

CRESCAT CAPITAL[®]

The Value of Global Macro Investing

An Asset Class Wide Opportunity

At Crescat, we consider precious metals to be a core macro asset class to cover a variety of economic conditions over the long term. The category encompasses the global precious metals mining industry and the underlying commodities it produces, including gold, silver, platinum, palladium, and other valuable metals. Investing in this group of securities can provide healthy long-term total return prospects with low correlation to more highly trafficked asset classes, such as global stocks, fixed income, cash, and real estate. Precious metals thus offer an important place in the overall allocation mix of long-term investment portfolios with risk reducing and return generating properties.



The Macro Case for Precious Metals

Precious metals securities provide strong appreciation potential in periods of negative and declining real interest rates, including both recessionary and inflationary environments. Demand for gold and silver also tends to be strong when the total debt in an economy is historically high relative to GDP and central banks are engaged in easy monetary policies. Such policies include interest rate suppression, yield curve control, debt monetization, fiat money printing, and other central bank attempts to ease debt burdens and boost the overall economy. Ongoing easy monetary policies in the face of asset bubbles in stocks and fixed income securities can lead to a self-reinforcing cycle that drives investors out of these over-valued asset classes and into under-valued precious metals.



Activist Investment Strategy

This fund will devote a substantial allocation of its capital to activist positions in the precious metals mining industry. The managers will tactically navigate the precious metals cycle based on Crescat's macroeconomic models shifting among relative market capitalizations, style of company, and type of security within the overall asset class. Crescat performs fundamental and quantitative analysis on a broad universe of global all-cap gold and silver mining equities and fixed income securities. The strategy may also hold precious metals exchange traded funds, physical bullion, and futures and/or options on precious metals commodities or equity securities. The fund may employ a modest amount of leverage which will typically not exceed 25%. The investment objective is long term capital appreciation with low correlation to the S&P 500 Index. The benchmark is the Philadelphia Stock Exchange Gold and Silver Index.



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Our Positioning Today

Our goal at this stage of the precious metals cycle is to identify and invest in a portfolio of the largest and most economic new gold and silver deposits in viable jurisdictions around the world. Many of these exciting properties are in the hands of beaten-down junior exploration companies that have been nurturing these assets for years but have been starved of the capital to develop them. We believe that a carefully vetted activist portfolio of these companies offers tremendous value and timely growth scale in the current macro environment. Based on our macro models, several of which we lay out later in this presentation, we strongly believe it is early in a new bull market for precious metals, a time when it will be advantageous to have significant exposure to the quality junior gold and silver exploration and development focused companies that Crescat has identified and is helping to advance.



Term Sheet

Investor Class	Minimum Investment	Annual Management Fee	Annual Incentive Allocation w/ High Water Mark
Main	\$250,000	2%	20%
1-Year Soft Lock Up (Monthly liquidity with 30-day notice; 2% redemption fee in 1st year)			
Institutional Class 1	\$1,000,000	1.5%	15%
3-Year Partial Lock Up (May redeem up to 25% of capital account any month after year 1; up to another 25% after year 2; monthly liquidity with 30-day notice after year 3)			
Institutional Class 2	\$5,000,000	1.25%	12.5%
3-Year Partial Lock Up (May redeem up to 25% of capital account any month after year 1; up to another 25% after year 2; monthly liquidity with 30-day notice after year 3)			

Service Providers

Administrator	SS&C
Prime Broker	JP Morgan
Custodian	JP Morgan
Auditor	Deloitte

Crescat's Activist Strategy

Acquire a meaningful stake

We want to be a valued long-term shareholder partner with a significant stake in our activist portfolio companies, typically at least 2% and up to 19.9% of the shares outstanding of these companies.

Crescat's Activist Strategy

Infuse capital

We want to get capital directly to our companies with large and highly economic prospects. We want to help these companies flesh out their valuable deposits of gold and silver in the ground and turn these assets into highly profitable mines with strong discounted free cash flow and net present value economics. We will often accomplish this through negotiated private placement investments in public companies that can come with activist perks such as discounts, warrants, and anti-dilution rights.

Crescat's Activist Strategy

Bring in experts

We will introduce potential new management, board members, and technical experts through our network of talent. The fund has a strong relationship with Quinton Hennigh, PhD, and his association with proven leaders in the precious metals exploration and mining industry. Quinton is a world-renowned exploration geologist with 30+ years of industry experience who serves as Crescat's lead geologic and technical advisor. Please refer to his bio at the end of the presentation.

Crescat's Activist Strategy

Collaborate with existing management and board

We generally operate as friendly activists to further the joint interests of Crescat and our clients with pre-existing stakeholders.

Crescat's Activist Strategy

Share the story

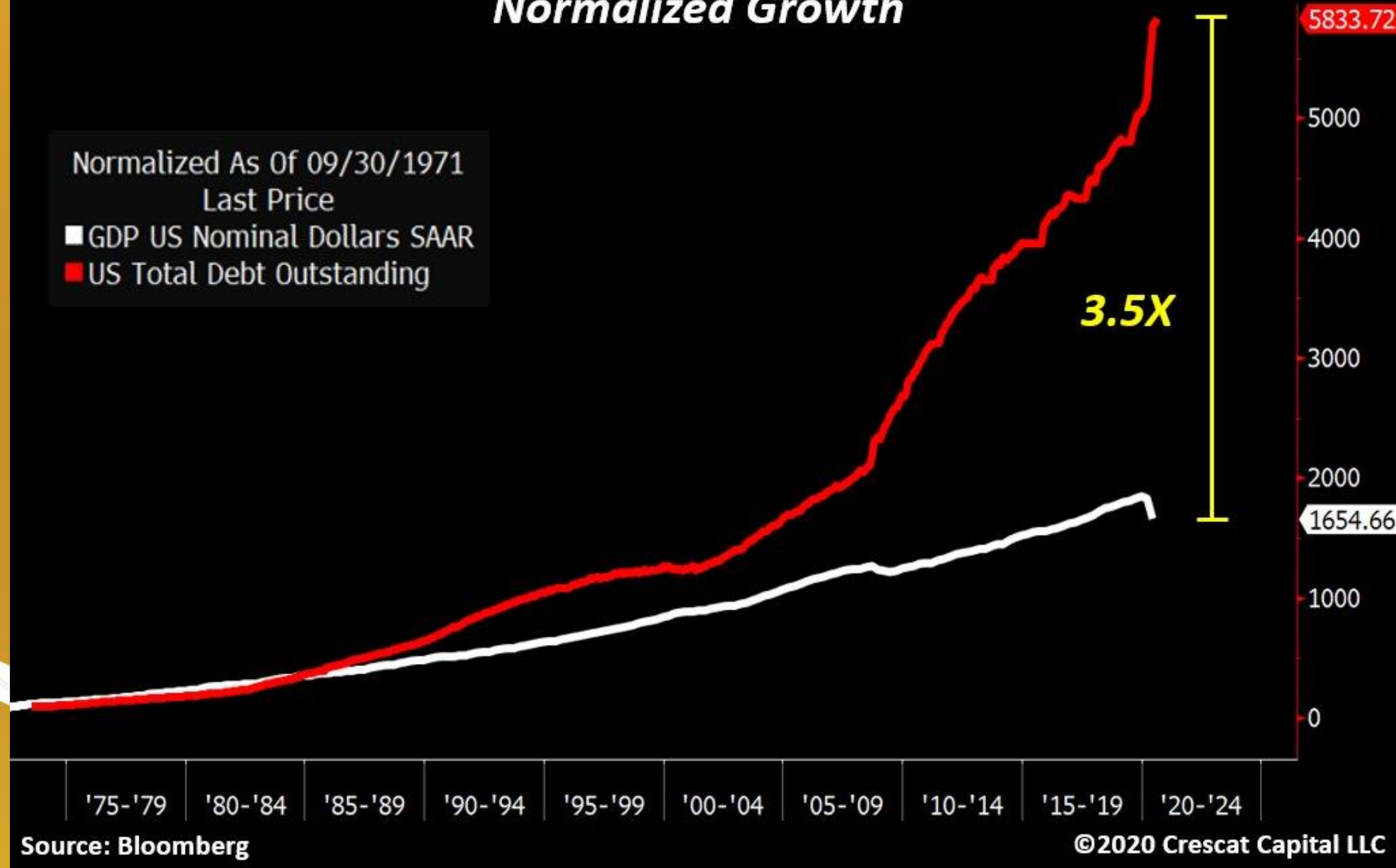
There is an exciting narrative behind the geology and economic opportunity in each of the companies in our portfolio. Our goal is to share this story with the broader investment community to unlock the hidden value we have discovered.

