



VIRIDI
FUNDS

VIRIDI BITCOIN MINERS ETF*

NYSE: RIGZ

Q3 2022

*On May 23, 2022, the Fund changed its name from Viridi Cleaner Energy Crypto Mining and Semiconductor ETF to Viridi Bitcoin Miners ETF. In addition, the Fund is no longer held by prospectus to its clean energy screen.

THE VIRIDI INVESTMENT PHILOSOPHY WE BELIEVE:

BITCOIN IS AN ESSENTIAL ASSET CLASS CONSIDERATION

- Bitcoin is a decentralized digital currency that attempts to remedy the deficiencies of conventional currencies. It has evolved into a full-fledged asset class that deserves a serious look.
- Bitcoin is an inflation hedge, with a maximum total supply of 21 million. No central bank can ever debase its purchasing power.

BITCOIN MINERS CAN OFFER ENHANCED EXPOSURE TO BITCOIN

- Miners utilize their economies of scale to accumulate Bitcoin at a discount to prevailing market prices.
- Mining stocks have **magnified upside potential**, and **potential downside insulation** relative to Bitcoin.
- Mining stocks can improve the risk adjust return profile of a portfolio, even when including Bitcoin itself.

THE BITCOIN MINING INDUSTRY IS RIPE FOR ACTIVE MANAGEMENT

- Bitcoin mining is a nascent industry ignored by the sell side and underappreciated by the buy-side, presenting opportunities for potential alpha* generation.
- Viridi draws on its direct **“boots-on-the-ground”** experience within the Bitcoin mining industry to select stocks with the most attractive growth prospects.

WHAT IS A BITCOIN MINER?

BITCOIN MINERS ARE ESSENTIALLY FINANCIAL SERVICE PROVIDERS



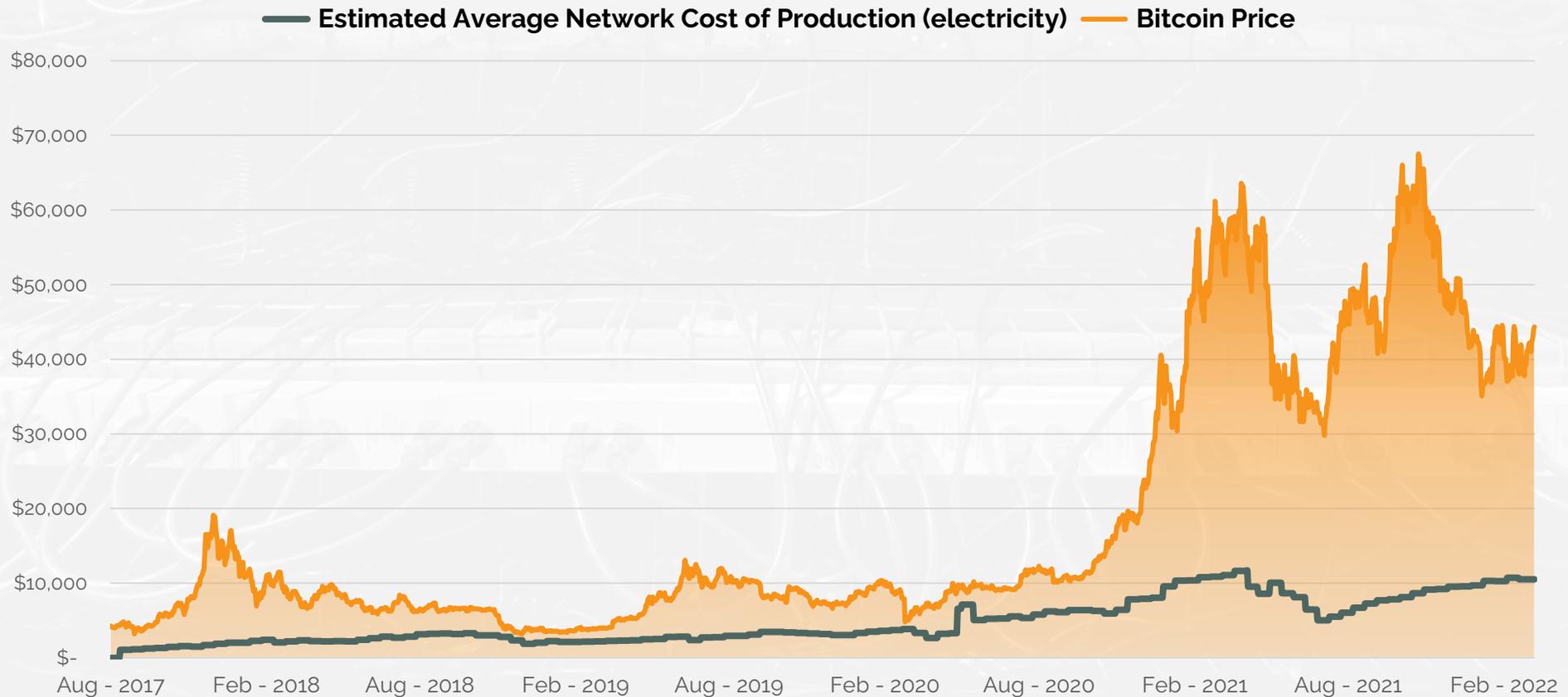
- **PAYMENTS PROCESSORS** – Miners use high performance computers called '**ASICs**' (*Application-Specific Integrated Circuit*) to validate and process transactions on the Bitcoin network.
- **ACCOUNTANTS** – Miners record transactions and resulting account balances to a permanent public ledger known as the '**blockchain**'. All miners around the world must reach consensus as to the truth and accuracy of the public ledger, enforcing security for all participants.

