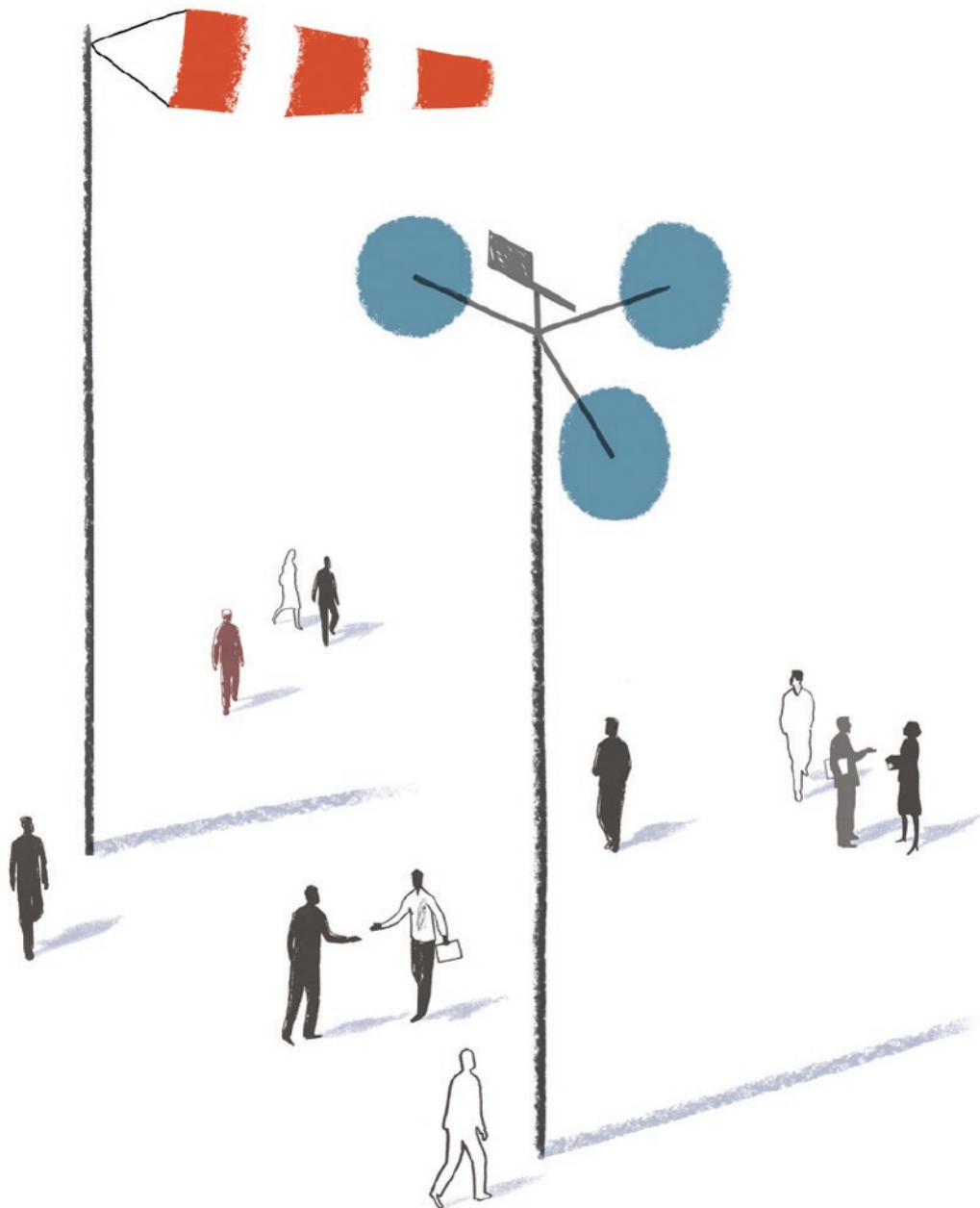


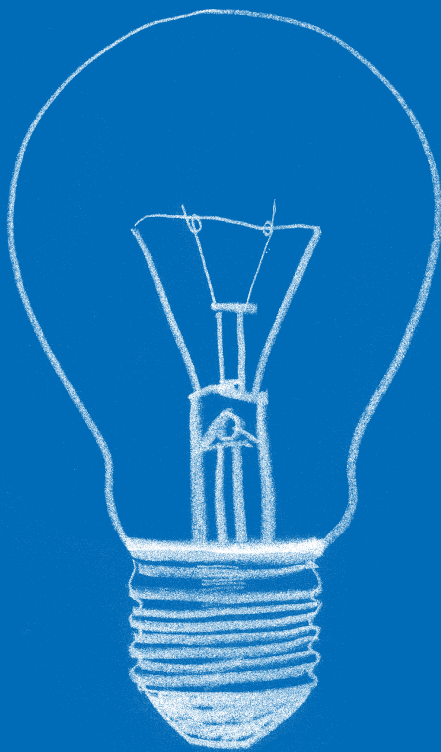
AIM market survey

For the year ended 31 December 2007



“2007 was a year of two very different halves for AIM. A strong start to the year brought high levels of activity, however, global market uncertainties hit in the latter half of 2007, causing a reduction in IPO and fund raising activity. Overall, record levels of funds were raised by existing AIM listed companies in 2007, reflecting the maturity of the market.

Despite the current market conditions, more than £1.1 billion was raised in the first quarter of 2008 by AIM companies, and interestingly, comparative returns from AIM indices were considerably better than ASX indices for the first quarter of 2008, adding to the attractiveness of AIM to Australian companies.”



