



## POLICY 2.7

# PRE-FILING CONFERENCES

### Scope of Policy

Certain filings may arise from time to time where the application of the Exchange's Policies is not clear to an Issuer or its professional advisers and in such circumstances an Issuer and its professional advisers may wish to arrange for a pre-filing conference with the Exchange staff. With a view to facilitating filings and identifying key filing issues as early as possible, the Exchange encourages, and in certain cases requires, pre-filing conferences to be held with Exchange staff.

This Policy describes when a pre-filing conference is required or recommended, and outlines the type of documents recommended to be filed before a pre-filing conference.

For the purposes of this Policy, “**Issuer**” means Companies listed on the Exchange and Companies applying to list on the Exchange, and includes a Resulting Issuer, unless the context indicates otherwise.

The main headings in this Policy are:

1. Required or Recommended Pre-Filing Conferences
2. Purpose of a Pre-Filing Conference
3. Scheduling a Pre-Filing Conference
4. Recommended Filings

## 1. Required or Recommended Pre-Filing Conferences

### 1.1 When a Pre-Filing Conference is Required

A pre-filing conference is required for:

- (a) an Issuer that reasonably believes that it may be entitled to rely on an exemption from the sponsorship requirements in the context of a transaction which would otherwise require sponsorship, other than an Initial Public Offering of securities, as set forth in Policy 2.2 – *Sponsorship and Sponsorship Requirements*;
- (b) a delisted Issuer or any Issuer which has been subject to a cease trade order for more than 90 days and any Issuer whose Listed Shares have not traded for any reason for more than 12 months; and

- (c) an Issuer which seeks listing on the Exchange solely of a class of securities other than common shares or equivalent securities. In this case, in addition to the documents described below, the Issuer should submit to the Exchange, a copy of the relevant constating documents or other documentation creating the securities and describing or governing the terms of the securities, including any indenture or agreement. The Issuer must also comply with Policy 2.8 – *Supplemental Listings*, as well as, Policy 3.5 – *Restricted Shares*, as may be applicable, and the provisions of applicable Securities Laws.

## 1.2 When a Pre-Filing Conference is Recommended

- (a) Although not required, if an Issuer or its Sponsor or their respective legal counsel is concerned about the ability of the Issuer to obtain a listing on the Exchange or to obtain a listing on a particular tier, the Issuer may arrange a pre-filing conference. In addition, an Issuer making an application pursuant to a Reverse Takeover or Qualifying Transaction or in respect of any other transaction involving a halt before the Issuer's Listed Shares may be reinstated for trading, are encouraged to arrange for a pre-filing conference.
- (b) A pre-filing conference is strongly recommended in certain circumstances, including the following:
  - (i) an Application for Listing by a Foreign Issuer;
  - (ii) if the business to be conducted by the Issuer is or will be unique;
  - (iii) the listing of a Capital Pool Company where the principals are contemplating a Qualifying Transaction and are uncertain as to the existence of an Agreement in Principle with respect to a particular Qualifying Transaction, as contemplated by Policy 2.4 – *Capital Pool Companies*;
  - (iv) in the case of a Qualifying Transaction, Reverse Takeover, Change of Business, or any other transaction, where it may reasonably be anticipated that any such transaction may involve unique or unusual circumstances;
  - (v) if a business to be conducted by the Issuer could reasonably be anticipated to give rise to public interest concerns;
  - (vi) if the Issuer, the Sponsor or their respective legal counsel have concerns with respect to the following:
    - (A) the Issuer does not strictly meet a particular aspect of the Minimum Listing Requirements or Tier Maintenance Requirements, if applicable, however, the Issuer has considerable strengths in other areas of its business which the Issuer or Sponsor believes justifies listing the Issuer;

- (B) one or more of the Insiders of the Issuer does not meet the requirements of Policy 3.1 - *Directors, Officers and Corporate Governance*; however, the loss of that Insider would have a material adverse effect on the business of the Issuer; or
- (C) listing of the Issuer would require waiver of a significant policy provision of the Exchange.

### **1.3 Effect of Not Having a Pre-Filing Conference**

If an Issuer chooses not to request a pre-filing conference in circumstances where it was highly recommended, the Exchange will require additional time to review the Issuer's transaction filing and therefore may not respond within the normal time limits.

## **2. Purpose of a Pre-Filing Conference**

- 2.1 A pre-filing conference gives the Issuer and the Sponsor, if applicable, an opportunity to canvass and address with the Exchange, issues relating to the Issuer's transaction filing. The pre-filing conference is not intended to replace careful consideration of Exchange Requirements and Securities Laws by the Issuer and the Sponsor, if applicable, or to replace the due diligence required by the parties.
- 2.2 A pre-filing conference does not guarantee that the Exchange will accept the transaction or accept the Issuer for listing. The usefulness of the pre-filing conference in canvassing and assessing issues and determining how best to address them will depend, to a large degree, on the quality of the information provided to the Exchange by the Issuer and the Sponsor, if applicable.

