
ANNEXURE C
PROPOSED MOG AMENDMENTS
Main Market Listing Requirements

CHAPTER 1 DEFINITIONS AND INTERPRETATION

PART A – DEFINITIONS

1.01 Definitions

In these Requirements, unless the context otherwise requires -

Acceptable Reporting Standard in relation to a mineral, oil and gas listed issuer, means the reporting standards recognised by the SC, which include the following -

(a) in relation to minerals:

- (i) the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves as published by the Joint Ore Reserves Committee of The Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, including any amendment that may be made from time to time (“JORC Code”);
- (ii) the Pan-European Standard for Reporting of Exploration Results, Mineral Resources and Reserves as published by The Pan-European Reserves and Resources Reporting Committee, including any amendment that may be made from time to time (“PERC Code”);
- (iii) the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves prepared by The South African Mineral Resource Committee Working Group, including any amendment that may be made from time to time (“SAMREC Code”); and
- (iv) the Canadian Standards of Disclosure for Mineral Projects, including Form 43-101F1, which incorporates, by reference, the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards on Mineral Resources and Mineral Reserves promulgated by the Canadian Securities Administrators, including any amendment that may be made from time to time (“NI 43-101”).

(b) in relation to oil and gas:

- (i) the Petroleum Resources Management Systems sponsored by the Society of Petroleum Engineers, American Association of Petroleum Geologists, World Petroleum Council, Society of Petroleum Evaluation Engineers, including any amendment that may be made from time to time (“SPE-PRMS”); and
- (ii) Canada’s National Instrument 51-101 Standards Of Disclosure for Oil And Gas Activities promulgated by the Canadian Securities Administrators, including any amendment that may be made from time to time (“NI 51-101”).

(c) in relation to the valuation of Mineral or Oil and Gas Assets:

- (i) the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports, promulgated by the VALMIN Committee, a joint committee of The Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Mineral Industry Consultants Association, including any amendment that may be made from time to time (“VALMIN Code”);
- (ii) the Standards and Guidelines for Valuation of Mineral Properties issued by the Special Committee of the Canadian Institute of Mining, Metallurgy and Petroleum on Valuation of Mineral Assets, including any amendment that may be made from time to time (“CIMVAL”); and
- (iii) the South African Code for the Reporting of Mineral Asset Valuation prepared by the South African Mineral Asset Valuation (SAMVAL) Working Group, including any amendment that may be made from time to time (“SAMVAL Code”); or

(d) an equivalent standard acceptable to the Exchange.

Competent Person in relation to a mineral, oil and gas listed issuer, means a person who meets the requirements in paragraph 10.15(3).

Competent Valuer in relation to a mineral, oil and gas listed issuer, means a person who meets the requirements in paragraph 10.15(4).

Mineral or Oil and Gas Assets means mineral assets or petroleum assets or the equivalent as defined in –

- (a) the Standards and Guidelines for Valuation of Mineral Properties endorsed by the Canadian Institute of Mining, Metallurgy and Petroleum, including any amendment that may be made from time to time (“CIMVAL”);
- (b) the South African Code for the Reporting of Mineral Asset Valuation prepared by the South African Mineral Asset Valuation (SAMVAL) Working Group, including any amendment that may be made from time to time (“SAMVAL Code”); or
- (c) the Code for the Technical Assessment and Valuation of Mineral and Petroleum Assets and Securities for Independent Expert Reports, promulgated by the VALMIN Committee, a joint committee of The Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Mineral Industry Consultants Association, including any amendment that may be made from time to time (“VALMIN Code”).

mineral, oil and gas listed issuer means a listed issuer -

- (a) whose mineral, oil and gas exploration or extraction activities represent 25% or more of the total assets, revenue or operating expenses of the listed issuer, based on the latest published or announced audited financial statements of the listed issuer or audited consolidated financial statements of the listed issuer, if the listed issuer has subsidiaries;
- (b) which has completed an acquisition of a corporation whose core business is in mineral, oil and gas exploration or extraction activities where any one of the percentage ratios is 25% or more; or
- (c) which has completed an acquisition of Mineral or Oil and Gas Assets where any one of the percentage ratios is 25% or more.

For the avoidance of doubt, a mineral, oil and gas listed issuer excludes a listed issuer which purely provides services or equipment to other corporations engaged in such core business.