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6	Admissions to AIM in 2007
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13	Grant Thornton's AIM services

Executive Summary

Despite a strong performance in the first half of 2007, global market uncertainties hit AIM in the latter part of the year, which led to a halt to the year on year growth AIM has experienced for the past few years.

The average market capitalisation of new companies listing on AIM fell for the first time in five years in 2007 and funds raised by new companies on AIM of £6.6 billion in 2007, compared to £9.9 billion in 2006.

However, 2007 did see more records broken, including record levels of further funds being raised by AIM companies of £9.6 billion, compared to £5.7 billion in 2006 which was a record year. 2007 was the first year since 1999 during which more funds were raised as secondary fund raisings by AIM companies than by companies admitting to AIM.

The level of further fund raisings in the first half of 2007 meant that 2007 was again a record year for total funds raised, at £16.2 billion compared to £15.7 billion in 2006, the previous record year.

At 31 December 2007 there were 1,694 companies on AIM with a combined market capitalisation of £97.6 billion.

The internationalisation of AIM continued in 2007, with 31% of admissions to AIM being internationally incorporated, and many more international businesses were admitted with UK holding companies. At 31 December 2007 there were 46 US companies, 43 Australian companies and 44 Canadian companies on AIM.

In 2007, 12 companies moved from AIM to the Main Market, more than in the past four years combined.

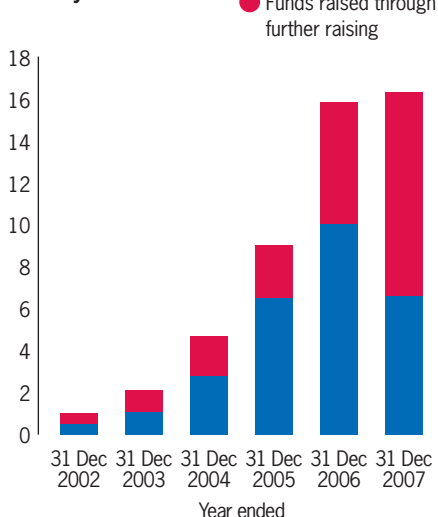
Recent global market uncertainty caused by the US “credit crisis” has caused fund raising levels on AIM to

fall in the first few months of 2008, in common with the ASX and most other global markets. However, the relative performance of AIM over the past 6 months has been strong compared to the ASX.

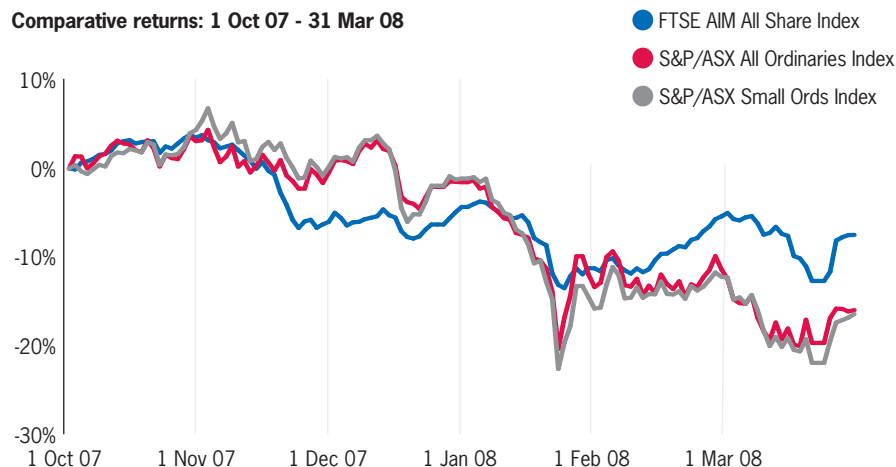
The chart below shows the comparative returns, over the period from 1 October 2007 to 31 March 2008, of the FTSE AIM All Share index, the S&P/ASX All Ords and the S&P/ASX Small Ords indices. Whilst the credit crisis hit UK markets earlier than the ASX, comparative returns for the first quarter of 2008 were significantly higher on AIM indices than on ASX indices.

There is still significant interest in AIM from around the world and the AIM market remains firmly established as the world’s leading growth market, mainly due to the access it provides to the UK capital markets and its flexible regulatory environment.

Funds (£'000m) raised on AIM over recent years



Comparative returns: 1 Oct 07 - 31 Mar 08



AIM companies

There were 1,694 companies on AIM at 31 December 2007 with a combined market capitalisation of £97.6 billion. This compares to 1,634 companies at 31 December 2006 with a combined market capitalisation of £90.7 billion.

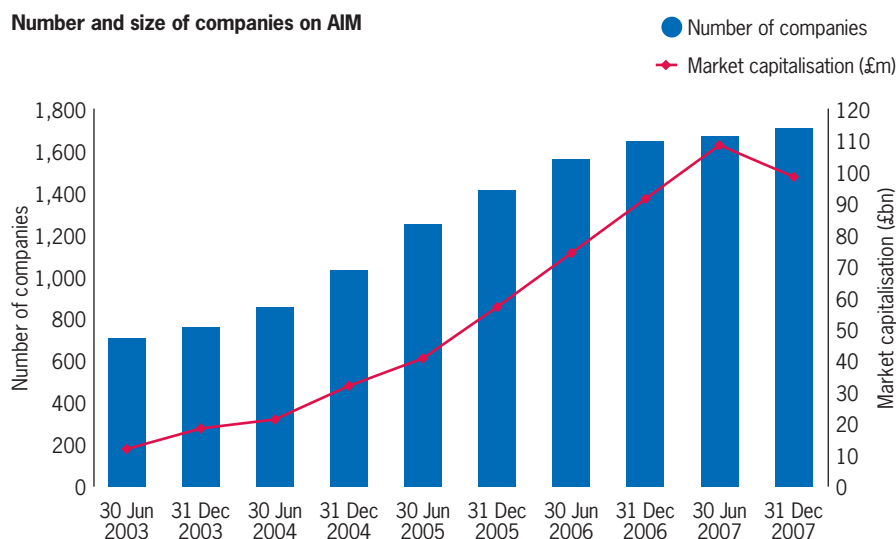
The companies on AIM at 31 December 2007 ranged from very small shell companies to an oil and gas company with a market capitalisation of over £2.2 billion. The median company on AIM had a market capitalisation of £21.4 million at 31 December 2007.

