Silkroad Nickel Ltd.
(Company Registration No.: 200512048E)
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RESPONSES TO QUESTIONS FROM SHAREHOLDERS IN RELATION TO THE COMPANY'S ANNUAL GENERAL MEETING TO BE HELD ON 30 APRIL 2021

The board of directors (the "**Board**") of Silkroad Nickel Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to:

(i) the annual report of the Company for the financial year ended 31 December 2020 (the "**2020 Annual Report**");

(ii) the notice of annual general meeting ("**AGM**") issued by the Company on 15 April 2021 informing shareholders that the Company's AGM will be convened and held by way of electronic means on Friday, 30 April 2021 at 2.00 p.m.; and

(iii) the letter to shareholders dated 15 April 2021 regarding the AGM of the Company to be held on 30 April 2021 setting out, *inter alia*, the alternative arrangements for shareholders' participation at the AGM, in particular, the invitation for shareholders to submit questions in advance of the AGM.

The Company has received questions from its shareholders in respect of the Company's 2020 Annual Report and the Board is pleased to provide the Company's responses to these questions as set out below:

Question 1. Can high-grade saprolite ore of above 1.70% nickel content be used in Electric Vehicles ("EV") batteries?

Company's response:
Yes, high-grade saprolite ore with above 1.70% nickel content can be used in the production of high-nickel-content Nickel-Cobalt-Aluminium / Nickel-Cobalt-Manganese ("**NCA/NCM**") EV batteries. The high grade saprolite ore is used firstly to produce nickel matte, which in turn, is the raw material required to produce nickel sulphate. Nickel sulphate is a core material used to manufacture the cathode ternary precursors for NCA/NCM lithium-ion EV batteries.

Question 2. Can the company start giving dividend as it has started generating decent profits or reward the shareholders with bonus shares?
Question 3. When can we expect profitability and possible dividend payout if any?

Company's response:
The Group is working to increase revenue with the increase in nickel ore production and sales to fulfil the 2-year offtake agreement with Tsingshan Group, as announced by the Company on 15 March 2021. Barring unforeseen circumstances, the Group is optimistic of an improved financial performance in the financial year ending 31 December 2021.

With regards to dividend payout and/or issue of bonus shares, the Board will assess, *inter alia*, the Group's cash reserves and funds required for its operations and investment for its downstream projects before considering any possible dividend payout and/or issue of bonus shares. The Company currently

does not have a fixed dividend policy. The form, frequency and amount of dividends that the Board may recommend or declare in respect of any particular financial year or period are subject to various other factors including the level of cash and retained earnings of the Group and/or the Company.

By Order of the Board

Hong Kah Ing
Executive Director and Chief Executive Officer
29 April 2021

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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 (the "**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.