

**SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION
CODE AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended **March 31, 2009**
2. Commission identification number **41004** 3. BIR Tax Identification No. **000-718-626-000**
4. Exact name of issuer as specified in its charter **GEOGRACE RESOURCES PHILIPPINES, INC.**
5. Province, country or other jurisdiction of incorporation or organization **Philippines**
6. Industry Classification Code (SEC Use Only)
7. Address of issuer's principal office Postal Code
Suite 2002, The Peak Tower, 107 L.P. Leviste Street, Legaspi Village, Makati City
8. Issuer's telephone number, including area code **(632)856-2013**
9. Former name, former address and former fiscal year, if changed since last report: **Not Applicable**
10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA
- | Title of each Class | Number of shares of common stock outstanding | and |
|---|--|----------------------------|
| <u>Common stock, P1.00 par value</u> | <u>2,522,105,615</u> | amount of debt outstanding |
11. Are any or all of the securities listed on a Stock Exchange?
Yes No
If yes, state the name of such Stock Exchange and the class(es) of securities listed therein:
Philippine Stock Exchange **Common stock**
12. Indicate by check mark whether the registrant:
(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11 (a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)
Yes No
(b) has been subject to such filing requirements for the past 90 days.
Yes No

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

Financial Statements for the first quarter ending March 31, 2009 was presented in conformity with accounting principles generally accepted in the Philippines. The Financial Statements meeting the requirements of SRC Rule 68, is furnished as specified therein.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

A. Plan of Operation

The Company will continue to focus on its competitive advantage of being one of the major mining companies in the Philippines with the most access to mining tenements in all major regions across all major mineral resources. On its existing claims, it shall continue to finance exploration efforts to advance its geologic data leading to PMRC compliant resources / reserves. It shall also simultaneously look for joint venture partners similar to the Company's successful farm-in mechanism with VALE with respect to the Masbate tenements.

The Company is currently operating two mines pursuant to Operating Agreements signed with the Alfredo San Miguel and heirs of Zayco and Platinum Group Metals Corporation: 1) 505.4626 hectares of gold and copper property located in Ayungon, Negros Oriental with a Mineral Production and Sharing Agreement ("MPSA") denominated as MPSA-218-2005-VII; and 2) 45 hectares of nickel property in Dinapigue, Isabela denominated as MPSA-258-2007.

The Company, as part of its business model, will also continue to identify joint venture partners to co-finance the exploration of its existing claims while ceding a percentage ownership to the joint venture partner. This will free up cash flows for further exploration of its other properties or for acquisition.

On the acquisition side, it shall continue to look for quality claims either by direct application with the MGB or through acquisition of existing claims in the secondary market. With the vast database the Company has built over the years along with its seasoned geologists, it can easily identify unexplored tenements across the country.

Plan of Operation for Isabela Nickel Project

An intensive exploration work program was implemented in the area covered by Mineral Production Sharing Agreement (MPSA) No. 258-2007-II of Platinum Group Metals Corporation (PGMC) located at Dinapigue, Isabela. It was carried out by the Company by virtue of an Operating Agreement entered into by and between PGMC and the Company, then subsequently with Geogen Corporation, with the end in view of placing the project into development and exploitation stage. Likewise, in line with this objective, the necessary documents and/or permits were filed with the concerned offices and government agencies for approval.

The work implemented in the area consists mainly of geological mapping, sampling, in-fill core drilling, construction, repair and maintenance of access roads, civil works and community relation activities.

Geological mapping was done to delineate additional areas of interest while in-fill core drilling within the delineated ore zones was to upgrade ore reserves. New access roads were constructed within the area of interest while repair and maintenance was done on haul roads that connect the project site to specific locations in the area. Bunkhouses for employees were

constructed as well as the improvement of power and domestic water supply. Consultations with the local communities as well as the Local Government Units (LGU's) on various industrial and community problems were also undertaken.

