



Press Release & Market Cap Monitoring

Why is this service important to you?

Mining is a cyclical and fast paced industry, where change can happen very quickly. Often with lean management teams dealing with the many impacts of these changes, insurance considerations are overlooked.

Reporting conditions in policies are usually buried deep in the policy language. And mining company directors, officers and management often forget (or are simply unaware) of obligations to report certain corporate events or operational changes to their insurance providers.

To address this **“NEED”** the Mining Team at Axis helps ease the burden and gives added peace of mind by providing two important services to all publicly traded clients – **Press Release and Market Cap Monitoring**.

Press Release Monitoring

Usually information disclosed in press releases does not affect the insurance program at all, or simply require small administrative changes. Other times there can contain very significant elements of material facts that need to be reported. Typically falling into one of the following categories.

Have questions? We have the answers.

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In these situations, we will reach out to you and assess the particular issue in more detail and communicate with your insurer immediately.

1. **Material changes in risk** – When there is a change in your business risk profile that would have caused insurers either to charge a higher premium, or not to insure your company had they known about it at inception of the policy.

To name a few common examples:

- the acquisition of a subsidiary,
- a significant change in project jurisdiction,
- the commencement of hugely expanded drill program,
- expansion of underground operations,
- commencement of construction activities

2. **Claim or potential claim**

We have on numerous occasions alerted clients to report claims after reading a press release. This includes D&O claims, cyber incidents, even kidnapping events via press releases

All insurance policies have strict claims reporting conditions (*see claims reporting white paper for more*) and **most clients are aware that claims should be reported as soon as possible**. Sometimes the person dealing with the issue is not aware:

- what is covered by their policies
- legal expenses incurred prior to reporting to insurers will more than likely not be covered
- the possibility of prejudicing the insurer's position by action taken that accepts legal liability

3. **Potential “New” and therefore uninsured exposure**

We let our clients know if an action necessitates a policy amendment or new coverage recommendation.

Sometimes the press release reveals activities that create potential new risks that can be insured either by the addition of policy extensions on existing policies or require additional specialized coverage for risk exposures that were not present at policy inception.

- For example - Perhaps a customer is conducting aerial geophysics should consider non-owned aviation insurance
- Acquisition of a project in Mexico or Mali and may warrant K&R protection consideration for key executives and employees in the field

4. **Name Change of the parent corporation or introduction of a Joint Venture**

(see our white paper on Operators Liability)

Market Cap Monitoring

Companies with larger market caps require higher D&O limits since they are exposed to more severe litigation that can occur when their stock drops.

Axis monitors changes in market cap on a weekly basis. This can result in recommendation that higher limits are carried, or alternately the discussion of the impacts of a significant share price drop and the steps to take in the event of a claim.

Particularly amongst the smaller market cap companies, these changes within a policy period can be dramatic.



The aggregate market cap for our clients doubled between May and August 2020, with some individual market caps increasing more than 10 times.

Why do we offer these services?

The Mining Team at Axis offers these services as a method to assist clients dealing with what can be complicated disclosure and reporting issues with their insurers.

They do not replace the obligation clients have to report claims or material change in risk. If there is any doubt we always recommend you give us a call to talk it through.

Interested in finding out more?

To find out more about either of these services, or to have us answer any other questions you may have related to Corporate Mining Insurance, please call or email one of our Mining Team Specialists we'd be pleased to connect with you.

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We invite you to visit our Mining Site to download additional insights from our team

info.axisgroup.insure/mining

Mining Team

Clive Bird



Clive is an insurance risk specialist, investor, entrepreneur, and product developer for bespoke insurance risks. For over 15 years Axis Insurance enjoyed a reputation for quality, innovation, creativity and relationship building.

Clive began his Insurance career at Lloyd's of London, renowned for its technical underwriting expertise and a creative approach to risk, providing him with opportunities to push the boundaries of product innovation. Moving to the West Coast of Canada, he has expanded his broad Insurance knowledge and London market relationships to produce products for Canadian clients working across the globe.

Clive has worked extensively with public companies with a strong focus on mining and mineral exploration industry, addressing the broad range of risk exposures they face worldwide. Dynamic business enterprises are starved for the innovation and market relationships Clive can deliver. As an entrepreneurially-minded investor himself, he is embracing new technology and the shifting business landscape to stimulate new market capacity and technically efficient insurance products for the new business era.

Stacey Copeland



Stacey is an account executive with 30 years of experience focused in the resource-based industry in Western Canada. Stacey joined Finning International in 1997 after 7 years at AON, and was quickly promoted to a management position with a mandate to build a highly competitive insurance facility for Finning customers. A combination of high service excellence, successful claims management, and expanded insurance offering meant a fivefold increase in net profitability.

Stacey joined Axis Insurance in 2005 as a senior shareholder and partner, immediately helping the company grow through a series of strategic acquisitions and partnerships and was instrumental in the sale of the company in 2016 to the Vertical Group, now renamed the Axis Group. Although specializing in mining, mineral exploration, forestry and energy sectors, Stacey has expanded her knowledge to include construction, transportation, cryptocurrencies, blockchain and other emerging markets and technology risks.

She aligns herself with clients that are best in class and embraces their technical challenges, meets their high service expectations and considers it the ultimate success to place the broadest coverage, at competitive pricing with A+ rated insurers.