



W A V E N E T

WAVENET INTERNATIONAL LIMITED

ABN 50 087 139 428

Update

Registered Office:

46 Ladner Street
O'Connor WA 6160
Telephone:
(08 9435 3800)

Directors & Management

Chairman

Edward Stroud

Directors

Stuart Alan Becker

Company Secretary

Edward Stroud

Geological Consultants

Geologica Pty Ltd

29 January 2016

ASX Limited
Company Announcements Office
SYDNEY NSW 2000

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING DECEMBER 31st 2015

HIGHLIGHTS

- ***No field work was completed this quarter***
- ***The gold tenement in Indonesia has been relinquished.***
- ***Assessment of potential gold and base metal projects in the Eastern Goldfields of Western Australia continued***
- ***Acquisition of tenements in the Kurnalpi district east of Kalgoorlie, WA is in progress***

Corporate

- ***The Company relocated its corporate office to O'Connor, WA***
- ***Stuart Becker was appointed as a Director on 30th September 2015, ratified at the AGM in December***
- ***Company Secretary Laurie Holyoak retired and Edward Stroud was appointed to the position***
- ***An AGM was held on December 18th 2015***

DETAILS

SINTANG PROJECT – WEST KALIMANTAN, INDONESIA

The Sintang gold concession was reviewed and the Company decided to do no further exploration in Indonesia.

KURNALPI PROJECT, WA

The Kurnalpi area east of Kalgoorlie in the Eastern Goldfields of WA has been assessed by the company geologist and potential projects are being investigated. The Company is in the process of acquiring tenement E28/2577 situated approximately 85 kilometres northeast of Kalgoorlie.

