

BKM MANAGEMENT LIMITED

ABN: 61 009 146 543

Notice of Annual General Meeting and Explanatory Memorandum

Date: Friday, 30 November 2018
Time: 3:00 pm (AEDT)
(registration from 2:45 pm)
Venue: Level 3
62 Lygon Street
Carlton, Victoria, 3053

*This is an important document. It should be read in its entirety.
If you are in doubt as to the course you should follow, consult your financial or other professional adviser.*

For personal use only

BKM MANAGEMENT LIMITED

ABN: 61 009 146 543

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of BKM Management Limited ("the Company") will be held at Level 3, 62 Lygon Street, Carlton, Victoria, 3053, on **Friday, 30 November 2018 at 3:00 pm (AEDT)**.

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the Annual General Meeting. The Explanatory Memorandum and the proxy form are part of and should be read in conjunction with this Notice of Meeting.

This Notice of Meeting should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

BUSINESS**2018 Annual Financial Report**

To receive and consider the Annual Financial Report of the Company for the financial year ended 30 June 2018 together with the declaration of the Directors' and the reports of the Directors and Auditors.

While no resolution is required in relation to this item, shareholders will be given the opportunity to ask questions and make comments on the Company's Annual Financial Report.

A representative of Company's Auditor, Grant Thornton Audit Pty Ltd, will be present at the Meeting and Shareholders will have an opportunity to ask the Auditor's representative questions in relation to the conduct of the audit, the Auditor's report, the Company's accounting policies, and the independence of the Auditor.

The BKM Management Limited 2018 Annual Financial Report can be obtained from Australian Securities Exchange website, www.asx.com.au or upon request to the Company Secretary at the Company's registered office, Level 3, 62 Lygon Street, Carlton, Victoria, Australia (telephone +61 (0)3 9824 5254).

ORDINARY BUSINESS – RESOLUTIONS

To consider, and if thought fit, to pass, with or without amendment, the following ordinary resolutions:

Resolution 1: Approval of the adoption of the 2018 Non-Binding Remuneration Report

"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2018 included in the Directors' Report, which is attached to the Company's Annual Financial Report as required under section 300A of the Corporations Act, be adopted by the Company."

Note: This resolution shall be determined under section 250R(2) Corporations Act. Votes must not be cast on this resolution by key management personnel (KMP) and closely related parties in contravention of section 250R or 250BD Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

Further details in respect of Resolution 1 are set out in the Explanatory Memorandum accompanying this Notice.

Resolution 2: Re-election of Director, Mr Alvin Tan

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

"That, for the purposes of ASX Listing Rule 14.4, the Company's Constitution and for all other purposes, Mr Alvin Tan, a Director of the Company retires and, being eligible, be re-elected as a Director of the Company."

Further details in respect of Resolution 2 are set out in the Explanatory Memorandum accompanying this Notice.

Resolution 3(a): Ratification of issue of shares to Eileen Song Young Keng

The following resolution is proposed to be put at the AGM if shares have been issued to Eileen Song Young Keng (described in the Explanatory Memorandum) prior to the AGM:

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

“That for the purposes of ASX Listing Rule 7.4 and all other purposes shareholders ratify and approve the prior issue of up to 50,000,000 fully paid ordinary shares at an issue price of 0.2 cents per share to raise up to \$100,000 (before costs of the issue) to Eileen Song Young Keng (who is not a related party of the Company) as described in the Explanatory Memorandum.”

Further details in respect of Resolution 3(a) are set out in the Explanatory Memorandum accompanying this Notice.

Resolution 3(b): Approval for issue of shares to Eileen Song Young Keng

The following resolution is proposed to be put at the AGM if shares are proposed to be issued after the AGM:

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

“That for the purposes of ASX Listing Rule 7.3 and all other purposes shareholders approve and authorise the issue of up to 50,000,000 fully paid ordinary shares at an issue price of 0.2 cents per share to raise up to \$100,000 (before costs of the issue) to Eileen Song Young Keng (who is not a related party of the Company) as described in the Explanatory Memorandum.”

Further details in respect of Resolution 3(b) are set out in the Explanatory Memorandum accompanying this Notice.

QUESTIONS AND COMMENTS BY SHAREHOLDERS AT THE MEETING

A reasonable opportunity will be given to shareholders to ask questions and/or make comments on the management of the Company at the Meeting.

A reasonable opportunity will be given for shareholders to ask questions of the Company's external auditor, William Buck Audit (VIC) Pty Ltd. These questions should relevant to:

- a) the conduct of the audit;
- b) the preparation and contents of the audit report;
- c) the accounting policies adopted by the Company in relation to the preparation of its financial statements; and
- d) the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit a written question to William Buck Audit (VIC) Pty Ltd if the question is relevant to the content of the audit report or the conduct of its audit of the Company's financial report for the year ended 30 June 2018. Relevant written questions for the external auditor must be received by the Company by no later than **48 hours before Friday, 30 November 2018 at 3:00 pm (AEDT)**. A representative of William Buck Audit (VIC) Pty Ltd will provide answers to the questions at the Meeting.

