AIM Advisers, Inc.
Maximizing Present & Future Value

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About AIM Advisers
AIM Advisers helps small and medium-sized, growth-oriented U.S. companies complete IPOs on the Alternative Investment Market (AIM) of the London Stock Exchange. AIM Advisers also provides a range of services to the 56 U.S.-based companies that are already listed on AIM.

IPO Activity – 2011

Highlights

- IPO activity holds steady - 45 during 2011 compared to 46 during 2010
    - Companies completing IPOs during 2011 were smaller but stronger

- £560 million ($900 million) raised for IPOs in 2011 (£3.6 billion for secondary offerings)

- ‘Operating companies’ account for 84% of IPOs
- IPO market remains selective and below trend (50 - 150) for the foreseeable future
- Given market conditions, prospective issuers should carefully consider:
    - Suitability before embarking on the process
    - Key advisers, most notably Nomads and Brokers

- Average ‘operating company’ IPO raised £14 million ($22 million)
- 61% of IPOs raised between £3 million and £30 million ($5 million and $48 million)

- Average ‘operating company’ opening market capitalization of £41 million ($66 million)
- 74% of opening market caps between £10 and £150 million ($16 and $240 million)

- IPO dilution of existing shareholders of ‘operating companies’ amounted to 30%
- Average and median share price return of +9% and -6% since IPO (median date 7/11/11)
    - FTSE AIM All-Share Index fell 26% during 2011, 21% from 7/11/11 - 12/31/11
- Average post-IPO free float of 52%

- 18 of the 45 companies generated revenues > £1 million (range £1 million - £101 million)
    - Median trailing pre-money revenue multiple of 2.54
    - Those w/o significant revenues broadly in the natural resources space or financials

- 8 of the 45 earned profits > £1 million (range £2 million - £6 million)
    - Median trailing pre-money PE and EBITDA multiples of 14.40 and 9.33

- Industry dispersion and insight into the 45 companies - see pages 6 - 8 for details
- Geographic dispersion and related commentary - see page 9 for details

All Companies	Number of IPOs	Gross Funds Raised (in £ millions)	Average Funds Raised (in £ millions)
2008	38	918	24
2009	13	610*	47*
2010	46	1,017	22
2011	45	560	12
Total	**142**	**3,105**	**22**

* Includes two large IPOs focused on acquiring distressed real estate and commercial businesses. If excluded, IPO funds raised drops to £248m.

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'Operating Companies'*	Number of IPOs	Gross Funds Raised (in £ millions)	Average Funds Raised (in £ millions)
2008	27	523	19
2009	3	16	5
2010	36	723	20
2011	38	516	14
Total	**104**	**1,778**	**17**

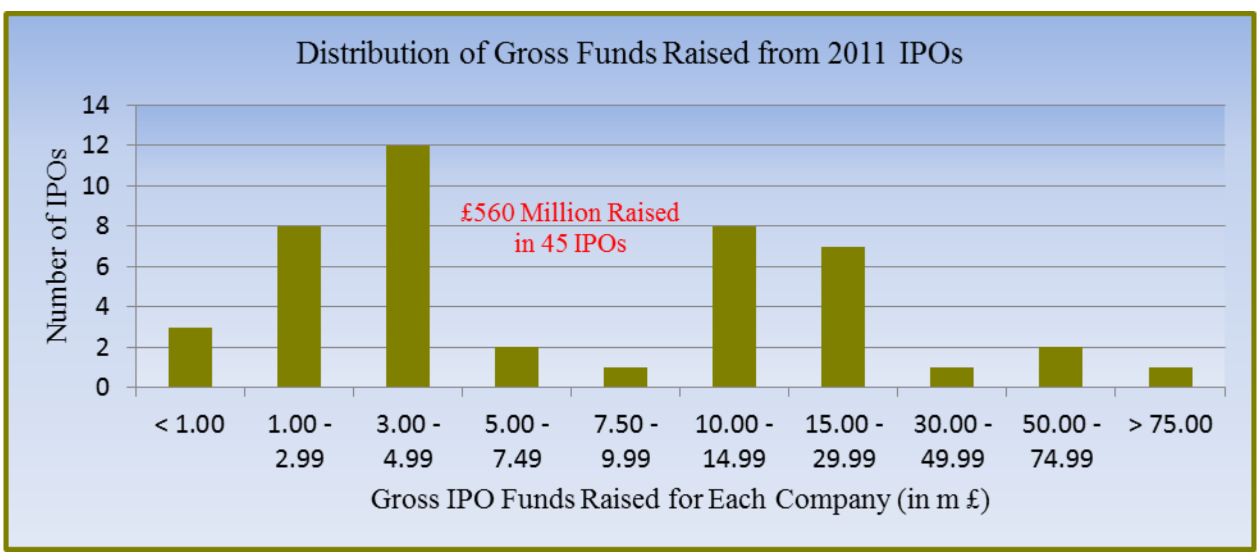
* Generally excludes SPACs, Investing Companies and Investment and Real Estate Funds.

