
AIM MARKET UPDATE – FEBRUARY 2012

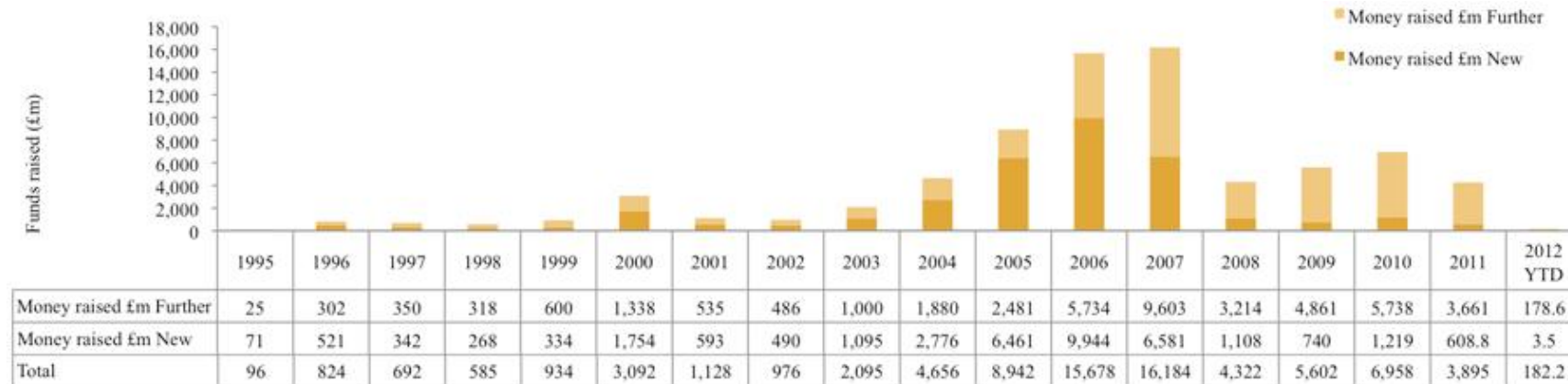
January 2012 Overview – A very slow start to the year

There were just 3 admissions to AIM in January raising £3.5m in the process. Furthermore, 17 companies delisted during the month. However, of the 17 companies that left the market 10 were acquired – highlighting AIM’s ability to act as a shop front for companies. In summary, the total number of companies on AIM fell from 1,143 at 2011 year end to 1,129.

In secondary issues, £179m was raised on the market, down 66% on the £528m raised in January 2011.

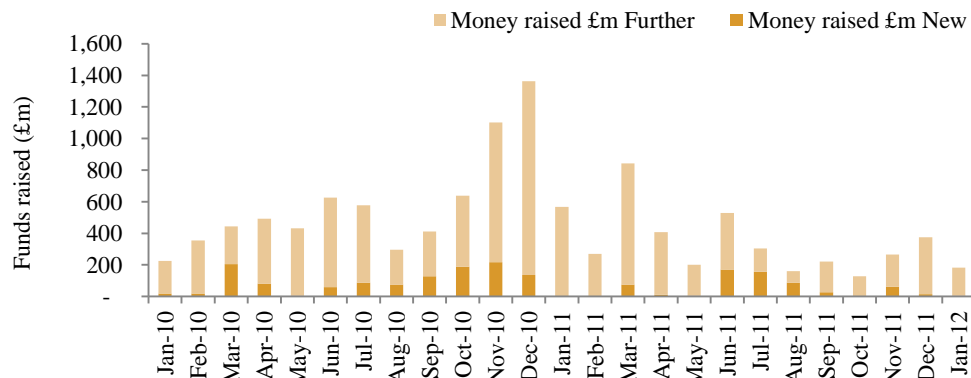
On a brighter note liquidity improved in the month. The average AIM stocks traded 3.7% of its market Cap in January, the highest monthly average since March 2010.

AIM Market – Equity raisings since inception



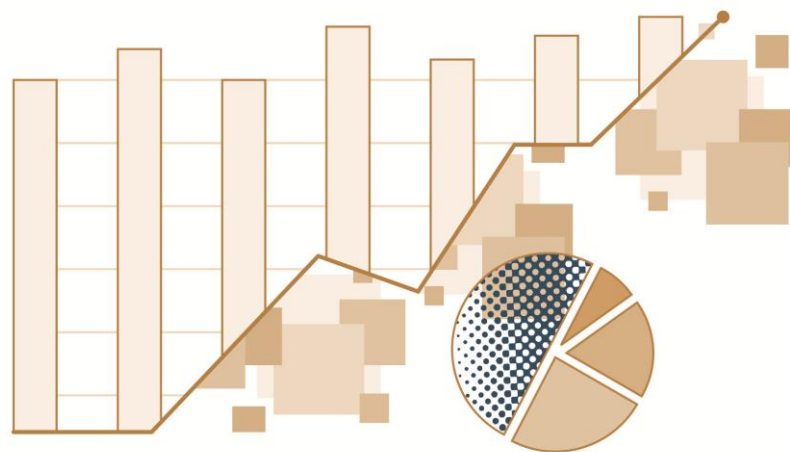
Source: London Stock Exchange, Allenby Capital