The Macro Case for Precious Metals Today

Please refer to the following Crescat
Precious Metals Macro Deck...

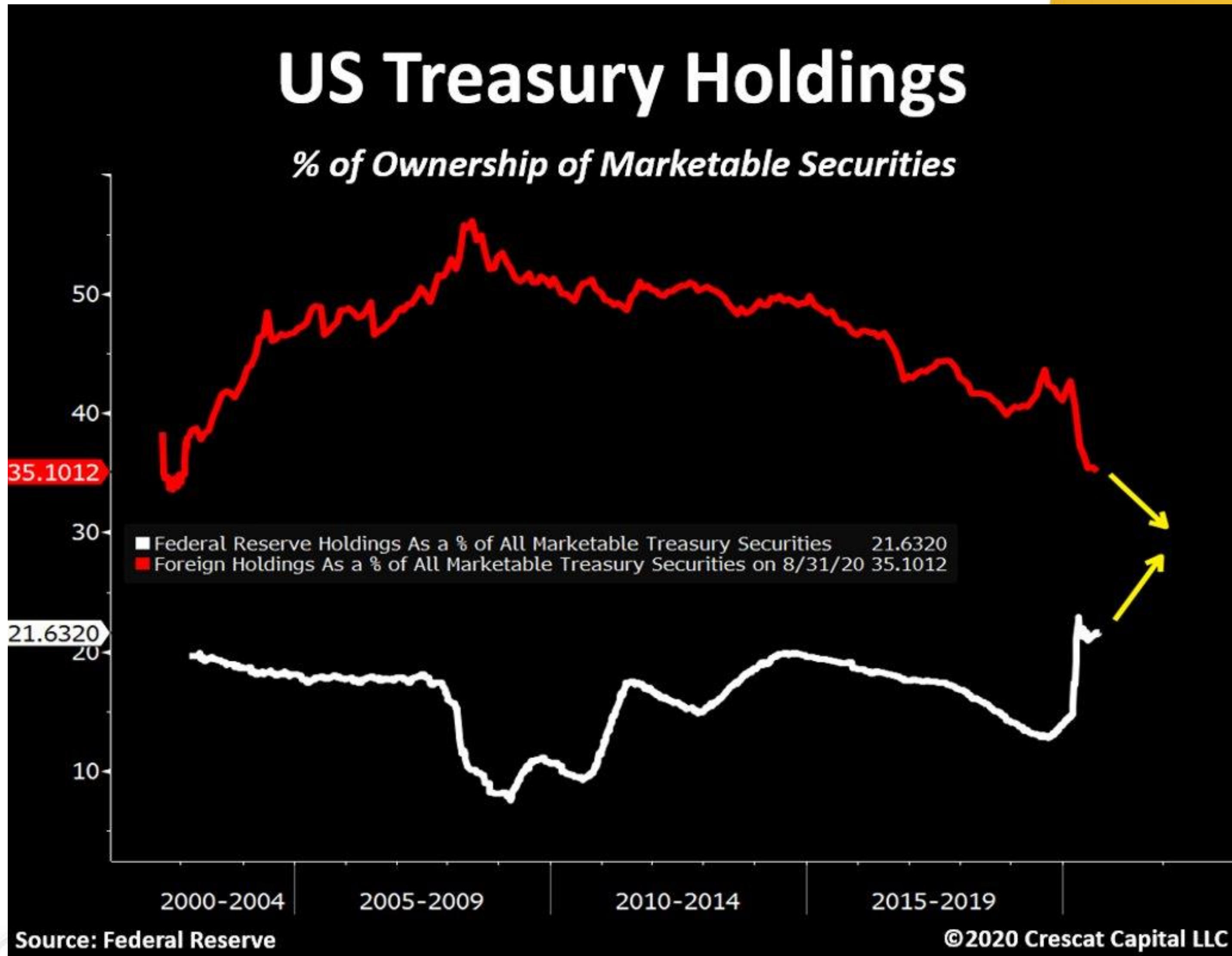
US National Debt vs. GDP

Normalized Growth



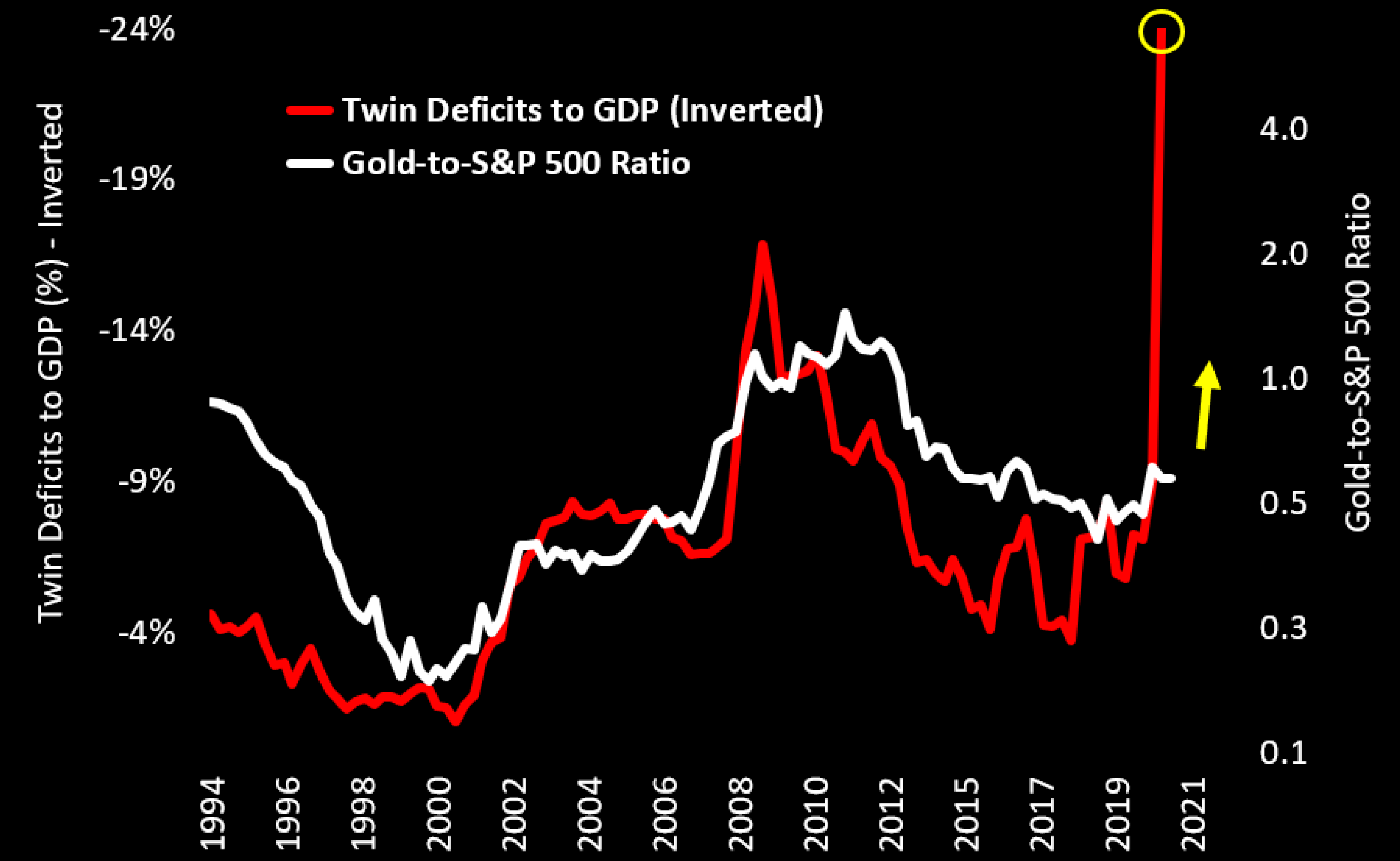
National Debt has grown over 3.5x nominal GDP since the break of the gold standard.

