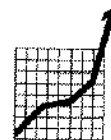


Belmont Holdings Limited

(ABN 65 000 144 561)



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Sydney NSW 2000
Tel: 9247 9315
Fax: 9247 9336

29 June 2006

Ms Luise Elsing
Manager Listings
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Ms Elsing

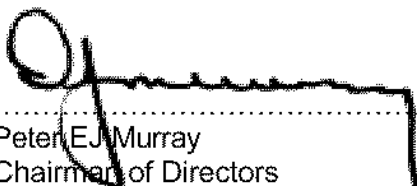
Outlook Enhanced

The Directors of Belmont Holdings Limited are pleased to advise that Belmont has benefited positively from an upgrading of a key strategic investment of its associate, London City Equities Limited, namely a 13.5% shareholding in CCI Holdings Limited. This upgrading has been triggered off by a 31 cent per share takeover announced for CCI by a third party. Although the takeover has been rejected by the Boards of both CCI and London City, the proposal endorses the significant improvement achieved at CCI over the last eighteen months.

Given Belmont's 25.6% shareholding in London City, and using 31 cents as a guide to the value of the CCI shares, Belmont's underlying net assets can be estimated to have appreciated by around \$650,000. On this basis, Belmont will also benefit by some \$350,000 pre-tax resulting from a performance fee activated under its London City investment management arrangements.

As an indication to Belmont's shareholders, if a CCI share price of 31 cents is used as a guide, the un-audited net tangible asset backing of the Belmont shares would be in the order of \$1.70 per share.

For and on behalf of the Board


Peter EJ Murray
Chairman of Directors