The key takeaway from comparing the tables above is that 'operating companies' continued their return to AIM, accounting for 84% of the companies and 92% of the gross funds raised. Generally speaking, compared to 2010, the companies that completed IPOs during 2011 were smaller and stronger and simply required less growth capital.

While the continuing return of 'operating companies' to AIM is a positive sign, the IPO market remains below trend (50 - 150) and is expected to remain so for the foreseeable future. Despite the relatively weak macroeconomic situation, the Secondary Offering market on AIM has been booming with £3.6 billion ($5.8 billion) raised during 2011 as a result of attractive valuations for companies that are 'known quantities'. The strength of the Secondary Offering market is a positive sign for IPOs over the medium to longer term as investors remain confident in the market; however, the shifting of their risk profiles towards IPOs is sure to be gradual.

The types of 'operating companies' that completed IPOs during 2011 generally fell into two very distinct categories; those with revenue traction and profits, or very close to profitability, and natural resource plays (mining and oil and gas) at a very nascent stage. The latter all had owned or identifiable assets, solid geological studies and exceptional management teams with demonstrable track records of success.

The chart below provides the distribution of gross funds raised from AIM IPOs during 2011. The sweet spot for AIM IPOs is between £3 million ($5 million) and £30 million ($48 million).



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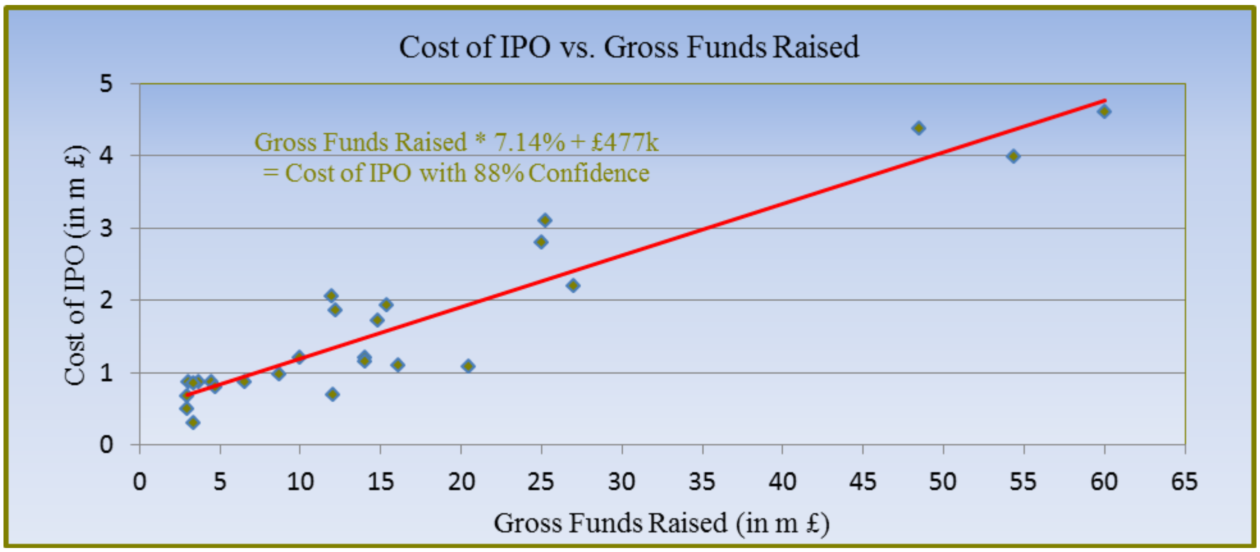
Of the aggregate gross funds raised, 90% was for the companies and 10% was for selling shareholders which were present in seven of the IPOs, although, only five sold a meaningful stake. While the average amount of gross capital raised was £12 million ($19 million), the median was £5 million ($8 million).