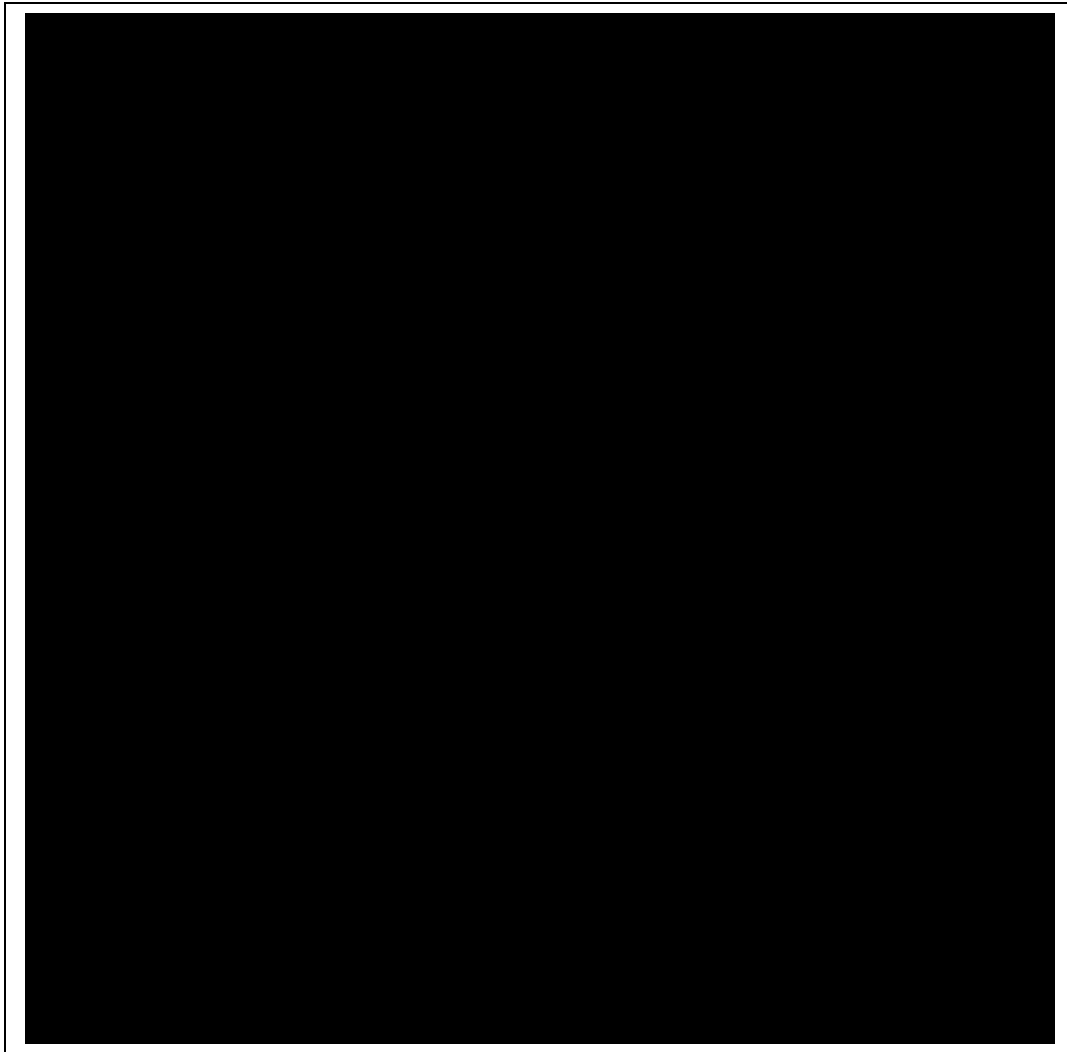
While the field activities were implemented, documents and permits were filed and/or evaluated prior to approval. The Project Feasibility Study, which gives the "go signal" for the project to advance to development and utilization, was approved. Likewise, the approval of the Operating Agreement authorizes the Company to conduct development and mining operation.

During the course of earth moving in the construction of haul roads, overburdens was analyzed to contain significant iron which can be marketed to interested buyers. For any eventualities, an Ore Transport Permit (OTP) as well as the Mineral Ore Transport Permit (MOEP) was filed and subsequently approved by the concerned government agency, thus authorizing the Operator to mine and sell the incidental "ore" in the overburden.

Currently, the Company is in the process of assessing the additional operation efficiencies it can achieve by transferring the port and causeway facilities to an area closer to the mine, as well as re-surveying the haul roads to minimize costs of maintenance because of surface runoff. The Company is also assessing the installation of additional environmental mitigating measures while perfecting the ancillary permits related to the operation of the mine.