AIM Market – New and Secondary raisings



Source: London Stock Exchange, Allenby Capital

AIM NEW ADMISSIONS AND NEW MONEY RAISED



January 2012 – 3 new admissions but 17 leavers

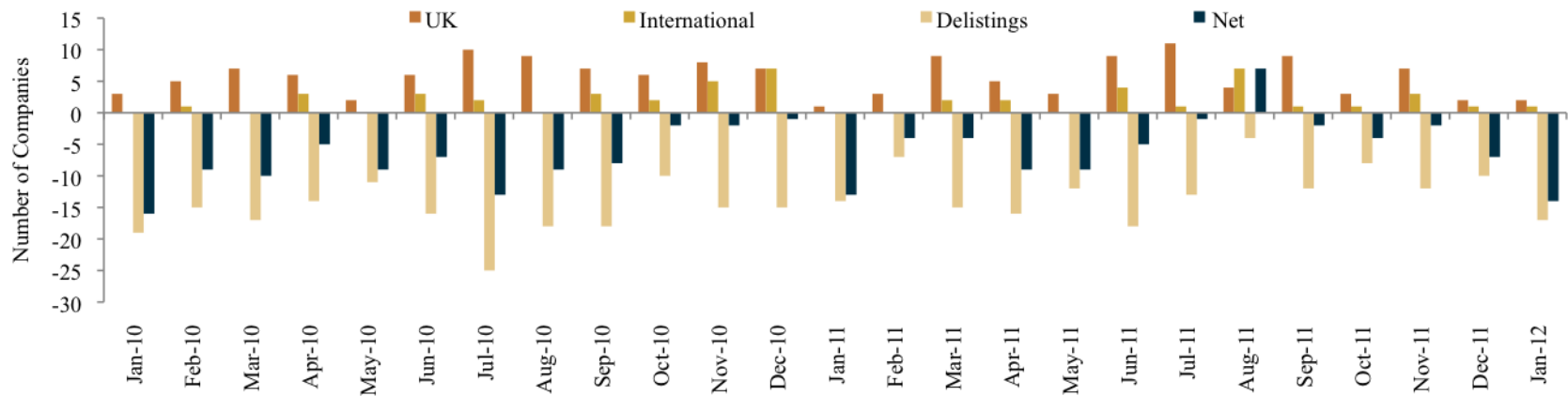
Of the 3 new admissions:

- 2 were re-admissions and 1 was an introduction from the main market

Of the 17 companies leaving the market:

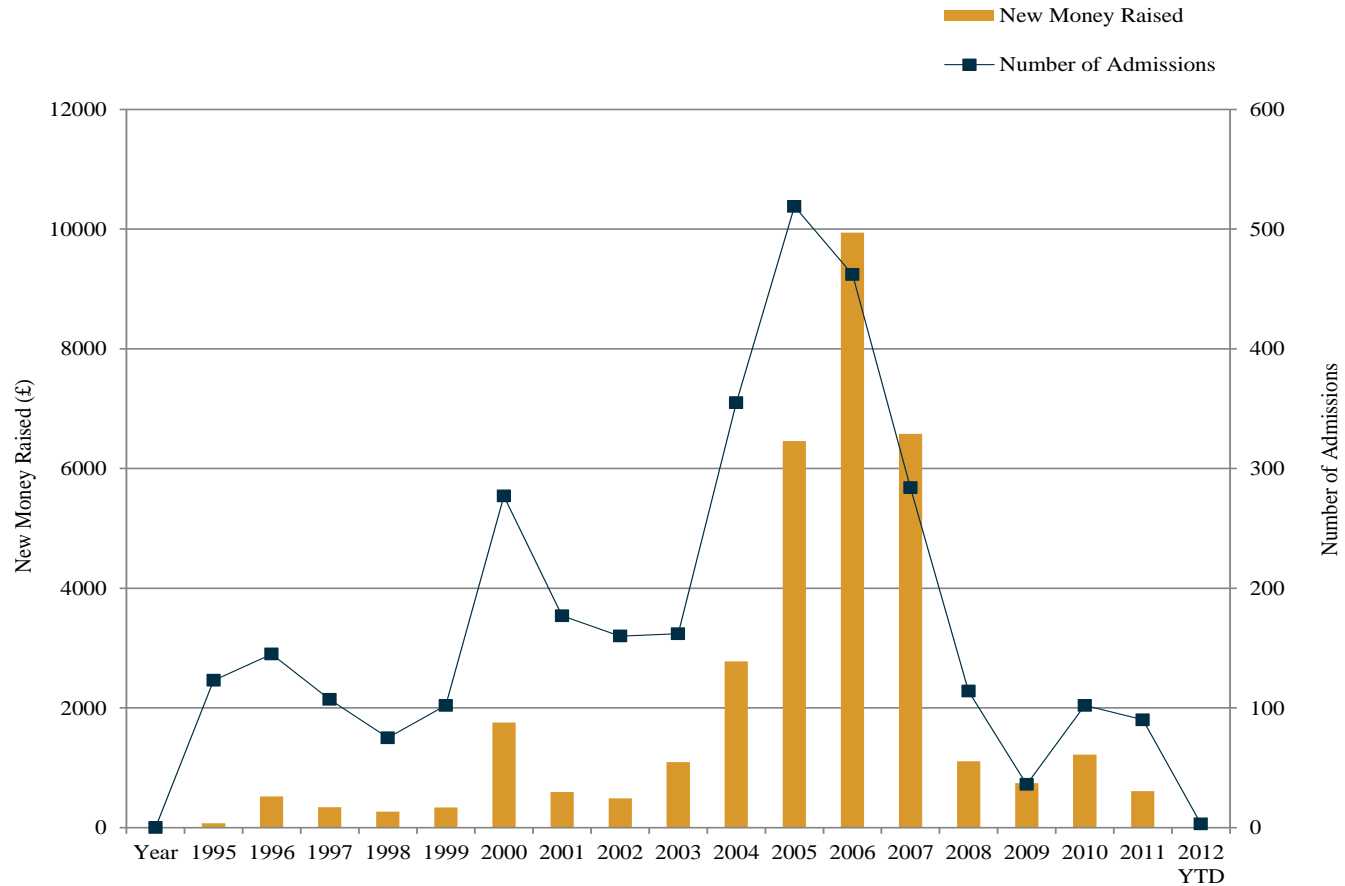
- 10 were acquired
- 2 were subject to reverse takeovers
- 1 entered administration
- 4 no longer saw the benefits of an AIM listing or thought they could more easily raise money as private companies

AIM Market – Net additions since Jan 2010



Source: London Stock Exchange, Allenby Capital

■ New admissions to AIM since inception



Source: London Stock Exchange, Allenby Capital

■ 3 Admissions to AIM in January

Company	Sector	Issue Type	Description	Country of Operation	Amount Raised (£m)	Market Value at IPO/Admission (£m)
Antisoma	Investment Company	Introduction from Main Market	Antisoma intends to identify investment opportunities offering the potential to deliver a favourable return to shareholders over the medium term, primarily in the form of a capital gain. The Company's equity interest in a potential investment may range from a minority position to 100 per cent. ownership and the interest may be either quoted or unquoted.	UK	-	11.4
One Delta Plc	Equity Investment Instruments	Placing Re-admission	One Delta Plc is a green technology company with a diverse product portfolio.	UK	0.28	2.5
West African Minerals Corp	General Mining	Placing Re-admission	The Company recently acquired 100% interest in Ferrum Resources Limited, a company which has built a portfolio of iron ore assets in Africa. The Company aims to become a major international iron ore mining and exploration group.	Cameroon / Sierra Leone	3.25	26.1

Source: London Stock Exchange, Allenby Capital

2011 AIM admissions recap

90 companies joined AIM in 2011 raising in total £617m. 45 of the 90 joined by way of an IPO at an average raise of £11.7m. 28 companies were introduced (IPO with no fundraise) – 5 of which came from the Main market. The rest were mainly placing re-admissions.

