



# **GNCC CAPITAL, INC.**

**MANAGEMENT DISCUSSION AND ANALYSIS FILING**

**COMMENTARY ON CONVERTIBLE LOAN NOTE  
CONVERSIONS AND TRADING**

**DECEMBER 17, 2013**

## **BACKGROUND:**

As published in a previous Filing, the Company issued a total amount of 2,300,000,000 shares of Common Stock on November 8, 2013 in partial settlement of Convertible Loan Notes issued by the Company on May 3, 2010. (“The Note Holders”)

Management is publishing this analysis in response to innumerable enquiries as to sales of shares of our Common Stock by the Note Holders. We remain committed to complete transparency and are publishing this analysis in that spirit.

Since the issuance on November 8, 2013 to the Note Holders until today, December 17, 2013, a total number of 5,317,155,584 shares of our Common Stock were traded. These numbers exclude large blocks of Common Stock executed after market close on certain days. See table below.

As reflected on our Company’s OTC Market profile, the number of our shares of Common Stock that are on deposit at the DTC and therefore freely tradable, as at today, December 16, 2013, are in the amount of 2,425,101,749.

On November 8, 2013, being the date of the issuance of shares of our Common Stock to the Note Holders, the number of our shares of Common Stock that were on deposit at the DTC and therefore freely tradable, were in the amount of 488,101,749.

Therefore it is clear that a total amount of 1,937,000,000 shares of our Common Stock were deposited at the DTC from November 8, 2013 to December 17, 2013.

Based upon number of shares traded in this period in the amount of 5,317,155,584 and working on the assumption that the additional amount of 1,937,000,000 shares of Common Stock deposited were all disposed of by the Note Holders; this would be an assumption that the Note Holders accounted for 36% of the trading volume in this period.

**TRADING STATISTICS:**

<b><u>Date</u></b>	<b><u>Volume</u></b>
11/11/2013	88,251,298
11/12/2013	8,293,500
11/13/2013	74,156,100
11/14/2013	209,227,616
11/15/2013	257,463,399
11/18/2013	225,610,460
11/19/2013	487,715,545
11/20/2013	245,887,642
11/21/2013	89,575,555
11/22/2013	65,333,929
11/25/2013	140,162,237
11/26/2013	299,092,248
11/27/2013	41,096,974
11/29/2013	100,513,859
12/02/2013	106,139,794
12/03/2013	196,084,950
12/04/2013	412,027,912
12/05/2013	406,925,248
12/06/2013	173,226,401
12/09/2013	80,590,929
12/10/2013	109,758,987
12/11/2013	213,285,492
12/12/2013	182,674,033
12/13/2013	230,940,352
12/16/2013	690,472,452
12/17/2013	182,378,672

**TOTAL NUMBERS OF SHARES TRADED**     **5,317,155,584**

Period: November 11, 2013 to December 17, 2013

**DATED: DECEMBER 17, 2013**

**NICOLAAS EDWARD "TED" BLOM  
GNCC CAPITAL, INC.  
PRESIDENT & CHIEF EXECUTIVE OFFICER**