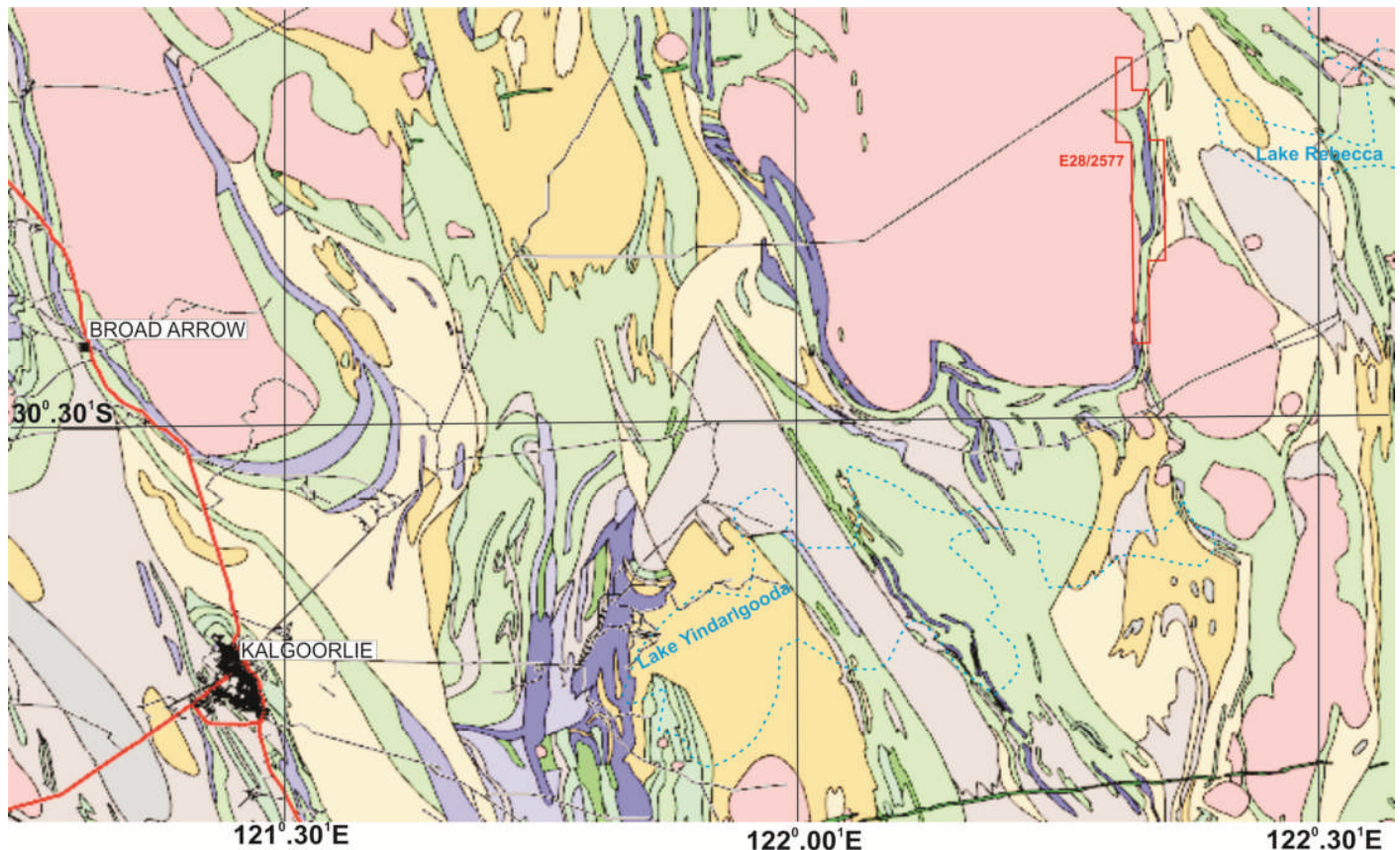


Figure1: Regional Geology and Location of tenement

Tenement E28/2577 is located on the Kurnalpi SH51-10 1:250,000 scale Geology Map Sheet and on the Mulgabbie 1:100,000 scale Geology Map Sheet within the Kurnalpi Greenstone Terrane. The solid geology of the area is dominated by a greenstone belt containing mafic and ultramafic rocks adjacent to a granite basement. The tenement contains the Pinnacles Nickel – Cobalt deposit that was identified in June 2000 as containing an Inferred Mineral Resource of 50 million tonnes at 0.7% Ni equivalent. (Source: GSWA MINEDEX on-line database). The nearest operating mines are Karari gold-silver mine and Carusoe Dam gold mine. Numerous historical mines at Kurnalpi and Tuppence are known to have been gold producers and are situated within the greenstone belts nearby. See Figure 2 below for geology of the tenement area.

