



ASX ANNOUNCEMENT

16 February 2011

MIKOH Corporation Limited
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Sydney NSW 2000
AUSTRALIA

Mikoh and Kollakorn Formalise Joint Development of Thai EVI/AVR Concession

The Board of Mikoh Corporation Limited ("MIK") advise that they have signed a heads of agreement with Kollakorn Company Limited to acquire 19.9% of Kollakorn Company Limited ("Kollakorn") a company owned by Somapa IT and the owner of the 10 year concession from the Thai Government for vehicle registration.

Payment will be effected by a straight exchange of shares between MIK and Kollakorn with no cash component whereby Kollakorn will have issued to it 19.9% of the MIK issued share capital. The agreement is subject to shareholder, ASX, ASIC and FIRB approval.

The immediate benefits for MIK will be:

- Obtaining an interest in the 10 year concession for EVR in Thailand;
- Obtaining an interest in the add-on projects that are being generated from the use of the Smart&Secure tags in Thailand;
- Bring forward the ability to drive higher revenues for Mikoh through joint development of add on user benefits of the EVI system;
- Mikoh will now have access to a fully integrated system that can roll out a total AVI/EVR solution globally rather than owning only one part of the system and requiring further partnering and integration.

These benefits will be in addition to the mark-up that MIK already enjoys on the sale of the tags and readers in Thailand.

It has also been agreed that Kollakorn and MIK will jointly raise additional funds primarily in the USA for the further development of ancillary applications in Thailand and Electronic Vehicle Registration in other ASEAN countries.

Should such funds be raised through MIK then up to \$5 million will be advanced to Kollakorn by way of 5 years secured convertible note. The convertible note will be convertible at the option of Kollakorn into Kollakorn shares or cash.

Namchoke Somapa said "I am very excited about having a closer relationship with Mikoh which will give us a significant interest in the Mikoh patented technology and access to the Australian and USA securities markets and assist Mikoh in penetrating the other Asian markets " he also said that "it is our intention to list Kollakorn on the Thai Stock Exchange which will give Mikoh the opportunity for additional value"

Richard Sealy said that "Somapa IT has been the true pioneer of the computer programs that link the hardware and make the system operate and that having access to this IP and a complete operational system would greatly enhance the opportunities of Mikoh selling tags and readers to other countries"

An EGM will be called in order for shareholders to approve the proposal.

Richard Sealy
CEO and Director