

30 April 2014

Company Announcement Office
 Australian Securities Exchange Limited

Dear Sir/Madam

Re: Appendix 4C Quarterly Report – Q/E 31 March 2014

The directors of GoConnect Limited (“GCN” or “the Company”) are pleased to present the attached March 2014 quarterly report with the following additional comments:

	March 14 quarter	December 13 quarter	change	%
Cash receipts from customers	44,346	42,167	2,179	5%
Payments for staff costs	-43,000	-98,007	55,007	-56%
Payments for other working capital	-181,479	-113,486	-67,993	60%
Net operating cash flows	-180,133	-169,326	-10,807	6%

	Six month to 31 March 14	Six month to 31 March 13	change	%
Cash receipts from customers	86,513	53,297	33,216	62%
Payments for staff costs	-141,009	-178,017	37,008	-21%
Payments for other working capital	-294,962	-201,650	-93,312	46%
Operating cash flows excluding R&D Tax Offset Rebate	-349,458	-326,370	-23,088	7%
Other receipt - R&D Tax Offset Rebate	-	283,543	-283,543	-100%
Net operating cash flows	-349,458	-47,676	-301,782	633%

The March 2014 quarter saw a modest 5% improvement in cash receipts from customers. However adjusting for \$82,500 of revenue earned but to be received in the current quarter, cash receipts would have shown an increase of 201% over the December 2013 quarter and excluding R&D tax rebate 217% improvement over the corresponding 6 months to 31 March 2013. On the expenses front, while staff costs and associated payments were reduced, revenue earned from sale of Ecoconnect Australia products during the March 2014 quarter and the 6 months to March 2014 also led to higher other cash costs due to payments for costs of goods sold for Ecoconnect Australia. Excluding effect of R&D tax rebate, net operating cash outflows had minor increases of 6% and 7% respectively based on quarter-to-quarter comparison and 6-monthly comparison, but including R&D tax rebate effect for the 6 months to 31 March 2014, outflows were significantly impacted compared to the corresponding 6

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months of 2013. The financial outcome of GCN, however, as to revenue and expenses and in particular revenue, can be expected to improve significantly for the rest of 2014 due to the business developments in China which are discussed below.

After 13 years of developments within the Australian market on a number of fronts including online music competition, video sharing, smartphone applications, ecommerce, free WiFi, etc, 2013 was the year that GCN was able to apply the company's developed technologies and commercialised platforms into the massive China online and mobile media market at the right time with the right partners. In the past 12 months, GCN has spent considerable amount of management time and corporate resources developing the businesses of two partnerships involving Jermaine Jackson: Jermajesty Holdings Pty Ltd (which GCN holds a 20% interest) and Go JLJ Entertainment Pty Ltd (which GCN owns 40% interest). GCN has been able to empower these two businesses with its technologies, its online and mobile media platforms, and more importantly, connect these businesses with a number of its trusted business relationships in China to launch these businesses rapidly in China.

While 2013 was the year of development for these two businesses, 2014 will be the year of delivery for these same businesses. Jermajesty Holdings is expected to complete its capital raising during the current quarter delivering significant asset value to GCN's 20% shareholding. Go JLJ Entertainment is working closely with a number of partners in China to ensure the successful launch of the once in a generation Jermaine Jackson Presents Project to discover the band called Five, modelled on the legendary Jackson 5. Jermaine Jackson Presents is expected to generate substantial revenue in 2014 for Go JLJ Entertainment and its partners. Both Jermajesty Holdings and Go JLJ Entertainment are seeking listing on China's over the counter (OTC) stock exchange. The very significant financial impact of Jermajesty Holdings and Go JLJ Entertainment on GCN has meant that GCN needs to further restructure its businesses and resources to ensure that these two businesses are fully supported both from Australia and eventually within China with their respective operational management teams.

The website www.jj5tv.com was revamped and relaunched with a limited number of contestants and video submissions in order to provide sponsors with a guide and to serve as a development template for Go JLJ Entertainment's online partners in China. www.jj5tv.com is powered by GoConnect's online music competition platform www.soundcheck.com.au. Since the end of the March 2014 quarter, Go JLJ Entertainment has executed a formal memorandum of understanding ("MOU") with DDB China appointing DDB China as agent for securing sponsorship and advertising revenue for Jermaine Jackson Presents including the JJ5TV China music competition and reality TV show ("the Project"). Under the MOU, DDB China is responsible for a number of obligations including overall Project planning and management advisory and overall Project co-ordination. Under the MOU, the two parties have also agreed on the budgeted revenue for the Project at US\$150 million in 2014. Since the execution of the MOU, DDB China's top management has moved rapidly to complete the lineup of both online and traditional media distribution platforms for the Project.