As the size of AIM companies continued to grow, pressure on very large companies to move to the Main Market of the London Stock Exchange increased. When AIM was first established it was envisaged that it would be a stepping stone to the Main Market. In fact, many more companies have moved from the Main Market to AIM over the years. For example, in 2006, 31 companies moved from the Main Market to AIM and only 3 companies moved from AIM to the Main Market.

However, in 2007, 12 companies moved from AIM to the Main Market – more than in the past four years combined whilst only 6 companies moved from the Main Market to AIM during the year. Companies moving from AIM to the Main Market had a market capitalisation on transfer of up to £2.3 billion, with an average of over £700 million.

It is demonstrative of AIM's attractiveness as a market that these large companies remained on AIM until they reached this size. The key reason for this attractiveness of AIM compared to the Main Market is the more flexible regulatory environment and lower costs of maintaining a listing and undertaking corporate transactions.

Number and size of companies on AIM

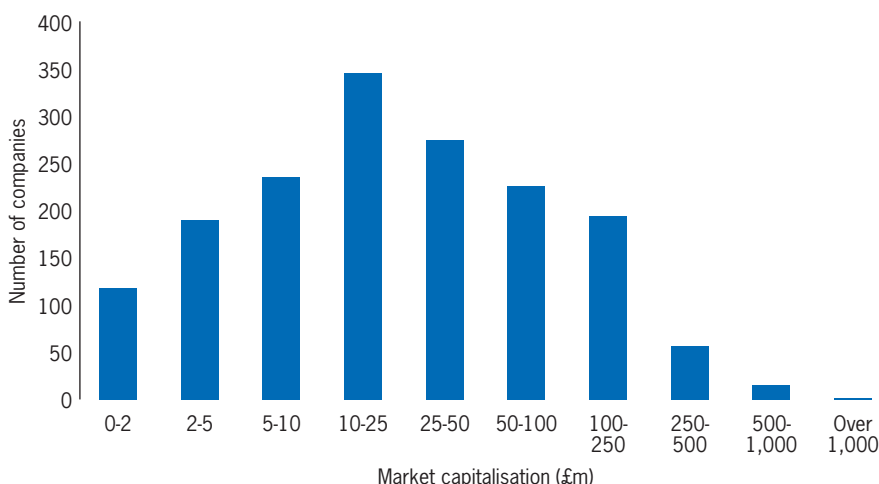


Top ten companies on AIM at 31 December 2007 by market capitalisation

Company	Sector	Market Cap £m
1 Sibir Energy	Oil & gas	2,222.8
2 Nikanor	Industrial metals	1,293.0
3 Peter Hambro Mining	Mining	951.2
4 Lamprell	Oil equipment & services	860.0
5 Playtech	Software & computer services	832.0
6 Mecom Group	Media - publishing	793.9
7 Clipper Windpower	Electricity	763.7
8 Eastern Platinum	Mining	728.1
9 Lancashire Holdings	Nonlife insurance	713.2
10 Dolphin Capital Investors	Real estate	711.6
		9,869.3

Distribution of companies by market capitalisation

● Companies by market capitalisation (£m)



There was a record level of further fundraisings by AIM companies in 2007, almost double that of the previous year, with £9.6 billion raised, compared to £5.7 billion in 2006.

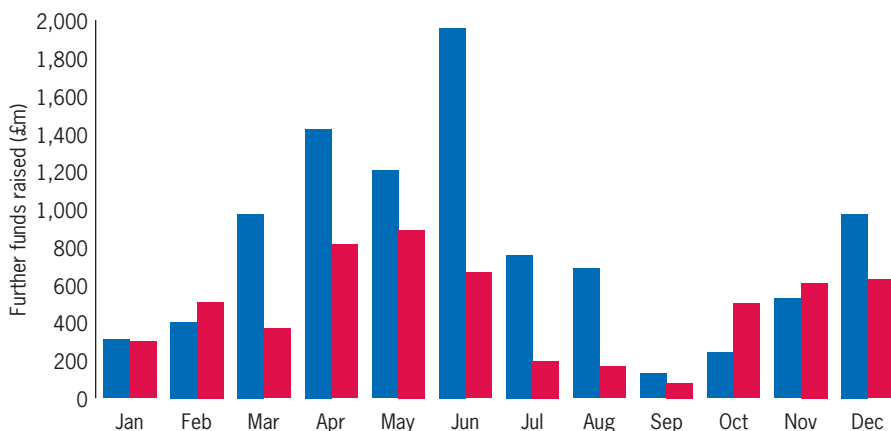
2007 was the first year since 1999 during which more funds were raised as secondary fund raisings by AIM companies than by companies admitting to AIM. June 2007 was a record month for both initial and secondary fund raisings on AIM.