IN RETURN FOR THEIR SERVICES, BITCOIN MINERS ARE REWARDED WITH NEWLY MINTED BITCOIN.

'MINING' IS SIMPLY AN ANALOGY USED TO DESCRIBE THIS PROCESS!

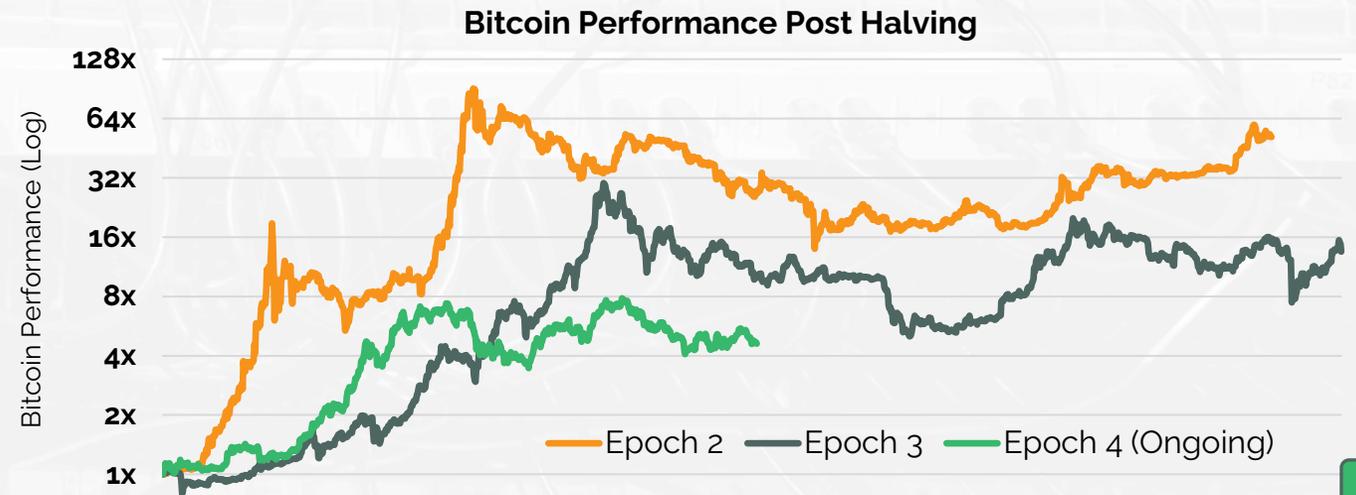
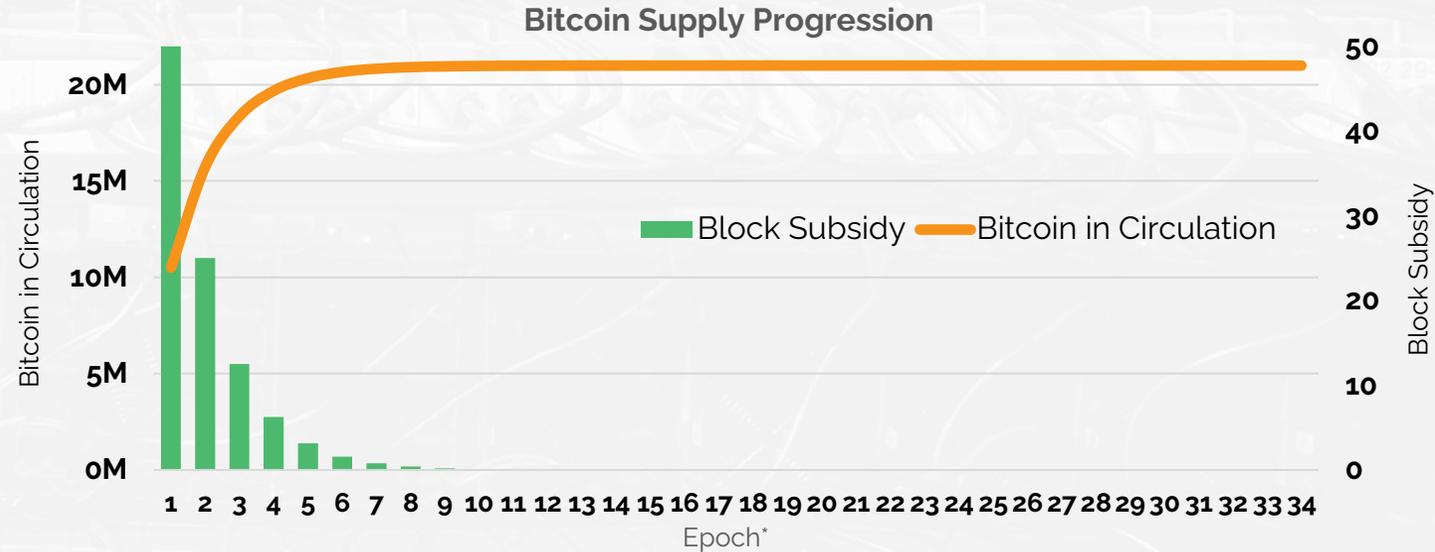
WHY BITCOIN MINING STOCKS?

