The Eurasian Stock-Exchange of Junior (Mining) Companies will be established on the AIFC site

28.04.2021

The Eurasian Stock-Exchange of Junior (Mining) Companies will be established at the site of Astana International Financial Center (AIFC). This decision was enshrined in the Memorandum of Understanding signed today in Kazan by Astana International Financial Center (AIFC), Joint-Stock Company Rosgeologiya (RosGeo), Joint-Stock Company Kazgeologiya (KazGeo) and Joint Stock Company National Mining Company “Tau-Ken Samruk” (TKS) in the presence of Mikhail Mishustin, the Prime Minister of the Russian Federation and Askar Mamin, the Prime Minister of the Republic of Kazakhstan.

The project for establishment of the Eurasian Stock-Exchange of Junior (Mining) Companies will provide a powerful impetus to development of the mining sector in Eurasia through fund-raising into the junior segment of the geological exploration.

This project will enable to expand the economic and scientific-technical cooperation between Russia and Kazakhstan, as well as contribute to further development of Russian-Kazakhstan strategic partnership.

The parties envisage to create a joint working group for detailed study and elaboration of suggestions with respect to infrastructure, technology, amendment to legal and regulatory framework of the Russian Federation, Republic of Kazakhstan and AIFC necessary for successful initiation and operation of the Eurasian Stock-Exchange of Junior (Mining) Companies.

The Memorandum stipulates the commencement and implementation of a pilot project for preparation to listing and public offering of securities of a junior (mining) company through the AIFC International Stock-Exchange.

The Memorandum was signed by Kairat Kelimbetov, CEO of AIFC, Yermur Rysmagambetov, Chairman of the Board of JSC AIFC Administration, Sergei Gorkov, Director General - Chairman of the Board of RosGeo, Kanat Kudaibergen, Chairman of the Board of JSC National Mining Company “Tau-Ken Samruk”, Anwar Boranbaev, Chairman of the Board of JSC NGK Kazgeologiya.

Sergey Gorkov, Director General, Chairman of the Board of RosGeo:

“The project will contribute to further development of collaboration between national economies of Russia...
and Kazakhstan, it will open up new opportunities for expansion of economic cooperation in the framework of EAEC. Whereby, for RosGeo, as the federal geological company, it is critical that the project will be helpful for involvement of additional funding from international investors into the initial stages of exploration activities, which are essential for reproduction of the mineral resource base of the Russian Federation.

The mechanism to be created in the purposes of investment encouragement through the open capital market is quite new for the Eurasian region, therefore, in the course of its establishment we will take into account the experience gained over decades in the countries with higher levels of junior business development.

Yernur Rysmagambetov, Chairman of the Board of JSC AIFC Administration:

“This project will enable to create a high quality legal and regulatory framework and infrastructure for further development of the industry. Meanwhile, the experience exchange between the Parties will accelerate the technological progress and greatly enhance the expert competences of the mining sector in the region.”

Anwar Boranbaev, Chairman of the Board of JSC NGK Kazgeologiya:

“Establishment of the Eurasian Stock-Exchange of Junior (Mining) Companies will promote development of the geological exploration market and ensure the total qualitative growth of the mining industry. The engagement of investors, large multinational and foreign companies, as well as junior mining companies will catalyze the work on reproduction of the mineral resource base.’

Kanat Kudaibergen, Chairman of the Board of JSC National Mining Company “Tau-Ken Samruk”:

Astana International Financial Center is an excellent platform for development of mutually beneficial cooperation both between the CIS countries and representatives of business communities from the countries all over the world.’

The major mining companies, such as LLP Eurasian Resources Group, LLP Polymetal Eurasia and LLP Kazakhmys Corporation, the leaders in the mining industry, have expressed the interest and willingness to actively participate in implementation of the project on establishment of the Eurasian Stock-Exchange of Junior (Mining) Companies.

Let us remind, that earlier, on December 4, 2020, the AIFC, Ministry of Environment, Geology and Natural Resources of the Republic of Kazakhstan and RosGeo signed a Memorandum of Understanding, whereby the Parties agreed to cooperate the development of geological exploration sector in Kazakhstan and countries of the Eurasian region, including by raising the level of its investment attractiveness.