

Listed@ASX Compliance Update no. 01/25

18 February 2025

1. Public reporting of exploration results – current focus areas

ASX has identified two focus areas for entities making announcements about exploration results.

Announcement headers – balanced reporting

Section 4.14 of Guidance Note 8 states that announcement headers should convey a fair and balanced impression of what the announcement is about so as not to mislead readers as to its contents or significance.

Consistent with this guidance, ASX would be concerned if an entity reporting exploration results noted only the best/highest grade assay results in the header of an announcement in circumstances where that result is either not representative of the suite of assays or is an anomalous result inconsistent with the suite of assays.

Clause 19 of the JORC Code 2012 Edition ('JORC Code') provides:

Reporting of selected information such as isolated assays, isolated drill holes, assays of panned concentrates or supergene enriched soils or surface samples, without placing them in perspective is unacceptable.

Section 2 of Table 1 of the JORC Code (in relation to 'Balanced reporting') provides that:

Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.

If ASX considers that a header to an exploration result announcement does not convey a fair and balanced impression of the suite of exploration results being reported or is potentially misleading, ASX is likely to reject the announcement or require a retraction or correction. ASX may suspend trading in the entity's securities until appropriate corrective action is taken by the entity.

Reporting metal equivalents – Clause 50 of the JORC Code

ASX has observed increased use of metal equivalents by entities reporting exploration results. Metal equivalents are used to report polymetallic exploration results in terms of a single equivalent grade of one major metal such as gold or copper.

This metal equivalent grade is usually obtained by taking the *in situ* 'value' (the grade multiplied by the relevant commodity price) of each of the individual metals, adding these 'values' and calculating the grade of that same 'value' of the primary reported metal. Reporting of this nature may be misleading unless additional details such as estimates of metal recoverability are also provided.

Clause 50 of the JORC Code sets out the minimum information that must accompany a public report that includes metal equivalents. In particular, Clause 50 provides that:

The following minimum information must accompany a Public Report that includes reference to metal equivalents, in order to conform to the principles of Transparency, Materiality and Competence, as set out in Clause 4:

- *individual grades for all metals included in the metal equivalent calculation,*
- *assumed commodity prices for all metals (Companies should disclose the actual assumed prices. It is not sufficient to refer to a spot price without disclosing the price used in calculating the metal equivalent. However where the actual prices used are commercially sensitive, the company must disclose sufficient information, perhaps in narrative rather than numerical form, for investors to understand the methodology it has used to determine these prices),*
- *assumed metallurgical recoveries for all metals and discussion of the basis on which the assumed recoveries are derived (metallurgical test work, detailed mineralogy, similar deposits, etc),*

- a clear statement that it is the company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold, and
- the calculation formula used.

Clause 50 specifically cautions against reporting metal equivalents if metallurgical recovery information is not available or able to be estimated with reasonable confidence. The JORC guidance accompanying Clause 50 provides that:

For many projects at the Exploration Results stage, metallurgical recovery information may not be available or able to be estimated with reasonable confidence. In such cases reporting of metal equivalents may be misleading.

If an announcement does not state the assumed metallurgical recovery information, it is implicit that the entity is assuming 100% metallurgical recovery. In that case, ASX may require the entity to set out its reasonable basis for assuming a 100% recovery rate. If the entity cannot do so, ASX is likely to reject the announcement or require a retraction or correction. ASX may suspend trading in the entity's securities until appropriate corrective action is taken by the entity.

2. Results of annual report spot checking

In our September 2024 update ([Listed@ASX Compliance Update no. 10/24](#)), we reminded listed entities about the additional information requirements for annual reports set out in Listing Rules 4.10.1 to 4.10.22.

In particular, we noted that security holder distribution schedules that are included in an annual report to comply with Listing Rule 4.10.7 must state both the number of holders and the percentage of securities held in each category.

At the end of 2024, we conducted a spot check of a sample of approximately 100 annual reports. Over 80% of the entities sampled included the correct Listing Rule 4.10.7 information in their annual report.

Of the remainder, the most common error that we identified was a failure to include the percentage of securities held in each category. We have followed up with the entities concerned to ensure that their future reports include all required information.

We encourage all listed entities to review how they present their distribution schedules in their annual reports and to ensure that the percentage is included.

3. Upcoming periodic deadlines

Listed entities are reminded of upcoming deadlines for periodic reports:

- Preliminary final reports (December year-end) – Friday 28 February 2025.
- Statutory half year financial reports (except mining exploration and oil and gas exploration entities) (June year-end) – Friday 28 February 2025.
- Statutory half year financial reports for mining exploration and oil and gas exploration entities (June year-end) – Friday 14 March 2025.
- Statutory audited annual accounts (December year-end) – Monday 31 March 2025.
- Annual reports (December year-end) – Wednesday 30 April 2025 for listed companies and Monday 31 March 2025 for listed registered schemes.
- December quarterly reports for mining exploration, oil and gas exploration and commitments test entities – Friday 31 January 2025.
- An investment entity must notify the NTA of quoted securities within 14 days of the end of each month.

Listed entities are also reminded that a failure to lodge the relevant documents on time (i.e. by close of the Market Announcements Office on the due date) will result in an automatic suspension of the entity's securities under Listing Rule 17.5.

Dual listed entities that have CDIs issued over quoted securities are also reminded that they must lodge an Appendix 4A within 5 business days of the end of each month.

4. Order of announcements and early release of announcements during reporting periods

When releasing an Appendix 4D, Appendix 4E or Appendix 4F, the order in which the Appendix and associated documents should be released is:

1. The relevant Appendix and any other documents required to be given to ASX with the Appendix under the Listing Rules.
2. Dividend/distribution online form (if applicable).
3. Any other material, for example, media releases and investor presentations.

Regardless of the order in which documents and online forms are lodged with ASX, ASX will release the relevant Appendix to the market first and other documents in the order set out above.

For further guidance, please refer to section 15 of [ASX Listing Rule Guidance Note 14](#).

Listed entities are also reminded that during Appendix 4D and 4E reporting periods, they can request early release arrangements for their financial reports if they have special requirements around the timing of the release of such announcements. The request must be made at least 24 hours prior to the intended release date by email to [ASX Market Announcements](#). Please note that release under these arrangements is on a best endeavours basis.

Listed entities are reminded that they must have a nominated person responsible for communication with ASX in relation to Listing Rule matters (Listing Rule 12.6).

Entities should keep the contact details of their nominated ASX contacts up to date on ASX Online at all times and also inform their Listings Adviser of any changes. Further information about how to notify ASX of any changes (including temporary changes) made to the entity's nominated ASX contact is available [here](#) (see Item 3).

If you missed any of our historical Compliance Updates, you can download past editions [here](#).
