

GoConnect Limited
 ACN 089 240 353
 Level 3, 112 Wellington
 Parade, East Melbourne VIC
 3002
 Australia
 Tel 61 3 9993 7000
 Fax 61 3 9993 7099

31 October 2014

Company Announcement Office
 Australian Securities Exchange Limited

Dear Sir/Madam

Re: Appendix 4C Quarterly Report – Q/E 30 September 2014

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

	September 14 quarter	June 14 quarter	change	%
Cash receipts from customers	-	-	-	-
Payments for staff costs	-50,000	-46,000	-4,000	9%
Payments for other working capital	-477,077	-186,780	-290,297	155%
Net operating cash flows	-527,077	-232,780	-294,297	126%

	6 months to 30 September 14	6 months to 30 September 13	change	%
Cash receipts from customers	-	137,817	-137,817	-100%
Payments for staff costs	-96,000	-133,515	37,515	-28%
Payments for other working capital	-663,857	-172,931	-490,926	284%
Net operating cash flows	-759,857	-168,606	-591,251	351%

During the quarter ended September 2014 GoConnect Ltd as part of its capital raising was able to secure \$400k. This was used to reduce the outstanding accounts that were incurred pre June 2014 hence the reason why our quarterly expenditure has risen from \$187k to \$477k for the period, excluding payment for the pre June 2014 accounts the September quarter cash outflow would have been approximately \$227k.

GoConnect Ltd has been active in expanding its business in China since early 2013. In July 2014, after its associated investments, Jermajesty Holdings and Go JIJ Entertainment announced the securing a number of important partnership agreements in China, GoConnect announced to the ASX that the Company has repositioned its corporate strategy to the China market. During the September quarter 2014 and in October 2014, GoConnect further advised the ASX that the Company has expanded its interests into India and China jointly with Priority One Network Group.

Jermajesty Holdings' agreement on the China Tianjin Arts and Entertainment Centre Development project and the just announced China Yunnan Jianshui project have aggregated to US\$700 million of investments of which Jermajesty Holdings has a carrying interest of 25% of the projects free of any capital contribution. The total share of investment value of US\$175 million or close to A\$200 million, represents a substantial value add to Jermajesty Holdings and by virtue of GoConnect Group's 20% interest in Jermajesty Holdings, substantial value add to GoConnect Ltd.

Court order re GoConnect Australia

On 22 October 2014, GoConnect Ltd.'s wholly owned subsidiary GoConnect Australia Pty Ltd ("the Subsidiary") was placed into liquidation by the Supreme Court of Victoria due to an application by a creditor. Since then, GoConnect Ltd has been working with PPB Advisory, the liquidator, to take the Subsidiary from Liquidation to Voluntary Administration ("VA"). GoConnect management's effort on securing the VA has progressed much further since the announcement of the court order on 22 October 2014. Legal advice has been sought in respect of the VA and the steps involved in achievement of the VA. The indicative timeline to achieve an approval of the Deed of Company Arrangement is during January 2015. Management of GoConnect is confident of achieving this outcome and is also working with Centurion Securities and Investment Services to achieve this outcome.

Based on the available unused credit facility of \$625,274 and the resolution at the AGM to convert Debt to Equity of \$874,726 which gives a total available facility of \$1,500,000 and the continuation of the current capital raising activity on the balance available of \$1.1m, GCN has sufficient capital for the next two quarters.

Yours sincerely

Richard Li
Chairman

Rule 4.7B

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")

30 September 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A	Year to date (3 months) \$A
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) staff costs	(50,000)	(50,000)
	(b) advertising and marketing	-	-
	(c) research and development	-	-
	(d) leased assets	-	-
	(e) other working capital	(477,077)	(477,077)
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		(527,077)	(527,077)

+ See chapter 19 for defined terms.

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

	Current quarter \$A	Year to date (3 months) \$A
1.8 Net operating cash flows (carried forward)	(527,077)	(527,077)
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	-	-
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	(527,077)	(527,077)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	400,000	400,000
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from issue of convertible notes	-	-
1.18a Proceeds from borrowings	127,272	127,272
1.18b Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Transaction cost	-	-
Net financing cash flows	527,272	527,272
Net increase (decrease) in cash held	196	196
1.21 Cash at beginning of quarter/year to date	159	159
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter *	354	354

* Refer to comments in the cover letter to this report and unused credit facilities

+ See chapter 19 for defined terms.

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	1,500,000	874,726 *
3.2 Credit standby arrangements		

*** The Amount used of Loan facilities will be refreshed to Nil subject to the shareholders approval of conversion debt to equity as per resolution 7 at the Annual General Meeting on 28 November 2014.**

+ See chapter 19 for defined terms.

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	354	159
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.23)	354	159

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
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 October 2014

Print name: Richard Li

+ See chapter 19 for defined terms.

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.

+ See chapter 19 for defined terms.