

13 February 2017

Company Announcement Office
Australian Securities Exchange Limited

Dear Sir/Madam

Re: Appendix 4C Quarterly Report – Q/E 31 December 2016 (revised with new Appendix 4C form)

The directors of GoConnect Limited (“GCN” or “the Company”) are pleased to present the attached December 2016 quarterly report.

	December 16 quarter	December 15 quarter	change	%
Cash receipts from customers	-	-	-	-
Proceeds from disposal of equity investment	177,000	90,000	87,000	97%
Payments for staff costs	-36,000	-25,200	-10,800	43%
Payments for other working capital	-191,116	-58,691	-132,426	226%
Net operating and investing cash flows	-50,116	6,109	-56,226	-921%

	December 16 quarter	September 16 quarter	change	%
Cash receipts from customers	-	-	-	-
Proceeds from disposal of equity investment	177,000	0	177,000	N/A
Payments for staff costs	-36,000	-20,400	-15,600	76%
Payments for other working capital	-191,116	-118,168	-72,949	62%
Net operating and investing cash flows	-50,116	-138,568	88,451	-64%

No proceeds from disposal of investment were received during the September 2016 quarter as GCN marketed a new offer of shares in Go Green Holdings together with a number of brokers, offering up to 5 million shares at \$1.50 each share. However, due to the market disruptions leading up to the US election in November and the Christmas / New Year holidays, marketing to investors for the Go Green Holdings share offer during the December quarter and January 2017 was low key and is resuming again this week with already positive responses received. The higher outgoings for the December 2016 quarter included reduction of liabilities.

During the December quarter 2016, GCN continued to assist Go Green Holdings on establishing a number of strategic partnerships and significantly expanded the company's Virtual Reality / Augmented Reality ("VR/AR") business portfolio.

It is important to view Go Green Holdings' business plan and the company's strategy in perspective.

In 1999 to 2000, GCN set itself the mission to establish the most valuable medium on the internet, that of IPTV. GCN developed the GoTrek technology, patented it, and launched GoTrek EV in 2000 and then in 2003, launched the derivative of GoTrek called mVision for the first generation smartphones. After the GoTrek IPTV platform was launched in 2000, GCN set about adding value to it by adding additional utility functions including retail, video contents, and communications, so that GoTrek the IPTV platform became a multipurpose app to generate substantial user traffic. As an advertising medium, success was all based on user traffic numbers.

Fast forward 17 years to today, GCN now spearheaded by Go Green Holdings, is once again developing a new advertising platform to be enabled by the technology being developed, GoARChat. This will help create a VR/AR social media platform. We have however, firstly secured via a number of partnerships, utility functions including celebrity branded product retail, video contents, and communications to ensure that once we have settled on the platform, be it VR or AR, we already have the utility functions to generate the user traffic and of course the revenue from these utilities. We are able to secure these utilities in advance of building the platform because with our experience behind us, we know what the final platform will look like and what utilities should be incorporated as profitable utilities to the platform. More importantly, after watching the internet development trend for 20 years, we believe that AR social media is ultimately where the real value will be for our group's business.

After a thorough assessment of the platform's development, and after canvassing many expert opinions, we have decided that the platform to be developed will be an AR social platform though we did start out with the objective of working with a VR social platform from China. The VR social platform will still be an interim objective to achieve but, we are confident the ultimate goal will be an AR social media platform enabled by our own technology GoARChat, and users will communicate, shop, and watch contents via this AR social media platform.

Upon launch, we are confident that GoARChat 3D video AR social chat will revolutionize smartphone online chatting.

Our AR social media platform will be built on today's smartphones so the consumer device ecosystem is here already and this platform will migrate to AR smart glasses when they become popular consumer items. The consumer trend to AR smart glasses is expected to be a commercial reality within 12 to 18 months. Our AR social media platform will be live in 2017 and will be the world's first AR social advertising platform.

Unlike 2000, when we had to educate the advertising industry of the merits of new media advertising, and how the GoTrek IPTV platform was superior to other advertising media, today, online and more importantly, smartphone social media advertising are readily accepted, and increasingly so. Major brands are indeed allocating greater share of their advertising budget to smartphone social media which is what GoARChat will enable.

Social networking is expected to play a vital part in the growth of VR/AR in coming years. Go Green Holdings has recently entered into a strategic partnership agreement with management of an online chatting platform in Taiwan FreePP to establish an equally owned company Social VR Ltd. Social VR Ltd will be able to leverage on the significant telco client relationships of the Taiwanese partner in South East Asia, India, Middle East North Africa, and North and South Americas (“Global Telcos”) to proactively convert these telcos’ subscribers to VR/AR users and to join the company’s Global VR/AR Social Networking Platform. Social VR Ltd will enable Go Green Holdings and its VR/AR partners to push the boundary of adoption proactively for GoARChat and to expand our VR/AR Social Networking Platform.

GCN has continued to offer its Go Green Holdings shares to professional and offshore investors to generate additional working capital, to reduce liabilities, and to finance its expenses in relation to servicing Go Green Holdings. After a slow December 2016 quarter, renewed efforts in marketing of the offer are coordinated with a number of local and offshore brokers during the current quarter. The marketing efforts are expected to lead to significant investor interest in coming weeks.

It is expected that cash flows to be generated by GCN’s interest in Go Green Holdings, the much reduced overheads of the Company relative to the past, and further supported by unused credit facility from Sino Investment Services Pty Ltd, will be more than sufficient to support GCN’s cash requirements. It is also expected that Go Green Holdings will generate sufficient revenue during the financial year 2016-17 from its VR/AR businesses to become self-sufficient in its financing before 30 June 2017.

Yours sincerely

Richard Li
Chairman

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

GOCONNECT LIMITED

ABN

14 089 240 353

Quarter ended ("current quarter")

31 December 2016

Consolidated statement of cash flows	Current quarter \$A	Year to date (6 months) \$A
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(36,000)	(56,400)
(f) administration and corporate costs	(191,116)	(309,283)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(227,116)	(365,683)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows		Current quarter \$A	Year to date (6 months) \$A
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	177,000	177,000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	177,000	177,000

3.	Cash flows from financing activities	-	-
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	50,848	189,382
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	50,848	189,382

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	55	88
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(227,116)	(365,683)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	177,000	177,000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	50,848	189,382

Consolidated statement of cash flows		Current quarter \$A	Year to date (6 months) \$A
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	787	787

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A	Previous quarter \$A
5.1 Bank balances	787	55
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	787	55

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A**

18,000

-

6.1 includes remuneration paid to directors

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A**

-

-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	1,600	1,105
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Unsecured loan facility provided by Sino Investment Services Pty Ltd ("SIS")

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	40
9.6 Administration and corporate costs	135
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	175

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

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

Date: 13 February 2017.

Print name: Richard Li

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.