B. Management's Discussion and Analysis

Financial Performance In Thousand Pesos



*Cost and expenses and net income are computed as a percentage of Gross Revenues.
Current asset, current liabilities, total liabilities and stockholders' equity are computed as a percentage of total assets.
Return on Assets is derived by dividing net income (loss) from total assets.*

Financial results showed P 28.98 million operating loss attributable to:

- 1) Mining development costs;
- 1) Professional fees of management and technical consultants, legal counsel and transfer agent;
- 2) Exploration Costs;
- 3) Salaries and salary related expenses;
- 4) Depreciation of property and equipment;
- 5) Rent and Utilities;
- 6) Other overhead expenses

For the period ended March 31, 2009 versus December 31, 2008:

During the three-month period ending March 31, 2009, the Company incurred Php32.8 million in operating expenses. Operating expenses comprise mainly of general and administrative expenses and mine development and incidental costs in the exploration of the Isabela property. This also brought the decrease in Total Current Assets by 8% or Php30.3 million from December 31, 2008 to March 31, 2009.

Total Stockholders' Equity stood at Php360 million, decreased from Php389 million in December 2008 due to the Php29 million Net Loss reported for the three-month period ending March 31, 2009.

For the period ended March 31, 2009 versus March 31, 2008:

Total Current Assets for the three-month period in 2009 decreased by 21.3% or Php96.9 million as compared to the same period last year. The decrease mainly accounts for the reduced Cash and Cash Equivalents used for operating expenses. Total Non-Current Assets increased by 27.9% or Php4.2 million was primarily due to acquisition of laboratory and transportation equipment in relation to the development of the Isabela claims.

Total Liabilities in March 2009 reported a decrease by 62.1% or Php10.5 million. The decrease mainly accounts for the (1) reclassification of the payables to JP Morgan Securities Ltd. ("JP Morgan") of Php25.5 million to Equity in 2008, (2) Finance Lease Obligations of Php3.8 million in 2008 and (3) various payables outstanding as of March 2009 amounting to Php11.2 million. The reclassification of the liability to JP Morgan to equity is made based on the Certificate of Approval of Valuation covering the shares for JP Morgan issued on October 14, 2008.

Total Stockholders' Equity decreased by 18.6% or Php82.2 million due to the reclassification of the JP Morgan shares to equity.

Discussion and analysis of material events and uncertainties known to management that would address the past and would have an impact on future operation of the following:

- a. Any known trends, demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way.

To date, the management of GEO has inked the following agreements:

1. January 19, 2007 - Memorandum of Agreement with Garnierite Mining, Inc. to acquire 100% of the issued and outstanding capital stock of Garnierite or the latter's mining rights over the 12,957 hectares of nickel property located in the Province of Zambales covered by Exploration Permit Application No. III-16-06.
2. January 24, 2007 - Memorandum of Agreement with Sapolite Mining, Inc to acquire 100% of the issued and outstanding capital stock of Sapolite or the latter's mining rights over 5,503 hectares of nickel property located in the Province of Zambales covered by Exploration Permit Application Nos. AEP-III-17-06 and AEP III-22-06.
3. February 1, 2007 - Memorandum of Agreement with Garnierite Mining, Inc. to acquire 100% of the issued and outstanding capital stock of Garnierite or the latter's mining rights over 6,726 hectares of nickel property located in the municipality of Aborlan, province of Palawan lodged as EPA-B-P120.
4. February 20, 2007 - Memorandum of Agreement with Garnierite Mining, Inc. to acquire 100% of the issued and outstanding capital stock of Garnierite or the latter's mining rights over 6,804 hectares of nickel property located in Malaybalay, Bukidnon covered by EPA-00006-X.
5. March 1, 2007 - The Company engaged the services of J. P. Morgan Securities Asia Private Limited ("JPMorgan") as its financial advisor in connection with possible transactions relating to the Company's mining tenements including joint

ventures, partnerships or other business combinations or arranges pursuant to which one or more investors makes a contribution to the development of one or more of the Company's mining assets. JPMorgan is part of JPMorgan Chase & Co., a leading global financial services firm with assets of \$1.4 trillion and operations in more than 50 countries.

