



ASX ANNOUNCEMENT

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14 February 2012

Final Acceptance by the Department of Land Transport of Kollakorn's Contractual Obligations to Supply the EVR System in Thailand

The Directors of MIKOH Corporation Limited (**ASX: MIK**) are pleased to announce that MIKOH's 25% owned associate company in Thailand, Kollakorn Co., Ltd (**Kollakorn**) has fulfilled its contractual obligations under the agreement with the Department of Land Transport (**DLT**) to provide an operational RFID network in Thailand that will be used for Electronic Vehicle Registration (**EVR**), speed monitoring, border security and many other related applications.

At a ceremony held in Thailand on 11 February 2012 at the offices of the DLT in Changmai, the DLT gave its final acceptance to the system after a technical team from the DLT completed a week long inspection tour. The ceremony was attended by **Director Anan Wongbenjarat** the Director from the office of the Department of Land Transport whose task it was to oversee, on behalf of the DLT, the implementation of the RFID system.

Mr Anan said, that the project had surpassed all of his expectations, particularly the new application for speed measurement that he believed would contribute significantly to improved road safety throughout the country. Mr **Anan** represented the Director-General of the Department of Land Transport, **Mr Somchai Siriwattanachoke**.



Also attending was **Director Somsuk Prapaspen**, who 3 years ago was made responsible for the initial introduction of the concept of using RFID in Thailand. Mr Somsuk said that the initial intention was simply to use RFID to prevent registration fraud. He said that a number of companies had made presentations to the DLT however it was not until Kollakorn proposed a complete RFID solution together with funding, that the DLT agreed to grant the 10 year concession to Kollakorn; the preconditions of which have been fulfilled by Kollakorn today.



Representatives of Kollakorn, MIKOH and the Department of Land Transport present at the EVR acceptance ceremony at the offices of the Department of Land Transport in Changmai

Mr Somsuk said that he is very proud that he was the person that brought RFID to Thailand and Mr Somsuk thanked the representatives from Kollakorn, present there today, for the great job that they had done in implementing the RFID system which he believed would become very important to Thailand.

In response, **Mr Namchoke Somapa** (Director of Kollakorn and MIKOH) thanked Mr Somsuk and Mr Anan for their valuable assistance throughout the implementation period. Mr Namchoke went on to say that he believed that Thailand would set the standard for RFID in other ASEAN countries such as Malaysia and Vietnam and that he believed that this system would be replicated in these countries and used amongst other things, to improve road safety and border security within these ASEAN Nations.

In previous announcements made by MIKOH, it has been advised that the commencement of a process of making the application of the MIKOH Smart&Secure Tags mandatory throughout Thailand will begin on 1 April 2012 with the requirement that all public passenger vans will now have to mandatorily install tags on their vehicles.

In this financial year (1 January to 31 December) Kollakorn is projecting to install in Thailand at least 60 additional readers, 100 cameras and sell approximately 2 million tags. The effect of this will feed through to MIKOH in the form of new orders for equipment and tags.

MIKOH has also previously announced that it has a joint venture with ARA TechBisSDN BHD in Malaysia for the introduction of the SmartRFID system into Malaysia.

The directors of MIKOH are also pleased to advise that significant progress has been made in locating a joint venture partner in Vietnam who would sponsor the introduction of the SmartRFID System into Vietnam. As mentioned by Mr Namchoke in his response to Mr Anan, should Malaysia and Vietnam implement the SmartRFID EVR System this, together with Thailand's RFID EVR system, will provide a very important data base of information to authorities along a significant vehicular highway in Asia.

The approval by the DLT of Kollakorn's RFID EVR system and the use of the MIKOH Smart&Secure tags in Thailand is a momentous occasion for MIKOH and marks MIKOH's transition from an R & D company to a commercial enterprise.

Richard Sealy

Managing Director