Industrial Bitcoin miners leverage their efficiencies of scale and access to cheap power to effectively accumulate Bitcoin, an increasingly scarce asset, at a **discount** to prevailing spot prices!



BITCOIN MINING FUNDEMETALS

- Bitcoin miners are compensated with a **block reward**, comprised of two components, the **block subsidy** (newly minted Bitcoin), and **transaction fees** (fees paid in previously minted coins).
- There is a fixed, unchangeable maximum supply on **21 million** Bitcoins. Over time, the block subsidy is '**halved**' in a preprogrammed schedule until it reaches 0 in the year 2140.
- Although these 'halving' events immediately reduce mining rewards in Bitcoin denominated terms, they also slow the amount of new Bitcoin entering circulation, leading to a **supply constraint**. Historically, this effect has squeezed Bitcoin prices higher after each halving, **maintaining** the value of mining rewards in USD denominated terms.
- Additionally, in the year 2140, even in the absence of a block subsidy, miners can **still** be profitable as transaction volume likely grows due to widespread global adoption, and Bitcoin's price likely grows due to its scarcity.



MINING STOCKS ARE MUCH MORE THAN A BITCOIN PROXY THEY CAN OFFER ENHANCED EXPOSURE TO BITCOIN

MAGNIFIED UPSIDE POTENTIAL

BALANCE SHEET EXPOSURE & OPERATIONAL LEVERAGE:

Miners generally **hold Bitcoin** on their balance sheets & their margins have a strong **positive** correlation

COMPOUND EFFECT:

Miners attempt to leverage their Bitcoin balances to secure **additional mining power** and/or **generate yield**

POTENTIAL DOWNSIDE INSULATION

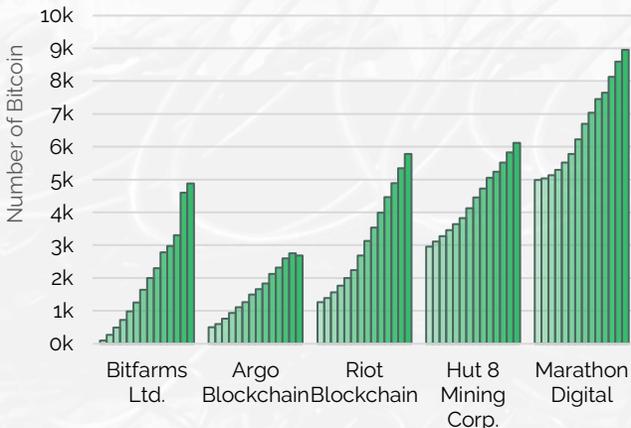
INFRASTRUCTURE ASSETS:

Miners often own non-mining specific hard assets such as data centers, energy generation & distribution infrastructure

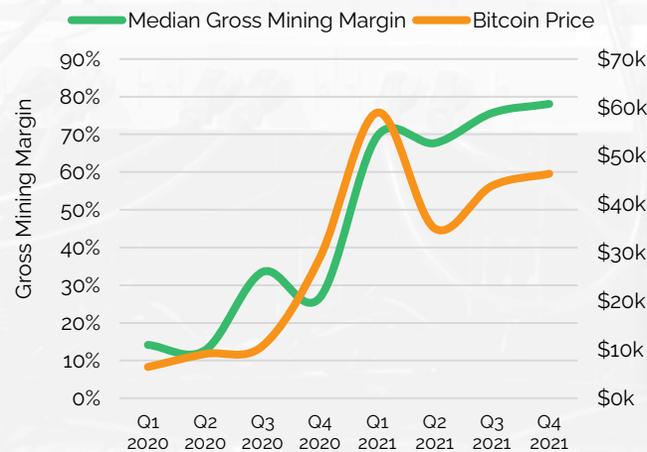
DIVERSIFICATION:

Some miners generate revenue from other verticals such as energy generation or co-location hosting