Recognised Professional Organisation in relation to a mineral, oil and gas listed issuer, means a self-regulatory organisation of professionals in the mineral or oil and gas industry which is recognised by the SC.

Reserves in relation to a mineral, oil and gas listed issuer, has the meaning given in the Acceptable Reporting Standard adopted by the mineral, oil and gas listed issuer.

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Resources

in relation to a mineral, oil and gas listed issuer, has the meaning given in the Acceptable Reporting Standard adopted by the mineral, oil and gas listed issuer.

[End of Proposed Amendments to Chapter 1]

CHAPTER 9 CONTINUING DISCLOSURE**PART M – DISCLOSURE REQUIREMENTS FOR SPECIFIC LISTED ISSUERS****9.36 ~~Mining, P~~lantation and timber corporations**

A listed issuer in the business of ~~mining~~, plantation or timber, must immediately announce to the Exchange the production figures for each month not later than the end of the subsequent month.

PART M7 – MINERAL, OIL AND GAS LISTED ISSUERS**9.56 Acceptable Reporting Standard**

- (1) A mineral, oil and gas listed issuer must –
- (a) prepare and present all announcements, statements and reports in relation to its mineral or oil and gas Reserves, Resources and exploration results in accordance with an Acceptable Reporting Standard;
 - (b) state the Acceptable Reporting Standard used clearly in the announcements, statements and reports; and
 - (c) apply an Acceptable Reporting Standard to its Mineral or Oil and Gas Assets in a consistent manner.
- (2) Where a Competent Person or a Competent Valuer is appointed to prepare the announcements, statements and reports, the mineral, oil and gas listed issuer must ensure that such person also complies with sub-paragraph (1) above.
- (3) All data on mineral or oil and gas Reserves or Resources by a mineral, oil and gas listed issuer, a Competent Person or Competent Valuer must be presented in tables in a manner readily understandable to a non-technical person together with a glossary of technical terms used. All assumptions must be clearly disclosed and statements should include an estimate of volume, tonnage and grades.

[Cross reference: Practice Note 32]

9.57 Immediate announcement by a mineral, oil and gas listed issuer

- (1) In addition to the requirements set out in this Chapter, a mineral, oil and gas listed issuer must immediately announce to the Exchange the following events:
- (a) any material exploration results;
 - (b) any material discovery of new mineral or oil and gas Reserves or Resources;
 - (c) any material change to mineral or oil and gas Reserves or Resources published or announced previously;

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- (d) any report of mineral or oil and gas Reserves or Resources prepared by a Competent Person;
 - (e) any decision to abort its material mineral, oil and gas activity and the rationale for the decision;
 - (f) any change in the Acceptable Reporting Standard adopted, including the reasons for the change and the impact, if any, on the level of mineral or oil and gas Reserves or Resources published or announced previously; and
 - (g) any appointment of a new Competent Person or Competent Valuer.
- (2) In making an announcement that contains any of the matters referred to in sub-paragraph 9.57(1)(a), (b), (c) above, the mineral, oil and gas listed issuer must state –
- (a) that the announcement is based on and fairly represents information and supporting documentation prepared by a named Competent Person; and
 - (b) the name of the Recognised Professional Organisation which has admitted the Competent Person as a member.

The mineral, oil and gas listed issuer must make available a copy of the Competent Person's report for inspection at its registered office as soon as practicable from the date of the announcement.

[Cross reference: Practice Note 32]

9.58 Quarterly report of a mineral, oil and gas listed issuer

A mineral, oil and gas listed issuer must include in its quarterly report –

- (a) the information set out in Part A of Appendix 9B; and
- (b) the additional information set out in Part D of Appendix 9B.

9.59 Annual report of a mineral, oil and gas listed issuer

A mineral, oil and gas listed issuer must include in its annual report -

- (a) the information set out in Part A of Appendix 9C; and
- (b) the additional information set out in Part D of Appendix 9C.

[Cross reference: Practice Note 32]

[End of Chapter]

APPENDIX 9B

Part D

Additional contents of quarterly reports of mineral, oil and gas listed issuers
(paragraph 9.58)

- (1) A description of exploration, development and production activities undertaken by the mineral, oil and gas listed issuer during the period under review. If there has been no exploration, development or production activity, a statement to that effect.
- (2) A summary of expenditure incurred on the exploration, development and production activities during the period under review.