The equation in the next chart can be used to predict the cost of an AIM IPO with 88% confidence. The 26 data points represent the gross funds raised and associated costs for the 'operating company' IPOs that raised between £3 million ($5 million) and £60 million ($96 million). Since the average 'operating company' IPO raised £14 million ($22 million), the expected cost would be £1.48 million ($2.37 million) or 10.57% of the gross funds raised.



For the entire market, the average and median offering costs amounted to 20% and 13%, respectively, of the gross funds raised, however, the average, in particular, is skewed by a number of relatively small IPOs where the fixed costs dominate.

The chart at the top of the next page provides the distribution of opening market capitalizations. The average company's opening market capitalization was £36 million ($58 million) whereas the median was £17 million ($27 million). 69% of the companies commanded opening market capitalizations that ranged from £10 million to £150 million ($16 million to $240 million).

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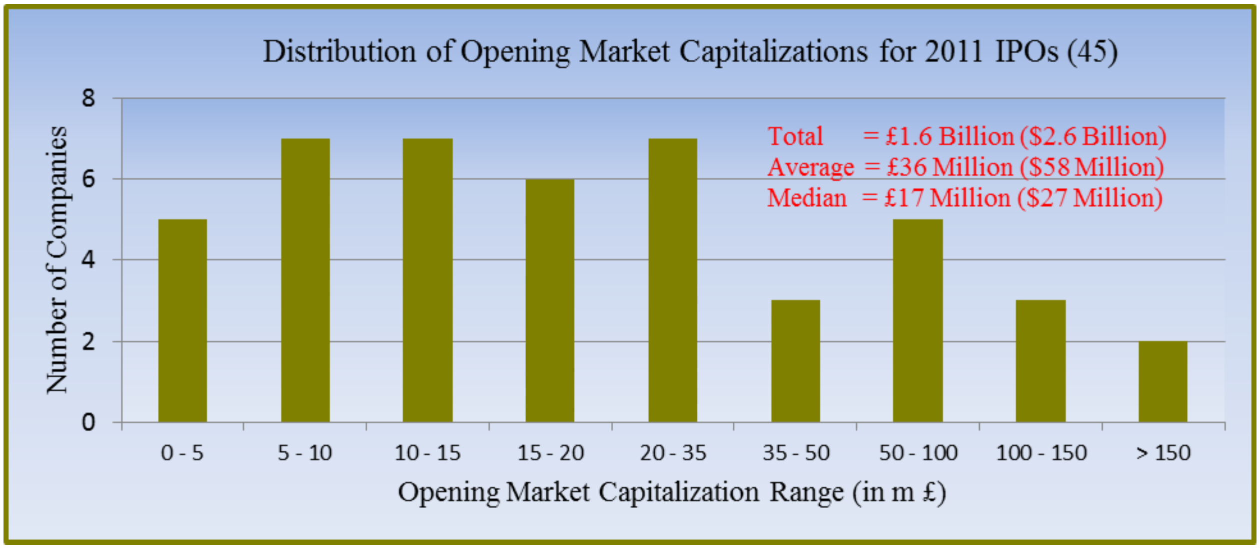

The aggregate opening market capitalization of the 45 companies that completed IPOs on AIM during 2011 was £1.6 billion ($2.6 billion). The average and median post-IPO free float of these companies was 52% and 54%, respectively.