As overall project manager and advertising agent for the Project, DDB China, as part of the worldwide Omnicom Media Group, is eager to ensure the success of the Project and for the Project to achieve top rating amongst the Chinese online and traditional TV audience. DDB China believes that securing the best and the most relevant media distribution platforms for the Project will ensure the top audience ratings for the Project and will underwrite delivery of the budgeted revenue. In this regard, DDB China was instrumental in securing one of China's top online video portals, Sohu.com, as one of the Project's key online media distribution partners. A short list of 4 top national satellite TV broadcasters out of 42 satellite TV stations in China are also under discussion to provide traditional "free to air" broadcasting of the

Project. DDB China has also short listed a number of top TV show production houses to produce the Project's TV show. Final decision on the production house and satellite TV broadcaster to partner with will be made within the next 4 weeks. The final lineup of online and traditional TV distribution platforms and the best of breed production house will ensure the high standard for this Project that will capture the attention of the expected 1 billion Chinese viewing audience and be enthusiastically embraced by the Project's sponsors and advertisers. Substantial revenue is expected to be secured from sponsors and advertisers for the Project starting from the current quarter.

Go JIJ Entertainment, assisted by its China partner Dalian Mobile Digital TV, is working with a major satellite TV company in China to jointly develop "China's Hollywood". "China's Hollywood" aims to contribute to the development and expansion of China's movie and TV industry with Hollywood entertainment concepts and relationships but incorporating local knowledge and customs. Go JIJ Entertainment has developed the master concept plan for this project.

This proposed project has received the enthusiastic support of the management of the satellite TV company as well as from their provincial government. The provincial government has nominated 3 cities from the province as suitable to locate the proposed "China's Hollywood" project. The "China's Hollywood" project is expected to include a range of activities including movie production facilities, soundstage, TV studios, Jermajesty Hotels & Resorts, Jackson Life Museum and Entertainment Centre, etc. Go JIJ Entertainment will be able to bring to the project significant relationships and entertainment contents from Hollywood and Bollywood, relationships that Go JIJ Entertainment's US directors have long established. An MOU on this joint development is expected to be entered into between Go JIJ Entertainment and the satellite TV company in the coming weeks when further details will be announced.

Based on revenues expected to be generated from the launch of Jermaine Jackson Presents to a substantial national audience in China, and revenue from other businesses of GCN, together with the increased unused credit facility of over \$1,023,464, GCN has sufficient capital for the next two quarters and beyond.

Yours sincerely

Richard Li
Chairman

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

GOCONNECT LIMITED

ABN

14 089 240 353

Quarter ended ("current quarter")

31 March 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A	Year to date (9 months) \$A
1.1 Receipts from customers*	44,346	220,682
1.2 Payments for		
(a) staff costs	(43,000)	(201,870)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(181,479)	(417,343)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	(180,133)	(398,531)

***Customer receipts have not included sales receivables of \$82,500 in the March 2014 quarter but which will be received in the next quarter.**

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Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A	Year to date (9 months) \$A
1.8 Net operating cash flows (carried forward)	(180,133)	(398,531)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	(535)
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.14 Total operating and investing cash flows	(180,133)	(399,066)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from issue of convertible notes	-	-
1.18a Proceeds from borrowings	180,733	398,974
1.18b Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Transaction cost	-	-
Net financing cash flows	180,733	398,974
Net increase (decrease) in cash held	600	(92)
1.21 Cash at beginning of quarter/year to date	223	915
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter *	823	823

* Refer to comments in the cover letter to this report and unused credit facilities of \$1,023,464

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A
1.24	Aggregate amount of payments to the parties included in item 1.2	
1.25	Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available \$A	Amount used \$A
3.1	Loan facilities	2,500,000	1,476,536
3.2	Credit standby arrangements		

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A	Previous quarter \$A
4.1 Cash on hand and at bank	823	223
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.23)	823	223

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity		
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:
(Director/~~Company secretary~~)

Date: 31 March 2014

Print name: Richard Li

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Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a)- policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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