Foreign investors are currently holding the lowest percentage of marketable US Treasuries in 20 years. The Federal Reserve is becoming the buyer of last resort.



Twin Deficits vs. Gold-to-S&P 500 Ratio

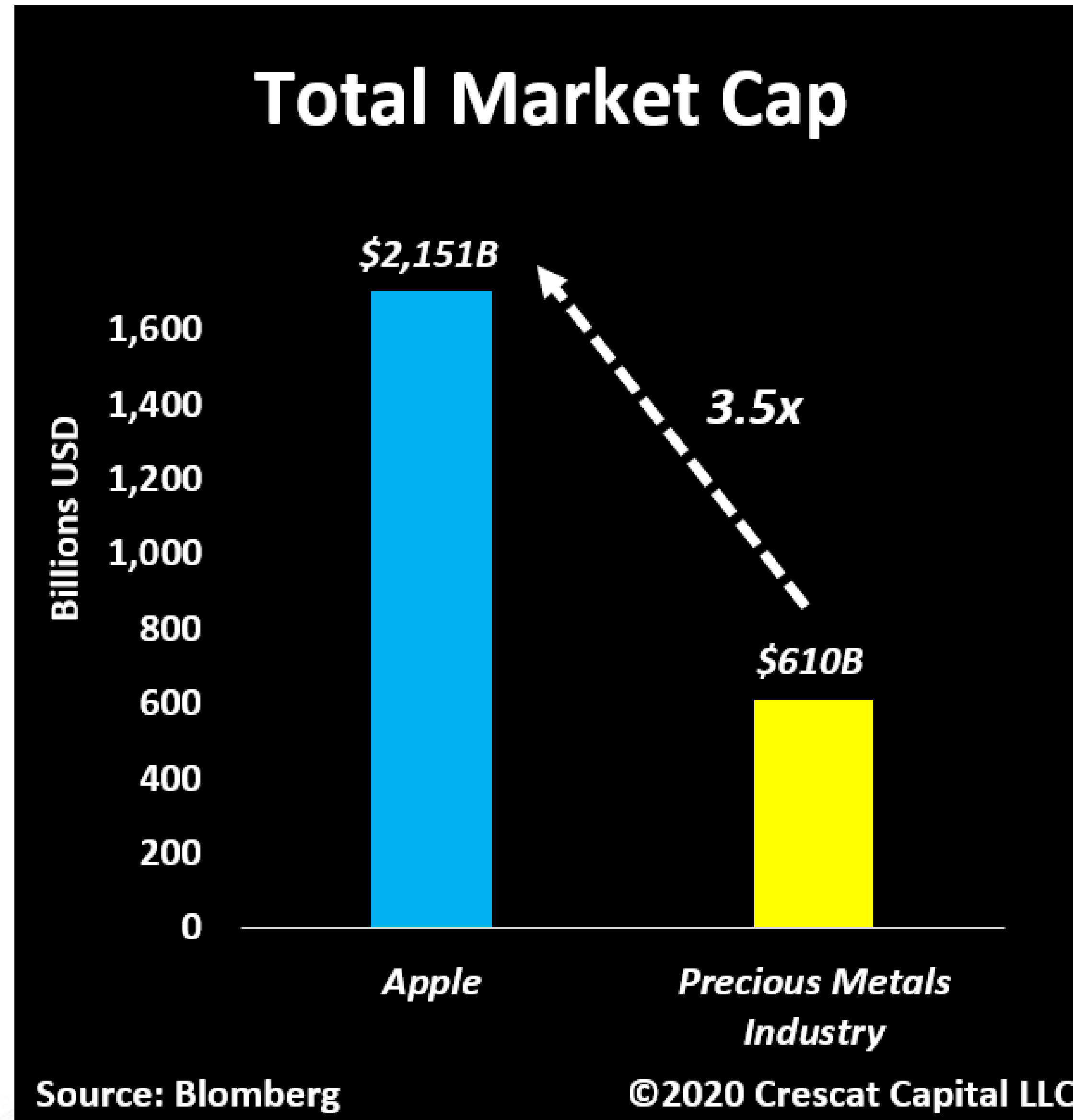
*Twin Deficits Calculation:
Annual Change in US Public Deficit + Current Account Balance*