BITCOIN ACCUMULATION
(Jan 2021 - present)



MINER MARGINS & BITCOIN PRICE



Riot Blockchain,
Rockdale, TX

Greenidge Generation,
Dresden, NY

Argo Blockchain,
Dickens County, TX

CONSOLIDATION POTENTIAL: BITCOIN'S RELATIONSHIP WITH THE ENERGY INDUSTRY

Because of Bitcoin mining's energy intensity, it is becoming increasingly inter-connected with the energy industry. We believe Bitcoin miners may be **appealing acquisition targets** for the energy industry and may eventually **consolidate** into it for two core reasons:

MARGIN IMPROVEMENTS

Utility companies can **increase** their margins by mining Bitcoin themselves rather than selling electricity to a miner. Electric utility [Ameren](#) has already commenced its own Bitcoin mining operations.



MONETIZING 'STRANDED ENERGY'

Oil and gas producers can **monetize** wasted natural gas byproduct by using it to generate electricity for Bitcoin mining. Oil giants [ExxonMobil](#) and [ConocoPhillips](#) have both started pilot programs.

BITCOIN MINING'S ENVIRONMENTAL IMPACT

THE REALITY, BY THE NUMBERS

0.55%

The Bitcoin mining industry's share of global energy consumption ([Cambridge University](#))



1.32%

The **entire banking system's** share of global energy consumption ([Galaxy Digital](#))

41%

The percentage of energy consumed in global Bitcoin mining in 2021 generated from renewables ([CoinShares](#))



29%

The percentage of renewable generated energy in 2020 worldwide ([IEA](#))

39

The megatons of CO2 equivalent emitted by the Bitcoin mining industry in 2021 ([CoinShares](#))



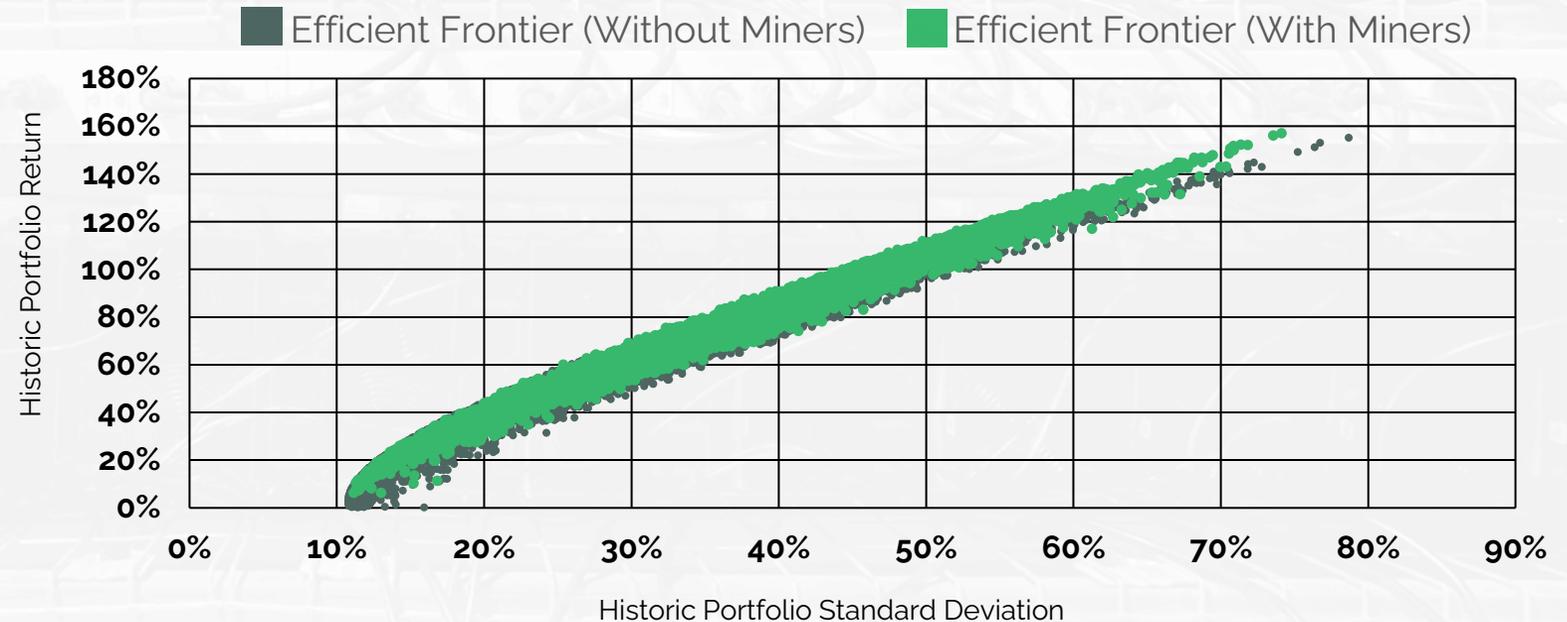
100

The megatons of CO2 equivalent emitted by other data center operations (Google, Netflix, Zoom, AT&T etc) in 2021 ([NYDIG](#))



BITCOIN MINING STOCKS: AN ESSENTIAL ALLOCATION CONSIDERATION

Based on Modern Portfolio Theory, Bitcoin mining stocks may compliment portfolios of traditional assets and Bitcoin. An allocation to mining stocks may improve a portfolio's risk adjusted return profile.



