



GEOGRACE

Resources Philippines Inc.
www.geograce.com

12 July 2012

Philippine Stock Exchange, Inc.
4/F Philippine Stock Exchange Center
Exchange Road, Ortigas Center
Pasig City

Attention: **Ms. Janet A. Encarnacion**
Head, Disclosure Department

Re: **GEOGRACE Resources Philippines, Inc. ("GEOGRACE")**
Update on Disbursements on the Proceeds
from the Stock Rights Offering

Gentlemen:

We hereby submit our report on the use of proceeds from the 1:3.5 Stock Rights Offering for the Second Quarter ending 30 June 2012.

USE OF PROCEEDS	Balance as of March 31, 2012	April to June 2012 Disbursements	Balance as of June 30, 2012
I Exploration Costs	0.00	0.00	0.00
a. Acquisition of addtl mining tenements	-	-	-
b. Permitting and COMREL	-	-	-
c. Geochemistry and Mapping*	-	-	-
d. Drilling program*	-	-	-
e. Research and Development	-	-	-
II Project Development Cost	30,248,763.83	424,289.08	29,824,474.75
a. Purchase of production equipment	12,688,700.00	-	12,688,700.00
b. Fixed assets	12,292,697.97	424,289.08	11,868,408.89
c. Manpower	2,263,065.19	-	2,263,065.19
d. Consumables for production equipment	3,004,300.67	-	3,004,300.67
III Payments of Shareholder Advances	-	-	-
a. General and administrative expenses	-	-	-
b. Exploration expenses	-	-	-

USE OF PROCEEDS	Balance as of March 31, 2012	April to June 2012 Disbursements	Balance as of June 30, 2012
IV Additional Working Capital	81,987.20	-	81,987.20
a. General and administrative expenses	47,060.04	-	47,060.04
b. Professional fees	34,927.16	-	34,927.16
	30,330,751.03	424,289.08	29,906,461.95

Very truly yours,

DELFIN S. CASTRO, JR.
Treasurer/Chief Finance Officer

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY)
MANDALUYONG CITY

SUBSCRIBED AND SWORN to before me this ^{JUL 11 2012} 12th day of June 2012,
affiant exhibiting to me his SSS No. 33-0049946-00.

Doc. No. 451 ;
Page No. 92 ;
Book No. XXY ;
Series of 702.

ATTY. JOVEN T. SEVILLANO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2012
PTR NO. 1256455, 1-2-12, MANDALUYONG
IBP NO. 874240, 1-2-12, MANDALUYONG
ROLL NO. 53970
MCLE COMPLIANCE NO. III-0017001, JUNE 2, 2010