into which it can be converted at the market price of ordinary securities at the time of issuing the convertible security, provided that the issuer has a reasonably stable trading history.

Example: 12 months before the date it intends to issue more securities, a company has the following securities on issue:

(a) 10,000,000 ordinary shares;

(b) 2,000,000 options expiring 30 September 2017; and

(c) 2,000,000 partly paid shares.

In the intervening 12 months, no options have been exercised, no partly paid shares paid up and no securities of any class issued.

The issuer may issue the following securities without the approval of shareholders under Rule 7.1:

(d) 1,500,000 ordinary securities (10,000,000 x 15%); or

(e) if the new securities are convertible on the basis of two ordinary securities for every convertible security, 750,000 convertible securities.

Introduced 03/07/2023

11.3 An agreement to issue +equity securities that is conditional on holders of +ordinary securities approving the issue before the issue is made is not treated as an agreement. If an issuer relies on this Rule it must not issue the +equity securities prior to obtaining the approval.

Introduced 03/07/2023

11.4	When working out if there is an issue of +equity securities, the sale or reissue of forfeited +equity securities is treated as an issue of +equity securities.	Introduced 03/07/2023

Exempt issues

11.5	For the purpose of Rule 11.1 the following issues are exempt issues:	Introduced 03/07/2023
Exception 1	An issue to holders of +ordinary securities made under a +pro rata issue and to holders of other +equity securities to the extent that the terms of issue of the +equity securities permit participation in the +pro rata issue.	An issue is still treated as a pro rata issue under this Rule if offers are not sent to overseas security holders under Rule 11.16 Introduced 03/07/2023
Exception 2	An issue under an underwriting agreement to an underwriter of a +pro rata issue to holders of +ordinary securities on the condition that the underwriter receives the +securities not later than 10 +business days after the close of the +pro rata issue.	Exception 2 only applies to the issue to an underwriter under an underwriting agreement of the securities comprising the shortfall from a pro rata issue to holders of ordinary securities. It does not apply to any other issue of securities to the underwriter under an underwriting agreement (for example, in payment of an underwriting fee or other amount due under an underwriting agreement). If the underwriter is a related party then the prior approval of shareholders is required under Chapter 14. Introduced 03/07/2023
Exception 3	An issue to make up the shortfall on a +pro rata issue to holders of +ordinary securities on the condition that: (a) the directors of the issuer have stated as part of the offer that they reserve the right to issue the shortfall at their discretion; (b) the issue price is not less than the price at which the +securities were offered under the +pro rata issue; and (c) the issuer makes the issue not later than 3 months after the close of the +pro rata issue.	The definition of convertible securities includes options. If the shortfall is to be issued to a related party then the prior approval of shareholders is required under Chapter 14. Introduced 03/07/2023
Exception 4	An issue on the +conversion of +convertible securities on the condition that: (a) the issuer issued the +convertible securities before initial +quotation; or (b) the issuer complied with the Listing Rules when it issued the +convertible securities.	Note: convertible securities includes options Introduced 03/07/2023
Exception 5	An issue to an underwriter of the exercise of a +class of +options on the conditions that: (a) the issuer complied with the Listing Rules when it issued the +options;	If the underwriter is a related party then the prior approval of shareholders is required under Chapter 14. Introduced 03/07/2023

(b) the underwriter receives the +underlying securities within 10 +business days after expiry of the +options; and
(c) the underwriting agreement was disclosed under Rule 6.3.2

Exception 6 An issue under a +takeover offer or under a merger by way of scheme of arrangement on condition that the issue is not being made under a +reverse takeover.

Introduced 03/07/2023

Amended 18/09/2023

Exception 7 An issue to fund the cash consideration payable under a +takeover offer or under a merger by way of scheme of arrangement on the condition that:

a) the terms of the issue are disclosed in the +takeover offer or scheme documents; and
b) the issue is not being made to fund a +reverse takeover.

Introduced 03/07/2023

Amended 18/09/2023

Exception 8 An issue under a +dividend plan on the condition that the +dividend plan does not impose a limit on participation other than as permitted by Rule 11.17 Condition 3(b).

Exception 8 only applies where there is no limit on participation under the dividend plan and security holders are able to elect to receive all of their dividend as securities. For example, Exception 8 would not apply in the following circumstances:

(a) The company has set a cap which may be a specified dollar amount e.g. securityholders can participate to a maximum value of x in respect of their entitlement.
(b) The company has specified a maximum number of securities e.g. securityholders can only receive securities in lieu of dividend payable for x number of securities.

Introduced 03/07/2023

Exception 9 An issue to the underwriter of a +dividend plan on the condition that:

a) the +dividend plan does not impose a limit on participation other than as permitted by Rule 11.17 Condition 3;
b) the underwriter receives the +underlying securities within 10 +business days after this issue under the +dividend plan; and
c) the underwriting agreement was disclosed under Rule 6.1.10.

Exception 9 only applies where there is no limit on participation under the dividend plan and security holders are able to elect to receive all of their dividend as securities. For example, Exception 9 would not apply in the following circumstances:

(a) The company has set a cap which may be a specified dollar amount e.g. securityholders can participate to a maximum value of x in respect of their entitlement.
(b) The company has specified a maximum number of securities e.g. securityholders can only receive securities in lieu of dividend payable for x number of securities.

If the underwriter is a related party then the prior approval of shareholders is required under Chapter 14.

Introduced 03/07/2023

Exception 10	An issue under an +employee incentive scheme on the condition that: (a) in the case of an +employee incentive scheme established before +initial quotation and the date of +initial quotation was less than 3 years before the date of issue, a summary of the +terms of the +employee incentive scheme were set out in the +prospectus; or (b) in the case of an +employee incentive scheme established after +initial quotation, holders of +ordinary securities have approved the issue of +securities under the +employee incentive scheme in accordance with Rule 11.7.	Exception 10 is only available if there has been no change to the number or terms of the securities to be issued, the mechanism for pricing or payment or any other material terms of the scheme. Introduced 03/07/2023
Exception 11	An issue of preference shares on the condition that the preference shares: (a) comply with Chapter 3; and (b) do not have any rights of +conversion into another +class of +equity security.	Introduced 03/07/2023
Exception 12	The reissue or sale of forfeited shares within 6 weeks after the day on which the call was due and payable.	Note: Refer to section 82 of the *Companies Act 1997* in relation to liability for calls. Introduced 03/07/2023
Exception 13	An issue made with the approval of holders of +ordinary securities under Listing Rule 14.15 Exception 4 or Exception 10 on condition that: a) the notice of meeting contains all the information required by Rule 11.6 and Rules 14.19 or 14.22 (as the case may be); and b) the notice of meeting states to the effect that approval under Listing Rules 14.19 or 14.22 (as the case may be), also constitutes approval of an exempt issue for the purposes of the Annual New Issue Limit applicable under Rule 11.1.1.	Introduced 03/07/2023
Exception 14	An issue of +securities under a +securities purchase plan on condition that: (a) a +securities purchase plan issue is only made once in any 12 month period; (b) the number of +securities to be issued is not greater than the Annual New Issue Limit applicable under Rule 11.1.1; (c) the issue price of the +securities is at least 80% of the +volume weighted average market price for +securities in that +class, calculated over the last 5	Introduced 03/07/2023

days on which sales in the +securities were recorded, either before the day on which the issue was announced or before the day on which the issue was made.

Exception 15	An issue to the underwriter of a +securities purchase plan on condition that: a) the underwriting agreement is disclosed; and b) the underwriter receives the +securities within 10 +business days after expiry of the offer.	If the underwriter is a related party then the prior approval of shareholders is required under Chapter 14. Introduced 03/07/2023

Notice of meeting requirements for prior approval of an issue

11.6	For the holders of +ordinary securities to approve an issue or agreement for the purposes of Rule 11.1.2, the notice of meeting must include each of the following:	Introduced 03/07/2023
11.6.1	The maximum number of +securities the issuer is to issue (if known) or the formula for calculating the maximum number of +securities the issuer is to issue;	Introduced 03/07/2023
11.6.2	The date or dates on or by which the issuer will issue the +securities which must be: (a) if the +securities are being issued under, or to fund, a +reverse takeover, no later than 6 months after the date of the meeting; (b) if court approval of a reorganisation of capital is required before the issue, no later than 3 months after the date of the court approval; or (c) otherwise, no later than 3 months after the date of the meeting;	If the issue requires approval under Chapter 14, the time limit under that Chapter for issue of the securities must be complied with. Introduced 03/07/2023
11.6.3	The minimum issue price at which the +equity securities may be issued;	Note: The minimum price at which the equity securities may be issued could be expressed as a fixed amount (eg 20 toea) or a defined variable amount (eg a 15% discount to NTA or a 15% discount to the weighted average traded price over a five day period prior to issue) or a combination of both (eg the higher or 20 toea or a 15% discount to the weighted average traded price over a five day period prior to issue) Introduced 03/07/2023
11.6.4	The names of the persons to whom the issuer will issue the +securities (if known) or the basis upon which those persons will be identified or selected;	In the case of an issue under a reverse takeover, it is sufficient to describe the class or classes of security holders in the reverse takeover target who will be issued securities in the issuer. Introduced 03/07/2023
11.6.5	The terms of the +securities if other than +ordinary securities;	Introduced 03/07/2023

11.6.6 The intended use of the funds raised; Introduced 03/07/2023

11.6.7 The +issue date or a statement that the issue will occur progressively; Introduced 03/07/2023

11.6.8 A +voting exclusion statement stating that any votes of the following +persons are to be disregarded: Introduced 03/07/2023

a) in the case of a proposed issue under a +reverse takeover, the +reverse takeover target and any +person who will obtain a material benefit as a result of the +reverse takeover or the proposed issue (except a benefit solely by reason of being a holder of +ordinary securities in the issuer or the +reverse takeover target);
b) in the case of a proposed issue to fund a +reverse takeover, the +reverse takeover target, any +person who is expected to participate in the proposed issue, and any +person who will obtain a material benefit as a result of the +reverse takeover or the proposed issue (except a benefit solely by reason of being a holder of +ordinary securities in the issuer or the +reverse takeover target); and
c) otherwise, a +person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of +ordinary securities in the issuer).

This does not apply if security holders are to receive a priority +entitlement as part of a public offer and the notice of meeting states each of the following:

(a) the priority +entitlement is at least 10% of the offer or in another way, in PNGX's opinion, that is fair in all the circumstances; and

(b) the issuer will limit the number of +securities it issues to a holder of +ordinary securities to the higher of

a. 5% of all the +securities being offered under the priority +entitlement; and

b. the number the holder would be entitled to under a +pro rata issue of all those +securities;

11.6.9 In the case of an agreement for the issue of +securities which is part of a public offer: Introduced 03/07/2023

(a) a +voting exclusion statement stating that any votes of a +person who is a party to the agreement are to be disregarded; and
(b) an adequate summary of the agreement; and

11.6.10	If the +securities are being issued under, or to fund, a +reverse takeover, information about the +reverse takeover.	Introduced 03/07/2023

Notice of meeting requirements for employee incentive schemes

11.7	For the holders of +ordinary securities to approve an issue or agreement to issue under Rule 11.1 Exception 10 relating to an +employee incentive scheme, the notice of meeting must include each of the following: (a) a summary of the +terms of the +employee incentive scheme; (b) the number of +securities issued under the +employee incentive scheme since the date of the last approval; and (c) a +voting exclusion statement stating that any votes of a director of the issuer (except one who is ineligible to participate in any +employee incentive scheme in relation to the issuer) are to be disregarded.	Introduced 03/07/2023

Notice of meeting requirements for retrospective approval of an issue

11.8	An issue of +securities made without approval under Rule 11.1 is treated as having been made with approval for the purpose of Rule 11.1 if each of the following apply:	Introduced 03/07/2023
11.8.1	The issue was not in breach of Rule 11.1;	Introduced 03/07/2023
11.8.2	Holders of +ordinary securities subsequently approve it by ordinary resolution; and	An issue made without approval would ordinarily be a Limiting Issue for the purposes of Rule 11.1.3. Subsequent ratification would recharacterize that issue from being a Limiting Issue to being an exception under Rule 11.5, thereby reducing the magnitude of the Limiting Issues and refreshing the issuer's issuance capacity. Introduced 03/07/2023
11.8.3	The notice of meeting for holders of +ordinary securities to subsequently approve an issue must include each of the following:	Introduced 03/07/2023
11.8.3.1	The number of +securities issued;	Introduced 03/07/2023
11.8.3.2	The price at which the +securities were issued;	Introduced 03/07/2023
11.8.3.3	The terms of the +securities;	Introduced 03/07/2023
11.8.3.4	The names of the persons to whom the issuer issued the +securities or the basis on which those persons were determined;	Introduced 03/07/2023

11.8.3.5	The use (or intended use) of the funds raise; and	Introduced 03/07/2023
11.8.3.6	a +voting exclusion statement stating that any votes of a +person who participated in the issue are to be disregarded.	Introduced 03/07/2023

Notice of meeting requirements for increasing the Approved Percentage to up to 30%

11.9	For the holders of +ordinary securities of an issuer to approve the issuer having the additional capacity to issue +equity securities up to 30% under Rule 11.1, the notice of meeting must include each of the following:	Introduced 03/07/2023
11.9.1	The percentage (Approved Percentage) which the issuer is seeking approval to have the additional capacity to issue, being a percentage between 20% and 30%;	Introduced 03/07/2023
11.9.2	A statement of the minimum price at which the +equity securities may be issued;	Note: The minimum price at which the equity securities may be issued could be expressed as a fixed amount (eg 20 toea) or a defined variable amount (eg a 15% discount to NTA or a 15% discount to the weighted average traded price over a five day period prior to issue) or a combination of both (eg the higher or 20 toea or a 15% discount to the weighted average traded price over a five day period prior to issue) Introduced 03/07/2023
11.9.3	The date by which the +equity securities may be issued, being a date not later than 12 months following the date of approval;	Introduced 03/07/2023
11.9.4	A statement that the approval will cease to be valid in the event that holders of the issuer's +ordinary securities approve a +major transaction under Chapter 15 or a +backdoor listing under Chapter 16;	Introduced 03/07/2023
11.9.5	A statement of the purposes for which the +equity securities may be issued, including whether the issuer may issue any of them for non-cash consideration;	Introduced 03/07/2023
11.9.6	Details of the issuer's allocation policy for issues under the approval; and	Introduced 03/07/2023
11.9.7	A +voting exclusion statement stating that any votes of the following +persons are to be disregarded: a) in the case of a proposed issue under a +reverse takeover, the +reverse takeover target and any +person who will obtain a material benefit as a result of the +reverse takeover or the proposed issue (except a benefit solely by reason of being a holder of +ordinary securities in the issuer or the +reverse takeover target);	Introduced 03/07/2023

b) in the case of a proposed issue to fund a +reverse takeover, the +reverse takeover target, any +person who is expected to participate in the proposed issue, and any +person who will obtain a material benefit as a result of the +reverse takeover or the proposed issue (except a benefit solely by reason of being a holder of +ordinary securities in the issuer or the +reverse takeover target); and

c) otherwise, a +person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of +ordinary securities in the issuer).

New issues prior to general meeting to change directors, trustee or investment manager

11.10 An issuer must not issue or agree to issue any +equity securities without the approval of the holders of its +ordinary securities if the holders or beneficial owners of more than 50% of the +ordinary securities tell the issuer in writing that they intend to call a general meeting to appoint or remove directors.

Note: An approval by security holders under any other Rule in Chapter 11 or 14 does not constitute an approval for the purposes of Rule 11.10.

Introduced 03/07/2023

11.11 A +registered scheme or +foreign MIS must not issue or agree to issue any +equity securities without the approval of the holders of its +ordinary securities if the holders or beneficial owners of more than 50% of the +ordinary securities tell the +trustee in writing that they intend to call a general meeting to appoint or remove the +trustee or +investment manager.

Note: An approval by security holders under any other Rule in Chapter 11 or 14 does not constitute an approval for the purposes of Rule 11.11.

Introduced 03/07/2023

11.12 The restrictions in Rules 11.10 and 11.11 apply for 2 months after the date of the advice, but do not prevent an issue under a written contract entered into before the issuer received the advice. If a written contract to issue +equity securities was entered into before the issuer received the advice and is conditional on holders of +ordinary securities approving the issue before the issue is made, the issuer must not issue the +equity securities without the prior approval of holders of +ordinary securities.

Note: If a written contract to issue equity securities was entered into before the issuer received the advice and is conditional on holders of ordinary securities approving the issue before the issue is made the issuer must not issue the equity securities with a view to seeking subsequent ratification of the issue.

Introduced 03/07/2023

11.13 If the +person giving the advice is not a holder of +ordinary securities, the advice must be accompanied by a statutory declaration verifying the +person's beneficial ownership.

Introduced 03/07/2023

Pro rata issues to PNG and overseas holders

11.14 If an issuer proposes a +pro rata issue, it must offer the +securities to all holders with registered addresses in PNG or Australia.

Introduced 03/07/2023

11.15 If an issuer proposes a +pro rata issue, it must offer the +securities to all holders with registered addresses outside PNG and Australia. Introduced 03/07/2023

Exceptions to Rule 11.15

11.16 Rule 11.15 does not apply in relation to a particular place if each of the following conditions is met: Introduced 03/07/2023

Condition 1 The issuer decides that it is unreasonable to make the offer having regard to each of the following: Introduced 03/07/2023

(a) The number of holders in the place where the offer would be made;

(b) The number and value of +securities the holders would be offered; and

(c) The cost of complying with the legal requirements, and requirements of a regulatory authority, in the place;

Condition 2 The issuer sends each holder to whom it will not offer the +securities details of the issue and advice that the issuer will not offer +securities to the holder; and Introduced 03/07/2023

Condition 3 In the case of a renounceable +pro rata issue, the issuer also does each of the following. Introduced 03/07/2023

(a) Appoints a nominee in PNG or Australia to arrange for the sale of the +entitlements that would have been given to those holders and to account to them for the net proceeds of the sale; and

(b) Advises each holder not given the +entitlements that a nominee in PNG or Australia will arrange for sale of the +entitlements and, if they are sold, for the net proceeds to be sent to the holder.

Issues under a dividend plan

11.17 An issuer may only make an issue under a +dividend plan if each of the following conditions is met: Introduced 03/07/2023

Condition 1 The +securities rank equally with a +class of +quoted +securities (ignoring the fact that they may not rank equally for the next dividend and any right to participate in a concurrent offer); Introduced 03/07/2023

Condition 2 The plan allows participants to choose whether to participate for part or all of their holdings subject to any limits established in accordance with Rule 11.17 Condition 3; and Introduced 03/07/2023

Condition 3 The plan may limit participation on the following terms:

(a) the limit is a number of +securities, or a sum of money, that is the same for all holders (except a brokers' +clearing account, a trustee or a nominee); and

(b) if the +securities are held in a brokers' +clearing account, or by a +trustee or nominee, the broker, trustee or nominee must be allowed to participate for each +person whose +securities are held in that way.

Example: The exception for clearing accounts enables transferees to participate despite the temporary holding of the securities by the broker.

Introduced 03/07/2023

Issues during a takeover offer

11.18 An issuer must not issue or agree to issue +equity securities, without the approval of holders of +ordinary securities, for 3 months after it is told in writing that a +person is making, or proposes to make, a +takeover offer for its +securities.

Note: An approval by security holders of an eligible issuer under Rule 7.1A for the issuer to have additional placement capacity under that Rule for a period of 12 months is not an approval for the purposes of Rule 11.19.

Note: See also Rule 13(1) of the Takeovers and Mergers Code.

Introduced 03/07/2023

Amended 18/09/2023

Exceptions to Rule 11.18

11.19 Rule 11.18 does not apply to an issue or agreement to issue in any of the following cases:

Exception 1 An issue or agreement to issue notified to PNGX before the issuer was advised of the +takeover offer.

Note: An issue under Rule 7.1A may come within exception 1 Rule 7.9 exception 1 if it otherwise complies with the requirements of that exception.

Note: If a written contract to issue equity securities was entered into before the issuer received the advice and is conditional on holders of ordinary securities approving the issue before the issue is made the issuer must not issue the equity securities with a view to seeking subsequent ratification of the issue.

Introduced 03/07/2023

Exception 2 A +pro rata issue to holders of +ordinary securities.

Introduced 03/07/2023

Exception 3 An issue made on the exercise of rights of +conversion.

Introduced 03/07/2023

Exception 4 An issue made under a +takeover offer that is required to comply with the +Companies Act or under a merger by way of scheme of arrangement under the +Companies Act.

Introduced 03/07/2023

Amended 18/09/2023

Exception 5	An issue made under a +dividend plan that is in operation at the time the notice is received.	Introduced 03/07/2023
Exception 6	A written contract to issue +equity securities that was entered into before the issuer received the advice and is conditional on holders of +ordinary securities approving the issue before the issue is made. The issuer must not issue the +equity securities without the prior approval of holders of +ordinary securities.	Note: If a written contract to issue equity securities was entered into before the issuer received the advice and is conditional on holders of ordinary securities approving the issue before the issue is made the issuer must not issue the equity securities with a view to seeking subsequent ratification of the issue. Introduced 03/07/2023

Rules that apply to all pro rata issues

11.20	A +pro rata issue must meet each of the following requirements:	Introduced 03/07/2023
Requirement 1	The basis for deciding the +entitlement must not change during the offer period;	Introduced 03/07/2023
Requirement 2	The issue price of each +security must not contain a fraction of a toea;	Introduced 03/07/2023
Requirement 3	The ratio of +securities offered must not be greater than one +security for each +security held.	If free attaching options are offered, they are not taken into account. Introduced 03/07/2023
Requirement 4	The +prospectus may allow offerees to subscribe for a greater number of +securities than their +entitlement only if: (a) subscriptions in excess of +entitlements are made out of the shortfall; and (b) for a renounceable offer, the issuer complies with Rule 11.22;	Introduced 03/07/2023
Requirement 5	The offer must not include alternatives, except to allow full or part payment on acceptance; and	Introduced 03/07/2023
Requirement 6	If it is an offer of shares and +options, the issuer must issue separate certificates.	Introduced 03/07/2023

Exceptions to Rule 11.20

11.21	Rule 11.20 Requirement 3 does not apply to a +pro rata issue in any of the following cases:	Introduced 03/07/2023
Exception 1	A +bonus issue; or	Introduced 03/07/2023
Exception 2	if the following conditions are met. (a) The offer is renounceable.	Introduced 03/07/2023

(b) The issue price is not more than the +volume weighted average market price for +securities in that +class, calculated over the last 5 days on which sales in the +securities were recorded before the day on which the issue was announced.

Rules that apply to all entitlement issues

11.22 In the case of an offer that is not pro rata, or an offer to which Rule 11.20 Requirement 4 or 11.28 apply, the issuer must accept evidence of +entitlement constituted by copies of certified contract notes from +market participants of PNGX. The notes must show that +securities have been purchased by the +market participant's clients on a "cum" basis. The issuer must make application forms available to those +market participants for their clients to complete and return.

Introduced 03/07/2023

11.23 If an issuer is undertaking more than one (1) +corporate action, it must not have a +record date to identify holders entitled to participate in a subsequent one until it has updated its register in relation to the preceding one.

Example: Following a bonus issue, the issuer must have entered the bonus securities into the holdings of the holders, and issued certificates, before the record date for determining those entitled to a proposed pro rata issue.

Introduced 03/07/2023

11.24 An issuer must not have a +record date for any purpose until at least 3 +business days after its last +record date. This Rule does not prevent an issuer having identical +record dates for different purposes.

