

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

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**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”)**

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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 first quarter from 1 January 2021 to 31 March 2021 (“**1Q2021**”), the forecast and actual use of funds/cash of the Group were as follows:-

<b>Purpose</b>	<b>Forecasted usage of funds (US\$’000)</b>	<b>Actual usage of funds (US\$’000)</b>
Development activities*	50	15
Production activities	300	321
General working capital	300	402
<b>Total</b>	<b>650</b>	<b>738</b>

\* Development activities include capital expenditures.

Actual funds used for development activities in 1Q2021 was US\$35,000 lower than forecasted mainly due to a decrease in capital expenditure incurred on hiring and acquiring production equipment in January and February 2021.

Actual funds used for production activities in 1Q2021 was US\$21,000 higher than forecasted usage. The Group focused its production activities to meet the requirements of the new offtake agreement entered into with PT Ekasa Yad Resources, a Tsingshan Group company in March 2021.

Actual funds used for general working capital in 1Q2021 was US\$0.1 million higher than forecasted mainly due to higher professional fees incurred in respect of services rendered for due diligence and feasibility studies for downstream projects and supplier payments in 1Q2021.

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

For the next immediate quarter from 1 April 2021 to 30 June 2021 (“**2Q2021**”), funds/cash are expected to be used by the Group for the following activities:-

<b>Purpose</b>	<b>Amount (US\$’000)</b>
Development activities	50
Production activities	1,700
General working capital	1,000
<b>Total</b>	<b>2,750</b>

### 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 correspondingly.

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 1Q2021, no exploration activities were carried out.

In relation to production activities, a total of 2,505 metric tons of nickel ore was produced during 1Q2021. 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 1Q2021.

Save as disclosed above, the Group does not have any exploration, development and/or production activities for 1Q2021.

### **By Order of the Board**

Abdul Jabbar Bin Karam Din  
Company Secretary  
14 May 2021

*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.*