Portfolio	US Stock Weight (SPY)	Intl. Stock Weight (EFA)	Treasuries Weight (TLT)	Bitcoin Weight (BTC)	Mining Stock Weight (HRI)	Historic Portfolio Return	Historic Standard Deviation	Sharpe Ratio
Minimum Variance	12.9%	34.5%	52.6%	0.0%	0.0%	2.7%	10.8%	0.16
Maximum Sharpe (Without Miners)	78.5%	0.0%	0.0%	21.5%	--	62.5%	26.7%	2.30
Maximum Sharpe (With Miners)	73.6%	0.0%	0.0%	17.3%	9.1%	68.5%	28.8%	2.34

Efficient Frontier: The efficient frontier is the set of optimal portfolios that have the highest, realized historic return for a defined level of risk or the lowest realized historic risk for a given a defined level of return.

Sources: Coingecko.com, S&P CapitalIQ and Hashrate Index. Asset classes are simulated using representative ETFs listed above. Mining stocks (HRI) represented by the "HI CRYPTO MINING STOCK INDEX". Based on daily price returns between 6/30/2020 and 3/31/2022. Risk free rate of 1% applied. 20k trials of random weights applied to each universe to form efficient frontier. Optimal portfolio weights calculated with Excel Solver. Internal calculations, subject to errors.

WHY ACTIVE MANAGEMENT?

MARKET INEFFICIENCY

The Bitcoin mining industry is still nascent. It is often neglected by the sell-side, and misunderstood by the buy-side, leading to mis-pricings and a possible opportunity for alpha generation.

EXPERT PORTFOLIO MANAGEMENT

Our lead Portfolio Manager, *Wes Fulford*, leverages his **direct experience** as former *CEO of Bitfarms*, one of the largest, successful Bitcoin mining corporations in the world.

A NOVEL APPROACH

Our investment team sees the industry through a unique lens, making investment decisions based on granular financial modeling and novel, industry specific valuation metrics, as opposed to standard “cookie-cutter” multiples.

STOCK SELECTION CRITERIA

ATTRACTIVE

- Modern, efficient mining fleet
- Strong pipeline of financed future mining power
 - Reputable manufacturers

- "Behind the meter" electricity rates (\$0.02-0.04 /kWh)
 - Vertically integrated
 - Renewable generation

- Owned, excess rackspace
- Sufficient electrical infrastructure

- Valuations based on strong execution
- Reasonable, relative to forward mining power

- Sufficient cash balances
- Quality non-dilutive financing options

- Seasoned, reliable

- Welcoming local regulatory environments
 - Based in developed countries



MINING POWER



ELECTRICITY



CAPACITY



VALUATION



LIQUIDITY



MANAGEMENT



GEOGRAPHY

UNATTRACTIVE

- Legacy, inefficient mining fleet
- Unfunded, unrealistic future mining power claims
 - Questionable manufacturers

- Unfavorable electricity rates and/or hosting fees
 - Reliant on 'the grid'
 - Carbon emitting generation

- Reliant on leased rackspace
- Insufficient electrical infrastructure

- Valuations based on hype
- Unreasonable, detached from fundamentals

- Short cash runways
- Imminent dilution or debt

- Inexperienced, sensationalist

- Inhospitable local Bitcoin mining regulations
 - Unstable governments

PERFORMANCE

Our active approach has afforded **RIGZ** various periods of outperformance vs our benchmark, the **[HI CRYPTO MINING STOCK INDEX](#)**

HYPOTHETICAL GROWTH OF \$10k SINCE INCEPTION



IMPORTANT DISCLOSURES

Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. The performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. To obtain performance as of the most recent month end, visit www.viridifunds.com/rigz-etf.

The Hypothetical Growth of \$10,000 chart, above, reflects a hypothetical \$10,000 investment and assumes reinvestment of dividends and capital gains. Fund expenses, including management fees and other expenses were deducted.

Shares are bought and sold at market price not net asset value (NAV). Market price returns are based upon the closing composite market price and do not represent the returns you would receive if you traded shares at other times. A fund's NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. Due to unusual market conditions, the fund's relatively high performance may not be sustainable or repeated in the future.

