

ASX ANNOUNCEMENT 30 JUNE 2023 LAUNCH OF DIGITALX ASSET REFERENCE TOKEN FUND

Highlights

- Australian-first funds management product launched offering exposure to real world assets through digital Asset Reference Tokens (ART), otherwise known as Real World Asset Tokens
- The “HxART” housing pool is the Fund’s first investment pool, offering fractional co-ownership of Australian properties, helping to close the housing deposit affordability gap
- The Fund represents a step change in the evolution of fund management and seeks to provide investors with an attractive risk-adjusted return through investing in digitised, fractionalised assets
- Combined with automation of investment due diligence and portfolio construction, tokenisation also offers improved diversification and potential to significantly reduce fund administration and investment transaction costs
- ‘1,000 Faces’ campaign launch - DigitalX will be launching a campaign to find 1,000 individuals or families that qualify for the HxART housing initiative with the intention of getting those individuals into their own homes

DigitalX Limited (ASX: DCC) (“DigitalX”, “the Company”) is pleased to announce that it has today expanded its funds portfolio through the launch of a groundbreaking Australian funds management product providing qualified wholesale investors with a simplified and secure access to a portfolio of real world assets through holding shares in traditional fund units in digital token form.

As originally announced in February 2023, DigitalX has now launched its real world asset tokenisation fund, the DigitalX Asset Reference Token Fund (“DxART Fund”, “the Fund”). The Fund has been established to offer investor exposure to multiple pools of digital tokens backed by different types of real world assets, and complements the Company’s existing funds management products, the DigitalX Bitcoin Fund and the DigitalX Digital Asset Fund. The digital tokens represent a ‘digital twin’ of the real world asset and enable ownership of those assets to be more easily fractionalised.

The concept of real world asset tokenisation changes how funding and financial transactions occur by digitising assets and the investment selection process through the use of fractionalisation, automation and tokenisation. All investments selected for the Fund are assessed and approved using a universal scoring matrix consisting of a data set of comparable investment criteria.

Along with achieving attractive risk adjusted returns, the Fund's investment strategy focuses on solving real world problems and funding real businesses and individuals, in line with the Company's stated purpose: "finance for impact".

The addition of this new Fund product will increase the investment opportunities for qualified wholesale investors to choose from and result in the receipt by DigitalX of management and performance fees depending on the performance of the Fund, as well as from its existing products.

HxART – addressing the housing affordability crisis

As disclosed on 20 February 2023 (ASX announcement "*DigitalX commences RWAT journey with initial partnership*"), the first investment pool included in the Fund is the HxART pool - an approved selection of fractional co-ownership of Australian properties. The HxART pool has been set up in partnership with property technology company Bricklet Limited.

In addition to an expected return to the Fund through a combination of monthly occupancy fees and potential capital growth, an investment in the HxART pool also addresses the emerging issue of housing deposit affordability. Equity provided by the DxART Fund will help Australians finance their 20% home deposit and purchase their own home in circumstances where saving that deposit is otherwise difficult.

As part of the seed capital for the DxART Fund, DigitalX has contributed an initial \$500,000 in balance sheet funding to the HxART pool, giving the HxART Fund initial exposure to three properties, located around Australia, that DigitalX has funded through its initial partnership with Bricklet.

DigitalX engaged Blockfold and Fireblocks to assist with developing the tokenisation infrastructure for the Fund and would like to thank both companies for their contributions to the project.

'1,000 faces' campaign

Coinciding with the launch of the HxART pool, the Company is launching its '1,000 faces' campaign, aiming to raise sufficient funding in the HxART pool to provide opportunities for 1,000 families to gain access to the Australian housing market through funding provided from the HxART pool to replace their 20% home deposit. The return to the Fund is received through the monthly occupancy fees and potential capital returns on properties in which the Fund will have a co-ownership with the homeowner.

DigitalX CEO Lisa Wade said: "*Like others, we hold the view that on-chain tokenisation will ultimately overtake legacy financial infrastructure, open up a world of new investment opportunities and help to democratise the finance sector. It is incredibly exciting to play a part in pioneering this shift with the launch of the DxART Fund and more specifically the HxART tokens to close the gap for Australians locked out of the property market. We look forward to bringing our '1,000 Faces' of real Australians wanting to*

buy properties and then applying our proprietary investment approach to expand the pools of tokens included in the Fund.”

Terence Siganakis, Managing Director, Blockfold said: *“The DxART Fund represents a significant leap forward for the real world asset tokenisation space, demonstrating the benefits of leveraging open and secure standards - resulting in increased transparency, security, and operational efficiency for investors and fund managers alike. BlockFold is proud to support such an incredible partner in DigitalX as one of our first customers for our enterprise tokenisation platform Blockflow, which in conjunction with Fireblocks provides the technological foundation of the Fund enabling the novel investment workflow that makes the Fund so innovative.”*

Stephen Richardson, Managing Director, Financial Markets and Head of APAC at Fireblocks said: *“The launch of DigitalX’s DxART Fund demonstrates the power of real-world asset tokenisation in creating fractionalised ownership, resulting in more transparent and efficient transactions, as well as greater liquidity and accessibility for investors. Fireblocks is proud to support DigitalX with the secure minting, burning, custodying and transferring of these digital assets, as well as to assist the company in its mission of lowering barriers to home ownership for everyday Australians via the Fund.”*

Qualifying wholesale investors can learn more about the Fund and the investment criteria by visiting the Company’s website [here](#).

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Authorised by the Board of DigitalX Limited.

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About DigitalX Limited (ASX:DCC)

DigitalX 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.

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