[End of Appendix]

APPENDIX 9C**Part D****Additional contents of annual reports of mineral, oil and gas listed issuers**
(paragraph 9.59)

- (1) A description of exploration, development and production activities undertaken by the mineral, oil and gas listed issuer during the period under review. If there has been no exploration, development or production activity, a statement to that effect.
- (2) A summary of expenditure incurred on the exploration, development and production activities during the financial year.
- (3) A summary of mineral or oil and gas Reserves or Resources as at the end of the financial year, including an update, if any and a comparison with the Reserves or Resources reported in the previous year.

[End of Appendix]

[End of Proposed Amendments to Chapter 9]

CHAPTER 10 TRANSACTIONS**PART I – ACQUISITION OR DISPOSAL OF MINERAL OR OIL AND GAS ASSETS OR A CORPORATION WHOSE CORE BUSINESS IS IN MINERAL OR OIL AND GAS EXPLORATION OR EXTRACTION ACTIVITIES****10.15 Acquisition or disposal of Mineral or Oil and Gas Assets or a corporation whose core business is in mineral, oil and gas exploration or extraction activities**

- (1) A listed issuer which intends to acquire or dispose of Mineral or Oil and Gas Assets or a corporation whose core business is in mineral, oil and gas exploration or extraction activities where any one of the percentage ratios of the transaction is 25% or more must comply with the following additional requirements -
- (a) include additional information set out in Part J of Appendix 10A and Part K of Appendix 10B respectively, in the announcement to the Exchange, and the circular issued to the shareholders;
 - (b) appoint an independent Competent Person and ensure the Competent Person's report on the Reserves or Resources of the Mineral or Oil and Gas Assets is submitted through a Competent Person's Firm as referred in sub-paragraph (5) below and included in the circular issued to the shareholders; and
 - (c) appoint an independent Competent Valuer and ensure the Competent Valuer's report on the valuation of the Mineral or Oil and Gas Assets is submitted through a Competent Valuer's Firm as referred to in sub-paragraph (6) below and included in the circular issued to the shareholders.
- (2) For the purposes of sub-paragraphs (1)(b) and (c) above, in relation to a corporation whose core business is in mineral, oil and gas exploration or extraction activities, the Mineral or Oil and Gas Assets mentioned in those sub-paragraphs refer to the Mineral or Oil and Gas Assets owned by such corporation.
- (3) The criteria that must be met by a Competent Person are as follows –
- (a) an individual with appropriate experience in the type of mineral, or oil and gas activity undertaken or to be undertaken by the listed issuer;
 - (b) at least 5 years' relevant professional experience in the estimation, assessment and evaluation of:
 - (i) the mineral or minerals, oil or gas that is under consideration; or
 - (ii) the activity which the listed issuer is undertaking;
 - (c) professionally qualified and a member of good standing with a relevant Recognised Professional Organisation (“**Said Recognised Professional Organisation**”);
 - (d) not in breach of any relevant rule or law; and

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- (e) not denied or disqualified from membership of the Said Recognised Professional Organisation or subject to any sanction, disciplinary proceedings or investigation which might lead to disciplinary action by any relevant regulatory authority or Said Recognised Professional Organisation.
- (4) The criteria that must be met by a Competent Valuer are as follows –
- (a) the requirements in sub-paragraph (3) above;
 - (b) at least 10 years' relevant and recent general mineral or oil and gas experience (as appropriate);
 - (c) at least 5 years' relevant and recent experience in the assessment or valuation, or both of Mineral or Oil and Gas Assets; and
 - (d) holding all relevant licenses.
- (5) For the purposes of sub-paragraph (1)(b) above, to be regarded as a Competent Person's Firm, the firm must have –
- (a) a good governance record with the SC, the Exchange, and other relevant authorities or professional bodies; and
 - (b) sufficient internal controls and procedures to ensure that the requirements of the standards are complied with and the technical assessment conducted has gone through the necessary peer review and a robust assessment process.
- (6) For the purposes of sub-paragraph (1)(c) above, to be regarded as a Competent Valuer's Firm, the firm must have –
- (a) a good governance record with the SC, the Exchange, and other relevant authorities or professional bodies; and
 - (b) sufficient internal controls and procedures to ensure that the requirements of the standards are complied with and valuations conducted have gone through peer review and a robust valuation process.
- (7) The firms of the Competent Person and Competent Valuer appointed by a listed issuer pursuant to subparagraphs (1)(b) and (1)(c) above must also be independent. In order to be regarded as independent, the appointed Competent Person, Competent Valuer and their firms must be independent of the listed issuer, its directors, senior management and advisers and –
- (a) have no economic or beneficial interest (present or contingent) in any of the mineral or oil and gas Reserves or Resources being reported on;
 - (b) not be remunerated with a fee dependent on the findings of the Competent Person's report or Competent Valuer's report;
 - (c) in the case of an individual, not be an officer, employee or proposed officer of the listed issuer or any other corporation in the group, holding or associated company of the listed issuer; and