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INFORMATION FOR SHAREHOLDERS

PROXY INSTRUCTIONS

A member who is entitled to vote at a meeting may appoint:

- (a) one proxy if the member is only entitled to one vote; and
- (b) one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at the registered office of the Company or sent by facsimile transmission to the Company's registered office on +61 (0)3 9822 7735 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the *Corporations Act*. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice.

VOTING ENTITLEMENT

For the purposes of the *Corporations Act* and Corporations Regulations shareholders entered on the Company's Register of Members as at **3:00 pm (AEDT) on Wednesday, 28 November 2018** are entitled to attend and vote at the meeting (48 hours before the commencement of the meeting).

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

UNDIRECTED PROXIES

The Chairman of the meeting will vote undirected proxies on, and in favour of, all of the proposed resolutions (this includes Resolution 1).

If you appoint the Chairman of the meeting as your proxy (or if he may be appointed by default), but you do not direct the Chairman how to vote in respect of Resolution 1, your election to appoint the Chairman as your proxy will be deemed to constitute an express authorisation by you directing the Chairman to vote your proxy in favour of Resolution 1 (unless you have exercised your right to direct the Chairman otherwise in respect of a particular Resolution by marking the 'against' or 'abstain' column in respect of any of the relevant resolutions).

This express authorisation acknowledges that the Chairman may vote your proxy even if he or she has an interest in the outcome of Resolution 1, even if the Resolution is connected directly, or indirectly, with the remuneration of a member, or members of the KMP of the Company (or if the Company is part of a consolidated entity, for the entity) and accordingly your votes will be counted in calculating the required majority if a poll is called.

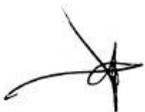
CORPORATE REPRESENTATIVES

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting. A form of appointment can be obtained from the Company's share registry, Advance Share Registry Services Pty Ltd:

Phone: +61 (0)8 9389 8033

Fax: +61 (0)8 9262 3723

By the order of the Board;



Phillip Hains
Company Secretary
26 October 2018

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the Annual General Meeting to be held on **Friday, 30 November 2018 at 3:00 pm (AEDT)** at:

Level 3
62 Lygon Street
Carlton, Victoria, 3053

The purpose of the Explanatory Memorandum is to provide information which the Directors believe to be material to shareholders in deciding whether to pass the resolutions in the Notice of Meeting.

ORDINARY BUSINESS – RESOLUTIONS

Resolution 1: Approval of the adoption of the 2018 Remuneration Report

The Remuneration Report of the Company for the financial year ended 30 June 2018 is set out in the BKM Management Limited 2018 Annual Report which is available on the Australian Securities Exchange website, www.asx.com.au.

The Remuneration Report sets out the Company's remuneration arrangements for Directors and key management personnel. The Chairman will allow a reasonable opportunity for shareholders to ask questions about, or make comments on, the remuneration report at the meeting before calling for a vote on the remuneration report.

The resolution is advisory only and does not bind the Company or its Directors. The Board will consider the outcome of the vote and comments made by shareholders on the Remuneration Report at the meeting when reviewing the Company's remuneration policies.

The Board abstains from making a recommendation in relation to Resolution 1.

The Chairman intends to exercise all undirected proxies in favour of Resolution 1.

Resolution 2: Re-election of Director, Mr Alvin Tan

Listing Rule 14.4 and the Company's Constitution states that no Director, except the Managing Director, may hold office for more than 3 years without offering themselves for re-election, and that at every Annual General Meeting, one-third of the previously elected Directors must retire from office.

Mr Alvin Tan will retire at the Annual General Meeting and, being eligible, seeks re-election.

Mr Alvin Tan – Chairman

Appointed by shareholders: 7 March 2002
Re-elected by shareholders: 24 November 2015
Qualifications: Bachelor of Commerce (with honours)

Alvin Tan has a wide range of experience in investment markets in Australia and overseas. He has worked with KPMG Peat Marwick in Kuala Lumpur and has been an investment advisor in the Asia-Pacific equity markets for DJ Carmichael Pty Ltd.

Alvin Tan is also a director of South Pacific Resources Limited (formally Coral Sea Petroleum Limited since 2000) and Advance Share Registry Limited (since 2007).

The Directors, other than Mr Alvin Tan who abstains, recommend that Shareholders vote in favour of this resolution.

