

January 10, 2019

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

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

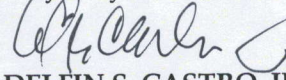
Re: **Geograce Resources International, Inc. ("Geo")**  
**Update on Disbursements on the Proceeds from the Stock Rights Offering**

Gentlemen:

We hereby submit our report on the use of proceeds from the 1:3.5 Stock Rights Offering for the Fourth Quarter ending 31 December 2018.

USE OF PROCEEDS	Balance as of September 30, 2018	September 01 to December 31, 2018 Disbursements	Balance as of December 31, 2018
<b>I Project Development Cost</b>	2,000,000		2,000,000
a Purchase of production equipment			
b Fixed Assets			
c Manpower	2,000,000	0	2,000,000
d Consumables for production equipment			
<b>II Additional Working Capital</b>	3,396,187	45,842	3,350,345
a General and administrative expenses	3,278,672	10,561	3,268,111
b Professional Fees	117,515	35,281	82,234
<b>Totals</b>	<b>5,396,187</b>	<b>45,842</b>	<b>5,350,345</b>


Very truly Yours,

  
**DELFIN S. CASTRO, JR.**  
President

REPUBLIC OF THE PHILIPPINES)  
MAKATI CITY  
CITY OF MANDALUYONG

SUBSCRIBED AND SWORN to before me this 10 JAN 2019, affiant exhibiting to me his

Doc. No. 413 ;  
Page No. 02 ;  
Book No. 10 ;  
Series of 2019.

  
**ATTY. JUAN JAIME D. NOLASCO**  
NOTARY PUBLIC UNTIL DEC. 31, 2019  
IBP NO. 047506 - 1/3/19 - RIZAL  
PTR NO. 3806958 - 1/3/2019 - MAND. CITY  
ROLL NO. 60888 / MCLE NO. V-0017168 / 3/21/16  
UNIT 3F CSV BLDG. MAYSILLO CIRCLE  
BRGY. PLAINVIEW MAND. CITY