

## ASX ANNOUNCEMENT

28 July 2020

### Executive Director Presentation

DigitalX Limited (the **Company**) is pleased to advise that Executive Director, Leigh Travers will be presenting to the Financial News Network today, 28 July 2020. Attached is the presentation for this event.

The Company is intending to undertake various presentations to industry groups, analysts and investors that will contain materially the same information.

-ENDS-

*Authorised by the Executive Director on behalf of the Board of Directors of DigitalX Limited.*

#### **For further information, please contact**

##### **DigitalX Limited**

Leigh Travers

Executive Director

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#### **About DigitalX**

DigitalX is a technology and investment company specialising in the commercialisation of blockchain and distributed ledger technology. The Company offers blockchain consulting and product development services for businesses seeking to leverage the benefits of digital technology. DigitalX offers low-cost, traditional asset management products for qualified investors to gain exposure to the growing alternative asset class of digital assets, including Bitcoin.



## **COMPANY OVERVIEW**

Financial, technical and investment services for the Blockchain marketplace

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involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward looking statements; and

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# DigitalX Overview



Digitalx Ltd Chart



SHARE PRICE  
~\$0.027

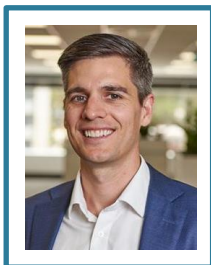
SHARES ON ISSUE  
~ 600M

CASH, LISTED DIGITAL ASSETS AND FUND UNITS @ (31/03/2020)  
~AUD\$8.5M (US\$5.95M @ 70C)

MARKET CAP  
~\$16m

BITCOINS  
431

# Board of Directors and Advisors



**LEIGH TRAVERS**  
Executive Director

Leigh has served on the board of Australia's Blockchain industry body since 2015. Leigh has co-founded a Blockchain media and education company and the Perth Blockchain Centre, a coworking space that serves as a home for Perth tech and investment professionals. Leigh previously worked for seven years at an ASX-Listed wealth management firm. Leigh holds a Bachelor of Commerce and Communications from UWA, a Fintech Certification from MIT while living in Boston during 2016 and a Blockchain Strategy Certificate from RMIT in 2019.



**PETER RUBINSTEIN**  
Non-executive Director

Peter has over 20 years' experience in early stage technology commercialisation through to public listings on the ASX. He is a lawyer by training, having worked at one of the large national firms prior to moving in house at Montech, the commercial arm of Monash University.



**TOBY HICKS**  
Non-executive Chairman

Toby has been a corporate lawyer advising public companies for over 15 years and is presently a Partner of Steinepreis Paganin. He is a former Governor of the University of Notre Dame Australia, a position he held for 16 years. He was a member of the University's Audit and Finance Committee for 14 years and was a member of the Law School Advisory Board. In 2018, the University named the Toby Hicks Service to Student Community Award in honour of his contribution to the University over 23 years.



**Shannon Coates**  
Company Secretary

Shannon Coates is a qualified lawyer, Chartered Secretary and company secretary with over 25 years of experience in corporate law and compliance. She has extensive experience in a wide range of corporate and commercial matters including strategy, capital markets, risk management and compliance, regulation and corporate governance.

Ms Coates has provided corporate advisory and company secretarial services to public-listed companies across the Australian, London, Hong Kong and Johannesburg stock exchanges.

# Deep industry expertise



**David Beros**  
Chief Product Officer

David is a leader in technology innovation and leverages his experience to discover technology solutions for business problems. David most recently worked and consulted in corporate innovation roles for companies in the energy and insurance sectors. Prior to this, he worked in wealth management with a focus on wholesale and retail capital raisings. He went on to start two digital financial services businesses and is co-founder of Fintech Perth – a community of finance industry startups in WA.



**PHIL GEORGE**  
Technology

Phil is a specialist in technology commercialisation and strategy. With expertise in telephony, cybersecurity & financial technology & blockchain, Phil is a Director and Founder of Bamboo. Phil currently sits on the board of WhiteHawk (ASX:WHK), which specialises in cyber-security solutions via a machine learning online cyber-security marketplace. Phil was Operations & Logistics Manager for Uber Australia during its formative period. Phil founded NURV in 2008, which delivers modern telephony solutions. He was also a mentor for the Plus 8 Early Stage Technology Accelerator. Phil holds a Bachelor of Computer Science from Murdoch University in Internetworking and Security.



