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BKM MANAGEMENT LIMITED

ABN: 61 009 146 543

Notice of General Meeting and Information Memorandum

Date: Friday 26th October 2007
Time: 10:00am
Venue: Suite 1, 1233 High Street,
Armadale,
VICTORIA 3143

**This Information Memorandum is dated Friday 21st September 2007 and is provided to
Members of BKM Management Limited ABN 61 009 146 543
("BKM" or "the Company") to be considered in connection with a
General Meeting of the Company**

INFORMATION MEMORANDUM

1. INTRODUCTION

This Memorandum provides information about Resolutions proposed by the Directors of BKM Management Limited ABN 61 009 146 543 (“BKM” or “the Company”) in the attached Notice of General Meeting.

Members will be asked to consider ordinary resolutions approving:

1. the election of Mr. Chiew Yuen Chuen, to serve as a Director of the Company; and
2. the issue of 55 million new BKM Shares to raise working capital for the Company.

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2 THE RESOLUTIONS

Resolution 1: Election of Mr. Chiew Yuen Chuen, to serve as a Director of the Company.

Mr Chiew is multi-lingual Singapore based businessman with an extensive business network in the Asian community. Mr Chiew also brings with him extensive international company knowledge having worked for a number of international companies for over 20 years. Mr Chiew has a Bachelor of Science in Mechanical Engineering and Naval Architecture, from the University of Glasgow.

Directors Recommendation:

BKM Board members do not have an interest in this resolution. All of the BKM Directors recommend Shareholders vote in favour of the resolution.

Resolution 2: Approval of Proposed Placement

The Company proposes to issue 55 million new BKM Shares to raise working capital for the Company at a placement price of \$0.01 per share to raise \$550,000. The placement is being made to the clients of an Asian sophisticated investor group.

The new BKM Shares will be issued on the same terms and conditions as the Company's existing ordinary shares.

Listing Rule Approval:

Under ASX Listing Rule 7.1 an entity must not issue, or agree to issue, more than fifteen percent (15%) of its capital in any 12 month period without the approval of its shareholders. By obtaining Shareholder approval for the issue of the BKM Shares, BKM retains the ability to issue up to fifteen per cent (15%) of its capital to take advantage of any future capital raising opportunities.

Shareholders are asked to consider the approval of this resolution based on the following terms:

- a) The total number of BKM Shares to be issued under this resolution is 55,000,000;
- b) The securities will be issued no later than 3 months after the date of this General Meeting;
- c) The Shares will be issued at an issue price not less than \$0.01 per Share;
- d) The names of the participants are presently unknown. Participants will not include directors or related parties, as defined in the Corporation Act and ASX Listing Rules;
- e) The intended use of the funds raised under the issue is to provide working capital to the Company; and

Directors Recommendation:

BKM Board members do not have an interest in this resolution. All of the BKM Directors recommend Shareholders vote in favour of the resolution.

3. CAPITAL STRUCTURE

The following table illustrates the existing and proposed changes to the Company's capital structure if the Resolutions are approved (subject to the notations).

ISSUED CAPITAL

Ordinary Shares	Number of Securities
Existing BKM Shares	347,754,640
BKM Shares proposed to be issued in accordance with Resolution 2	[^] 55,000,000
Maximum Total Ordinary Shares	[^] 402,754,640

[^] Refer to Resolution 2

Options	Number of Securities
Existing BKMAI Options exercisable at \$0.04 on or before 30 June 2008	194,250,000
Existing Options exercisable at \$0.10 on or before 30 June 2010	20,000,000
Total Options	214,250,000

4. ACTION TO BE TAKEN

Shareholders are requested to either attend personally at the forthcoming meeting to be held at Suite 1, 1233 High Street, Armadale, Victoria at 10.00am on Friday 26th October 2007 or otherwise to forward their proxy form duly completed to be received at the registered office of the Company at Suite 1, 1233 High Street, Armadale, Victoria (or by facsimile to (03) 9822 7735) at least forty-eight (48) hours before the time for holding the meeting.

5. GLOSSARY

“**ASIC**” means the Australian Securities and Investments Commission.

“**ASX**” means Australian Stock Exchange Ltd.

“**ASX Listing Rules**” means the listing rules of the ASX from time to time.

“**Company**” means BKM Management Limited (ABN 61 099 146 543)

“**Directors**” means (unless the context suggests otherwise) the directors of BKM from time to time.

“**Meeting**” means the General Meeting of BKM at which the Resolutions will be considered.

“**Memorandum**” means this Information Memorandum.