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- (d) in the case of a firm, not be a holding or associated company of the listed issuer, or any other corporation in the group. Any of the firm's partners or officers must not be officers or proposed officers of the holding or associated company of the listed issuer, or any other corporation in the group.
- (8) A Competent Person's report or Competent Valuer's report must –
- (a) comply with an Acceptable Reporting Standard;
 - (b) be addressed to the listed issuer;
 - (c) state the Acceptable Reporting Standard used in preparing the report and explain any departure from the relevant Acceptable Reporting Standard; and
 - (d) contain at least the minimum requirements as prescribed by the SC.
- (9) The Competent Person's report and the Competent Valuer's report is to be dated not more than 6 months before the date of the circular issued to the shareholders.
- (10) The listed issuer must submit to the Exchange 2 copies of the Competent Person's report, Competent Valuer's report and a copy of the Competent Valuer's undertaking letter in the form of Appendix 6D immediately after the listed issuer announces the transaction (if available) or as soon as the Competent Person's report or Competent Valuer's report is ready. In any event, the listed issuer must submit the Competent Person's report and the Competent Valuer's report together with the Competent Valuer's undertaking letter to the Exchange at least 1 month before it submits its draft circular in relation to the transaction to the Exchange.
- (11) There must be a statement in the circular to shareholders that no material changes have occurred since the effective date of the Competent Person's report and Competent Valuer's report. If the listed issuer or the Competent Valuer becomes aware of any circumstance or significant change which has or will have material effect on the content, validity or accuracy of the Competent Valuer's report before the date of issuance of the circular, the Competent Valuer and the listed issuer must cause the Competent Valuer's report to be updated. If the listed issuer fails to do so, the Competent Valuer must withdraw its consent to the inclusion of the Competent Valuer's report in the circular.
- (12) Notwithstanding sub-paragraphs (1) and (10) above, the Exchange may at its discretion and whenever it deems appropriate, at the cost of the listed issuer -
- (a) obtain a second opinion on the Competent Valuer's report submitted by the listed issuer from another Competent Valuer appointed by the Exchange; or
 - (b) require a listed issuer to conduct a valuation on the Mineral or Oil and Gas Assets proposed to be acquired or disposed in respect of any transaction other than the transaction referred to in sub-paragraph (1) above.
- (13) A listed issuer and its Competent Valuer must comply with the instructions, directives or conditions imposed by the Exchange and within such timeframe as may be specified by the Exchange.
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- (14) The Exchange may refer any Competent Person's report or Competent Valuer's report received by the Exchange to another Competent Person or Competent Valuer for review, at the cost of the listed issuer. The listed issuer and the Competent Person or Competent Valuer must provide the Exchange on a timely basis, any information or assistance required in relation to the Competent Person's report or Competent Valuer's report.
- (15) For the purposes of sub-paragraphs (1)(c), (7), (8), (9), (10), (11), (12) and (14) above, a "Competent Valuer's report" includes a summary of the valuation report for Mineral or Oil and Gas Assets for inclusion in the circular.
- (16) For the avoidance of doubt, the Competent Person's report and the Competent Valuer's report referred to in sub-paragraphs (1)(b) and (1)(c) above may be prepared by the same person provided that such person complies with these Requirements.