**MIKE SEGAL**  
Chief Technology Officer

Mike is an expert in cryptography and machine learning and has worked at several Boston and San Francisco-based companies. Mike was a member of the first weekly Bitcoin Meetup group in the world, and conducts smart contract code auditing and reviews for DigitalX clients. Mike advises on security architecture for all DigitalX projects.



**Jonathon Carley**  
Chief Financial Officer

Jonathon is a senior finance and governance professional with over 12 years' experience across commercial, audit, and advisory roles, with a focus on private groups and listed public companies. Prior to joining DigitalX, Jonathon worked with a large Australian ICT and cloud services provider and a large international accounting firm. Jonathon is a Member of the Chartered Accountants Australian and New Zealand and a Fellow of the Governance Institute of Australia.



# BLOCKCHAIN CONSULTING AND DEVELOPMENT

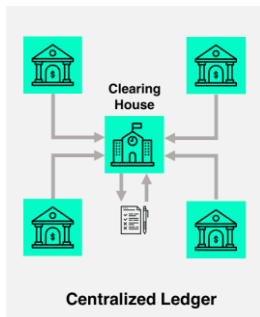


# Realising the business benefits of blockchain



## Current State

Business operations are complex and make information sharing difficult.

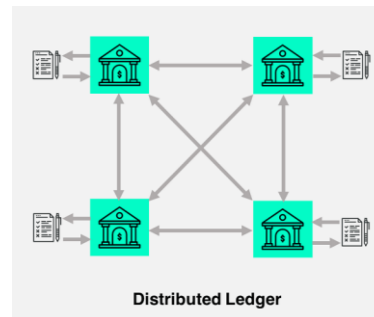


## Problem:

Siloed systems create information disparities, manual processes, and low levels of integration.

## Future State

Distributed ledgers technologies like blockchain can work to streamline operations.



## Solution:

A single source of truth is shared by all parties, enabling increased automation and access to real-time information.

# Our Capabilities



## CONTRACTUAL CONSENSUS MANAGEMENT

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### Example Applications

Mining Royalty Management.  
JV Contract Administration.



## IOT BLOCKCHAIN INTEGRATIONS

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### Example Applications

Solar Battery History.  
Verifiable Sensor Data.



## ASSET TOKENIZATION

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### Example Applications

Real Estate Ownership Fractionalisation.  
Gold Backed Stablecoins.



## SUPPLY CHAIN MANAGEMENT

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### Example Applications

Agricultural Provenience Tracking.  
Verified Ethical Tuna Sourcing.

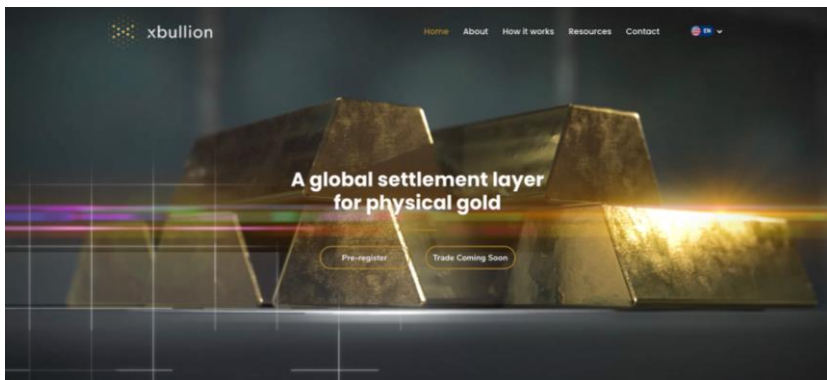


# Incubation and acceleration - xbullion



**DigitalX has a 15% stake in the management company of xbullion, a blockchain backed, vaulted, audited and insured gold bullion product. DigitalX has provided smart contracting and technical consulting.**

- Customer portal testing with imminent launch
- Singapore legal opinion secured
- Zokyo labs smart contract audit complete
- Supply agreements in place with 2 major bullion companies



Direct gold exposure is acquired through either gold ETF's or through physically held gold bullion. There is a trade off between the two.

xbullion is allocated, audited and insured, redeemable, liquid, transferable, and offers buy/sell spreads as tight as ETF/Fund pricing.

xbullion bridges this problem.

