

Horowitz Capital Ltd.
(Company Registration No. 202204674C)
(Registered Address: 36 Armenian Street, #04-04, Singapore 179934)

6 October 2022

To: The Shareholders of Silkroad Nickel Ltd.

Dear Sirs

COMPULSORY ACQUISITION OF ALL OF THE ISSUED ORDINARY SHARES IN THE CAPITAL OF SILKROAD NICKEL LTD. BY HOROWITZ CAPITAL LTD. PURSUANT TO SECTION 215(1) OF THE COMPANIES ACT 1967 OF SINGAPORE (THE “COMPANIES ACT”), AND RIGHTS PURSUANT TO SECTION 215(3) OF THE COMPANIES ACT

1. INTRODUCTION

1.1. **Offer.** We, Horowitz Capital Ltd. (the “**Offeror**”), refer to the formal offer document dated 12 September 2022 (the “**Offer Document**”) issued by PrimePartners Corporate Finance Pte. Ltd. (“**PPCF**”), for and on our behalf, in relation to the voluntary conditional general offer (the “**Offer**”) for all of the issued ordinary shares (“**Shares**”) in the capital of Silkroad Nickel Ltd. (the “**Company**”), other than those already owned, controlled or agreed to be acquired by us (the “**Offer Shares**”).

Unless otherwise defined herein, capitalised terms used in this letter (this “**Letter**”) shall have the same meanings given to them in the Offer Document.

If you have already (i) validly accepted the Offer in respect of all your Offer Shares by completing and returning the relevant Acceptance Form or (ii) sold all your Shares prior to the date of this Letter, please disregard this Letter and the accompanying Form 57 and Form 58 (each as defined below).

1.2. **Aggregate Shareholding.** As announced by PPCF, for and on our behalf, as at 6.00 p.m. (Singapore time) on 26 September 2022, the total number of Shares owned, controlled or agreed to be acquired by us and parties acting or deemed to be acting in concert with us (including valid acceptances of the Offer) amounted to an aggregate of 235,525,202 Shares, representing approximately 90.17 per cent. of the total number of Shares¹.

1.3. **Compulsory Acquisition.** Pursuant to Section 215(1) of the Companies Act, as we have received valid acceptances of the Offer or acquired such number of Shares otherwise than through valid acceptances of the Offer from 12 September 2022, being the date of the Offer Document, in respect of not less than 90 per cent. of the total number of Shares in issue (other than those already held by us, our related corporations or our respective nominees as at the date of the Offer Document), we are entitled, and intend, to, as indicated in the Offer Document, exercise our right of compulsory acquisition under Section 215(1) of the Companies Act to compulsorily acquire all the Shares of the Shareholders who have not accepted the Offer (the “**Dissenting Shareholders**”), and upon such exercise, the Dissenting Shareholders shall receive the Cash Consideration (and not the Securities Consideration) for such Shares acquired by us.

¹ The percentage shareholding interest is based on the total issued share capital of 261,213,792 Shares (excluding treasury shares) as at the date of this Letter and rounded to the nearest two decimal places.

2. COMPULSORY ACQUISITION UNDER SECTION 215(1) OF THE COMPANIES ACT

2.1. **Dissenting Shareholder.** According to the records maintained by The Central Depository (Pte) Limited (“**CDP**”) and/or Tricor Barbinder Share Registration Services Pte. Ltd. (the “**Registrar**”), as the case may be, you have not accepted the Offer in respect of your Shares. Accordingly, we are writing to inform you that we are exercising our right of compulsory acquisition under Section 215(1) of the Companies Act to acquire all the Shares held by you at the Cash Consideration of S\$0.42 (in cash) for each Share. We enclose, for this purpose, a Notice to Dissenting Shareholder in the form prescribed under the Companies Act (the “**Form 57**”).

Please disregard this Letter and the accompanying Form 57 and Form 58 if you have already tendered your Shares in acceptance of the Offer, will tender your Shares in acceptance of the Offer between the date of this Letter and 25 October 2022, being the Closing Date, or have sold all your Shares prior to the date of this Letter.

