

Silk Energy Limited Announces Cease Trade Order Issued by the Ontario Securities Commission

TORONTO — Silk Energy Limited (“**Silk**” or the “**Company**”) announces today that the Company has been issued a cease trade order (“**CTO**”) by the Ontario Securities Commission (“**OSC**”) for not filing the following periodic disclosure documents (collectively “**Annual Filings**”) by the filing deadline of April 30, 2022:

- audited annual financial statements for the year ended December 31, 2021;
- management's discussion and analysis relating to the audited annual financial statements for the year ended December 31, 2021;
- certification of the foregoing filings as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*.

As advised in our Press Release of May 3, 2022, Silk announced that due to delays in completing its audit, the Company’s annual financial statements and accompanying management’s discussion and analysis for the fiscal year ended December 31, 2021 (the “Annual Filings”) were delayed due to a temporary shortage of qualified audit staff in Kazakhstan, where the Company’s material subsidiary and property interests are located. While auditor staff challenges are an industry-wide phenomenon, the situation in Kazakhstan has been exacerbated by the closing of the offices of the Big Four and other major audit firms in Russia. As a result, numerous clients of those audit firms relocated from Russia to Kazakhstan resulting in a substantial increase in work volume for the Kazakhstani branches of international audit consortiums. Further information will be provided as it becomes available.

About Silk Energy Limited

Silk Energy Limited is a Canadian resource company, located in Toronto (ON). Silk was established to acquire undervalued oil and gas assets in Kazakhstan and currently the Company, through its subsidiaries, owns a 50% interest in the KMG Ustyurt license (“Ustyurt”) and will explore and develop Ustyurt, an onshore oil and gas concession comprising approximately 6,500 square kilometres in the Caspian Sea region of the Republic of Kazakhstan.

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