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04 February 2015

Company Announcement Office
Australian Securities Exchange Limited

Re: GCN proposal to acquire GoZhongshe Ltd.

In line with GoConnect Ltd's (GCN) repositioning of the company's corporate strategy as announced last year, GCN has entered into a partnership agreement with Yunnan Zhongshe Investment Co Ltd and Sino Investment Services Pty Ltd to establish Go Zhongshe Ltd (Go Zhongshe) which will be 1/3 owned by each party.

Go Zhongshe will combine the relationships, expertise and technologies of the 3 shareholders to conduct business in China which will have four(4) divisions – 1.Property development including agriculture projects; 2.Tourism and Hospitality; 3.Entertainment Media, IPTV and eCommerce; and 4.Investment Banking.

The following divisional projects and assets have been agreed by the shareholders:

Division 1 - Yunnan Zhongshe will transfer its 67.88 % interest in an agricultural joint venture with the Jianshui County government of the Yunnan Province, and the company's entire interest in an organic farming technology company to Go Zhongshe. The agricultural joint venture project is an organic orange plantation that is already 2 years into its investment and growth cycle and is expected to start generating cash flows in another 2 years at an increasing rate each year thereafter. This project and the organic farming technology company are in line with the announcement by China's Central Government on 1st February 2015 that the government will push for modernization of the agricultural sector to achieve a number of national goals including self-sufficiency of food production, improving farm sector wealth, product safety, environmental friendliness, and introduce organic farming technology. (http://www.china.org.cn/china/2015-02/01/content_34708919.htm) Jianshui County where the plantation project is located is the only place in China that can grow navel oranges successfully while Jianshui County, due to its temperate climate and rich soil conditions, is regarded as the "fruit basket" of China.

Division 2 - Yunnan Zhongshe is securing at least two tourism and hospitality projects for Go Zhongshe, one in Jianshui County's "Old Town" to redevelop this 700 years old town into a tourist precinct with hospitality projects. Another is a tourism and hospitality project in Kunming, the capital city of Yunnan Province. Tourism and hospitality is one of the highest growth industries in the Yunnan Province.

Division 3 - Go Zhongshe will own a China license of GCN's IPTV distribution network uctv.fm. It has also secured a 50% revenue sharing interest in a Pay Per View entertainment content service with a series of content to be distributed during 2015 and beyond. A proposed partnership between Go Zhongshe and the School of Software of Yunnan University to jointly develop and commercialize applications for smartphones is under discussion.

Division 4 - Go Zhongshe will establish an investment banking operation working closely with Yunnan Zhongshe's legal division, and to secure membership to the Yunnan Over The Counter (OTC) stock exchange to be established. This division will enable Go Zhongshe to access investors within China directly.

It was envisaged previously by the Go Zhongshe shareholders that Go Zhongshe would seek listing on a major stock exchange to provide international investment institutions an opportunity to participate in the high growth of China's south west region. The Board of GCN however, considers that Go Zhongshe will be a very high growth and rapidly expanding business based in the Yunnan Province.

After extensive discussions with Yunnan Zhongshe, the opportunity has now been made available for GCN to acquire the shares not owned by GCN in Go Zhongshe by way of GCN issuing its shares for the interest in Go Zhongshe (Acquisition). The Board of GCN, with Mr Richard Li abstaining, has today voted to move forward and seek shareholders' approval on the proposed Acquisition of the balance of Go Zhongshe which GCN does not own. The details of the proposed Acquisition via GCN shares will be based on an independent valuation of Go Zhongshe.

Richard Li

Chairman