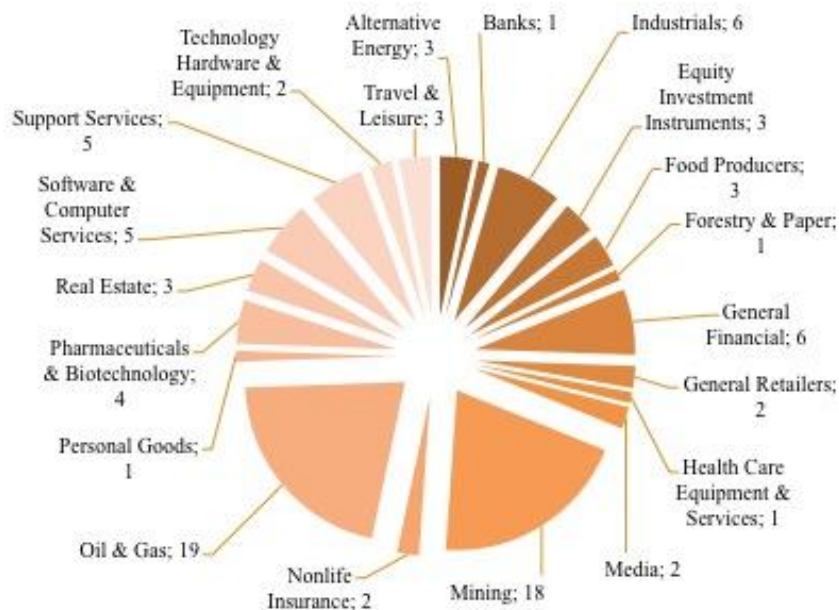
Natural Resources led the way in 2011 accounting for 36 of the new companies joining AIM. The sector has also been responsible for £280m of the new money raised.

The three largest admissions by way of funds raised were all in the Oil and

Gas sector. The biggest being the June 2011 listing of **3Legs Resources Plc**, an oil and gas group with exploration acreage in Poland and Germany, which raised £62.5m and came to the market with a value of £161m.

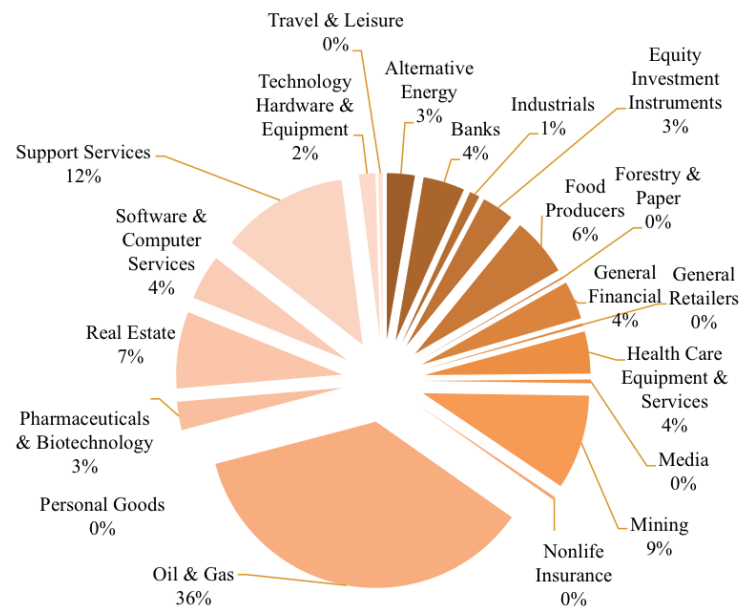
This was closely followed by the March 2011 listing of UK Continental Shelf Oil and Gas exploration and appraisal business **Trap Oil Group Plc** which raised £60m and the July 2011 listing of **Bayfield Energy Holdings Plc**, the international oil and gas exploration and production company with a major focus on Trinidad and Tobago which raised £54.4m.

Breakdown of AIM's 2011 90 new entrants



Source: London Stock Exchange, Allenby Capital

Breakdown of the £617m new money raised in 2011



Source: London Stock Exchange, Allenby Capital

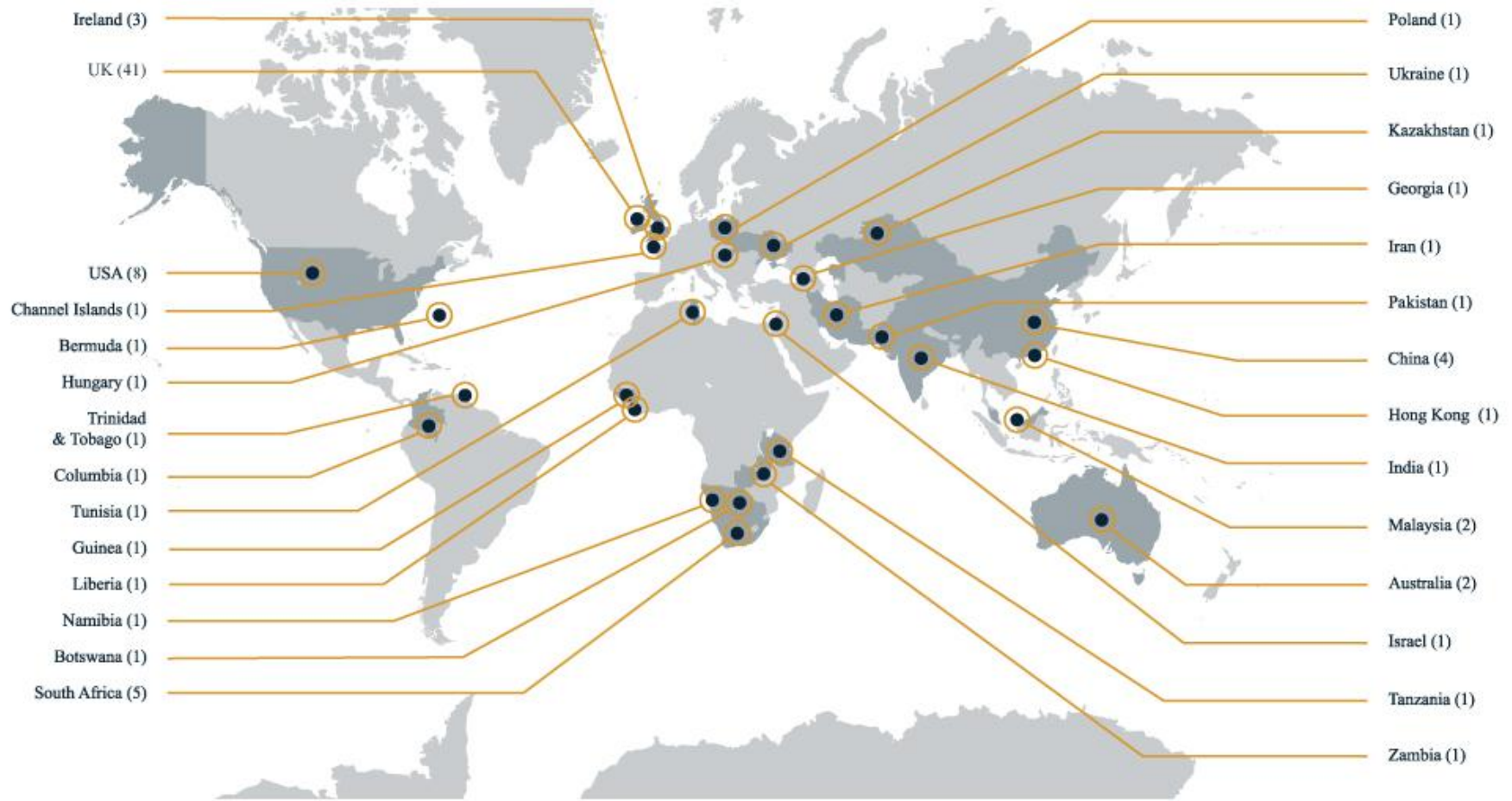
■ Largest Admissions to AIM in 2011 (by funds raised)

