

28/7/2016

ASX Limited
Company Announcements Office
SYDNEY NSW 2000

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING SEPTEMBER 30TH 2016

HIGHLIGHTS

Tenement E28/2571 near Kurnalpi in the Eastern Goldfields was granted recently to WAL by the Department of Mines and Petroleum, WA.

This tenement, situated within 3km of the Kurnalpi townsite is being explored for gold and base metals.

Analysis of historical exploration on tenement E28/2571 has led to the identification of exploration targets worthy of follow-up work programs. Work is continuing to further refine the exploration target areas and formulate a sampling program to evaluate the potential mineralisation.

Assessment of potential gold and base metal projects in the goldfields of Western Australia is continuing

DETAILS

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 has been granted tenement E28/2571 situated approximately 80 kilometres northeast of Kalgoorlie.

Tenement E28/2571 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 is adjacent to numerous historical mines at Kurnalpi and Federal Maori which are known to have been gold producers within the Kurnalpi greenstone belt. See Figure 1 below for geology of the tenement area.

The Kurnalpi greenstone belt is host to many small historical gold mines mainly occurring within the mafic volcanics and within shear zones or faults and contacts. The gold often occurs in brittle fracture-generated quartz veins that are related to movements along the major structures. Tenement E28/2571 contains several shear and fault structures through the mafics and along the mafic/ultramafic boundaries. These are all potential pathways for hydrothermal fluids and would be an ideal structural setting for gold mineralisation. Figure 1 illustrates the regional bedrock geology of the tenement.

Analysis of the combined data from geophysics, geology and satellite imagery has led to the interpretation of several areas of geological and exploration interest (target areas) worthy of follow-up work. There are several interpreted geological and structural features on the tenement that intersect and are likely to be favourable sites for gold mineralisation. Figure 2 demonstrates interpreted structures and target areas for further exploration.

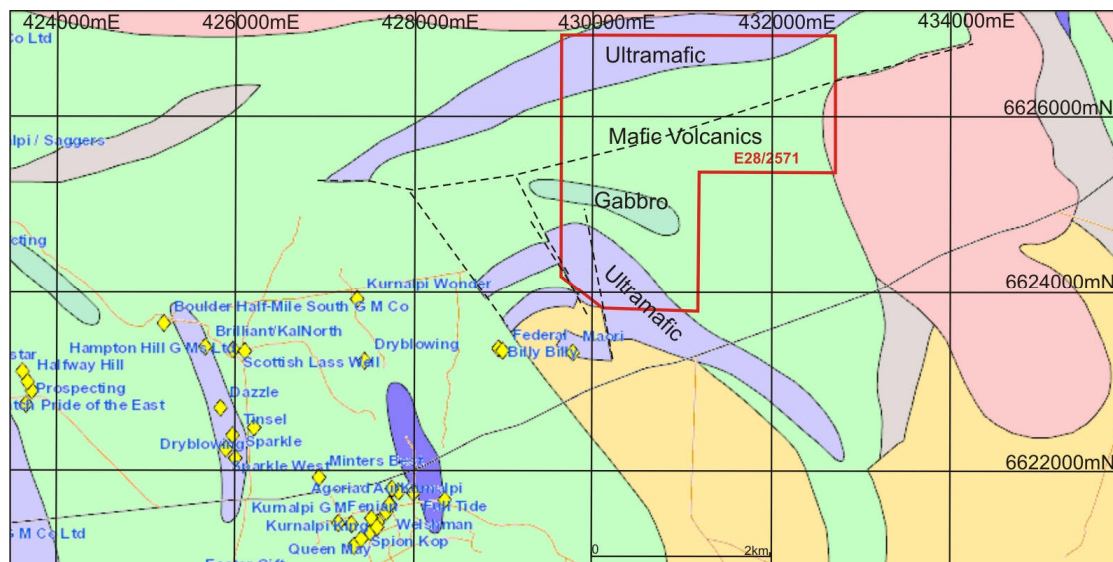
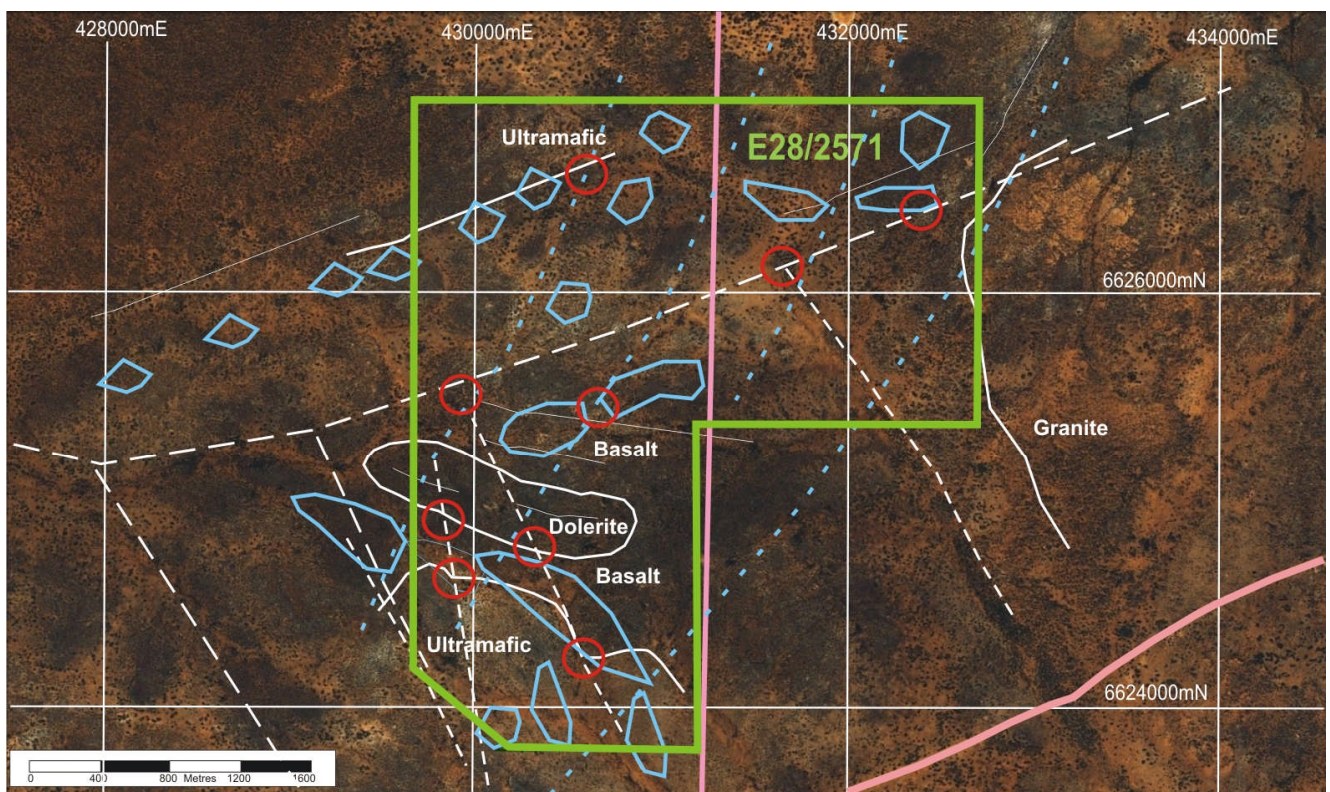


