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Company Announcement Office
Australian Securities Exchange Limited

Re: GoConnect to host and deliver video content for Priority One and Double Eagle with e-commerce deal in China with China Merchants Bank and China Union Pay

GoConnect is pleased to advise that the company has been advised by Priority One Network Group Ltd ("Priority One") that GoConnect's uctv.fm IPTV network will host and deliver video content for Priority One following its content provision agreement with Double Eagle Ltd ("Double Eagle") of Hong Kong.

Double Eagle is a Hong Kong based company founded by a group of well-connected investors who are significantly involved in e-commerce and mobile commerce in China. Double Eagle has developed an e-commerce site ("the Site") that is dedicated to retail high end fashion products in the China market. Additional categories of products can be expected to be added over time. Double Eagle has entered into an agreement with China Merchants Bank of China to provide the Site for exclusive use by China Merchants Bank's 45 million plus debit and credit card customers. China Merchants Bank has over six hundred branches and sub-branches in Mainland China and one in Hong Kong. In November 2007, as part of a drive for international growth, it won federal approval to open a branch in New York.

According to Priority One, the Site will be supported by one of China's top licensed payment systems, China Union Pay. The Site will accelerate China Merchants Bank's entry into e-commerce in the China market and provide an important value added service to the bank's customers. The Site is expected to be operational during the current 2014/15 financial year.

As advised by Priority One, under the Priority One agreement with Double Eagle, Priority One will receive 50% of all "Transaction Fee Income" generated by the Site. Separately, and in accordance with the 2011 partnership agreement between Priority One and GoConnect, any transaction fee income generated from purchases by China

Merchants Bank's 45 million customers on the Site and earned by Priority One will be shared equally with GoConnect.

In 2011 GoConnect and Priority One entered into an equal revenue share agreement for the hosting and delivery of video content across GoConnect's uctv.fm IPTV network. GoConnect will host 7 TV channels on its uctv.fm IPTV network for Priority One, and in particular in respect of the Life, Leisure & Fashion Channel, the channel will showcase The World of Fashion globally, providing viewers with the ability to purchase promoted fashion items.

The card customers of China Merchants Bank, who have exclusive access to the Site, will also have free access to premium fashion related video content on the Life, Leisure & Fashion Channel hosted on GoConnect's uctv.fm IPTV network.

As released to ASX previously by GoConnect, China recently overtook the USA as the biggest e-commerce market in the world and is set to be worth US\$541 billion by 2015. China's e-commerce market has grown 71% annually since 2009 with 49% of its population making an online purchase last year. This figure is estimated to rise to an unprecedented 71% by 2017.

The Chinese e-commerce market is predominantly young, with 60% below the age of 30, and affluent. Spending is highest in China's tier one cities and those earning more than 5,000 Yuan (US\$800) a month are more likely to buy online. It is also a market dominated by mobile devices, with 464 million of its 591 million Internet users choosing to go online via a smartphone or wireless device.

GoConnect is excited to be working closely with Priority One to tap into the China e-commerce market. The close working relationship that will follow the agreement between Priority One and Double Eagle and the involvement of China Merchants Bank and China Union Pay with Priority One, can also be expected to lead to even more valuable businesses in China for the Priority One and GoConnect partnership.

Richard Li
Executive Chairman