The chart at the top of the next page highlights an interesting, and what will likely be a permanent, shift in the market with respect to the IPO dilution of existing shareholders. There are two main reasons for this shift; one regulatory and the other macroeconomic. The regulatory reason is the LSE's codification of the AIM Rules for Nominated Advisers in 2007, which increased the scrutiny of prospective new entrants by Nomads since the Nomad vouches to the LSE as to a company's suitability for admission to AIM. The macroeconomic reason is the global financial crisis, which has caused investors to become more risk adverse. Consequently, the quality of the companies completing IPOs on AIM has increased and, as a result, the IPO dilution of existing shareholders has decreased. The 30% - 35% dilution level appears to have seen a step-change downward to the 25% - 30% range. 2009 is viewed as an anomaly given the lack of activity.

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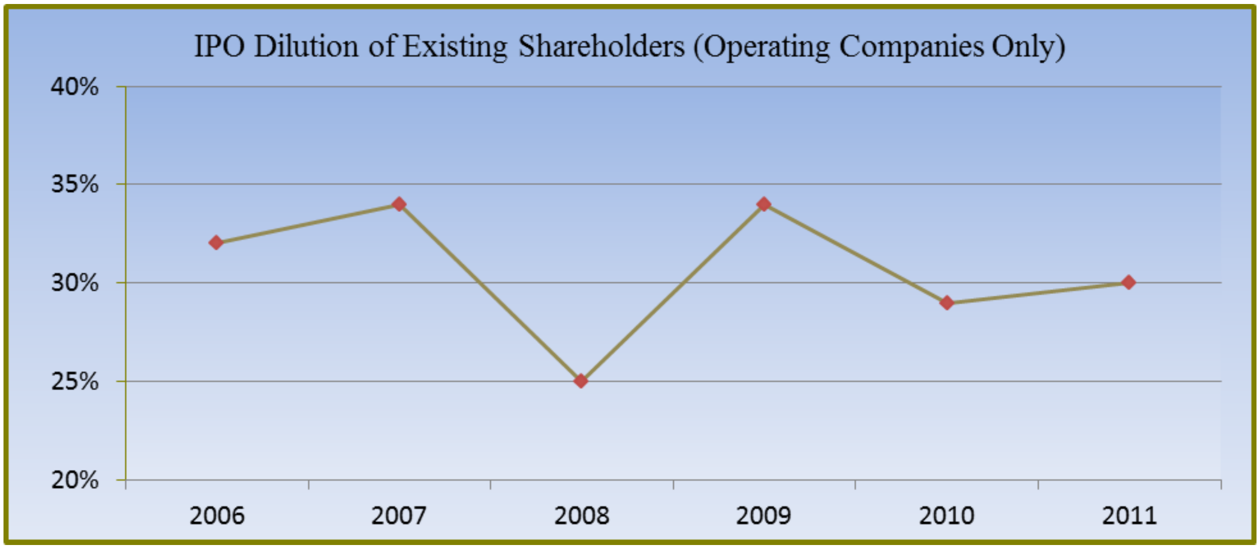
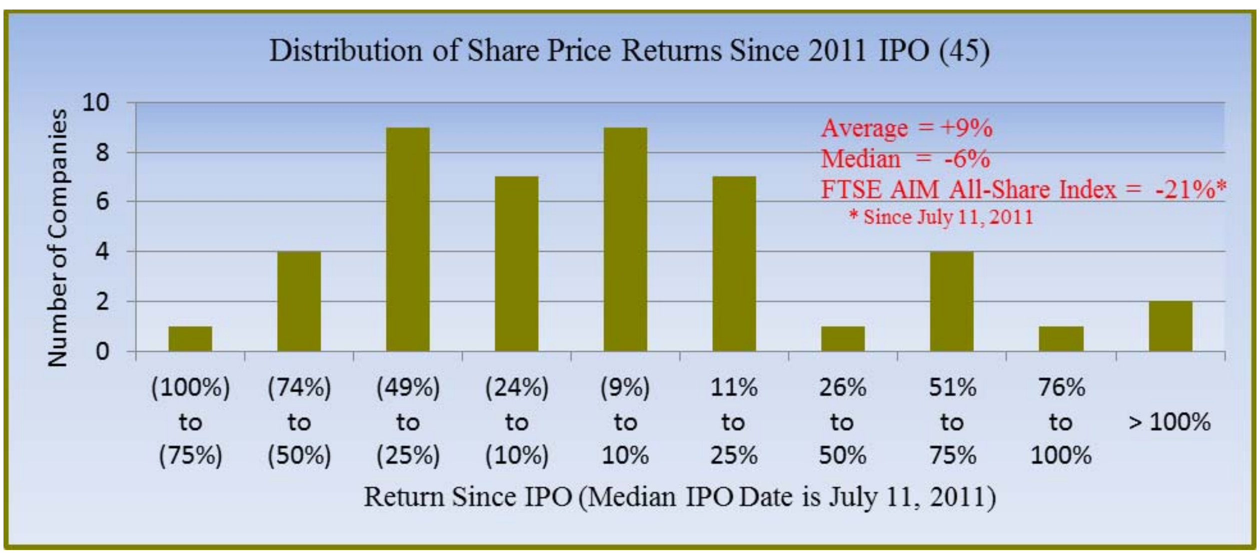