6. September 17, 2007- The Company entered into Share Swap Agreements whereby it proposed to acquire one hundred percent (100%) of the issued and outstanding capital stock of Garnierite Mining, Inc. ("Garnierite") and Saprolite Mining, Inc. ("Saprolite") in exchange for the issuance by the Company of 173,736,363 common shares from its authorized but unissued portion at par value of P1.00 per share. The Company still has to secure the necessary approvals from the SEC and the Philippine Stock Exchange, Inc. for the issuance and listing of the aforementioned shares.
7. November 19, 2007 - The Company signed a Management Services Agreement with GEO Management (Hongkong) Limited, a corporation duly organized and existing under the laws of Hong Kong, whereby the latter will provide specialized management and technical services in the field of mining to Geograce and to its affiliated group of mining companies.
8. January 08, 2008 - The Company's Board of Directors authorized the Company to enter into Heads of Agreement (HOAs) with NiHAO Mineral Resources International, Inc. ("NiHAO"), a listed mining exploration company, and with other mining companies such as Negros 745 Philippines, Inc., Ores Mindanao, Inc., Ophiolite Mining, Inc., Nickelodeon Mines, Inc., and Nickelodeon Mining, Inc., which own or control mining tenements that the Company deems compatible with its business interests and under such terms and conditions as may be deemed beneficial to the Company. The purpose of the HOAs is for the Company to obtain the exclusive right to explore, develop and operate various mining claims throughout the country. The HOAs grant the Company the option to purchase the shares of the mining companies or the mining tenements owned by said companies, subject to the requisite due diligence on the companies and their respective mining tenements, fair valuation of the mining tenements and the approval of the appropriate regulatory agencies. This arrangement allows the Company to expand its potential mineral resource base and mitigate the risks inherent in exploration by diversifying the areas available to it.

(1) Heads of Agreement with NiHAO Mineral Resources International, Inc

Pursuant to the NiHAO Agreement, the Company shall be granted the exclusive right to explore, develop and operate various mining tenements which are controlled by or shall be controlled by NiHAO through Mina Tierra Gracia, Inc. ("Mina Tierra"), Bountiful Geomines, Inc. ("Bountiful Geomines") and Visayas Ore Philippines, Inc. ("Visayas Ore"), which are wholly-owned subsidiaries of NiHAO.

Mina Tierra, Bountiful Geomines and Visayas Ore have valid and subsisting exploration permit applications ("EPAs") over mining tenements as more particularly described below (collectively, the "**Mining Tenements**")

Applicant	Tenement	Location	EPA No.	Hectares
Mina Tierra	"Botolan Tenement"	Botolan, Zambales	EP-001-2008-III	5,081.6408
Bountiful Geomines	"Manticao Tenement"	Opol, Manticao, Misamis Oriental	EPA-	1,944.0000

Applicant	Tenement	Location	EPA No.	Hectares
			000093-X	
Visayas Ore	“Antique Tenement”	Patnongon, Valderama, San Remigio, Antique	EPA-000077-VI	2,374.3125
			Total	9,399.9533

As of the execution date of the NiHAO Agreement, Mina Tierra has acquired 100% of the issued and outstanding capital stock of three (3) mining companies, namely, Minedomain, Inc., (“Minedomain”), Companhia Nube Minerale, Inc. (“Nube Minerale”) and Companhia Minera Tierra, Inc. (“Minera”), which have small-scale mining permits (“SSMPs”) or application for small-scale mining permits (“ASSMPs”) covering approximately five (5) hectares each, as more particularly described below (collectively, the “Small-Scale Mining Tenements”):

CompanyName	TargetTenement	ASSMP No.
Minedomain	Botolan Tenement	ASSMP-Z-346-BT
Nube Minerale		SSMP No. NI-BTZ-061308-000
Minera		SSMP No. NI-BTZ-061308-000
Minedomain	Manticao Tenement	SSMP No. 2008-006

The Company’s exclusive right to explore, develop and operate any, some or all of the mining tenements covered by the NiHAO Agreement shall be conditional upon the fulfillment of the following conditions precedent: (a) satisfactory legal and technical due diligence on NiHAO; (b) satisfactory legal and technical due diligence on Mina Tierra, Bountiful Geomines and Visayas Ore and their respective mining tenements; (c) satisfactory legal and technical due diligence on Minedomain, Nube Minerale and Minera and their respective Small-Scale Mining Tenements; (d) the issuance of Exploration Permits for the Botolan Tenement, the Manticao Tenement and the Antique Tenement and the Small-Scale Mining Permits for each of the Small-Scale Mining Tenements; and (e) the approval of the terms and conditions of the Operating Agreements for any, some or all of the mining tenements by the appropriate regulatory agencies.

Subject to compliance with applicable laws, the parties intend to execute the necessary Operating Agreements within sixty (60) days from the date Exploration Permits and/or Small Scale Mining Permits are secured for the various mining tenements covered by the NiHAO Agreement. Subject to such other terms and conditions as may be agreed upon by the parties in the Operating Agreements, the Company and NiHAO shall share equally in the net profits and operating expenses arising from or relating to the operation of the mining tenements covered by the NiHAO Agreement.

The NiHAO Agreement also granted the Company the option to purchase any, some or all of the Mining Tenements by way of cash or through property-for-share swaps whereby the Company shall issue unissued shares in exchange for the target Mining Tenements. The option to purchase granted to the Company is subject to the completion of satisfactory due diligence, as detailed in the preceding paragraph, the fair valuation of the target Mining Tenements and the approval of said transactions by the appropriate regulatory agencies.