## SECURITY

PHYSICAL GOLD

### PROBLEMS:

Storage

Trust (quality, custodian, dealer)

Logistics

Difficult to divide

Accessibility

Large Spreads

## LIQUIDITY

PAPER GOLD

### PROBLEMS:

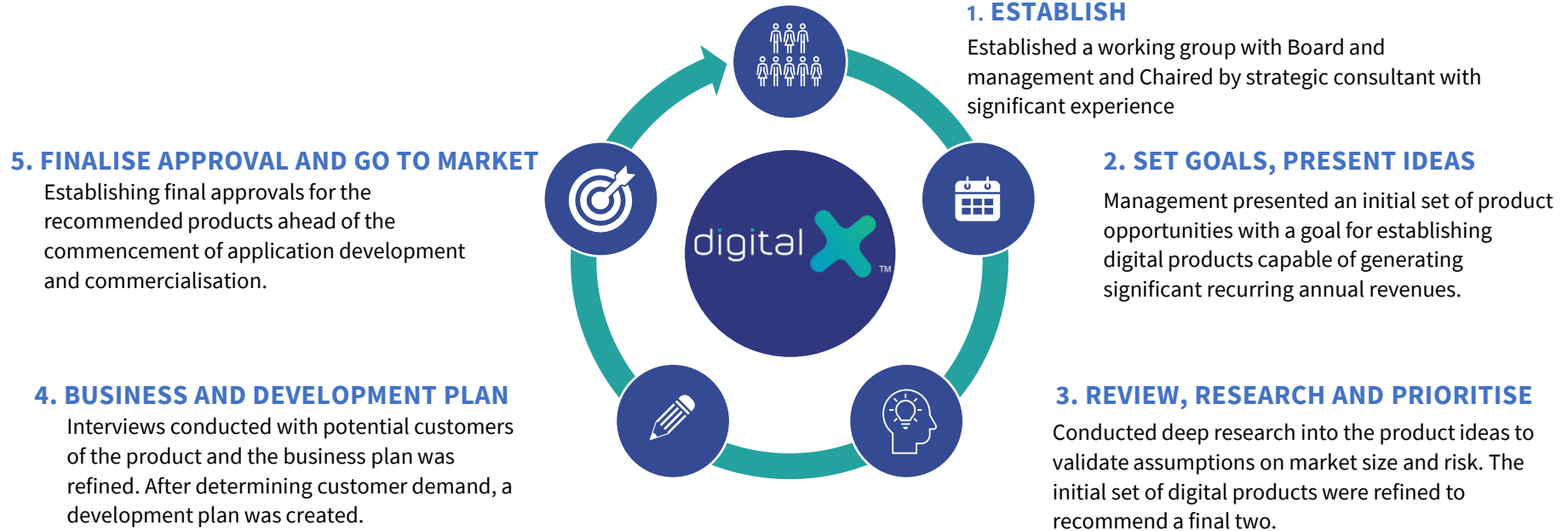
Confusion around what you actually own.

Restricted to the market it trades on.

Markets have collapsed in the past.

Often only large institutions are able to redeem.