Introduced 03/07/2023

11.25 If an issuer must get the approval of holders of +ordinary securities to make an offer, or issue +securities, the +record date to decide +entitlements must be at least 4 +business days after the date of the meeting.

Introduced 03/07/2023

Rules that apply to all options issues

11.26 An issuer must not issue +options if it would have more +options on issue than +underlying securities.

Example: If an issuer has on issue 1,000,000 ordinary shares then it cannot issue more than 1,000,000 options, where each option converts into 1 ordinary share.

Introduced 03/07/2023

Rules that apply to all issues of securities in a different issuer

11.27 If an issuer offers its +security holders an entitlement to +securities in another issuer, the offers must be pro rata, or made in another way that, in PNGX's opinion, is fair in all the circumstances. There must be no restriction on the number of

Introduced 03/07/2023

+securities which a holder must hold before the +entitlement accrues unless the resulting holding would be less than a holding with a value of PGK500 and no facility to round up is offered.

11.28	If subscriptions in excess of +entitlements are allowed, the issuer must comply with Rule 11.22.	Introduced 03/07/2023
11.29	The +record date to decide +entitlements must be at least 4 +business days after the +prospectus is given to PNGX.	Introduced 03/07/2023

Chapter 12 – Changes in Capital

Explanatory note

This Chapter deals with reorganisations of the capital of an issuer and the maintenance of an orderly market.

General Rule for an orderly market

12.1	If an issuer proposes to reorganise its capital in any way, it must consult PNGX to ensure that an orderly market is maintained in its +securities.	Introduced 03/07/2023
12.2	An issuer that has applied to a court for approval of a reorganisation of its capital must tell PNGX of each of the following steps:	Introduced 03/07/2023
Step 1	Court approval. It must do so immediately after the court has approved the application;	Introduced 03/07/2023
Step 2	If the court order will be lodged with a regulatory authority, the date when the court order will be lodged with the regulatory authority. It must do so at least 24 hours before the court order is lodged; and	Introduced 03/07/2023
Step 3	Lodgement of the court order with the regulatory authority. It must do so immediately after it is lodged with the regulatory authority. The issuer must give PNGX a copy of the court order at the same time.	Introduced 03/07/2023

Reorganisation of securities

12.3	If an issuer proposes to reorganise its capital it must tell +equity security holders, in writing, each of the following:	Introduced 03/07/2023
12.3.1	The effect of the proposal on the number of +securities and the amount unpaid (if any) on the +securities;	Introduced 03/07/2023
12.3.2	The proposed treatment of any fractional +entitlements arising from the reorganisation; and	Introduced 03/07/2023
12.3.3	The proposed treatment of any +convertible securities on issue.	Note: The definition of convertible securities includes options. Introduced 03/07/2023

Reorganisation of convertible securities (except options)

12.4 An issuer which has +convertible securities (except +options) on issue may only reorganise its capital if, in respect of the +convertible securities, the number of +securities or the +conversion price, or both, is reorganised so that the holder of the +convertible securities will not receive a benefit that holders of +ordinary securities do not receive. This Rule does not prevent a rounding up of the number of +securities to be received on conversion if the rounding up is approved at the +security holders' meeting which approves the reorganisation.

Introduced 03/07/2023

Reorganisation of options

12.5 An issuer with +options on issue must comply with the following Rules in relation to the way the +options are treated under a reorganisation.

Introduced 03/07/2023

12.5.1 *In a consolidation of capital* — the number of +options must be consolidated in the same ratio as the ordinary capital and the exercise price must be amended in inverse proportion to that ratio.

Example: Company A consolidates 2 fully paid ordinary shares of into 1 fully paid ordinary share. Every 2 options exercisable at PGK1.00 each are consolidated into 1 option exercisable at PGK2.00 for 1 fully paid ordinary share.

Introduced 03/07/2023

12.5.2 *In a sub-division of capital* — the number of +options must be sub-divided in the same ratio as the ordinary capital and the exercise price must be amended in inverse proportion to that ratio.

Example: Company A splits 1 fully paid ordinary share into 2 fully paid ordinary shares. Every option exercisable at PGK2.00 each is split into 2 options exercisable at PGK1.00 each for an ordinary fully paid share.

Introduced 03/07/2023

12.5.3 *In a return of capital* — the number of +options must remain the same, and the exercise price of each +option must be reduced by the same amount as the amount returned in relation to each +ordinary security.

Example: Company A has fully paid shares on issue. It returns PGK1.00 per ordinary share to shareholders. Every option exercisable at PGK2.00 each for a fully paid share becomes an option exercisable at PGK1.00 each for a fully paid share.

Introduced 03/07/2023

12.5.4 *In a reduction of capital by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled* — the number of +options and the exercise price of each +option must remain unaltered.

Example: Company A has fully paid shares on issue. It has lost the equivalent of PGK1.00 per share and cancels the equivalent of PGK1.00 from each share. Every option exercisable at PGK2.00 each for a fully paid share remains an option exercisable at PGK2.00 each for a fully paid share.

Introduced 03/07/2023

12.5.5 *In a pro rata cancellation of capital* — the number of +options must be reduced in the same ratio as the ordinary capital and

Example: Company A has fully paid shares on issue. It has lost PGK1.00 per share and cancels half the shares. Its capital is reduced from 1,000,000 shares to 500,000 shares. It the exercise price of each +option must be amended in inverse proportion to that ratio.

has on issue 1,000,000 options exercisable at PGK2.00 each for a fully paid share. Following the reorganisation, it has on issue 500,000 options exercisable at PGK4.00 each for a fully paid share.

Introduced 03/07/2023

12.5.6 *In any other case* — the number of +options or the exercise price, or both, must be reorganised so that the holder of the +option will not receive a benefit that holders of +ordinary securities do not receive. This Rule does not prevent a rounding up of the number of +securities to be received on exercise if the rounding up is approved at the +security holders' meeting which approves the reorganisation.

Introduced 03/07/2023

Amending convertible securities to allow reorganisation

12.6 If in a reorganisation the terms of +convertible securities do not allow them to be treated in accordance with the Listing Rules, the terms must be amended so that the +convertible securities can be treated in accordance with the Listing Rules.

Note: If the terms of the convertible securities cannot be amended, this Rule prevents the reorganisation being undertaken. This Rule also covers options.

Example: The terms may be amended by court order or agreement of the holders of the convertible securities.

Introduced 03/07/2023

Reorganisation of partly paid securities

12.7 An issuer which has partly paid shares on issue must comply with the following specific Rules in relation to the way the partly paid shares are treated under a reorganisation:

Introduced 03/07/2023

12.7.1 The number of partly paid shares must be reorganised in the same proportion as the other +classes of shares; and

Introduced 03/07/2023

12.7.2 The reorganisation must not involve cancellation or reduction of the total amount payable and unpaid by the holder.

Introduced 03/07/2023

No return of capital to restricted securities holders

12.8 An issuer must not return capital to holders of +restricted securities.

Note: A return of capital may be in cash or in specie.

Example: Company A has 10,000,000 fully paid shares on issue, of which 1,000,000 are restricted securities. It proposes to return PGK1.00 per ordinary share to shareholders, ie a total of PGK10,000,000. It must structure the reduction of capital as a selective reduction that excludes the 1,000,000 restricted securities, i.e as a return of PGK1.11 per unrestricted ordinary share.

Introduced 03/07/2023

Issues and reorganisations affecting trading prices

12.9 An issuer must not issue bonus +securities or reorganise its capital if the effect of doing so would be to decrease the price at which its +main class of +securities would be likely to trade after the issue or reorganisation to an amount less than 20 toea.

Example: An issuer with a trading price of 14 toea would be permitted to reorganise its capital if the result was to increase its trading price to 18 toea. It would not be permitted to reorganise its capital if the result is likely to be any decrease in its trading price.

An issuer with a trading price of 28 toea would be permitted to reorganise its capital if the result is likely to be a decrease in its trading price to 21 toea. It would not to be permitted to reorganise its capital if the result is likely to be a decrease in its trading price to 19 toea.

Introduced 03/07/2023

Cancelling forfeited shares

12.10 An issuer may only cancel forfeited shares if each of the following conditions are met:

Introduced 03/07/2023

Condition 1 The cancellation is approved by holders of +ordinary securities.

Introduced 03/07/2023

Condition 2 Under the company’s constitution the former holder must remain liable (in the absence of the approval of holders of ordinary shares) for any amount called but unpaid on the shares despite the fact that they have been forfeited: and

Introduced 03/07/2023

Condition 3 Liability for the amount called but unpaid in respect of forfeited shares which have been cancelled is not released or waived without the approval of holders of ordinary shares. This approval may be given at the meeting that approves the cancellation, or at another meeting.

Note: Refer to section 82 of the *Companies Act 1997* in relation to liability for calls.

Introduced 03/07/2023

Notice of meeting requirements

12.11 For the purposes of Rules 12.10, the notice of meeting must include each of the following:

Note: Refer to section 82 of the *Companies Act 1997* in relation to liability for calls.

Introduced 03/07/2023

(a) Details of the forfeited shares, including their total issue price, the amount called but unpaid and the amount that is uncalled;

(b) The outstanding liability of the former holder;

(c) what action the issuer has taken to recover the outstanding liability;

(d) what action the issuer will take if the meeting does not release the liability; and

(e) a +voting exclusion statement stating that any votes of a +person whose shares are to be cancelled or liability released are to be disregarded.

Compliance with timetables

12.12 An issuer must comply with the timetables prescribed in Appendix 12A. Introduced 03/07/2023

Chapter 13 – Restricted Securities

Explanatory note

This Chapter deals with restricted securities.

Restricted securities may not be dealt with for a specified time (the escrow period). The restriction is enforced by a requirement that the holder of certificates give them to a bank or trustee to hold in escrow.

Restricted securities may not participate in a return of capital.

Securities subject to voluntary escrow are a matter of contractual arrangement between the issuer and the security holder. They are not restricted securities for the purposes of the Listing Rules.

Circumstances in which securities are restricted securities

13.1	An issuer which issues +restricted securities, or has them on issue, must apply the restrictions in Appendix 13A or other restrictions as PNGX, in its discretion, decides.	Introduced 03/07/2023

Restriction agreement to be entered into

13.2	An issuer which issues +restricted securities, or has them on issue, must enter into a restriction agreement in accordance with Appendix 13B (or as PNGX requires in a particular case) with the holder and each +controller.	Introduced 03/07/2023

Exceptions to Rule 13.2

13.3	A +controller need not be a party to the agreement referred to in Rule 13.2 if any of the following applies:	Introduced 03/07/2023
Exception 1	The value of the +restricted securities is less than 10% of the total assets of any of the following: (a) The holder of the +restricted securities; or (b) An intermediate entity through which the +controller has its interest.	Introduced 03/07/2023
Exception 2	The holder or an intermediate entity through which the +controller has its interest, is one of the following. (a) An issuer listed on PNGX or a foreign stock exchange; or (b) A +trustee or nominee.	Introduced 03/07/2023

Exception 3	The holder is a +person whose +securities are +restricted securities because of the application of clauses 2, 7 or 10 of Appendix 13A.	Introduced 03/07/2023

Restriction agreements to be given to PNGX prior to issuance

13.4 An issuer must make sure that all completed restriction agreements are given to PNGX before any +person gets the +restricted securities or any rights in relation to them. This Rule does not prevent the +person getting the right to receive +restricted securities on condition that restriction agreements are entered into.

Example: A company may agree to issue restricted securities in exchange for a mining tenement on condition that restriction agreements are entered into. If the agreements are not entered into, the restricted securities must not be issued.

Introduced 03/07/2023

Changes to restrictions during escrow

13.5 During the escrow period, an issuer must not do either of the following:

(a) Change an executed restriction agreement; or

(b) Ask for, or agree to release of a certificate held on the +certificated register by a bank or +recognised trustee.

Introduced 03/07/2023

13.6 The restriction in Rule 13.5(b) does not apply if PNGX has given written consent to the release under Rule 13.11 or Rule 13.14.

Introduced 03/07/2023

Enforcement of restriction agreements

13.7 An issuer must comply with, and enforce, a restriction agreement to ensure compliance with the Listing Rule requirements for +restricted securities.

Introduced 03/07/2023

13.8 An issuer must comply with, and enforce, its constitution to ensure compliance with the Listing Rule requirements for +restricted securities.

Introduced 03/07/2023

Noting of restricted securities on securities register

13.9 An issuer must identify in its +securities register any +securities that are +restricted securities.

Introduced 03/07/2023

Holdings of restricted securities

13.10	An issuer must issue certificates for +restricted securities. The certificate must state that the +securities are +restricted securities, are not +quoted on PNGX, are not transferable and the date on which they will cease to be +restricted securities.	Introduced 03/07/2023

Escrow of restricted securities

13.11	An issuer must get a bank's or +recognised trustee's undertaking to hold the certificate of a +restricted security held on the +certificated register for the escrow period, and not release the certificate without PNGX's written consent.	Introduced 03/07/2023
13.12	The issuer must give the undertakings referred to in Rule 13.11 to PNGX within 2 +business days after the issue of the +restricted securities.	Introduced 03/07/2023

Additional restricted securities

13.13	If an issuer issues additional +restricted securities the issuer must give PNGX a further undertaking from the bank or +recognised trustee in respect of those additional +restricted securities within 2 +business days after they are issued and deposit any new certificates for additional +restricted securities with the bank or +recognised trustee which holds the certificates for the initial +restricted securities.	Introduced 03/07/2023

Sale of restricted securities in a takeover offer or merger

13.14	To enable the holder of +restricted securities to accept an offer under a +takeover offer or to enable +restricted securities to be transferred or cancelled as part of a merger by way of scheme of arrangement, PNGX may consent to the bank or +recognised trustee releasing the certificates.	Introduced 03/07/2023 Amended 18/09/2023
13.15	PNGX will not consent under Rule 13.14 unless, to the extent to which they are applicable, all of the following conditions are met:	Introduced 03/07/2023
Condition 1	In the case of a +takeover offer, the offers are for all of the ordinary +securities and, if the +restricted securities are not ordinary +securities, all the +securities in the same +class as the +restricted securities.	Introduced 03/07/2023 Amended 18/09/2023
Condition 2	In the case of a +takeover offer, holders of at least half of the +securities in the bid +class that are not +restricted securities to which the offers relate have accepted.	Introduced 03/07/2023 Amended 18/09/2023

Condition 3	In the case of a +takeover offer which is conditional, the bidder and the holder agree in writing that the certificates will be returned to the bank or +recognised trustee, for each +restricted security that is not bought by the bidder under the +takeover offer.	Introduced 03/07/2023 Amended 18/09/2023
Condition 4	In the case of a merger by way of scheme of arrangement, the holder and the issuer in which the +restricted securities are held agree in writing that the certificates will be returned to the bank or +recognised trustee, if the merger does not take effect.	If the takeover offer does not proceed or the merger does not take effect, a new undertaking must be given by the bank or recognised trustee under Rule 13.11 Introduced 03/07/2023 Amended 18/09/2023

Chapter 14 – Transactions with Related Parties

Explanatory note

This Chapter deals with transactions between an issuer (including its child entities) and persons in a position to influence the issuer. Transactions covered by this Chapter include acquiring and disposing of substantial assets by the issuer, and acquiring securities in the issuer.

The Chapter also deals with participation by directors (and persons associated with directors) in employee incentive schemes and in underwriting dividend or distribution plans, payments to directors and termination benefits.

Acquisition or disposal of assets involving related issuers

14.1	An issuer must ensure that neither it, nor any of its +child entities, +acquires a +substantial asset from, or +disposes of a +substantial asset to, any of the following +persons without the approval of holders of the issuer's +ordinary securities:	Introduced 03/07/2023
14.1.1	A +related party of the issuer;	Introduced 03/07/2023
14.1.2	A +child entity of the issuer;	Introduced 03/07/2023
14.1.3	A +substantial securities holder in the issuer, if the person and the person's +associates have a relevant interest, or had a relevant interest at any time in the 6 months before the transaction, in at least 10% of the total votes attached to the voting +securities in the issuer;	Introduced 03/07/2023
14.1.4	An +associate of a +person referred to in Rules 14.1.1 to 14.1.3; or	Introduced 03/07/2023
14.1.5	A +person whose relationship to the issuer or a +person referred to in Rules 14.1.1 to 14.1.3 is such that, in PNGX's opinion, the transaction should be approved by +security holders.	Introduced 03/07/2023

Exceptions to Rule 14.1

14.2	Rule 14.1 does not apply to any of the following:	Introduced 03/07/2023
Exception 1	A transaction between the issuer and a wholly owned subsidiary;	Introduced 03/07/2023
Exception 2	A transaction between wholly owned subsidiaries of the issuer;	Introduced 03/07/2023
Exception 3	An issue of +securities by the issuer for cash; or	Introduced 03/07/2023

Exception 4	In the case of a +registered scheme or +foreign MIS, a transaction involving a +substantial asset that was not beneficially held for the +registered scheme or +foreign MIS before the transaction and is not beneficially held for the +registered scheme or +foreign MIS after the transaction.	Introduced 03/07/2023

Application to option contracts

14.3	In the case of an +acquisition or +disposal by the grant or exercise of an option contract, the consideration for the +acquisition or +disposal is the total of the issue price of the option contract and its exercise price.	Introduced 03/07/2023
14.4	An issuer must obtain the approval of holders of its +ordinary securities before the option contract is issued, or the issue must be subject to that approval. If the option contract is issued subject to approval, that approval must be obtained as soon as practicable after the option contract is issued. If approval is not obtained, the issuer must cancel the option contract (or arrange for its cancellation).	Introduced 03/07/2023
14.5	An issuer must obtain the approval of holders of its +ordinary securities before the option contract is exercised. If approval has been given in accordance with Rule 14.4, further approval is not required at the time of exercise.	Example: When issued, the issue price and exercise price of the option contract did not exceed 5% of equity interests. Approval is not required at that time. At the time of exercise, the issue price and exercise price of the option contract does exceed 5% of equity interests. Approval is then required before the option contract is exercised. Introduced 03/07/2023

Application to classified assets

14.6	If an +acquisition to which Rule 14.1 applies is of a +classified asset, the consideration must be +restricted securities. This requirement does not apply if the consideration is reimbursement of expenditure incurred in developing the +classified asset.	Introduced 03/07/2023

Prior consultation with PNGX

14.7	Before +acquiring or +disposing of an asset, an issuer may seek the written opinion of PNGX on whether approval is required under Rule 14.1. The issuer must give PNGX complete details of the transaction. PNGX will only be bound by its written opinion if the details given to it remain materially unchanged at the time of the transaction.	This Rule allows an issuer to ensure that it does not breach Rule 14.1. Introduced 03/07/2023

14.8	If an issuer does not have a written opinion from PNGX that approval is not required under Rule 14.1, PNGX may require the issuer to take corrective action for a breach of Rule 14.1.	Introduced 03/07/2023

Corrective action for a breach

14.9	If an issuer breaches Rule 14.1, PNGX may require it to take corrective action. The corrective action, at the option of the issuer, is either of the following:	Introduced 03/07/2023
14.9.1	Cancelling the transaction (or arranging for its cancellation); or	Introduced 03/07/2023
14.9.2	Seeking the approval of holders of +ordinary securities to the transaction. If approval is not obtained, the issuer must cancel the transaction (or arrange for its cancellation).	Introduced 03/07/2023

Notice of meeting requirements

14.10	The notice of meeting under Rules 14.1, 14.5 or 14.9 must include each of the following:	Introduced 03/07/2023
14.10.1	a +voting exclusion statement stating that any votes of a +person who is a party to the transaction are to be disregarded; and	Introduced 03/07/2023
14.10.2	A report on the transaction from an independent expert. The report must state the expert's opinion as to whether the transaction is fair and reasonable to holders of the issuer's +ordinary securities whose votes are not to be disregarded. The expert's opinion as to whether the transaction is fair and reasonable must be displayed prominently in the notice of meeting and on the covering page of any accompanying documents.	Introduced 03/07/2023
14.11	The report on the transaction from an independent expert must be given individually to each holder of the issuer's +ordinary securities using the same method as that used to give notice of the meeting.	Introduced 03/07/2023
14.12	Provided the report on the transaction from an independent expert and notice of meeting have both been given to the holders of the issuer's +ordinary securities, the report on the transaction from an independent expert is taken to have been given to the holder of the issuer's +ordinary securities at the same time that the notice of meeting is taken to have been given to the holder of its +ordinary securities.	Introduced 03/07/2023
14.13	Regardless of the method used to distribute the report on the transaction from an independent expert, the issuer must:	Introduced 03/07/2023

(a) ensure that the report on the transaction by an independent expert is easily accessible on the issuer's website;

(b) ensure that the address of the issuer's website is provided to the holders of +ordinary securities; and

(c) if requested by a holder of +ordinary securities, send to the holder a hard copy of the report on the transaction from an independent expert, at no cost to the holder, and ensure holders are notified of this option in the notice of meeting.

Issue of securities to related issuers

14.14	An issuer must obtain the approval of holders of +ordinary securities prior to issuing or agreeing to issue +equity securities to any of the following +persons:	Introduced 03/07/2023
14.14.1	A +related party; or	Introduced 03/07/2023
14.14.2	A +person whose relationship with the issuer or a +related party is, in PNGX's opinion, such that approval should be obtained.	Introduced 03/07/2023

Exceptions to Rule 14.14

14.15	Rule 14.14 does not apply to any of the following:	Introduced 03/07/2023
Exception 1	The +person receives the +securities under a +pro rata issue.	Exception 1 only applies to securities taken up as part of a pro rata issue. It does not apply to a person taking up all or part of the shortfall of a pro rata issue. For example, a director who has taken up their entitlement in a pro rata issue cannot take up shortfall securities under this exception, even if the shortfall is allocated on a pro rata basis to those participating in the shortfall. An issue is still treated as a pro rata issue under this Rule if offers are not sent to overseas security holders in accordance with the Listing Rules. Introduced 03/07/2023
Exception 2	The +person receives the +securities under an underwriting agreement in relation to a +pro rata issue, provided that the +person receives the +securities not later than 10 +business days after close of the offer and the terms of the underwriting were included in offer documents sent to holders of +ordinary securities.	Note: Exception 2 only applies to the issue to an underwriter under an underwriting agreement of the securities comprising the shortfall from a pro rata issue to holders of ordinary securities. It does not apply to any other issue of securities to the underwriter under an underwriting agreement (for example, in payment of an underwriting fee or other amount due under an underwriting agreement).

Introduced 03/07/2023

Exception 3	The +person receives the +securities under a +dividend plan. Exception 3 is only available where the +dividend plan does not impose a limit on participation other than as permitted by Rule 11.7 Condition 3(b).	Note: Exception 3 only applies where there is no limit on participation under the dividend plan and security holders are able to elect to receive all of their dividend as securities. Note: Rule 14.23 prohibits related parties or their associates from underwriting a dividend plan. Introduced 03/07/2023
Exception 4	An issue of +securities under an +employee incentive scheme made with the approval of holders of +ordinary securities under Rule 14.20	Introduced 03/07/2023
Exception 5	An option agreement or other rights to +acquire +securities under an +employee incentive scheme, where the +securities to be +acquired on the exercise of the option agreement or in satisfaction of the rights are required by the +terms of the scheme to be purchased +on-market (as referred to in Rule 14.21)	Exception 5 does not apply to on-market purchases of securities of the type referred to in Listing Rule 14.21 Exception 1. Such purchases do not involve an issue of shares. They therefore are not caught by Listing Rule 10.14and no exception to that Rule is needed in relation to them. Introduced 03/07/2023
Exception 6	The +person receives the +securities under +takeover offer.	Introduced 03/07/2023 Amended 18/09/2023
Exception 7	The +person receives the +securities on the +conversion of +convertible securities on the condition that: (a) the issuer issued the +convertible securities before initial +quotation; or (b) the issuer complied with the Listing Rules when it issued the +convertible securities.	Introduced 03/07/2023
Exception 8	An issue of +securities under a +securities purchase plan on condition that: (a) a +securities purchase plan issue is only made once in any 12 month period; (b) the number of +securities to be issued is not greater than the Annual New Issue Limit applicable under Rule 11.1.1; and (c) the issue price of the +securities is at least 80% of the +volume weighted average market price for +securities in that +class, calculated over the last 5 days on which sales in the +securities were recorded, either before the day on which the issue was announced or before the day on which the issue was made.	Introduced 03/07/2023
Exception 9	An issue under an agreement to issue +securities. The issuer must have complied with the Listing Rules when it entered into the agreement to issue the +securities.	Introduced 03/07/2023
Exception 10	An agreement to issue +equity securities that is conditional on holders of +ordinary securities approving the issue before the	Introduced 03/07/2023

issue is made. If an issuer relies on this exception it must not issue the +equity securities without approval.

