

TSX Venture Exchange Eliminates Sponsor Requirement and Updates Guidance on Initial Listing Requirements

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On March 31, 2026, the TSX Venture Exchange (TSXV) announced that it had formally removed its longstanding requirement for issuers to engage a sponsor in connection with new listing transactions, effective immediately. This change marked a significant regulatory shift in the TSXV's listing requirements, impacting a variety of listing transactions including reverse takeovers, qualifying transactions, changes of business, and certain non-IPO listing applications.

The changes included the repeal of Policy 2.2 – *Sponsorship and Sponsorship Requirements* from the TSXV Corporate Finance Manual, along with related amendments across its policies governing listing procedures, capital pool companies, disclosure, and corporate governance, and reflected the TSXV's deliberate departure from the formal sponsor model (which created a consistent standard, given TSXV's historical practice of granting discretionary waivers from the sponsorship requirement). The change is expected to reduce both the time and cost associated with going public or completing certain transactions on the TSXV.

Background to the Sponsorship Requirement

Historically, issuers applying to list on the TSXV were required to either engage a sponsor (typically a TSXV member investment dealer) to conduct due diligence and submit a report supporting the listing application, or seek an exemption from the sponsorship requirement (which was granted or refused in the discretion of the TSXV).

While intended to enhance oversight and investor protection, the sponsorship process often increased costs, extended timelines, and added procedural complexity and uncertainty. In recent years, however, the TSXV has frequently granted waivers from the sponsorship requirement and the formal elimination of such requirement now aligns the policies with prevailing market practice and provides clarity for potential issuers seeking to understand TSXV's listing requirements in connection with planning a listing.

Key Changes

The TSXV has removed Policy 2.2 – *Sponsorship and Sponsorship Requirements* from its Corporate

Finance Manual, along with all related forms and guidance, including:

- **Form 2G** – *Sponsorship Acknowledgement Form*
- **Form 2H** – *Sponsor Report*
- **Form 2I** – *Transaction Disclosure Form*
- **Appendix 2A** – *Review Procedure Guidelines*

In connection with this change and broader modernization efforts, the TSXV has also amended several policies:

- **Policy 2.1 – Initial Listing Requirements**
 - Updated listing requirement tables
 - Revised Mining issuer guidance, including amendments that allow the TSXV to:
 - waive certain historical mineral property expenditure requirements where the issuer has a sufficiently substantial planned exploration program (in excess of \$400,000), or where the relevant mineral property is a “Tier 1” property; and
 - include, for net tangible asset purposes, certain direct project costs incurred during the five years preceding the listing application, even if those costs were previously expensed in the issuer’s financial statements
 - Revised Oil & Gas issuer guidance
 - Integration of prior guidance into the policy
- **Policy 2.3 – Listing Procedures**
 - Clarified contract filing requirements
 - Standardized opinion and certificate requirements
- **Policy 2.9 – Trading Halts, Suspensions and Delisting**
 - Added definition of “Majority of the Minority Approval”
- **Policy 5.2 – Changes of Business and Reverse Takeovers**
 - Harmonized with Policy 2.4 – *Capital Pool Companies* and Policy 5.4 – *Capital Structure, Escrow and Resale Restrictions*
 - Updated financial statement requirements
- **Form 2B – Listing Application**
 - Expanded disclosure on security-based compensation

Additional conforming amendments have been made across the Corporate Finance Manual. Updated policies and forms are available on the TSXV’s [website](#) (in clean and blackline).

Practical Implications

The removal of the sponsorship requirement is expected to streamline access to the TSXV:

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- **Lower costs:** Issuers no longer incur sponsor fees or sponsor-related expenses (including expenses relating to a request for a waiver of the sponsorship requirement)
- **Shortened and more certain timelines:** Fewer procedural steps simplify the planning phase, and may in some cases result in faster IPOs, CPC qualifying transactions, and reverse takeovers
- **Reduced complexity:** Elimination of the sponsor report simplifies diligence and internal coordination

However, regulatory scrutiny remains. In light of the amendments, the TSXV is expected to rely more heavily on its internal review processes, as well as on issuer management, legal counsel, auditors and other advisors. Robust disclosure and diligence practices will remain essential to demonstrate listing suitability in the absence of a sponsor report. This may actually result in enhanced scrutiny by TSXV (for weaker listing applications for which a sponsorship report would have been required), and could potentially increase the importance of pre-filing conferences.

In addition, many going-public transactions are pursued in conjunction with a brokered financing, and those transactions will carry the usual significant dealer diligence and documentation expectations, even if a TSXV sponsor report is no longer required.

How We Can Help

The removal of the sponsor requirement represents a meaningful step toward a more efficient and accessible public market. Prospective issuers considering a TSXV listing or transaction are encouraged to reassess timelines, cost structures and diligence processes accordingly.

For more information on the amendments or their impact on a transaction, please contact the authors or any member of our [Capital Markets Group](#).

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