For the entire market, the average and median dilution of existing shareholders was 37% and 33%, respectively. With respect to the 'operating companies' it was 30% and 28%, respectively.

The final chart in this section provides the distribution of share price returns since each of the 45 companies completed their AIM IPOs through the end of 2011. It should be noted that the median IPO date is July 11, 2011, therefore, the average and median returns of +9% and -6%, respectively, only represent, on average, the last 173 days of 2011, the weakest part of the year for the overall market. As a point-of-reference, the FTSE AIM All-Share Index fell 26% during 2011 and a staggering 21% from July 11, 2011 through the end of the year; therefore, the relative aftermarket performance of the 45 AIM IPOs has been quite strong.



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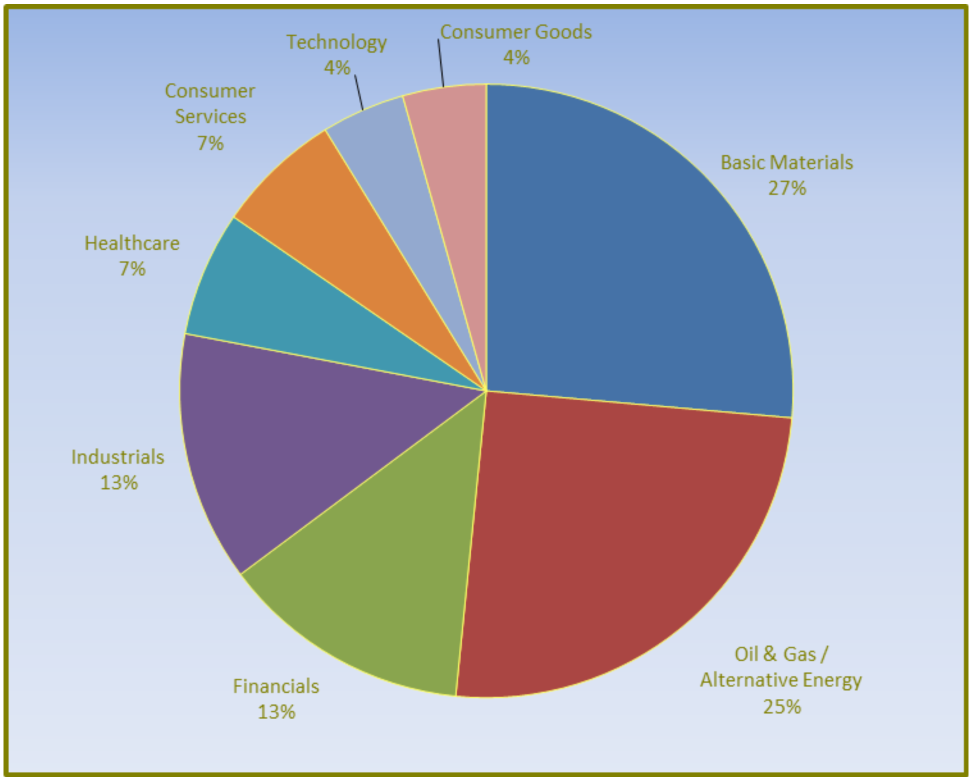
Industry Dispersion