Prior consultation with PNGX

14.16	Before issuing or agreeing to issue +equity securities to any +persons to who Rule 14.14 may apply, an issuer may seek the written opinion of PNGX on whether approval is required under Rule 14.14. The issuer must give PNGX complete details of the transaction. PNGX will only be bound by its written opinion if the details given to it remain materially unchanged at the time of the transaction.	This Rule allows an issuer to ensure that it does not breach Rule 14.14. Introduced 03/07/2023
14.17	If an issuer does not have a written opinion from PNGX that approval is not required under Rule 14.14, PNGX may require the issuer to take corrective action for a breach of Rule 14.14.	Introduced 03/07/2023

Corrective action for a breach

14.18	If an issuer breaches Rule 14.14, PNGX may require it to take corrective action. The corrective action, at the option of the issuer, is either of the following:	Introduced 03/07/2023
14.18.1	Cancelling the +equity securities (or arranging for their cancellation); or	Introduced 03/07/2023
14.18.2	Seeking the approval of holders of +ordinary securities to the transaction under Rule 14.14. If approval is not obtained, the issuer must cancel the +equity securities (or arrange for their cancellation).	Introduced 03/07/2023

Notice of meeting requirements

14.19	The notice of meeting under Rules 14.14 or 14.18 must include each of the following:	Introduced 03/07/2023
14.19.1	a +voting exclusion statement stating that any votes of a +person who has participated, or is to participate, in the issue are to be disregarded;	Introduced 03/07/2023
14.19.2	The name of the +person to who the +equity securities are to be, or have been, issued;	Introduced 03/07/2023
14.19.3	The maximum number of +securities to be issued (if known) or the formula for calculating the number of securities to be +issued to the +person;	Introduced 03/07/2023

14.19.4	The date by which the issuer will issue the +securities, which must not be more than 1 month after the date of the meeting;	Introduced 03/07/2023
14.19.5	If the +person is not a director, a statement of the relationship between the +person and the director that requires the approval to be obtained;	Introduced 03/07/2023
14.19.6	The issue price of the +securities and a statement of the terms of the issue;	Introduced 03/07/2023
14.19.7	The intended use of the funds raised; and	Introduced 03/07/2023
14.19.8	A statement that the issue price is fair value having regard to all information known to the +person or publicly available.	Introduced 03/07/2023

Acquisition of securities by directors under an employee incentive scheme

14.20	An issuer must not permit any of the following +persons to +acquire +securities under an +employee incentive scheme without the approval of holders of +ordinary securities of the +acquisition:	An acquisition of securities by a director's private company or family trust will generally be caught by Rule 14.20.2 or 14.20.3. Where a single person who fits into a category of persons covered by the Rule is to participate in a scheme which is an employee incentive scheme for the purposes of the Rule, the issuer must seek approval under this Rule. The issue of shares following the exercise of options which have been issued under an employee incentive scheme is not regarded as the acquisition of securities under the scheme. Introduced 03/07/2023
14.20.1	A director of the issuer;	Introduced 03/07/2023
14.20.2	An +associate of a director of the issuer; or	Introduced 03/07/2023
14.20.3	A +person whose relationship with the issuer or a +person referred to in Rules 14.20.1 or 14.20.2 is, in PNGX's opinion, such that approval should be obtained.	Introduced 03/07/2023

Exceptions to Rule 14.20

14.21	Rule 14.20 does not apply to any of the following:	Introduced 03/07/2023
Exception 1	+Securities purchased +on-market by or on behalf of directors or their +associates under an +employee incentive scheme where the +terms of the scheme permit such purchases.	Note: On-market purchases of securities by or on behalf of directors or their associates under an employee incentive scheme, or to satisfy the entitlements of directors or their associates under options or other rights to acquire securities granted under an employee incentive scheme, are required to be notified to the market under Chapter 10. They will also generally form part of the

		remuneration of directors and will therefore be disclosed in an issuer's remuneration report. They are excluded from Rule 14.20 on the basis that they do not dilute the interests of other security holders and, because they are effected at market prices, do not raise the same concerns about pricing as an issue of securities. Introduced 03/07/2023
Exception 2	The grant of option agreements or other rights to +acquire +securities to directors or their +associates under an +employee incentive scheme, where the +securities to be +acquired on the exercise of the option agreement or in satisfaction of the rights are required by the +terms of the scheme to be purchased +on-market.	Introduced 03/07/2023

Notice of meeting requirements

14.22	The notice of meeting under Rule 14.20 must include each of the following:	Introduced 03/07/2023
14.22.1	a +voting exclusion statement stating that any votes of any director of the issuer who is eligible to participate in the +employee incentive scheme in respect of which the approval is sought are to be disregarded;	Introduced 03/07/2023
14.22.2	If the +person is not a director, statement of the relationship between the +person and the director that requires the approval to be obtained;	Introduced 03/07/2023
14.22.3	The maximum number of +securities that may be +acquired by all +persons for whom approval is required, including the formula (if one is used) for calculating the number of +securities to be issued;	Introduced 03/07/2023
14.22.4	The price (including a statement whether the price will be, or be based on, the +volume weighted average market price or +closing market price), or the formula for calculating the price, for each +security to be +acquired under the scheme;	Introduced 03/07/2023
14.22.5	The names of all +persons referred to in Rule 14.20 who received +securities under the scheme since the last approval, the number of the +securities received, and +acquisition price for each +security;	Introduced 03/07/2023
14.22.6	The names of all +persons referred to in Rule 14.20 entitled to participate in the scheme;	Introduced 03/07/2023
14.22.7	The terms of any loan in relation to the +acquisition;	Introduced 03/07/2023
14.22.8	The date by which the issuer will issue the +securities, which must be no later than 3 years; and	Introduced 03/07/2023

14.22.9 A statement to the effect that — Introduced 03/07/2023

a) details of any +securities issued under the +employee incentive scheme will be published in each +annual report of the issuer relating to a period in which +securities have been issued, and that approval for the issue of +securities was obtained under Rule 14.20; and
b) any additional +persons who become entitled to participate in the +employee incentive scheme after the resolution was approved and who were not named in the notice of meeting will not participate until approval is obtained under Rule 14.20.

No Dividend Plan Underwriting by Directors or Associates

14.23 An issuer must not permit any of the following persons to underwrite a +dividend plan: — Introduced 03/07/2023

(a) A director of the issuer;
(b) An +associate of a director of the issuer; or
(c) A +person whose relationship with the issuer or a +person referred to (a) or (b) is, in PNGX's opinion, such that the +person should not underwrite the plan.

Payments to Directors

14.24 An issuer must not increase the total aggregate amount of +directors' fees payable to all of its +non-executive directors without the approval of holders of its +ordinary securities. — Introduced 03/07/2023

14.25 The total amount of +directors' fees paid to the directors of an issuer by the issuer or any of its +child entities must not exceed the total amount of +directors' fees approved by the holders of its +ordinary securities under Rule 14.24 — Introduced 03/07/2023

Exceptions to Rule 14.24 and 14.25

14.26 Rules 14.24 and 14.25 do not apply to any of the following: — Introduced 03/07/2023

Exception 1 director's fees paid to a +non-executive director of a +child entity who is not also a director of the issuer; — Introduced 03/07/2023

Exception 2 the remuneration of an +executive director. However, an +executive director's remuneration must not include a commission on, or percentage of, operating revenue. — Introduced 03/07/2023

Notice of meeting requirements

14.27 The notice of meeting under Rule 14.24 must include each of the following: Introduced 03/07/2023

(a) the amount of the increase;
(b) the maximum aggregate amount of +directors' fees that may be paid to all of the issuer's +non-executive directors;
(c) details of any +securities issued to a +non-executive director under Rules 14.14 and 14.20 with the approval of the holders of the issuer's +ordinary securities at any time within the preceding 3 years;
(d) +Securities purchased +on-market by or on behalf of directors or their +associates under an +employee incentive scheme where the +terms of the scheme permit such purchases at any time within the preceding 3 years; and
(e) a +voting exclusion statement stating that any votes of a director of the issuer are to be disregarded.

Termination benefits for officers

14.28 An issuer must ensure that, without the approval of holders of +ordinary securities, no +officer of the issuer or any of its +child entities will be, or may be, entitled to +termination benefits if the value of those benefits and the +termination benefits that are or may become payable to all +officers together exceed 5% of the +equity interests of the issuer as set out in the latest audited or reviewed +accounts given to PNGX under the Listing Rules. Introduced 03/07/2023

14.29 An issuer must ensure that no +officer of the issuer or of any of its +child entities will be entitled to +termination benefits (or any increase in them) if a change occurs in the shareholding or control of the issuer or +child entity. Introduced 03/07/2023

Notice of meeting requirements

14.30 The notice of meeting under Rule 14.28 must include each of the following: Introduced 03/07/2023

(a) the value of the benefits and the +termination benefits that are or may become payable to all +officers;

(b) the circumstances in which the +termination benefits are or may become payable; and

(c) a +voting exclusion statement stating that any votes of an +officer of the issuer or any of its +child entities who is entitled to participate in a +termination benefit are to be disregarded.

Chapter 15 – Major Transactions

Explanatory note

This Chapter sets out the requirements that an issuer must satisfy if it proposes a major change to its activities or to separately list significant assets.

Major Transactions

15.1 An issuer shall not enter into a +major transaction unless the transaction is–

a) approved by +special resolution; or
b) contingent on approval by +special resolution.

A company considering an acquisition which falls within the scope of this Rule 15.1 should also consider whether the acquisition would constitute a backdoor listing.

Section 110 of the Companies Act also requires approval of a major transaction.

Introduced 03/07/2023

15.2 For the purpose of Rule 15.1, separate transactions will be aggregated if, in PNGX's opinion, they form part of the same commercial transaction.

Introduced 03/07/2023

Notice of meeting requirements

15.3 A notice of meeting for the purpose of Rule 15.1 must include a +voting exclusion statement stating that any votes of a +person who might obtain a benefit, except a benefit solely in the capacity of a holder of +ordinary securities, if the resolution is passed are to be disregarded.

Introduced 03/07/2023

Prior consultation with PNGX

15.4 If an issuer proposes to enter into a +major transaction under Rule 15.1, either directly or indirectly, it must provide full details to PNGX as soon as practicable. It must do so in any event before making the entering into the +major transaction. The following Rules apply in relation to the +major transaction:

Introduced 03/07/2023

15.4.1 The issuer must give PNGX information regarding the +major transaction and its effect on future potential earnings, and any other information that PNGX asks for. PNGX will only be bound by its written opinion if the details given to it remain materially unchanged at the time of the transaction.

Introduced 03/07/2023

15.4.2 If PNGX requires, an issuer acquiring assets as a consequence of a +major transaction must meet the +backdoor listing requirements in Chapter 16.

Note: An issuer disposing of assets as a consequence of a major transaction must give consideration to its ongoing obligations under Rules 20.3 to 20.9 following completion of the major transaction.

Introduced 03/07/2023

Suspension pending a major transaction

15.5 PNGX may suspend +quotation of the issuer's +securities until the issuer has satisfied the requirements of Rule 15.1 or section 110 of the +Companies Act.

If PNGX suspends quotation of the issuer's securities, the suspension will normally be lifted after receipt of security holders' approval. If approval is not obtained the suspension will normally be lifted after the issuer has confirmed that it will not proceed with the major transaction.

Introduced 03/07/2023

Disposal of assets with intent to list

15.6 An issuer must not +dispose of a major asset if, at the time of the +disposal, it is +aware or ought reasonably be +aware that the +person acquiring the asset intends to issue or offer +securities with a view to becoming listed. The issuer must do each of the following if one of its +child entities holds the major asset:

a) It must not sell +securities in the +child entity with a view to the +child entity becoming listed; and

b) It must make sure that the +child entity does not issue +securities with a view to becoming listed.

Introduced 03/07/2023

Exceptions to Rule 15.6

15.7 Rule 15.6 does not apply in the following cases:

Introduced 03/07/2023

Exception 1 The +securities, except those to be retained by the issuer or +child entity, are offered pro rata to holders of +ordinary securities in the issuer, or in another way that, in PNGX's opinion, is fair in all the circumstances; or

Introduced 03/07/2023

Exception 2 Holders of +ordinary securities in the issuer approve of the +disposal without the offer referred to in Rule 15.7 Exception 1.

Introduced 03/07/2023

Notice of meeting requirements

15.8 A notice of meeting for the purpose of Rule 15.7 must include a +voting exclusion statement stating that any votes of a +person who might obtain a benefit, except a benefit solely in

Introduced 03/07/2023

the capacity of a holder of +ordinary securities, if the resolution is passed are to be disregarded.

Chapter 16 – Backdoor Listings

Explanatory note

This Chapter sets out the obligation to satisfy the requirements of Chapters 1, 2, 3 and 17 if an issuer engages in a backdoor listing.

Issuers should also have regard to Chapters 7 and 15.

Compliance with Chapters 1, 2, 3 and 17

16.1	If Domestic Issuer or a Foreign Issuer proposes to enter into a +backdoor listing then PNGX may, in addition to any other rights and powers it has under these Listing Rules, require it to re-comply with the relevant requirements of Chapters 1, 2, 3 and 17 as if it is a new applicant for admission to the +official list.	Introduced 03/07/2023
16.2	If a Domestic Issuer or a Foreign Issuer proposes to enter into a +backdoor listing then PNGX will, in addition to any other rights and powers it has under these Listing Rules, require it to complete the information required by the +Procedures as if it is a new applicant for admission to the +official list.	Introduced 03/07/2023
16.3	PNGX may suspend +quotation of the Domestic Issuer's or Foreign Issuer's +securities until it has satisfied the requirements of Rule 16.1	Introduced 03/07/2023

Chapter 17 – Corporate Governance

Explanatory note

This Chapter sets out the obligation to adopt and disclose corporate governance practices appropriate for the nature and scale of its operations and consistent with the market expectation to maintain high standards of corporate integrity and accountability.

Corporate Governance Policy

17.1 An issuer must have a corporate governance policy which is appropriate having regard to the nature and scale of its operations and which, at a minimum, addresses each recommendation set out in the +PNGX Corporate Governance Standards.

Introduced 03/07/2023

Corporate Governance Statement

17.2 An issuer must at all times make available on its website a +corporate governance statement which complies with Rule 17.3

Issuers should also have regard to the requirements in Listing Rule 5.20 for inclusion in its Annual Report of a corporate governance statement, or the inclusion of the URL of its corporate governance statement on its website.

Introduced 03/07/2023

17.3 A +corporate governance statement must disclose:

a) If the issuer follows a recommendation set out in the +PNGX Corporate Governance Standards, it must identify how it is followed;
b) If the issuer does not follow a recommendation set out in the +PNGX Corporate Governance Standards it must state its reasons for not following the recommendation and what (if any) alternative governance practices it adopts in lieu of the recommendation;
c) the date at which it is current, which must be the issuer's +balance date or a later date specified by the issuer; and
d) a statement that it has been approved by the board of the issuer.

Issuers should also have regard to the requirements in Listing Rule 5.20 for inclusion in its Annual Report of a corporate governance statement, or the inclusion of the URL of its corporate governance statement on its website.

Introduced 03/07/2023

Trading policy

17.4 An issuer must have a +trading policy that complies with Rule 17.8.

Note: A company with quoted securities as at the Commencement Date is required to have a trading policy within 6 months of the Commencement Date.

Introduced 03/07/2023

17.5 An issuer must give its +trading policy to the +market announcements office for release to the market.

Introduced 03/07/2023

17.6 An issuer must make its current +trading policy available on its website at all times.

Introduced 03/07/2023

17.7 Where an issuer makes a material change to their +trading policy the issuer must give the amended +trading policy to the +market announcements office for release to the market within 5 +business days of the material change taking effect.

Introduced 03/07/2023

Content of trading policy

17.8 At a minimum, an issuer's +trading policy must include the following information:

Introduced 03/07/2023

17.8.1 The issuer's +closed periods;

Introduced 03/07/2023

17.8.2 The restrictions on trading that apply to the issuer's +key management personnel;

Introduced 03/07/2023

17.8.3 Any trading which is not subject to the issuer's +trading policy;

Introduced 03/07/2023

17.8.4 Any exceptional circumstances in which the issuer's +key management personnel may be permitted to trade during a +prohibited period with prior written clearance;

Introduced 03/07/2023

17.8.5 The internal procedures for obtaining prior written clearance for trading under Rule 17.8.4; and

Introduced 03/07/2023

17.8.6 Any additional information set out in the +Procedures.

Introduced 03/07/2023

Nominations for election of Directors

17.9 An issuer must accept nominations for the election of directors up to 30 +business days before the date of a general meeting at which directors may be elected, unless the issuer's constitution provides otherwise.

This Rule applies to meetings called by the issuer of its own accord and to meetings requested under the Companies Act and called by security holders.

Introduced 03/07/2023

Rotation of Directors

17.10 An issuer which has directors must hold an election of directors at each annual general meeting.

Note: This Rule applies even where no director is required to stand for re-election at an annual general meeting under Rule 17.15 or 17.16. An issuer must have at least one director stand for election or re-election at each annual general meeting. If it is not having a new director stand for election under Rule 17.15 and no director is due to stand for re-election under Rule 17.16, the issuer must select at least one of its existing directors to stand for re-election. Typically an issuer will do this by calling for a volunteer or by drawing lots.

Introduced 03/07/2023

17.11 A director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the issuer.

Introduced 03/07/2023

17.12 A director of an issuer must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer.

Note: This Rule applies from the time of an issuer's admission to the official list. A director appointed prior to the issuer's admission to the official list must not hold office (without re-election) past the third annual general meeting following the issuer's admission to the official list or 3 years following the issuer's admission to the official list, whichever is longer. A director appointed to fill a casual vacancy or as an addition to the board prior to an issuer's admission to the official list is not required to stand for re-election at the next annual general meeting following the issuer's admission to the official list, provided she or he does not hold office past the time limits mentioned in the preceding sentence and the requirements of Listing Rule 14.5 are otherwise met.

Introduced 03/07/2023

Exceptions to Rules 17.11 and 17.12

17.13 Rule17.12 does not apply to a +registered scheme or +foreign MIS.

Introduced 03/07/2023

17.14 Rules 17.11 and 17.12 do not apply to the managing director (but if there is more than one managing director, only one is entitled not to be subject to re-election).

Introduced 03/07/2023

Fit and Proper Directors

17.15 An issuer must have internal processes to:

Issuers should give consideration of the requirements for an Appendix 1E in Rule 612 I relation to any new directors

Introduced 03/07/2023

(a) satisfy itself that each director and proposed director of the issuer is, at all times, fit and proper to be a director: and

(b) satisfy itself that each director, proposed director, +CEO (or equivalent), and company secretary has appropriate experience and expertise for the governance and management of the issuer.

Chapter 18 – Constitutions

Explanatory note

This Chapter sets out the requirements for constitutions of an issuer. Depending upon the type of issuer, the constitution will be known as Articles of Association, Constitution, Trust Deed or similar. The Chapter also addresses management agreements for +registered schemes, +foreign MIS and investment companies.

Requirement for a constitution

18.1 An issuer must have a constitution.

Introduced 03/07/2023

18.2 If an issuer amends its constitution, the constitution (including the amendments) must be consistent with the Listing Rules.

Introduced 03/07/2023

Exceptions to Rule 18.2

18.3 Rule 18.2 does not apply if the issuer's constitution includes the following provisions:

Introduced 03/07/2023

"If the +securities of [issuer] are admitted to the official list of PNGX, the following clauses apply:

Note: Substitute [issuer] and [constitution] with the appropriate term used in your constitution (eg, 'the Company' 'the Trust', 'these Articles', 'this Deed' etc)

Introduced 03/07/2023

1. Notwithstanding anything contained in this [constitution], if the Listing Rules prohibit an act being done, the act shall not be done.
2. Nothing contained in this [constitution] prevents an act being done that the Listing Rules require to be done.
3. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be).
4. If the Listing Rules require this [constitution] to contain a provision and it does not contain such a provision, this [constitution] is deemed to contain that provision.
5. If the Listing Rules require this [constitution] not to contain a provision and it contains such a provision, this [constitution] is deemed not to contain that provision.
6. If any provision of this [constitution] is or becomes inconsistent with the Listing Rules, this [constitution] is deemed not to contain that provision to the extent of the inconsistency.

"PNGX" means PNGX Markets Limited.

"Listing Rules" means the Listing Rules of PNGX and any other Rules of PNGX which are applicable while the issuer* is admitted to the official list of PNGX, each as amended or replaced from time to time, except to the extent of any express written waiver by PNGX."

Director's interests

18.4 The +constitution of a Domestic Issuer must include provisions to the effect that a director who is +interested in a transaction entered into, or to be entered into, by the issuer, may not:

This Rule modifies section 122 of the Companies Act.

Introduced 03/07/2023

(a) vote on a matter relating to the transaction; or

(b) attend that part of a meeting of directors at which a matter relating to the transaction arises and be included among the directors present at that part of the meeting for the purpose of a quorum; or

(c) sign a document relating to the transaction on behalf of the company; or

(d) do any other thing in his capacity as a director in relation to the transaction.

Restricted securities

18.5 An issuer's constitution must provide for each of the following:

Introduced 03/07/2023

18.5.1 +Restricted securities cannot be +disposed of during the escrow period except as permitted by the Listing Rules or PNGX.

Note: If the constitution allows the restricted securities to be disposed of as permitted by the Listing Rules or PNGX, no amendment is needed to permit the transfer of restricted securities if permission is given for that transfer (eg, in the case of a deceased holder of restricted securities or in the cases permitted by Listing Rules 13.11 or 13.14).

Introduced 03/07/2023

18.5.2 The issuer will refuse to acknowledge a +disposal (including registering a transfer) of +restricted securities during the escrow period except as permitted by the Listing Rules or PNGX.

Note: The definition of dispose includes using an asset as collateral.

Introduced 03/07/2023

18.5.3 During a breach of the Listing Rules relating to +restricted securities, or a breach of a restriction agreement, the holder of the +restricted securities is not entitled to any dividend or

Introduced 03/07/2023

distribution, or voting rights, in respect of the +restricted securities.