Company	SECTOR	Subsector	Market Value (£m)	Money Raised (£m)	Country of operation
3LEGS RESOURCES PLC	Oil & Gas Producers	Exploration & Production	161.1	62.5	Poland
TRAP OIL GROUP PLC	Oil & Gas Producers	Exploration & Production	78.3	60.0	UK
BAYFIELD ENERGY HLDGS PLC	Oil & Gas Producers	Exploration & Production	128.7	54.4	Trinidad and Tobago
WATERLOGIC PLC	Support Services	Business Support Services	112.5	48.5	Ireland
NEWRIVER RETAIL LTD	Real Estate Investment Trusts	Retail REITs	84.0	42.5	UK
CIRCLE HLDGS PLC	Health Care Equipment & Services	Health Care Providers	95.4	25.3	UK
SECURE TRUST BANK PLC	Banks	Banks	102.0	25.0	UK
ZAMBEEF PRODUCTS	Food Producers	Food Products	94.4	20.4	Zambia
NANDAN CLEANTEC PLC	Alternative Energy	Alternative Fuels	166.1	16.1	India
ESCHER GROUP HLDGS PLC	Software & Computer Services	Software	29.0	15.4	Ireland
ENTEQ UPSTREAM PLC	Oil Equipment, Services & Distribution	Oil Equipment & Services	15.1	15.0	UK
CONTINENTAL FARMERS GROUP PLC	Food Producers	Farming & Fishing	37.8	14.8	Ukraine
SPECTRA SYSTEMS CORP	Support Services	Business Support Services	18.3	14.0	USA
SPHERE MEDICAL HLDG PLC	Pharmaceuticals & Biotechnology	Biotechnology	16.5	14.0	UK
MYCELX TECHNOLOGIES CORP	Oil Equipment, Services & Distribution	Oil Equipment & Services	27.1	12.2	USA
KOLAR GOLD LTD	Mining	Gold Mining	40.0	12.0	India
TLA WORLDWIDE PLC	Equity Investment Instrument	Sports Management	12.8	12.0	US
JELLYBOOK LTD	General Financial	Specialty Finance	17.1	11.0	UK
CLONTARF ENERGY PLC	Mining	Gold Mining	12.4	10.9	Iran
TOUCHSTONE GOLD LTD	Mining	Gold Mining	28.0	10.0	Colombia
SMART METERING SYSTEMS PLC	Support Services	Business Support Services	50.0	10.0	UK
SYNCHRONICA PLC	Software & Computer Services	Software	21.1	9.4	UK
UBISENSE GROUP PLC	Technology Hardware & Equipment	Telecommunications Equipment	38.6	8.7	UK
INFRASTRUCTURE INDIA PLC	Equity Investment Instruments	Equity Investment Instruments	363.7	7.5	UK
FRONTERA RESOURCES CORP	Oil & Gas Producers	Exploration & Production	76.7	6.8	Georgia
RADIANT GROWTH INVESTMENTS LTD	General Financial	Specialty Finance	10.3	6.3	UK
CHINA AFRICA RESOURCES PLC	Mining	General Mining	9.2	4.7	Namibia
AFRICAN POTASH LIMITED	Mining	General Mining	7.9	4.2	Channel Islands
MICROSAIC SYSTEMS PLC	Electronic & Electrical Equipment	Electronic Equipment	12.0	4.0	UK

Source: London Stock Exchange, Allenby Capital

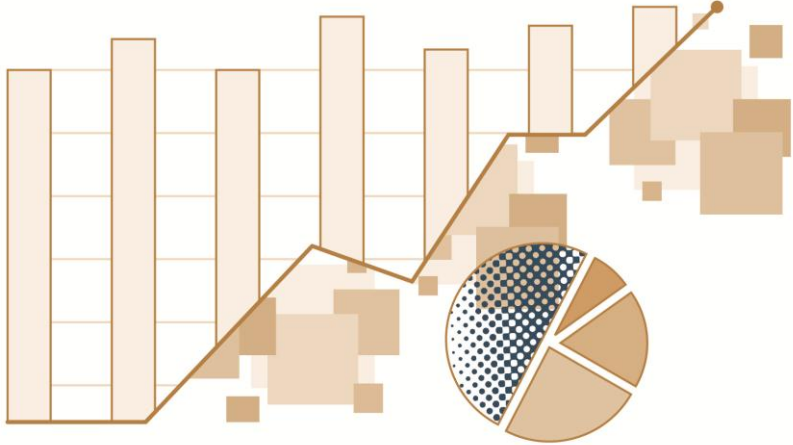
AIM's 2011 90 new entrants – AIM remains a highly global market

