



m2m Corporation Limited
ABN 34 006 648 835

7th January 2009

c/- KR Corporate Compliance Pty Ltd
Level 2, 90 William Street,
Melbourne Australia 3000
Telephone +61 3 9605 5917
Facsimile +61 3 9605 5928

**THE MANAGER
COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

Dear Sir

re: m2m Corporation Limited

FURTHER CORPORATE UPDATE

The following is a further corporate update of the m2m Corporation Limited Group (“m2m”) subsequent to m2m’s announcement dated 2nd January 2009 and request for trading halt dated 5th January 2009.

CAPITAL RAISING

A mandate was provided on 6 January 2009 to Melbourne Capital Limited to raise by 31 January 2009 up to \$400,000 by the issue of 100 million shares at A\$0.004 a share (“the Raising”). The fee for the Raising will be \$25,000 (plus GST) plus an issue of 5 million shares in m2m subject to shareholders’ approval.

In addition to the proposed Raising through Melbourne Capital Limited, m2m received in December 2008 \$190,000 on account of proposed share issues which had yet to be allocated. m2m has informed the providers of those funds about the Raising and agreed that the \$190,000 will be applied to the allocation of 47.5 million shares at A\$0.004 a share.

The funds raised will be used to complete and implement m2m’s existing business strategy and plans, subject to any other actions arising from the Board’s regular review of its existing business units. As these reviews are currently being performed, no decision can be made today about any future capital raising or even if a further one will be required as m2m may not need it and / or have other alternatives open to it.

BLUEFISH TECHNOLOGIES PTY LTD (“Bluefish”)

The Board has been working with Bluefish’s Board and management in the last quarter of 2008 to develop and extend Bluefish’s business operating activities and scope. The Board considers that this investment is worth significantly more than its cost (as recorded in the m2m financial statements) and that there are a number of alternatives to deliver increased value.

A further announcement will be made in respect of this investment if and when appropriate.

OPERATIONAL MANAGEMENT AND BUSINESS UNIT AND INVESTMENTS REVIEW

m2m operates its businesses through largely autonomous entities controlled by a locally based general manager (“GM”) with significant experience in his unit’s operating environment, local business practices and networks and general management. Each of the GMs was involved in his business before m2m’s acquisition of it or has had experience in that business area and has established his individual team, customers and support requirements. m2m’s acting CEO, Peter Saunders, is working with each of them to devolve more responsibility for their business units to them to improve accountability and operational performance under a simple framework of executive team management and common corporate practices and reporting.

All the GMs, in the last few days, have committed to m2m’s strategy, objectives and current direction and are actively involved with the Executive Chairman, Ian Clarkson, and acting CEO in the review and management processes.

The Board advises that it has brought forward its date for completion of its half year review of all business units and investments following the changes in the senior executive. This review will evaluate all growth opportunities within the m2m’s portfolio of businesses, identify the optimum project mix for the next six months and confirm the strategy and business objectives. Messrs Clarkson and Saunders will be visiting and undertaking reviews of all business units in January 2009 preparatory to the Board’s review in early February.

The half year review will also evaluate options to capitalise on the value of the investment in Bluefish Technologies Pty Ltd.

Yours faithfully
m2m Corporation Limited



per Mourice Garbutt
Company Secretary

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, Online Portal and Software Development, Digital Video.

- 1 m2m has major investments in Telecommunications through its subsidiaries (the “Whizfone Group of companies”) which have established significant industry 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.
- 2 Sipme, together with Starband / Baipin, 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 and Australia.
- 3 Xigital specialises in the development of online portals and software development. The business has an experienced management and software development team. Xigital is providing a sound base to expand m2m’s technology and business units 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 are used by major film studios and broadcasters like NBC, 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.xigital.com