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 2022 to 30 September 2022 ("**3Q2022**"), the forecast and actual use of funds/cash of the Group were as follows:-

Purpose	Forecasted usage of funds (US$'000)	Actual usage of funds (US$'000)
Development activities	300	-
Production activities	6,500	7,624
General working capital	2,500	2,394
Total	**9,300**	**10,018**

There were no development activities in 3Q2022.

Actual funds used for production activities in 3Q2022 was US$1.1 million higher than forecasted as the Group increased its production capacity to fulfill its customer contracts.

Actual funds used for general working capital in 3Q2022 was US$0.1 million lower than forecasted primarily as a result of the Group's continued prudent cost management measures, which resulted in cost reduction.

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

For the next immediate quarter from 1 October 2022 to 31 December 2022 ("**4Q2022**"), funds/cash are expected to be used by the Group for the following activities:-

Purpose	Amount (US$'000)
Development activities	300
Production activities	7,500
General working capital	2,500
Total	**10,300**

Principal assumptions

Projected use of funds is based on the current production and sales estimates to fulfill the sales contract. 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 3Q2022, no exploration and development activities were carried out.

In relation to production activities, a total of 304,668 metric tons of nickel ore was produced during 3Q2022. Please refer to part (i) to Rule 705(6)(a) of the Catalist Rules above for information on the amount of expenditure incurred on the production activities in 3Q2022.

By Order of the Board
Abdul Jabbar Bin Karam Din
Company Secretary
26 October 2022

*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. Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.