Location of main operations (number entrants)



Source: London Stock Exchange, Allenby Capital

SECONDARY FUNDRAISES



■ January 2012 overview – £179m raised in secondary issues

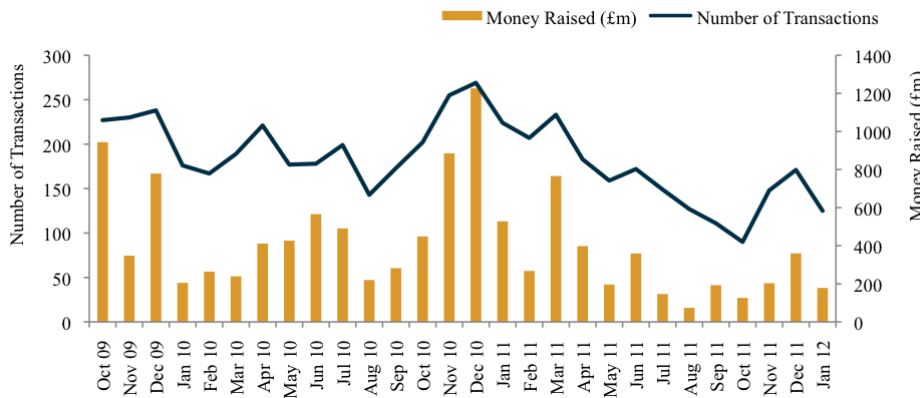
■ £179m was raised on AIM by further issues of equity in January. The Natural Resources sector continued to dominate and accounted for over 80% of funds raised.

The largest raise was by **Sirius Minerals Plc** the diversified global potash exploration and development company with properties overlying known potash deposits in the United Kingdom, North America, and Australia. Sirius raised £55m to accelerate the development of the York Potash Project and provide funding to see the project through to the Definitive Feasibility Study.

Falkland Oil and Gas Limited, the oil and gas exploration company operating in the South and East Falkland Basins, raised £48.5m to undertake its drilling strategy in the region.

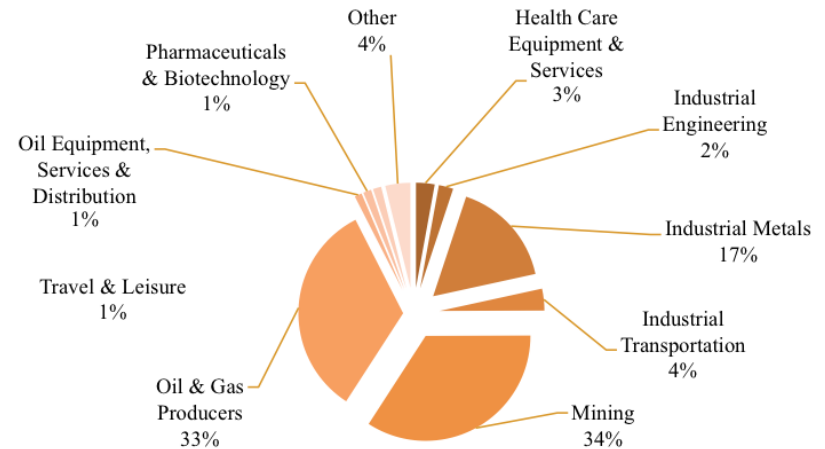
London Mining Plc raised £58m (c. half subject to approval at a February shareholder general meeting). The funds are to be used to accelerate production at its Marampa project in Sierra Leone.

■ AIM further equity raisings



Source: London Stock Exchange, Allenby Capital

■ Breakdown of January funds raised



Source: London Stock Exchange, Allenby Capital

■ January's £179m heavily focused on Natural Resources

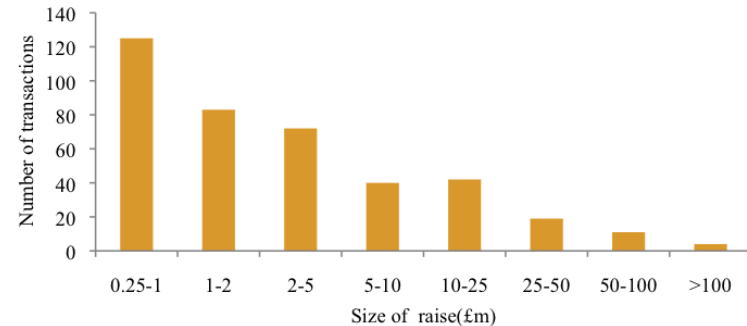
Company	Sector	Subsector	Country of Operation	Issue Price (p)	Money Raised (£m)
Sirius Minerals Plc	Mining	General Mining	UK/US/Australia	18.0	55.00
Falkland Oil & Gas	Oil & Gas Producers	Exploration & Production	Falkland Islands	43.0	48.49
London Mining Plc	Industrial Metals	Steel	Sierra Leone	255.0	28.56
Nighthawk Energy Plc	Oil & Gas Producers	Exploration & Production	USA	2.50	7.30
Sutton Harbour Hldgs	Industrial Transportation	Transportation Services	UK	18.0	6.00
Avacta Group Plc	Health Care Equipment & Services	Medical Equipment	UK	0.50	5.13
Serabi Gold Plc	Mining	Gold Mining	Brazil	10.0	2.73
Plexus Hldgs	Oil Equipment, Services & Distribution	Oil Equipment & Services	UK	78.0	2.00
Lochard Energy Group Plc	Oil & Gas Producers	Exploration & Production	Australia	7.0	1.75
Galileo Resources Plc	Mining	General Mining	South Africa	35.0	1.70
Range Resources	Oil & Gas Producers	Exploration & Production	Somalia	7.38	1.36
Dp Poland Plc	Travel & Leisure	Restaurants & Bars	Poland	60.0	1.34
Angel Biotechnology Hldgs	Pharmaceuticals & Biotechnology	Biotechnology	UK	0.20	1.17
Enova Systems Inc	Automobiles & Parts	Auto Parts	USA	9.71	1.09
Verona Pharma Plc	Pharmaceuticals & Biotechnology	Biotechnology	UK	5.00	1.07
Vialogy Plc	Software & Computer Services	Software	USA	1.05	1.05
Ultimate Finance Group	General Financial	Specialty Finance	UK	13.4	1.00
Dp Poland Plc	Travel & Leisure	Restaurants & Bars	Poland	60.0	0.93
Red Rock Resources	Mining	General Mining	UK	2.73	0.64
Ecr Minerals Plc	Mining	Gold Mining	Australia	1.0	0.55
Vsa Capital Group Plc	General Financial	Investment Services	UK	6.0	0.53
Red Rock Resources	Mining	General Mining	UK	2.99	0.50
London Mining Plc	Industrial Metals	Steel	UK	280.6	0.50
Enegi Oil Plc	Oil & Gas Producers	Exploration & Production	Canada	13.0	0.43
Strategic Minerals Plc	Industrial Metals	Steel	Australia	10.0	0.37
Media Corp Plc	Media	Media Agencies	UK	1.10	0.36
Coms Plc	Software & Computer Services	Software	UK	0.30	0.30
Nasstar	Software & Computer Services	Internet	UK	10.25	0.30
Hot Tuna International	Personal Goods	Clothing & Accessories	UK	0.03	0.27
Caspian Hldgs	Oil & Gas Producers	Exploration & Production	Kazakhstan	0.25	0.21
Craven House Capital Plc	General Financial	Specialty Finance	UK	1.25	0.14
Hightex Group Plc	Construction & Materials	Building Materials & Fixtures	UK	1.50	0.13
Milestone Group	Media	Broadcasting & Entertainment	UK	1.00	0.06
Weather Lottery Plc (The)	Travel & Leisure	Gambling	UK	0.56	0.03