Source: US Treasury, Bloomberg ©2020 Crescat Capital LLC

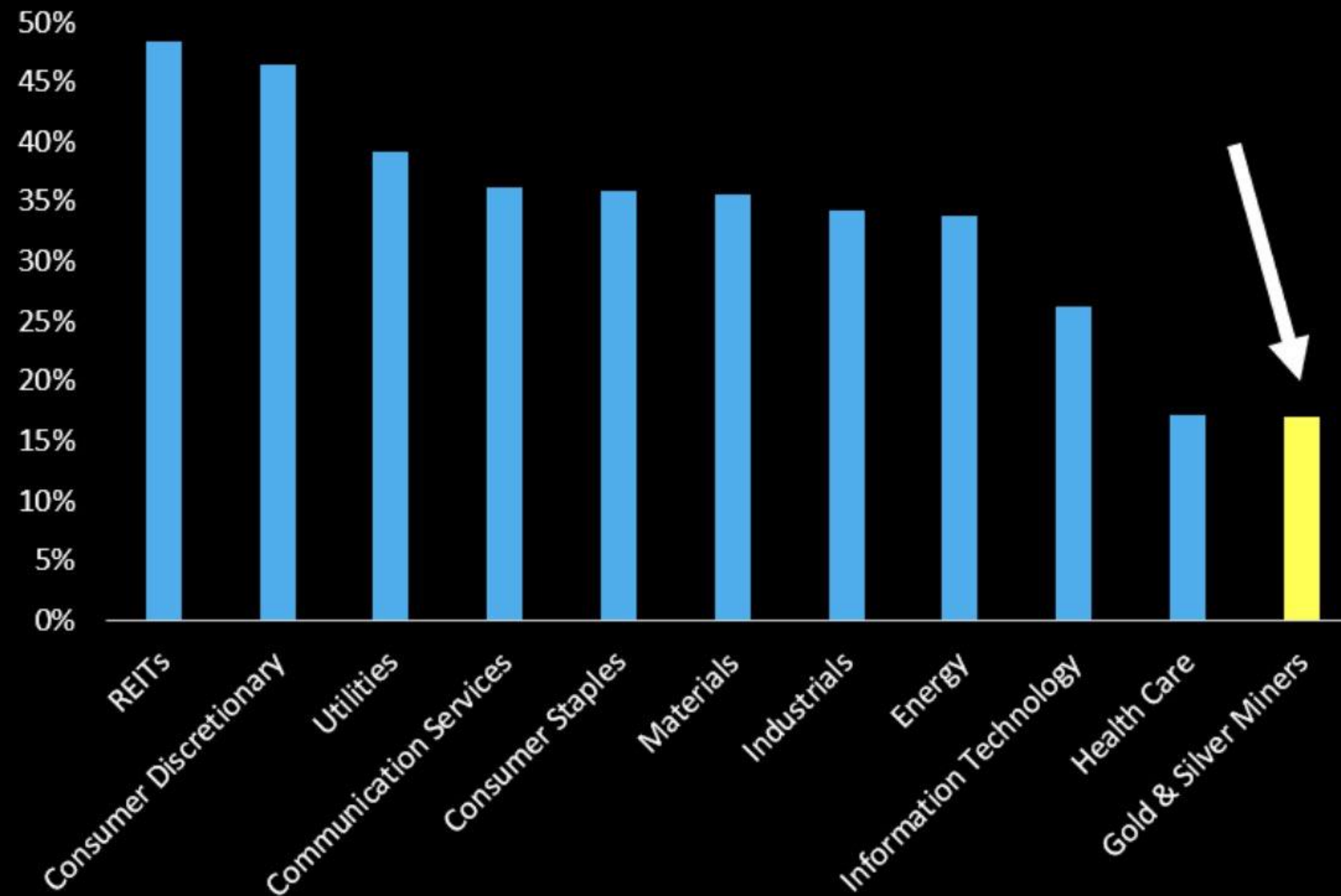
History has proven during times of fiscal disorder gold tends to outperform equities. Inverted twin deficits suggests a massive upward move in the gold to S&P 500 ratio is still ahead.

The entire precious metals industry is dirt cheap. Apple's market cap is 3.5 times the size of the whole precious metals industry.



Median Total Debt to Assets Ratio

Russell 3000 Index & Top 50 Precious Metals Miners By Market Cap



Source: Bloomberg

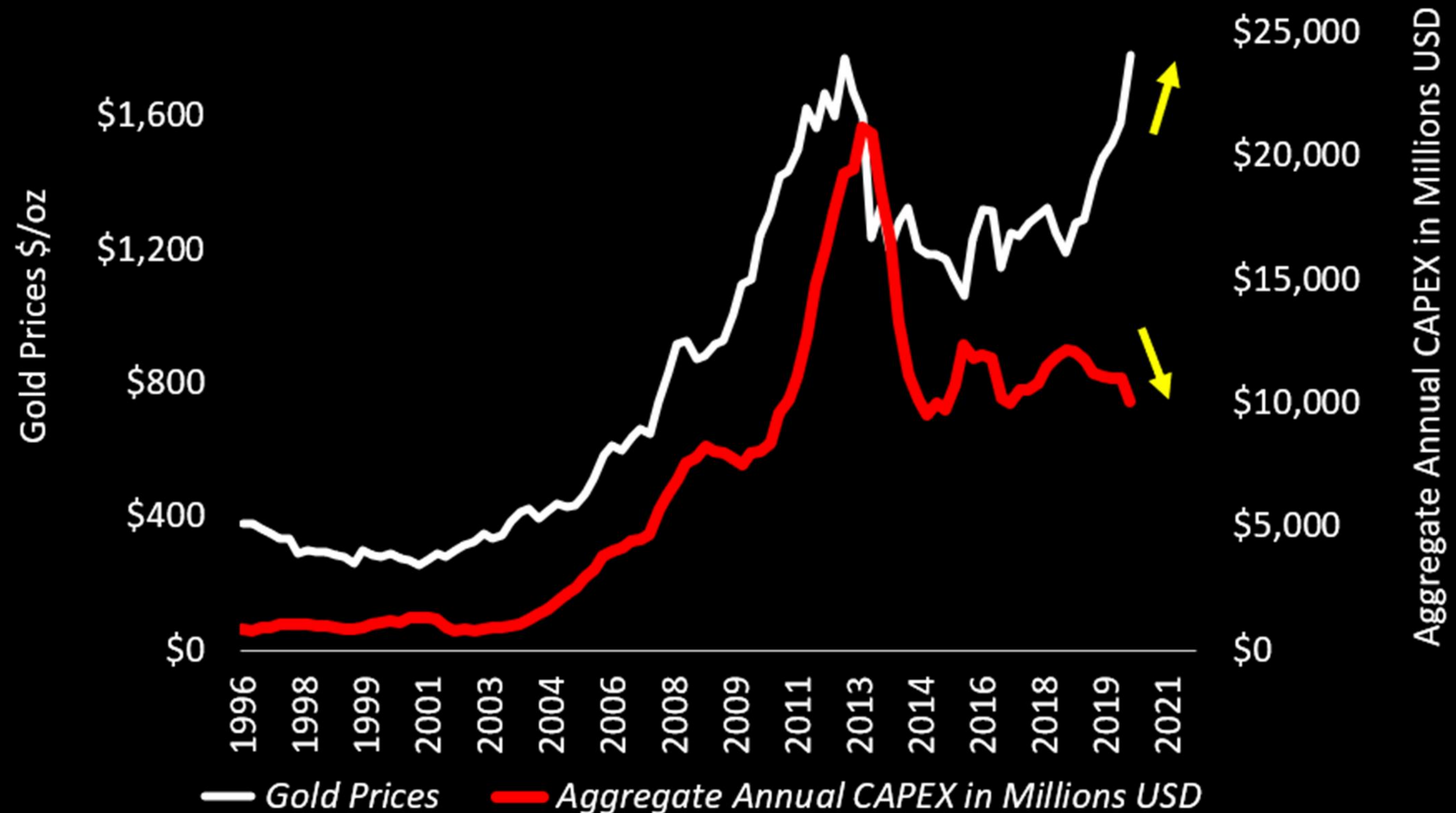
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If precious metals stocks were a sector, they would have the cleanest balance sheets of them all.