Divestment of small holdings

18.6	An issuer's constitution must not permit it to sell the +securities of a holder who has less than a +small holding of those +securities unless the constitution provides for each of the following:	Introduced 03/07/2023
18.6.1	The issuer may do so only once in any 12 month period;	Introduced 03/07/2023
18.6.2	The issuer must notify the +security holder in writing of its intention;	Note: In the notification to security holders, care should be taken not to mislead holders as to the nature of holding that is being sold. The fact that a holding is less than a "small holding" for the purposes of the Listing Rules does not mean that the holding is not capable of being sold on PNGX and hence it is potentially misleading to describe the sale as being a sale of an "unmarketable parcel". Introduced 03/07/2023
18.6.3	The +security holder must be given at least 6 weeks from the date the notice is sent in which to tell the issuer that the holder wishes to retain the holding;	Introduced 03/07/2023
18.6.4	If the +security holder tells the issuer under Rule 18.6.3 that the holder wishes to retain the holding, the issuer will not sell it;	Introduced 03/07/2023
18.6.5	The power to sell lapses following the announcement of a +takeover offer. However, the divestment process may be started again after the close of the offers made under the +takeover offer;	Introduced 03/07/2023 Amended 18/09/2023
18.6.6	The issuer or the purchaser must pay the costs of the sale; and	Introduced 03/07/2023
18.6.7	The proceeds of the sale will not be sent until the issuer has received any certificate relating to the +securities (or is satisfied that the certificate has been lost or destroyed).	Introduced 03/07/2023

Deemed dividend plan participation by uncontactable shareholders

18.7	An issuer's constitution may deem a +security holder who has been consistently uncontactable to have elected to participate in a +dividend plan in relation to all owing and uncollected dividend payments and all future dividend payments if the constitution provides for each of the following:	Introduced 03/07/2023

18.7.1	The issuer must notify the +security holder in writing of its intention by: **a)** notice to the last known +communication address of the +security holder; and **b)** placement of at least one appropriate notice in a nationally circulating daily newspaper.	Introduced 03/07/2023
18.7.2	The +security holder must be given at least 6 weeks from the date the notice is sent in which to tell the issuer that the holder does not wish to participate in the +dividend plan;	Introduced 03/07/2023
18.7.3	If the +security holder tells the issuer under Rule 18.7.2 that the holder does not wish to participate in the +dividend plan, the holding will not participate;	Introduced 03/07/2023
18.7.4	The power to participate lapses following the announcement of a +takeover offer. However, participation may be started again after the close of the offers made under the +takeover offer;	Introduced 03/07/2023 Amended 18/09/2023
18.7.5	A definition of a +security holder who has been consistently uncontactable which is to the effect that dividend payments have remained uncollected by the +security holder for a period of at least 3 consecutive years.	Dividend payments remaining uncollected may be either unbanked cheque payments or undeliverable electronic funds transfers. Introduced 03/07/2023

Registered schemes and foreign MIS

18.8	A +registered scheme or +foreign MIS must not have a provision in its constitution which permits members to wholly or partly withdraw.	Note: Section 257 of the Capital Market Act permits a registered scheme to have a provision in its constitution which permits members to wholly or partly withdraw. This Rule prohibits such a provision. Introduced 03/07/2023

Management Agreements

18.9	A management agreement for an +investment company, +registered scheme or +foreign MIS must provide for each of the following:	Introduced 03/07/2023
18.9.1	The +investment manager may only end the management agreement if it has given at least 3 months' notice;	Introduced 03/07/2023
18.9.2	If the term of the management agreement is not fixed, it must be able to be terminated on 3 months' notice after an ordinary resolution is passed to end it;	Introduced 03/07/2023
18.9.3	If the term of the management agreement is fixed, it must not be for more than 5 years: and	Introduced 03/07/2023

18.9.4 If the management agreement is extended past 5 years, it may be ended on 3 months' notice after an ordinary resolution is passed to end it. Introduced 03/07/2023

Chapter 19 – Meetings of Security Holders

Explanatory note

This Chapter sets out the requirements for meetings of security holders. There are other obligations set out in specific Rules relating to notices of meetings throughout these Listing Rules

Approval usually means ordinary resolution

19.1	A requirement in the Listing Rules for approval by +security holders means approval by ordinary resolution at a general meeting of the holders of +ordinary securities unless a +special resolution is otherwise specified.	Introduced 03/07/2023 Note: section 245 of the Capital Market Act requires that a special resolution of a registered scheme be conducted by a poll.

Content of notice

19.2	If a Rule requires a notice of meeting to include information, that information may be in the notice or may accompany the notice.	Introduced 03/07/2023
19.3	The approval of +security holders is not effective for the purpose of the Listing Rules unless the notice of meeting includes everything that the relevant Rule requires it to include and the issuer complies with Rule 19.6	Introduced 03/07/2023
19.4	An issuer must propose a separate resolution in a notice of meeting on each substantially separate issue.	Introduced 03/07/2023
19.5	An issuer must include a summary of the voting procedures in each notice of meeting.	Introduced 03/07/2023

Compliance with statements in a notice of meeting

19.6	If an issuer states in a notice of meeting that it will do something that the Listing Rules require it to do, the issuer must do that thing. If the thing is to be done by another +person, the issuer must take all reasonable steps to ensure that the other +person does it.	Introduced 03/07/2023

Depository Interests

19.7	If an +issuer has +DIs issued over its +securities, it must allow +DI holders to attend any meeting of holders of the +underlying securities unless the laws of the jurisdiction in which the issuer is established prevent the +DI holders attending the meeting.	Introduced 03/07/2023

Proxy forms

19.8 A notice of meeting must include a proxy form.

Introduced 03/07/2023

19.9 The proxy form must, in respect of each resolution, provide for the +security holder to direct the proxy:

(a) to vote for the resolution;
(b) to vote against the resolution; or
(c) to abstain from voting on the resolution.

The form may also provide that in the absence of such a direction the proxy is authorised to vote or abstain from voting on any resolution in their discretion.

Introduced 03/07/2023

19.10 The proxy form must, in respect of each resolution, allow for the +security holder to:

(a) not cast all their votes; and
(b) cast their votes in different ways on a poll.

In the case of a registered scheme, section 244 of the Capital Market Act also applies.

Note: there is no provision in the Companies Act for a security holder to cast their votes in different ways in respect of different numbers of shares held by it. An issuer may need to include appropriate provisions in its constitution to facilitate voting in this manner.

Example: On a resolution, a security holder which is a nominee or custodian may vote 20% of their votes in favour of the resolution, 70% against and 10% abstention.

Introduced 03/07/2023

19.11 If the proxy form specifies that the Chair of the meeting is appointed as proxy if the +security holder does not appoint another person to act as the +security holder's proxy or the Chair is appointed proxy by default, the form must also include a statement as to how the Chair of the meeting intends to vote undirected proxies.

An issuer may wish to include in a proxy form an acknowledgement to the effect that the statement as to how the Chair of the meeting intends to vote undirected proxies necessarily expresses the Chair's intention at a particular point in time and that, in exceptional circumstances, the Chair's intention may change subsequently. If there is a change to how the Chair intends to vote undirected proxies, PNGX would expect the issuer to make an immediate announcement to the market stating that fact and explaining the reasons for the change.

Introduced 03/07/2023

Voting exclusion statement

19.12 If a Rule requires a notice of meeting to include a +voting exclusion statement, the notice of meeting must contain a statement to the following effect:

The issuer will disregard any votes cast in favour of the resolution by or on behalf of:

- *the (named) person (or class of persons) excluded from voting; or*
- *an +associate of that person (or those persons).*

Introduced 03/07/2023

However, the issuer need not disregard a vote if:

- *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or*
- *it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

19.13 The +persons excluded from voting must be named in the notice of meeting. Introduced 03/07/2023

19.14 Notwithstanding anything else in these Listing Rules, PNGX may identify a +person whose votes, in its opinion, should be disregarded despite the notice of meeting having been sent out. If so, the votes of that +person must also be disregarded. The provisions of Rules 19.3 and 19.6 apply (with necessary adaptation). Introduced 03/07/2023

Scrutinising votes

19.15 If PNGX asks, an issuer must appoint its auditor, or another +person selected with the approval of PNGX, as scrutineer to decide the validity of votes cast at a general meeting and whether the votes that should have been disregarded were disregarded. Introduced 03/07/2023

Auditor to attend

19.16 An issuer must arrange for its auditor, or another suitably qualified member of the audit team that conducted the audit and is in a position to answer questions about the audit, to attend the annual meeting, or any other meeting of +security holders at which an audit report is considered, and allow the auditor to be heard at the meeting on any part of the business of the meeting that concerns the auditor in their capacity as auditor. Introduced 03/07/2023

Chapter 20 – Miscellaneous On-going requirements

Explanatory note

This Chapter sets out other miscellaneous ongoing requirements that must be met by an issuer.

Debt Issuers should also have regard to Chapter 22
Exempt Issuers should also have regard to Chapter 23

Provision of complete and accurate information

20.1 The issuer must ensure that all information given by or on behalf of it to PNGX is complete, accurate and not misleading.

Under section 420(2) of the Companies Act every director or employee of an issuer who makes or furnishes, or authorizes or permits the making or furnishing of, a statement or report to PNGX that relates to the affairs of the issuer and that is false or misleading in a material particular, knowing it to be false or misleading, commits an offence.

Under section 458 of the Capital Market Act, a person who with intent to deceive, makes or furnishes knowingly authorises or permits the making or furnishing of any false or misleading statement to PNGX relating to the affairs of a issuer is guilty of an offence.

Introduced 03/07/2023

20.2 The issuer must ensure that if it becomes +aware that information previously given by or on behalf of it to PNGX was incomplete, inaccurate or misleading, it notifies PNGX and provides complete and accurate information promptly and without delay.

Introduced 03/07/2023

Financial Condition

20.3 An issuer's financial condition (including operating results) must, in PNGX's opinion, be adequate to warrant the continued +quotation of its +securities and its continued listing.

Composition of the balance sheet, relative size of liabilities to assets and access to funds are some of the indicators of an issuer's financial condition.

Introduced 03/07/2023

Proportion of assets in cash

20.4 If half or more of an issuer’s total assets is cash or near-cash, PNGX may suspend +quotation of the issuer’s +securities until it invests those assets or uses them for the issuer’s business.

Introduced 03/07/2023

Exceptions to Rule 20.4

20.5	Rule 20.4 does not apply to the following:	Introduced 03/07/2023
Exception 1	A bank or a non-bank financial institution;	Introduced 03/07/2023
Exception 2	An +investment company, unless PNGX decides otherwise;	Introduced 03/07/2023
Exception 3	A +mining exploration issuer, unless PNGX decides otherwise;	Introduced 03/07/2023
Exception 4	An +oil and gas exploration issuer, unless PNGX decides otherwise; or	Introduced 03/07/2023
Exception 5	A +special purpose acquisition company which is in compliance with Chapter 7.	Introduced 03/07/2023

Level of spread

20.6	An issuer must maintain a spread of +security holdings and a +free float in its +main class which, in PNGX's opinion, is sufficient to ensure that there is an orderly and liquid market in its +securities. If +DIs are issued over +securities in the +main class, holders of +DIs will be included.	This Rule ensures that an issuer has enough holders in its main class of securities. If the issuer also has another class quoted, and the number of holders in that other class falls below the number needed for quotation of it, PNGX may end quotation of that class. Introduced 03/07/2023
20.7	If PNGX requires the issuer to obtain sufficient spread, the issuer must do each of the following. (a) Obtain the required spread within 3 months after the date PNGX requires it to do so; and (b) Tell all holders of its +quoted +securities in writing that if the required spread is not obtained within 6 months after the date when PNGX requires the issuer to obtain it, PNGX may suspend +quotation of the issuer's +securities. The issuer must tell the holders in writing within 10 +business days after the date PNGX requires it to obtain the spread.	Introduced 03/07/2023
20.8	The requirements of Rule 20.6 are not met if the spread is obtained by artificial means	Examples: The following ways of obtaining spread are examples of artificial means. • Giving shares away. • Offering non-recourse loans to prospective shareholders to acquire their shares. • Using combinations of nominee companies and names.

Introduced 03/07/2023

Appropriate structure and operations

20.9 An issuer's structure and operations must be appropriate for a issuer.

When deciding if an issuer's structure and operations are appropriate for that issuer to be listed, one matter that PNGX may have regard to is the principles on which the Listing Rules are based.

Note: The variable interest issuer (“VIE”) structure is typically adopted by companies in the People’s Republic of China (“PRC”) operating in industries subject to PRC Government restrictions on foreign investment that are seeking to list on foreign markets. The adoption of VIE structures currently introduces a number of risks for investors. PNGX is of the view that the VIE structure is not an appropriate structure for a listee on the PNGX market. Accordingly, VIE structures will not satisfy the requirements of Rule 20.9.

Introduced 03/07/2023

Individuals responsible for communications with PNGX

20.10 The issuer must tell PNGX of any change in the competent individuals responsible for communication with PNGX in relation to Listing Rules matters.

Note: For many issuers the company secretary will be an appropriate person to be responsible for liaison with PNGX, although this may not always be the case, taking into account the structure of the issuer. PNGX expects that the person will have a high degree of familiarity with an issuer’s operations or have ready access to senior management who have responsibility for day to day management of the issuer.

An issuer may nominate more than one person to be responsible for communication with PNGX but at any time at least one of the persons nominated must be available to PNGX.

The nomination of such a person is for administrative convenience only and does not in any way abrogate the responsibility that lies on the issuer under the Listing Rules.

Introduced 03/07/2023

Change of admission category

20.12	PNGX may at any time change an issuer's admission category to another category. It may do so on the request of the issuer or of its own accord. PNGX is not required to act on the issuer's request or may require conditions to be satisfied before it will act on the request. Following advice of the change, the issuer must comply with the Listing Rules applicable to an issuer in the new category.	Introduced 03/07/2023

Chapter 21 - Transfers and registration

Explanatory note

This Chapter sets out the requirements that must be met for satisfactory transfer and registration processes to operate.

Transfers are currently paper-based.

Issuer must maintain register

21.1 An issuer must maintain a register of +security holders for all +securities. Introduced 03/07/2023

Certificates and holding statements

21.2 An issuer must send a +securities holder on their register an +opening balance statement for a new holding on that register. It must do so within 5 +business days after the holding is created. The statement must include: Introduced 03/07/2023

(a) description of +security;
(b) issue date;
(c) maturity date;
(d) number of +securities;
(e) name and address of holder; and
(f) if the security is a +debt security:
    a. interest rate; and
    b. interest payment dates.

21.3 An issuer must send +securities holders a +routine transaction statement. The statement must set out the changes to the holding since the last +routine transaction statement (or +opening balance statement). A change includes a change that arises in any of the following ways: Introduced 03/07/2023

(a) a transfer;
(b) expiry of a +convertible security; and
(c) maturity of a +debt security.

21.4 The issuer must send the +routine transaction statement within 5 +business days after the end of the month in which there is a change. This Rule does not apply if either of the following is satisfied:

(a) the issuer has already sent a +routine transaction statement to the +security holder and there were no changes to the holding during the month except the changes set out in that +routine transaction statement; or

(b) all +securities are moved into another holding and a +routine transaction statement for the other holding sets out the changes to both holdings.

Change of address of ~~debt~~ securities holder

21.5 An issuer must, within 5 +business days of a request to change the +communication address of a +securities holder, send a confirmation of the change to the +securities holder at both the new +communication address and the old +communication address.

The purpose of rule 7.5 is fraud prevention.

Introduced 03/07/2023

Exception to rules 21.2 to 21.5

21.6 Rules 21.2 to 21.5 do not apply to + securities held on a Central Securities Depository.

Note: A Central Securities Depository is the security holder of the debt issuer. The responsibilities set out in Rules 21.2 to 21.5 are contractual responsibilities between the Central Securities Depository and the security holder and outside the scope of these Rules.

Introduced 03/07/2023

No interference with transfer of securities

21.7 A debt issuer must not in any way prevent, delay or interfere with the registration of a transfer document relating to tradable +securities except in accordance with Listing Rule 21.8:

Note: Any restrictions on ownership of securities must be addressed by way of divestment in accordance with these Listing Rules.

Introduced 03/07/2023

21.8 An issuer must refuse to register a transfer in any of the following circumstances:

(a) a transfer document is not a proper instrument of transfer;

(b) the issuer has a lien on the +securities under Listing Rule 3.26;

(c) the issuer is served with a court order that restricts the holder's capacity to transfer the +securities;

Example: Refer to the *Securities Commission (Wholesale Corporate Bonds excluded issues and offers) Order, 2022*. If ownership or registration of securities is restricted to a class or classes of persons pursuant to the Capital Market Act (including any order given there under) or any other PNG law, the issuer must refuse to register a paper-based transfer document which would otherwise result in the restricted person being registered. For example, a retail investor who would be registered as a holder

(d) ownership or registration of the securities is restricted to a class or classes of persons pursuant to the Capital Market Act (including any order given there under);
(e) registration of the transfer breaks a PNG law;
(f) a law related to stamp duty prohibits the issuer from registering it; or
(g) the holder has agreed in writing to the application of a +holding lock or that the issuer may refuse to register a transfer.

of debt securities restricted to wholesale or sophisticated investors only.

Note: Rule 21.8(g) requires the written agreement of all registered joint holders.

Introduced 03/07/2023

21.9 If the issuer refuses to register a transfer under Listing Rule 21.8, it must tell the lodging party in writing of the refusal and the reason for it. The issuer must do so within 5 +business days after the date on which the transfer was lodged.

Introduced 03/07/2023

21.10 If the issuer applies a +holding lock under Rule 21.8, the issuer must tell the holder of the +securities in writing of the +holding lock and the reason for it. It must do so within 5 +business days after the date on which it asked for the +holding lock.

Introduced 03/07/2023

21.11 An issuer must not require a statutory declaration or other document in connection with ownership restrictions of its +securities before it will register a transfer document.

Introduced 03/07/2023

Fees for registering transfers etc

21.12 An issuer must not charge a fee for any of the following:

(a) Registering transfer documents;
(b) Splitting certificates renunciations and transfer forms;
(c) Effecting shunts between registers;
(d) Issuing certificates and transmission receipts; or
(e) Noting transfer forms.

Introduced 03/07/2023

21.13 An issuer may charge a reasonable fee for any of the following:

(a) Issuing a certificate to replace one that is lost or destroyed; or
(b) Marking a transfer form or marking a renunciation and transfer form within 2 +business days after the form is lodged.

Introduced 03/07/2023

Office hours at places where transfers are lodged

21.14 An issuer must ensure that every office at which transfers of its +securities may be lodged for registration is open every +business day. Introduced 03/07/2023

Transfer markings

21.15 An issuer can accept transfer markings carried out by anyone that PNGX approves for this purpose. Introduced 03/07/2023

Miscellaneous transfer time limits

21.16 An issuer must comply with the time limits set out in the +Procedures. Introduced 03/07/2023

Chapter 22 – Ongoing obligations of Debt Issuers

Explanatory note

This Chapter sets out the ongoing obligations of Debt Issuers.

Unless stated otherwise, a Debt Issuer is not required to comply with any other Rule unless PNGX notifies the issuer that it must comply with any other Rule.

Ongoing compliance with Listing Rules

22.1 A Debt Issuer must comply with:

Introduced 03/07/2023

Amended 18/09/2023

(a) Rule 2.5;
(b) Rule 2.9;
(c) Rules 2.13 and 2.14;
(d) Rule 3.1;
(e) Rule 3.25;
(f) Chapter 4;
(g) Rules 5.16 to 5.18;
(h) Rules 6.1.1 and 6.1.5;
(i) Rules 6.10 to 6.13;
(j) Rule 6.17;
(k) Rule 6.20;
(l) Rules 6.19 to 6.23;
(m) Rule 6.25;
(n) Rule 12.12;
(o) Rule 20.3;
(p) Rule 20.10;
(q) Chapter 21;
(r) this Chapter 22;
(s) Rule 24.1.2;
(t) Rule 24.1.4;
(u) Rules 24.4 to 24.11;
(v) Chapter 25;
(w) Chapter 26;
(x) Chapter 27;
(y) Chapter 28; and
(z) Definitions and Interpretations.

22.2 A Debt Issuer is not required to comply with any other Rule unless PNGX notifies the issuer that it must comply with another Rule specified by PNGX.

Introduced 03/07/2023

Amended 18/09/2023

Chapter 23 – Ongoing obligations of Exempt Issuers

Explanatory Note

This Chapter sets out the ongoing obligations of Exempt Issuers.

Unless stated otherwise, an Exempt Issuer is not required to comply with any other Rule unless PNGX notifies the issuer that it must comply with any other Rule.

Ongoing compliance with Listing Rules

23.1	An Exempt Issuer must comply with: (a) Rules 2.1 to 2.4; (b) Rule 2.8; (c) Rule 3.1; (d) Rule 6.11.3; (e) Rule 6.14; (f) Rule 6.16; (g) Rule 6.20; (h) Rule 12.1; (i) Rule 20.10; (j) Chapter 21; (k) this Chapter 23; (l) Rules 24.2 to 24.11; (m) Chapter 25; (n) Chapter 26; (o) Chapter 27; (p) Chapter 28; and (q) Definitions and Interpretations.	Introduced 03/07/2023 Anmended 18/09/2023
23.2	An Exempt Issuer is not required to comply with any other Rule unless PNGX notifies the issuer that it must comply with another Rule specified by PNGX.	PNGX may specify compliance with a PNGX Listing Rule notwithstanding that the Listing Rules (or their equivalent) of its overseas home exchange contain a similar provision Introduced 03/07/2023

Compliance with Home Exchange Rules

23.3	An Exempt Issuer must comply with the Listing Rules (or their equivalent) of its +overseas home exchange.	Introduced 03/07/2023
23.4	An Exempt Issuer must promptly notify PNGX if it has breached any Listing Rules (or their equivalent) of its +overseas home exchange.	Introduced 03/07/2023

23.5	An Exempt Issuer must promptly notify PNGX if it has been granted a waiver from all or part of any Listing Rule (or their equivalent) of its +overseas home exchange.	Introduced 03/07/2023
23.6	An Exempt Issuer must promptly notify PNGX if it has had its securities suspended or its listing terminated by its +overseas home exchange.	Introduced 03/07/2023
23.7	An Exempt Issuer must immediately notify PNGX and request a +trading halt if it has had its securities suspended or otherwise halted by its +overseas home exchange.	Introduced 03/07/2023

Trading Halts, Suspension and Reinstatement on Home Exchange

23.8	An Exempt Issuer must immediately request a +trading halt in respect of its +securities or a +class of them if trading in those +securities or that +class is halted on its +overseas home exchange. The issuer must provide to PNGX the same information in relation to the request as it provides to its +overseas home exchange and all information released to the market on its +overseas home exchange.	Introduced 03/07/2023
23.9	An Exempt Issuer must immediately notify PNGX when a +trading halt in respect of its +securities or a +class of them on its +overseas home exchange has concluded. The issuer must provide to PNGX the same information in relation to the conclusion as it provides to its +overseas home exchange and all information released to the market on its +overseas home exchange.	Introduced 03/07/2023
23.10	An Exempt Issuer must immediately notify PNGX if trading is suspended in respect of its +securities or a +class of them on its +overseas home exchange. The issuer must provide to PNGX the reasons for the suspension on its +overseas home exchange and all information released to the market on its +overseas home exchange.	Introduced 03/07/2023
23.11	An Exempt Issuer must immediately notify PNGX if a suspension in respect of its +securities or a +class of them on its +overseas home exchange is concluded. The issuer must provide to PNGX the same information in relation to the conclusion as it provides to its +overseas home exchange and all information released to the market on its +overseas home exchange.	Introduced 03/07/2023

PNGX to act in unison with Home Exchange

23.12 As a general Rule, subject to the maintenance of an orderly and fair market, PNGX will act in unison with the actions of the +overseas home exchange of an Exempt Issuer. PNGX will apply a +trading halt, suspend +quotation or terminate the listing on the same terms and, to the extent possible, at the same time as the +overseas home exchange.