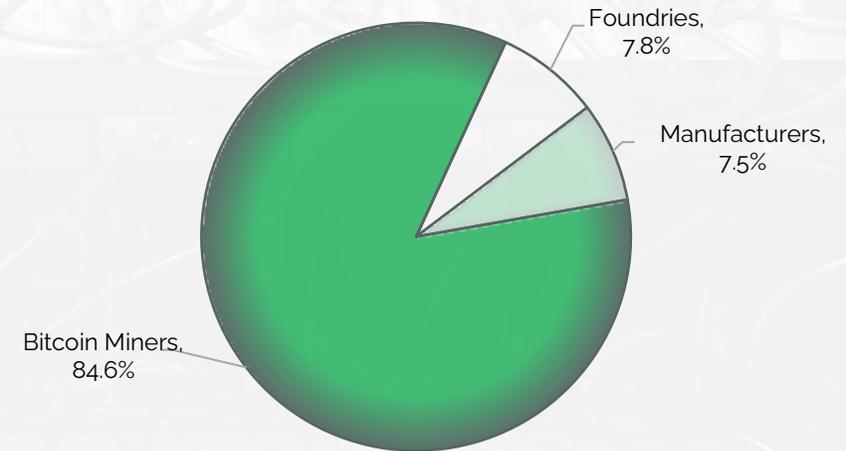
	YTD	1 Month	3 Month	6 Month	1 Year	3 Year	5 Year	Since Inception
Market	-73.49%	-18.62%	2.37%	-67.08%	-73.40%	-	-	-58.55%
NAV	-73.61%	-18.87%	1.19%	-67.10%	-73.45%	-	-	-58.62%
HI Crypto Mining Stock Index	-57.89%	-20.17%	2.55%	-57.71%	-65.14	-	-	-51.36%

THE RIGZ PORTFOLIO

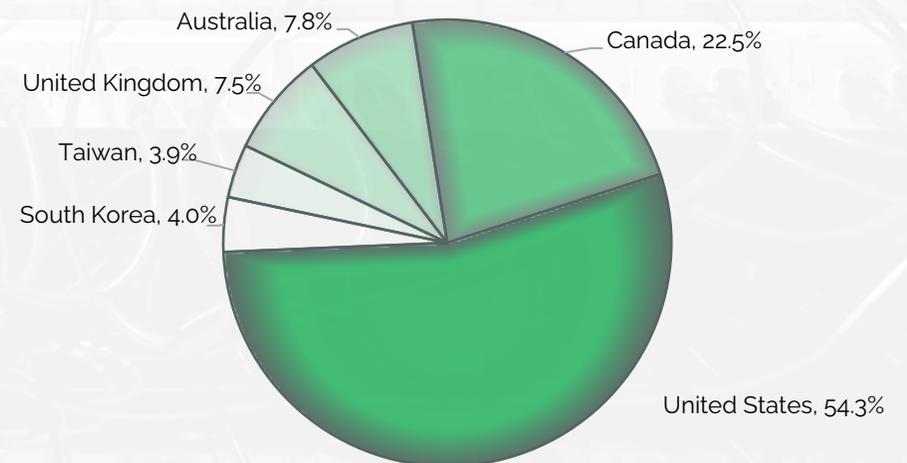
As of: 6/30/2022

NAME	WEIGHT
Riot Blockchain	10.8%
Bitfarms	8.4%
Argo Blockchain	7.2%
Cleanspark	6.7%
Iris Energy	6.6%
Core Scientific	5.9%
Marathon Digital Holdings	5.3%
Terawulf	5.0%
Hut 8 Mining	4.9%
Bit Digital	4.7%
Samsung Electronics	3.8%
Taiwan Semiconductor	3.8%
Advanced Micro Devices	3.7%
NVIDIA	3.6%
Hive Blockchain Technologies	3.5%
Cash & Cash Equivalents	3.4%
DMG Blockchain	3.2%
Stronghold Digital Mining	2.3%
Greenidge Generation	1.9%
Digihost Technology	1.7%
Mawson Infrastructure	1.0%

ALLOCATION BY INDUSTRY



ALLOCATION BY COUNTRY



THE VIRIDI TEAM



Wes Fulford, CFA
CEO, Lead Portfolio Manager



Ethan Vera
CFO & COO



David Khalif
Investment Analyst,
Head of Operations



Cameron Collins, CFA
Portfolio Manager



Jared McCutcheon, CMT
Sales Director



-  Bitcoin mining experience
-  Investment management experience
-  Corporate finance / Investment Banking experience

OUR EXPERIENCE

Viridi draws on its teams' diverse backgrounds, ranging from corporate finance, investment banking and investment management, to direct **“boots-on-the-ground”** experience within the **Bitcoin mining** industry.



THE CASE FOR RIGZ

ENHANCED BITCOIN EXPOSURE*

RIGZ is much more than a Bitcoin proxy. We believe it offers enhanced exposure to Bitcoin and may improve the risk adjust return profile of a portfolio, even when including Bitcoin itself.