Miners have been reluctant to spend capital even though gold prices have been moving higher. Thus, supply is constrained, an incredibly bullish fundamental backdrop for gold and silver.

Gold vs. Miners' CAPEX

Top 50 Miners by Market Cap in the Canadian & US Stock Exchanges

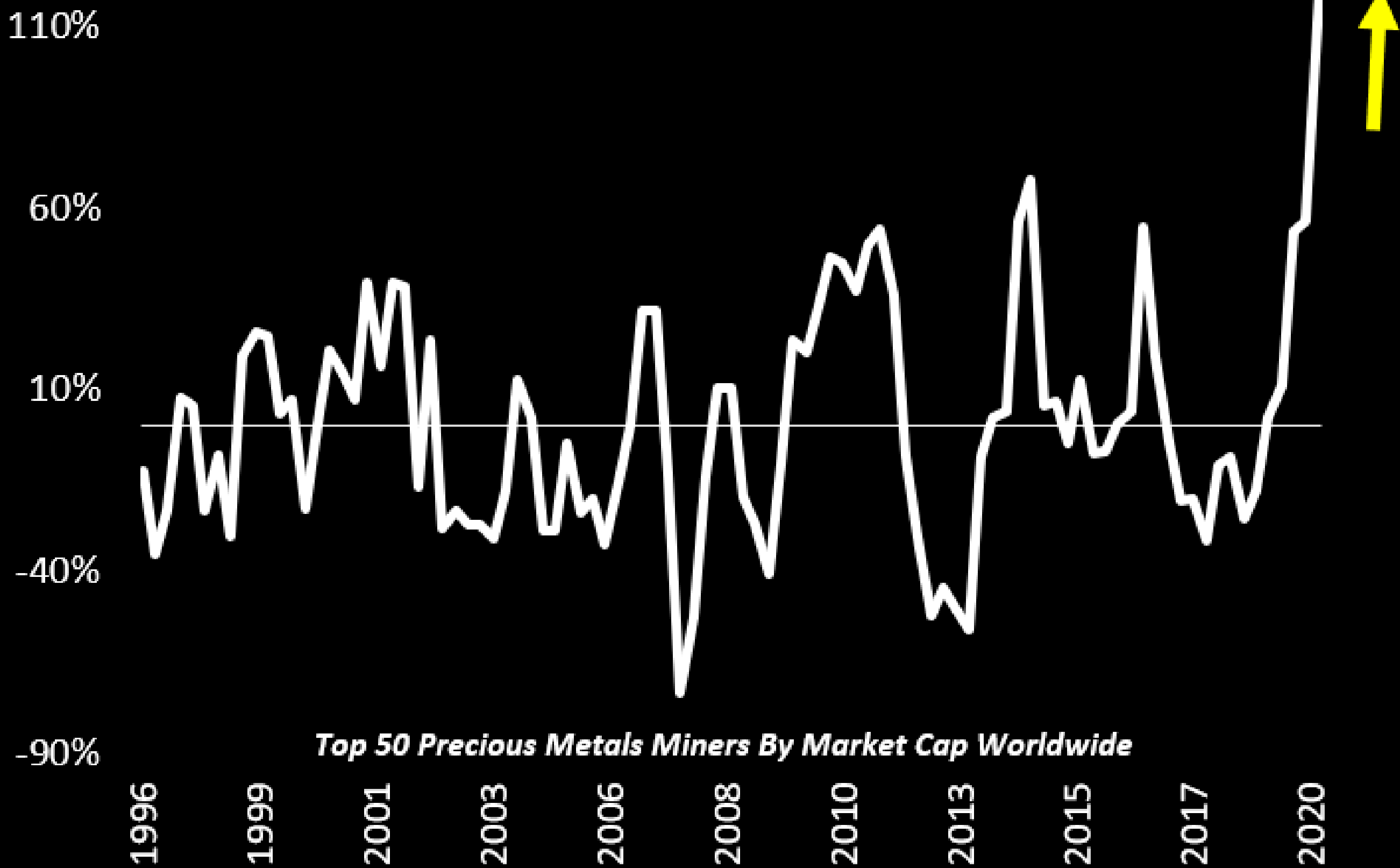


Source: Bloomberg

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Gold & Silver Miners

Median Free Cash Flow 12 Trailing Months Estimate YoY Change



Source: Bloomberg

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Gold & silver miners are expected to more than double their free cash flow this quarter! Nothing like it in the last two decades.

Gold inflows are not only rising, but also starting to outpace S&P 500 flows.

Gold vs. Stocks Inflows

\$GLD ETF Total Assets / \$SPY ETF Total Assets



Precious Metals Miners vs. Global Stocks

Philadelphia Stock Exchange Gold and Silver Index / MSCI World Index



Source: Bloomberg

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Gold and silver mining stocks compared to global stocks are still near record lows.



Stocks vs. Miners



Gold & silver junior mining companies have been leaving the broader stock market in the dust.



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Crescat Precious Metals Master Fund LTD | Fund Presentation

Precious Metals Juniors vs. Seniors

Calculation: $\$GDXJ / \$GDX\ ETF$



Source: Bloomberg

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From depressed valuations, junior miners are starting to outperform their senior counterparts.