(2) Heads of Agreement with Other Mining Companies

The Company's Board of Directors also approved the execution of separate Heads of Agreement with the following companies: (a) Negros745 Philippines, Inc.; (b) Orex Mindanao, Inc., (c) Nickeloreon Mining, Inc.; (d) Nickeloadeon Mines, Inc.; and (e) Ophiolite Mining, Inc. The Heads of Agreement with each of the aforementioned companies grant the Company the exclusive right to explore, develop and operate the mining tenements of said companies. The mining tenements of the aforementioned companies are more particularly described below:

Applicant	#	EPA #	Location	Area (has)
NEGROS745 PHILIPPINES, INC.	1	EXPA-000074VII	Ayungon, Negros Oriental	3,807
	2	EXPA-000075VII	Ayungon, Negros Oriental	
OREX MINDANAO, INC.	3	EPA-000063-X	Iligan and Lanao del Norte	6,163
	4	EPA-000062-X	Impasugong, Bukidnon	14,483
NICKELOREON MINING, INC.	5	EPA-000065-VIII	Salcedo, Samar	217
	6	EPA-154-XI	Gov. Heneroso, Davao Oriental	2,931
	7	EPA-000066-X	Manolo Fortich, Bukidnon	891
	8	EPA-000064-X	Malitbog, Bukidnon	1,539
NICKELOADEON MINES, INC.	9	EPA-000069-X	Impasugong, Bukidnon	1,863
	10	AEP-III-08-07	Palauig and Tarlac	9,958
	11	EPA-000074-VI	Tangalan, Makato, and Mainao, Aklan	2,389
OPHIOLITE MINING, INC.	12	EPA-000085-X	San Fernando and Malaybalay, Bukidnon	13,142.25
	13	EPA-00001X	Santiago, Agusan del Norte	16,200
Total				73,583.25

As in the case of the NiHAO Agreement, the Company's exclusive right to explore, develop and operate the mining tenements covered by the Heads of Agreement with the aforementioned companies is conditional upon the fulfillment of the following conditions precedent: (a) satisfactory legal and technical due diligence on the aforementioned companies and their respective mining tenements; (b) the issuance of the exploration permits for the mining tenements; and (c) the approval of the terms and conditions of the Operating Agreements by the appropriate regulatory agencies. Subject to such other terms and conditions as the parties may agree upon in the Operating Agreements, the Company shall be entitled to receive at least eighty percent (80%) of the net profits arising from or relating to the operation of the mining tenements.

9. May 21, 2008 – The Company’s Board of Directors approved the appointment of ING Bank N.V. and its affiliates as Financial Adviser of the Company in connection with the search of strategic investors for the Company.
10. June 24, 2008 – The Company entered into an Exploration and Option Agreement with Vale Exploration Philippines, Inc., the local subsidiary of Companhia Vale de Rio Doce (“Vale”). Under the said Agreement, Vale and the Company agree to cooperate on the exploration of seven (7) mining claims located in Masbate province (“the Masbate Claims”) covering approximately 84,046 hectares of gold and copper properties. On the same date, the Board of Directors of the Company simultaneously approved the execution of an “Exclusive Option Agreement” and “Irrevocable Special Power of Attorney” with the 7 mining companies which own the Masbate Claims. Said agreements grant the Company the exclusive right to purchase all outstanding shares of the 7 mining companies from their current owners under such terms and conditions which the parties may mutually agree upon, and appoints Geograce as their attorney-in-fact to sign, execute and deliver the “Exploration and Option Agreement” with Vale for the exploration of the Masbate Claims.

Under the Exploration and Option Agreement, Vale will conduct preliminary exploration and evaluation of the Masbate Claims while the Company will be responsible for obtaining approvals of the Exploration Permit Applications and maintaining the Masbate Claims with the appropriate government agencies. Vale also has the option to form a joint venture for the development and operation of mining activities on the Masbate Claims. The Company and Vale may also enter into a services agreement where the Company will be responsible for providing services to Vale. These services will include but are not limited to the provision by the Company to Vale of logistics support, community relations liaison, and geological services and other daily activities.