Introduced 03/07/2023

Chapter 24 – Requirements for documents

Explanatory note

This Chapter set out the requirements for giving documents to PNGX in draft, for release to the market or not for release to the market. It also sets out the obligations of issuers to ensure information is disclosed to the market before providing that information to any other person.

Giving draft documents to PNGX

24.1	An issuer must give PNGX a draft of each of the following documents for examination. The issuer must not finalise the document until PNGX tells it that PNGX does not object to the document.	PNGX will tell the issuer within 5 business days whether it objects, or that it needs more time to examine the document.
24.1.1	Proposed amended constitution.	Note: The draft must be given to PNGX in a way that enables the changes to be readily identified. The amended constitution must be given to the market announcements office after the amendments have been made.
24.1.2	Proposed amended to the document setting out the terms of +debt securities or +convertible debt securities.	The draft must be given to PNGX in a way that enables the changes to be readily identified. The amended document must be given to the market announcements office after the amendments have been made. Example: PNGX will check that the payment date for interest as set out in the draft document complies with the Listing Rules. Introduced 03/07/2023
24.1.3	A document to be sent to persons who are entitled to participate in a new issue under an arrangement or reconstruction.	
24.1.4	A notice of meeting which contains a resolution for an issue of +securities.	
24.1.5	A document to be sent to persons on whose +securities a call is to be made or an instalment is due.	
24.1.6	A document to be sent to persons whose +quoted +options are about to expire.	
24.1.7	A document to be sent to holders of +securities in connection with seeking an approval under the Listing Rules.	Introduced 03/07/2023

Giving final documents to PNGX

24.2 To give a document to PNGX, an issuer must give it:

Introduced 03/07/2023

24.2.1 to the +market announcements office, if any of the following apply:

(a) The document is for release to the market;

(b) PNGX has specified the +market announcements office as the place for giving PNGX the document;

(c) The document is in response to correspondence from the +market announcements office;

(d) The document was sent to holders of the issuer's +securities;

(e) The document is a +prospectus, +takeover offer document, document setting out the terms of +securities; or

(f) The document is an:

i. Appendix 2B;

ii. Appendix 5A, 5B or 5C;

iii. Appendix 6A, 6B or 6C; or

iv. Appendix 10A, 10B or 10C.

Financial statements and annual reports are released to the market.

Note: Draft documents are given to PNGX Compliance.

Note: Rule 24.2.1(f) does not apply to an Exempt Issuer as an Exempt Issuer is not required to comply with the rules from which the obligation to give those appendices derives.

Introduced 03/07/2023

Amended 18/09/2023

24.2.2 to +PNGX Compliance, if any of the following apply:

(a) The document is not for release to the market;

(b) PNGX has specified +PNGX Compliance as the place for giving PNGX the document; or

(c) The document is in response to correspondence from +PNGX Compliance and PNGX has not specified that the response is to be sent to the +market announcements office.

Example: A draft document.

Introduced 03/07/2023

Language of documents

24.3 A document given to PNGX, whether for public release or otherwise, must be in English or accompanied by an English translation.

Introduced 03/07/2023

Method of lodgment of documents

24.4 A document for release to the market must be given to PNGX electronically. This Rule does not apply if the document is in an excluded category referred to in the +Procedures.

PNGX Market Announcements does not receive hand delivered documents.

Introduced 03/07/2023

24.5 A document is taken to be given to PNGX electronically if each of the following requirements are met:

(a) PNGX and the +person giving the document to PNGX have agreed, in writing, that documents of that kind may be given to PNGX and authenticated electronically; and

(b) PNGX receives the document electronically.

Note: If the document is not given to PNGX because the issuer does not comply with the agreement or the requirements, the issuer will be in breach of the Listing Rules that requires the issuer to give the document to PNGX.

Introduced 03/07/2023

24.6 A document given to PNGX must be on the issuer's letterhead, unless a form prescribed by the Listing Rules, a PNG law or a law in the issuer's home jurisdiction is used. The document or form must be dated and authorised by an identified, authorised +officer of the issuer. If a document cannot conveniently be put in letter form, the issuer must give PNGX a covering letter with it.

Example: An annual report or information memorandum would be given to PNGX under cover of a letter.

Introduced 03/07/2023

Documents not for release to the market

24.7 If a document is not for public release, the issuer must prominently mark the document "Not for Public Release" to make that clear. Information in a document that is marked in that way may be released to the market.

Note: PNGX will normally only release information in a document that is given to it and marked not for public release after PNGX has told the issuer that it will do so.

Example: A document marked on the front page "not for public release" meets this requirement.

Introduced 03/07/2023

Issuer not to release information to others before PNGX

24.8 An issuer must not release information that is for release to the market to any +person until it has given the information to PNGX and has received an acknowledgement that PNGX has released the information to the market.

Note: This Rule prohibits an issuer giving information to the media even on an embargoed basis.

Note: Issuers should have regard to Part VII Section 2 of the Capital Market Act relating to insider trading.

Introduced 03/07/2023

Exceptions to Rule 24.8

24.9 Rule 24.8 does not apply if information becomes available outside the hours of operation of the +market announcements

Introduced 03/07/2023

office and the issuer is required to give the information to an overseas stock exchange. In that case, the issuer must give the information to the +market announcements office at the same time, together with advice that it has released it to the overseas stock exchange.

No embargo

24.10 PNGX does not recognise an embargo on a document given to it for public release.

Introduced 03/07/2023

Documents the property of PNGX

24.11 A document given to PNGX by an issuer, or on its behalf, becomes and remains the property of PNGX to deal with as it wishes, including copying, storing in a retrieval system, transmitting to the public, and publishing any part of the document and permitting others to do so. The documents referred to in this Rule include a document given to PNGX in support of a listing application or in compliance with the Listing Rules.

Introduced 03/07/2023

Sending documents to overseas security holders

24.12 A document that is to be sent to an overseas +security holder must be sent by air or electronically, or in another way that ensures it will be received quickly.

Note: This Rule is satisfied either by air mail or email to each holder, or by transport by air of all the documents and surface post to each holder in the country of destination.

Example: A document may be printed and posted in the country of destination at the same time it is printed and posted in PNG.

Introduced 03/07/2023

Chapter 25 – Fees

Explanatory note

This Chapter sets out the obligation to pay fees. The scales of fees and other related matters are published separately in the +Schedule of Fees.

Fees payable by issuers

25.1	An issuer must pay the fees set and published by PNGX in the +Schedule of Fees in the manner that PNGX specifies.	Introduced 03/07/2023
25.2	A fee calculated by reference to +quoted +securities is calculated even if the +quotation of the +security has been deferred, suspended or is subject to a +trading halt.	Introduced 03/07/2023
25.3	A fee calculated by reference to the value of +securities to be +quoted is calculated by reference to the value as set and published by PNGX.	Introduced 03/07/2023

Fees payable for backdoor listings

25.4	If an issuer proposes to enter into a +backdoor listing it must pay the fees set and published by PNGX in the +Schedule of Fees in the manner that PNGX specifies.	Introduced 03/07/2023

Use of a bonds required by Rule 1.9

25.5	PNGX must hold a bond paid in accordance with Rule 1.9 Condition 18 in a trust account.	Introduced 03/07/2023
25.6	PNGX may from time to time adjust the amount of a bond to be payable to PNGX.	Introduced 03/07/2023
25.7	Each bond secures the payment of all amounts payable to PNGX by an issuer under the Rules. PNGX may apply any portion of a bond in payment of monies payable to PNGX by an issuer.	Introduced 03/07/2023
25.8	If PNGX applies a portion of a bond in payment of monies payable to PNGX by an issuer, the issuer must arrange for the bond to be reinstated to its previous amount within the timeframe specified by PNGX.	Introduced 03/07/2023
25.9	PNGX must annually pay any interest earned on the bonds held in the trust account, less any costs of administering the trust account, to either (at the absolute discretion of PNGX): a) the PNGX Compensation Fund; or	The PNGX Compensation Fund is established pursuant to Part IX of the Capital Market Act.

b) the Capital Market Development Fund.

The Capital Market Development Fund is established pursuant to Part XIV of the Capital Market Act.

Introduced 03/07/2023

25.10 PNGX will repay a bond, less any monies owing to PNGX, to the issuer within 3 months of the issuer ceasing to have any +securities admitted to the official list.

Introduced 03/07/2023

Chapter 26 - Trading halts, suspension, removal

Explanatory note

This Chapter deals with trading halts, suspending quotation of an issuer's securities and withdrawal of quotation of securities of an issuer.

If PNGX ends quotation of a class of securities, they are no longer a class of quoted securities. Application for quotation would have to be made again in relation to them, and granted, before they could be quoted again. On the other hand, suspension does not amount to a permanent ending of quotation and does not mean that the securities are not quoted securities.

Securities are not suspended merely because:

(a) transactions in them are interrupted (ie, transactions cannot be effected on the trading platform owing to a system interuption); or

(b) they are subject to a trading halt.

Securities that are suspended, or subject to a trading halt, may be reinstated to quotation without a fresh application.

If quotation of all an issuer's securities ends, the issuer is no longer listed.

Trading halts at issuer's request

26.1 PNGX may grant a +trading halt at the request of an issuer. PNGX may require the request to be in writing. PNGX is not required to act on the issuer's request. The issuer must tell PNGX each of the following:

(a) Its reasons for the +trading halt;

(b) How long it wants the +trading halt to last;

(c) The event it expects to happen that will end the +trading halt;

(d) That it is not +aware of any reason why the +trading halt should not be granted; and

(e) Any other information necessary to inform the market about the +trading halt, or that PNGX asks for.

Trading halts are initiated solely at the request of the issuer. Unlike a suspension, PNGX cannot initiate a trading halt.

Introduced 03/07/2023

26.2 The length of the +trading halt cannot exceed the commencement of normal trading on the fifth +trading day following the day on which it is requested.

Example: On a Monday afternoon a company tells PNGX that it expects an important announcement to be made regarding a major acquisition. Owing to the status of negotiations it is uncertain whether the announcement will be made that day or the following day. The company asks for and is granted a trading halt. The trading halt will operate until the announcement is made or the commencement of trading on the following Monday, whichever occurs sooner.

Introduced 03/07/2023

26.3 PNGX may suspend the +quotation of an issuer's +securities, even if the +securities are subject to a +trading halt. However, if the issuer requested the +trading halt (without PNGX's intervention) to prevent trading in its +securities taking place in an uninformed market, PNGX will not suspend the +quotation of the +securities before the expiry of the +trading halt.

Example: PNGX intervenes by querying a price or volume movement that results in the request for the trading halt.

Introduced 03/07/2023

Trading halts not at issuer's request

26.4 PNGX may impose a +trading halt if PNGX releases an announcement in relation to an +issuer which, in the opinion of PNGX, is market sensitive.

PNGX may implement a halt to trading in securities if it receives an announcement from or about the issuer that it considers to be market sensitive. The purpose of the halt is to allow the market to absorb and react to the information in the announcement. This happens without any involvement of the issuer.

Where PNGX implements a trading halt, the securities are placed into a trading state in which orders can be placed, amended or cancelled, but not traded. Existing orders in the trading platform remain with the same price/time priority and are available for execution when trading resumes after the halt has been lifted.

Note: PNGX does not presently impose a trading halt if PNGX releases an announcement in relation to an issuer which, in the opinion of PNGX, is market sensitive.

Introduced 03/07/2023

Suspension of securities at issuer's request

26.5 PNGX may at any time suspend an issuer's +securities, or a +class of them, from +quotation at the request of the issuer. PNGX may require the request to be in writing. PNGX is not required to act on the issuer's request. The issuer must tell PNGX each of the following:

(a) Its reasons for the suspension;

(b) How long it expects the suspension to last;

Where PNGX implements a suspension, the securities are placed into a trading state in which orders can not be placed, amended, cancelled or traded. Existing orders in the trading platform are purged from the trading platform.

Introduced 03/07/2023

(c) The event it expects to happen that will end the suspension;

(d) That it is not +aware of any reason why its +securities should not be suspended; and

(e) Any other information necessary to inform the market about the suspension, or that PNGX asks for.

Suspension of securities not at issuer's request

26.6	PNGX may at any time suspend an issuer's +securities, or a +class of them, from +quotation if in PNGX's opinion any of the following applies:	Introduced 03/07/2023
26.6.1	The issuer is unable or unwilling to comply with, or breaks, a Listing Rule;	Introduced 03/07/2023
26.6.2	It is necessary to suspend +quotation to prevent a disorderly or uninformed market;	Introduced 03/07/2023
26.6.3	PNGX's Listing Rules require the suspension;	Introduced 03/07/2023
26.6.4	PNGX is directed by +SECOM pursuant to section 21 of the +Capital Market Act;	Introduced 03/07/2023 Amended 18/09/2023
26.6.5	It is appropriate for some other reason; or	Introduced 03/07/2023 Amended 18/09/2023
26.6.6	A dominant owner exercises its right to acquire all outstanding securities in accordance with Part 7 of the +Takeovers and Mergers Code.	Note: Compulsory acquisition occurs in accordance with Part 7 of the Takeovers and Mergers Code. Introduced 18/09/2023

Suspension for failure to lodge documents

26.7	If an issuer fails to give PNGX the documents required by Chapter 5 within the timeframes set out in Chapter 5, PNGX will suspend its +securities from +quotation on the +trading day after the date on which the documents were due.	Note: The issuer's securities are suspended before trading commences. Introduced 03/07/2023
26.8	PNGX will not waive Rule 26.7.	Introduced 03/07/2023

Suspension for failure to pay annual fees

26.9	If PNGX does not receive payment of an issuer's annual fees within 15 +business days after the due date, PNGX will	Introduced 03/07/2023

commence the actions prescribed in the +Procedures on the next +business day.

26.10 PNGX will not waive Rule 26.9.

Introduced 03/07/2023

Reinstatement of securities to quotation

26.11 PNGX may at any time reinstate an issuer's +securities to +quotation.

Note: Reinstatement does not necessarily mean that PNGX accepts that the issuer is complying with the Listing Rules.

Introduced 03/07/2023

Reinstatement after lodging documents

26.12 If an issuer's +securities are suspended under Rule 26.7 for failure to lodge documents, PNGX will normally reinstate +quotation of the +debt securities before the commencement of trading on the day after PNGX receives the documents and any fee payable.

Note: PNGX may decide not to reinstate quotation if the securities should be suspended for another reason.

Introduced 03/07/2023

Reinstatement after payment of annual listing fees

26.13 If an issuer's securities are suspended under Market Rule 26.9 for failure to pay the annual fees, PNGX will normally reinstate the +quotation of the +securities before the commencement of trading on the +business day after it receives the annual fees accrued interest (if any) and any other fees payable.

Note: PNGX may decide not to reinstate quotation if the securities should be suspended for another reason.

Introduced 03/07/2023

Transfer to another PNGX market

26.14 PNGX may at any time transfer the +quotation of all +classes of an issuer's +securities to another market operated by PNGX if any of the following applies:

Introduced 03/07/2023

26.14.1 The issuer requests it. PNGX is not required to act on the issuer's request;

Note: PNGX may require the issuer to advise security holders before transferring to the other market.

Introduced 03/07/2023

26.14.2 The issuer is unable or unwilling to comply with, or breaks, a Listing Rule;

Introduced 03/07/2023

26.14.3 The +securities no longer meet the requirements necessary for +quotation;

Introduced 03/07/2023

26.14.4	If PNGX does not receive payment of an issuer's annual fees within 90 +business days after the due date;	Introduced 03/07/2023
26.14.5	The +securities have been suspended for a period longer than set out in the Procedures; or	Introduced 03/07/2023
26.14.6	It is appropriate for some other reason.	Introduced 03/07/2023

Ending quotation at maturity of debt securities

26.15	PNGX will end the +quotation of a +class of a debt issuer's +debt securities at the close of trading on the 10th +business day prior to and inclusive of the maturity date of the +class.	Example: If maturity is on a Friday then trading will cease at the close of trading on the Monday of the preceding week (assuming there are no intervening non-business days). Introduced 03/07/2023

Ending quotation of equity securities

26.16	PNGX may at any time remove an issuer's +securities from +quotation at the request of the issuer. PNGX may require the issuer to establish the authority of the person making the request. If the issuer has a seal, PNGX may require the request to be under seal. PNGX is not required to act on the issuer's request or may require conditions to be satisfied before it will act on the request.	Note: PNGX may require the issuer to advise security holders before removing an issuer's securities from the official list. Note: Removal is usually effective from the close of business on a date decided by PNGX. Introduced 03/07/2023

Removal from quotation not at the issuer's request

26.17	PNGX may at any time remove an issuer's securities from the +official list if, in PNGX's opinion, any of the following applies:	Introduced 03/07/2023
26.17.1	The +securities no longer meet the requirements for +quotation;	Introduced 03/07/2023
26.17.2	The issuer is unable or unwilling to comply with, or breaks, a Listing Rule;	Introduced 03/07/2023
26.17.3	It is necessary to prevent a disorderly or uninformed market;	Introduced 03/07/2023
26.17.4	PNGX is directed by +SECOM pursuant to section 21 of the +Capital Market Act;	Introduced 03/07/2023
26.17.5	PNGX's Listing Rules or Business Rules require removal from the +official list;	Introduced 03/07/2023

26.17.6	Removal after a long suspension, as prescribed in the +Procedures;	PNGX policy is that removal from the official list after a long suspension is the default action unless there are sufficient reasons not do so Introduced 03/07/2023 Amended 18/09/2023
26.17.7	Removal for failure to pay annual listing fees as prescribed in the +Procedures;	Introduced 03/07/2023 Amended 18/09/2023
26.17.8	It is appropriate for some other reason; or	Introduced 03/07/2023 Amended 18/09/2023
26.17.9	A dominant owner exercises its right to acquire all outstanding securities and that the outstanding security holders must sell their +securities to the dominant owner in accordance with Part 7 of the +Takeovers and Mergers Code.	Note: Compulsory acquisition occurs in accordance with Part 7 of the Takeovers and Mergers Code. Note: If the dominant owner states that holders have the right to sell, as opposed to must sell, in accordance with Part 7 of the Takeovers and Mergers Code, PNGX will make an assessment whether or not an issuer's securities will be removed from the official list based upon factors including, but not limited to, the number of holders remaining after the acquisition period expires, the alternative markets available to remaining holders, and the potential liquidity of the market in the issuer's securities. . Introduced 18/09/2023

When removal from quotation occurs

26.18	If PNGX's decision to remove an issuer's +securities from +quotation is conditional, the +securities are removed after the conditions are met on a date decided by PNGX.	Note: Removal is usually effective from the close of trading on a date decided on by PNGX. Example: PNGX may require an issuer to notify its security holders that it has requested removal and the removal will take place on a set date. Introduced 03/07/2023
26.19	If PNGX's decision to remove an issuer's +securities from +quotation is unconditional, the removal of the issuer' s +securities from the +official list is on a date decided by PNGX.	Note: Removal is usually effective from the close of trading on a date decided on by PNGX. Introduced 03/07/2023
26.20	An issuer will cease to be +listed if it has no +quoted +securities.	Introduced 03/07/2023

Chapter 27 - Application of Listing Rules

Explanatory note

This Chapter deals the administration of the Listing Rules.

All issuers should note that they must comply with these Listing Rules, especially the continuous disclosure obligations, from the date of initial quotation of its securities.

Complying with the Listing Rules

27.1 An issuer must comply with these Rules from the date of initial +quotation of the issuer's +securities. This applies even if +quotation of the +securities is deferred, suspended or subject to a +trading halt.

Section 443 of the +Capital Market Act provides that where a issuer, being a person to whom the Listing Rules apply, fails to comply with or observe the Listing Rules, that +person has committed a breach.

Introduced 03/07/2023

Complying with PNGX requirements

27.2 An issuer must comply with any requirement PNGX imposes on it in order to ensure compliance with the Listing Rules.

Introduced 03/07/2023

Waivers

27.3 PNGX may at any time waive a Listing Rule, or part of a Rule, unless the Rule specifies that PNGX will not waive it. It may do so on any conditions. It may do so on the application of the issuer or of its own accord.

Example: PNGX may waive a Rule of its own accord if an issuer applies for waivers of a number of Listing Rules which PNGX would grant and it becomes apparent that an additional Rule should also be waived.

Introduced 03/07/2023

27.4 If PNGX waives a Listing Rule, or part of a Rule, on a condition, the condition must be complied with for the waiver to be effective.

Introduced 03/07/2023

27.5 PNGX will publish waivers periodically.

Note: Details of waivers granted are usually published on the PNGX website monthly in the form of a waivers register. The waivers register includes the name of the issuer which received the waiver, the terms and conditions of the waiver and brief reasons why it was granted.

If the timing of public disclosure of a waiver is cause for concern (for example, for reasons of commercial sensitivity), the waiver will not be published until such time as it is no longer commercially sensitive to the issuer.

For privacy reasons, the names of individuals who are involved in or affected by a waiver will not generally be published in the waivers register, unless the information is in the public domain. References to such individuals will usually be replaced by generic or anonymous references.

Introduced 03/07/2023

Discretion to take no action

27.6 PNGX may decide to take no action in response to a breach of a Listing Rule. If PNGX takes no action, it is not a waiver of the Listing Rule.

Note: Notwithstanding that PNGX may decide to take no action in response to a breach of a Listing Rule, section 443 of the Capital Market Act provides that where an issuer, being a person to whom the listing Rules apply, fails to comply with or observe the Listing Rules, that person has committed a breach. If a person has committed a breach, SECOM may take action as set out in section 443(3) including:

a) directing the debt issuer to comply with the Listing Rules;
b) a reprimand; or
c) imposing a penalty not exceeding PGK 5,000,000.

Introduced 03/07/2023

PNGX may act in a manner which PNGX considers "appropriate"

27.7 If a Rule provides that PNGX may act in a manner which PNGX considers "appropriate", PNGX is to have regard to its obligations, duties, powers and discretions as an approved stock exchange under section 13 of the +Capital Market Act in deciding whether or not to act, and how to act.

Introduced 03/07/2023

Varying and revoking decisions

27.8 PNGX may at any time vary a decision in any way or revoke it. It may do so on the application of the issuer or of its own accord. The variation or revocation has effect from the date specified by PNGX.

Introduced 03/07/2023

27.9 PNGX will only vary or revoke a decision with effect from the date on which it notifies the issuer of the variation or revocation, unless materially incorrect or incomplete information was given to PNGX in support of the decision. In that case, PNGX may vary or revoke the decision with effect from the date it was made.

Example: This Rule applies to waivers.

Introduced 03/07/2023

Transitional arrangements

27.10	PNGX may publish transitional arrangements in relation to any new or amended Listing Rule. An issuer must comply with the transitional arrangements published by PNGX.	Introduced 03/07/2023

Giving PNGX information to demonstrate compliance

27.11	An issuer must give PNGX any information, document or explanation that PNGX asks for to enable it to be satisfied that the issuer is, has been, and will be complying with the Listing Rules. The issuer must do so within the time specified by PNGX.	Introduced 03/07/2023

Independent Expert Reviews

27.12	PNGX may require an issuer to engage one or more suitably qualified independent experts approved by PNGX to provide to PNGX a report and/or conduct an investigation, within the time frame specified by PNGX, on matters specified by PNGX relating to the compliance by the issuer with these Listing Rules (or any other matter which PNGX considers is appropriate to assist PNGX in the discharge of its functions and responsibilities under these Listing Rules). The issuer must pay for the expert.	Introduced 03/07/2023
27.13	PNGX may engage one or more suitably qualified independent experts selected by PNGX to provide to PNGX a report and/or conduct an investigation, within the time frame specified by PNGX, on matters specified by PNGX relating to the compliance by the issuer with these Listing Rules (or any other matter which PNGX considers is appropriate to assist PNGX in the discharge of its functions and responsibilities under these Listing Rules). The issuer must pay for the expert.	Introduced 03/07/2023
27.14	An issuer must give the independent expert all such information and assistance reasonably required to enable the independent expert to prepare the report or conduct the investigation referred to under Rules 27.12 and 27.13 and where requested by the independent expert, direct any relevant third parties to make available or to otherwise provide access to all such information the independent expert requires.	Introduced 03/07/2023

27.15 Where PNGX determines that the information contained in a report warrants further investigation, it may direct the debt issuer to:

(a) provide PNGX or the independent expert engaged such further information PNGX considers appropriate; and

(b) obtain and submit a further report by an independent expert covering such further matters as specified by PNGX.

