



GoConnect Limited

ACN 089 240 353
Suites 1-3, Ground Floor
107-111 High Street
Pahran VIC 3181
Australia
Tel 61 3 9993 7000
Fax 61 3 9993 7099

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Company Announcement Office
Australian Securities Exchange Limited

Dear Sir/Madam

Re: GoConnect repositions corporate strategy

GoConnect Ltd ("GCN") is pleased to advise that the company's corporate strategy from here on will be predominantly focused on the China market after the significant progress in advancing two major China related businesses: Jermajesty Holdings (20% owned by GCN) and Go JLJ Entertainment (40% owned by GCN).

The decision to shift the company's business focus from Australia to China is that GoConnect has over 14 years built up significant technical and commercial know how ideally suited to Chinese enterprises. Over the past 12 months, Jermajesty Holdings and Go JLJ Entertainment have made progress on a scale far in excess of what is possible in Australia. GCN's management has built trusted relationships in China over almost 30 years and these relationships are key to the future success in China of Jermajesty Holdings and Go JLJ Entertainment. These relationships of trust enable significant time savings for the development of GCN's new projects.

Jermajesty Holdings has secured by an agreement in November 2013, a 50% interest in the Dalian New Airport project with 660,000 sq meters of development land, which will become the company's anchor project in the next 5 years. The land value has risen since the recent re-zoning of the area including our project land as a Special Economic Zone. Additional projects in Dalian, Tianjin, and Nanning in the south west of China will provide Jermajesty Holdings with substantial asset value and future development income.

Go JLJ Entertainment has been working closely with DDB China, one of the top 10 advertising agencies of China, to launch the JJ5TV music competition and reality TV show. A number of China's national satellite TV broadcasters have expressed interest in broadcasting the JJ5TV show throughout China. After significant due diligence and market research, Go JLJ Entertainment and DDB China have decided to partner with one of China's top 4 (of 42) national TV broadcasters. JJ5TV brings valuable content to the broadcaster plus the Hollywood celebrity connections of Go JLJ Entertainment. This will enable the TV broadcaster to establish a significant competitive advantage over other reality TV shows in China. DDB China has contracted with Go JLJ Entertainment, to secure US\$150 million

of sponsorship and advertising sales for JJ5TV. The partnership with a top national TV broadcaster is the final building block to be put in place to support DDB China's sales effort. The TV broadcaster is also the China licensee of a major international brand of reality TV show and consideration is being given to combine JJ5TV with this international brand to have an early and a significant impact on the China TV entertainment market.

GCN's IPTV network uctv.fm has been launched since 2010. GCN has been a pioneer in IPTV since 2000 when the company launched its patented IPTV application GoTrek over dialup connections. By 2011 when GCN's uctv.fm joined the global launch of LG connected TV, GCN had already accumulated more than 10 years of experience and expertise in IPTV including smartphone IPTV since 2003. uctv.fm's audience reach today exceeds 300 million users with LG connected TV and other LG connected devices accounting for at least 200 million viewers' reach in addition to viewers from smartphones and desktops. The task ahead for GCN is to convert this large audience reach to actual viewing audience with compelling content. This substantial media distribution infrastructure has attracted the interest of a number of branded content providers in the US and Australia who are keen to establish their own IPTV channels by licensing the channels from GCN's uctv.fm.

GCN's strong business interest and relationships in China have now caught the attention of these branded content owners and accordingly, GCN is looking to provide a national marketing platform in China via the media distribution infrastructure assembled for JJ5TV. This would also market the branded content providers' contents and products in partnership with these providers to generate e-commerce revenue. To facilitate this, GCN has secured a Master Merchant Agreement with IPSHK, one of the top licensed payment gateway providers in China. This agreement enables GCN to conduct e-commerce sales into China, an e-commerce market that since 2013 has exceeded that of the US and is growing at double digits per annum. China's e-commerce market is the fastest growing e-commerce market in the world. It is supported by 500 million plus smartphone users with over 600 million Internet users and still growing rapidly.

A number of branded IPTV licensing agreements are expected to be finalised in coming weeks. These agreements and associated partnerships will enable GCN to be positioned to offer the China online and smartphone consumers unique Western contents and products.

These developments and the significant shift in GCN's geographical focus from Australia to China has coincided with the downsizing of the GCN team in Australia while the company builds its management team in China with a CEO designate to be announced for both Jermajesty Holdings and Go JLJ Entertainment. Both CEO designates are residents of Dalian with substantial local relationships and business experience.

Yours sincerely

Richard Li
Executive Chairman