

07 October 2016

Philippine Stock Exchange, Inc.
3/F Philippine Stock Exchange Center
Ayala Triangle, Ayala Avenue
Makati City

Attention: **Mr. Jose Valeriano B. Zuño III**
OIC- Head, Disclosure Department

Re: Geograce Resources Philippines, Inc. ("GEO")
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 Third Quarter ending 30 Sept 2016.

USE OF PROCEEDS	Balance as of June 30, 2016	July to Sept 2016 Disbursements	Balance as of September 30, 2016
I Exploration Costs	5,000,000.00	0	5,000,000.00
a Acquisition of addtl mining tenements	-	-	-
b Permitting and COMREL	5,000,000.00	-	5,000,000.00
c Geochemistry and Mapping*	-	-	-
d Drilling program*	-	-	-
e Research and Development	-	-	-
II Project Development Cost	2,000,000.00	-	2,000,000.00
a Purchase of production equipment	0	-	-
b Fixed assets	0	-	0
c Manpower	2,000,000.00	-	2,000,000.00
d Consumables for production equipment	0	0	0
III Payments of Shareholder Advances	-	-	-

USE OF PROCEEDS	Balance as of June 30, 2016	July to Sept 2016 Disbursements	Balance as of September 30, 2016
a General and administrative expenses	-		-
b Exploration expenses	-		-
IV Additional Working Capital	-	-	-
a General and administrative expenses	-	-	-
b Professional fees	-	-	-
	7,000,000.00		7,000,000.00

Very truly yours,

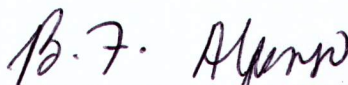

DELFIN S. CASTRO, JR.
Treasurer/Chief Finance Officer

REPUBLIC OF THE PHILIPPINES)
MAKATI CITY)

10 OCT 2016

SUBSCRIBED AND SWORN to before me this ____ day of _____ 20____,
affiant exhibiting to me his SSS ID 33-0049946-00

Doc. No. 470;
Page No. CXIII;
Book No. _____;
Series of 2016.


ATTY. BENJAMIN F. ALFONSO
NOTARY PUBLIC
UNTIL DECEMBER 31, 2016
PTR NO. 2181425/ 01-01-2016
IBP NO. 1017644/ SY-2015/ 01-05-2016
ROLL NO. 13296
MCLE V-0000880
PLACE OF COMMISSION QUEZON CITY
ADM. MATTER NO. NP-021 (2015-2016)