Resolutions 3(a) and 3(b): Issue of shares

As set out on pages 2 and 3, Resolution 3(a) will proceed and Resolution 3(b) will be withdrawn if the shares have been issued before the AGM. If the shares have been issued before the AGM, Resolution 3(b) will proceed and Resolution 3(a) will be withdrawn.

The following information is provided in respect of both Resolutions 3(a) and 3(b), with information specific to each of them identified as applicable.

On 1 September 2018, the Company received an application for up to 50,000,000 fully paid ordinary shares to raise up to \$100,000 before costs at 0.2 cents per share to Eileen Song Young Keng (who is a not related party of the Company).

Resolutions 3(a) and 3(b) seek shareholder approval to ratify prior issues pursuant to ASX Listing Rule 7.4 if shares are issued before the AGM in the case of Resolution 3(a), and authorisation to issue shares after the AGM if the transaction has not been completed by the AGM.

The shares which are the subject of Resolutions 3(a) and 3(b) are proposed to be issued either after this Notice of Meeting is sent to shareholders but before the AGM is held (without shareholder approval under ASX Listing Rule 7.1) or after the AGM (with shareholder approval under Listing Rule 7.3). The Company has sufficient capacity under Listing Rule 7.1 to issue the shares without shareholder approval; however, the timing of the issue is uncertain, so the Company is seeking either post-issue ratification or pre-issue authorisation by shareholders. Resolution 3(a) will only be put to the AGM if shares have been issued before the AGM. If the shares have not been issued before the AGM, Resolution 3(a) will be withdrawn. Resolution 3(b) will only be put to the AGM if the transaction is to be completed after the AGM.

The Company will make an announcement to ASX if shares are issued before the AGM and whether either of Resolution 3(a) or 3(b) will be proceeded with or withdrawn and will also advise shareholders at the AGM.

Shares are proposed to be issued under Listing Rule 7.1 (if issued before the AGM). The Company will announce details and provide information to ASX as required by the Listing Rules if the shares are issued. The details will be available on the ASX website under the Company's code "BKM".

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of that twelve (12) month period.

Resolution 3(a): ASX Listing Rule 7.4 provides that where a Company's shareholders ratify prior issues of securities made pursuant to ASX Listing Rule 7.1 (provided that the prior issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

Resolution 3(b): The shares which are the subject of Resolution 3(b) are proposed to be issued under ASX Listing Rules 7.1 and 7.3 after the AGM, if the transaction has not been completed before the AGM. Resolution 3(b) will only be put to the AGM if the transaction has not been completed before the AGM. If the transaction is completed before the AGM, Resolution 3(b) will be withdrawn.

In compliance with the information requirements of ASX Listing Rule 7.5, shareholders are advised of the following particulars on the allotment and issue:

The number of securities and details of issue	50,000,000 ordinary shares If the shares are issued after the AGM under Resolution 3(b), they will be issued within three (3) months after the date of the Meeting.
Issue price per security	\$0.002 per share
Terms of security	Shares ranking equally with all existing shares
Persons whom securities were/will be issued or basis of issue	Eileen Song Young Keng
Use of funds raised	Private placement to sophisticated/professional investor to fund working capital and investigate opportunities for new business.
Voting exclusion statement	The entity will disregard any votes cast in favour of the resolution by or on behalf of: <ul style="list-style-type: none"> the named person (Eileen Song Young Keng) excluded from voting; or an associate of the named person. <p>However, the entity need not disregard a vote if:</p> <ul style="list-style-type: none"> 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; or 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.

The Directors of the Company believe that Resolutions 3(a) and 3(b) (as applicable) are in the best interests of the Company and unanimously recommend that shareholders vote in favour of the applicable Resolution.

ACTION TO BE TAKEN

Shareholders are requested to either attend personally at the forthcoming Annual General Meeting to be held at Level 3, 62 Lygon Street, Carlton, Victoria, on Friday, 30 November 2018 at 3:00 pm (AEDT), or otherwise to forward their proxy form duly completed to be received at the registered office of the Company at Level 3, 62 Lygon Street, Carlton, Victoria (or by facsimile to +61 (0)3 9822 7735) at least 48 hours prior to the commencement time for holding the meeting.

GLOSSARY

"AEDT" means Australian Eastern Daylight Saving Time.

"AGM" means the Annual General Meeting of the Company the subject of this Notice of Meeting.

"Annual General Meeting" means the Annual General Meeting of the Company the subject of this Notice of Meeting.

"ASIC" means the Australian Securities and Investments Commission.

"ASX" means ASX Limited [ACN: 008 624 691] and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

"ASX Listing Rules" means the listing rules of the ASX.

"BKM" means the Company or BKM Management Limited ABN 61 009 146 543.

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

"Company" means BKM Management Limited (ABN 61 009 146 543)

"Corporations Act" means *Corporations Act 2001* (Cth).

