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July 24, 2025

Discovery: The Foundation of Value Creation

Crescat is having an outstanding year. All 5 of our funds rank in the top 10 among 1,151 hedge funds in the Preqin database for 2025 year-to-date performance through June 30.

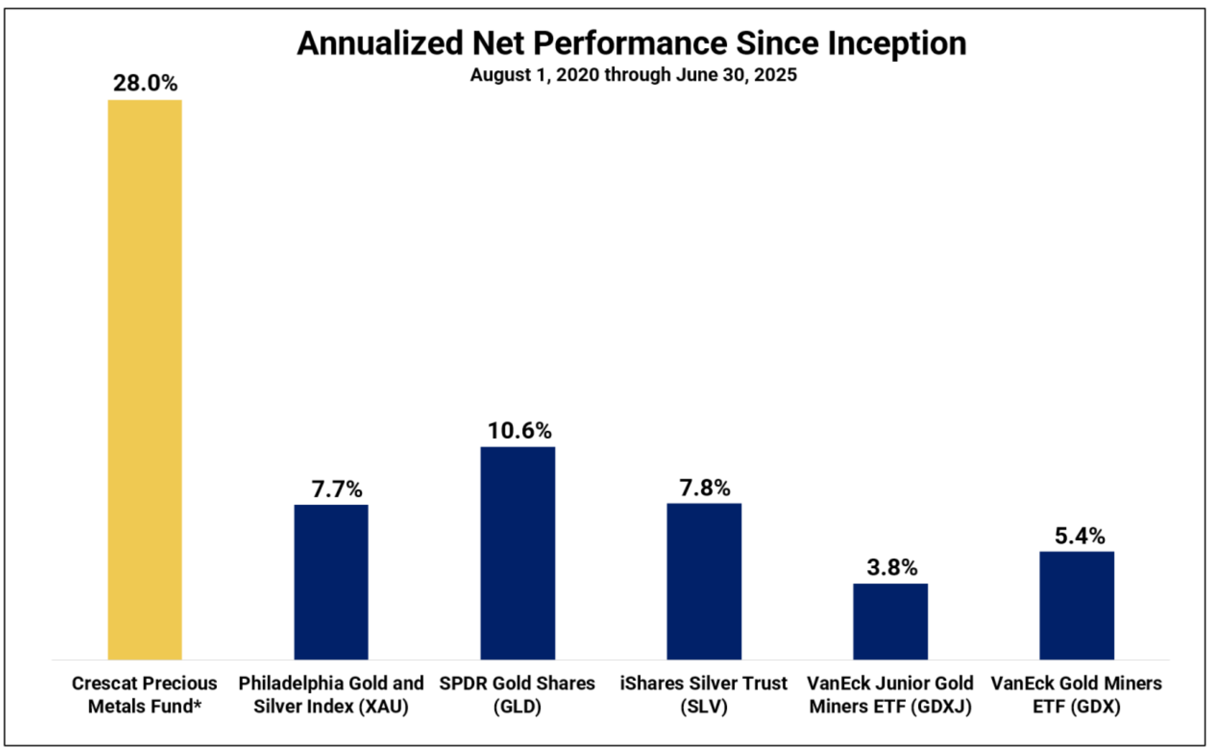
Crescat Hedge Funds vs. Benchmarks	Net Return YTD Through 6/30/2025	Preqin Rank As of 7/19/2025
Crescat Global Macro Fund	**91.6%**	**#2**
Crescat Institutional Macro Fund	**83.2%**	**#4**
HFRX Global Hedge Fund Index	2.4%	
Crescat Long/Short Fund	**85.1%**	**#3**
HFRX Equity Hedge Index	4.3%	
Crescat Precious Metals Fund	**71.2%**	**#6**
Crescat Institutional Commodity Fund	**64.9%**	**#10**
Philadelphia Gold and Silver Index	51.1%	
S&P 500 Index	6.2%	