Source: London Stock Exchange, Allenby Capital

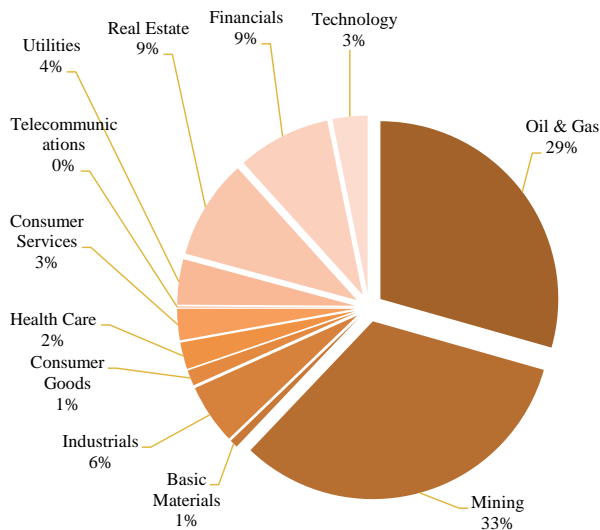
Recap of 2011 AIM Secondary fundraisings

- Natural Resources absorbed c. 60% of the c. £3.66bn raised in secondary issues on AIM in 2011. The remaining issues were well spread across the other sectors. There were several fundraisings of over £50m but AIM continues to service the smaller companies with over half of fundraises being in the sub £2m bracket.

Analysis of 2011 fund raisings by size



Breakdown of the £3.66bn raised in 2011

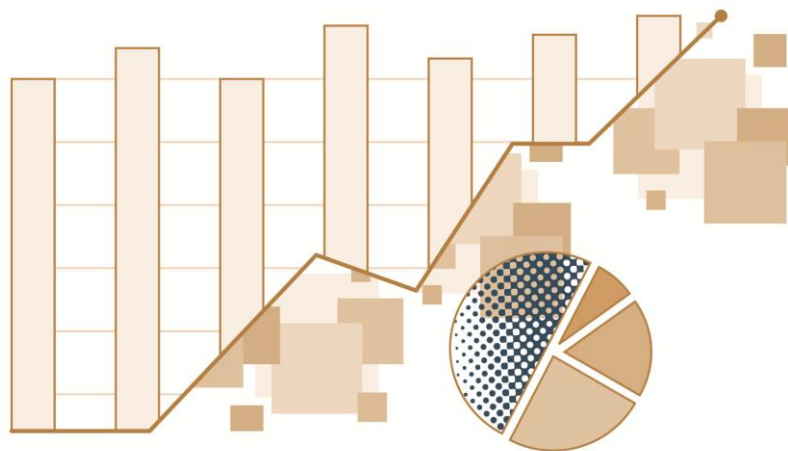


Largest secondary fundraisings 2011

Date	Company	Sector	Money Raised (£m)
January 2011	PETRA DIAMONDS	Diamonds & Gemstones	205.0
January 2011	IMPERIAL INNOVATIONS GROUP	Specialty Finance	139.5
September 2011	GULF KEYSTONE PETROLEUM	Oil & Gas Producers	127.6
June 2011	LXB RETAIL PROPERTIES PLC	Real Estate Holding & Development	113.1
December 2011	PLAYTECH LTD	Software & Computer Services	100.0
April 2011	CHARIOT OIL & GAS LTD	Exploration & Production	89.9
March 2011	BELLZONE MINING PLC	General Mining	81.6
November 2011	BOWLEVEN	Oil & Gas Producers	79.8
March 2011	BELLZONE MINING PLC	General Mining	63.2
April 2011	ALLIED GOLD LTD	Gold Mining	60.2
March 2011	TRAP OIL GROUP PLC	Exploration & Production	60.0
March 2011	OPG POWER VENTURE PLC	Electricity	60.0