2.2. **Compulsory Acquisition.** We will exercise our right of compulsory acquisition to acquire all the Shares held by you on or after 7 November 2022 (the “**Transfer Date**”), being one month after the date of the Form 57, subject to and on the terms set out in the accompanying Form 57.

2.3. **Registration of Transfer.** Upon the payment of the aggregate Cash Consideration to the Company by us, the Company will cause to be transferred to us all the Shares held by you and will register us as the holder of all those Shares as soon as practicable. The aggregate Cash Consideration for all your Shares will be credited by the Company into a separate bank account and held by the Company on trust for you.

2.4. **Settlement.** Subject to and in accordance with the provisions of Section 215(1) of the Companies Act and the terms set out in the Form 57:

2.4.1. if you are a Depositor, CDP will, on our behalf, credit the aggregate Cash Consideration payable in respect of all your Shares (i) directly into your designated bank account for Singapore Dollars via CDP’s Direct Crediting Service (“**DCS**”) or (ii) in the event you are have not registered for CDP’s DCS, to your Cash Ledger, subject to the same terms and conditions as Cash Distributions under the CDP Operation of Securities Accounts with the Depository Terms and Conditions (Cash Ledger and Cash Distributions are as defined therein); and

2.4.2. if your Shares are held in scrip form, the Registrar will, on our behalf, send a cheque for the Cash Consideration payable to and made out in favour of yourself to you (or your designated agents, or, in the case of joint Accepting Shareholders who have not designated any agent, to the one first-named in the Register, as the case may be) by ordinary post to your address as appearing in the Register, at your risk,

in each case, as soon as practicable after the Transfer Date.

2.5. **No Action Needed.** No action needs to be taken by you in relation to the Form 57 to entitle you to payment, which will be made to you in accordance with paragraphs 2.3 and 2.4 above.

3. RIGHTS UNDER SECTION 215(3) OF THE COMPANIES ACT

3.1. **Non-Assenting Shareholder.** Under Section 215(3) of the Companies Act, you have the right to require us to acquire your Shares. In connection therewith, a Notice to Non-Assenting Shareholder in the form prescribed under the Companies Act (the “**Form 58**”) is enclosed with this Letter. You may, within three months from the date of the Form 58 (that is, by 6 January 2023), require us to acquire your Shares and we shall be entitled and bound to acquire your Shares on the same terms as those offered under the Offer at the Offer Consideration.

3.2. **No Action Needed.** As we will be proceeding to compulsorily acquire your Shares pursuant to Section 215(1) of the Companies Act, you need not take any action in relation to your right under Section 215(3) of the Companies Act. If you wish to exercise your right under Section 215(3) of the Companies Act or are in doubt as to your position, you are advised to seek your own independent legal advice.

4. FREE FLOAT AND DELISTING

4.1. **Free Float Requirement.** Rule 723 of the Catalist Rules requires the Company to ensure that at least 10 per cent. of the Shares (excluding treasury shares) is at all times held by the public (the “Free Float Requirement”). As announced by PPCF, for and on our behalf, on 26 September 2022, the Free Float Requirement is no longer satisfied. **As stated in the Offer Document, we do not intend to support any action taken or to be taken to meet the Free Float Requirement or maintain the present listing status of the Company.**

4.2. **Listing Status of the Company.** Pursuant to Rule 1303(1) of the Catalist Rules, the SGX-ST will suspend trading of the listed securities, being the Shares, of the Company on the SGX-ST, at the close of the Offer. The Company will be delisted from the SGX-ST following the completion of the compulsory acquisition by us under Section 215(1) of the Companies Act. The date on which the Company will be delisted from the SGX-ST will be announced in due course.

5. GENERAL

If you are in any doubt about any of the matters referred to in this Letter, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

6. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any who may have delegated detailed supervision of this Letter) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Letter are fair and accurate and that no material facts have been omitted from this Letter, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Company), the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this Letter.

Yours faithfully
For and on behalf of
Horowitz Capital Ltd.



Name: Syed Abdel Nasser Bin Syed Hassan Aljunied
Director

Enclosed: Form 57 and Form 58