AIM-listed companies are organized into 90 sub sectors which feed into 40 sectors which feed into 10 super sectors. The only super sectors that were not represented with IPOs during 2011 were Telecommunications and Utilities. The chart below provides a breakdown of the eight super sectors in which one or more IPOs occurred during 2011. Since the classifications can be deceptive, the table below the chart provides some insight into the individual companies.



Basic Materials (12)	Mining E&P; gold (3), coal (1), iron ore (1), fluorspar (1), potassium (1), phosphates and rare earth elements (1), iron ore and manganese (1), gold, copper, iron ore and zinc (1), copper, uranium, gold and silver (1) and one 'greentech' company that has developed compostable and sustainably sourced materials for large format print advertising
Oil & Gas / Alternative Energy (11)	E&P (7) Oil Equipment and Services (2), one is an investment company seeking to acquire and consolidate companies providing specialist products and technologies to the E&P market and the other is a clean water technology company with a system that permanently and immediately removes free, emulsified and dissolved hydrocarbons from water Alternative Fuels (2), one has technologies, processes and engineering solutions focused on bioethanol and biobutanol and the other has technologies for the breeding and genetic improvement of Jatropha, a feedstock plantation and a biodiesel processing plant

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Financials (6)	One intends to invest in companies with both digital media and social networking capabilities, one provides an online, peer-to-peer currency exchange platform and an online clearinghouse, allowing individuals and businesses to trade currency, one intends to invest in the natural resources sector, one is an established retail bank, one intends to invest in real estate and one provides specialist insurance services to the commercial real estate sector
Industrials (6)	One establishes partnerships with universities and research institutions to assist with the spin-out and licensing of their technologies, one has developed and is marketing mass spectrometry instruments, one provides gas infrastructure connection services, gas meter asset management services and smart metering technology solutions, one is a manufacturer and distributor of water purifying and dispensing systems, one invents, develops, manufactures and markets advanced, technology-based products used to mark, track and authenticate high value goods and one provides energy purchasing and energy consultancy services to corporations
Healthcare (3)	One is a medical device company developing a range of monitoring and diagnostics products for the measurement of blood gases, electrolytes and drug levels at the patient's bedside, one is a healthcare provider co-owned by a partnership of doctors, nurses and healthcare professionals and one intends to invest in the biotechnology and biopharmaceutical sector
Consumer Services (3)	One owns, develops and produces music festivals, one is an athlete representation and sports marketing, management and events agency and one is an online provider of conveyancing services to buyers and sellers of residential property via a panel of third-party, licensed conveyancers and/or lawyers
Technology (2)	One provides asset tracking and geospatial systems for mission-critical businesses processes and goods and one provides point-of-sale software to the postal industry
Consumer Goods (2)	Both are agricultural companies; one is fully-integrated, producing, processing, distributing and retailing beef, chicken, pork, milk, dairy products, eggs, edible oils, stock feed, flower and bread and has farming operations that produce maize, soya beans and wheat and the other only has a farming operation that produces oil seed, rape, potatoes, wheat, sugar beet and maize

Revenue and income/loss figures for most of the companies are not particularly meaningful given their early stage profiles. Of the 45 companies, 18 generated significant revenues (i.e. > £1 million) during their most recent financial year with the range being £1 million - £101 million ($2 million - $162 million). The average pre-money revenue multiple was 3.24 and the median was 2.54. Of the 18 companies that generated significant revenues, 14 were profitable; six earned small profits and eight earned significant profits (i.e. > £1 million) with the range being £2 million - £6 million ($3 million - $10 million). The average pre-money PE and EBITDA multiples were 18.00 and 9.01, respectively, and the medians were 14.40 and 9.33.