Contributing to the high level of secondary fundraising were a substantial number of very large fundraisings. For example, Mecom Group, a European media group focused on regional publishing and related media assets, raised £570 million in April 2007 for further acquisitions. Dolphin Capital Investors raised £303 million in June 2007 to fund the company’s ongoing investment programme focused on the residential resort sector in south-east Europe. Vietnam Opportunity Fund raised £134 million in December 2007, to continue its strategy of achieving capital appreciation as well as generating regular income by investing in Vietnam.

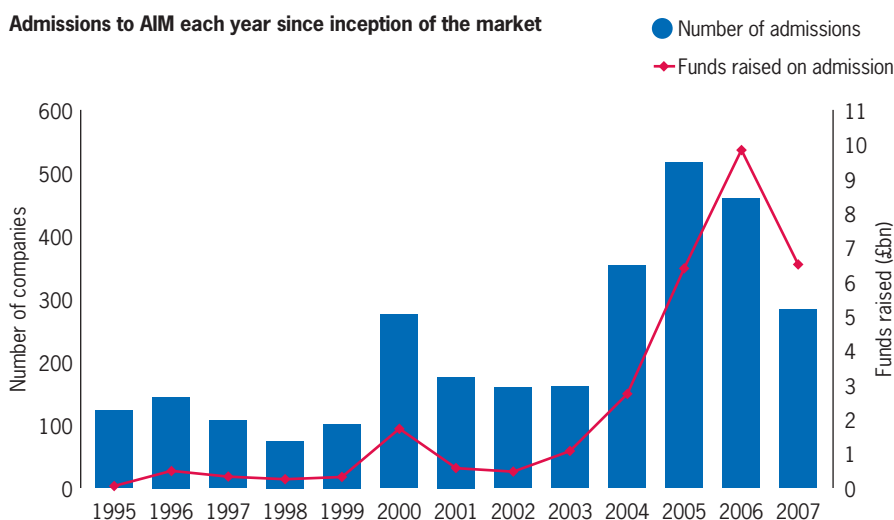
Record levels of further funds were raised by AIM companies in 2007, almost double the levels of the previous year.

Further funds raised by AIM companies

● 2007
● 2006



Admissions to AIM in 2007



284 companies were admitted to AIM in 2007, raising a total of £6.6 billion.

The number of new entrants in 2007 was down from 462 in 2006, as the trend continued of few, larger company listings, raising higher levels of funds. It should be noted that the unusually high peak in new companies joining AIM, which occurred in 2005, was due to a flood of cash shells that listed prior to a change in the AIM rules in April 2005, many of which subsequently delisted in 2006.

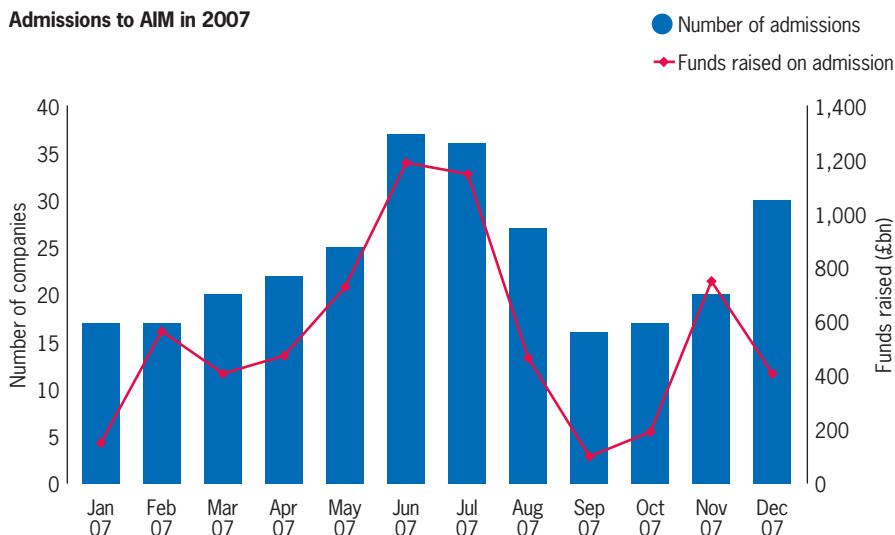
In 2007 there were 61 re-admissions to AIM. Under the AIM rules companies that have completed a reverse takeover, ie have made an acquisition (or acquisitions within a 12 month period) of businesses that are larger than the company itself, need to make a new application for admission. Therefore the number of new companies joining AIM in 2007 was 223. In comparison there were 284 new listings on the ASX in 2007 including readmissions.

In 2007 key months for admissions were June and July, traditionally peak months as companies complete fund raisings prior to the UK summer holiday period.

Significant fund raisings were undertaken by two companies on their admission to AIM in November 2007, London & Stamford Property, which raised £248 million, and Pacific Alliance China Land, which raised £244 million. However, in general the level of funds raised in the last quarter of 2007 by new companies admitting to AIM was significantly lower than could have been expected for that quarter due to global market uncertainty.

Introductions (including companies raising no funds as they transferred to AIM from the Main Market of the London Stock Exchange and re-admissions to AIM) accounted for 24% of admissions in 2007 compared to 26% in 2006.

Admissions to AIM in 2007



Over recent years, the level of funds raised by companies on admission to AIM has increased significantly. This trend continued in 2007, although the increase was more modest. The average fundraising on admission in 2007 was £23.2 million up from £21.5 million in 2006.