EXPERT ACTIVE MANAGEMENT

RIGZ is the first & only Bitcoin mining ETF managed by industry practitioners. Our deep knowledge of the space puts us in an excellent position for alpha potential, in an industry that we feel is ripe for active management.

A FAMILIAR ETF WRAPPER

RIGZ, unlike Bitcoin itself, is an SEC registered investment vehicle that can be held in a regular brokerage account, or alongside your retirement assets. Gain Bitcoin like exposure with no need to worry about hacks or private keys.

IMPORTANT INFORMATION

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling (215) 882-9983, or by visiting www.viridifunds.com. Read it carefully before investing.

Investments involve risks. Principal loss is possible. ETFs may trade at a premium or discount to their net asset value. Redemptions are limited and often brokerage commissions are charged on each trade which may reduce returns. The Fund will not invest directly in cryptocurrencies however it invests in companies involved in the cryptocurrency industry such as mining and manufacturers which can be very volatile. There is no assurance that the cryptocurrency network or service providers will continue in existence or grow. Technology companies may have limited product lines, financial resources and could face intense competition and rapid product obsolescence. Cryptocurrency functionality relies on the Internet and a significant disruption of connectivity could impede functionality and the risk of fraud or cyber-attack which could have adverse effect on the Fund's investments.

Cryptocurrencies are subject to supply and demand so it is unclear how it will be impacted by geopolitical events. Nevertheless, political, health or economic crises may motivate large-scale acquisitions or sales of cryptocurrency either globally or locally. Large movements in the price of cryptocurrencies could create volatility and negatively impact the value of the Fund. Cryptocurrency exchanges are new and largely unregulated without any central authority or backing by any government or banks. Cryptocurrency is not legal tender and may experience very high volatility or be more exposed to fraud, glitches or stop operating. Cryptocurrencies currently face an uncertain regulatory landscape and are rapidly evolving in not only the United States but also in many foreign jurisdictions. The adoption of laws and regulations that affect the industry could ultimately have a negative impact or impede the growth of the companies the fund invests in.

Investments in foreign securities and depositary receipts are subject to special risks including the risk of a foreign jurisdiction imposing restrictions on the ability to repatriate or transfer currency or other assets; political, regulatory risks; and foreign market and trading risks. Depositary receipts represent shares of foreign based corporations and may be less liquid than the underlying shares in their primary trading market.

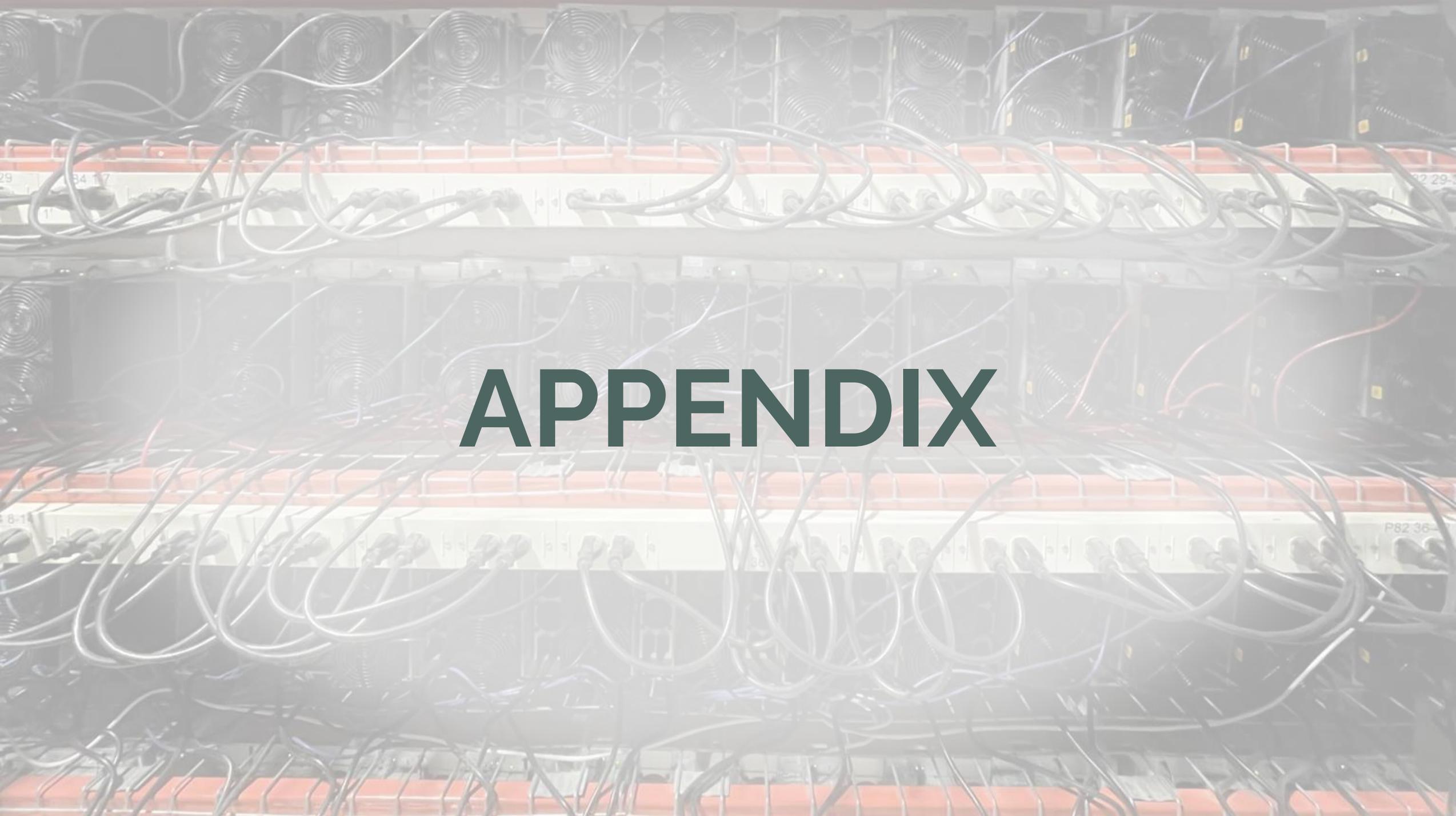
The Fund may invest in companies that have recently completed an IPO (initial public offering), are derived from a SPAC (Special Purpose Acquisition Company) or result from a Reverse Merger. These companies may be unseasoned and lack a trading history and track record. IPOs and stocks derived from SPACs, or Reverse Mergers are thus often subject to extreme price volatility and speculative trading.