Sources: London Stock Exchange, Allenby Capital

TRADING VOLUMES

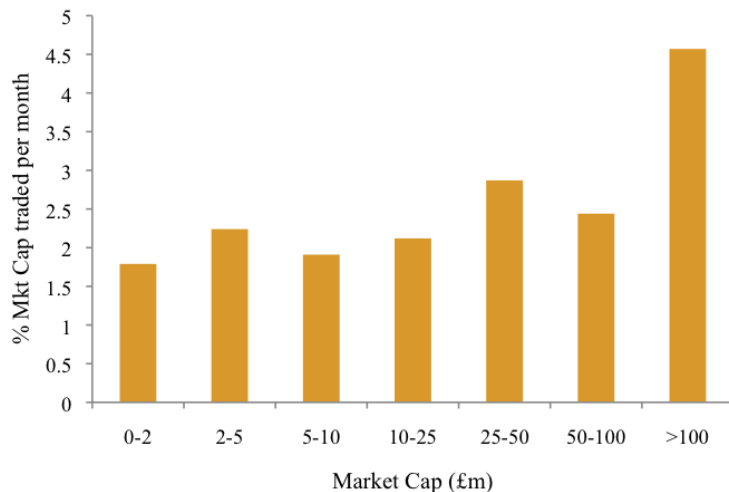


Trading volumes – January saw a pick up in average stock liquidity

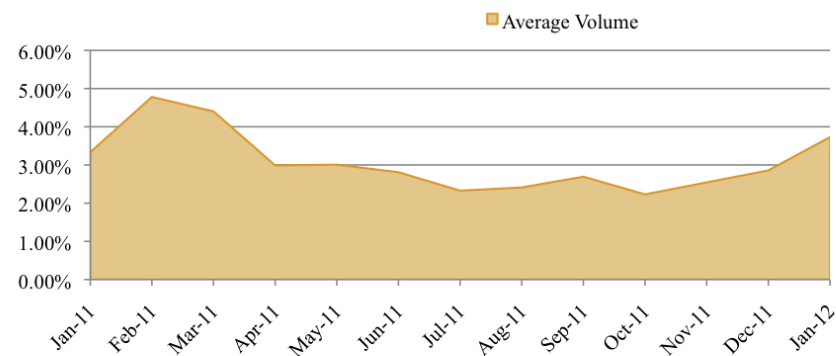
We believe that monthly trading value as a percentage of market capitalisation helps give an indication as to the liquidity of an individual stock.

- Aim stocks on average traded 3.73% of their Mkt Cap in January
- January's increase in liquidity coincided with a rally in global markets
- A significant increase in liquidity tends to happen post a Mkt Cap of £100m

Minimal variance in liquidity for <£100m companies



January - 9 month high in average trading volumes

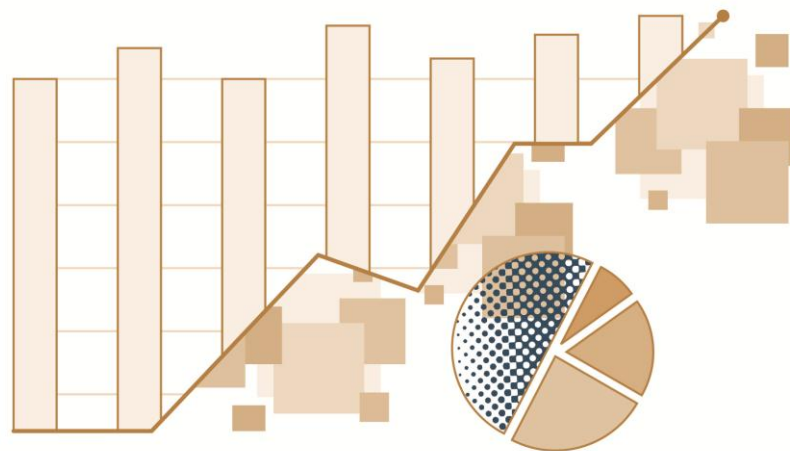


January's most traded AIM stocks

Most traded Aim stock	Trading Value (£m)	Mkt Cap (£m)	Value/Mkt Cap
LEED PETROLEUM PLC	29.05	14.68	197.9%
GLOBAL BRANDS SA	0.39	0.41	94.6%
BLUEBIRD ENERGY PLC	0.18	0.21	86.5%
ARCHIPELAGO RESOURCES	333.47	395.02	84.4%
COLLIERS INTL UK PLC	0.42	0.54	77.5%
MOBILEWAVE GROUP PLC	0.52	0.83	63.1%
ADVENTIS GROUP	1.14	1.85	61.8%
COVE ENERGY PLC	225.10	382.15	58.9%
TRICOR PLC	0.83	1.52	54.9%
GMA RESOURCES	0.63	1.21	52.0%

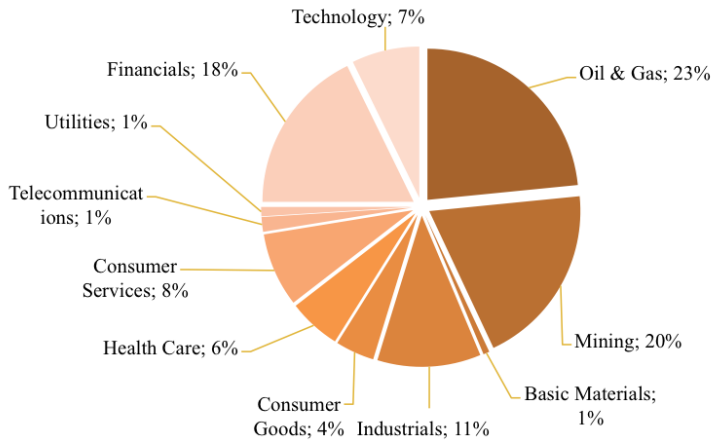
Source: London Stock Exchange, Allenby Capital