[End of Chapter]

APPENDIX 10A**Contents of announcement in relation to transactions**

(paragraphs 10.06(1), 10.08(1), 10.08(11)(i) and (j), and 10.11A(1)(c))

Part A**General information to be included, where applicable, in announcement of transactions**

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- (19) Where any one of the percentage ratios is 25% or more, the following information must be included:
- (c) for depleting or specialised businesses, such as timber concessions, ~~and oil and gas businesses,~~ information on the reserves, extraction rates and returns;

Part J**Additional specific information to be included, where applicable in relation to acquisition or disposal of Mineral or Oil and Gas Assets or a corporation whose core business is in mineral, oil and gas exploration or extraction activities**

(paragraph 10.15)

- (1) The total size of the concession area and the location of the mineral or oil and gas exploration or production operation.
- (2) The salient features of the contractual arrangements entered into (for example concessions, licenses or production sharing contracts and etc.) in respect of the mineral or oil and gas exploration or production operation.
- (3) The total financing required for the mineral or oil and gas exploration or production operation and its source of funds.
- (4) The value of the Mineral or Oil and Gas Assets together with the basis of such valuation.

[End of Appendix]

APPENDIX 10B**Contents of circular to shareholders in relation to transactions**

(paragraphs 10.07(1), 10.08(2)(a) and 10.11A(1)(c))

Part A**General information to be included, where applicable, in the circular to shareholders in relation to transactions**

- (22) For depleting or specialised businesses, such as timber concessions, ~~and oil and gas businesses~~, information on the breakdown of assets/inventories, reserves, extraction rates and returns.

Part K**Additional specific information to be included, where applicable in relation to acquisition or disposal of Mineral or Oil and Gas Assets or a corporation whose core business is in mineral, oil and gas exploration or extraction activities**

(paragraph 10.15)

- (1) The total size of the concession area and the location of the mineral or oil and gas exploration or production operation, as supplemented by a location diagram or map.
- (2) The salient features of the contractual arrangements entered into (for example concessions, licenses or production sharing contracts and etc.) in respect of the mineral or oil and gas exploration or production operation.
- (3) The estimated mineral or oil and gas Reserves or Resources together with the basis of the existence of such mineral or petroleum.
- (4) The value of the Mineral or Oil and Gas Assets together with the basis of such valuation.
- (5) The total financing required for the mineral or oil and gas exploration or production operation and its source of funds, whether debt financing, equity financing or other sources of funding and details of the development expenditure incurred to date.
- (6) The full name and professional qualifications, years of relevant experience, membership and details and location of Recognised Professional Organisations of the Competent Person and Competent Valuer.
- (7) The risks in relation to the mineral or oil and gas exploration or production operations which could materially affect the listed issuer.

[End of Appendix]

[End of Proposed Amendments to Chapter 10]

CHAPTER 15 CORPORATE GOVERNANCE

PART B – DIRECTORS

15.02 Composition of the board of directors

- (1) A listed issuer must ensure that at least 2 directors or 1/3 of the board of directors of a listed issuer, whichever is the higher, are independent directors.
- (2) If the number of directors of the listed issuer is not 3 or a multiple of 3, then the number nearest 1/3 must be used.
- (3) In the event of any vacancy in the board of directors, resulting in non-compliance with subparagraph (1) above, a listed issuer must fill the vacancy within 3 months.
- (4) A listed issuer whose primary activity is in mineral, oil and gas exploration or extraction activities must ensure that at least one of its independent directors has appropriate mineral, oil and gas industry experience and expertise.
- (5) For the purpose of sub-paragraph (4) above, “primary activity” refers to a listed issuer whose mineral, oil and gas exploration or extraction activities represent 50% or more of the total assets, revenue, operating expenses or after tax profit of the listed issuer, based on the latest published or announced audited financial statements of the listed issuer or audited consolidated financial statements of the listed issuer, if the listed issuer has subsidiaries.

PART D – AUDITORS

15.21 External auditor

- (1) In appointing an external auditor, a listed issuer must consider, among others –
 - (a) the adequacy of the experience and resources of the accounting firm;
 - (b) the persons assigned to the audit;
 - (c) the accounting firm’s audit engagements;
 - (d) the size and complexity of the listed issuer’s group being audited; and
 - (e) the number and experience of supervisory and professional staff assigned to the particular audit.
- (2) In addition to sub-paragraph (1) above, a listed issuer whose primary activity is in mineral, oil and gas exploration or extraction activities must ensure that the external auditor it appoints has the relevant mineral, oil and gas industry expertise.

