

This is a form of a material change report required under Section 85(1) of the Securities Act and Section 151 of the Securities Rules.

**BC FORM 53-901F  
(Previously Form 27)**

**Securities Act**

**MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE SECURITIES ACT**

**NOTE:** This form is intended as a guideline. A letter or other document may be used if the substantive requirements of this form are complied with.

**NOTE:** Every report required to be filed under Section 85(1) of the *Securities Act* (the “Act”) must be sent to the British Columbia Securities Commission (the “Commission”) in an envelope addressed to the Commission and marked “Continuous Disclosure”.

**NOTE:** WHERE THIS REPORT IS FILED ON A CONFIDENTIAL BASIS, PUT AT THE BEGINNING OF THE REPORT IN BLOCK CAPITALS “CONFIDENTIAL - SECTION 85”, AND PLACE EVERYTHING THAT IS REQUIRED TO BE FILED IN AN ENVELOPE ADDRESSED TO THE SECRETARY OF THE COMMISSION MARKED “CONFIDENTIAL”.

Item 1. Reporting Issuer

iaNett International Systems Ltd. (formerly WSi Interactive Corporation)  
Suite 207 – 1200 West Pender St.  
Vancouver, BC V6E 2S9  
Tel: 604-681-4911  
Fax: 604-687-4990

Item 2. Date of Material Change

May 24, 2001

Item 3. Press Release

The press release was issued on May 24, 2001 and disseminated through Newslink Network.

Item 4. Summary of Material Change

The Company announces release of third quarter financial statements.

Item 5. Full Description of Material Change

**iaNett International Systems Ltd. announces Third Quarter Results**

For the nine months ended March 31, 2001 the Company had an operating loss of \$6,206,791 compared to an operating loss of \$216,787 for the nine months ended March 31, 2000. The operating loss for the current quarter was \$777,332 compared to an operating loss of \$1,012,798 for the same quarter in the previous year.

Revenues decreased from \$4,100,406 for the nine month period ended March 31, 2000 to \$1,068,822 for the nine month period ended March 31, 2001. Revenues for the current quarter were \$113,483 compared to quarter revenues of \$1,199,796 in the previous year. This follows the general trend of declining revenues since July, 2000. In the period ended March 31, 2001, the Company's revenue was mostly derived from direct marketing campaigns for existing clients.

The Company has since stabilized its workforce at the level of approximately 10 people (both full-time employees and part-time consultants), which is considered closer to a realistic level based on the current activity. In the future, where appropriate, growth will be managed by subcontracting services until an ongoing permanent need is established, at which time additional employees will be hired.

The following table is a summary of the March 31, 2001 third quarter results.

	<b>This Quarter</b>		<b>Year to Date</b>	
	<b>Jan 1 to March 31</b>		<b>July 1 to March 31</b>	
	<b>2001</b>	<b>2000</b>	<b>2001</b>	<b>2000</b>
Revenue	113,483	1,199,796	1,063,822	4,100,406
Net Income (Loss)	(777,332)	(1,012,798)	(6,206,791)	(216,787)
Loss Before Amortization and write downs	(512,676)	(709,898)	(2,628,846)	182,113
			<b>2001</b>	<b>2000</b>
Cash			(16,384)	2,520,263
Working Capital			(671,098)	3,267,927
Total Assets			3,227,015	8,018,328
Shareholders Equity			1,735,957	6,939,236

For a complete copy of the third quarter results, please access the Company's website at [www.ws-i.com](http://www.ws-i.com) or the SEDAR database at [www.sedar.com](http://www.sedar.com).

To receive information on the Company by e-mail, please forward your Internet address to [info@ws-i.com](mailto:info@ws-i.com)

ON BEHALF OF THE COMPANY

"Theo Sanidas"

Theo Sanidas,  
Director

This news release may contain forward-looking statements that involve risks and uncertainties, including the impact of competitive products and pricing and general economic conditions as they affect the Company's clients. Actual results and developments may therefore differ materially from those described in this release. No regulatory authority has reviewed nor accepted any responsibility for the adequacy or accuracy of the contents of this release.

Item 6. Reliance on Section 85(2) of the Act

Nothing in this form is required to be maintained on a confidential basis.

Item 7. Omitted Information

Not applicable.

Item 8. Senior Officers

Theo Sanidas, President, Director  
Telephone No. (604) 681-4911

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

Dated this 24<sup>th</sup> day of May, 2001 at Vancouver, BC.

IANETT INTERNATIONAL SYSTEMS LTD.

By: "Theo Sanidas"  
Theo Sanidas

President, Chairman of the Board  
(Official Capacity)

Theo Sanidas  
(Please print here name of individual whose  
signature appears above.)