The fund invests in micro-, small-, and mid-capitalization sized companies which could have less liquidity and lower-trading volumes which tend to make their market price fall more in response to selling pressures and may have limited markets, product lines, or financial resources and lack management experience. The Fund's crypto mining investments will be screened with clean energy criteria. Given the high energy usage of the crypto mining industry, the Sub-Adviser will evaluate crypto mining companies by focusing on their actions that will reduce the negative environmental impacts of mining. The Sub-Adviser will also consider purchased carbon offsets and other actions promoting environmental sustainability. There can be no assurance that this strategy will be successful for the Fund.

The Fund is non-diversified, which means that it may invest more of its assets in the securities of a single or smaller number of issuers than if it were a diversified fund. The Fund was recently organized with limited operating history and track record on which to base an investment decision.

The Hashrate Index (HI) Crypto Mining Stock Index is a comprehensive index of Bitcoin mining-related stocks of public mining rig manufacturers, foundries, and miners. The associated performance data has been compiled from reported daily closing prices of the index.

Empowered Funds, LLC serves as the Fund's Investment Adviser and New Gen Minting, LLC, d/b/a Viridi Funds, serves as the Fund's Sub-Adviser. RIGZ is distributed by Quasar Distributors, LLC.

A photograph of a server rack with a semi-transparent overlay. The rack contains multiple server units with numerous cables connected to their front panels. The word "APPENDIX" is centered in a bold, dark green font. The background is a light grayish-blue color.

APPENDIX

BITCOIN v CRYPTO?

Although Bitcoin is part of the broader cryptocurrency complex, there are important distinctions between it and other currencies known as 'alt-coins'



BITCOIN

- Bitcoin was the world's first cryptocurrency. It is by far the most mature, liquid and widely used.
- **Inflation-resistant** – Bitcoin has a **fixed total supply** of 21 million, unlike traditional currencies that can be printed at will
 - Transactions are processed by **'miners'** using high performance computers in what is known as a **"proof-of-work"** consensus mechanism.
 - Can be viewed as a **currency & store of value**



ALT-COINS

- A broad category of non-Bitcoin cryptocurrencies
- Various use cases, from **'smart-contract'** networks used for decentralized lending and borrowing, to **'meme-coins'** that are literal jokes.
 - In some cases, **unlimited total supplies**
- Transactions are generally processed by **'stakers'** in what is known as a **'proof-of-stake'** consensus mechanism
 - Can be viewed as **securities**

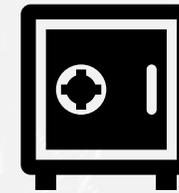
PROOF-OF-WORK v PROOF-OF-STAKE?

There are two main consensus mechanisms that secure the blockchains of different cryptocurrencies. One involves mining, and the other does not.



[POW] PROOF-OF-WORK

- A blockchain consensus mechanism that selects validators to process transactions based on **computing power**
 - More energy intensive, enhanced security
 - Highly **decentralized**
- The original consensus mechanism that powers the Bitcoin blockchain



[POS] PROOF-OF-STAKE

- A blockchain consensus mechanism that selects validators to process transactions based on their **deposited wealth**, or 'stake'
- Less electricity intensive at the cost of sacrificing security
 - Highly **centralized** in some cases
- The consensus mechanism that powers most alt-coin blockchains