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- (3) For the purpose of sub-paragraph (2) above, “primary activity” refers to a listed issuer whose mineral, oil and gas exploration or extraction activities represent 50% or more of the total assets, revenue, operating expenses or after tax profit of the listed issuer, based on the latest published or announced audited financial statements of the listed issuer or audited consolidated financial statements of the listed issuer, if the listed issuer has subsidiaries.

[End of Proposed Amendments to Chapter 15]

PRACTICE NOTE 32
DISCLOSURE FOR MINERAL, OIL AND GAS LISTED ISSUERS

<u>Details</u>	<u>Cross References</u>
<u>Effective date:</u> []	<u>Paragraphs 9.56, 9.57 and 9.59</u>

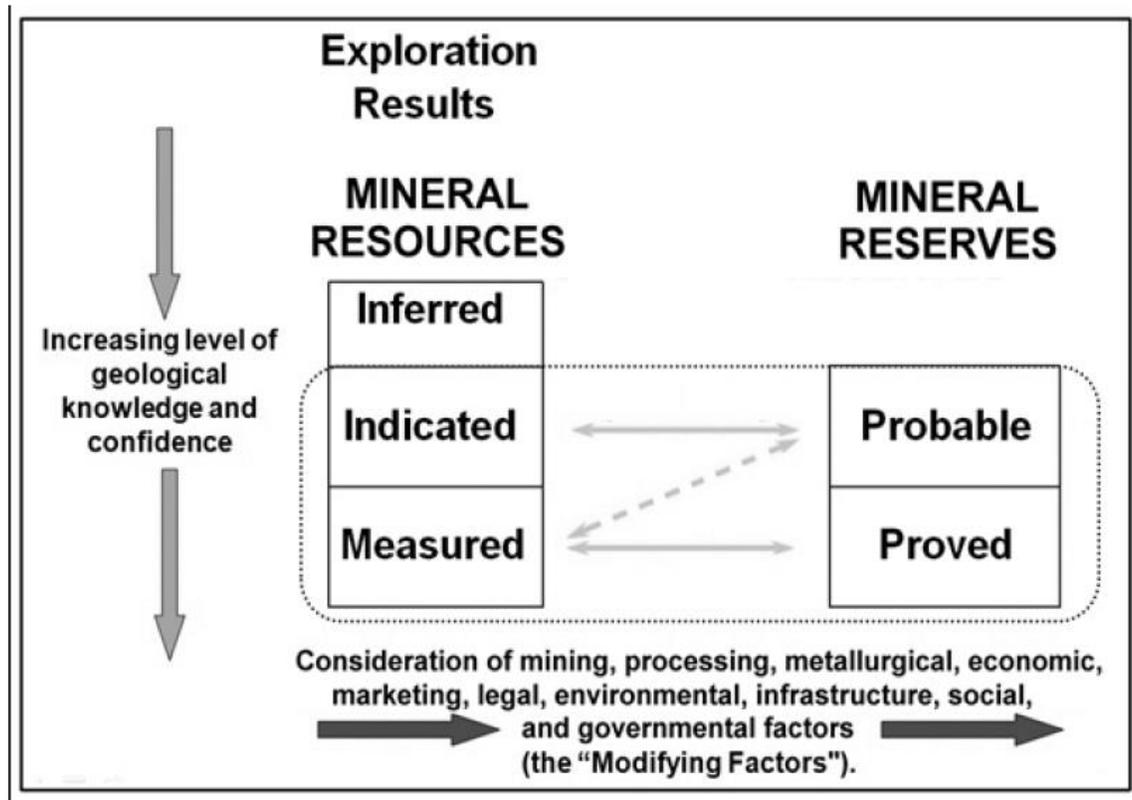
1.0 Introduction

- 1.1 Paragraph 9.56 of the Listing Requirements requires a mineral, oil and gas listed issuer to prepare and present announcements, statements and reports in relation to mineral or oil and gas Reserves, Resources and exploration results in accordance with an Acceptable Reporting Standard.
- 1.2 This Practice Note clarifies the disclosure obligations of a mineral, oil and gas listed issuer in preparing and presenting announcements, statements and reports in relation to mineral or oil and gas Reserves, Resources and exploration results pursuant to paragraphs 9.56, 9.57 and 9.59 of the Listing Requirements.
- 1.3 Nothing in this Practice Note restricts the generality of paragraphs 9.03 and 9.16 of the Listing Requirements.

