

**COMPANY ANNOUNCEMENT  
(ASX: BKM)****9 May 2011****Acquisition Agreement Potash & Rare Earth (RE) Projects****HIGHLIGHTS**

- **Investment Agreement signed with ORD River Diamond Pty Ltd (ORD)**
- **Pilbara Tenements - Potash – up to 10% K<sub>2</sub>O (Potassium Oxide) in drill sampling**
- **Weighted Average 16m at 7.07% K<sub>2</sub>O for a 40Mt Exploration Target<sup>1</sup>**
- **Greenbushes Tenements – Lithium, Tin & RE Project**
- **Historical exploration recorded Tin**
- **On-strike with Talison Lithium mine**

**Investment Agreement**

BKM Management Ltd (BKM) is pleased to announce that it has entered into an investment agreement for a 30% interest in ORD River Diamonds Pty Ltd (ORD) which has 100% ownership of exploration tenements in the Pilbara and Greenbushes areas in Western Australia.

ORD is planning to seek a listing on the Australian Securities Exchange (ASX) later this year which will allow BKM to monetize its interest in the investment. BKM's investment contribution will be a combination of monetary and non-monetary considerations, the detailed terms of which are subject to confidentiality agreements. Its monetary contribution will be towards costs in assisting ORD towards a listing of which up to A\$200,000 will be reimbursed out of the funds raised, should the ASX listing proceed. BKM's 30% interest (on a pre-IPO basis) is conditional on the Initial Public Offering (IPO) occurring. BKM also has the right to assist ORD with the ongoing management of the IPO process.

BKM shareholders will also receive priority in the application for IPO shares.

The ORD directors have agreed to take all the necessary actions to convert the company to a public company and enable BKM management to carry out its obligations under the terms of the agreement to achieve a successful listing. ORD also intends to change its name prior to listing.

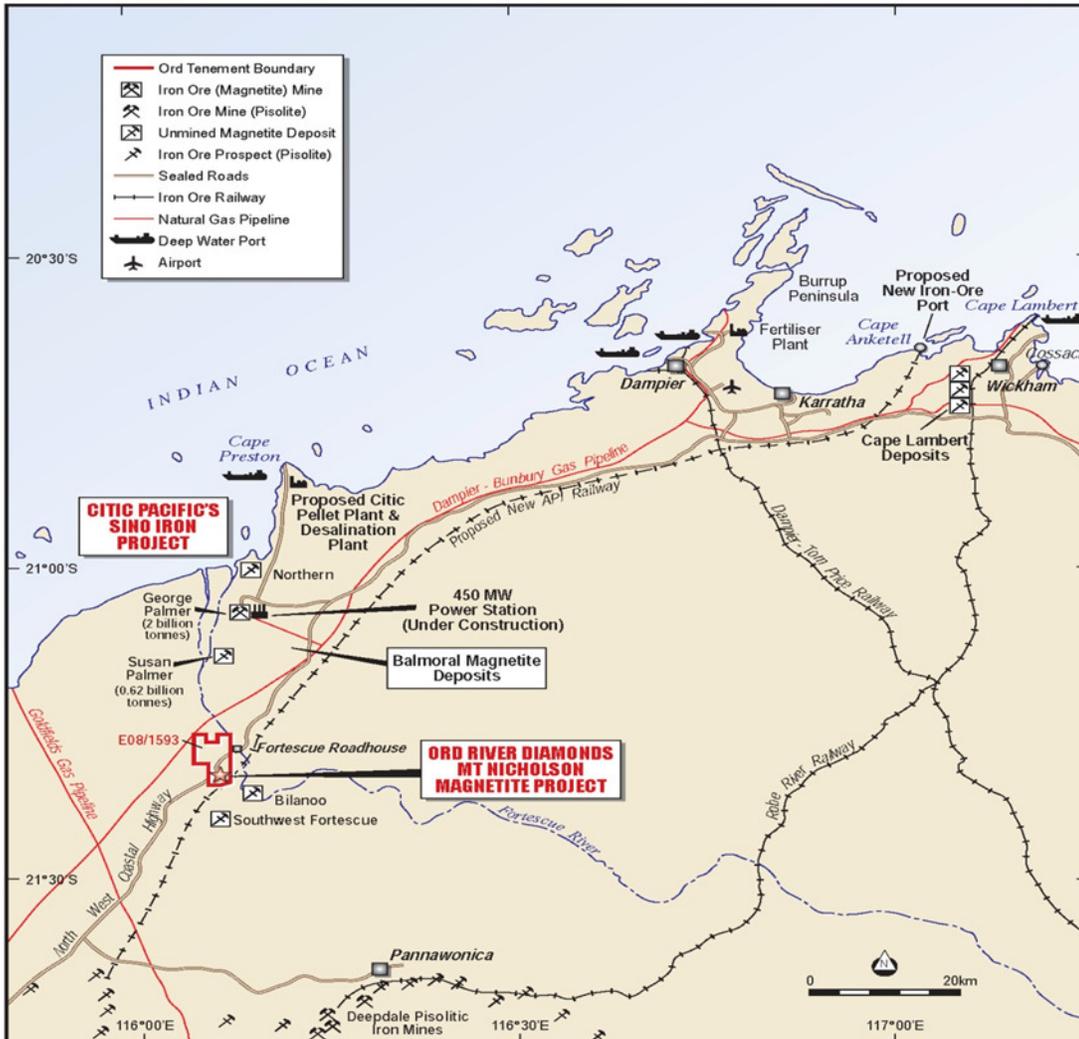
The board of BKM is confident that the ORD IPO will be well received as BKM considers that its tenements are well located with excellent potential. The intent is for a minimum of \$4million to be raised under the IPO.