AIM MARKET OVERVIEW



An analysis of AIM's constituents

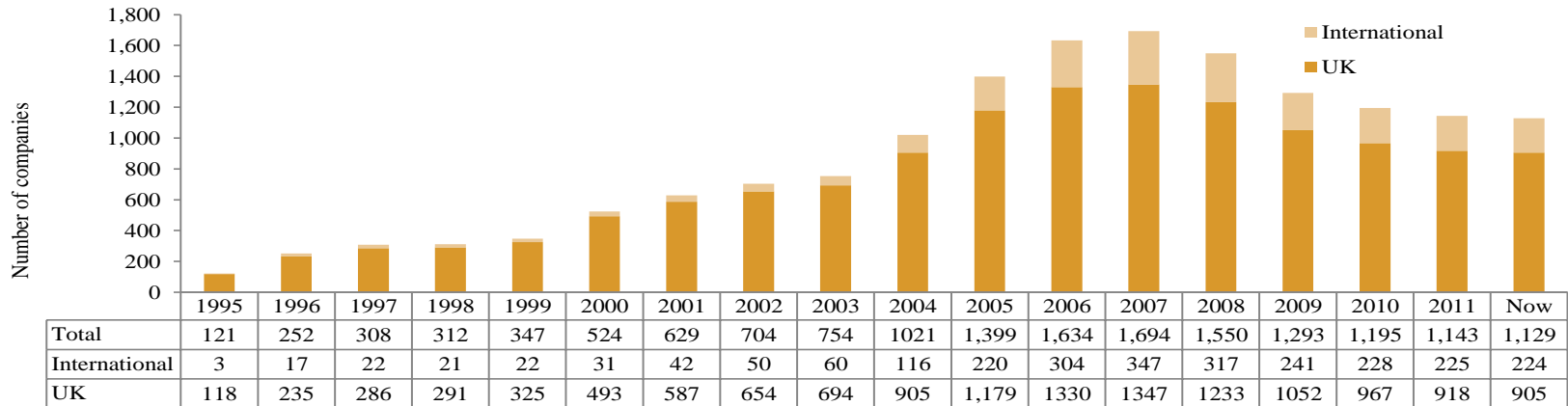
Market constituents by sector



Over half of companies are under £25m mkt cap



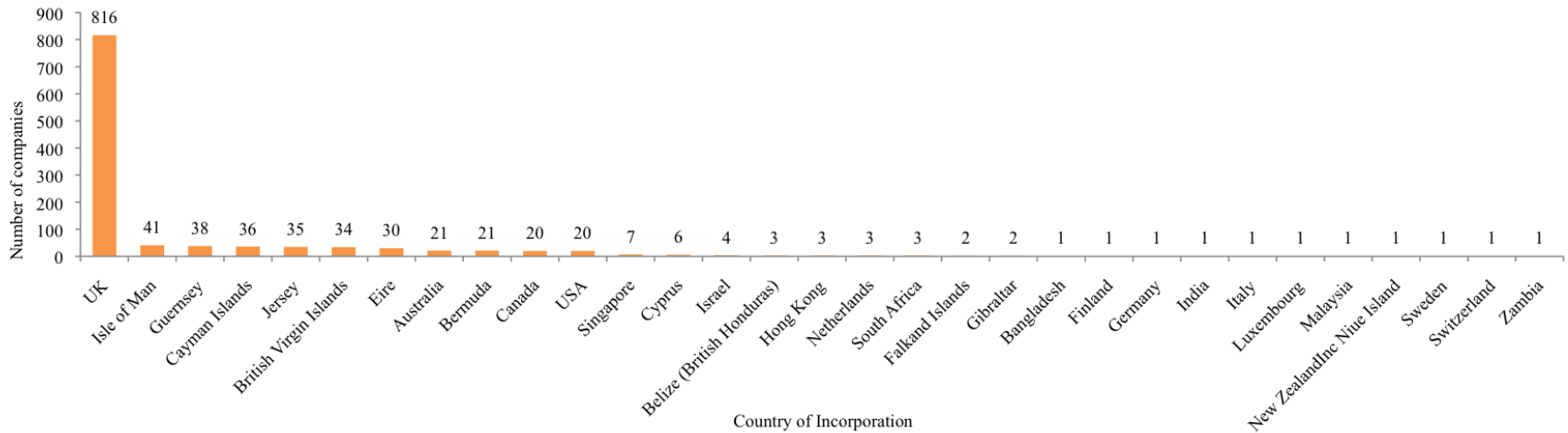
Total companies down 35% from the 2007 peak



Sources: London Stock Exchange, Allenby Capital

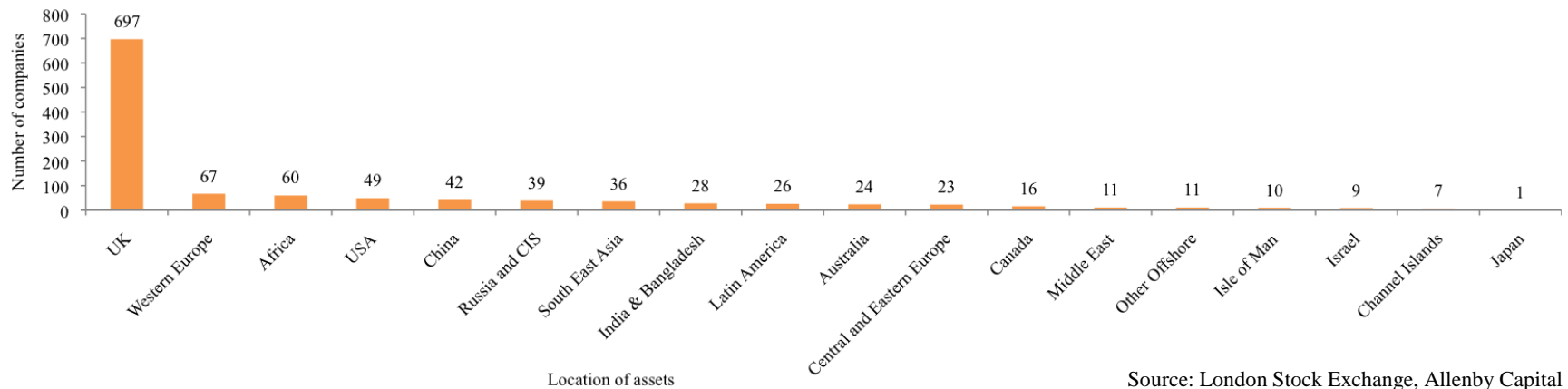
AIM – an International small cap market

30% of companies are incorporated outside of the UK



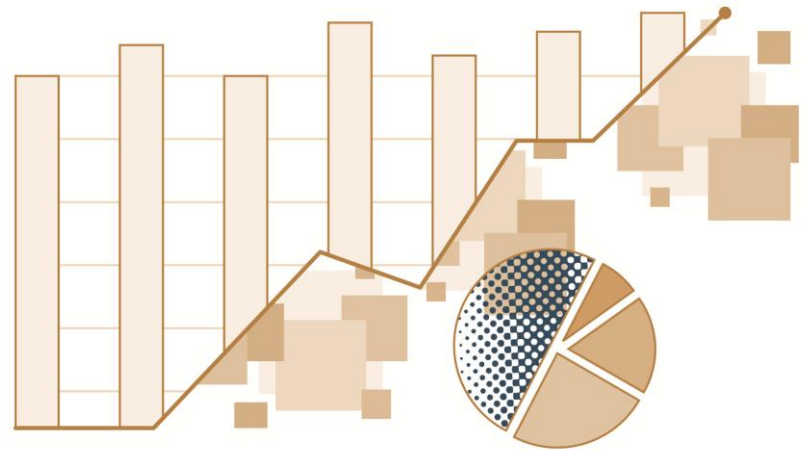
But over 40% of companies have their main operations overseas

Source: London Stock Exchange, Allenby Capital



Source: London Stock Exchange, Allenby Capital

ALLENBY CAPITAL OVERVIEW



■ Allenby Capital – an AIM NOMAD & Broker with an international client base



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