## **3. Scheduling a Pre-Filing Conference**

- 3.1 The Issuer, the Sponsor, if retained, or their respective legal counsel may schedule a pre-filing conference. An authorized representative of the Issuer must attend the pre-filing conference. Legal counsel to the Issuer should attend and if there is a Sponsor, the authorized corporate finance officer of the Sponsor should also attend.
- 3.2 To arrange a pre-filing conference, contact the applicable Corporate Finance Manager. Generally a pre-filing conference will be held in person; however, a pre-filing conference may be held by telephone conference call, if necessary.

- 3.3 Unless otherwise specified by the Exchange, a pre-filing conference may be arranged with any Exchange office; however, it is recommended that the conference be held with the office through which the Issuer has conducted or intends to conduct the majority of its Exchange filings. If a pre-filing conference is scheduled with an Exchange office other than the office through which the Issuer has conducted or intends to conduct the majority of its Exchange filings, the Issuer must ensure that both offices are advised of this fact when it schedules the pre-filing conference.

## 4. Recommended Filings

- 4.1 Documents to be submitted to the Exchange should be submitted as soon as possible once a pre-filing conference has been scheduled and should generally be provided at least three business days before the conference.

- 4.2 In order to allow the Exchange to make an informed assessment, to the extent possible, it is recommended that all the applicable documents described below, be submitted:

- (a) a letter identifying the issues to be considered at the pre-filing conference and a summary of the proposed transaction being conducted in connection with the Application for Listing, including the following information:
  - (i) the number and type of Listed Shares of the Issuer currently outstanding;
  - (ii) the number and type of Listed Shares of the Issuer to be outstanding upon completion of the transaction;
  - (iii) a description of any acquisition to be conducted, including the names of all parties to the acquisition and the proposed consideration;
  - (iv) a description of any financing to be conducted, including the type and number of securities to be issued and the proposed issue price; and
  - (v) a description of any Material Information relating to the business and affairs of the Issuer or any target business during the previous 12 months;
- (b) a copy of any draft proposed news release for the transaction;
- (c) a copy of the most recent audited annual financial statements of the Issuer with comparatives for the previous fiscal year and monthly unaudited financial statements for the period since the audited statements;
- (d) a copy of the most recent audited annual financial statements of any proposed target business to be acquired by the Issuer with comparatives for the previous fiscal period and monthly unaudited financial statements for the period since the audited statements;
- (e) if applicable, the Sponsorship Acknowledgement Form (Form 2G);

- (f) a business plan in respect of the proposed business of the Issuer, or a Geological Report for the Issuer's resource properties, as applicable;
- (g) Personal Information Forms (Form 2A) for each individual who will be an Insider of the Issuer and for each Insider of a Company who will be an Insider of the Issuer at the time of listing and a resume for each of these Persons;
- (h) a list of shareholders of the Issuer and, if applicable, a list of shareholders of any Target Company:
  - (i) in the case of an Issuer conducting an IPO, if the Issuer has 50 or fewer holders of its securities (including unlisted securities) before the IPO, setting out all of the current holders of the Issuer's securities, including the number and type of securities held by each Person and the number and type of securities to be held by each Person upon completion of the IPO; or
  - (ii) in the case of an Issuer conducting an IPO, if the Issuer has more than 50 shareholders before the IPO, setting out the number and type of securities held both before and after giving effect to the IPO, by each Person who currently directly or indirectly beneficially owns or controls 5% or more of any class of the Issuer's securities (including unlisted securities) or after giving effect to the transaction, will directly or indirectly beneficially own or control 5% or more of any class of the Issuer's securities (including unlisted securities) and any other Person who is an Insider of the Issuer; or
  - (iii) in the case of an Issuer applying for a listing, other than in connection with an IPO:
    - (A) setting out all of the Persons who currently directly or indirectly beneficially own or control the proposed target business or asset, including the number and type of securities held (or percentage ownership) by each Person and the number and type of securities of the Issuer to be held by each of those Persons following completion of the transaction; and
    - (B) setting out the securities directly or indirectly beneficially owned or controlled by the Insiders of the Issuer currently and after giving effect to the transaction. If the target business or asset is owned by more than 50 persons, the list may be limited to all Persons who directly or indirectly beneficially own or control 5% or more of the target business or asset before giving effect to the transaction, if the list provides full details of the nature and extent of any non-arm's length relationship between the Issuer, its Insiders and the target asset or business or the owners or Insiders of the target business.

- (i) if any Company directly or indirectly beneficially owns or controls 10% or more of any class of securities of the Issuer or any target business or asset, the names of all Insiders of that Company should be provided to the Exchange, as well as the number and type of securities held by each of those Insiders; and
  - (j) in the case where reliance is intended to be made by an Issuer upon an exemption from the sponsorship requirements, as set forth in Policy 2.2- *Sponsorship and Sponsorship Requirements*, evidence as to how the Issuer satisfies the applicable exemption in that policy.
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