The exploration and evaluation of the Masbate Claims will be solely funded and conducted by Vale, with Geograce providing them exclusive access to its existing data on the claims and facilitating Vale’s activities in the local areas. Under Phase 1 and 2 of the “Exploration and Option Agreement”, Vale has committed to fund exploration expenditures of up to Six Million U.S. Dollars (US\$6,000,000.00). Phase 1 will comprise reconnaissance geochemical and geological sampling, aeromagnetic-radiometric survey, and detailed ground geophysics. Phase 2 will comprise of drilling and other exploration activities leading towards commencement of a Pre-Feasibility Study on the project. Phase 1 shall be completed within twelve months following the grant of the Masbate Claims, while Phase 2 shall be completed within two years following the completion of Phase 1.

After completing Phase 2, Vale shall have the option to create a joint venture with Geograce to own, develop and operate the Masbate Claims. The terms and conditions of Vale and Geograce’s relationship after the exercise of the option will be governed by a joint venture agreement to be signed at a later date. The joint venture company shall be the vehicle used by Vale and Geograce to conduct its pre-feasibility and bankable feasibility studies for the implementation of a mining project on the Masbate Claims and eventually develop and operate the mine.

Vale is the second-largest metals and mining company in the world and the largest in the Americas, based on market capitalisation. It is the world's largest producer of iron ore and iron ore pellets, the world's second-largest producer of nickel and one of the world's largest producers of manganese ore and ferroalloys. Vale also produces bauxite, alumina, aluminium, copper, coal, cobalt, precious metals, potash and other products. To support its growth strategy, Vale is actively engaged in mineral exploration efforts in 21 countries around the globe. Vale operates large

logistics systems in Brazil, including railroads, maritime terminals and a port, which are integrated with its mining operations. Directly and through affiliates and joint ventures, Vale has investments in the energy and steel businesses.

11. July 25, 2008 – The Company entered into a Heads of Agreement with Masbate13 Philippines, Inc. (“M13 Agreement”) and Supplements to the Heads of Agreement entered into on 9 January 2008 with NiHAO, Nickelodeon Mines, Inc., and Ophiolite Mining, Inc.:

(1) Heads of Agreement with Masbate13 Philippines, Inc.

Masbate13 Philippines, Inc. (“M13”) is a mining company that has valid and subsisting exploration permit application denominated as EPA-V-13 covering approximately 16,129 hectares of property located in Mandaon, Masbate.

Pursuant to the M13 Agreement, the Company shall be granted the exclusive right to explore, develop and operate its mining tenement in Mandaon, Masbate. The Company’s exclusive right to explore, develop and operate the mining tenement covered by the M13 Agreement shall be conditional upon the fulfillment of the following conditions precedent: (a) satisfactory legal and technical due diligence on M13 and its mining tenement; (b) the issuance of the exploration permit for the mining tenement; and (c) the approval of the terms and conditions of the Operating Agreements by the appropriate regulatory agencies. Subject to such other terms and conditions as the parties may agree upon in the Operating Agreement, the Company shall be entitled to receive at least eighty percent (80%) of the net profits arising from or relating to the operation of the mining tenements.

In addition, the Heads of Agreement grant the Company the option to purchase the shares of M13 or its mining tenement, subject to the requisite due diligence on the companies and their respective mining tenements, fair valuation of the mining tenements and the approval of the appropriate regulatory agencies.

(2) Supplement to the Heads of Agreement with NiHAO.

The Supplement to the Heads of Agreement executed on 9 January 2008 with NiHAO provides for the inclusion of the mining tenement held by its wholly owned subsidiary, Visayas Ore Philippines, Inc. covering approximately 11,441.25 hectares of nickel property in Antipas, North Cotabato with a valid and subsisting Exploration Permit Application denominated as EPA-95-XII.

(3) Supplements to the Heads of Agreement with Nickelodeon Mines, Inc. and Ophiolite Mining, Inc.

The Company entered into Supplements to the Heads of Agreement executed on 9 January 2008 with the following companies: (a) Nickelodeon Mines, Inc. (“Nickelodeon”); and (b) Ophiolite Mining, Inc. (“Ophiolite”). The Supplements to the Heads of Agreement with each of the aforementioned companies provide for the inclusion of following mining tenements of Nickelodeon and Ophiolite not covered by the previous Heads of Agreement dated 9 January 2008. The mining tenements are more particularly described below:

Applicant	EPA #	Location	Area (has)
NICKELOADEON MINES, INC.	EPA-000088-X	East of St. Peter, Malaybalay, Bukidnon	4,698

Applicant	EPA #	Location	Area (has)
OPHIOLITE MINING, INC.	EPA-106-III	Masinloc, Zambales	1,996