Silver-to-Equities Ratio

Calculation: Silver / Russell 3000 Total Return



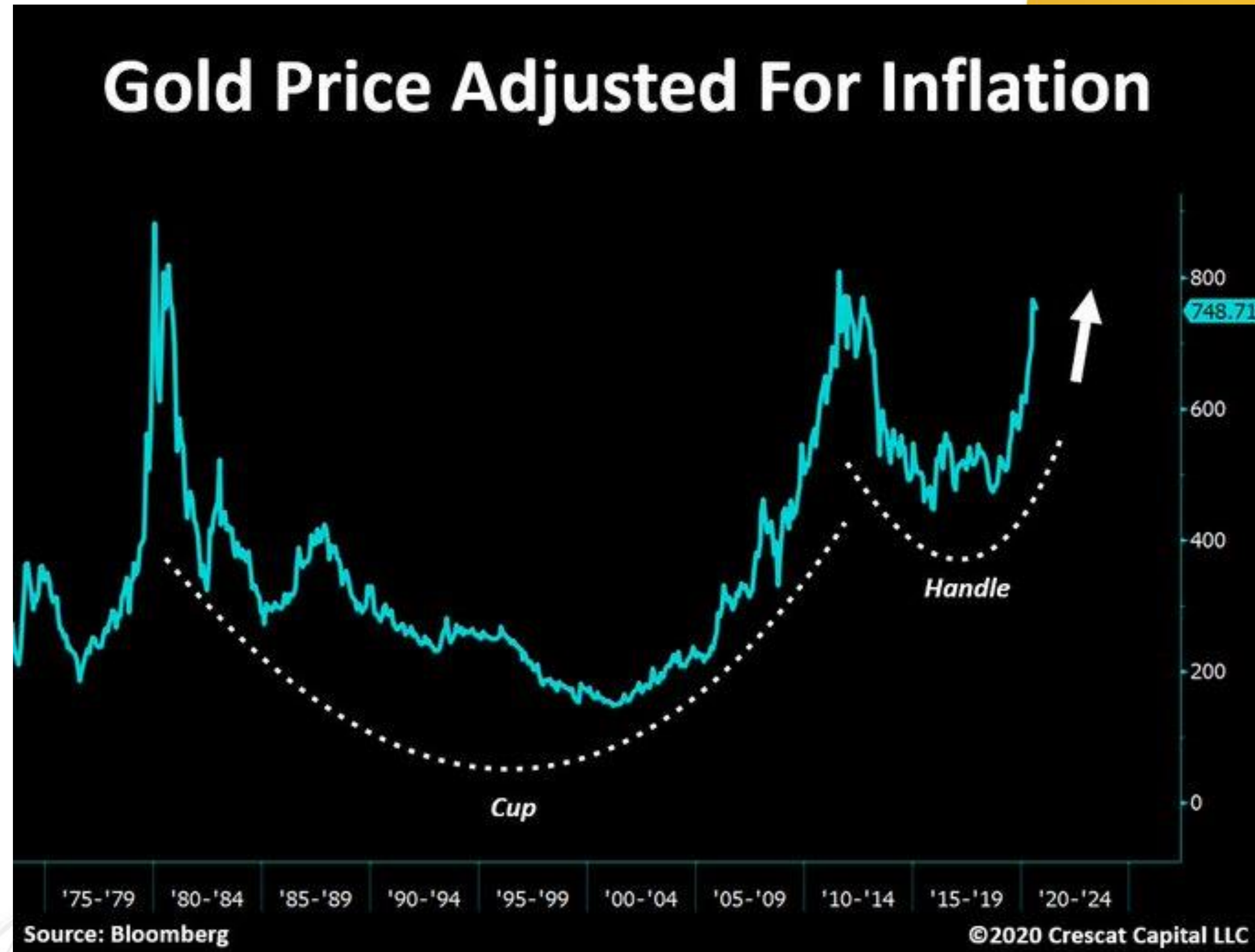
Source: Bloomberg

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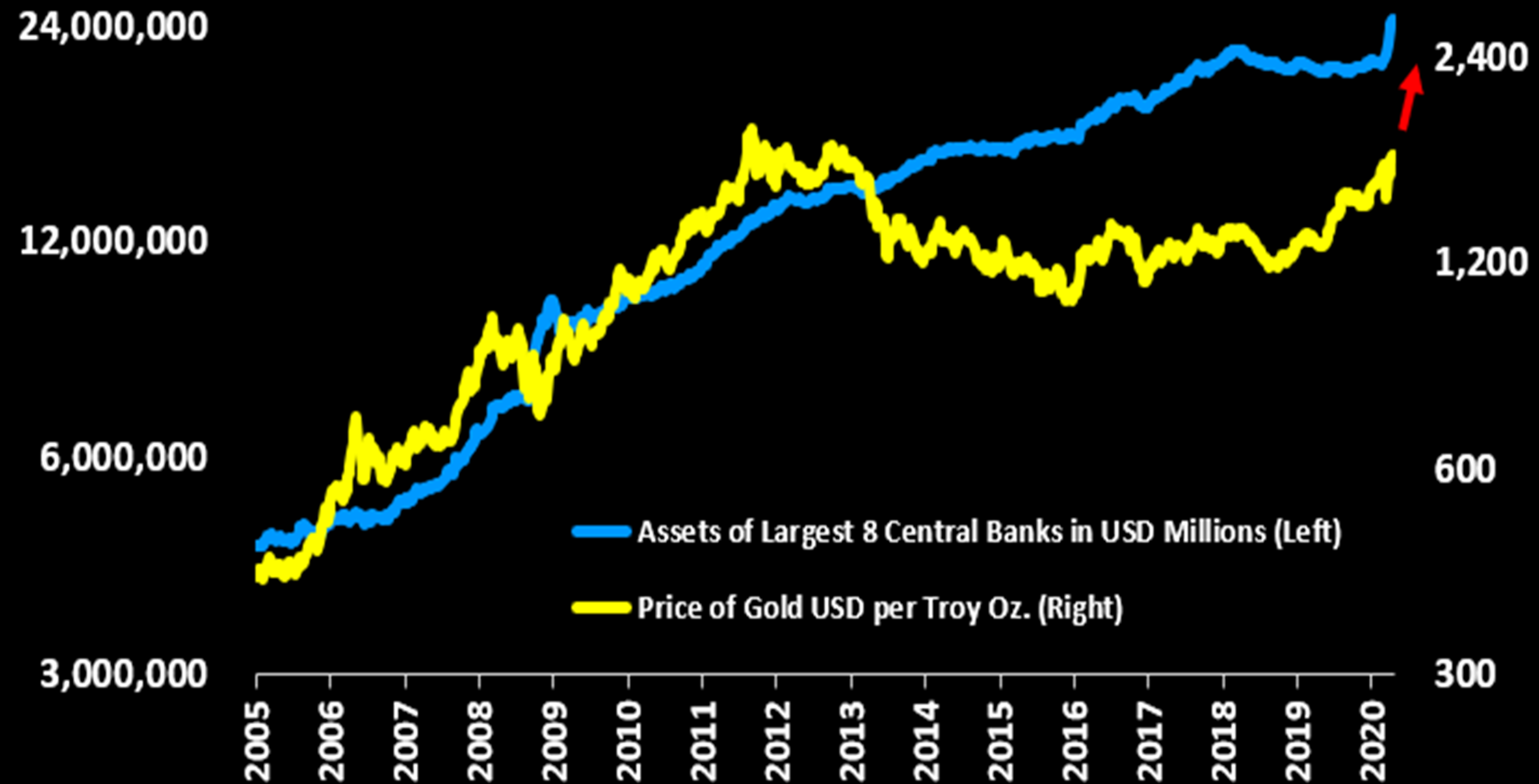
The silver-to-equities ratio is a clean looking double bottom, a battle of two extremes.