Introduced 03/07/2023

Release of correspondence between PNGX and issuer

27.16 PNGX may publish correspondence between it and an issuer if PNGX has reserved the right to do so and considers that it is appropriate for an informed market.

Note: PNGX does not generally publish correspondence between it and an issuer except for the following.

- A price query issued by PNGX and the issuer's response.
- A query issued by PNGX in respect of compliance with a Listing Rule, and the issuer's response, if the response includes information not previously released to the market.

PNGX will tell the issuer at the outset if the correspondence will be published, or may be published, and will give the issuer the opportunity to respond in a form that is suitable for release to the market. If an issuer believes that information it gives PNGX comes within the exception to Rule 3.1 in Rule 3.2, the issuer should raise this issue with PNGX at the time the information is given to PNGX.

Introduced 03/07/2023

Limitation of liability of PNGX

27.17 To the maximum extent permitted by law and subject to Rules 27.16 to 27.20, a +PNGX person will have no obligation or liability of any kind to an issuer, or to any security holder of an issuer in respect of any loss or damage (including consequential loss or damage) or expense (including legal expenses) which may be suffered, incurred or which may arise directly or indirectly, in relation to any supply of services or goods, or of an issuer's use of or inability to use any PNGX system, or in respect of a failure, error or omission on

Introduced 03/07/2023

the part of PNGX or any of its subsidiaries, including any loss or damage in respect of:

(a) the results of trading on the +PNGX market, or the suspension, interruption, cancellation or closure of trading on the +PNGX market;
(b) any inoperability or malfunction of equipment, software or any other product supplied to an issuer, or in respect of its installation, maintenance or removal;
(c) the exercise by PNGX of a decision making power under these Rules;
(d) the PNGX website; and
(e) the suspension, interruption or closure of the +market announcements office;

whether such loss or damage is caused wholly or partially by negligence on the part of any +PNGX person.

27.18 To the maximum extent permitted by law, each +PNGX person excludes all conditions and warranties implied by statute, common law, equity, or common practice. Introduced 03/07/2023

27.19 To the maximum extent permitted by law, the liability of any +PNGX person for breach of any statutory condition directly or indirectly arising out of the performance of the contract constituted by these Rules is limited to either of the following at the discretion of PNGX: Introduced 03/07/2023

(a) in the case of goods:
    a. the replacement of the goods; or
    b. the repair of the goods;
(b) in the case of services:
    a. the re-supply of the services;
    b. the payment of the cost of having the services re-supplied; or
    c. the unilateral termination of the supply of the services accompanied with a pro-rata refund of any payment of fees or charges rendered.

27.20 Nothing in Rules 27.17 to 27.19 excludes any liability to the extent that: Introduced 03/07/2023

(a) such liability may not be excluded under any state or other law;
(b) such liability arises from a condition or warranty by or contained in statute or other law; or
(c) it would cause any part of any of those Rules to be void.

PNGX indemnities

27.21 Without limiting any other indemnities given under these Rules, each issuer must (on the basis of joint and several liability where applicable) irrevocably and unconditionally indemnify and hold harmless each +PNGX person from and against all losses (whether or not realised), liabilities (including contingent liabilities), damages and costs (including legal costs and expenses of those indemnified on a solicitor/client basis) and any other expenses, arising from any proceedings, actions, claims or demands which may be made or brought against, or reasonably suffered or incurred by, a +PNGX person and which arise directly or indirectly, out of, or in connection, with any of the following events (including as a result of any action, or lack of action, by a +PNGX person in respect of each event): Introduced 03/07/2023

(a) a breach by an issuer of its obligations under these Rules;
(b) any wilful, unlawful or negligent act or omission by an issuer;
(c) the issuer becomes insolvent;
(d) the issuer ceases to carry on its business as an issuer;
(e) an investigation into the affairs of the issuer, or a +related party, commences under the +Companies Act or the +Capital Market Act (or the laws of an overseas jurisdiction);
(f) an investigator (however described) is appointed to conduct an investigation into the affairs of the issuer, or a +related party, under the +Companies Act or the +Capital Market Act or the laws of an overseas jurisdiction; or
(g) any of:
    a. the issuer granting access to the PNGX website to any person; or
    b. the use of the PNGX website by any person;

regardless of whether such access or use was authorised by the issuer.

27.22 When +PNGX publishes or releases an announcement on behalf of, or in relation to, an issuer, +PNGX shall not be responsible to check the accuracy of the facts or any of the contents of such announcement, and shall not be liable for any damages or losses however arising as a result of publishing the announcement or disseminating the information in the announcement. Without limiting any other indemnities given under these Rules, the issuer must (on the basis of joint and several liability where applicable) irrevocably and unconditionally indemnify and hold harmless each +PNGX person for any such losses or damages or Introduced 03/07/2023 costs, including any arising as a result of legal proceedings brought by any third party.

27.23	The benefit of Rules 27.17 to 27.22 is held by PNGX on trust for each other +PNGX person and PNGX may enforce that benefit on their behalf.	Introduced 03/07/2023
27.24	PNGX will not waive Rules 27.17 to 27.23.	Introduced 03/07/2023

Exercise of PNGX powers

PNGX not bound by previous action or inaction

27.25	Any action taken or not taken by PNGX under any Rule does not prevent PNGX from taking, or restrict PNGX's ability to take, any other action to enforce, or pursuant to, that Rule or any other Rule, even if that enforcement or action relates to the same or similar circumstances or conduct.	Introduced 03/07/2023

Exercise and delegation of PNGX functions and powers

27.26 Unless the contrary intention appears: — Introduced 03/07/2023

(a) functions or powers conferred on PNGX by or under these Rules may be exercised by resolution of the board of PNGX or by any authorised delegate of PNGX; and

(b) PNGX may delegate, either generally or as otherwise provided by the terms of delegation, any of the functions and powers of PNGX to any +officer or employee of a person carrying out functions for or on behalf of PNGX.

27.27 Where PNGX delegates any of its functions or powers to one or more +officers or persons in accordance with Rule 27.26, those delegates may sub-delegate such of the delegated functions or powers, unless the terms of the delegation by PNGX provides otherwise. — Introduced 03/07/2023

27.24 If any function or power is delegated: — Introduced 03/07/2023

(a) the delegation does not prevent the performance or exercise of the function or power by PNGX, as the case requires;

(b) performance or exercise by the delegate of the function or power is taken to be performance or exercise by PNGX, as the case requires; and

(c) where the performance or exercise depends upon the opinion, belief or state of mind of PNGX, as the case requires, the function or power may be performed or exercised by the delegate upon the opinion, belief or state of mind of the delegate.

Recording of telephone conversations

27.25 PNGX may record telephone conversations to or by PNGX for internal training, quality control and market integrity purposes. Introduced 03/07/2023

Chapter 28 - Transitional Provisions

Explanatory note

This Chapter deals with transitional provisions for the introduction of the new Listing Rules on 03/07/2023.

Transitional Provisions

28.1	An issuer with +securities admitted to the +official list prior to the +commencement date is deemed to have its +securities +quoted and admitted to the +official list on and from the +commencement date unless otherwise determined by PNGX.	Introduced 03/07/2023
28.2	+Securities granted +quotation prior to the +commencement date are deemed granted +quotation on and from the +commencement date unless otherwise determined by PNGX.	Introduced 03/07/2023
28.3	+Securities suspended from +quotation prior to the +commencement date are deemed suspended from +quotation on and from the +commencement date unless otherwise determined by PNGX.	Introduced 03/07/2023
28.4	+Securities subject to a +trading halt prior to the +commencement date are deemed subject to a +trading halt on and from the +commencement date unless otherwise determined by PNGX.	Introduced 03/07/2023
28.5	An issuer with +securities admitted to the +official list prior to the +commencement date is granted relief from giving its +trading policy to the +market announcements office for release to the market for a period of 6 months from the +commencement date.	Introduced 03/07/2023
28.6	Waivers from a Listing Rule granted prior to the +commencement date are deemed granted from the equivalent Listing Rule on and from the +commencement date unless otherwise determined by PNGX.	Introduced 03/07/2023
28.7	PNGX may publish transitional arrangements in relation to any Rule which existed prior to the +commencement date. An issuer must comply with the transitional arrangements published by PNGX.	Introduced 03/07/2023
28.8	PNGX may publish transitional arrangements in relation to any Rule which was introduced on or after the +commencement date. An issuer must comply with the transitional arrangements published by PNGX.	Introduced 03/07/2023

Effect on previous Listing Rules

28.9 Any previous Listing Rules of PNGX are deleted from midnight on the +business day immediately prior to the +commencement date other than to the extent necessary to settle and register any outstanding transactions executed on, or reported to, PNGX.

Introduced 03/07/2023

Deletion of the previous Listing Rules does not:

(a) revive anything not in force or existing as at the time of deletion;
(b) affect the previous operations of those Rules or Procedures or anything done under that Rules or Procedures;
(c) affect any right, privilege, obligation or liability acquired, accrued or incurred under those Rules or Procedures;
(d) affect any penalty, forfeiture, suspension, expulsion or other enforcement action taken or incurred in respect of any breach of those Rules or Procedures; or
(e) affect any investigation, proceeding, enforcement process, appeal process, sanction or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture, suspension, expulsion or other enforcement action; and
(f) any such investigation, proceeding, enforcement process, appeal process, sanction or remedy may be instituted, continued or enforced, and any such penalty, forfeiture, suspension, expulsion or other enforcement action may be imposed as if the circumstance had not taken effect.

Definitions and Interpretation

Definitions

Def.1 The following expressions have the meanings set out below. Introduced 03/07/2023

Expression	Meaning	Notes
1C	denotes the +low estimate scenario of +contingent resources.	Introduced 03/07/2023
1P	is equivalent to +proved reserves. It denotes a +low estimate scenario of +petroleum reserves.	Introduced 03/07/2023
2C	denotes the +best estimate scenario of +contingent resources.	Introduced 03/07/2023
2P	is equivalent to the sum of +proved reserves plus +probable reserves. It denotes the +best estimate scenario of +petroleum reserves.	Introduced 03/07/2023
3C	denotes the +high estimate scenario of +contingent resources.	Introduced 03/07/2023
3P	is equivalent to the sum of +proved reserves plus +probable reserves plus +possible reserves. It denotes the +high estimate scenario of +petroleum reserves.	Introduced 03/07/2023
accounts	Includes: (a) statement of financial position; (b) statement of comprehensive income; (c) statement of cash flows; (d) statement of changes in equity; (e) notes to the statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity required by any law, regulation, Rule or accounting standard; (f) disclosures in relation to the statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity required by any law, regulation, Rule or accounting standard;	Note: statement of financial position may be referred to as balance sheet in certain jurisdictions. Note: statement of comprehensive income may be referred to as profit and loss statement in certain jurisdictions. Note: statement of changes in equity may be referred to as statement of retained earnings in certain jurisdictions. Introduced 03/07/2023

(g) any other information necessary to give a true and fair view of the financial position and performance of the issuer required by any law, regulation, Rule or accounting standard.

acquire	to acquire or agree to acquire directly or through another +person by any means, including the following: (a) Granting or exercising an option agreement; (b) Enforcing collateral and taking an asset; (c) Increasing an economic interest; or (d) Acquiring part of an asset.	Introduced 03/07/2023
annual report	a report prepared pursuant to sections 209 and 212 of the +Companies Act.	Introduced 03/07/2023
associate	except as set out below, a person (the second person) is an associate of another person (the primary person) in relation to an issuer if, and only if, one or more of the following paragraphs applies: (a) the second person is: a. an issuer the primary person controls; or b. an issuer that controls the primary person; or c. an issuer that is controlled by an issuer that controls the primary person; (b) the second person is a person with whom the primary person has, or proposes to enter into, a +relevant agreement for the purpose of controlling or influencing the composition of the issuer’s board or the conduct of the issuer’s affairs; or (c) the second person is a person with whom the primary person is acting, or proposing to act, in concert in relation to the issuer’s affairs. If the issuer is a +registered scheme or +foreign MIS a reference to controlling or influencing the composition of the issuer's board is taken to be a reference to controlling or influencing whether a particular company becomes or remains the scheme's +trustee or manager. A +related party of a natural person is to be taken to be an associate of the natural person unless the contrary is established.	Note: One way in which a related party of a natural person may seek to establish that it is not an associate of the natural person is for the natural person or related party in question to give a statutory declaration or some other form of certification to the issuer to that effect. The issuer should take this and any other information known to it into account when forming a view as to whether or not the related party is in fact an associate of the natural person. Introduced 03/07/2023 Amended 18/09/2023

However, a person is not an associate of another person merely because of one or more of the following:

(a) one gives advice to the other, or acts on the other's behalf, in the proper performance of the functions attaching to a professional capacity or a business relationship;
(b) one, a client, gives specific instructions to the other, whose ordinary business includes dealing in financial products, to +acquire financial products on the client's behalf in the ordinary course of that business;
(c) one had sent, or proposes to send, to the other an offer under a +takeover offer for shares held by the other;
(d) one has appointed the other, otherwise than for valuable consideration given by the other or by an associate of the other, to vote as a proxy or representative at a meeting of members, or of a class of members, of the issuer.

aware	an issuer becomes aware of information if, and as soon as, ~~an +officer~~a +senior officer of the issuer has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as a +senior officer ~~an +officer~~ of that issuer.	Introduced 03/07/2023
backdoor listing	means a transaction, or a series of related transactions, entered into by an issuer which would result in a significant change: (a) in the ownership of a majority of the +equity securities carrying votes; and (b) either directly or indirectly, in the nature or scale of its activities, including through the acquisition of a new business	Introduced 03/07/2023
balance date	means the date on which an issuer concludes its financial year.	Introduced 03/07/2023
best estimate	is the best estimate of the quantity that will actually be recovered from an accumulation by an +oil and gas project. It is the most realistic assessment of recoverable quantities if only a single result were reported. When probabilistic methods are used, there should be at least a 50% probability (P50) that the	Introduced 03/07/2023

quantities actually recovered will equal or exceed the best estimate.

BOEs Barrels of oil equivalent — Introduced 03/07/2023

bonus issue a +pro rata issue of +securities to holders of +ordinary securities for which no consideration is payable by them. — Introduced 03/07/2023

business day Monday to Friday inclusive, except — Introduced 03/07/2023

(a) New Year's Day;
(b) Good Friday;
(c) Easter Monday;
(d) Queen's Birthday;
(e) National Remembrance Day;
(f) National Repentance Day;
(g) Independence Day;
(h) Christmas Day;
(i) Boxing Day;
(j) a day declared, proclaimed or notified under PNG legislation in the National Gazette as a public holiday throughout PNG; and
(k) and any other day that PNGX declares is not a business day.

Capital Market Act *Capital Market Act 2015* as amended from time to time. — Introduced 03/07/2023

cash assets cash and assets in a form readily convertible to cash — Introduced 03/07/2023

cash formula In the case of +ordinary securities: — Introduced 03/07/2023

$$N = \left(\frac{CP}{IPO}\right) * E$$

Where

(a) N = the number of shares or +units not subject to escrow;
(b) CP = the total cash paid for the +ordinary securities that would otherwise be subject to escrow, divided by the number of +securities issued to the +person;
(c) IPO = the price paid in any initial public offering at the time the issuer applies for admission, or if there is no public offering, the price agreed by PNGX; and

(d) E = the number of +ordinary securities that would otherwise be subject to escrow.

In the case of +options which have the same terms as +options offered with +ordinary securities under any initial public offering at the time the issuer applies for admission,

$$O = N * F$$

Where

(a) O = the number of +options not subject to escrow;
(b) N = the number of shares or +units not subject to escrow; and
(c) F = the number of +options per +ordinary security offered under the initial public offering.

Central Depositories Act	*Central Depositories Act 2015* as amended from time to time.	Introduced 03/07/2023
CEO	Chief Executive Officer or an equivalent role	Introduced 03/07/2023
child entity	each of the following: (a) a subsidiary within the meaning of section 5 of the +Companies Act; (b) a +controlled entity.	Introduced 03/07/2023
class	+Securities are in the same class only if the same rights and obligations attach to them. Differences arising from the requirements of the Listing Rules relating to +restricted securities are to be ignored.	Example: Partly paid securities are in a different class to fully paid securities. Fully paid securities that rank equally except for the next dividend or distribution are in the same class (but may be traded separately until they merge with the other shares in the class). Fully paid ordinary securities classified as restricted securities are in the same class as fully paid ordinary securities that are not classified as restricted securities. Introduced 03/07/2023
classified asset	means: (a) an interest in a mining +exploration area or an oil and gas +exploration or area similar tenement or interest; (b) an interest in intangible property that is substantially speculative or unproven, or has not been profitably exploited for at least 3	Introduced 03/07/2023

	years, and which entitles the issuer to develop, manufacture, market or distribute the property; (c) an interest in an asset which, in PNGX's opinion, cannot readily be valued; (d) an interest in an issuer the substantial proportion of whose assets (held directly, or through a +controlled entity) is property of the type referred to in paragraphs (a), (b) and (c).	
closed period	fixed periods set out in the +trading policy when an issuer's +key management personnel are prohibited from trading in the issuer's securities.	Introduced 03/07/2023
closing market price	in relation to particular securities on a particular day, the published closing price for those securities on the +PNGX market on that day.	Introduced 03/07/2023
commencement date	means the date set out in the +Procedures.	Introduced 03/07/2023
communication address	A postal address, email address, SMS address or other address normally used for communication with a +~~debt~~ securities holder.	Introduced 03/07/2023
Companies Act	*Companies Act 1997* as amended from time to time.	Introduced 03/07/2023
competent person	the meaning in the +JORC Code.	Introduced 03/07/2023
contingent resources	those quantities of +petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development +oil and gas projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.	Introduced 03/07/2023
contingent resources holdings	aggregate of the economic interests in +contingent resources of an +issuer and its +child entities.	Introduced 03/07/2023
controlled entity	the subject entity is a controlled entity if the issuer has the capacity to determine the outcome of decisions about the subject entity 's financial and operating policies. In determining whether the issuer has this capacity:	Introduced 03/07/2023

(a) the practical influence the issuer can exert (rather than the rights it can enforce) is the issue to be considered; and
(b) any practice or pattern of behaviour affecting the subject entity 's financial or operating policies is to be taken into account (even if it involves a breach of an agreement or a breach of trust).

The issuer does not control the subject entity merely because the issuer and a third issuer jointly have the capacity to determine the outcome of decisions about the subject entity 's financial and operating policies.

If the issuer:

(a) has the capacity to influence decisions about the subject entity's financial and operating policies; and
(b) is under a legal obligation to exercise that capacity for the benefit of someone other than the issuer's members;

the issuer is taken not to control the subject entity.

controller	a +person who, in PNGX's opinion, has a substantial interest in the equity of the holder of, or a substantial economic interest in, +restricted securities; and each intermediate issuer through which that interest occurs.	Introduced 03/07/2023
convertible	includes exercisable.	Introduced 03/07/2023
convertible debt securities	an unsecured note or debenture that is an +equity security because it is a +convertible security.	Introduced 03/07/2023
convertible securities	+securities which are +convertible by the holder, or otherwise by their terms of issue, into +equity securities.	Note: convertible securities includes options Introduced 03/07/2023
corporate action	an action taken by an issuer for the purpose of giving an +entitlement to +security holders.	Introduced 03/07/2023
corporate governance statement	the statement referred to in Rule 5.20.3 which discloses the extent to which an issuer has followed the recommendations set by the +PNGX Corporate Governance Standards during a particular reporting period.	Introduced 03/07/2023

Debt Market Rules	the PNGX rules that govern the +quotation of +debt securities, suspension of +debt securities from +quotation, removal of +debt securities from +quotation and the +official list on the PNGX Debt Market.	Introduced 03/07/2023
debt security	(a) A debenture as defined in section 2 of the +Capital Market Act; or (b) any +security that PNGX decides to classify as a +debt security; but not a +security that PNGX decides to classify as an +equity security	Introduced 03/07/2023
deferred settlement	a settlement in which the obligation to settle on a trade date plus 2 +business days (T+2) basis is deferred until a date following the +issue date that PNGX fixes.	Introduced 03/07/2023
DI	depository interests	Introduced 03/07/2023
directors' declaration	a declaration by directors that is required by any law, Rule or accounting standard and states either of the following: (a) that the statement of financial position, statement of comprehensive income and statement of cash flows, together with the notes and other disclosures and information, comply with a law, Rule or accounting standard and give a fair and true view of the financial position and performance of the issuer; and (b) that, in the opinion of the directors, there are reasonable grounds to believe that the issuer will be able to pay its debts as and when they become due and payable.	Introduced 03/07/2023
directors' fees	all fees payable by the issuer or any of its +child entities to a +non-executive director for acting as a director of the issuer or any +child entity (including attending and participating in any board committee meetings) and includes superannuation contributions for the benefit of a +non-executive director and any fees which a +non-executive director agrees to sacrifice for other benefits. It does not include reimbursement of genuine out-of-pocket expenses, genuine "special exertion" fees paid in accordance with the issuer's constitution, or +securities issued to a +non-executive	Introduced 03/07/2023

	director under Rules 14.14 and 14.20 with the approval of the holders of the issuer's +ordinary securities).	
directors' report	a report by directors that is required by any law, Rule or accounting standard to review of operations during the period reported on.	Introduced 03/07/2023
dispose	to dispose or agree to dispose directly or through another +person by any means, including the following. (a) Granting or exercising an option agreement; (b) Using an asset as collateral; (c) Decreasing an economic interest; or (d) Disposing of part of an asset.	Example: A listed company holds all the shares in Company A, which holds all the shares in company B. Company B holds restricted securities. If company A sells 51% of the shares in company B the listed company has disposed of the restricted securities. Introduced 03/07/2023
distribution schedule	means a schedule showing the number of holders in each +class of +equity securities (in the case of +securities over which +DIs have been issued, including holders of +DIs), in the categories: 1 - 1,000 1,001 - 5,000 5,001, - 10,000 10,001 - 100,000 100,001 – 1,000,000 1,000,001 and over.	Introduced 03/07/2023
dividend plan	any plan which gives holders of +securities the opportunity to accept +securities in place of dividend, distribution or interest payments (either partly or wholly).	Introduced 03/07/2023
Domestic Issuer	An +issuer admitted to the +official list pursuant to Rule 1.9 as a Domestic Issuer or subsequently categorized by PNGX as a Domestic Issuer.	Introduced 03/07/2023
employee incentive scheme	Means (a) a scheme for the issue or +acquisition of +equity securities in the issuer to be held by, or for the benefit of, participating employees or +non-executive directors of the issuer or a +related party or their +associates; or	Introduced 03/07/2023

(b) a scheme which, in PNGX's opinion, is an employee incentive scheme.

employee securities — +securities issued under an +employee incentive scheme that are subject to restrictions on transfer.

Introduced 03/07/2023

entitlement — means:

(c) property or money transferred or paid to a person because the person is or was a holder of +securities;
(d) a right that a +security holder has because the +security holder is or was the holder of +securities.

