



GoConnect Limited
ACN 089 240 353
Level 3, 112 Wellington
Parade, East Melbourne VIC
3002
Australia
Tel 61 3 8833 7242

31 July 2015

Company Announcement Office
Australian Securities Exchange Limited

Dear Sir/Madam

Re: Appendix 4C Quarterly Report – Q/E 30 June 2015

The directors of GoConnect Limited (“GCN” or “the Company”) are pleased to present the attached June 2015 quarterly report with the following additional comments:

	March 15 quarter	December 14 quarter	change	%
Cash receipts from customers	-	-	-	-
Proceeds from disposal of equity investment	105,000	20,000	85,000	425%
Payments for staff costs	-	-5,400	5,400	-100%
Payments for other working capital	-97,557	-74,976	-22,581	30%
Net operating and investing cash flows	7,443	-60,376	6,7817	112%

During the quarter ended 30 June 2015, GCN was focused on consolidating the Company’s businesses in Go Zhongshe Ltd (“Go Zhongshe”) of which GCN owns 1/3 equity interest.

Further to the reference made in the March 2015 4C Report that "Go Zhongshe is preparing for its public listing on a stock exchange with a limited offer to professional investors. GCN will be marginally reducing its interest in Go Zhongshe to provide liquidity in the trading of the company’s shares.", to facilitate the listing of Go Zhongshe, Go Zhongshe offered its shares held by GCN and on behalf of GCN, to professional as well as offshore investors during the June 2015 quarter. A total of up to 5 million shares, representing 1.66% of total issued capital, are being offered at A\$1 each share to raise a total of A\$5 million. GCN will continue to hold the remaining 95 million Go Zhongshe shares for the long term. Go Zhongshe represents a most valuable and appreciating asset of GCN relative to the Company’s current market capitalization.

From the sale proceeds, A\$1 million will be retained by GCN for its working capital while majority of the A\$4 million will be used to reinvest in Go Zhongshe's 60% owned subsidiary GZL Agri Ltd and to finance the listing of both Go Zhongshe and GZL Agri Ltd. During the June 2015 quarter, \$105,000 was realized from the sale of Go Zhongshe shares from the GCN holding. Further sales have been made since the end of the June quarter.

An agreement is to be entered into between Go Zhongshe and China's Swashes retail group ("Swashes") as announced to the ASX on 27 July 2015. The agreement is expected to be

finalized during August 2015 and will underpin the substantial earnings of Go Zhongshe and GZL Agri Ltd. An in-principle purchase price for the Jianshui table grapes has been agreed by the two parties. The price of Jianshui table grapes to be sold by GZL Agri Ltd to Swashes represents a significant premium to the current farm gate price and will therefore support the Go Zhongshe group's earnings from the 2016 harvest commencing in March 2016. Accordingly, the price of Go Zhongshe shares being offered to investors represents a significant discount to Price on estimated Earnings (PE) of the relevant ASX sector PE.

The businesses of GCN has been significantly restructured in the past 2 years away from a predominantly Australian business to that of a worldwide business with a strong focus on the China market. GCN's business will largely be conducted through its interests in Go Zhongshe. However, GCN's IPTV technology and IPTV distribution platforms, operating in cooperation with Go Zhongshe in the much larger China entertainment media market, will add tremendous value to GCN as well as to the entertainment media divisional business of Go Zhongshe.

GCN worked closely with Browan Communications Inc of Taiwan during the June 2016 quarter to generate revenue via Browan's FreePP app user base. Due to technical difficulties of the content provider however, the result was not up to our expectation. On the other hand, since the end of the June 2016 quarter, with the official sealing of the Go Zhongshe table grape agreement on 27 July 2015, and an agreement soon to be finalized between Go Zhongshe and Swashes, our business prospects in China have improved significantly. Accordingly, GCN's board is considering concentrating its resources and management time predominantly on China so as to help improve the value of Go Zhongshe.

By operating through its associates, GCN's own operating overheads and cash requirements are likely to remain low. GCN also had a holding of over 6 million shares in Priority One Network Group Ltd. GCN applied some of these shares towards further debt reduction during the June quarter. The remaining Priority One shares will help the Company to further reduce its liabilities and provide support towards GCN's working capital requirement. It is expected that cash flows to be generated by Priority One and Go Zhongshe shares will be more than sufficient to support GCN's cash requirements.

Yours sincerely

Richard Li
Chairman

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 June 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A	Year to date (12 months) \$A
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) staff costs	-	(55,400)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(97,557)	(712,557)
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	(97,557)	(767,957)

+ See chapter 19 for defined terms.

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

		Current quarter \$A	Year to date (12 months) \$A
1.8	Net operating cash flows (carried forward)	(97,557)	(767,957)
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	105,000	125,000
	(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	105,000	125,000
1.14	Total operating and investing cash flows	7,443	(642,957)
Cash flows related to financing activities			
1.15	Proceeds from issues of shares, options, etc.	-	400,000
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from issue of convertible notes	-	-
1.18a	Proceeds from borrowings	-	250,241
1.18b	Repayment of borrowings	(7,443)	(7,443)
1.19	Dividends paid	-	-
1.20	Transaction cost	-	-
	Net financing cash flows	(7,443)	642,798
	Net increase (decrease) in cash held	-	(159)
1.21	Cash at beginning of quarter/year to date	-	159
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	Cash at end of quarter	-	-

+ 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		
3.2	Credit standby arrangements		

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

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
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 July 2015

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.