

GoConnect Limited
 ACN 089 240 353
 1st Floor, 237 East Boundary
 Road, Bentleigh East VIC 3165
 Australia
 Tel: 61 3 8833 7242

29 April 2022

Quarterly activities report and Quarterly cash flow report for the period ended 31 March 2022

The Directors of GoConnect Limited (NSX: GO8 (“GO8”)) provide the following report for the quarter ended 31 March 2022.

	March 22 quarter	December 21 quarter	change	%
Income from sale of investment	53,000	127,000	-74,000	-58%
Payment for Staff costs	-16,000	-40,000	24,000	-60%
Payment for operating expenses	-9,760	-22,248	12,488	-56%
Payment for NSX listing expenses	-	-52,726	52,726	-100%
Repayment of borrowings	-5,500	-16,000	10,500	-66%
Net cash flows	21,740	-3,974	25,714	647%

	March 22 quarter	December 21 quarter	September 21 quarter
Income from sale of investment	53,000	127,000	-
Payment for Staff costs	-16,000	-40,000	-30,000
Payment for operating expenses	-9,760	-22,248	-14,469
Payment for NSX listing expenses	-	-52,726	-
Repayment of borrowings	-5,500	-16,000	-8,000
Net cash flows	21,740	-3,974	-52,469

The March 2022 quarter saw GO8 returned to positive cash flows after two previous quarters of negative cash flows. Net cash flows improved by 647% in the March 2022 quarter compared to that in the December 2021 quarter. GO8 continued to derive income from sale of investment in the March 2022 quarter. However, Go Green Holdings Ltd co-founded by GO8 is expected to generate its own revenue and profits during the next 12 months and be in a position to distribute dividends to its shareholders including GO8.

GO8 continues to be supported, when required, by Sino Investment Services Pty Ltd with unused credit facility of \$1,668,852 at the end of the March 2022 quarter. The unused credit facility together with the company’s ability to generate income from investment will be more than sufficient to cover GO8’s future expenses.

Quarterly Business Activities Report

NSX listing to support GO8’s future growth in enterprise value

During the March 2022 quarter, GO8 successfully achieved the listing of the company’s shares on the NSX. After over 5 years of absence in the trading of the company’s shares on

the Australian stock exchange, GO8 shares officially commenced trading on the NSX as an investment company on 5 January 2022. The NSX listing has enabled the company to complete a critical step to be established as a strategic investment company. GO8 is continuing to grow its enterprise value in the next 12 months. GO8 management is also looking for M&A opportunities to add to growth.

GO8 Group investment and business portfolio

Together with its 43.7% owned associate Go Green Holdings Ltd (“GGH”), which GO8 co-founded in late 2015 (“the Group”), the Group actively manages and operates a number of high growth businesses and investments. These include plant based meat sales and marketing (wholly owned by GGH), antiviral and anti-inflammatory drug development for treatment of Covid-19 via Covirix Medical Pty Ltd (about 25% owned by GGH), GGH’s celebrity product endorsement and representation, crypto investment via GGH’s holding in Zucoins (40,000 Zucoins owned directly by GGH, and 80,000 Zucoins owned by Covirix Medical), and development of Augmented Reality Hologram Chat technology (80% owned by GGH), a unique communication platform being developed for the Metaverse. Each of these businesses and investments has significant growth prospects and can be expected to generate substantial enterprise value for the Group. Currently, GO8 is the only listed entity within the Group sitting at the top of the Group corporate structure. Covirix Medical is nevertheless planning to seek a stock exchange listing. The plant based meat sales and marketing business is in partnership discussion with an Australian meat processing group with the aim to establish an equal partnership via Natures Inspired Food Services Pty Ltd which is currently wholly owned by GGH.

The current state of Covid pandemic underpins the critical importance of Covirix Medical

Since the beginning of 2022, reported cases of infections and deaths from Covid-19 have fallen significantly. However, we are of the opinion that the much reduced reported case numbers are due largely to the lack of testing and unreliable test results from Rapid Antigen Tests (“RATs”), as some of the popular RATs in the market are not able to detect Omicron, thus giving rise to many false negative results. It is unfortunate that economic and healthcare policy makers have to rely on such misleading statistics to develop and implement their Covid response policies. These policies in turn support the continuing relaxation of the strict social distancing measures imposed in many countries up till the end of 2021. We are concerned, therefore, that most government policies particularly in the West, are going from one extremely cautious approach to the other extreme of throwing away most precautions while multiple Omicron variants are actually spreading rapidly. Recent media comments liken the current surge in infection cases globally to the “silent wave” of the pandemic since reported infection and death numbers are not providing the true status of the pandemic. We are concerned that policy makers relying on and then action on greatly under reported numbers, will give the Omicron variants the window to drive a significant surge, leading to another replay of the disastrous periods throughout 2020 and early 2021 of the pandemic.

