

- ASX Release -

Market Update

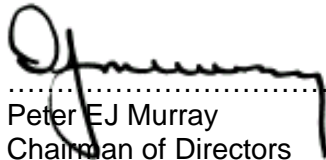
Directors provide the following update.

The unaudited net assets of London City Equities Limited are now estimated to be in the order of \$9,400,000 – or 41cents a share. As previously advised, due to past tax losses the portfolio's appreciation carries no tax impost.

Investment values have improved since 1 January and our shareholding in 6% owned Fiducian Group Limited has appreciated some 14% in this period. Other investment opportunities continue to be reviewed with some minor additions made to the portfolio.

London City continues to examine the Penrice Soda Holdings Limited matter and the role of associated parties. As we stated in financial reports, there is insufficient information at this time to estimate future benefit that might arise from contemplated action.

For and on behalf of the Board



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Peter EJ Murray
Chairman of Directors

16 May 2017

