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Announcement to Australian Securities Exchange Limited

Capital Raising Initiatives to Fund Growth

17 March 2009

When I accepted the position to lead your company as its Chief Executive Officer in October 2004, MIKOH's share price was around four cents, just below where it is now. The share price then increased approximately twenty fold over a three-year period, reaching a high of over 80 cents in late 2007. Since then the global economic crisis has resulted in a deferral of spending and decision making by companies and governments. Consequently, MIKOH has been affected and our deals have taken longer to finalise and generate revenues than we expected, causing our share price to return to its present value.

However, MIKOH is a completely different company today from what it was in late 2004 and I am confident that, despite the state of the global economy, it will continue recent trends and demonstrate substantial increases in revenue and improved operating results in 2009/10 and beyond.

- R&D for Smart&Secure and SecureContainer is largely complete, and manufacturing, sales and distribution agreements are in place. These technologies are being deployed across the Americas and in Australia, with additional opportunities developing in China, the UK, and SE Asia.
- SubScribe production in Melbourne provides steady revenue that we expect to grow over the next 12-24 months.
- A niche market in the Fast Moving Consumer Goods industry is expected to yield a major uplift in revenues for our Variable Data Printing product. If this proceeds, global rollout will be undertaken by our partner(s).
- An exciting new Data Authentication technology has been conceived, and patent applications have been lodged. This development in the Company



complements the Smart&Secure and SecureContainer technologies, and is driven by requirements in both the US commercial and government sectors. Development is underway, and if all goes well we plan to implement a licensing strategy.

Our revenues are expected to grow materially as, amongst other things, Automated Vehicle Identification (AVI) projects ramp up around the world, US Government spending increases on Security and Infrastructure, and current printer deals mature into significant ongoing orders.

In order to continue our present growth and until the Company becomes cash flow positive, we are dependent on capital raising to fund our ongoing working capital. MIKOH is again therefore raising equity capital. In addition to two relatively small private placements to sophisticated investors that are currently being finalised, the Board is pleased to advise existing shareholders that the Company will undertake a non-renounceable Rights Issue that will allow shareholders to participate in this round of capital raising, and minimise any dilution in their holdings. An announcement will be released once details are finalised, with the Rights Issue likely to be partially underwritten.

A handwritten signature in black ink, appearing to read 'Matt Blomfield', with a long horizontal line extending to the right.

Matt Blomfield
Managing Director

About MIKOH:

MIKOH Corporation Limited is a leading provider of physical security and digital marking solutions and consulting services. The company works with customers to design and implement physical security solutions to track, seal and/or monitor valuable assets. Both RFID and non-RFID in nature, MIKOH solutions align proper business processes and labeling technologies to ensure assets are effectively managed with certainty.

MIKOH's Smart&Secure tamper-evident technology provides physical security certainty for RFID tags. Physical security for RFID is vital in applications where the compromise of sensitive assets results in commercial and/or revenue loss. These applications include government asset tracking, vehicle identification, pharmaceutical distribution and more. Smart&Secure is flexible and scalable, and easily integrates into any RFID system.

MIKOH has offices in Melbourne and Sydney in Australia, and McLean, VA and New York, NY in the USA. For more information, visit the company's website at <http://www.MIKOH.com>.