2.0 Disclosure requirements in relation to mineral Resources and mineral Reserves

- 2.1 Paragraph 1.01 of the Listing Requirements states that mineral Resources and mineral Reserves have the meaning given in the Acceptable Reporting Standard adopted by a mineral, oil and gas listed issuer.
- 2.2 Pursuant to the International Reporting Template for Exploration Results, Mineral Resources and Mineral Reserves prepared by the Committee for Mineral Reserves International Reporting Standards (“**CRIRSCO Template**”) which is widely adopted by the Acceptable Reporting Standards, mineral Resources are sub-divided, in order of increasing geological confidence into Inferred, Indicated and Measured categories.
- 2.3 Pursuant to the CRIRSCO Template, mineral Reserves are sub-divided in order of increasing confidence into Probable Reserves and Proved Reserves.
- 2.4 The relationship between exploration results, mineral Resources and mineral Reserves as set out in paragraphs 2.1 to 2.3 above is depicted in Figure 1 in the CRIRSCO Template as reproduced below:

Figure 1: General relationship between exploration results, mineral Resources and mineral Reserves



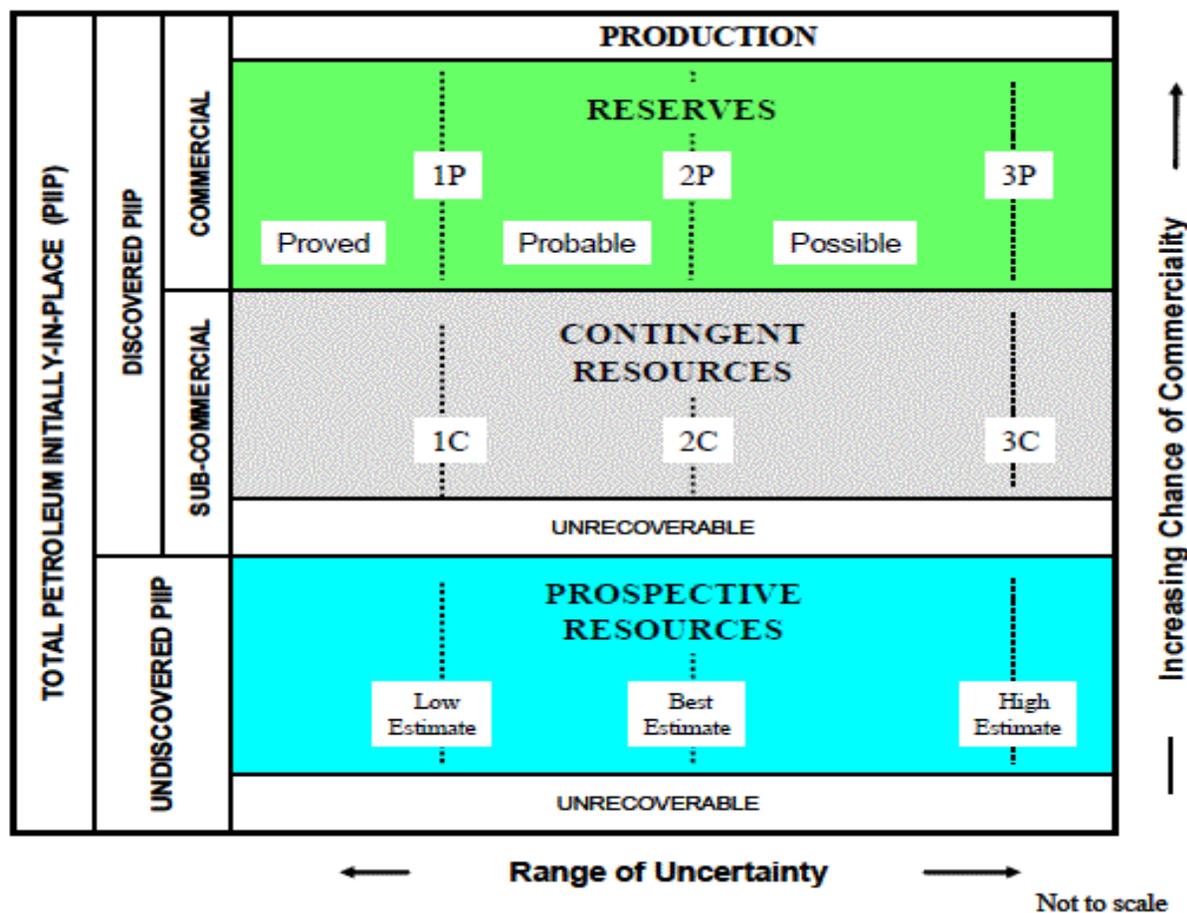
(Source: CRIRSCO)