**About ORD**

ORD has raised seed capital over the last two years in order to establish the company, identify and obtain the tenements, and advance exploration to a point where it is now seeking to convert to a public company and list on the ASX.

In total, ORD has acquired an interest in eight exploration licences and applications in the Pilbara and Greenbushes areas of Western Australia.

## Pilbara Tenement (E08/1593)



ORD's Pilbara tenement is located about 120kms south of Karratha and is divided by a sealed highway and about 10kms south east of a major gas pipeline. Location is ideal for infrastructure requirements. It is about 40kms away from the Sino magnetite iron ore project.

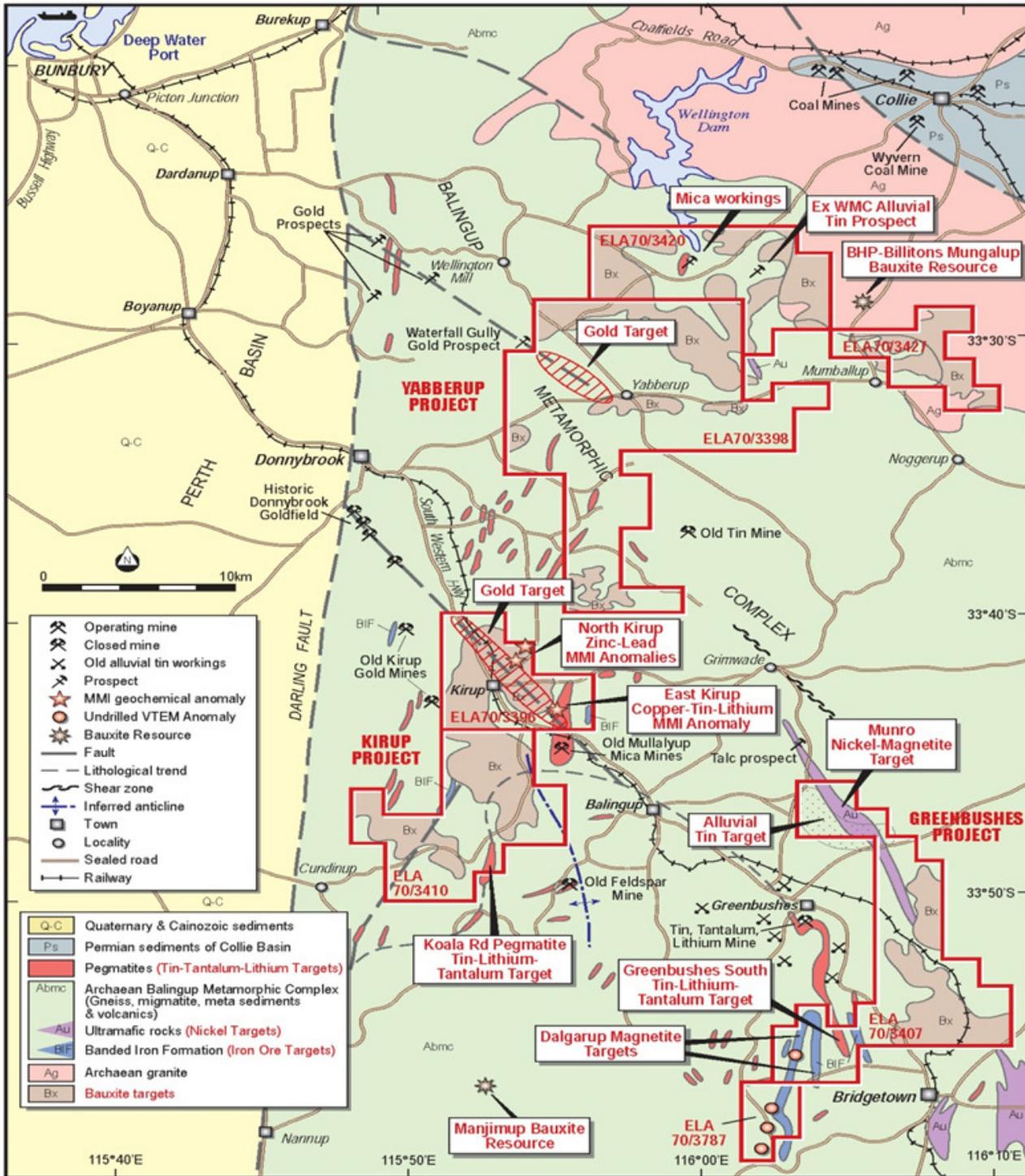
ORD has conducted advanced exploration on its granted Pilbara exploration licence with rock chip sampling geophysical investigation and lately RC drilling to test the magnetite and potash/graphite/sulphur potential of a unique volcanoclastic sequence of rocks.