# Product Innovation at DigitalX



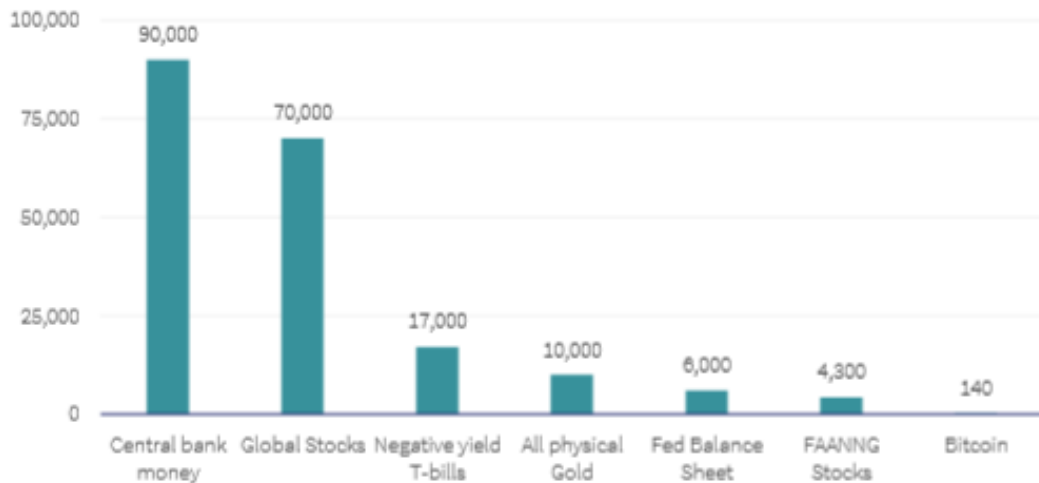
DigitalX is currently reviewing opportunities for a regulatory technology and a fintech platform.



