

# LISTING REQUIREMENTS FOR INDUSTRIAL, TECHNOLOGY, RESEARCH & DEVELOPMENT AND REAL ESTATE COMPANIES



Initial Listing Requirements	TSX Venture Tier 1 Industrial / Technology / Life Sciences	TSX Venture Tier 2 Industrial / Technology / Life Sciences	TSX Venture Tier 1 Real Estate or Investment	TSX Venture Tier 2 Real Estate or Investment
<b>Net Tangible Assets, Revenue or Arm's Length Financing (as applicable)</b>	\$5,000,000 net tangible assets or \$5,000,000 revenue  If no revenue, two year management plan demonstrating reasonable likelihood of revenue within 24 months	\$750,000 net tangible assets or \$500,000 in revenue or \$2,000,000 Arm's Length Financing  If no revenue, two year management plan demonstrating reasonable likelihood of revenue within 24 months	<b>Real Estate:</b> \$5,000,000 net tangible assets <b>Investment:</b> \$10,000,000 net tangible assets	\$2,000,000 net tangible assets or \$3,000,000 Arm's Length Financing
<b>Adequate Working Capital and Capital Structure</b>	Adequate working capital and financial resources to carry out stated work program or execute business plan for 18 mo. following listing; \$200,000 unallocated funds	Adequate working capital and financial resources to carry out stated work program or execute business plan for 12 mo. following listing; \$100,000 unallocated funds	Adequate working capital and financial resources to carry out stated work program or execute business plan for 18 mo. following listing; \$200,000 unallocated funds	Adequate working capital and financial resources to carry out stated work program or execute business plan for 12 mo. following listing; \$100,000 unallocated funds
<b>Property</b>	Issuer has Significant Interest in business or primary asset used to carry on business		<b>Real Estate:</b> Issuer has Significant Interest in real property <b>Investment:</b> no requirement	
<b>Prior Expenditures and Work Program</b>	History of operations or validation of business		<b>Real Estate:</b> no requirement <b>Investment:</b> disclosed investment policy	<b>Real Estate:</b> no requirement <b>Investment:</b> (i) disclosed investment policy and (ii) 50% of available funds must be allocated to at least 2 specific investments
<b>Management and Board of Directors</b>	Management, including board of directors, should have adequate experience and technical expertise relevant to the company's business and industry as well as adequate public company experience. Companies are required to have at least two independent directors.			
<b>Distribution, Market Capitalization and Public Float</b>	Public float of 1,000,000 shares; 250 Public Shareholders each holding a Board Lot and having no Resale Restrictions on their shares; 20% of issued and outstanding shares in the hands of Public Shareholders	Public float of 500,000 shares; 200 Public Shareholders each holding a Board Lot and having no Resale Restrictions on their shares; 20% of issued and outstanding shares in the hands of Public Shareholders	Public float of 1,000,000 shares; 250 Public Shareholders each holding a Board Lot and having no Resale Restrictions on their shares; 20% of issued and outstanding shares in the hands of Public Shareholders	Public float of 500,000 shares; 200 Public Shareholders each holding a Board Lot and having no Resale Restrictions on their shares; 20% of issued and outstanding shares in the hands of Public Shareholders
<b>Sponsorship</b>	Sponsor Report may be required			

The listing requirements above must be met at the time of listing. Any funds raised or transactions closing concurrent with listing contribute to the company meeting the listing requirements.

- (1) Generally includes companies engaged in hardware, software, telecommunications, data communications, information technology and new technologies that are not currently profitable or able to forecast profitability.
- (2) Applicants should file a complete set of forecast financial statements covering the current and/or next fiscal year (on a quarterly basis). Forecasts must be accompanied by an auditor's opinion that the forecast complies with the CICA Auditing Standards for future-oriented financial information. Applicants should have at least six months of operating history.
- (3) Under certain circumstances, deferred development charges or other intangible assets can be included in net tangible asset calculations.
- (4) Companies with less than C\$2 million in net tangible assets may qualify for listing if the earnings and cash flow requirements for senior companies are met.
- (5) "G&A" means general and administration expenses.

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Minimum Listing Requirements	TSX Non-Exempt Technology Issuers <sup>1,7</sup>	TSX Non-Exempt Research & Development (R&D) Issuers <sup>7</sup>	TSX Non-Exempt Forecasting Profitability <sup>7</sup>	TSX Non-Exempt Profitable Issuers <sup>7</sup>	TSX Exempt Industrial Companies <sup>8</sup>
Earnings or Revenue			Evidence of pre-tax earnings from on-going operations for the current or next fiscal year of at least \$200,000 <sup>2</sup>	Pre-tax earnings from on-going operations of at least \$200,000 in the last fiscal year	Pre-tax earnings from on-going operations of at least \$300,000 in the last fiscal year
Cash Flow			Evidence of pre-tax cash flow from on-going operations for the current or next fiscal year of at least \$500,000 <sup>2</sup>	Pre-tax cash flow of \$500,000 in the last fiscal year	Pre-tax cash flow of \$700,000 in the last fiscal year, and an average of \$500,000 for the past 2 fiscal years
Net Tangible Assets			\$7,500,000 <sup>3</sup>	\$2,000,000 <sup>3,4</sup>	\$7,500,000 <sup>3</sup>
Adequate Working Capital and Capital Structure	Funds to cover all planned development expenditures, capital expenditures, and G&A <sup>(6)</sup> expenses for 1 year <sup>6</sup>	Funds to cover all planned R&D expenditures, capital expenditures and G&A <sup>5</sup> expenses for 2 years <sup>6</sup>	Working capital to carry on the business, and an appropriate capital structure		
Cash in Treasury	Min. \$10 million in the treasury, with majority raised by prospectus offering	Min. \$12 million in the treasury, with majority raised by prospectus offering			
Products and Services	Evidence that products or services at an advanced stage of development or commercialization and that management has the expertise and resources to develop the business <sup>9</sup>	Minimum 2 year operating history that includes R&D activities. Evidence of technical expertise and resources to advance its research and development programs <sup>10</sup>			
Management and Board of Directors	Management, including the board of directors, should have adequate experience and technical expertise relevant to the company's business and industry as well as adequate public company experience. Companies are required to have at least two independent directors.				
Public Distribution and Market Capitalization	1,000,000 free trading public shares \$10,000,000 held by public shareholders 300 public shareholders each holding a board lot Minimum \$50 million market capitalization	1,000,000 free trading public shares \$4,000,000 held by public shareholders 300 public shareholders each holding a board lot			
Sponsorship	Generally required				Not required

(6) A quarterly projection of sources and uses of funds, for the relevant period, including related assumptions signed by the CFO must be submitted. Projection should exclude uncommitted payments from third parties or other contingent cash receipts. R&D issuers should exclude cash flows from future revenues.

(7) Exceptional circumstances may justify granting of a listing, notwithstanding minimum requirements – generally an affiliation with established business and/or exceptionally strong financial position is required.

(8) (7), as well as for granting Exempt status. Special purpose issuers are generally considered on an exceptional basis.

(9) "Advanced stage of development or commercialization," generally restricted to historical revenues from the issuer's main business or contracts for future sales. Other factors may also be considered.

(10) Other relevant factors may also be considered.

All amounts are expressed in Canadian dollars.  
For detailed listing requirements, go to [www.tmx.com](http://www.tmx.com).