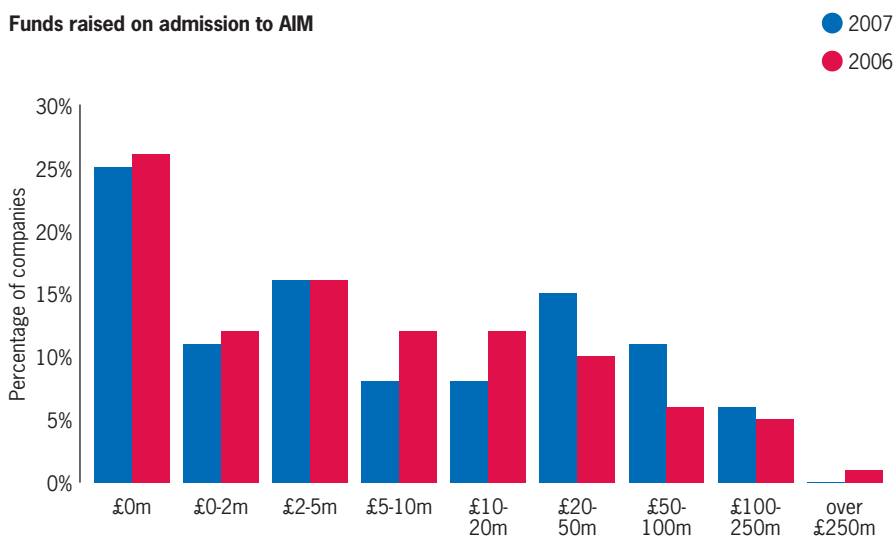
Funds of £10 million and over were raised on 40% of admissions in 2007, compared to 34% in 2006.

There has also been a clear increase in the size (by market capitalisation) of companies listing on AIM over recent years and average market capitalisation of companies on AIM continued to grow in 2007, to £63 million, from £58 million in 2006.

One of the key reasons behind the increasing size of fundraisings and market capitalisation of new companies to AIM has been the number of investment funds listing on AIM, with a focus on investment in a particular sector or country. 31% of the new admissions in 2007 were in the financials sector and these accounted for 62% of the funds raised on admission, with over half the financial sector funds being raised by real estate companies (see Sector Analysis section for more information).

The level of funds raised in the last quarter of 2007, by new companies admitting to AIM, was significantly lower than the trend due to global market uncertainty.

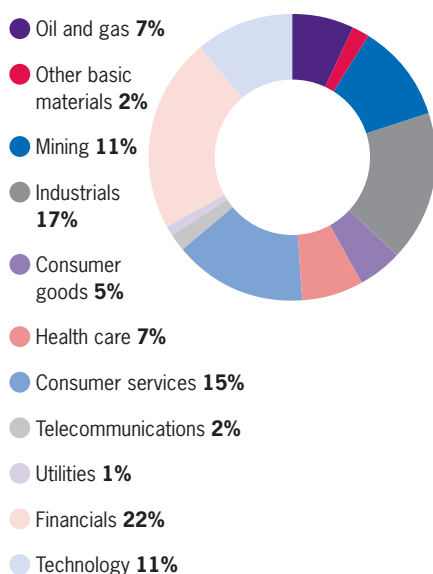
Funds raised on admission to AIM



Sector analysis

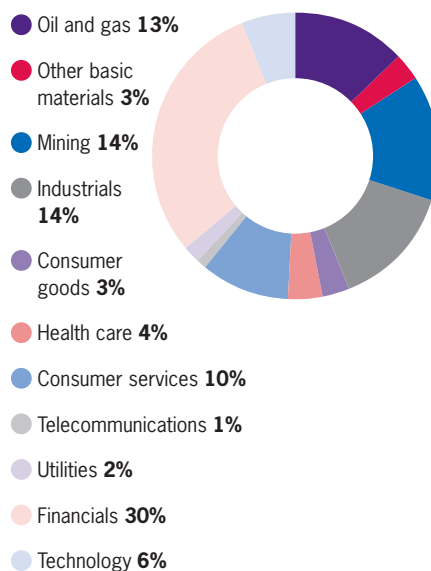
The AIM market is comprised of a diverse range of companies across many sectors. Key market sectors include resources (including mining and oil & gas), industrials (including construction & materials, electronic & electrical equipment and support services) consumer services (including media and travel & leisure) and financials (including real estate, equity investment instruments and general financial).

Distribution of companies on AIM by sector at 31 December 2007



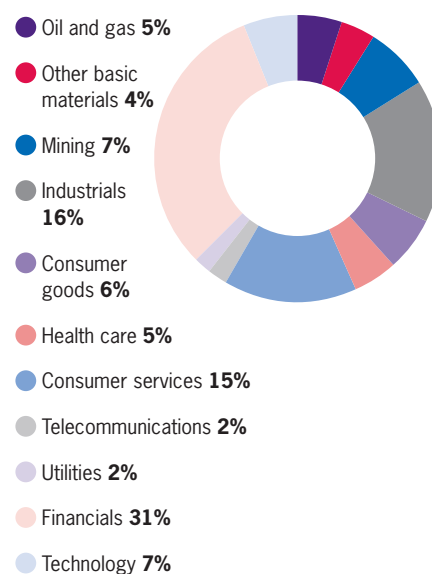
The key sectors by market capitalisation are resources and financials which each account for 27% and 30% of the market respectively. The resources sector has held a fairly constant share of the market since 31 December 2005 when it accounted for 30% of the market. The financials sector however has grown significantly from 21% at 31 December 2005 to 30% at 31 December 2007. The biggest components of the financials sector at 31 December 2007 were real estate, accounting for 13.2% of the whole market, and general financial (includes specialist investment companies, brokers and asset managers), accounting for 8.8% of the market.

