Silkroad Nickel Ltd.
(Company Registration Number 200512048E)
(Incorporated in the Republic of Singapore)

DISCLOSURE PURSUANT TO RULES 705(6) AND 705(7) OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (THE "SGX-ST") LISTING MANUAL SECTION B: RULES OF CATALIST (THE "CATALIST RULES")

Pursuant to Rules 705(6) and 705(7) of the Catalist Rules, the board of directors (the "**Board**") of Silkroad Nickel Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to provide the following update.

Rule 705(6)(a) of the Catalist Rules

(i) Use of funds/cash for the quarter:-

For the third quarter from 1 July 2020 to 30 September 2020 ("**3Q 2020**"), funds/cash were mainly used by the Group for the following activities:-

Purpose	Forecasted usage of funds (US$'000)	Actual usage of funds (US$'000)
Development activities*	47	46
Production activities	480	67
General working capital	300	107
Total	**827**	**220**

* Development activities include capital expenditures.

Actual funds used for production activities in 3Q 2020 was US$0.4 million lower than forecasted as mining production was temporarily suspended, mainly due to (a) floods as a result of heavy rainfall at the mining site; and (b) the Group's main mining contractor, PowerChina, was still unable to deploy its personnel from China as the travel ban to and from China imposed by the Indonesia Government due to the COVID-19 pandemic outbreak is still in place.

Actual funds used for general working capital in 3Q 2020 was US$0.2 million lower than forecasted mainly due to cost saving measures taken by the Group to manage its cash flow.

(ii) Projection on the use of funds/cash for the next immediate quarter, including material assumptions:-

For the next immediate quarter from 1 October 2020 to 31 December 2020 ("**4Q 2020**"), funds/cash are expected to be used by the Group for the following activities:-

Purpose	Amount (US$'000)
Development activities	100
Production activities	500
General working capital	600
Total	**1,200**

Principal assumptions

Projected use of funds is based on local sales and for certain items, including, but not limited to, expenses incurred for the Group's mine development activities, will vary according to the Group's rate of nickel mining and production. Accordingly, if the Group's rate of nickel mining

and production changes, the Group's use of funds for mine development activities will change as well.

In addition, the level of exploration and production activities at the Group's mine site will vary depending on the weather conditions, the development of the COVID-19 pandemic as well as the COVID-19 safety considerations and travel restrictions imposed by the Indonesian Government and/or regulatory authorities.

Rule 705(6)(b) of the Catalist Rules

The Board confirms that, to the best of its knowledge, nothing has come to its attention which may render the information provided in this announcement to be false or misleading in any material aspect.

Rule 705(7) of the Catalist Rules

Details of any exploration (including geophysical surveys), development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

During 3Q 2020, no exploration activities were carried out and production activities were temporarily suspended due to floods as a result of heavy rainfall at the mine site. As the travel ban to and from China imposed by the Indonesia Government due to the COVID-19 pandemic outbreak is still in place, the workers from PowerChina, the Group's main mining contractor, are unable to return to Indonesia from China. However, production activities have resumed in 4Q 2020 with the deployment of the Group's local Indonesian employees, but albeit at lower levels due to the ongoing COVID-19 pandemic, staff safety considerations and a smaller number of the Group's local Indonesian employees working on the mine site.

By Order of the Board
Abdul Jabbar Bin Karam Din
Company Secretary
9 November 2020

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Alice Ng, Director of Continuing Sponsorship, ZICO Capital Pte. Ltd. at 8 Robinson Road, #09-00 ASO Building, Singapore 048544, telephone (65) 6636 4201.