



m2m Corporation Limited
ABN 34 006 648 835

18 January 2008

c/- KR Corporate Compliance Pty Ltd
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**THE MANAGER
COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

Dear Sir

HI-TECH TELECOM PTY LTD : DUE DILIGENCE UPDATE

Subsequent to the mediation process announced to the Exchange on 20 December 2007 the Hi-Tech Telecom Pty Ltd Group of Companies ("Hi-Tech") has again failed to make available to the Company the information required under the terms of the Binding Heads of Agreement dated 14 August 2007 ("HOA"). In addition, Hi-Tech has purported to terminate the HOA by notice dated 14 January 2008.

As a result of the ongoing failure of Hi-Tech to make available the information required under the HOA and its purported termination of the HOA, the Company is now seeking legal advice in respect of its rights against Hi-Tech and its principals, including its rights to sue for breach of the HOA and to claim damages.

Pending receipt of such legal advice, the Company has attempted to reach an agreement on the resolution of this matter with Hi-Tech in order to avoid the need for litigation. At the time of this announcement no agreement has been reached.

For further information contact:

m2m Corporation Limited - Ian Clarkson (Executive Chairman) 0438 399 751

Yours faithfully
m2m Corporation Limited

A handwritten signature in black ink, appearing to read 'Mourice Garbutt'.

per Mourice Garbutt
Company Secretary

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About m2m Corporation Limited

m2m Corporation Limited (ASX: MCL) (“m2m” or “the Company”) is an ASX listed technology investment company. The Company has active investments in Telecommunications and Broadband Telephony, Digital Video and Online Learning.

Its major investments in Telecommunications through its subsidiary “Whizfone Group of companies” has significant telecommunication infrastructure across the restrictive and high growth Pan Asian region, delivering carrier grade wholesale call termination services to Tier-1 Telecommunication carriers throughout the world. Whizfone also markets broadband telephony either wholly or through its joint venture partners that utilises its wholesale backbone to deliver quality and cost effective VoIP products and services to its customers in Asia.

Other investments include “Bluefish” which is the professional’s choice, market leader in the development and supply of high definition and standard definition video cards to film and broadcasting specialists worldwide. Its cutting edge products are highly regarded in the industry and use by major film studios and broadcasters like Sony PCL and Channel 7. For more information, please visit: www.m2mcorp.com.au | www.whizfone.com | www.sipme.com.au | www.bluefish444.com | www.digitalvoodoo.net | www.todaycorp.com.au | www.xigital.com