

## RECEIPT OF A WRIT OF SUMMONS

The board of directors (the “**Board**” or “**Directors**”) of Silkroad Nickel Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that each of the Company and its two Executive Directors had been named as a defendant in a writ of summons (the “**Writ**”) filed by Lee Kien Han, Tee Yee Koon, Phang Soon Mun and Alvin Lee Sze Chang (collectively known as the “**Plaintiff Group**”) on 27 November 2018 in the High Court of the Republic of Singapore. The Company’s major shareholder, Far East Mining Pte. Ltd. (“**FEM**”), was also named as a co-defendant (the “**Defendant**”) in the Writ. The two Executive Directors are the directors and shareholders of the Defendant.

The Plaintiff Group is seeking, among others, for the Defendant to transfer a certain amount of the shares held by the Defendant in the Company (“**Consideration Shares**”), representing approximately 16.3% of the existing issued share capital of the Company and approximately 7.9%<sup>1</sup> of the enlarged issued share capital of the Company, as consideration for introducer fees in connection with the successful completion of the reverse takeover of the Company by FE Resources Pte. Ltd. In addition, the Plaintiff Group is seeking for the Company to effect such amendments to its register of members to reflect their or their nominees’ interest in the Consideration Shares.

The Defendant has denied the claims made in the Writ and has informed the Company that it will vigorously defend its position. Nonetheless and on a *without prejudice* basis, the Defendant has commenced discussions with the Plaintiff Group to clarify the matter and to seek an amicable resolution to the matter. The Defendant has assured the Company that it will keep the Company notified at all times on this matter.

For the avoidance of doubt, the claim by the Plaintiff Group on the Consideration Shares, if successful, would not result in a change in control of the Company as the Defendant will remain as the single largest controlling shareholder of the Company. Based on the above, the Company, which is not the main Defendant, does not expect the Writ to have any material financial impact on the Company and the Group nor is it expected to affect the business operations of the Company and the Group.

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<sup>1</sup> The Consideration Shares would represent approximately 7.9% of the enlarged issued share capital of the Company, assuming the full allotment and issuance of 134,110,345 Earn-Out Consideration Shares (as defined in the Company’s circular to shareholders dated 31 May 2018 (the “**Circular**”)) by the Company to FEM. For the avoidance of doubt, the allotment and issuance of up to 134,110,345 Earn-Out Consideration Shares by the Company to FEM is subject to certain conditions being achieved, details as set out in the Circular.

To safeguard its interests, the Company is also seeking legal advice with regard to the Writ, and will make the relevant announcements in compliance with the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist on any material development on this matter.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company. Shareholders of the Company and potential investors are advised to read all further announcements by the Company carefully and to consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.**

**By Order of the Board**

Lau Yan Wai  
Company Secretary  
10 December 2018

*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"), for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not independently verified the contents of this announcement.*

*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.*

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