Silkroad Nickel Ltd.
(Company Registration No.: 200512048E)
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COMPLETION OF THE ACQUISITION OF PT ANUGRAH TAMBANG SMELTER

*Unless otherwise defined, all capitalised terms used in this announcement shall have the same meanings as ascribed to them in the announcement dated 3 December 2020 (the "**Announcement**") issued by the Company (as defined below).*

The board of directors (the "**Board**") of Silkroad Nickel Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Announcement in relation to, *inter alia*, the acquisition of 99% equity interests in PT Anugrah Tambang Smelter ("**PT ATSM**") ("**Acquisition**"). The Board wishes to announce that the Company's wholly-owned subsidiary, Silkroad Metal Industries Pte. Ltd. ("**SMI**"), had, on 25 February 2022, completed the Acquisition by effecting the transfer of legal title of the Sale Shares from PT BMS and Mr Hong (the "**Vendors**") to SMI. The aggregate cash consideration of US$20,000 was paid to the Vendors today. Please refer to the Announcement[1] for more information on the Acquisition.

Pursuant to the terms and conditions of the Agreement, with the signing of the Agreement and all the requirements and obligations of the parties to the Agreement with respect to the Sale Shares having been implemented, the Company has the right and become the owner of the Sale Shares as at the date of the Agreement. The Company and the Vendors have also agreed through two supplemental agreements dated 1 September 2021 and 2 September 2021 that, from the date of the Agreement until the completion of the Acquisition by SMI, (i) all costs, risks and rewards in respect of the smelter project of PT ATSM will be borne by the Company; and (ii) all works undertaken and services rendered in respect of the smelter project of PT ATSM and any agreements entered into jointly by the Company and PT ATSM or by PT ATSM will be for the sole benefit of the Company whilst the Company completes its

[1] Due to an inadvertent oversight by the Company, it was stated erroneously in the Announcement that *"the Acquisition has been completed on 2 December 2020, and since then, PT ATSM is 99% and 1% owned by SMI and PT BMS, respectively"*.

financial and operational assessment of the smelter project. The Company has to date spent approximately US$2 million on technical due diligence, feasibility studies and engineering design, professional advisory and consultancy fees, project management consultant fees and administration and utility and materials costs in relation to its evaluation of the smelter project.

The Group is committed to its strategy of expanding its business for the production and export of nickel pig iron and continues to discuss with financing and operating partners regarding building and operating a smelter facility in Sulawesi, Indonesia. The Company will provide its shareholders with updates on any such material development, in accordance with the requirements of the Catalist Rules.

The consideration for the Acquisition was funded by the Group's internal resources, and the completion of the Acquisition is not expected to have any material impact on the net tangible assets or earnings per share of the Company and the Group for the current financial year ending 31 December 2022.

Save as disclosed in the Announcement, none of the Directors or controlling Shareholders and their respective associates has any interest, direct or indirect, in the Acquisition (other than through their respective shareholdings in the Company, if any).

By Order of the Board

Hong Kah Ing
Executive Director and Chief Executive Officer
28 February 2022

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*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.