Distribution of market capitalisation of companies on AIM by sector at 31 December 2007



Admissions of companies in the financials sector accounted for 32% of all companies in 2007, compared to 33% in 2006. The proportion of companies admitted to AIM in the resources sector fell from 16% in 2006 to 12% in 2007.

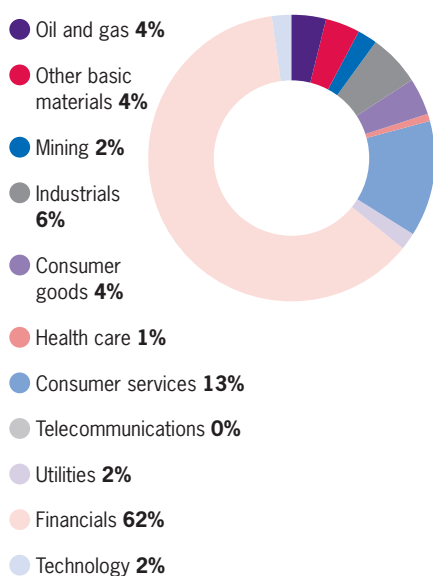
Number of admissions to AIM by sector in 2007



A continued trend in 2007 was the dominance of the financials sector in terms of funds raised, with this sector accounting for 62% of all funds raised on admission to AIM by companies in 2007. However this was slightly down from 68% in 2006.

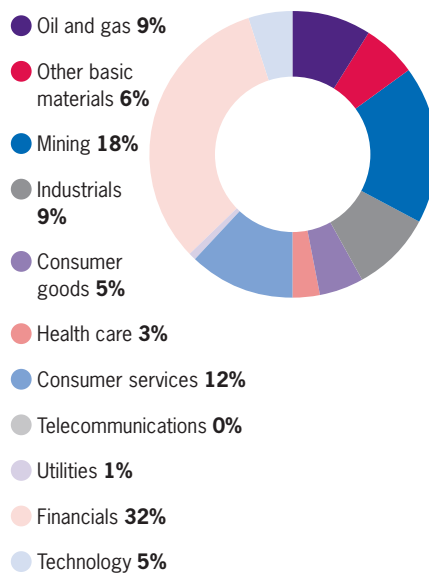
The number of new real estate companies raising significant amounts on admission to AIM continued to remain high in 2007.

Funds raised on admissions to AIM by sector in 2007



Further funds raised were more evenly spread across the sectors than fund raisings by new companies. The resources sector did account for a significant proportion (27%) of the further funds raised by AIM companies in 2007.

Further funds raised by AIM companies by sector in 2007



International companies

The number and proportion of international companies on AIM continued to grow in 2007 with companies from 30 countries being listed on AIM at 31 December 2007 and 31% of admissions to AIM in 2007 being internationally incorporated companies.

Internationally incorporated companies represented over 20% of the companies on AIM at 31 December 2007. The actual number of international businesses is significantly higher as many companies incorporate a UK holding company for the purpose of their AIM listing. For example, whilst there were 11 IPOs of Chinese based companies on AIM in 2007, raising a total of £927 million, only two of these were incorporated in Hong Kong and none in mainland China.

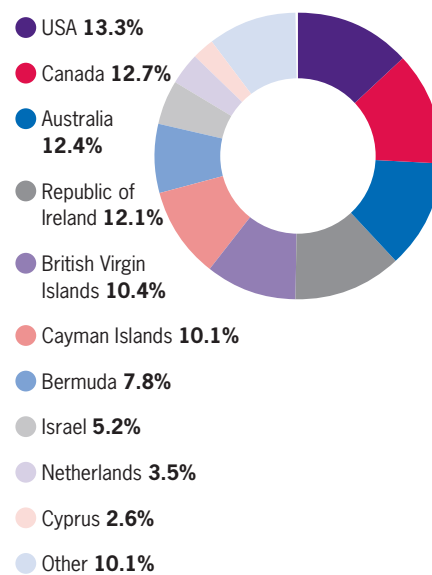
Many of the funds and investment groups that have listed in recent years chose a tax effective region of the British Isles such as the Channel Islands or the Isle of Man in which to register their holding company. For example, from the companies admitted to AIM in 2007, 53 were registered in the Channel Islands and 16 were registered in the Isle of Man.

In general, international companies on AIM are larger than UK companies, with an average market capitalisation at 31 December 2007 of £99.2 million compared with £46.9 million for UK registered companies. Also, various indices show that international companies performed better in 2007 than UK companies.

In 2007, 15 US companies were admitted to AIM and the USA became the leading source of companies incorporated outside of the UK, with 46 US companies on AIM at 31 December 2007.