"Directors" means (unless the context suggests otherwise) the Directors of BKM from time to time.

"Meeting" means the 2018 Annual General Meeting of BKM at which the resolutions will be considered.

"Memorandum" means this Information Memorandum.

"Resolutions" means the resolutions put forward in the Company's Notice of Annual General Meeting, of which this Information Memorandum forms part.

"Shareholder(s)" means a person appearing on the Company's share register as a holder of a BKM share.

"Trading days" means days on which the Company's fully-paid ordinary BKM shares are traded on the ASX.

"VWAP" means "volume weighted average share price".

BKM Management Limited

ABN: 61 009 146 543
("the Company")

Please return completed form to:
The Company Secretary
BKM Management Limited
PO Box 655
Carlton South, Victoria, 3053
AUSTRALIA
OR: Fax: +61 (0)3 9822 7735

<SAMPLE NAME>

<SAMPLE ADDRESS>

<SAMPLE ADDRESS >

<SAMPLE ADDRESS >

SRN/HIN: _____

STEP 1 – Appointment of proxy

I/We being a shareholder/s of **BKM Management Limited** and entitled to attend and vote hereby appoint:

the Chairman of the Meeting (mark with an 'X') **OR**

If you are not appointing the Chairman of the Meeting as your proxy, please write here the full name of the individual or body corporate (excluding the registered security holder) you are appointing as your proxy.

OR failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy at the **2018 Annual General Meeting of BKM Management Limited to be held at Level 3, 62 Lygon Street, Carlton, Victoria, 3053, Australia on Friday, 30 November 2018 at 3:00 pm (AEDT)** and at any adjournment of that Meeting, to act 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.

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default, by signing and returning this form, you expressly authorise the Chairman of the Meeting to exercise your proxy in relation to Resolution 1, even though Resolution 1 relates to the remuneration of the Company's key management personnel. Where permitted, the Chairman of the Meeting intends to vote undirected proxies in favour of Resolutions 1 to 3(b).

If you do not wish to appoint the Chairman of the Meeting to vote on Resolutions 1 to 3(b) in this manner, it will be necessary for you to complete the vote directions in Step 2.

STEP 2 – Voting directions to your proxy – please mark to indicate your directions

Ordinary business	For	Against	Abstain
Resolution 1: Approval of the adoption of the 2018 Non-Binding Remuneration Report.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2: Re-election of Director, Mr Alvin Tan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(a): Ratification of issue of shares to Eileen Song Young Keng	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3(b): Approval for issue of shares to Eileen Song Young Keng	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 – PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or securityholder 1	Securityholder 2	Securityholder 3
_____ Sole Director and Sole Company Secretary	_____ Director	_____ Director/Company Secretary

Contact name: Telephone: Date / / 2018

Email address:

YOUR VOTE IS IMPORTANT

FOR YOUR VOTE TO BE EFFECTIVE IT MUST BE RECORDED BEFORE 3:00 PM (AEDT) ON WEDNESDAY, 28 NOVEMBER 2018

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 – Appointment of proxy

Indicate here who you want to appoint as your proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the full name of that individual or body corporate. 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 shareholder of the Company. Do not write the name of the issuer company or the registered member in the space.

Proxy which is a body corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the Meeting must provide evidence of his or her appointment by providing an "Appointment of Corporate Representative" form prior to admission. An Appointment of Corporate Representative form can be obtained from the Company.

Appointment of a second proxy

You are entitled to appoint up to two 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 or you may copy this form.

To appoint a second proxy, you must:

- Complete two proxy forms. On each proxy form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded;
- Return both forms together (i.e. in the same envelope, or as a single fax).

STEP 2 – Voting directions to your proxy

You can tell your proxy how to vote. To direct your proxy how to vote, place a mark in one of the boxes opposite each resolution. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution 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 a resolution, your vote on that resolution will be invalid.

STEP 3 – Sign the form

The form **must** be signed as follows:

Individual: this form is to be signed by the securityholder.

Joint holding: where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the Company. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a director jointly with either another director or a company secretary. Where the Company has a sole Director, who is also the sole Company Secretary, this form must be signed by that person.

Please indicate the office held by signing in the appropriate place.

STEP 4 – 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 3:00 pm on Wednesday, 28 November 2018. Any proxy form received after that time will not be valid for the scheduled Meeting.

Proxies may be lodged:

- | | |
|------------------|---|
| BY MAIL | BKM Management Limited
PO Box 655
Carlton South, VIC, 3053, Australia |
| BY FAX | + 61 (0) 3 9822 7735 |
| IN PERSON | BKM Management Limited
Level 3, 62 Lygon Street
Carlton, VIC, 3053, Australia |

Attending the Meeting

If you wish to attend the Meeting please bring this form with you to assist registration.