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Patricia Feeney
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3 August 2011

Dear Ms Feeney

**Complaint relating to the Central African Mining & Exploration Company Plc ("CAMEC")
and Seymour Pierce Limited**

I am writing in response to your letter to Marcus Stuttard, Head of AIM, dated 3 June 2011. The matters about which you have enquired are regulatory in nature and Mr Stuttard has therefore passed your submission to me to respond.

By the way of background and as you are aware, AIM is a market operated and regulated by the London Stock Exchange (the "Exchange"). AIM Regulation is a dedicated department within the Exchange that conducts the primary market regulation of issuers admitted to AIM. As part of its role AIM Regulation investigates all potential breaches of the AIM Rules for Companies ("AIM Rules"), including the Note for Mining, Oil & Gas Companies, and the AIM Rules for Nominated Advisers ("Nomad Rules") and takes disciplinary action pursuant to the AIM Disciplinary Procedures and Appeals Handbook where appropriate. In certain circumstances, where AIM Regulation does not have jurisdiction over the issues in question, referral may be made to other regulatory bodies, including the FSA, UKLA, the SFO, and the Takeover Panel etc. For the avoidance of doubt, AIM Regulation's remit does not extend to matters beyond the AIM Rules or Nomad Rules.

I thought it would be helpful to explain that the AIM Rules and Nomad Rules focus on two core principles for publicly traded companies: (1) the suitability of a new company to be admitted to a public market (the judgment for which is primarily made by a nomad firm in accordance with our rules), and (2) the provision of adequate information by AIM companies to the market after admission, to ensure that investors and potential investors have all the relevant information they need in order to make investment decisions. AIM has a robust regulatory framework in relation to these core requirements including that the Exchange monitors companies' compliance and approves and regulates nomads and reviews the quality and effectiveness of their work on a regular basis through a variety of means.

The Exchange takes the regulation of AIM very seriously, not only for investor protection reasons but also because it has a direct impact on the reputation of AIM and the wider London Stock Exchange Group. This is in part demonstrated by the numerous disciplinary actions taken by the Exchange for breaches of the AIM Rules and Nomad Rules in the past.



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When considering what action to take in the event of any breaches of our rules we take into account a number of different factors, including, but not limited to, market impact, the seriousness of the breaches, whether the behaviour involved a deliberate or reckless contravention of our rules and the size and financial resources of the relevant party. We also consider the effectiveness of any action that has been taken in remedying the misconduct and/or preventing future misconduct.

Turning to the matters raised by your submission, please be assured that we will be giving serious consideration to the points raised by your submission concerning the former AIM company and Seymour Pierce's conduct in relation to it. We appreciate in particular the detailed submission and consideration of the AIM Rules that you have made to us. However, I am sure you will appreciate that we are unable to comment on how our investigations are progressing or on the conclusions we reach unless and until such time as any public disciplinary sanction is imposed. This is because our duty of confidentiality precludes us from doing so. This is to ensure, for example, that we do not prejudice the outcome of any potential investigation. I appreciate this absence of feedback may be disappointing but any breach of the Exchange's requirement for confidentiality could undermine its ability to take effective regulatory action where necessary.

I also note that a number of the matters you have raised, such as the provenance of various concessions which were granted to certain individuals, are in relation to assets now acquired by Eurasian Natural Resources Corporation ("ENRC"), a company currently listed on the Main Market. We also note that you consider that issues raised in your submission may be relevant to other companies, such as Glencore International Plc. As you are no doubt aware companies listed on the Main Market are regulated by the UK Listing Authority, part of the FSA, not the Exchange, and we are unable to look into such matters as they do not fall within our regulatory remit.

We would like to thank you for bringing your concerns to our attention, in particular in the form of the detailed submission made.

Yours sincerely,

Nilam Statham
Head of AIM Regulation