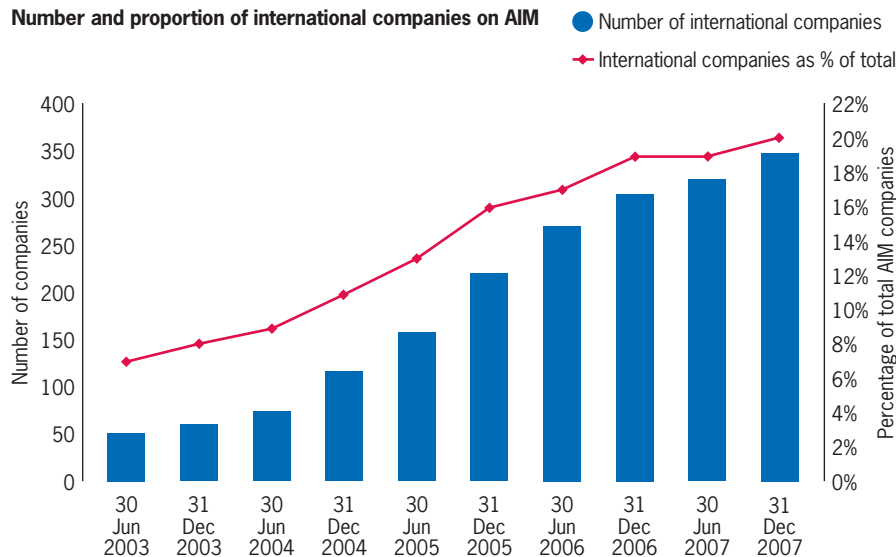
There were 43 Australian companies on AIM at 31 December 2007, accounting for the third highest number of companies outside of the UK (see Australian Companies section for more details).

Distribution of international companies on AIM at 31 December 2007 by country



The London Stock Exchange continues to promote the AIM market internationally and there is a considerable volume of global press on the relative attractiveness of the AIM market.

Number and proportion of international companies on AIM



Australian companies

There were 43 Australian companies on AIM at 31 December 2007. There were 5 new admissions of Australian companies to AIM in 2007, being:

- Plantic Technologies Limited was admitted to AIM in May 2007. Plantic's technology delivers a completely biodegradable and organic alternative to conventional plastics. The company raised £20.0 million and had an initial market capitalisation of £50.9 million.
- Discovery Metals Limited has a portfolio of mineral assets in Africa and joint ventures in Australia. Listed on ASX it was admitted to AIM using the fast track process in June 2007 and raised no funds on admission. The company's initial market capitalisation was £17.7 million.
- Zeehan Zinc Limited, an operating mining, project development and exploration company, with projects in Western Tasmania, was admitted to AIM in March 2007. The company raised £9.0 million on admission, with an initial market capitalisation of £25.7 million.
- DiamonEx Limited is a Brisbane based diamond explorer planning to develop a mine in Botswana. It is listed on ASX and was admitted to AIM, using the fast track process raising no funds, in October 2007. The company's initial market capitalisation was £25.6 million.
- Range Resources Limited is an exploration company focused on oil, gas and mineral resources in Puntland, Somalia. It is listed on ASX and raised no funds on admission to AIM in October 2007, using the fast track process. It had an initial market capitalisation of £50.5 million on listing.

Admission date	Company	Sub Sector	Mkt Cap 31 Dec 07 £m
21-Mar-05	AIM Resources	General Mining	52.1
02-May-06	Allied Gold	Gold Mining	106.3
16-Nov-05	Anzon Energy	Oil & Gas	88.3
15-Dec-06	Arana Therapeutics	Biotechnology	115.1
06-Dec-06	Berkeley Resources	General Mining	58.5
04-May-06	Cape Lambert Iron Ore	Gold Mining	47.9
20-Apr-06	Cap-XX	Electronic Equipment	30.1
31-Mar-05	Carpathian Resources	Oil & Gas	16.3
21-Dec-01	Centamin Egypt	Gold Mining	386.3
02-Mar-06	Ceramic Fuel Cells	Electrical Components & Equipment	75.9
16-Dec-05	Coal Of Africa	General Mining	228.4
14-Apr-03	Consolidated Minerals	General Mining	538.8
29-Oct-07	DiamonEx	Diamonds & Gemstones	24.3
29-Jun-07	Discovery Metals	Nonferrous Metals	35.3
07-Dec-01	Dwyka Resources	General Mining	51.2
16-May-05	Elixir Petroleum	Oil & Gas	18.3
04-Jan-06	E-Pay Asia	Internet	7.8
31-Oct-05	Eservglobal	Software	79.7
20-Jul-04	Eurogold	Gold Mining	3.9
22-Mar-06	Finders Resources	General Mining	30.5
09-Mar-04	Gippsland	General Mining	11.6
17-Mar-05	Gladstone Pacific Nickel	Nonferrous Metals	48.2
07-Mar-05	Global Petroleum	Oil & Gas	14.9
22-Aug-06	Investika	Specialty Finance	24.5
12-Dec-06	IT&e	Computer Services	10.2
26-Oct-05	Leyshon Resources	Gold Mining	54.4
16-Nov-05	Medic Vision	Medical Equipment	6.1
21-Nov-06	Medusa Mining	Gold Mining	89.9
25-May-06	Monto Minerals	General Mining	31.0
03-Jul-00	Murchison United	General Mining	16.8
30-Jun-04	Norwood Immunology	Biotechnology	12.0
16-Feb-06	Oilex	Oil & Gas	82.3
29-Jul-04	Phosphagenics	Pharmaceuticals	58.1
23-May-07	Plantic Technologies	Specialty Chemicals	52.6
30-Nov-05	Platinum Australia	Platinum & Precious Metals	256.6
23-Oct-07	Range Resources	Oil & Gas	45.4
06-Sep-04	Roc Oil Co	Oil & Gas	389.8
30-Dec-05	Rusina Mining	General Mining	25.5
01-Dec-05	Seeing Machines	Computer Hardware	6.2
21-Jul-06	Sylvania Resources	General Mining	223.1
14-Jun-06	Tianshan Goldfields	Gold Mining	48.3
14-Oct-05	Union Resources	General Mining	8.9
06-Mar-07	Zeehan Zinc	General Mining	17.0
Total			3,528.4
Average			86.1

Overview of AIM market

The AIM market was launched in June 1995 by the London Stock Exchange to provide small and medium sized growing companies with the opportunity to raise capital and to provide a liquid market place to trade shares.