**DIGITALX ASSET  
MANAGEMENT**

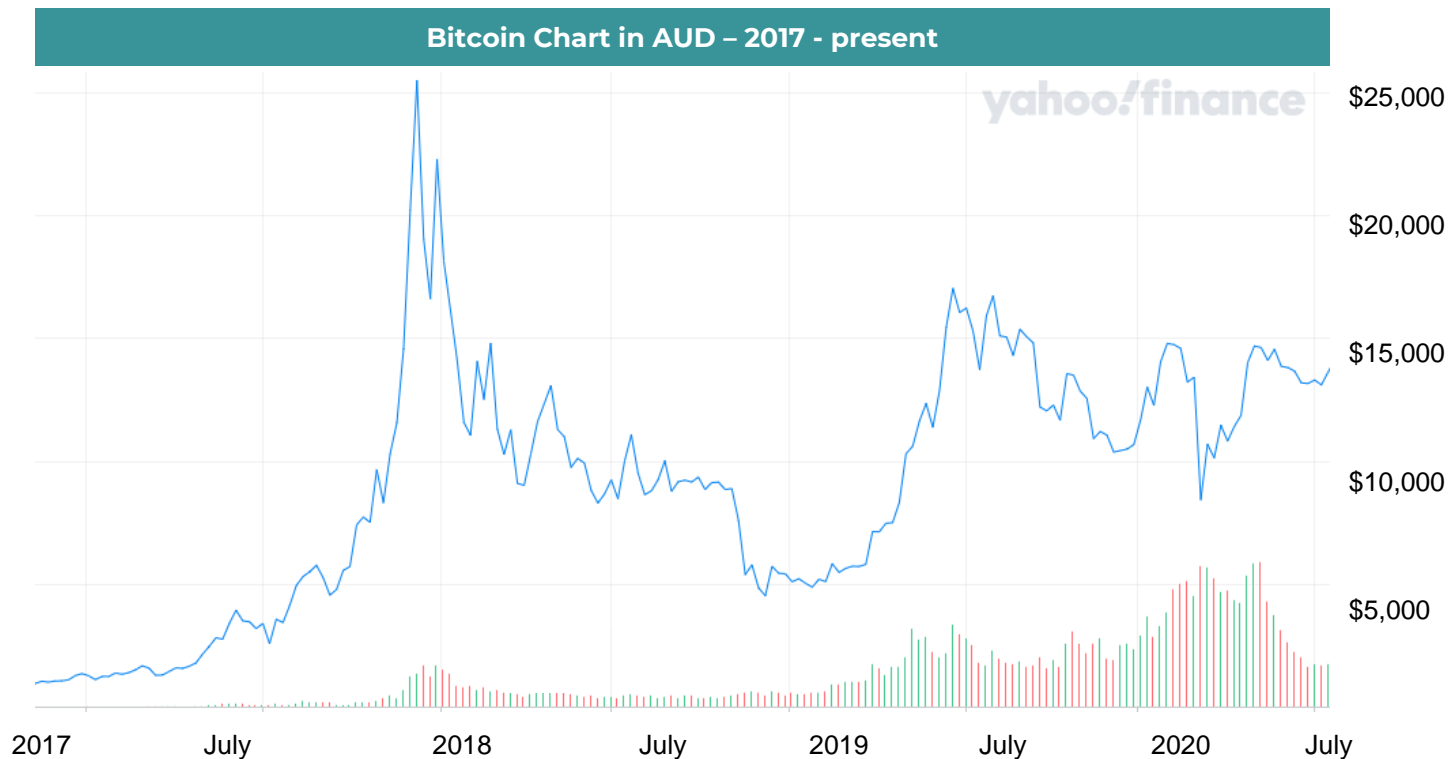
# Bitcoin as an Investment

Global Asset size comparison (Trillions)







- Initial growth of Bitcoin was driven by techno-libertarians, and was created in 2009
- Bitcoin has since matured into an asset providing high security, low correlation with other asset classes and as a way to securely hold money outside of the official financial system.
- Bitcoin is often referred to as “Digital Gold”.
- Despite digital asset volatility, Bitcoin has performed well since inception.

# Bitcoin Price Chart (BTC/AUD)



# DigitalX Fund Snapshot & Performance



FUND MANAGER	
Fees (Bitcoin)	1.65% management and 0% performance fee
Fees (DA Basket)	1.5% management and 15% performance fee
Administrator	
Auditor	
Legal	
Custody	

TIME PERIOD	ASSET	PERFORMANCE TO JUNE 30
Bitcoin Fund	1 month	-6.66%
DA Basket	1 month	-10.06%
ASX All Ords	1 month	2.2%
Gold	1 month	-0.5%
Bitcoin Fund	Year to 30 June	28.99%
DA Basket	Year to 30 June	18.61%
ASX All Ords	Year to 30 June	-15.74%
Gold	Year to 30 June	18.37%



# The Solution: DigitalX Bitcoin Fund



- The DigitalX Bitcoin Fund provides qualified investors with direct exposure to Bitcoin and is designed to track the Bitcoin price via a traditional fund structure
- The Fund is accessible via Netwealth, Australia's #1 rated wealth management platform
- Research and education delivered in conjunction with Delphi Digital, an independent research boutique providing institutional-grade analysis on the digital asset market
- The Fund solves the challenges in acquiring, securing, managing and disposing of digital assets and has access to insurance from the custodian.

# Factors Driving Demand



We identify three main drivers of Bitcoin demand going forward



01

## **Demographics:**

measures of government distrust among millennials and Generation Z are high. Most Millennials and all of Gen Z are digital natives who are comfortable with holding value digitally.



02

## **Institutions, ETF's and traders:**

all major banks and many corporates have experimented with digital assets. Institutions such as Chicago Mercantile Exchange (CME) group have grown large futures markets in Bitcoin.



03

## **QE and financial instability:**

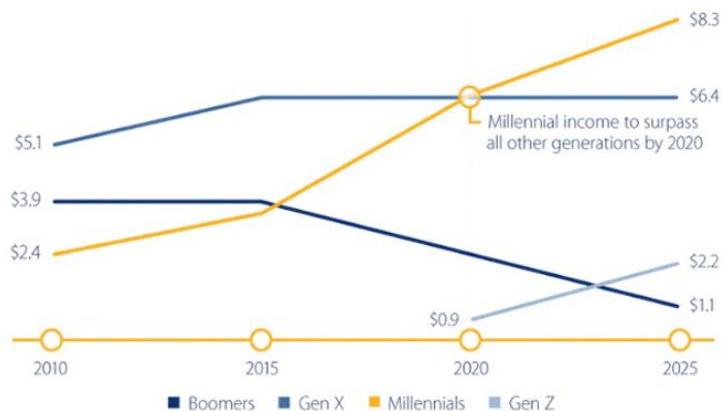
Over the past 5 years, Bitcoin prices have responded positively to financial uncertainty events such as Brexit, while the growth of the asset itself happened in the wake of the GFC.

