MERKLE TREE CAPITAL

MTC Digital Asset Fund - Core Class
NOVEMBER 2025

FUND PROFILE
The MTC Digital Asset Fund is a wholesale unit trust, domiciled in Australia

FUND OBJECTIVE
Capital appreciation via liquid digital assets

CUSTODIAN
Coinbase Custody

MANAGEMENT FEE
2.00% p.a.

PERFORMANCE FEE
20% on outperformance of 10% hurdle (high watermark)

MINIMUM INVESTMENT
$50,000, limited to wholesale investors & monthly liquidity

APIR#: BQC6247AU
ISIN#: AU60BQC62478

CONTACT

Ryan McMillin
ryan@merkle.com.au
0455 319 994

Dean Serroni
dean@merkle.com.au
0438 466 164

Gabriel Carey
gabriel@merkle.com.au
0409 129 513

Website
www.merkle.com.au

Investors in The Fund will have the benefit of

- Secure institutional-grade insured custody of crypto assets
- Portfolio management and ongoing asset selection
- Avoidance of complex global trading platforms
- Avoidance of opaque and complex tax reporting requirements
- Education via regular market updates

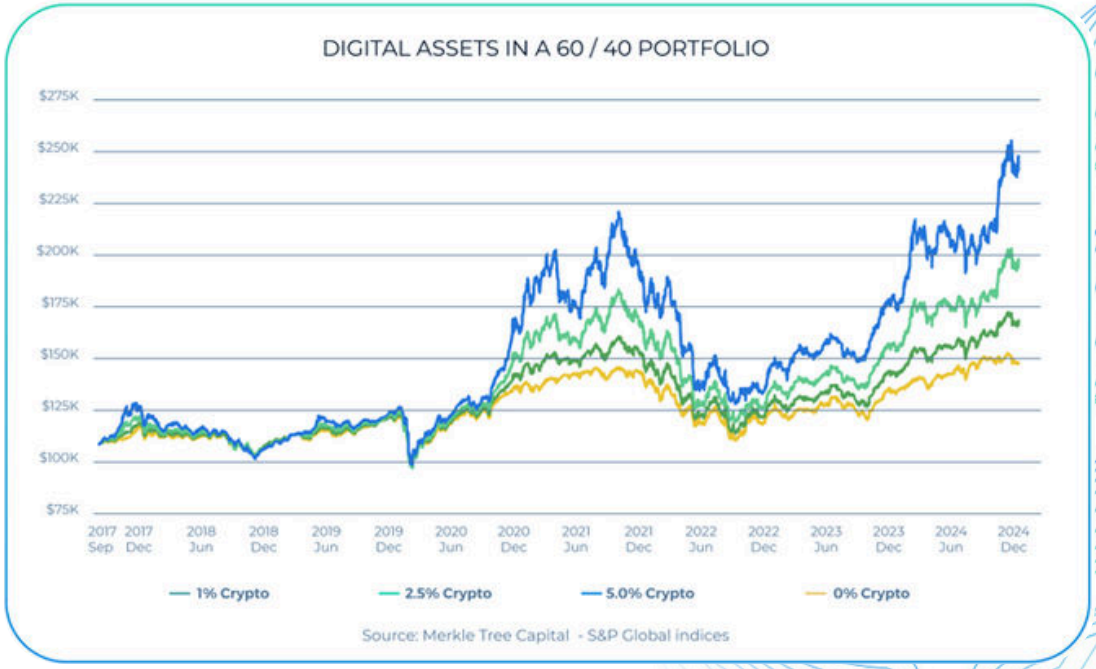
The **MTC Digital Asset Fund** is a high growth fund that seeks to achieve capital appreciation by investing in digital assets including established Blockchains, Decentralised Physical Infrastructure Network (DePIN) protocols as well as other emerging subsectors that present an opportunity for superior returns. The fund will hold liquid tokens and may undertake Staking (locking up crypto assets) activities, which may generate a nominal yield for the Fund.

The Fund employs a high conviction, buy and hold, long only investment strategy, holding the best crypto assets that will form the basis of the ecosystem in 10+ years' time. Active management allows the fund to preserve capital through observed peak (crypto summer) to trough (crypto winter) cycles aligned with Bitcoin halving and global liquidity cycles. The fund will have bias towards established digital assets (i.e., those in the top 50 by market capitalisation) and limited allocations to high-quality emerging crypto assets.

Cryptocurrency in a portfolio

Digital Assets have a low correlation to other asset classes, making it an important growth component of a well-balanced portfolio. Bitwise, in conjunction with the CFA Institute has Published whitepapers espousing the benefits of small allocations of crypto to balanced portfolios, the result being greatly enhanced returns and little difference in either volatility or maximum drawdowns.

Our data shows similar stark results, a 5% allocation to a 60/40 portfolio (equity/bonds) more than doubles cumulative returns from 15% to 43%, while the Sharpe ratio rises from a terrible –2.1 (yes 60/40 has been that bad recently) to a very healthy 1.4. The question therefore should not be whether to invest in digital assets but how much to allocate



**Past performance is not an indicator of future performance*

Historical Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2025	7.6%	-27.8%	-12.4%	16.5%	4.8%	-4.6%	13.6%	0.0%	1.4%	-8.6%	-24.0%	-	**-36.7%**
2024	2.6%	43.2%	26.7%	-24.3%	12.1%	-10.1%	8.0%	-16.7%	8.2%	13.2%	38.8%	-4.6%	**107.0%**
2023	28.8%	2.1%	8.9%	2.6%	-4.0%	1.1%	-3.1%	-10.7%	4.2%	29.3%	11.3%	23.5%	**128.5%**

** Data pre January 2025 references MTC Digital Asset Fund - A Class performance*
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Ready to Invest? Apply here:

https://www.registrydirect.com.au/offer/mtc-digital-asset-fund/

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