Inflation hasn't even picked up yet. Meanwhile, the chart of the gold price adjusted for CPI since the 70s looks like one of the largest and longest cup & handle charts we have ever seen. In other words, both the nominal and the real price of gold could be poised for a breakout.



Global Central Bank Assets vs. Gold



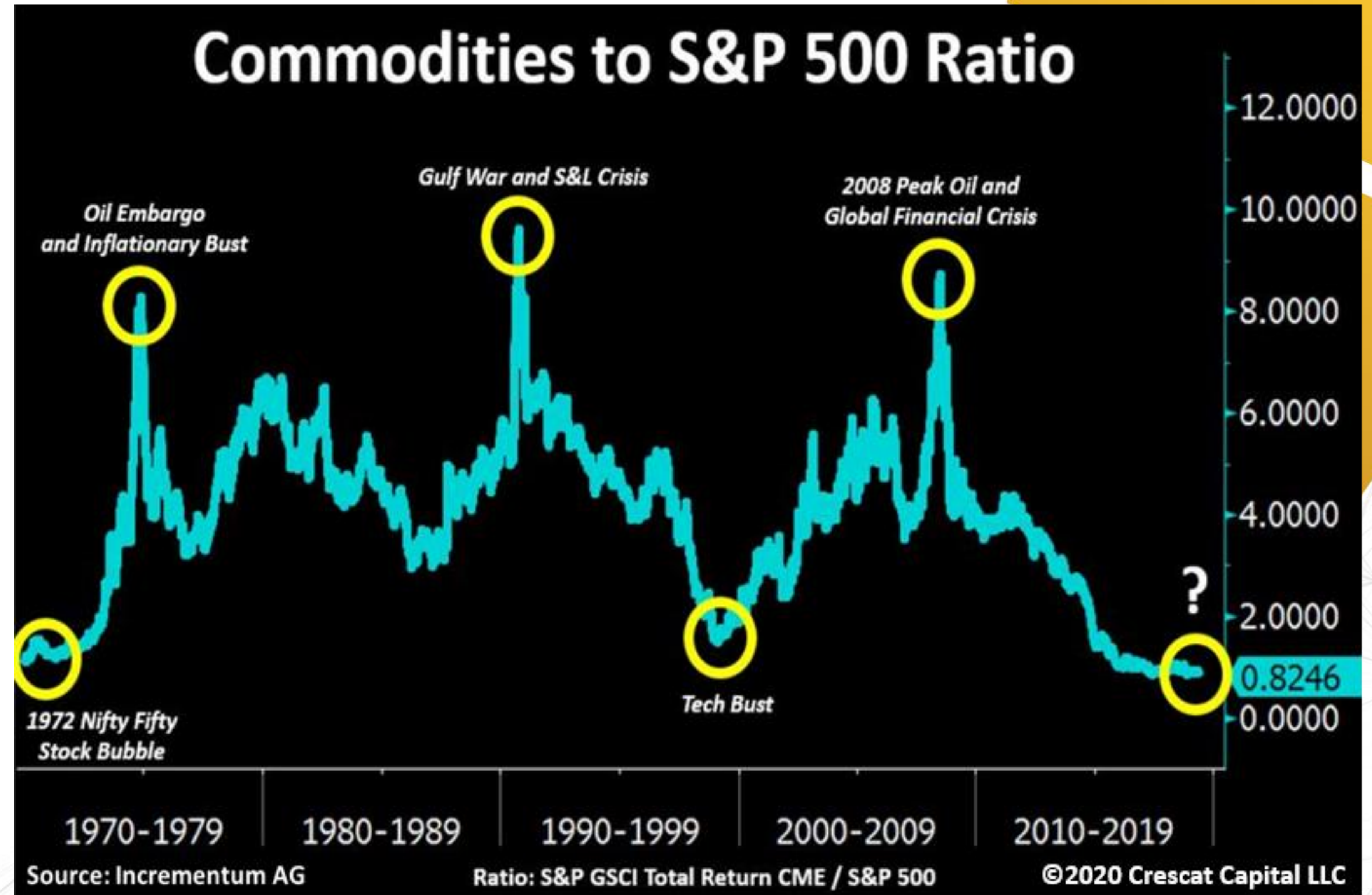
Source: Bloomberg, Central Banks

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Money printing only supports financial asset bubbles for so long. Ultimately, QE drives flows out of overvalued stocks and credit and into undervalued precious metals.



The commodity-to-equity ratio is at a 50-year low.



Global Synchronized Debasement

Gold vs. Fiat Currencies



Fiat currencies around the world are in a race to the bottom. The price of gold has been rising across all of them.

Key People

Kevin C. Smith, CFA

Partner & Chief Investment Officer



Kevin is the founder and CIO of Crescat Capital. He has been managing investment portfolios since 1992, a career spanning multiple business cycles. He has been investing in precious metals mining stocks for more than 20 years. Kevin has been the lead portfolio manager of Crescat's four investment strategies since their respective inceptions. He is the creator of Crescat's firmwide global macro investment process and systematic equity valuation model. Prior to founding Crescat, he worked as a wealth advisor with Kidder Peabody. He earned an MBA from the University of Chicago Booth School of Business with a specialization in finance and a concentration in statistics. He received a bachelor's degree in economics and German studies from Stanford University. He holds the Chartered Financial Analyst designation.

Key People

Otavio “Tavi” Costa

Partner & Portfolio Manager



Tavi is a partner and portfolio manager at Crescat Capital and has been with the firm since 2013. He built Crescat’s macro model that identifies the current stage of the US economic cycle through a combination of 16 factors. His research has been featured in financial publications such as Bloomberg, The Wall Street Journal, CCN, Financial Post, The Globe and Mail, Real Vision, Reuters. Tavi is a native of São Paulo, Brazil and is fluent in Portuguese, Spanish, and English. Before joining Crescat, he worked with the underwriting of financial products and in international business at Braservice, a large logistics company in Brazil. Tavi graduated cum laude from Lindenwood University in St. Louis with a B.A. degree in Business Administration with an emphasis in finance and a minor in Spanish. Tavi played NCAA Division 1 tennis for Liberty University.