12. August 6, 2008 – The Company executed an Operating Agreement with Mr. Alfredo F. San Miguel, Jr., Ms. Dolores Z. Hassal, Ms. Ma. Cristina Z. Cuenca, Ms. Ma. Trinidad Z. Tan, Heirs of Jose Marino A. Zayco, Heirs of Arturo A. Zayco, Jr. and Ms. Josephine Marie Z. Litares, to explore, develop and operate the latter's gold and copper property represented by a Mineral Production Sharing Agreement ("MPSA") denominated as MPSA-218-2005-VII, which covers an area of approximately 505.4626 hectares situated in Ayungon, Negros Oriental.
13. August 7, 2008 – The Company signed together with NiHAO Mineral Resources International, Inc. ("NiHAO"), a Cooperation Agreement with Jiangxi Rare Earth and Rare Metals Tungsten Group Co. ("Jiangxi"). The agreement is to form a strategic partnership to jointly explore and develop the nickel mining tenements, directly and indirectly, held by NiHAO and GEOGRACE located in the province of Zambales, more particularly described below:

A. GEOGRACE Tenements:

Affiliate Company	EPA No.	Location	Area (has.)
Nickelodeon Mines, Inc.	AEP-III-08-07	Palauig and Tarlac	9,958
Ophiolite Mining, Inc.	EPA-106-III	Masinloc, Zambales	1,996
Garnierite Mining, Inc.	AEP-III-16-06 EPA-000063-III	Botolan and Cabangan	12,957
Saprolite Mining, Inc.	AEP-III-17-06 EPA-000064-III	San Felipe and San Narciso	2,029
Saprolite Mining, Inc.	AEP-III-22-06 EPA-000069-III	Cabangan and San Felipe	3,474
		Total	30,414

B. NiHAO Tenement;

Affiliate Company	EPA No.	Location	Area (has.)
Mina Tierra Gracia, Inc.	EP-001-2008-III	Botolan	5,081.64 10

The Cooperation Agreement likewise provided for the following cooperation arrangements among the Parties:

1. the formation of a Joint Venture (JV) company to conduct venture exploration on the nickel mining tenements, directly or indirectly, held by NiHAO or GEOGRACE, subject to such equity ownership and other terms and conditions as may be subsequently agreed upon by the parties;
2. the establishment of a joint venture processing plant for nickel and cobalt in the Philippines, subject to a detailed exploration work program and feasibility study; and
3. the execution of an Offtake Agreement subject to terms and conditions to be agreed upon by the parties.

These proposed cooperation arrangements shall be covered by definitive agreements upon completion by the Parties of their technical and legal due diligence on the respective mining tenement described above.

Jiangxi is one of the major non-ferrous metals producers in China mainly focusing on exploration, mining, beneficiation, smelting, and downstream processing of tungsten, molybdenum, rare earth & rare metals, and other metals.

14. September 23, 2008 - The Company signed an Operating Agreement with Platinum Group Metals Corporation ("PGMC") whereby the latter grants the Company the exclusive right to operate and develop approximately 45 hectares of mineral property in Dinapigue, Isabela (the "Mineral Property"). The Mineral Property covers a total of approximately 2,391 hectares with a valid and subsisting Mineral Production and Sharing Agreement ("MPSA") denominated as MPSA No. 258-2007-II. It is currently operational with infrastructure consisting of a motor pool, causeway, haul road, assay laboratory, nursery, pier yard, administration office and airstrip.
15. November 10, 2008 - the Company signed separate Agreements with the following companies: (a) Negros745 Philippines, Inc.; (b) Orex Mindanao, Inc., (c) Nickeloreon Mining, Inc.; (d) Nickeloadeon Mines, Inc.; and (e) Ophiolite Mining, Inc. The Agreements with each of the aforementioned companies grant the Company the exclusive right to explore, develop and operate the mining tenements of said companies.

These rights are conditional upon the fulfillment of the following conditions precedent: (a) satisfactory legal and technical due diligence on the aforementioned companies and their respective mining tenements; (b) the issuance of the exploration permits for the mining tenements; and (c) the approval of the terms and conditions of the Operating Agreements by the appropriate regulatory agencies. Subject to such other terms and conditions as the parties may agree upon in the Operating Agreements, the Company shall be entitled to receive at least eighty percent (80%) of the net profits arising from or relating to the operation of the mining tenements.

In addition, the Agreements grant the Company the option to purchase the shares of the aforementioned companies or the mining tenements owned by said companies, subject to the requisite due diligence on the companies and their respective mining tenements, fair valuation of the mining tenements and the approval of the appropriate regulatory agencies.

