

IT is hereby notified that the Securities and Exchange Commission of Zimbabwe has, in terms of section 65 of the Securities and Exchange Act [Chapter 24:25], approved the following rules made by the Victoria Falls Stock Exchange:—

*Title*

1. These rules may be cited as the Securities and Exchange (Victoria Falls Stock Exchange Listings Requirements) ([Junior Mining Companies](#)) Rules, 2021.

*Preamble*

2. The Securities and Exchange (Victoria Falls Stock Exchange Listings Requirements) Rules, (hereinafter called the “Main Rules”), are amended in PART XIII (Mining Companies) as follows-

3. Section 310 (“Definitions”) of the Main Rules is amended by the insertion of the following *definitions*;

“junior exploration company” means a company whose principal activity is that of exploration but does not qualify to list on the Main Board but qualifies for the Junior Board;

“junior mining company” means a company whose principal activity is that of mining but does not qualify to list on the Main Board but qualifies for the Junior Board.

4. Section 311 (“General”) of the Main Rules is amended by the insertion of paragraph (4) as follows;

“311 (4) Subject to this Part, these rules apply to junior mining companies. Sections 312 to 316 apply exclusively to exploration companies and or junior exploration companies. Sections 316 to 319 apply exclusively to mining companies and or junior mining companies. To the extent that a mining company is both an exploration company and a mining company, all these provisions apply to it.”

*Introduction of a “SUB-PART C” to Part XIII of the Main Rules*

**SUB-PART C: JUNIOR EXPLORATION COMPANIES**

*5. Criteria for listing of junior exploration companies*

(1) A junior exploration applicant issuer seeking to list on the VFEX must make an application to the VFEX, which application must be signed by the directors of the applicant Issuer and the sponsor and must have:

(a) a subscribed capital of two hundred and fifty thousand United States dollars, which capital includes reserves and intangible assets but excludes minority interests and revaluations of assets that are not supported by a valuation prepared within the preceding six months by an independent professional expert acceptable to the VFEX; and

(b) not less than five million equity shares in issue; and

(c) a satisfactory profit history for the preceding three financial years, if applicable; and

(d) at least 20 *per centum* of each class of equity shares must be held by public shareholders, unless otherwise agreed with the VFEX. Where the issuer has had a private placement prior to the initial public offering, at least 15 *per centum* of the total issued shares must be offered to the public. Generally the public consists of individuals and institutional investors holding less than 5 *per centum* of the shares in issue; and

(e) the number of public shareholders of listed securities must be at least—

(i) 50 in respect of equity shares;

(ii) 25 in respect of preference shares;

(iii) 10 in respect of debentures;

(f) minimum spread criteria should be complied with on a continuous basis.

(2) The VFEX may admit to listing the securities of an applicant notwithstanding that the requirements of section 1 (c) are not satisfied, if—

(a) the provisions of section 1(a), (b), (d), (e) and (f) are satisfied;

(b) the applicant undertakes or proposes to undertake exploration;

(c) the applicant demonstrates to the satisfaction of the VFEX that the applicant's managers have satisfactory experience in exploration; and

(d) the applicant demonstrates to the satisfaction of the VFEX that the applicant is entitled to explore for the relevant minerals.

(3) The VFEX shall require all applicants to have issues underwritten.

6. *Contents of pre-listing statements, listings particulars, prospectuses and circulars prepared by exploration companies*

Requirements of Sections 313 of the Main Rules apply.

7. *Competent persons' reports*

Requirements of Sections 314 of the Main Rules apply.

8. *Press announcements and circulars*

Requirements of Sections 315 of the Main Rules apply.

*Introduction of a "SUB-PART D" to Part XIII of the Main Rules*

SUB-PART D: JUNIOR MINING COMPANIES

9. *Criteria for listing of junior mining companies*

(1) A junior mining applicant issuer seeking to list on the VFEX must make an application to the VFEX, which application must be signed by the directors of the applicant Issuer and the sponsor and must have:

(a) a subscribed capital of two hundred and fifty thousand United States dollars, which capital includes reserves and intangible assets but excludes minority interests and revaluations of assets that are not supported by a valuation prepared within the preceding six months by an independent professional expert acceptable to the VFEX; and

(b) not less than five million equity shares in issue; and

(c) a satisfactory profit history for the preceding three financial years, if applicable; and

(d) at least 20 *per centum* of each class of equity shares must be held by public shareholders, unless otherwise agreed with the VFEX. Where the issuer has had a private placement prior to the initial public offering, at least 15 *per centum* of the total issued shares must be offered to the public.

Generally the public consists of individuals and institutional investors holding less than 5 *per centum* of the shares in issue; and

(e) the number of public shareholders of listed securities must be at least—

(i) 50 in respect of equity shares;

(ii) 25 in respect of preference shares;

(iii) 10 in respect of debentures;

(f) minimum spread criteria should be complied with on a continuous basis.

(2) The VFEX may admit to listing on the Junior Mining Board the securities of an applicant notwithstanding that the requirements of section 9 (1) (c) are not satisfied, if—

(a) the provisions of section 9 (1) (a), (b), (d), (e) and (f) are satisfied;

(b) the applicant undertakes or proposes to undertake mining;

(c) the applicant demonstrates to the satisfaction of the VFEX that the applicant's managers have satisfactory experience in mining; and

(d) the applicant demonstrates to the satisfaction of the VFEX that the applicant is entitled to mine the relevant minerals.

*10. Contents of pre-listing statements, listings particulars, prospectuses and circulars prepared by mining companies*

(1) The provisions of section 317 apply.

*11. Competent persons' reports*

(1) The provisions of section 318 apply.

*12. Press announcements and circulars*

(1) The provisions of section 315 apply, to junior mining companies.

*13. Authority of the VFEX and Issuers' Continuing Obligations*

- (1) Once an application has been approved, an issuer is subject to the provisions of PART II and PART IV of the Main Rules.

*14. Annual Listing Fees and Documents Review Fees*

- (1) The VFEX shall from time to time exercise its powers to fix and publish applicable fees which shall be subject to the approval of the Commission, for admitting an Issuer's securities for listing on the Junior Mining Board and maintaining such listing.