

Taking AIM on the London Stock Exchange

March 15, 2006

CONTACT:

Doug Bedell
Haynes Boone
214.651.5815 (office)
214.704.3058 (cell)
[\[email protected\]](#)

DALLAS -- The business world's marketplaces are suddenly speculators.

NASDAQ's recent \$4.1 billion bid for the London Stock Exchange (LSE) is one of a series of acquisition offers highlighting interest in the Alternative Investment Market (AIM), an emerging, dynamic international marketplace.

The LSE's AIM has quickly grown in importance as a NASDAQ alternative for small and mid-sized companies from Russia, the Middle East, China and the U.S.

Since its birth in 1995 as a financial vehicle for UK firms, more and more well-advised, small-cap private American companies -- exasperated by their inability in these seemingly cash-rich times to obtain much-needed liquidity through traditional sources -- have undertaken a limited listing on the AIM.

For U.S. firms, the AIM has become desirable for several reasons:

- It is a real solution to the challenges faced by emerging U.S. small-, and mid-cap companies in securing vitally needed capital for next-stage growth.
- With its streamlined qualification and compliance processes, the LSE's AIM serves as a lower-cost alternative to U.S. markets.
- AIM's investors and its market makers are different. Most buyers of AIM-listed shares are institutions that bring a longer-term view to the process when compared to typical U.S. investors, and are more likely to support an issuer based on its longer-term growth prospects, rather than its short-term earnings results.

Frontera Resources, an oil-and-gas exploration company based in Houston, is one of about 30 U.S. companies that have taken the AIM route. Frontera has raised \$100 million since last March, enabling it to pursue highly promising drilling programs overseas, notably in the burgeoning Russian oilfields.

"Raising this kind of capital through a U.S. stock exchange listing would have been almost impossible," said Bryce Linsenmayer, a partner in Haynes Boone, the law firm that counseled Frontera. "Financial institutions, including private equity groups, are typically inattentive to this scale, opting to focus upon, and find greater rewards in larger investment vehicles."

Haynes Boone representatives are available to those journalists interested in exploring the AIM and its potential. Contact Doug Bedell at [\[email protected\]](#) or 214-651-5815 for further information.

HAYNES BOONE

Haynes Boone is an international corporate law firm with 10 offices throughout Texas, Washington, D.C., Mexico City, Moscow and New York, providing a full spectrum of legal services to clients around the world. With more than 450 attorneys, Haynes Boone is ranked among the largest law firms in the nation by National Law Journal. The firm has been recognized by Vault.com as one of the "20 Best Law Firms to Work For," by Corporate Board Member Magazine as one of the "Best Corporate Law Firms in America," and has received the Minority Corporate Counsel Association's Thomas L. Sager Award for commitment to diversity.