

BKM MANAGEMENT LIMITED

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Company Update

The Board of BKM Management Limited (“BKM” or the “Company”) provides the following update on the Company.

Previously BKM advised that it had entered into a non-binding term sheet to acquire 100% of Zenith Agro Group Pty Ltd, an agricultural company focused on Agarwood tree plantation development in Cambodia (“Proposed Transaction”). Subsequently the Company indicate that the project may have difficulty in being acquired under the original terms agreed between the parties and the board was reviewing its position in relation to this transaction. Further the Company announced that, “after extensive due diligence and negotiations, the parties have mutually agreed not to proceed at this time.

Also previously announced was that the Board was working with the management team at IGC Asia to identify additional investment opportunities in primary industry and resource sectors. Nothing has materialised through this initiative and for this reason, the Board has ceased discussions with IGC Asia and has resumed focus on its existing modelling business, Scene Model Management (Scene).

We are pleased to announce changes implemented more recently in the operation of Scene have strengthened the business and the Board has engaged additional resources to further review, develop and expand the operations in its model placement and actor management division. There are a number of new business initiatives which have been identified that can be rolled out under the Scene banner, including a modelling academy, to derive more revenue for the Company. The Company will announce its strategy to develop Scene in a separate announcement.

It is the Boards intention to seek additional funding to implement an expanded business operations utilising the Scene brand ahead of seeking reinstatement of trading on the ASX at a later date.

Yours sincerely,



Phillip Hains
Company Secretary