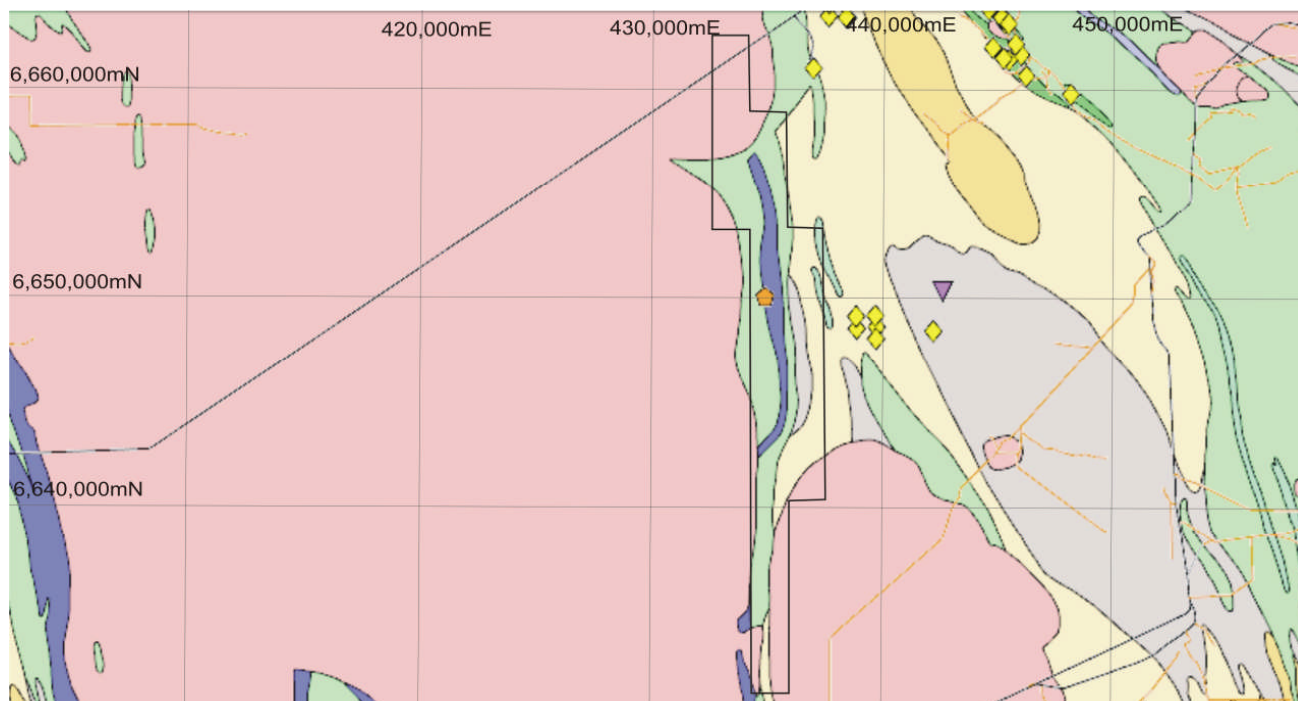


Figure 2: 1:500,000 scale GSWA Geology of the tenement area. Orange shape is Pinnacles Nickel deposit, yellow shapes are historical gold mines

Wavenet International Ltd
Mining Tenement Status as of 31 December 2015

Tenement	Location	Interest at Beginning of Quarter	Acquired/Disposed	Interest at end of Quarter
EPC2044	Gayndah, QLD	100%	Disposed	0%
EPC2264	Gayndah, QLD	100%	Disposed	0%
EPC2265	Gayndah, QLD	100%	Disposed	0%
Sintang	West Kalimantan	100%	Disposed	0%
E28/2577	Kurnalpi, WA	0%	Acquired	In progress

Declaration

The information in this statement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by independent consulting geologist Brian Davis who is a Member of The Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Davis is employed by Geologica Pty Ltd and has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which is undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Mr Davis consents to the inclusion in the report of the matters based on the information made available to him, in the form and context in which it appears".

Corporate

The Company relocated its corporate office and is now at 2 Ladner Street, O'Connor, WA 6163.

Stuart Becker was appointed as a Director on 30th September 2015.

Company Secretary Laurie Holyoak retired and Edward Stroud was appointed to the position

An AGM was held on December 18th 2015 and the following resolutions were passed:

Resolution 1 Adoption of Remuneration Report

Resolution 2 Election of Stuart Becker as a Director

Mick Stroud
Executive Chairman

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Wavenet International Limited

ABN

50 087 139 428

Quarter ended ("current quarter")

31 Dec 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Full Year \$A'ooo
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	-	(10)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(149)	(197)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	(18)	(35)
1.6	Income taxes paid	(389)	(389)
1.7	Other (provide details if material)	-	-
		(556)	(631)
	Net Operating Cash Flows		
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	(2)	(2)
	(b) equity investments	-	-
	(c) other fixed assets	(1)	(1)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	1,134	1,134
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	71	146
1.12	Other (provide details if material)	-	-
		1,202	1,277
	Net investing cash flows		
1.13	Total operating and investing cash flows (carried forward)	646	646

1.13	Total operating and investing cash flows (brought forward)	646	646
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(640)	(640)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	(640)	(640)
	Net increase (decrease) in cash held	-	-
1.20	Cash at beginning of quarter/year to date	(2)	(2)
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	4	4

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	0
1.24	Aggregate amount of loans to the parties included in item 1.10 and 1.11	0

1.25 Explanation necessary for an understanding of the transactions

The amount shown at 1.23 represents payments to directors for remuneration
The amounts shown at 1.10 (\$0) and 1.11 (\$71,000) represent loan funds advanced to and loan funds repaid from Old Valley Unit Trust

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

This quarter - None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	720	720
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	0
4.2 Development	0
4.3 Production	0
4.4 Administration	75
Total	75

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'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	4	(2)
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4	(2)

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	Sintang Tenements (Indonesia)	100%	0
6.2	Interests in mining tenements and petroleum tenements acquired or increased	Kurnalpi Gold Mining Tenements (Kalgoorlie)	0	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference			
	+securities			
	(description)			
7.2	Changes during quarter			
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	110,955,320	110,955,320	Fully Paid
7.4	Changes during quarter			
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities			
	(description)			

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A			
7.7	Options (description and conversion factor)	8,900,000	-	Exercise price 40 cents	Expiry date 31/08/2016
7.8	Issued during quarter	-			
7.9	Exercised during quarter	-			
7.10	Expired during quarter	-			
7.11	Debentures (totals only)	-			
7.12	Unsecured notes (totals only)	-			

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does *(delete one)* give a true and fair view of the matters disclosed.

Sign here

Date: 29th January 2016

(Director,

Print name: Edward Stroud

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 "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.

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