2.5 In disclosing exploration results, mineral Reserves and mineral Resources, a mineral, oil and gas listed issuer must ensure the following:

- (a) Support disclosure of any estimates of mineral Reserves with at least a Pre-Feasibility Study;
- (b) Disclose the estimates of mineral Reserves and mineral Resources clearly and separately;
- (c) If Indicated Resources and Measured Resources are included in economic analyses –
 - (i) ensure sufficient work has been done on the Modifying Factors;
 - (ii) disclose and explain the basis why they are considered to be economically extractable;
 - (iii) disclose whether they are appropriately discounted for the probabilities of conversion to mineral Reserves;

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- (iv) state all assumptions clearly; and
 - (v) include appropriate, prominently disclosed cautionary statements.
- (d) For commodity prices assumed in Pre-Feasibility Studies, Feasibility Studies and valuations of Indicated Resources, Measured Resources and mineral Reserves –
- (i) disclose the methods to determine such commodity prices, all key assumptions and explain the basis why those prices represent reasonable views of future prices; and
 - (ii) apply the contract price if there is an existing contract for future prices of mineral Reserves; and
- (e) avoid basing production targets on Inferred Resources and attaching economic value to Inferred Resources.
- 2.6 For the purpose of this Practice Note, the terms “Feasibility Studies”, “Indicated Resources”, “Inferred Resources”, “Measured Resources” “Pre-Feasibility Studies” and “Modifying Factors” have the meaning given in the Acceptable Reporting Standard adopted by the mineral, oil and gas listed issuer.
- 3.0 Disclosure requirements in relation to oil and gas Reserves and oil and gas Resources**
- 3.1 Paragraph 1.01 of the Listing Requirements states that oil and gas Resources and oil and gas Reserves have the meaning given in the Acceptable Reporting Standard adopted by a mineral, oil and gas listed issuer.
- 3.2 Pursuant to the SPE-PRMS and NI 51-101, oil and gas Resources are sub-divided, in order of increasing likelihood of commerciality into Prospective and Contingent Resources.
- 3.3 Similarly, oil and gas Reserves are sub-divided in order of increasing recoverability into Possible Reserves, Probable Reserves and Proved Reserves.
- 3.4 The categorisation of oil and gas Resources and oil and gas Reserves is depicted in Figure 2.1 of the SPE-PRMS as reproduced below:

Figure 2.1 – Resources classification framework



(Source: SPE-PRMS)

3.5 In disclosing oil and gas Reserves and oil and gas Resources, a mineral, oil and gas listed issuer must ensure the following:

- Disclose the method and basis for choice of estimation, if estimates of oil and gas Reserves are disclosed;
- Analyse Proved Reserves and Proved plus Probable Reserves (2P) separately and state the principal assumptions and the basis of the methodology clearly;
- Classify and report oil and gas Resources in the most specific Resource class in which they may be classified under the Acceptable Reporting Standard;
- Set out the relevant risk factors clearly if estimated volumes of Contingent Resources or Prospective Resources are disclosed;

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- (e) If the Contingent Resources disclosed represent aggregated estimates, disclose the method of aggregation, which must be either arithmetic summation by category or statistical aggregation of uncertainty distributions up to the field, property or project level;
 - (f) Avoid attaching economic values to Possible Reserves, Contingent Resources and Prospective Resources; and
 - (g) Base production targets only on Proved Reserves and Probable Reserves and not on Possible Reserves, Contingent Resources or Prospective Resources.
- 3.6 For the purpose of this Practice Note, the terms “Contingent Resources”, “Possible Reserves”, “Probable Reserves”, “Prospective Resources”, “Proved Reserves” and “Proved plus Probable Reserves (2P)” have the meaning given in the Acceptable Reporting Standard adopted by the mineral, oil and gas listed issuer.