



m2m Corporation Limited
ABN 34 006 648 835

8 December 2009

**THE MANAGER
COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

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

Dear Sir/Madam

Carbon Business Update

- **Joint rain forest project nearing validation. Expected to trigger revenues for m2m in next quarter**

m2m Corporation Limited (MCL) and Nupan Trading Corporation, its rainforest developer, have reached the final stages for validation of their carbon credits methodology under the Voluntary Carbon Standard (VCS).

m2m is confident that the methodology will be validated by independent experts early in 2010. Subsequent verification of their demonstration project using this methodology is the final step for listing carbon credits. Listing enables trading of carbon credits in the voluntary market.

The parties have also scoped a program with expert consulting resources using the methodology to complete 15 forestry projects in Papua New Guinea over the first half of 2010.

The voluntary carbon credits purchase agreement for 10 million credits (previously announced Oct 09) will be completed from these listed credits. Completion will allow MCL to recognise about \$1 million in revenue in the first quarter of next year. Further trading from the 15 projects is anticipated to deliver in excess of \$4 million revenue by December 2010 and positive earnings.

Carbon trading from forestry credits will protect rainforests from destruction and provide much needed financial returns to landowners and others in PNG.

Nupan's methodology has been prepared by industry leading forestry consultants after an exhaustive evaluation of the leading international approaches. This best practice has also been vetted by independent experts. The project design for the first rainforest project is being developed in parallel using the methodology.

- **Australian Government Endorses VCS Standard**

The Australian Department of Climate Change announced its acceptance of the VCS voluntary emission reductions as eligible for its National Carbon Offset Standard. This endorsement indicates the growing acceptance of the quality of certain voluntary carbon standards. PointCarbon, a world-leading provider of independent news, analysis and consulting services reports "Such developments do not go unnoticed in Washington where an intensive lobbying effort on behalf of various carbon standards is succeeding in developing a positive consensus with legislators."

This endorsement by the Australian Department of Climate Change is evidence that the VCS approved forestry credits will be credible and acceptable credits for Australia.

- **Carbon Planet Limited Transaction - Continuing Negotiations**

In the Sales and Purchase Agreement dated 14 October 2009 the parties specified a sunset date for completion of the conditions precedent.

m2m advises that not all of the conditions precedent have been satisfied. However, neither party has exercised rights to terminate the agreement. Negotiations are continuing and m2m will keep shareholders informed.

Carbon Planet has appointed a new Chairman and CEO, Dr Ross Williams. Senior officers of both companies will be meeting to review progress and commercial terms of a transaction acceptable to both parties.

Enquiries:

Ian Clarkson (Executive Chairman) 0438 399 751

Peter Saunders (CEO) 0416 228 404

Yours faithfully
m2m Corporation Limited



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 investment company.

Rain Forest Carbon Credits Projects

Through its 100% owned subsidiary m2m Ventures Pty Ltd (“m2v”) it provides a project facility and development assistance to Nupan Trading Corporation, a project developer operating in the South Pacific region and Asia.

The developer’s projects cover a range of industries, technologies and countries. The initial focus is on projects for the development of carbon credits from rainforests, with forecast project lives well in excess of 20 years.

The first of these projects is expected to be completed by March 2010. Based on current pricing for the project rights, it will give m2v an income stream of approx \$0.821 million per annum. The income stream will be initially approved for five years, with further extension subject to on-going compliance. Sales are also forecast to repay the project’s advances. The parties expect to apply these repayments through the revolving facility, in additional projects which will be concluded progressively every 60-90 days, building a book of projects with a forecast annual yield in excess of \$4 million by December 2010 and enable the m2m group to achieve profitability.

The Company also has active investments in telecommunications and broadband telephony, online portal and software development and digital video.

A significant investment is “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 Sony PCL and Channel 7.

For more information, please visit: www.m2mcorp.com.au; www.Sipme.vn and www.Bluefish444.com