It includes, without limitation:

(a) rights (renounceable or non-renounceable);
(b) +bonus issues;
(c) dividend payments;
(d) interest payments;
(e) priority issues; and
(f) offers under an equal access scheme.

Introduced 03/07/2023

equity interests — the sum of paid up capital, reserves, and accumulated profits or losses, disregarding redeemable preference share capital and outside equity interests, as shown in the consolidated financial statements.

Introduced 03/07/2023

equity security

(a) an equity security as defined in section 2 of the +Capital Market Act;
(b) a +unit as defined in section 2 of the +Capital Market Act; or
(c) any +security that PNGX decides to classify as an equity security;

but not a +security that PNGX decides to classify as a +debt security.

Introduced 03/07/2023

executive director — as defined in the PNGX Corporate Governance Standards

Introduced 03/07/2023

exploration — includes geophysical surveys.

Introduced 03/07/2023

exploration results — the meaning in the +JORC Code.

Introduced 03/07/2023

Amended 18/09/2023

exploration target	the meaning in the +JORC Code.	Introduced 03/07/2023 Amended 18/09/2023
extraction	includes developing the infrastructure to extract +minerals or +petroleum (as the case may be).	Introduced 03/07/2023
feasibility study	The meaning in the +JORC Code.	Introduced 03/07/2023 Amended 18/09/2023
foreign company	a body corporate that is not formed or established in PNG.	Introduced 03/07/2023
foreign estimate	an estimate of quantity and grade of mineralisation that was prepared using a mineral resources classification and reporting standard from another jurisdiction prior to an +issuer acquiring, or entering into an agreement to +acquire, an interest in a +mining tenement that contains the deposit, and which the +issuer has not verified as +mineral resources or +ore reserves in accordance with the +JORC Code.	Introduced 03/07/2023 Amended 18/09/2023
foreign issuer	a +foreign company or a +foreign MIS.	Introduced 03/07/2023
foreign MIS	a +registered scheme or equivalent overseas issuer that is not formed or established in PNG.	Introduced 03/07/2023
free float	the percentage of the +main class of +securities of an issuer that: a) are not +restricted securities b) are not subject to +voluntary escrow; and c) are held by +non-affiliated security holders.	Introduced 03/07/2023
high estimate	an optimistic estimate of the quantity that will actually be recovered from an accumulation by an +oil and gas project. When probabilistic methods are used, there should be at least a 10% probability (P10) that the quantities actually recovered will equal or exceed the high estimate.	Introduced 03/07/2023
historical estimate	an estimate of quantity and grade of mineralisation that is based on information and supporting documentation that was prepared prior to the introduction of the +JORC Code and which an +issuer has not verified as +mineral resources or +ore reserves in accordance with the +JORC Code.	Introduced 03/07/2023 Amended 18/09/2023

hydrocarbon	a compound of the elements hydrogen and carbon, in either liquid or gaseous form. Natural gas and petroleum are mixtures of hydrocarbons.	Introduced 03/07/2023
independent director	as defined in the PNGX Corporate Governance Standards	Introduced 03/07/2023
indicated mineral resources	has the meaning in the +JORC Code	Introduced 03/07/2023 Amended 18/09/2023
inferred mineral resources	has the meaning in the +JORC Code	Introduced 03/07/2023 Amended 18/09/2023
information	for the purposes of the Listing Rules 4.1, 4.2 and 4.3, information includes: (a) matters of supposition and other matters that are insufficiently definite to warrant disclosure to the market; and (b) matters relating to the intentions, or likely intentions, of a +person.	Introduced 03/07/2023
information memorandum	a document referred to as an information memorandum in sections 125 and 126 of the +Capital Market Act.	Introduced 03/07/2023
investment company	an issuer which, in PNGX's opinion, is an issuer to which both of the following apply. a) its activities or the principal part of its activities consist of investing (directly or through a +child entity) in listed or unlisted +securities or derivatives; and b) its objectives do not include exercising control over or managing any issuer, or the business of any issuer, in which it invests	Note: In deciding whether an issuer is an investment company pngx will normally have regard to factors including the extent of board representation, the size of the holdings, the investment period and the amount of cash held by the issuer Introduced 03/07/2023
investment manager	the party contracted and appointed to manage the investment mandate of a +registered scheme or +foreign MIS or +investment company	Introduced 03/07/2023
IPA	Investment Promotion Authority of Papua New Guinea	Introduced 03/07/2023
issue date	the date that the +securities are entered into a register.	Introduced 03/07/2023

issuer	any legal, administrative or fiduciary arrangement, organisational structure or other party (including a person) having the capacity to deploy scarce resources in order to achieve objectives and which has applied for its +securities to be admitted to, or which is admitted to, the +official list.	Introduced 03/07/2023
JORC Code	the 2012 Edition of the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves promulgated by the Joint Ore Reserves Committee (JORC) of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, and available as set out in the +Procedures	Introduced 03/07/2023
key management personnel	the meaning in International Accounting Standard IAS 24 Related Party Disclosure.	Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the issuer, directly or indirectly, including any directors (whether executive or otherwise) of the issuer. [IAS 24.9] Introduced 03/07/2023
lease fuel	oil and/or gas used for field and processing plant operations.	Introduced 03/07/2023
listed	as defined in section 2 of the +Capital Market Act.	Introduced 03/07/2023
listed corporation	as defined in section 2 of the +Capital Market Act.	Introduced 03/07/2023
Listing Rules	these PNGX Rules that govern the approval of +securities for +quotation and inclusion on the +official list, suspension of +securities from +quotation, removal of +securities from +quotation and the removal of +securities from the +official list.	Introduced 03/07/2023
low estimate	a conservative estimate of the quantity that will actually be recovered from an accumulation by an +oil and gas project. When probabilistic methods are used, there should be at least a 90% probability (P90) that the quantities actually recovered will equal or exceed the low estimate.	Introduced 03/07/2023

main class	+ordinary securities of the issuer (if +ordinary securities are not to be +quoted, the +class of +securities designated by PNGX).	Introduced 03/07/2023
major transaction	the meaning in section 110(2) of the +Companies Act	Section 110(2) defines major transaction as: (a) the acquisition of, or an agreement to acquire, whether contingent or not, assets the value of which is more than half the value of the assets of the company before the acquisition; or (b) the disposition of, or an agreement to dispose of, whether contingent or not, assets of the company the value of which is more than half the value of the assets of the company before the disposition; or (c) a transaction which has or is likely to have the effect of the company acquiring rights or interests or incurring obligations or liabilities the value of which is more than half the value of the assets of the company before the transaction. Introduced 03/07/2023
managed investment scheme	has the meaning given to the term “management investment scheme” in section 2 of the +Capital Market Act	Introduced 03/07/2023
market announcements office	the office designated by PNGX as its market announcements office.	Introduced 03/07/2023
market capitalisation	the number of securities in the +main class on issue multiplied by the price decided by PNGX	Introduced 03/07/2023
market participant	the meaning in the PNGX Business Rules.	Introduced 03/07/2023
material effect on the price or value	for the purposes of Listing Rules 4.1, 4.2 and 4.3, a +reasonable person would be taken to expect +information to have a material effect on the price or value of +~~debt~~ securities if the +information would, or would be likely to, influence +persons who commonly invest in +~~debt~~ securities in deciding whether or not to subscribe for, or buy or sell, the first mentioned +~~debt~~ securities.	Introduced 03/07/2023

material mining project	in relation to an +issuer, a +mining project which meets the following criteria: a) the +issuer or a +child entity has an economic interest in the +mining project (whether alone or jointly with others); and b) that interest is, or is likely to be, material in the context of the overall business operations or financial results of the +issuer and its +child entities (on a consolidated basis).	Introduced 03/07/2023
material oil and gas project	in relation to an +issuer, an +oil and gas project which meets the following criteria: a) the +issuer or a +child entity has an economic interest in the +oil and gas project (whether alone or jointly with others); and b) that interest is, or is likely to be, material in the context of the overall business operations or financial results of the +issuer and its +child entities (on a consolidated basis).	Introduced 03/07/2023
McfGEs	thousand cubic feet of gas equivalent.	Introduced 03/07/2023
measured mineral resources	the meaning in the +JORC Code.	Introduced 03/07/2023 Amended 18/09/2023
mineral resources	the meaning in the +JORC Code.	Introduced 03/07/2023 Amended 18/09/2023
mineral resources and ore reserves holdings	aggregate economic interests in mineral resources and +ore reserves of an +issuer and its +child entities.	Introduced 03/07/2023
minerals	means all solid minerals, including diamonds, other gemstones, industrial minerals and coal but does not include +petroleum.	Introduced 03/07/2023
mining exploration issuer	an +issuer: a) whose main +undertaking consists of +exploration for +minerals; or b) which has been advised by PNGX that it is a mining exploration issuer for the purposes of the PNGX Listing Rules.	Introduced 03/07/2023

mining issuer	a +mining exploration issuer or a +mining production issuer.	Introduced 03/07/2023
mining production issuer	an +issuer: a) whose main +undertaking consists of the +extraction of +minerals; or b) which has been advised by PNGX that it is a mining production issuer for the purposes of the PNGX Listing Rules.	Introduced 03/07/2023
mining project	a project to explore for or extract +minerals from a +mining tenement or tenements.	Note: the boundaries of what constitutes a +mining project will often be determined by commercial considerations, including development decisions and budget allocations. A +mining project may constitute the development of a single mine, or an incremental development in a producing mine, or the integrated development of a group of several mines and associated facilities with common ownership. Introduced 03/07/2023
mining tenement	any right to explore for or extract +minerals in a given place.	Introduced 03/07/2023
net tangible asset backing	in relation to a +class of +securities, $\frac{A - I - L}{N}$ Where A = total assets I = intangible assets L = total liabilities ranking ahead of, or equally with, claims of that +class of +securities. N= total number of +securities on issue in that +class of +securities.	Note: In calculating A, the value of investments at the end of the month are calculated at "net market value" (that is, the amount which could be expected to be received from the disposal of an asset in an orderly market after deducting costs expected to be incurred in realising the proceeds of the disposal). The value of investments, except quoted securities of issuers, is calculated at cost or valuation. Valuation must not exceed the recoverable amount. Note: In calculating L, total liabilities include each of the following: a) Provisions for tax on realised income and gains; b) Provisions for tax on estimated unrealised income and gains. Alternatively, the issuer may disclose the net tangible asset backing per security before and after providing for the estimated tax on unrealised income and gains; c) Provisions for declared, but unpaid, dividends if the securities are still quoted on a

		basis that includes the dividend on the date on which the net tangible asset backing is reported; and d) Provisions for unpaid management fees earned. In calculating N, partly paid securities which are in that class when paid up are taken into account by assuming that the unpaid amount is paid. Introduced 03/07/2023
non-affiliated security holders	+security holders who are not: a) a related party of the issuer; b) an +associate of a related party of the issuer; or c) a person whose relationship to the issuer or a person referred to in (a) or (b) above is such that, in PNGX's opinion, they should be treated as affiliated with the issuer.	Introduced 03/07/2023
non-executive director	as defined in the PNGX Corporate Governance Standards	Introduced 03/07/2023
notifiable interest	an interest in the +securities of the issuer of a type referred to in sections 375 and 376 of the +Capital Market Act.	Introduced 03/07/2023
officer	as defined in section 2 of the +Capital Market Act	Introduced 03/07/2023
official list	as defined in section 2 of the +Capital Market Act	Introduced 03/07/2023
oil and gas exploration issuer	an +issuer: a) whose main undertaking consists of +exploration for +petroleum; or b) which has been advised by PNGX that it is an oil and gas exploration issuer for the purposes of the PNGX Listing Rules.	Introduced 03/07/2023
oil and gas issuer	an +oil and gas exploration issuer or an +oil and gas production issuer.	Introduced 03/07/2023
oil and gas production issuer	an +issuer: a) whose main +undertaking consists of the +extraction of +petroleum; or	Introduced 03/07/2023

	b) which has been advised by PNGX that it is an oil and gas production issuer for the purposes of the PNGX Listing Rules	
oil and gas project	a project to explore for or extract +petroleum from a +petroleum tenement or tenements.	Note: the boundaries of what constitutes an +oil and gas project will often be determined by commercial considerations, including development decisions and budget allocations. An +oil and gas project may constitute the development of a single reservoir or field, or an incremental development in a producing field, or the integrated development of a group of several fields and associated facilities with common ownership. +SPE PRMS defines 'project'. Introduced 03/07/2023
on-market	transactions conducted in the ordinary course of business on an exchange and excludes block trades, out of hours trades and certain other transactions effected off-market (even though they may ultimately be reported to a stock exchange).	Introduced 03/07/2023
opening balance statement	a statement for a new holding of +securities in a +security holder's account issued by the issuer.	Introduced 03/07/2023
operating profit (loss)	the profit (loss) for the relevant period resulting from the operations of the issuer or group during the period of a kind carried on regularly to achieve the objectives of the issuer or group.	Introduced 03/07/2023
option	a +security issued by a issuer which gives the holder the right, but not the obligation, to subscribe for new +equity securities of the issuer	Introduced 03/07/2023
ordinary securities	ordinary shares or ordinary +units (if an issuer does not have ordinary shares or ordinary +units, the +class of +securities designated by PNGX).	Introduced 03/07/2023
ore reserves	the meaning in the +JORC Code.	Introduced 03/07/2023 Amended 18/09/2023
overseas home exchange	the place of an issuer's primary listing (if the issuer is not required to comply with the Rules of that exchange or market as a domestic issuer, the exchange or market designated by PNGX).	Introduced 03/07/2023

person	includes an individual, body corporate, body politic, firm, association, authority or other entity.	Introduced 03/07/2023
petroleum	a naturally occurring mixture consisting of +hydrocarbons in the gaseous, liquid or solid phase. Petroleum may also contain non-hydrocarbon compounds. Common examples of non-hydrocarbon compounds included in petroleum are carbon dioxide, nitrogen, hydrogen sulphide and sulphur.	Introduced 03/07/2023
petroleum reserves	those quantities of +petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Petroleum reserves must satisfy four criteria: they must be discovered, recoverable, commercial and remaining based on the development project(s) applied.	Introduced 03/07/2023
petroleum reserves holdings	aggregate economic interests in +petroleum reserves of an +issuer and its +child entities.	Introduced 03/07/2023
petroleum resources	all quantities of +petroleum (recoverable and unrecoverable) naturally occurring on or within the Earth's crust, discovered and undiscovered, plus those quantities already produced. It includes all types of +petroleum whether currently considered 'conventional' or 'unconventional'.	Introduced 03/07/2023
petroleum tenement	any right to explore for or extract +petroleum in a given place.	Introduced 03/07/2023
PNG company	a body corporate that is formed or established in PNG.	Introduced 03/07/2023
PNG issuer	a +PNG company or a +registered scheme	Introduced 03/07/2023
PNGX	PNGX Markets Limited.	Introduced 03/07/2023
PNGX Compliance	the office designated by PNGX as its Compliance office.	Introduced 03/07/2023
PNGX Corporate	The standards of the same name published by PNGX.	Introduced 03/07/2023

Governance Standards		
PNGX debt market	the market for trading in +debt securities operated in PNG by PNGX.	Introduced 03/07/2023
PNGX market	the market for trading in ~~debt +~~securities operated in PNG by PNGX.	Introduced 03/07/2023
PNGX person	PNGX and its subsidiaries, and their respective directors, +officers, employees, contractors and agents (each a PNGX person)	Introduced 03/07/2023
possible reserves	those additional +petroleum reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than +probable reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of +proved reserves plus +probable reserves plus +possible reserves (+3P). When probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the +3P estimate.	Introduced 03/07/2023
preliminary feasibility study	the meaning in the +JORC Code.	Introduced 03/07/2023 Amended 18/09/2023
pro rata issue	an issue which has been offered to all holders of +securities in a +class on a pro rata basis, including without limitation a +rights issue. An issue is not precluded from being a pro rata issue for purposes of the Listing Rules because holders are excluded from the issue under the Listing Rules or are allowed to subscribe for a greater number of securities than their +entitlement under the Listing Rules.	Note: A bonus issue is a type of pro rata issue (see definition of bonus issue). Note: The terms of the securities in the class to which the offer to participate in the pro rata issue is made must entitle the holder of the securities to receive offers of securities. The terms of options usually do not permit an option holder to participate in offers of securities without having exercised the option. Introduced 03/07/2023
probable ore reserves	the meaning in the +JORC Code.	Introduced 03/07/2023 Amended 18/09/2023
probable reserves	those additional +petroleum reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than +proved reserves but more certain to be recovered than +possible reserves. It is equally likely that actual remaining quantities	Introduced 03/07/2023

	recovered will be greater than or less than the sum of the estimated +proved reserves plus +probable reserves (+2P). When probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the +2P estimate.	
Procedure	the Listing Rules Procedures.	Introduced 03/07/2023
production target	a projection or forecast of the amount of +minerals to be extracted from a particular +mining tenement or tenements for a period that extends past the current year and the forthcoming year.	Introduced 03/07/2023
profit from continuing operations	+operating profit a) before tax; and b) disregarding items that are revenue or other credits to profits which result from an activity that has been or is to be discontinued, unless PNGX decides otherwise.	Introduced 03/07/2023
prohibited period	Means: a) any +closed period; or b) additional periods when an issuer's +key management personnel are prohibited from trading, which are imposed by the issuer from time to time when the company is considering matters which are subject to Listing Rule 4.2.	Introduced 03/07/2023
promoter	Means: a) a +person who has had a material involvement in, or who has provided a service to the issuer or to a +related party of the issuer in relation to, either of the following. i. The issuer's promotion or listing; or ii. The issuer's initial public offering; b) unless PNGX decides otherwise, a +substantial securities holder in the issuer, if the person and the person's +associates have a relevant interest in at least 10% of the voting +securities at any time in the 12 months before the date of the application for admission to the +official list; or c) a +person whose relationship with the issuer or a +person referred to in (a) or (b) above is, in	Introduced 03/07/2023

	PNGX's opinion, such that the +person should be considered to be a promoter of the issuer.	
prospective resources	those quantities of +petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.	Introduced 03/07/2023
prospectus	a) as defined in section 2 of the +Capital Market Act and includes a supplementary or replacement prospectus; and b) includes an +information memorandum or document by any other name relating to an offer of +equity securities or +debt securities for subscription.	Introduced 03/07/2023
proved reserves	those quantities of +petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. When probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered equal or exceed the estimate.	Introduced 03/07/2023
qualified petroleum reserves and resources evaluator	a person is a qualified petroleum reserves and resources evaluator if he or she: a) has obtained a bachelors or advanced degree in petroleum engineering, geology, geophysics or other discipline of engineering or physical science; b) has a minimum of five years practical experience in +petroleum engineering, +petroleum production geology or +petroleum geology, with at least three years of such experience being in the evaluation and estimation of +petroleum reserves, +contingent resources and +prospective resources; and c) is a member of good standing of a professional organisation of engineers, geologists or other geoscientists whose professional practice includes +petroleum reserves, +contingent resources and +prospective resources evaluations and/or audits. The professional	Introduced 03/07/2023

	organisation must have disciplinary powers, including the power to suspend or expel a member.	
qualifying foreign estimates	a +foreign estimate that was prepared in accordance with: a) the SAMREC Code; b) NI 43-101 and the CIM Standards; or c) the PERC Code, and that is otherwise acceptable to PNGX.	Note: PNGX may not consider a foreign estimate prepared in accordance with one of the abovementioned reporting codes acceptable if, for example, the estimate was prepared at a time when, in PNGX's view, that reporting code was not substantially equivalent to the requirements currently applicable in the JORC Code. Introduced 03/07/2023 Amended 18/09/2023
quoted	As defined in section 2 of the +Capital Market Act	Introduced 03/07/2023
reasonable person	an independent, objective and judicious individual whose interests are not aligned with the issuer or the investment community.	Introduced 03/07/2023
recognised trustee	a trustee approved by PNGX for the purpose of the Listing Rules.	Introduced 03/07/2023
record date	5.00 pm on the date the issuer specifies for lodging transfers of +securities for the purpose of identifying the +persons who are entitled to an +entitlement.	Introduced 03/07/2023
reference point	a defined location within a +petroleum +extraction and processing operation where quantities of produced product are measured under defined conditions prior to custody transfer	Introduced 03/07/2023
registered scheme	either: (a) a registered scheme as defined in section 183 of the +Capital Market Act; or (b) a trust that is formed or established in PNG and that is not required to be registered as a +managed investment scheme by virtue of section 187 of the +Capital Market Act.	Introduced 03/07/2023
Registrar of Companies	as defined in section 2 of the +Companies Act.	Introduced 03/07/2023
related party	means:	Introduced 03/07/2023

a) in relation to a corporation:
   - i. a +substantial holder of the corporation;
   - ii. a director;
   - iii. a spouse or defacto of a director;
   - iv. a director of a +controller;
   - v. a spouse or defacto of a director of a +controller;
   - vi. the parents of a person referred to in ii. to v. above;
   - vii. the children of a person referred to in ii. to v. above;

b) in relation to a person:
   - i. their spouse or de facto;
   - ii. their parent;
   - iii. their children;
   - iv. the spouse or de facto of a person referred to in i. to iii. above;
   - v. an issuer over which the person has +control;
   - vi. an issuer over which a person referred to in i. to iv. above has +control;

c) a person who acts, or proposes to act, in concert with a party referred to in (a) or (b) above;

d) a person who was a related party in the previous 6 months; or

e) a person who believes or has reasonable grounds for believing that it is likely to become a related party in the following 6 months

relevant agreement	means an agreement, arrangement or understanding: (a) whether formal or informal or partly formal and partly informal; and (b) whether written or oral or partly written and partly oral; and (c) whether or not having legal or equitable force and whether or not based on legal or equitable rights.	Introduced 03/07/2023

remuneration committee	is a committee formed by an issuer to advise that issuer on matters pertaining to the remuneration of its +key management personnel.	Introduced 03/07/2023
restricted securities	means: a) +securities issued in the circumstances set out in Appendix 13A; or b) +securities that, in PNGX's opinion, should be treated as restricted securities.	Introduced 03/07/2023
reverse takeover	a +takeover offer or a merger by way of scheme of arrangement where an issuer is proposing to +acquire securities of another body and the aggregate number of +equity securities issued or to be issued by the issuer: (a) under the +takeover offer or scheme; and/or (b) to fund the cash consideration payable under the +takeover offer or scheme, is equal to or greater than the number of fully paid +ordinary securities on issue in the issuer at the date of announcement of the +takeover offer or scheme. Separate issues may be aggregated if, in PNGX's opinion, they form part of the same commercial transaction. In working out whether a transaction is a +reverse takeover by reference to the number of +equity securities that are issued or to be issued by the issuer under or to fund the +reverse takeover, Rule 11.2 applies.	Introduced 03/07/2023 Amended 18/09/2023
reverse takeover target	the body in which an issuer is proposing to +acquire securities in a +reverse takeover.	Introduced 03/07/2023
routine transaction statement	a statement of transactions in a +security holder's account issued by the issuer.	Introduced 03/07/2023
Schedule of Fees	the schedule of fees published by PNGX and available on the PNGX website (www.PNGX.com.pg)	Introduced 03/07/2023
scoping study	the meaning in the +JORC Code.	Introduced 03/07/2023 Amended 18/09/2023
SECOM	Securities Commission of Papua New Guinea.	Introduced 03/07/2023

securities purchase plan	a plan providing for the making by an issuer of offers of +securities to its existing security holders other than on a pro-rata basis and in which each offer is made on: a) the same terms and conditions: b) a non-renounceable basis; and c) the total application price for the securities +acquired by any one holder in any 12-month period does not exceed PGK 30,000.	Introduced 03/07/2023
security	a security as defined in section 2 of the +Capital Market Act.	Introduced 03/07/2023
senior officer	a) director; b) +CEO; c) company secretary; or d) a senior manager as defined in section 2 of the +Capital Market Act	Introduced 03/07/2023
small holding	Until the date set out in the Procedures, in relation to: a) +equity securities (but not rights to subscribe for +equity securities or +options over +equity securities), a parcel of +securities of less than PGK 1,000 based on: i. the closing price on a trading platform, if the +equity securities are +quoted; or ii. the price paid on issue if the +equity securities are unquoted; and b) rights to subscribe for +equity securities, a parcel of rights which, if taken up in full, would result in a parcel of +equity securities which would be less than PGK 1,000 based on: i. the closing price on a trading platform of the +equity securities at the time of purchase of the rights, if the +equity securities are +quoted; or ii. the total application moneys payable in relation to the exercise of the rights, if the +equity securities are unquoted; c) +options over unissued +equity securities, a parcel of +options which, if exercised in full, would result in a parcel of +equity securities which would be less than PGK 1,000 based on: i. the closing price on a trading platform of the +equity securities at the time of	Note: Until the date set out in the Procedures, the small holding size for equity securities, rights to subscribe for equity securities and options over unissued equity securities is reduced from 2,000 kina to 1,000 kina. Following the date set out in the Procedures, the small holding size for equity securities, rights to subscribe for equity securities and options over unissued equity securities increases from 1,000 kina to 2,000 kina. Introduced 03/07/2023

purchase of the +options, if the +equity securities are +quoted; or

ii. the total moneys payable on the exercise of the +options, if the +equity securities are unquoted; and

d) +debt securities other than redeemable preference shares with a fixed and certain date for redemption, +debt securities with a face value of less than PGK 1,000.