The Pilbara Mt Nicholson Project has overlying dolomitic limestone and outcropping magnetite beds of the Marra Mamba Banded Iron Formation [MMIF] with lenses of magnetite from surface dipping at about 40-50 degrees. Of new interest has been the recovery of up to 10% K<sub>2</sub>O in graphitic shales immediately below the MMIF through drilling in 2010 and is also associated with sulphides at greater depth.

Table 1 Weighted average for drill holes

Weighted Average for the down holes with anomalous S/K <sub>2</sub> O/Zn									
Metres	Drill Hole	Easting	Northing	Depth		S XRF	K <sub>2</sub> O	Zn	
				from	to	%	%	%	
10	MNRC002	8234	40426	56	66	4.71	8.27	0.08	
14	MNRC002			70	84	10.96	8.34	0.12	
6	MNRC002			84	90	18.19	3.75	0.06	
10	MNRC003	8217	40337	62	72	10.65	6.25	0.07	
22	MNRC003			76	98	12.07	6.30	0.09	
10	MNRC005	8186	40296	88	108	13.55	6.85	0.10	
8	MNRC009			80	88	4.53	10.44	0.10	
24	MNRC009	8515	40067	92	116	11.78	6.77	0.09	
2	MNRC009			117	119	2.32	2.16	0.01	
36	MNRC010	8487	40025	92	128	8.86	6.73	0.08	
30	MNRC013	8803	39786	80	110	10.01	7.73	0.11	
Av of Av	<b>15.64</b>					<b>10.21</b>	<b>7.07</b>	<b>0.09</b>	
cut off						4%	1%	0.01%	

# Greenbushes Tenement



In the Greenbushes area of the south west of Western Australia ORD has focussed on strategic tenements for lithium, tin, RE, gold and Banded Iron Formation (BIF). The region is supported by major infrastructure roads, rail and a modern Bunbury Port.

A limited airborne magnetic and radiometric survey and ground proofing has shown structural trends and rock chip sampling identified pegmatite, similar to the Greenbushes area.

Talison Lithium owner of the large world class lithium operation exists as neighbour to ORD. ORD intends to consider exploring on strike of the Talison Lithium Greenbushes which appears to trend into ORD's tenements.

Historically, tin is recorded in the North East area of pegging where WMC discovered cassiterite. The latter is a bauxite area where BHP has also over pegged ORD's tenement. The area is modelled on the Greenbushes tin areas where cassiterite was originally recovered from alluvials prior to deeper pegmatite being found and mined not only for tin and lithium but niobium and tantalum.

Airborne geophysics has outlined structural trends that are considered worthy for RE and gold apart from the pegmatite potential observed elsewhere such as at the Koala Road pegmatite.

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For further information, please contact:

ALVIN TAN  
Chairman  
BKM Management Limited  
[alvin@bkmmanagement.com](mailto:alvin@bkmmanagement.com)

CYRIL GEACH  
Director  
ORD River Diamonds Pty Ltd  
M: +61 439 926 731  
[cyril@cyrilgeach.com](mailto:cyril@cyrilgeach.com)

## **About BKM**

BKM Management Limited (BKM) is a diversified company with investments in Australia and Asia. In particular these investments have been increasingly focussed on the energy business, with BKM now holding an interest in the Singapore based oil and gas trading house, IGC Asia Pte Ltd (IGC). Through its interest in IGC, the Company has been engaged in evaluating energy projects in Mongolia, where oil, gas and coal developments have been attracting world attention. IGC's parent company, CBS Ventures Inc., a substantial shareholder in BKM, has a joint venture in Block XXX in the south-west of Mongolia. BKM has been in negotiations with CBS to acquire an interest in this block. In addition, the Company is actively seeking other attractive projects in Mongolia, with the intention to position itself as a key participant in the development of energy projects in the country.

## **Competency Statement**

*The information in this announcement that relates to exploration results is based on information compiled by Ord River Diamonds Pty Ltd and is based on information provided by Mr Cyril Leslie Geach BSc (Hons-Geology) who is a member of the Australian Institute of Geoscientists. Mr Geach has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as defined in the 2004 edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Geach is a Director of Ord River Diamonds Pty Ltd and consents to the inclusion in the announcement of the matters based on his information in the form and content in which it appears.*

<sup>i</sup> All statements as to exploration targets of Ord River Diamond Pty Ltd and statement as to potential quality and grade are conceptual in nature. There has been insufficient exploration undertaken to date to define a resource and identification of a resource will be totally dependent on the outcome of further exploration. Any statement contained herein as to exploration results or exploration targets has been made consistent with the requirements of the JORC Code.