



18 February 2011

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

**The Manager  
ASX Limited  
Company Announcements Office**

Dear Sir

**MCL EXECUTES UNDERWRITING AGREEMENT**

- **Agreement fully underwrites rights issue**
- **Issue to raise \$1.5 million**
- **Funds for further development of projects**

The Directors of m2m Corporation Limited (**MCL**) are pleased to announce the execution of an agreement to fully underwrite a pro-rata non-renounceable rights issue (Rights Issue).

The Rights Issue will offer one share for every three shares held, together with one accompanying unquoted option to raise \$1,511,200 before issue costs. New shares will be offered at \$0.0015 per share. Options may be exercised on or before 30th June 2013 at an exercise price of \$0.0035.

The Rights Issue will be open to all shareholders of MCL with registered addresses in Australia and New Zealand at the record date.

As announced on 14 February 2011, the MCL/Green Collar jointly owned methodology for accounting for carbon in forest protection projects was approved by the Voluntary Carbon Standard for use anywhere in the world.

This is the world's first approved VCS methodology for the conversion of threatened forest to protected forest. MCL and other third party developers are currently applying the methodology to their projects.

The funds from the Rights Issue will enable MCL to expand its pipeline of carbon credits projects in Asia, the Pacific Islands and Australia, pursuant to our project financing agreements and our joint venture with Green Collar, retire some secured debt and for working capital.

A letter will be issued to shareholders shortly providing details of the timeline and record dates. The Rights Issue prospectus is expected to be lodged with ASIC and filed with ASX next week. Under the Rights Issue, MCL will issue 1,007,444,000 new shares and the same number of accompanying options.

**For further information please contact:**

Peter Saunders (CEO) on 0416 228 404 or  
Ian Clarkson (Executive Director) on 0438 399 751

Yours faithfully

A handwritten signature in black ink, appearing to read 'Mourice Garbutt'.

Mourice Garbutt  
Company Secretary

m2m

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## **About the International Verification Procedures**

### **The VCS**

The VCS is the most widely used carbon accounting standard among projects issuing credits in the voluntary market. The VCS Association was founded in 2005 by the Climate Group, the International Emissions Trading Association and the World Business Council for Sustainable Development. It has pioneered trusted and innovative tools for generating quality green house gas credits.

For further information see [//v-c-s.org/](http://v-c-s.org/)

### **About m2m Corporation Limited**

m2m Corporation Limited is an ASX-listed investment company. Through its 100% owned subsidiary m2m Ventures Pty Ltd (**m2v**) it has agreed to provide project financing and development assistance to project developers operating in Indonesia, Asia and the South Pacific region.

The focus is on projects for the development of forestry carbon credits from rainforests in South East Asia, with forecast project lives typically greater than 20 years.

Subject to the finalisation of project funding, the first of these projects is expected to be close to completion in Quarter 1 2011. The annual income stream will be approved for five years, with further extensions subject to on-going compliance. Initial sales are expected to repay all funds advanced and deliver significant profits on the projects. For further projects, subject to delivery of suitable project planning information, repayments may be re-advanced, through a revolving facility, to be concluded progressively over a 60-90 day period.

Subject to market conditions and the finalization of project funding, m2v forecasts that a book of projects with a forecast annual yield in excess of \$4 million will be established by December 2011, positioning the MCL group to achieve profitability.

M2v has been working in Asia and Pacific Islands building a pipeline of voluntary credits (VERs) and complying credits (CERs) projects in conjunction with its co-venturers. M2v will continue to build its pipeline of carbon credit project.

MCL also has a significant investment in the production of digital video cards by "Bluefish".

Bluefish the "professional's choice", is the market leader in the development and supply of high definition and standard definition digital 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 and Channel 7.

For further information on MCL's carbon business and other investments visit the website at: [www.m2mcorp.com.au](http://www.m2mcorp.com.au) and follow the links to "Investments".

### **About GCS**

GCS is led by a strong executive and consulting team of seasoned environment, natural resource management, energy, climate change and carbon finance and project development experts and backed with partnerships with leading international carbon advisory and international development firms. It has developed and co-owns the improved forestry management methodology.

The GCS team accordingly brings direct and deep experience in:

- developing and implementing climate change adaptation and mitigation strategies and investment programmes in the Asia Pacific, Africa, Europe, North and South America
- identifying and managing carbon offset projects in the energy, mining, forestry, waste management and agriculture sectors
- providing comprehensive technical, methodological, regulatory, financial and legal due diligence of projects
- providing technical guidance and assistance for each step of the project development cycle – including Clean Development Mechanism and voluntary carbon standard compliant projects – in bringing offsets to market
- developing and implementing project monitoring and evaluation tools
- providing corporate and governmental strategic and policy advice

For further information see [://greencollarclimate.com.au](http://greencollarclimate.com.au)