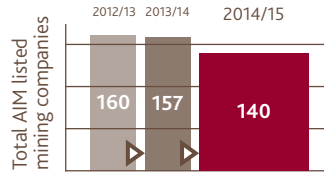


EXTRACTING INSIGHTS 2014/15

A review of the performance of AIM listed mining companies for the year to June 2015



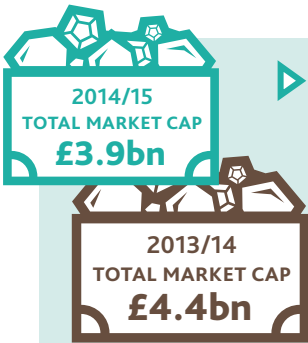
2014/15 SEES THE LARGEST FALL IN THE NUMBER OF LEAVERS SINCE THIS SURVEY STARTED IN 2011...



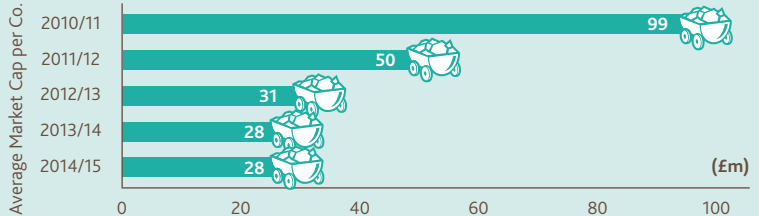
...AS WELL AS A FALL IN THE TOTAL NUMBER FOR THE SECOND YEAR IN A ROW

THE MAIN REASONS FOR LEAVING ARE:

- ▶ Cost saving (5)
- ▶ Regulatory (5)
- ▶ Takeovers / Transfers (4)

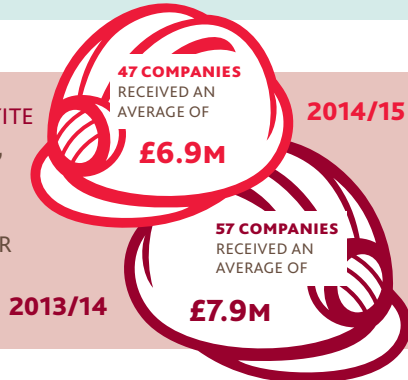


ALTHOUGH THE AVERAGE MARKET CAP PER MINING COMPANY WAS STABLE, THERE HAS BEEN A FURTHER DECLINE IN THE OVERALL MARKET VALUE OF THE SECTOR, ALBEIT THE RATE OF SLOWDOWN HAS DECLINED



Larger mining companies have performed slightly better than the wider mining population; the aggregate market caps of the ten largest companies increased by 6% compared to an 11% decline overall

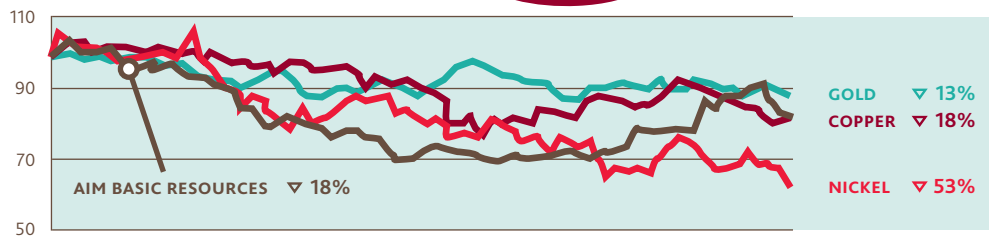
INVESTOR APPETITE REMAINS LOW, WITH FEWER COMPANIES RAISING SMALLER AMOUNTS OF EQUITY



FURTHER ISSUES PROCEEDS OF £342M ARE DOWN 28%

FUNDS RAISED FROM IPOs OF £14.4M ARE UP FROM £5.8M

DURING 2014/15, THE OVERALL PERFORMANCE OF THE AIM BASIC RESOURCES INDEX WAS BROADLY IN LINE WITH COMMODITY PRICES



OUR ADVICE FOR SURVIVING THE CURRENT MARKET

01 Put in place tight cost control and cash management

02 Consider M&A opportunities to realise value for shareholders

03 Try to secure funding from alternative sources, such as specialist investors & overseas exchanges

04 Keep the market informed and make sure there are **no surprise announcements**

05 Review your capital structure to ensure it does not expose you to sudden liquidity issues

Find out more about how BDO can help you:

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