

NOVEMBER BITCOIN AND DIGITAL ASSET EXPOSURE

DigitalX Limited (ASX:DCC, OTCQB: DGGXF) (the **Company**) provides the following monthly update to shareholders on its funds under management and value of Bitcoin and digital asset holdings as at the **end of November 2022**.

The DigitalX Bitcoin Fund declined 23.7% for the month and the DigitalX Fund fell 26.8%. This compares to the S&P Cryptocurrency Top 10 Equal Weight Index ("Index") that fell 20.1%. The underperformance against the Index was largely driven by a 4.5% appreciation of the AUD/USD exchange rate which impacted our Australian dollar denominated funds.

The performance of both DigitalX funds reflected the retracement in prices experienced across digital asset markets following the collapse of FTX and the subsequent contagion.

DigitalX Chief Executive Officer, Lisa Wade said:

"As has been widely reported, November proved to be one of the most challenging months for digital assets to date as a result of the collapse of the FTX exchange. Although terrible from the perspective of FTX users losing their investment, it appears that this was a single organisation that misappropriated customer funds as opposed to a systemic issue. Undeniably there was contagion due to the interconnectivity of FTX's sister company Alameda Research which on-lent funds to multiple parties in our industry, causing the overall underperformance of digital assets versus the broader equity market.

In the short-term, there still seems to be a lot to play out in terms of contagion and the gap between digital assets and traditional equity markets has blown out to circa 58% (up from 47% in October). We expect this spread to close over time as markets enter a new era of regulation and oversight. The veiled positive from all of this appears to be our industry more rapidly advancing towards the regulatory oversight we have been screaming for.

DigitalX did not have any funds on the FTX exchange and sold the small portfolio holding in FTT tokens prior to its price collapse. Although our funds underperformed the Index this month, largely due to the aforementioned 4.5% AUD/USD currency rally in November, we reiterate we did not lose funds in the exchange collapse.

As professional investors that conduct deep and thorough research in this space, we have identified a new due diligence filter in our investment process that monitors cross ownerships and particularly insider selling, which led to our early decision to sell down our FTT tokens and continued refinement of our risk management process. We also closely monitor counter-party risk in terms of how we execute trades, with our funds spending minimal time on third-party exchanges. In addition, we only trade via trusted exchanges that meet our strict due diligence requirements. Outside of when we are trading, we hold 100% of our assets in cold storage.

In terms of our commentary around the shift that has been happening with mainstream finance transitioning to Web 3.0, November delivered some standout headlines, including:

- 1. Post FTX, the market uplifted its standard to a new proof of reserves model;*
- 2. Fidelity allowed free Bitcoin trading for customers through its retail platform; and*

3. JP Morgan registered a trademark for a Crypto wallet - bringing its stable pin capability to consumer wallets in a move that could be a global gamechanger.

This shift seems to be gaining momentum despite the volatility, and as a research and investment house, we are committed to driving shareholder and investor returns by understanding and maximising the associated opportunities."

For information on the DigitalX digital asset funds please visit <https://digitalx.fund/>

DIGITALX HOLDING (AS AT 30 NOVEMBER 2022)

	\$AUD
DigitalX Bitcoin and digital asset holdings ^{1,2}	\$11.9m

FUNDS UNDER MANAGEMENT (AS AT 30 NOVEMBER 2022)

	\$AUD
Total funds under management ³	\$12.0m

HISTORICAL FUND PERFORMANCE⁴ (AS AT 30 NOVEMBER 2022)

Performance over time (net of fees)	Bitcoin Fund	Digital Asset Fund
Month to date	(23.7%)	(26.8%)
Year to date (calendar)	(62.7%)	(69.1%)
3-Month	(15.2%)	(15.8%)
6-Month	(44.7%)	(38.7%)
12-Month	(70.1%)	(73.9%)
2-Year	(4.7%)	16.7%
Since inception	124.3%	20.5%

¹ Includes ~212.6 Bitcoin and ~143.5 Ethereum held as corporate treasury and DigitalX's unit holding in the funds at month end.

² Excludes cash at bank.

³ All data based on unaudited Net Tangible Asset (NTA) calculations prepared by the fund administrator at 30 November 2022.

⁴ Past performance is not indicative of future performance.

MONTHLY PERFORMANCE COMPARISON (FOR THE MONTH OF NOVEMBER)

Asset class	Performance %
Bitcoin Fund	(23.7%)
DigitalX Fund	(26.8%)
S&P Cryptocurrency Top 10 Equal Weight Index	(20.1%)
Gold ⁵	1.7%
Equities (All Ords) ⁶	6.0%

-Ends-

Authorised by the Board of Directors of DigitalX Limited.

⁵ Based on AUD price at 30 November 2022 per https://www.perthmint.com/historical_metal_prices.aspx.

⁶ Based on closing price of All Ords Price Index per <https://www2.asx.com.au/about/market-statistics/historical-market-statistics>.



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About DigitalX

DigitalX Limited (ASX: DCC) is a technology and investment company focused on growing the blockchain economy through its digital asset funds management business, digital fintech and regtech products, and blockchain ventures.

DigitalX's product team designs and develops blockchain technology applications for business and enterprise organisations.

Through its asset management division, DigitalX provides low-cost traditional asset management products for qualified investors looking to gain exposure to the growing alternative asset class of digital assets, including Bitcoin.

DigitalX is currently commercialising Drawbridge, the Company's first regtech solution which is supporting listed companies to better manage their compliance and corporate governance policies. With Drawbridge, companies can manage employee and director share trading approvals in order to safeguard their reputations.

www.digitalx.com | <https://digitalx.fund/> | www.opendrawbridge.io | www.sellmyshares.com.au
