

ASX ANNOUNCEMENT 10 JANUARY 2023 DECEMBER 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 December 2022**.

The DigitalX Bitcoin Fund declined 0.3% for the month and the DigitalX Fund fell 3.7%, while the S&P Cryptocurrency Top 10 Equal Weight Index ("Index") declined 14.0%. Over the quarter, the DigitalX Bitcoin Fund declined 18.8% and the DigitalX Fund fell 22.2%, while the Index declined 26.5%.

The performance of both DigitalX funds reflected the subdued market action in December in the wake of the collapse of the FTX exchange. The active DigitalX Fund strategy outperformed the Index this month and quarter due to our relatively conservative portfolio composition and higher allocations to Bitcoin and Ethereum than the Index.

DigitalX Chief Executive Officer, Lisa Wade said:

"Although a negative month and tough quarter for digital assets, it is pleasing that our funds outperformed the Index with our focus on quality names inside the Top 20 crypto universe.

We believe 2023 will see further volatility across financial markets and expect the recent correlation to digital asset markets to continue. In saying this, we believe that the underperformance gap of digital asset markets to broader equity markets will close over the medium term (this gap is currently 55%) as we see further movement towards industry regulation and transition from traditional finance to decentralised finance. In the short term, digital asset markets must navigate the continued fallout from the collapse of FTX, with the possibility of further Chapter 11 bankruptcies dominating news flow in January.

We continue to position ourselves as a safe pair of hands in digital asset management by managing counter-party risk, utilising cold storage methods and producing our significant proprietary research aligned to our long term thematic views for the digital assets sector. Our top investment themes continue to include:

- 1. Real world asset tokenisation;*
- 2. Decentralised data (including ZK Rollups - a cryptographic proof to validate Ethereum transactions faster, cheaper and more securely);*
- 3. Digital identity opportunities; and*
- 4. Web3.0 infrastructure across decentralised application networks.*

We believe the structural shift of financial infrastructure into Web3.0 financial guardrails is well underway and expect institutional adoption to continue to accelerate in 2023.

Finally, in December ~A\$800,000 of our Bitcoin holdings held in Treasury (~15%) was converted into cash as part of our broader strategic initiative to more actively manage treasury assets and optimise investment opportunities. The board and management are focused on proactively generating shareholder value and making sure our balance sheet is generating value."

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

DIGITALX HOLDING (AS AT 30 DECEMBER 2022)

	\$AUD
DigitalX Bitcoin and digital asset holdings ^{1,2}	\$10.9m

FUNDS UNDER MANAGEMENT (AS AT 30 DECEMBER 2022)

	\$AUD
Total funds under management ³	\$11.9m

HISTORICAL FUND PERFORMANCE⁴ (AS AT 30 DECEMBER 2022)

Performance over time (net of fees)	Bitcoin Fund	Digital Asset Fund
Month to date	(0.3%)	(3.7%)
Year to date (calendar)	(62.8%)	(70.3%)
3-Month	(18.8%)	(22.2%)
6-Month	(15.4%)	(4.2%)
12-Month	(62.8%)	(70.3%)
2-Year	(37.6%)	0.6%
Since inception	123.7	16.1%

MONTHLY PERFORMANCE COMPARISON (AS AT 30 DECEMBER 2022)

Asset class	Performance %
Bitcoin Fund	(0.3%)
DigitalX Fund	(3.7%)
S&P Cryptocurrency Top 10 Equal Weight Index	(14.0%)

¹ Includes ~180.7 Bitcoin and ~144.0 Ethereum held as corporate treasury and DigitalX's unit holding in the funds at 30 December 2022.

² Excludes cash at bank.

³ All data based on unaudited Net Tangible Asset calculations prepared by the fund administrator at 30 December 2022, being the last business day of December.

⁴ Past performance is not indicative of future performance.

Gold ⁵	2.5%
Equities (All Ords) ⁶	3.5%

-Ends-

Authorised by the Board of Directors of DigitalX Limited.

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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

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

⁶ Based on closing price at 30 December 2022 of All Ords Price Index per <https://www2.asx.com.au/about/market-statistics/historical-market-statistics>.