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None of the 12 basic materials companies generated significant revenues. Five of the 11 oil and gas / alternative energy companies generated significant revenues, of which, three were profitable and two earned significant profits. Two of the six financial companies generated significant revenues and earned significant profits. Four of the six industrial companies generated significant revenues and all four were profitable but only one earned a significant profit. One of the three healthcare companies generated significant revenues but none were profitable. Two of the three consumer services' companies generated significant revenues, of which, one earned a significant profit. Both of the technology companies generated significant revenues and both were profitable but neither earned a significant profit. Both of the consumer goods companies generated significant revenues and earned significant profits.

Two of the 45 companies that completed IPOs on AIM during 2011were, or became, dual listed at the time of the AIM IPO; one had been listed on Zambia's Lusaka Stock Exchange since 2003 and the other completed a simultaneous listing on the Enterprise Securities Market of the Irish Stock Exchange. Since the Lusaka Stock Exchange is not an 'AIM Designated Market', the company had to produce the typical AIM Admission Document and could not utilize the 'fast track route to AIM'.

Nine of the 45 companies that completed IPOs on AIM during 2011 were previously listed on the PLUS Stock Exchange (the old OFEX) in the U.K. and one of these companies completed a dual listing on the Enterprise Securities Market of the Irish Stock Exchange shortly after its AIM IPO. Two other unusual AIM IPOs during 2011 include one company that was previously listed on AIM, was suspended and then delisted as a result of the suspension lasting more than six months and one where an established retail bank was spun off from a boutique investment bank.

Of the seven U.S. companies that completed IPOs on AIM during 2011, two remained domiciled in the U.S. and the other five were either already domiciled in, or re-domiciled into, the U.K. or Ireland. The two U.S. domiciled companies continue to prepare their financial statements in accordance with U.S. GAAP, although they could choose to report using IFRS, however, the five domiciled in the U.K. and Ireland must prepare their financial statements in accordance with IFRS. In terms of reporting currencies, six of the seven use the USD, with the Ireland-domiciled company reporting in Euros given its dual listing on the Enterprise Securities Market of the Irish Stock Exchange shortly after its AIM IPO.

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Geographic Dispersion (Main Place of Operation)

Unsurprisingly, the U.K. is the main place of operation for more companies than any other country, region or continent. The U.K. is well represented in seven of the eight super sectors. The only major concentration of U.K.-company IPOs was four in the industrials sector with the other six super sectors each capturing one or two companies. Eight of the 14 U.K. companies generated significant revenues, of which, five were profitable and two earned significant profits.

Four of the seven U.S. IPOs were in the basic materials (i.e. mining) and oil and gas sectors, although, one is actually a technology company that cleans water generated from oil production and/or water used in the petroleum refining process. This company generated significant revenues and earned a small profit. The three mining and oil and gas companies are very small and not really representative of these types of companies on AIM. Two of the other three U.S. IPOs are in different sectors, both generated significant revenues and were profitable, but only one earned a significant profit. The final U.S. IPO is a newly formed investment company focused on the healthcare sector, specifically biotech.

Six of the seven African IPOs were in the basic materials sector and the other one is an agricultural company, which generated significant revenues and earned a significant profit.

All four South and Central American IPOs and all three South Asian IPOs were in the basic materials and oil and gas sectors, with two generating significant revenues but only one earned a significant profit.

The only other point of note is that both Southeast Asian companies are in the financial sector.