Key People

Quinton T. Hennigh, PhD

Geologic & Technical Advisor



Quinton is a world-renowned exploration geologist with 30+ years of precious metals mining experience. He began his career with the biggest companies in the industry, including Homestake, Newcrest, and Newmont before branching off into entrepreneurial exploration. Quinton is chairman of Novo Resources, where he made a large gold discovery in Western Australia and is steering the company to develop what he believes will be a highly profitable, multi-decade life mine. He is credited with the 5-million-ounce discovery of the Springpole alkaline gold deposit near Red Lake, Ontario. In 2016, Quinton advised Eric Sprott on the exploration potential of the Fosterville mine, Victoria, Australia on which basis Mr. Sprott significantly increased his equity stake in the mine owner, Newmarket Gold. Later that year, he advised Kirkland Lake on acquisition of Newmarket, what became one of the most profitable gold mining investments industrywide of the last several years. Quinton earned his doctorate degree in geology and geochemistry from the Colorado School of Mines.

Risk Management Process

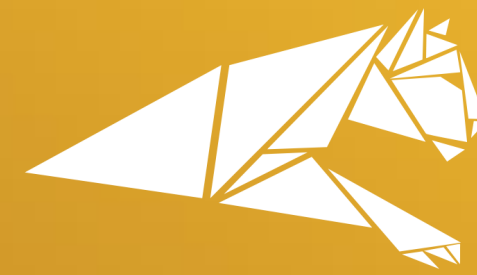
- As value investors, we are comfortable accepting a moderate amount of risk in order to realize the strong returns that are possible from our macro themes and valuation models over complete business cycles.
- Our investment principles and models give us the confidence that the intrinsic value of our portfolios is substantially greater than the current market price at any given time. As such, we believe pullbacks in Crescat's strategies offer great opportunities for both new and existing investors to deploy capital.
- Crescat believes in portfolio diversification across securities and among independent, non-correlated macroeconomic themes which can be accomplished by various combinations across the firm's investment strategies to tailor to individual client needs, objectives, and risk tolerance.
- Individual position sizing is a function of investment team conviction, security-specific volatility, correlation with other securities in the existing portfolio, and contribution to theme-level and overall portfolio risk.
- Crescat uses Bloomberg's Monte Carlo Conditional Value at Risk (CVaR) model to monitor risks and exposures by theme and portfolio across its hedge fund strategies. Crescat periodically performs stress tests using scenario analyses in Bloomberg.
- We view market volatility as our friend to help us initiate long positions cheaply and short positions dearly and ultimately deliver strong appreciation.
- Clients desiring less volatility can make a lesser relative allocation to Crescat's strategies and can combine Crescat's strategies with cash and short-term fixed income investments to reduce risk.
- Clients need to be able to embrace a mindset that short-term pullbacks in Crescat's strategies are not a permanent loss of capital or our strategies will not likely be suitable for them.

Firmwide Performance Track Record

Crescat's investment team has delivered strong long-term returns and outperformance versus benchmarks and peers over multiple business cycles. We apply our investment process across a mix of asset classes and strategies to assist with each client's unique needs and objectives. The Crescat Precious Metals Master Fund LTD will invest in a similar portfolio to the Precious Metals SMA strategy but is expected to have more activist perks like those enjoyed in the precious metals' sleeves of our Global Macro and Long/Short funds.

NET RETURNS THROUGH 9/30/2020

CRESCAT STRATEGIES VS. BENCHMARK (Inception Date)	YTD	SEPTEMBER	1 YR. TRAILING	ANNUALIZED SINCE INCEPTION	CUMULATIVE SINCE INCEPTION
Global Macro Hedge Fund (Jan. 1, 2006)	41.5%	-6.6%	35.6%	12.2%	445.5%
Benchmark: HFRX Global Hedge Fund Index	1.6%	-0.2%	4.2%	0.8%	12.5%
Long/Short Hedge Fund (May 1, 2000)	40.9%	-5.5%	39.2%	7.8%	361.3%
Benchmark: HFRX Equity Hedge Index	-2.9%	0.0%	-0.4%	2.0%	50.1%
Precious Metals Fund (August 1, 2020)	76.0%	-5.5%	-	-	76.0%
Benchmark: Philadelphia Gold and Silver Index	-7.2%	-7.1%	-	-	-7.2%
Large Cap SMA (Jan. 1, 1999)	15.7%	-3.7%	24.2%	10.8%	829.5%
Benchmark: S&P 500 Index	5.6%	-2.9%	15.1%	6.8%	314.3%
Precious Metals SMA (June 1, 2019)	48.3%	-7.3%	84.6%	92.1%	138.7%
Benchmark: Philadelphia Gold and Silver Index	34.6%	-7.1%	63.2%	72.3%	106.6%



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Important Disclosures

Only accredited investors and qualified clients will be admitted as limited partners to a Crescat fund. Investors do not have to be accredited to invest in a Crescat separately managed account. For natural persons, investors must meet SEC requirements including minimum annual income or net worth thresholds. Crescat funds are being offered in reliance on an exemption from the registration requirements of the Securities Act of 1933 and are not required to comply with specific disclosure requirements that apply to registration under the Securities Act. The SEC has not passed upon the merits of or given its approval to the Crescat funds, the terms of the offering, or the accuracy or completeness of any offering materials. A registration statement has not been filed for any Crescat fund with the SEC. Limited partner interests in the Crescat funds are subject to legal restrictions on transfer and resale. Investors should not assume they will be able to resell their securities. Investing in securities involves risk. Investors should be able to bear the loss of their investment. Investments in the Crescat funds are not subject to the protections of the Investment Company Act of 1940. Performance data represents past performance, and past performance does not guarantee future results. Performance data is subject to revision following each monthly reconciliation and annual audit. Current performance may be lower or higher than the performance data presented. The performance includes the reinvestment of dividends and other earnings. Crescat is not required by law to follow any standard methodology when calculating and representing performance data. Crescat Portfolio Management claims compliance with Global Investment Performance Standards (GIPS®). Prospective clients can obtain a compliance presentation and the firm's list of composite descriptions by visiting our website at www.crescat.net/resources/due-diligence/. Returns are presented net of management fees and performance fees, except where otherwise indicated. The currency used to express performance is U.S. dollars. The performance of Crescat funds may not be directly comparable to the performance of other private or registered funds. Investors may obtain the most current performance data and private offering memorandum for a Crescat fund by sending a request via email to info@crescat.net. See the private offering memorandum for each Crescat fund for complete information and risk factors.