These Agreements supersede the earlier Heads of Agreement signed on January 9, 2008 and Supplements to the Heads of Agreement signed on July 25, 2008 by and between the Company and the concerned mining companies.

16. February 17, 2009 - the Company signed an Operating Agreement with GEOGEN Corporation ("GEOGEN"). GEOGEN is the successor-in-interest of PGMC with respect to the Isabela Mining Claim. This Operating Agreement supersedes the Operating Agreement entered into by and between the Company and PGMC on 23 September 2008.
17. February 25, 2009 - the Company and the shareholders of GMI and SMI executed a Cancellation Agreement to formalize the termination of the Share Swap Agreements dated September 17, 2007. The parties agreed to cancel the Share Swap Agreements in view of the prevailing market conditions and the drop in the market price of the Company's shares. As of 23 February 2009, the average market

price for the last thirty (30) trading days dropped at P0.46 per share which is lower than the issue price of P1.00 per share

- b. Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation. None.
- c. All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period. None except items discussed above.
- d. Any material commitments for capital expenditures, the general purpose of such commitments, and the expected sources and uses of funds for such expenditures. None.
- e. Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations. None.
- f. Any significant elements of income or loss that did not arise from the Company's operations. None.
- g. The causes for any material change from period to period which shall include vertical and horizontal analyses of any material item.

Balance Sheet items (March 31, 2009 versus December 31, 2008)

8% decrease in Cash and Cash Equivalents

Funds primarily used to finance operating expenses

6% increase in Receivables

Primarily due to the increase in advances to employees.

8% decrease in Advances to Related Parties

Primarily due collection of advances to AC&D.

12.8% increase in Inventory

Loss on decline in market value of ore inventory in Isabela.

9.4% increase in Other Current Assets

Input tax on purchases.

6.2% increase in Property and Equipment

Primarily due to the acquisition of additional equipment for the development of the Isabela claims

8.4% decrease in Finance Lease Obligation

Payment of finance lease amortizations.

Income Statement items (three months ended March 2009 versus December 2008)

Service Income

Income from logistics services rendered for Vale Explorations Phils., Inc.

42.5% decrease in Interest Income

Due to decrease in cash and cash equivalents.

48.5% increase in General and Administrative Expenses

Primarily due to the decrease in professional fees paid in relation to joint venture

Mine Development Costs

Costs incidental to the development of the Isabel mining claims.

15.2% increase in Exploration Costs

Costs associated to the exploration of the Masbate mining claims.

29.2% increase in Net Other Expenses

Primarily due to the expenses incurred on the shipment of incidental ore in the overburden.

- h. Any seasonal aspect that will have a material effect on the financial condition or results of operation of the Company. None.

PART II—OTHER INFORMATION

Item 3. Assessment of the financial risk exposures of the Company particularly on currency, interest, credit, market and liquidity risks.

Please refer to Notes to Financial Statements No. 15.

Item 4. Evaluation of Financial Instruments

- a. A description of the financial instruments of the Company and the classification and measurement applied for each. If material in amount, provide detailed explanation on complex securities particularly on derivatives and their impact on the financial condition of the Company. Please refer to Notes to Financial Statements No. 16.
- b. The amount and description of the Company's investments in foreign securities. Not applicable, the Company has no investment in foreign securities.
- c. The significant judgments made in classifying a particular financial instrument in the fair value hierarchy. Please refer to Notes to Financial Statements No. 16.
- d. An explanation of how risk is incorporated and considered in the valuation of assets or liabilities. Please refer to Notes to Financial Statements No. 16.
- e. A comparison of the fair values as of date of the recent interim financial report and as of date of the preceding interim period, and the amount of gain/loss recognized for each of the said periods. Please refer to Notes to Financial Statements No. 16.
- f. The criteria used to determine whether the market for a financial instrument is active or inactive. Not applicable, the Company has no AFS investments.

SIGNATURES

Pursuant to the requirements of the Securities Regulations Code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Signature/Date

JERRY C. ANGPING

President/Director

Date signed: _____

DELFIN S. CASTRO, JR.

Treasurer / Director

Date signed: _____

**GEOGRACE RESOURCES PHILIPPINES, INC.
INDEX TO FINANCIAL STATEMENTS**

FORM 17-Q, Item 1

Financial Statements

Balance Sheets as of March 31, 2009 and December 31, 2008
Statements of Income for the Third Quarter ending March 31, 2009 and 2008
Statements of Changes in Stockholders Equity
Statements of Cash Flows for the Third Quarter Ending March 31, 2009 and 2008
Notes to Financial Statements