Bitcoin has been heavily used as an hedging asset in China and other nations experiencing financial instability and inflationary pressures like gold has been used previously.

Return of QE policies and weakening growth is expected to spur further demand amongst those seeking a hedge against value erosion or financial instability, especially amongst younger savers.

# 1. Demographics

## Income by Generation (\$trillions)



Source: Visa

## The generational wealth transfer



### Millennials Will Become Richest Generation In American ... Forbes - 26 Oct 2019

A study shows that Millennials will hold five times as much wealth as they have today and the group is anticipated to inherit over \$68 trillion ...

## Equity Holdings by Generation

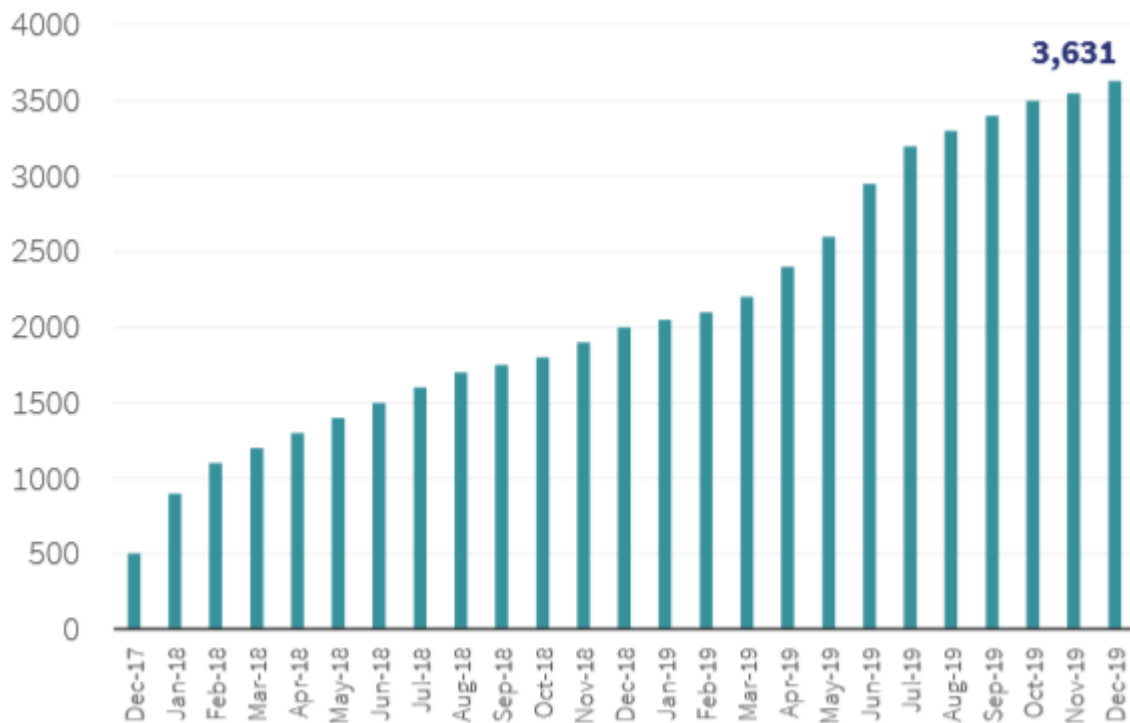
Top 10 equity holdings as a percentage of assets held in equities in Charles Schwab self-directed brokerage accounts (SDBAs)

MILLENNIALS		GEN X		BABY BOOMERS	
Amazon (AMZN)	7.87%	Apple (AAPL)	10.52%	Apple (AAPL)	9.19%
Apple (AAPL)	6.18%	Amazon (AMZN)	7.16%	Amazon (AMZN)	5.32%
Tesla (TSLA)	3.22%	Berkshire Hathaway (BRK)	2.37%	Berkshire Hathaway (BRK)	2.75%
Facebook (FB)	3.03%	Facebook (FB)	2.26%	Microsoft (MSFT)	2.69%
Grayscale Bitcoin Trust (GBTC)	1.84%	Microsoft (MSFT)	2.16%	Facebook (FB)	1.43%
Berkshire Hathaway (BRK)	1.73%	Tesla (TSLA)	1.45%	Visa (V)	1.25%
Walt Disney (DIS)	1.68%	Alphabet (GOOG)	1.30%	Alphabet (GOOG)	1.23%
Netflix (NFLX)	1.58%	Netflix (NFLX)	1.29%	AT&T (T)	1.17%
Microsoft (MSFT)	1.53%	Alibaba (BABA)	1.23%	Boeing (BA)	1.89%
Alibaba (BABA)	1.39%	Visa (V)	1.23%	Alibaba (BABA)	0.96%

