

GNCC CAPITAL, INC.

SUPPLEMENTAL INFORMATION

ISSUANCE OF SHARES OF ADDITIONAL SERIES B CONVERTIBLE PREFERRED STOCK

EFFECTIVE: AUGUST 10, 2015

BACKGROUND:

On June 6, 2014, the Directors of GNCC Capital, Inc. filed a Certificate of Amendment of Certificate of Incorporation, with the Secretary of State in Delaware; to authorize the shares Series B Convertible Preferred Stock.

The salient terms of the shares of Series B Convertible Preferred Stock:-

Number of Authorized: 10,000,000 (Ten million)
Par Value: $0.00001
Intended Issue Price: $1.00

Convertible at the Holder's Option (AND ONLY after a period of one year from the date of Issuance) and into shares of Common Stock, at a pre-determined price per share of the Common Stock.

These shares of Series B Convertible Preferred Stock will not be admitted for trading on any market.

RATIONALE FOR THE AUTHORIZATION OF THE SHARES OF SERIES B CONVERTIBLE PREFERRED STOCK:

The Company will be issuing shares of Series B Convertible Preferred Stock to:-

1. Settle all of the Company's short term loans; and
2. Settle a number of the Company's outstanding Convertible Loan Notes; and
3. Raise cash to fund general corporate activities and for acquisitions.

THE SERIES B CONVERTIBLE PREFERRED STOCK DESIGNATION WAS FILED ON THE OTC MARKETS DISCLOSURE SERVICE ON JUNE 13, 2014.

ADDITIONAL ISSUANCES OF SHARES OF SERIES B CONVERTIBLE PREFERRED STOCK ON AUGUST 10, 2015:

Stockholder Name	Amount of Series B Preferred Issued	Amount $	Note
Diamond Peak Resource Corporation	300,331	300,331	1
McIntyre Mines, LLC	20,000	20,000	2
TOTALS	**320,331**	**330,331**	

NOTES:

1. The Company issued 330,331 shares of Series B Convertible Preferred Stock to Diamond Peak Resource Corporation on August 10, 2015 and at a price of $1.00 (One dollar) each, Par Value $0.00001; to settle an amount of $330,331 due and payable as at June 30, 2015 in terms of loans advanced to the Company. This was in respect of a loan amount owed in the amount of $264,357 plus accrued interest at that date, in the amount of $35,974.

2. The Company issued 20,000 shares of Series B Convertible Preferred Stock to McIntyre Mines, LLC on August 10, 2015 and at a price of $1.00 (One dollar) each, Par Value $0.00001; to settle an amount of $20,000 due and payable as at June 30, 2015 by Walker Lane Exploration, Inc., a wholly owned subsidiary of the Company. This related to an Annual Payment due in respect of the "McCracken" Gold Mining Exploration Properties.

NOTE IN RESPECT OF INTEREST PAYABLE ON THESE SHARES OF SERIES B CONVERTIBLE PREFERRED STOCK

The Company currently has interest bearing liabilities in the form of Convertible Loan Notes, Loan Accounts and various Classes of Shares of Convertible Preferred Stock. The interest rates payable on these various instruments range from 3% to 16% per annum.

The Company has secured undertakings from the holders of all of these instruments that for a 6 (Six) month period, commencing on August 1, 2015 and terminating on January 31, 2016, that the interest rate charged in respect of these various liabilities from time to time, and for that period, will be reduced to 3% (Three percent) per annum and on all of the Company's interest bearing liabilities. This interest rate reduction obviously excludes any other potential interest bearing liabilities that the Company may incur in that six month period. The Company filed a Supplementary Information Filing on the OTC Markets Disclosure Service on August 8, 2015 setting out these information.

The Third Quarter ending June 30, 2015 will be unaffected. In the Fourth Quarter ending September 30, 2015, the First Quarter ending December 31, 2015 and in the Second Quarter ending March 31, 2016, the interest charges will be materially reduced.

Accordingly the interest charged on these additional shares of Series B Convertible Preferred Stock issued on August 10, 2015, will be reduced to an amount of 3% (Three percent) per annum and calculated for the period August 10, 2015 to January 31, 2016; and not at the usual interest rate prescribed on this Class of shares of Preferred Stock.

ACCOUNTING TREATMENT OF THESE ISSUANCES:

The $330,331 issued in these shares of Series B Convertible Preferred Stock will be capitalized in this Fourth Quarter ending September 30, 2015 as Additional Paid In Capital as Stockholders Equity.

The Stockholder Loan in the amount of $20,000 as at June 30, 2015 will be removed as a short term liability in the Fourth Quarter ending September 30, 2014. The Stockholder Loan of $264,357 and the Accrued Interest of $35,974 will be removed as long liabilities in the Fourth Quarter ending September 30, 2014.

As at August 10, 2015, the Company had an amount of 6,892,033 shares of Series B Convertible Preferred Stock issued and outstanding.

DATED: AUGUST 10, 2015

RONALD YADIN LOWENTHAL
GNCC CAPITAL, INC.
EXECUTIVE CHAIRMAN