

27 January 2010

**THE MANAGER
COMPANY ANNOUNCEMENTS OFFICE
ASX LIMITED**

Dear Sir/Madam



m2m Corporation Limited
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Carbon Credit Business Update

Project Developers Methodology

In the announcement of 21 December m2m Corporation Limited (m2m) (ASX:MCL) stated that its project developer, in conjunction with industry experts, was developing a methodology and Project Design Document (PDD) format to have IFM carbon credits registered under the VCS standard and the CCBA standard.

The methodology has now been lodged with the VCS and the first validator. The PDD is prepared in readiness for lodging with the VCS and the first verifier.

The developer and the experts retained for this work are both confident that there is nothing to prevent both these documents passing the independent approval process.

Projections Summarised

Based on the assumptions listed on the projection section (page 11 of the 21 December announcement) below is a summary of the main company objectives that remain unchanged:

- The first project will produce registerable credits in the quarter to March 2010
- The sale of these credits will give m2m revenue of \$960,000 in the quarter to March 2010
- m2m is expecting EBIT of \$566,000 for this quarter after all costs (including Vietnam telecommunications investment and corporate costs)
- m2m's revenue for the following nine months is forecast as \$4.5 million
- m2m is expecting EBIT of \$3.3 million for the following nine months after all costs (including Vietnam and corporate costs. Extra staff to grow the business are provided for in the costs)

- The total EBIT forecast for the calendar year 2010 is approximately \$3.9 million
- In addition there would be a “stock” of credits (approx 100 million) by 31 December 2010 that could also be sold by the project developer giving m2m a further revenue stream this calendar year. The decision on the sale of the credits has not been made at this early stage.

The carbon credits being issued will be issued on an annual basis and initially will be issued for at least five years.

In addition to the existing project development underway, m2m is currently working to expand its carbon credit business and is in discussions with parties in Asia to develop more carbon credit projects. These projects include reforestation projects as well as agricultural carbon credit projects.

Carbon Planet Ltd Update

m2m advises that following further discussions with the executives of Carbon Planet the conditions precedent set out in the Sale and Purchase Agreement were not satisfied by Carbon Planet. Accordingly m2m will not be proceeding with the transaction announced.

The effects of the transaction not proceeding are:

- 1 No m2m shares will be issued to Carbon Planet
- 2 The proposed 20:1 share consolidation will not be put to a shareholders' meeting
- 3 m2m will not proceed with the \$10 million fundraising that was proposed for the acquisition.

It is very important for shareholders to note m2m's existing carbon credit business will **not** be affected by the Carbon Planet transaction not proceeding.

For further information contact:

Ian Clarkson (Executive Chairman) 0438 399 751

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 technology investment company. The Company 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

Joint Project Finance Development Business

m2m Corporation Limited (“m2m”) (ASX: “MCL”) via its 100% owned subsidiary m2m Ventures Pty Ltd (“m2v”) has agreed to provide a project facility and development assistance (JPFDA) to 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 forestry 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 and, based on current pricing for the project rights, give m2v an annual income stream of approx \$0.8 million. The annual income stream will be approved for five years, with further extension subject to on-going compliance. Initial sales will also repay all funds advanced. The parties expect to apply these repayments through the revolving facility, to 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 profitably.