

LIMESTONE FUND

January 31, 2011

Lamont Price
Tennessee Department of Economic and Community Development
312 Rosa L. Parks Avenue, 11th Floor
Nashville, TN 37243

RE: Report to ECD

Dear Mr. Price:

In accordance with Section § 4-2 8-110 (a) (2) (A-D) of the Tennessee Small Business Investment Company Credit Act, Limestone Fund, LLC (the "Fund") hereby reports the following information:

- (A) – Remaining uninvested designated capital.
 - The Limestone Fund's remaining uninvested capital is detailed in the following table:

<u>For the twelve months ended...</u>	<u>12/31/2011</u>
Remaining Uninvested Designated Capital as of 12/31/10	\$ 428,005.47
Designated Capital received January 18, 2011	5,129,934.43
First Funding C&E Manager Fee	(94,537.36)
Qualified investments made	(4,296,083.93)
Management fees	(280,000.00)
Professional fees	-
Total outflows of designated capital	<u>(4,670,621.29)</u>
Remaining Uninvested Designated Capital as of 12/31/11	<u>\$ 887,318.61</u>

**Note: Does not include amounts from the third tranche of funding received in January 2012*

- (B) – Investing more than fifteen percent (15%) of total designated capital in any one (1) business.
 - The Limestone Fund has not invested more than 15% of total designated capital in any one business.

- (C) – Qualified investments made during the preceding year and employment information.
 - Information on the Limestone Fund’s qualified investments and employees in qualified businesses is detailed in the following table:

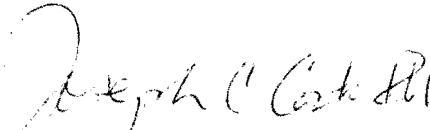
(C) <u>Qualified Business Name</u>	<u>Date of Original Funding</u>	<u>Qualified Investment Amount</u>	<u>Number of employees at:</u>		<u>Number of minority and women employees at:</u>	
			<u>Original Funding*</u>	<u>12/1/2011</u>	<u>Original Funding*</u>	<u>12/1/2011</u>
OnFocus Healthcare, Inc.	4/7/2010	\$ 550,000.00				
Pathfinder Therapeutics, Inc.	5/25/2010	\$ 566,666.28				
MedCenterDisplay, LLC	6/22/2010	\$ 499,999.87				
Nutraceutical Discoveries, Inc.	12/17/2010	\$ 450,000.00				
Pathfinder Therapeutics, Inc.	1/15/2011	\$ 283,333.86	14	14	4	2
	6/29/2011	\$ 333,333.00	-	-	-	-
Device Innovation Group, LLC	1/28/2011	\$ 675,000.00	1	1	0	0
Streamweaver	3/1/2011	\$ 450,000.00	1	2	0	0
OnFocus Healthcare, Inc.	4/4/2011	\$ 104,210.91	14	23	3	7
	12/9/2011	\$ 50,213.95	-	-	-	-
VenX	8/3/2011	\$ 400,000.00	1	1	0	0
Nutraceutical Discoveries, Inc.	8/23/2011	\$ 300,000.00	2	3	0	1
MedCenterDisplay, LLC	9/2/2011	\$ 100,000.00	5	14	0	4
Industrial Ceramic Solutions, LLC	9/7/2011	\$ 550,000.00	2	4	0	0
Swingpal, LLC	9/9/2011	\$ 750,000.00	9	10	1	1
Diagnovus	9/30/2011	\$ 50,000.00	1	1	0	0
Just A Pinch	12/9/2011	\$ 249,992.21	14	14	8	8

* Note: Original funding may have occurred in 2010

- (D) – Employment information on qualified businesses where the TNInvestco no longer has an investment.
 - The Limestone Fund has not exited any investments as of the date of this report.

Please feel free to contact me should you need additional information.

Sincerely,



Joseph C. Cook, III
Principal