Source: Charles Schwab, December 2019

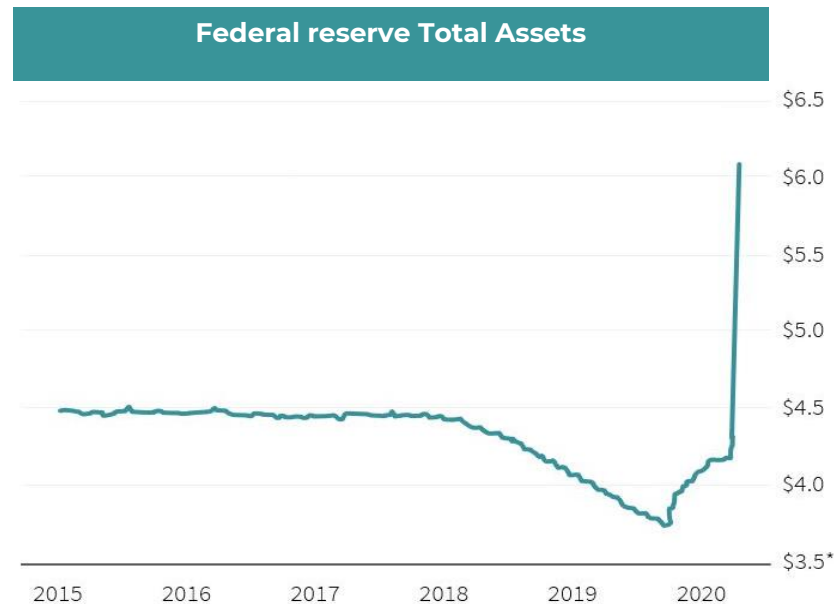
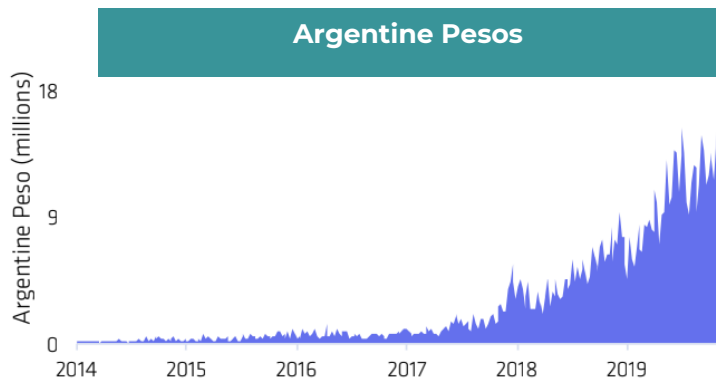
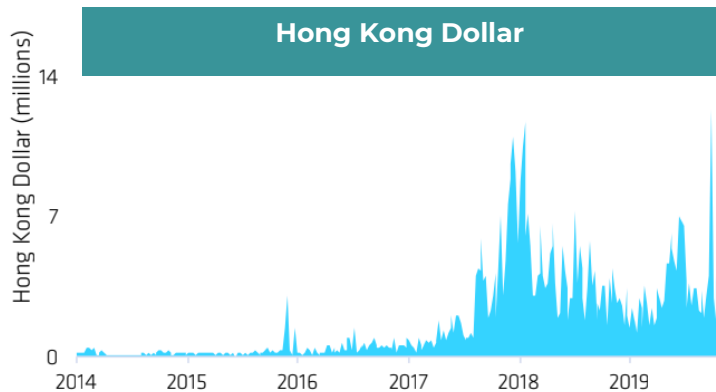
## 2. Growing Institutional Interest