Figure 1: 1:500,000 scale GSWA Geology of the tenement area. Yellow diamond shapes are historical gold mines



Blue = Interpreted Magnetic Highs (Solid) and Low (Dashed) trends,
 White = Interpreted Faults (Dashed) and Geology trends and boundaries,
 Red = Interpreted exploration targets, Pink = Roads or tracks

Figure 2: Interpreted exploration target areas for follow up work (red circles) on E28/2571 shown on the satellite image background.

The magnetic low trends (blue dashed lines) are thought to represent areas where interpreted faults or fractures show magnetic mineral destruction (possibly due to hydrothermal alteration). These are seen to be in the NNE direction and traverse all the rock types and are likely to be parallel to gold mineralisation trends.

Likewise there are geological fault structures interpreted to be in the NNW direction that may also be significant for gold mineralisation. Locations where these two sets of structures intersect are also likely to be significant exploration targets.

Tenement Information as Required by Listing Rule 5.3.3 For the Quarter Ended 30 September 2016					
Project	Location	Tenements	Economic Interest	Notes	Change in Quarter %
Western Australia	Kurnalpi	EL28/2571	100% Granted		0
Western Australia	Kurnalpi	EL51/2577	100% On application		0

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 2012 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".



Mick Stroud
Executive Chairman
28/10/2016

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")

30 September 2016

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	(3)	(3)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(46)	(46)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	(10)	(10)
1.6	Income taxes paid	(54)	(54)
1.7	Other (provide details if material)	-	-
	Net Operating Cash Flows	(113)	(113)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	100	100
1.12	Other (provide details if material)	-	-
	Net investing cash flows	100	100
1.13	Total operating and investing cash flows (carried forward)	(13)	(13)

1.13	Total operating and investing cash flows (brought forward)	(13)	(13)
	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	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(13)	(13)
1.20	Cash at beginning of quarter/year to date	14	14
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1	1

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 (\$103,000) 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	5
4.2 Development	0
4.3 Production	0
4.4 Administration	45
Total	50

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	1	14
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1	14

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	None		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	None		

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)	N/A		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	N/A		
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	N/A		
7.5	+Convertible debt securities (description)	N/A		

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A			
7.7	Options (description and conversion factor)	Expired 31/8/2016			
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 give a true and fair view of the matters disclosed.

Sign here

Date: 28/10/2016

(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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