While antiviral treatments for Covid have been introduced in the past 6 months, Paxlovid by Pfizer, and Molnupiravir by Merck, there is still an urgent need to expand the portfolio of targeted and economical antiviral treatments for the whole world. It is therefore absolutely essential for Covirix Medical to accelerate the development of its Covid diagnostic business and the human clinical trials of the primary antiviral drug candidate, which upon its successful trials, will be the first small molecule broad spectrum inhalable antiviral drug available to treat Covid.

Covirix Medical transitions to revenue and prepares for stock exchange listing

Covirix Medical has strengthened its intellectual property position during the March 2022 quarter. International provisional patents filed by Covirix Medical have been published. An Australia patent has also been filed.

Covirix Medical holds a sole distribution agency for Australia and New Zealand for US diagnostic technology company DiaCarta Inc. that specializes in providing diagnostic solutions including Covid PCR and Rapid Antigen Tests (RATs). The RAT has already received the EC mark approval from the EU regulator. The EC mark is globally regarded as the gold standard. On the diagnostic business front, Covirix Medical has applied to the Australian regulator Therapeutic Goods Administration (“TGA”) for registration of the DiaCarta RAT for official sale in Australia. Covirix Medical is the Australian sponsor for DiaCarta Inc. Covirix Medical will target both government and private sector for sales of the RATs.

An in-depth research report of Covirix Medical is being prepared by an Australian investment research company which has a strong reputation among institutional investors and investment banks for their research and analysis of biotech and health science investments. The research report will support the research company in raising pre-listing capital from professional investors for Covirix Medical. Capital to be raised will finance the clinical trials planned for by Covirix Medical and will also support its ultimate stock exchange listing. The report and the capital raise are expected to be completed in May/June 2022.

The above developments, upon successful completion, will add substantial enterprise value to Covirix Medical and therefore will significantly lift the value of GGH’s investment in this company.

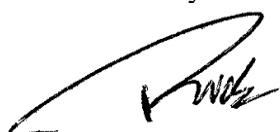
Crypto investment in Zucoins improves income and asset value

GGH directly, and via Covirix Medical hold significant number of Zucoins, a crypto token expected to be listed and trading on 3 major global crypto exchanges by end of June 2022. The listing of Zucoins is expected to further improve the income and asset value of both companies in the next 12 months which improved value will flow through to GO8.

GGH underpins GO8 asset value

The financial management policy of GO8 is to achieve a debt free balance sheet within the next 12 months. GO8 currently holds 43.7% of the issued shares of GGH which, at the recently privately traded price of \$1 per share, values GO8's marketable interest in GGH at \$96.121 million, equivalent to 9.09 cents per GO8 share on issue. This value has not been included or reflected in the audited accounts of GO8, in compliance with Australian Accounting Standards. However, over \$4 million GGH shares offered by GO8 have been invested by professional and overseas investors since 2015. The value of GGH shares will ultimately be dependent on the underlying fundamental value of its portfolio of businesses and investments. Management of the Group has set the goal to continue to improve the enterprise value of these businesses and investments.

Yours sincerely



Richard Li
Chairman

Quarterly Report

Name of entity

GoConnect Ltd

ABN

14 089 240 353

Quarter ended ("current quarter")

31 March 2022

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A	Year to date (9 months) \$A
1.1	Receipts from customers	53,000	180,000
1.2	Payments for		
	(a) staff costs	-16,000	-86,000
	(b) advertising and marketing		
	(c) research and development		
	(d) leased assets		
	(e) other working capital	-9,760	-46,477
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 – NSX listing expense	-	-52,726
	Net operating cash flows	27,240	-5,203

	Current quarter \$A	Year to date (9 months) \$A
1.8 Net operating cash flows (carried forward)	27,240	-5,203
1.9 Cash flows related to investing activities		
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	27,240	-5,203
1.15 Cash flows related to financing activities		
Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings	-5,500	-29,500
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows	-5,500	-29,500
Net increase (decrease) in cash held	21,740	-34,703
1.21 Cash at beginning of quarter/year to date	31,822	88,265
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	53,562	53,562

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	8,000
1.25 Aggregate amount of loans to the parties included in item 1.11	

1.26 Explanation necessary for an understanding of the transactions

This amount was payment of directors' remuneration for the quarter ended 31 March 2021

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

On 6 January 2022, the Group issued 40,000,000 fully paid ordinary shares to a related party from exercise of options. The exercise prices of these option is 2 cents per option into shares. The cash consideration receivable of \$800,000 from exercise of the options has been netted off against the loan payable to this related party.

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	2,000,000	331,148
3.2 Credit standby arrangements		

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	53,562	31,822
4.2	Deposits at call		
4.3	Bank overdraft		
4.4	Other (provide details)		
Total: cash at end of quarter (item 1.22)		53,562	31,822


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 NSX.
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:


 (Director)

..... Date: .29 April 2022....

Print name: ..Richard Li..

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.** NSX 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.