Institutional acceptance growing: # of Investors



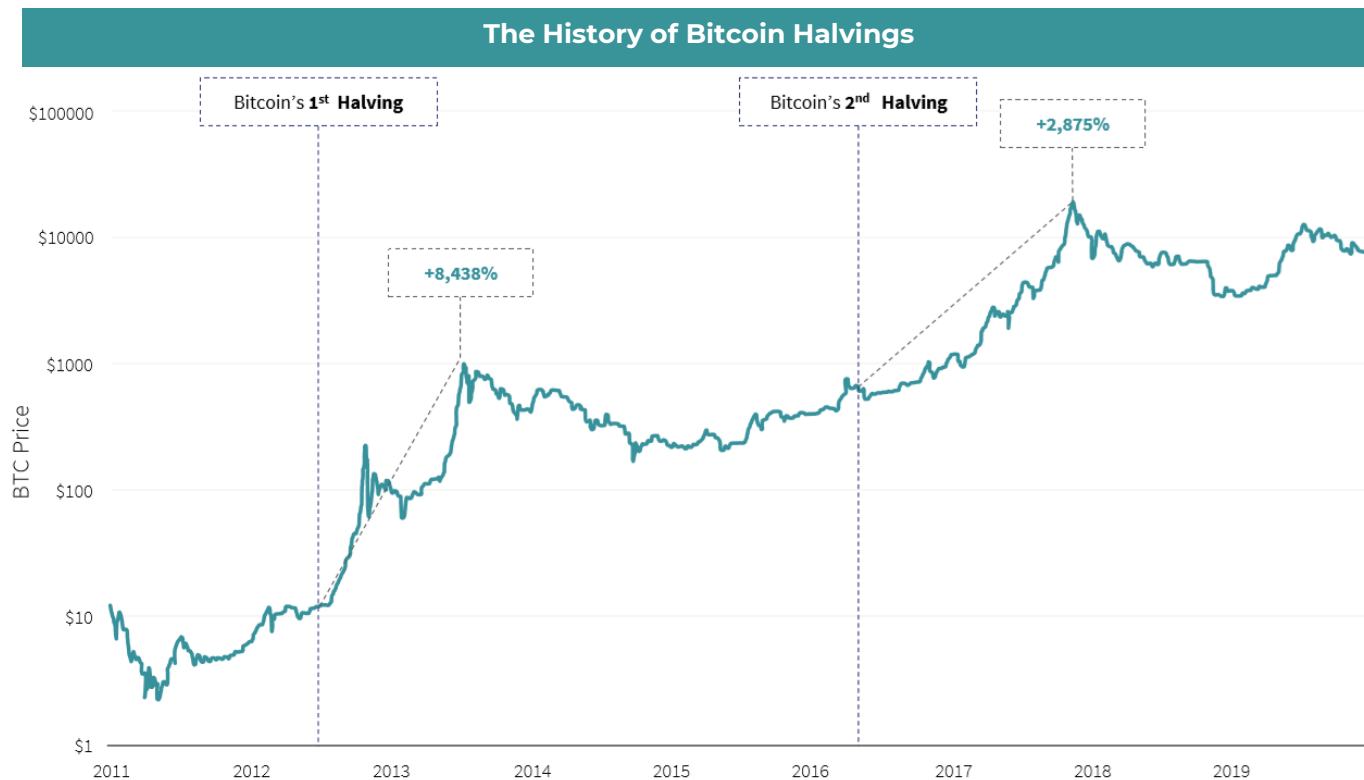
- Paul Tudor Jones and Rentech LLC
- CME Futures market growing
- More than 30 ETF's being considered
- Pension funds allocating?
- Central bank treasury?

### 3. QE, Financial Uncertainty



- Digital asset appeal is increasing on the back of massive monetary inflation and geopolitical concerns.

# Bitcoin Monetary Policy: Daily supply rates halving





# DigitalX Ltd

Financial, technical and investment services for the blockchain marketplace

For more information, please contact [info@digitalx.com](mailto:info@digitalx.com) or [leigh@digitalx.com](mailto:leigh@digitalx.com)