Following the date set out in the Procedures, in relation to:

e) +equity securities (but not rights to subscribe for +equity securities or +options over +equity securities), a parcel of +securities of less than PGK 2,000 based on:
   iii. the closing price on a trading platform, if the +equity securities are +quoted; or
   iv. the price paid on issue if the +equity securities are unquoted; and
f) rights to subscribe for +equity securities, a parcel of rights which, if taken up in full, would result in a parcel of +equity securities which would be less than PGK 2,000 based on:
   iii. the closing price on a trading platform of the +equity securities at the time of purchase of the rights, if the +equity securities are +quoted; or
   iv. the total application moneys payable in relation to the exercise of the rights, if the +equity securities are unquoted;
g) +options over unissued +equity securities, a parcel of +options which, if exercised in full, would result in a parcel of +equity securities which would be less than PGK 2,000 based on:
   iii. the closing price on a trading platform of the +equity securities at the time of purchase of the +options, if the +equity securities are +quoted; or
   iv. the total moneys payable on the exercise of the +options, if the +equity securities are unquoted; and
h) +debt securities other than redeemable preference shares with a fixed and certain date for redemption, +debt securities with a face value of less than PGK 1,000.

special purpose acquisition company	An issuer with no business of its own which raises initial capital with the purpose of finding an operating company to buy within the time frame set out in the Listing Rules using the proceeds of the capital raising.	A special purpose acquisition company is sometimes referred to as a 'shell company'. Introduced 03/07/2023
special resolution	means a) in the case of +debt securities, as defined in section 2 of the +Capital Market Act; b) in the case of a +registered scheme, as defined in section 2 of the +Capital Market Act; or c) in all other cases, as defined in section 2 of the +Companies Act.	Introduced 03/07/2023
SPE-PRMS	Petroleum Resources Management System sponsored by the Society of Petroleum Engineers (SPE), the American Association of Petroleum Geologists (AAPG), the World Petroleum Council (WPC) and the Society of Petroleum Evaluation Engineers (SPEE), and available as set out in the +Procedures	Introduced 03/07/2023
substantial asset	an asset the value of which is, or the value of the consideration for it is, or in PNGX's opinion is, 5% or more of the +equity interests of the issuer as set out in the latest +accounts given to PNGX and disclosed to the market. In calculating the value, each of the following Rules applies. (a) Intangibles will be included; (b) Provisions for depreciation and amortisation will be deducted; (c) Liabilities +acquired as part of an +acquisition will not be deducted; and (d) Separate transactions will be aggregated if, in PNGX's opinion, they form part of the same commercial transaction.	Introduced 03/07/2023
substantial securities holder	as defined in sections 395 and 396 of the +Capital Market Act	Introduced 03/07/2023
takeover offer	means: a) an offer as defined in section 3 of the +Takeovers and Mergers Code; or b) a similar bid under a foreign regime	Introduced 03/07/2023 Amended 18/09/2023

Takeovers and Mergers Code	Means Takeovers Code as defined in section 2 of the +Capital Market Act.	Introduced 03/07/2023 Amended 18/09/2023
termination benefits	payments, property and advantages that are receivable on termination of employment, engagement or office, except those from any superannuation or provident fund and those required by law to be made.	Introduced 03/07/2023
terms of the scheme	includes terms, conditions, Rules, regulations or guidelines formulated to introduce or administer an +employee incentive scheme.	Introduced 03/07/2023
trading day	a +business day other than any day which PNGX declares and publishes is not a trading day.	Introduced 03/07/2023
trading halt	for the purpose of Chapter 26, an interruption to trading at the request of an issuer that is not a suspension from +quotation.	Introduced 03/07/2023
trading policy	an issuer's policy relating to trading in the issuer's securities by the issuer's +key management personnel during +prohibited periods.	Introduced 03/07/2023
trustee	a corporation that holds a capital market licence to act as a trustee under section 37 of the +Capital Market Act.	Introduced 03/07/2023
twenty largest holders schedule	A schedule showing the names of the 20 largest holders of each +class of +quoted +equity securities, the number of +equity securities each holds and the percentage of the +class each holds	Introduced 03/07/2023
underlying securities	means: a) in relation to an +option over unissued shares, or +units +securities in the same +class as those which will be issued if the +option is exercised. b) in relation to a +convertible debt security, +securities in the same +class as those which will be issued if the +convertible debt security is converted c) in relation to +DIs, +securities over which the +DIs are issued.	Introduced 03/07/2023

undertaking	includes assets or businesses.	Introduced 03/07/2023
unit	as defined in section 2 of the +Capital Market Act	Introduced 03/07/2023
voluntary escrow	+securities of an issuer are subject to voluntary escrow where: a) the issuer and the holder of the +securities have entered into an agreement restricting the right of the holder to +dispose of the +securities in a form similar to that set out in Appendix 13B or in such other form as the issuer and the holder agree; b) the issuer and the holder were not required to enter into the agreement under these Listing Rules; and c) that agreement is still current.	Introduced 03/07/2023
voting exclusion statement	a statement referred to in Rule 19.12.	Introduced 03/07/2023
warrant	a +security issued by a third party other than the issuer which gives the holder the right, but not the obligation, to subscribe for existing +equity securities of the issuer.	Introduced 03/07/2023
working capital	Means current assets less current liabilities after excluding: a) the costs of any capital raising; b) +related party loans; c) +related party receivables; d) intangible assets; e) budgeted director's fees for the following 12 months; f) in the case of a mining exploration company or oil & gas exploration company, the following 12 months' budgeted: i. administration costs; ii. the costs of acquiring plant and equipment; iii. the costs of acquiring +mining tenements; and iv. the costs of acquiring +oil & gas tenements.	Note: The cost of acquiring oil and gas tenements and/or mining tenements includes the cost of acquiring and exercising an option over them. Introduced 03/07/2023

Interpretation

Principles on which the Listing Rules are based

Int.1 The Listing Rules are based on the principles set out at the commencement of these Listing Rules.

Introduced 03/07/2023

Issuer must comply with spirit, intention and purpose of Rules

Int.2 An issuer must comply with the Listing Rules as interpreted:

(a) in accordance with their spirit, intention and purpose;
(b) by looking beyond form to substance; and
(c) in a way that best promotes the principles on which the Listing Rules are based.

Note: The principles on which the Listing Rules are based embody their intention and purpose.

Introduced 03/07/2023

Governing law

Int.3 The agreement between PNGX and an issuer is governed by the laws of Papua New Guinea.

Introduced 03/07/2023

Submission to jurisdiction

Int.4 PNGX and an issuer do each of the following:

Introduced 03/07/2023

Int.4.1 Irrevocably submit to the non-exclusive jurisdiction of the courts of Papua New Guinea and to the courts of appeal from the courts of Papua New Guinea;

Introduced 03/07/2023

Int.4.2 Irrevocably waive any immunity or any objection to any action in the courts of Papua New Guinea and the courts of appeal from the courts of Papua New Guinea; and

Introduced 03/07/2023

Int.4.3 Irrevocably waive any claim that any action has been brought in an inconvenient forum or to the courts of Papua New Guinea and the courts of appeal from the courts of Papua New Guinea not having jurisdiction.

Introduced 03/07/2023

References to laws and rules

Int.5 A reference to a law, PNGX's constituent documents, PNGX's Listing Rules or any other Rules published by PNGX or its related parties under the +Capital Market Act or the +Central Depositories Act is a reference to the provision as:

(a) amended;
(b) re-enacted;

Example: The Capital Market Act Regulations affect the Capital Market Act.

Example: A SECOM exemption or modification modifies the application of the Capital Market Act.

Introduced 03/07/2023

(c) modified by administrative act; or
(d) affected by a subordinate instrument.

Conduct

Int.6 An act or omission by an issuer includes an act or omission caused directly or indirectly by the issuer.

Example: An issuer that causes a subsidiary to take an action is taking the action indirectly.

Introduced 03/07/2023

Int.7 Conduct engaged in on behalf of an issuer by an +officer, employee, or other agent of the issuer is taken for the purposes of these Listing Rules to have been engaged in by the issuer, whether or not the conduct is within the scope of the actual or apparent authority of the +officer, employee, or other agent.

Issuers should also have regard to section 448(2) and (3) of the Capital Market Act.

Introduced 03/07/2023

Int.8 Conduct engaged in on behalf of an issuer by any other +person at the direction or with the express or implied consent of an +officer, employee, or other agent of the issuer is taken for the purposes of these Listing Rules to have been engaged in by the issuer, whether or not the giving of the direction or consent is within the scope of the actual or apparent authority of the +officer, employee or other agent.

Introduced 03/07/2023

Calculation of time

Int.9 When a Listing Rule requires something to be done by a day that is not a +business day, the thing must be done by the following +business day unless another day is specified.

Introduced 03/07/2023

Int.10 References to time are to Papua New Guinea time, unless another time is specified.

Introduced 03/07/2023

References to currency

Int.11 A reference to “PGK”, “Kina” or “toea” is to PNG currency unless denominated otherwise.

Introduced 03/07/2023

References to quoted securities

Int.12 A reference to +quoted +securities or to +securities being +quoted by PNGX includes, where +DIs have been issued

Introduced 03/07/2023

over an issuer's securities, the +securities over which the +DIs have been issued

Notice to an issuer by PNGX

Int.13 A document is to be treated as being given to an issuer if it is left at, or is sent by post, fax or e-mail to, the address, fax number or e-mail address:

(a) in the issuer's application for approval; or
(b) given to PNGX by the issuer or used in correspondence with PNGX by the issuer.

Introduced 03/07/2023

Int.14 Rule Int.13 does not prevent a document being given to an issuer in any other way permitted by law.

Example: Laws regarding service of documents.

Introduced 03/07/2023

Int.15 The time that a document is to be treated as being given to an issuer is as follows:

(a) If it is delivered, the time of delivery;

(b) If it is posted, on the second +business day after posting;

(c) If it is faxed, when it is received. A successful fax transmission report by the sender is sufficient proof of the time of receipt; or

(d) If it is e-mailed, when it is received. A successful email delivery receipt by the sender is sufficient proof of the time of receipt.

Introduced 03/07/2023

Procedural defects

Int.16 A procedural defect does not invalidate a decision of PNGX. If the defect may result in substantial injustice, an issuer may ask PNGX to review its decision.

Introduced 03/07/2023

Int.17 A decision, resolution, proceeding or act of PNGX under the Listing Rules is not invalidated by any:

(a) defect;

(b) irregularity; or

(c) deficiency,

of notice or time unless:

(d) an issuer concerned by the defect, irregularity or deficiency requests PNGX to resolve that the decision, resolution, proceeding or act is invalid;

Introduced 03/07/2023

(e) PNGX reasonably believes that the defect, irregularity or deficiency has caused or may cause substantial injustice which cannot reasonably be avoided; and

(e) PNGX accordingly resolves that the decision, resolution, proceeding or act is invalid.

Int.18 An action or inaction by PNGX under the Listing Rules may not be challenged on the ground that a Listing Rule, Procedure, direction, decision or requirement of PNGX, or any agreement made by PNGX, is ultra vires PNGX or otherwise invalid.

Introduced 03/07/2023

Int.19 If any of the provisions of the Listing Rules or the Procedures becomes at any time illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity or enforceability of the remaining provisions of the Listing Rules and the Procedures, and the legality, validity or enforceability of the provision under the law of any other jurisdiction is not affected or impaired in any way.

Introduced 03/07/2023

Appendices are part of the Listing Rules

Int.20 The following are part of the Listing Rules:

(a) The Appendices.

Note: Materials which are part of the Listing Rules are subject to SECOM approval pursuant to section 11 of the Capital Market Act.

Introduced 03/07/2023

History, notes, Procedures, etc are not part of the Listing Rules

Int.21 The following are not part of the Listing Rules:

(b) The tables of contents;

(c) The introduction;

(d) Any explanatory notes;

(e) Any history, notes, examples and cross references set out alongside particular Rules;

(f) Any index;

(g) Any Guidance Notes; and

(h) The +Procedures; and

(i) The +Schedule of Fees.

Note: Materials which are not part of the Listing Rules are not subject to SECOM approval pursuant to section 11 of the Capital Market Act.

Introduced 03/07/2023

Procedures

Int.22	PNGX may from time to time prescribe written +Procedures: (a) relating to the operations of the Listing Rules; (b) relating to the conduct of the issuers; and (c) for any other purposes as PNGX sees fit.	Introduced 03/07/2023
Int.23	If a Listing Rule requires compliance with a +Procedure, then failure to comply with the +Procedure is a breach of that Rule.	Note: The Procedures do not form part of these Listing Rules. Refer Rule Int.18. Introduced 03/07/2023.
Int.24	The +Procedures may be amended by PNGX from time to time and PNGX will notify issuers of the amendment before the amendment takes effect.	Introduced 03/07/2023
Int.25	To the extent of any inconsistency between these Listing Rules and the +Procedures, these Listing Rules will prevail.	Introduced 03/07/2023

References codes and standards, etc are not part of the Listing Rules

Int.26	The following referenced codes and standards are not part of the Listing Rules: (a) +JORC Code; (b) +SPE-PRMS; (c) SAMREC; (d) NI 43-101 and CIM; (e) PERC; (f) International Financial Reporting Standards; and (g) +PNGX Corporate Governance Standards.	Note: Materials which are not part of the Listing Rules are not subject to SECOM approval pursuant to section 11 of the Capital Market Act. Introduced 03/07/2023
Int.27	If a Listing Rule requires compliance with a referenced code or standard, then failure to comply with the referenced code or standard is a breach of that Rule.	Note: The Procedures do not form part of these Listing Rules. Refer Rule Int.21. Introduced 03/07/2023.
Int.28	To the extent of any inconsistency between these Listing Rules and a referenced code or standard, the referenced code or standard will prevail.	Introduced 03/07/2023

How an issuer tells PNGX

Int.29	If a Listing Rules requires an issuer to tell PNGX something, the issuer must tell PNGX in writing.	Introduced 03/07/2023

Accounts

Int.30	If a Listing Rules requires an issuer (other than a government borrowing authority, a public authority, the Bank of Papua New Guinea or a +Multilateral Financial Institution) to give PNGX +accounts, the following Rules apply:	Introduced 03/07/2023
Int.30.1	If the issuer controls an issuer within the meaning of section 6 of the +Companies Act or is the holding company of an issuer, required by any law, regulation, Rule or accounting standard, or if PNGX requires, the +accounts must be consolidated +accounts.	Introduced 03/07/2023
Int.30.2	The +accounts must be prepared to PNG accounting standards. If the issuer is a +foreign issuer the +accounts may be prepared to other standards agreed by PNGX.	Note: The Papua New Guinea Accounting Standards Board requires all publicly accountable companies to use full International Financial Reporting Standards. Note: PNGX will agree, for example, to the use of: a) Australian Accounting Standards by Australian issuers; and b) International Financial Reporting Standards by other foreign issuers. Introduced 03/07/2023
Int.30.3	If the Listing Rules require audited +accounts, the audit must be conducted in accordance with PNG auditing standards by a registered company auditor. If the issuer is a +foreign issuer, the audit may be conducted in accordance with other standards agreed by PNGX and may be conducted by an overseas equivalent of a registered company auditor.	Introduced 03/07/2023
Int.30.4	If the Listing Rules require +accounts to be reviewed, the review must be conducted in accordance with PNG auditing standards. If the issuer is a +foreign issuer, the review may be conducted in accordance with other standards agreed by PNGX. Unless the Listing Rules say an independent accountant may conduct the review, it must be conducted by a registered company auditor (or, if the issuer is a +foreign issuer, an overseas equivalent of a registered company auditor).	Introduced 03/07/2023
Int.30.5	If there is a +directors' declaration that relates to the +accounts, the +directors' declaration must be given to PNGX with the +accounts.	Introduced 03/07/2023
Int.30.6	If there is a +directors' report that relates to the period covered by the +accounts, the +directors' report must be given to PNGX with the +accounts.	Introduced 03/07/2023

Application to registered schemes and foreign MIS

Int.31 The Listing Rules apply to the +trustee of a +registered scheme or +foreign MIS so that the +trustee has an obligation to ensure that the +registered scheme or +foreign MIS complies with the Listing Rules.

Introduced 03/07/2023

Int.32 In the case of a +registered scheme or +foreign MIS, a reference in these Rules:

(a) to a "Board" refers to the Board of the +trustee;
(b) to a "Director" refers to a Director of the +trustee;
(c) to a "Managing Director" refers to a Managing Director of the +trustee;
(d) to a "CEO" refers to a +CEO of the +trustee;
(e) to a "Secretary" refers to a Secretary of the +trustee;
(f) to a "dividend" refers to a "distribution"; and
(g) to "capital" refers to "interests" in the +registered scheme or +foreign MIS.

Introduced 03/07/2023

Issuers other than companies and registered schemes

Int.33 If an issuer approved by PNGX is neither a company or a +registered scheme, the Listing Rules apply to that issuer in a manner determined by PNGX so that the debt issuer has an obligation to comply with the Listing Rules.

Example: a government borrowing authority or a co-operative may have a different governance structure.

Introduced 03/07/2023

Int.34 In the case of an issuer approved by PNGX which is neither a company or a +registered scheme, a reference in these rules:

(a) to a "Board" refers to an equivalent governance body determined and advised in writing by PNGX;
(b) to a "Director" refers to an equivalent role as determined and advised in writing by PNGX;
(c) to a "Managing Director" refers to an equivalent role as determined and advised in writing by PNGX; and
(d) to a "CEO" refers to an equivalent role as determined and advised in writing by PNGX;
(e) to a "Secretary" refers to an equivalent role as determined and advised in writing by PNGX.

Introduced 03/07/2023

References to PNGX

Int.35 All references to 'PNGX' in the Listing Rules, guidance notes, appendices, circulars, notices, bulletins, explanatory memoranda and other communications issued or made by

Introduced 03/07/2023

PNGX under the Listing Rules are taken to be references to 'PNGX Markets Limited'

Rules in force at time of breach

Int.36 Unless explicitly stated otherwise, in determining whether a breach of the Listing Rules has occurred, the matter is to be determined with respect to the Listing Rules as in force at the time of the possible breach.

Introduced 03/07/2023

Obligations regarding timeliness of disclosures

Int.37 Any reference to making a disclosure that is not required by a Listing Rule to be made immediately is to be interpreted as an obligation to make the disclosure on a timely basis.

Introduced 03/07/2023

Interpretation Rules

Int.38 In these Rules:

(a) words importing the singular number include the plural and vice versa;
(b) words importing the masculine gender include the feminine and neuter genders and vice versa;
(c) a reference to a person includes a reference to a natural person and a legal person;
(d) the word "person" includes a corporation, body corporate, unincorporated association or any governmental authority;
(e) a reference to a person includes a reference to the person's executors, administrators, legal personal representatives, successors and permitted assigns;
(f) a reference to "includes" and cognate terms means includes without limitation;
(g) a reference to:
    a. these Rules or the PNGX Listing Rules are to the Rules contained in this document;
    b. a Rule is a reference to a Rule in this document;
    c. a Business Rule is a reference to a Rule in the Business Rules;
    d. a Chapter is a reference to a Chapter in these Rules;
(h) an obligation incurred by two or more persons binds them or any one or more of them jointly and severally;

Example: security has the same meaning as securities.

Example: quotation has the same meaning as quoted.

Introduced 03/07/2023

(i) any obligation to comply, and similar terms, is to be interpreted as an obligation to comply fully and immediately (or in the time specified) and to ensure continuing compliance with the obligation;

(j) any reference to a discretion means an absolute and unfettered discretion and any reference to an opinion of a person, means an opinion formed in the absolute and unfettered discretion of the person;

(k) any reference to a power, action, opinion or discretion of PNGX, includes a reference to a power, action, opinion or discretion of the board, any department, committee, tribunal, +officer, executive or representative of PNGX, as the case may be, which or who is empowered by these Rules to exercise that power, take that action, form that opinion or to exercise that discretion or make a decision whether to exercise that discretion;

(l) any reference to a power, action or discretion of PNGX includes a reference to any power, action or discretion necessary to give effect to PNGX 's power, action or discretion;

(m) a reference to a right includes an interest, power, remedy, privilege and cause of action however arising; and

(n) references to writing include typewriting, printing, photography and other modes of representing or reproducing words in legible and non-transitory form and electronic mail.

Headings and any Introductory Overview

Int.39 Headings and any introductory overview at the beginning of each Section are for convenience of reference only and do not affect the interpretation of the Rules or the Procedures.

Effect of amendment to rules and procedures

Int.40 Unless expressly stated otherwise, where a Rule or Procedure is:

(a) amended;

(b) deleted; or

(c) lapses or otherwise ceases to have effect,

that circumstance does not:

(d) revive anything not in force or existing at the time at which that circumstance takes effect;

(e) affect the previous operations of that Rule or Procedure or anything done under that Rule or Procedure;

(f) affect any right, privilege, obligation or liability acquired, accrued or incurred under that Rule or Procedure;

(g) affect any penalty, forfeiture, suspension, expulsion or other enforcement action taken or incurred in respect of any breach of that Rule or Procedure; or

(h) affect any investigation, proceeding, enforcement process, appeal process, sanction or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture, suspension, expulsion or other enforcement action,

and any such investigation, proceeding, enforcement process, appeal process, sanction or remedy may be instituted, continued or enforced, and any such penalty, forfeiture, suspension, expulsion or other enforcement action may be imposed as if the circumstance had not taken effect.

Amendment History

First Adopted	03/07/2023	Replaces Listing Rules dated 01 November 2012
Amendment 1	18/09/2023	Various minor amendments, primarily to reflect the introduction of the Takeovers and Mergers Code. Refer the July 2023 Explanatory Document for full details.
Amendment 2	01/08/2024	Various amendments related to continuous disclosure to clarify when an issuer becomes aware of information, to correct typographical errors and to correct Appendix 2B