The AIM market is now firmly established as the world's most successful growth market. Its success is built on its simplified regulatory environment, which is specifically designed for growing, entrepreneurial companies. AIM also benefits from being an integral part of the London Stock Exchange, one of the world's leading securities exchanges.

Admission criteria

Unlike most other markets, AIM does not have minimum admission criteria in terms of company size, track-record, minimum number of shares in public hands, country of incorporation etc.

AIM companies must appoint a Nominated Adviser ("Nomad"), who is responsible for ensuring that the company is suitable for listing. As part of this role, the Nomad will project manage the listing process, coordinating the other advisers, including the due diligence process and the preparation of the admission document.

Ongoing regulatory regime

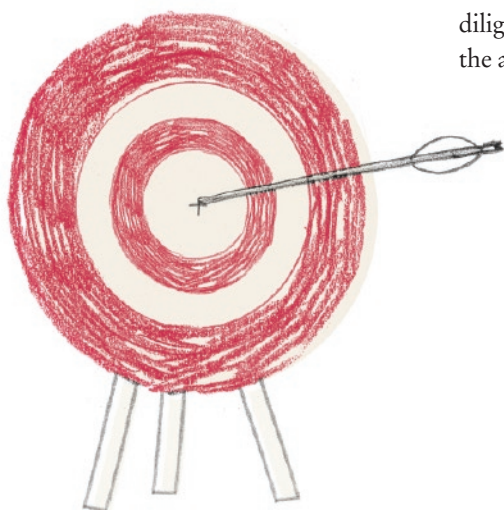
AIM companies must retain a Nomad at all times. Nomads are responsible on a continuing basis to advise AIM companies and their directors on compliance with the AIM Rules.

The flexibility and nature of the ongoing regulations are one of the key attractions of the AIM market. For example, shareholder approval is not required for transactions such as acquisitions, unless the acquisition constitutes a reverse takeover, allowing companies the flexibility to grow quickly and cost effectively.

Key attractions of AIM

For internationally focused Australian companies, the key attractions of the AIM market include:

- access to the UK capital market, one of the deepest pools of capital in the world;
- access to international institutional investors;
- higher valuations may be achieved by some businesses as UK investors tend to be more sophisticated;
- potential to raise international profile of the business, to assist in expanding into new markets;
- simplified regulatory environment, specifically designed for the needs of growing companies; and
- no minimum entry criteria in relation to company size, track record, number of shares in public hands etc.



Grant Thornton's AIM services

Grant Thornton International is one of the world's leading organisations of independently owned and managed accounting and consulting firms providing assurance, tax and specialist advice to privately held businesses and public interest entities. Clients of member and correspondent firms can access the knowledge and experience of more than 2,400 partners in over 100 countries.

Nominated Adviser

All AIM companies are required to appoint and retain a Nominated Adviser ("Nomad") who is responsible for ensuring the company is suitable for AIM and that the AIM regulations are complied with.

Grant Thornton UK LLP's Nomad team was launched in 1996 and, having brought more than 190 companies to the AIM market, is recognised as the leading independent adviser to AIM companies.




Grant Thornton UK LLP has acted as Nomad to twelve Australian companies on their AIM listings, in conjunction with Grant Thornton in Sydney.

The Nomad team at Grant Thornton in Sydney acts as a conduit between our Australian clients and our Nomad team in London. This facilitates management of the listing process and the provision of ongoing advice in an efficient manner, minimising the effects of the time difference between Australia and the UK.

Reporting Accountant

A company's directors have responsibilities in relation to the AIM Admission Document and the Reporting Accountant helps the directors discharge a number of these responsibilities. The broad roles of the Reporting Accountant include undertaking due diligence and reporting on financial information in the Admission Document.

Grant Thornton member firms are leading Reporting Accountants for AIM admissions. Grant Thornton member firms in Sydney and other Australian cities have experience in acting as Reporting Accountants to Australian companies on their AIM listings.

AIM Resources Ltd  Exploration assets in Burkina Faso and South Africa Grant Thornton provide Nominated Adviser services	Anzon Energy Limited  Oil and gas exploration and production Grant Thornton provide Nominated Adviser services	Baobab Resources Plc  Exploration assets in Mozambique Grant Thornton provide Nominated Adviser services
Carpathian Resources Ltd  Oil and gas exploration and production in Czech Republic Grant Thornton provide Nominated Adviser services	Gladstone Pacific Nickel Limited  Development of nickel mine and refinery Grant Thornton provide Nominated Adviser services	Greatland Gold Plc  Gold exploration Grant Thornton provide Nominated Adviser services
IT&e Ltd  Software services Grant Thornton provide Nominated Adviser services	Neptune Minerals Plc  Exploration and development of seafloor massive sulphide deposits Grant Thornton provide Nominated Adviser services	Seeing Machines Limited  Vision based human machine interfaces Grant Thornton provide Nominated Adviser services
Van Dieman Plc  Exploration for tin and sapphires in Tasmania Grant Thornton provide Nominated Adviser services	Zambezi Resources Ltd  Exploration assets in Zambia Grant Thornton provide Nominated Adviser services	

If you would like to find out more about how Grant Thornton Corporate Finance can assist you, please contact your nearest Nomad or Reporting Accountant representative.

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