“**BKM**” means the Company or BKM Management Limited ABN 61 099 146 543.

“**BKM Share**” means an ordinary fully paid share in the capital of BKM which rank equally with the existing quoted ordinary shares of the Company.

“**Resolutions**” means the resolutions put forward in the Company's Notice of General Meeting dated 21st September 2007, of which this Information Memorandum forms part.

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BKM MANAGEMENT LIMITED

ABN: 61 009 146 543

NOTICE OF GENERAL MEETING

Notice is given that an General Meeting of BKM Management Limited [ABN 61 009 146 543] ("the Company") will be held at Suite 1, 1233 High Street, Armadale, Victoria on Friday 26th October 2007 at 10:00am. This Notice of Meeting should be read in conjunction with the Information Memorandum which accompanies and forms part of the Notice of Meeting.

PROPOSED RESOLUTIONS**Resolution 1: Approval to appoint Mr. Chiew Yuen Chuen, to serve as a Director of the Company**

To consider and, if thought fit, pass the following as an ordinary resolution:

"THAT the members approve the appointment of Mr. Chiew Yuen Chuen, to serve as a Director of the Company."

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 1 by:

1. *persons who participated in the issue; or*
2. *an associate of those persons.*

However, the Company need not disregard a vote on Resolution 1 if:

3. *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;*
4. *it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

Resolution 2: Approval of proposed placement

To consider and, if thought fit, pass the following as an ordinary resolution:

"THAT the members approve the issue of 55 million new BKM Shares to the clients of an Asian sophisticated investor group at an issue price of \$0.01 per share to raise \$550,000 before costs."

Voting Exclusion Statement:

The Company will disregard any votes cast on Resolution 2 by:

5. *persons who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed; or*
6. *an associate of those persons.*

However, the Company need not disregard a vote on Resolution 2 if:

7. *it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;*
8. *it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

Dated: Friday 21st September 2007



Phillip Hains
Company Secretary
BKM Management Limited
By the order of the Board

The accompanying Memorandum and the Proxy and Voting Instructions form part of this Notice of Meeting.

BKM MANAGEMENT LIMITED

ABN: 61 009 146 543

PROXY FORM

All correspondence to:

BKM Management Limited
Suite 1, 1233 High Street
Armadale Victoria
Australia 3143
Ph: 61 3 9824 5254
Fx: 61 3 9822 7735

130101213001110210021312102213220113 1001 BKM

Address
Address
Address

Appointment of Proxy

I/We being a member/s of BKM Management Limited and entitled to vote hereby appoint

the Chairman of
the Meeting
(mark with an "X")

OR

Write here the name of the person you are appointing if this person is **someone other than** the Chairman of the Meeting.

or failing the person named, or if no person is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the General Meeting of BKM Management Ltd to be held at Suite 1, 1233 High Street, Armadale Victoria 3143 Australia at 10:00am on Friday, 26th October 2007 and at any adjournment of that meeting.

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box.

By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of the resolutions/s and that votes cast by the Chairman of the Meeting for those resolutions other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

Voting directions to your proxy – please mark "X" to indicate your directions

	FOR	AGAINST	ABSTAIN*
Resolution 1 Appoint of Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Proposed Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE - This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder 1

Sole Director and
Sole Company Secretary

Security Holder 2

Director

Security Holder 3

Director / Company Secretary

Contact Telephone Number

Contact Name (PRINT)

Contact Daytime Telephone

Date

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How to Complete This Proxy Form

1. **Your Name and Address**

This is your name and address as it appears on the company's share register. If this information is incorrect, please contact the Company's share registry to arrange for changes to be made.

2. **Appointment of a Proxy**

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a security holder of the Company.

3. **Votes on Items of Business**

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be noted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4. **Appointment of a Second Proxy**

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form.

5. **Signing Instructions**

You must sign this form as follows in the spaces provided:

Individual: were the holding is in one name, the holder must sign.

Joint Holding: where the holding is more than one name, all the security holders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below not later than 48 hours before the commencement of the meeting at 10:00am on Friday 26th October 2007. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged by posting, delivery or facsimile to:

<u>Registered Office</u> Suite 1, 1233 High Street PO Box 8646 Armadale, Victoria Australia 3143 Ph: 61 3 9824 5254 Fx: 61 3 9822 7735	<u>Share Registry</u> Advanced Share Registry Services 110 Stirling Hwy Nedlands, Western Australia 6009 Ph: 61 8 9389 8033 Fx: 61 8 9389 7871
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