June performance is based on preliminary estimates. Performance data represents past performance, and past performance does not guarantee future results. Performance data is subject to revision following each monthly reconciliation and/or annual audit. Performance figures presented Excluding SCM SP represent the fund's net returns calculated without the impact of the San Cristobal Mining, Inc. side pocket that was designated on July 1st, 2024. The side pocket includes a private equity asset that is not available to new investors in the funds on or after July 1, 2024. Excluding these assets provides a clearer view of the performance to investors coming into the funds after that date. New investors cannot participate in the SCM Side Pocket and will not share in its potential gains or losses. Investors should consider both the overall performance and the performance excluding the side pocket when evaluating the fund's returns. Net returns reflect the performance of an investor who invested from inception and is eligible to participate in new issues and side pocket investments. Net returns reflect the reinvestment of dividends and earnings and the deduction of all expenses and fees (including the highest management fee and incentive allocation charged, where applicable). An actual client's results may vary due to the timing of capital transactions, high watermarks, and performance. Data shown is generated by Preqin, a leading provider of data and intelligence for the alternative assets industry. Fund managers, including Crescat, report their performance information to Preqin. Crescat pays an annual fee to Preqin to have access to the database, which gives us the ability to generate this report. The rankings are versus all 549 hedge funds in the Preqin database and YTD performance updated through June 2025 as of 7/19/2025. No award or ranking should be construed as a guarantee that you will experience a certain level of results, nor should it be construed as a current or past endorsement of Crescat. Additional performance information can be found on Crescat's website here: https://www.crescat.net/performance/

Delivering Alpha Through Activism

The firm's strong outperformance has been largely driven by our activist metals theme, which is currently the largest exposure across all funds. Our megacap tech short theme has also contributed to significant gains year-to-date in our macro and long/short funds thanks to successful positioning and trading early in February and April.

At Crescat, our investment philosophy combines value-investing principles with macroeconomic themes, aiming to deliver high risk-adjusted returns over the long term. Our activist metals strategy evolved from the firm's global fiat debasement theme with the launch of the Crescat Precious Metals Fund in August 2020, where we partnered with industry veteran exploration geologist Quinton Hennigh, PhD, as our advisor. The fund will complete its five-year track record at the end of this month. We believe it is on track to be one of the top-performing industry-focused funds — public and private — over that period in the mining-and-metals and resource fund categories.



Please see important disclosures regarding this chart below. [6]

Unlocking Value in Exploration

Our portfolio has been heavily tilted toward exploration over the last five years at a time when exploration stocks have been out of favor and starved for capital. This has allowed us to acquire large activist stakes in a highly selective group of small- and micro-cap mining companies that have some of the most prospective mining claims in viable jurisdictions across the planet. The main thing these companies have been missing is good capital partners to drill these targets. We have built our positions, largely through PIPE deals (private placements in public equities), where we have been able to purchase stock and warrants at discounts to public market prices.

By coming in as a lead order and directing exploration capital to a thoroughly vetted group of management teams, technical teams, and geologic targets, Crescat has helped our portfolio companies complete more greenfield drilling over the last five years than all the major publicly traded gold mining companies combined. The reward is that we have significant stakes in what we believe are many of the biggest and most exciting, economically viable, gold, silver, copper, and zinc discoveries — and incipient discoveries — on the planet today.

Across our 75 current activist metals positions, 38 of them have already made bona fide discoveries, which we define as three or more 100-gram meter drill intercepts on a gold-equivalent basis. On the primary gold side, these proven discoveries include Snowline Gold, Sitka Gold, Goliath Resources, Tectonic Metals, Newfound Gold, Eskay Mining, Irving Resources, Altamira Gold, Alpha Exploration, Firefox Metals, Puma Exploration, Altamira Gold Blue Lagoon, and Condor Resources. On the primary copper side, they include Falcon Butte, BCM Resources, Brixton Metals, and Intrepid Metals. On the silver and zinc side, they include San Cristobal Mining, Eloro Resources, Alaska Silver, Silver Bow Mining, Cantex Mine Development, Silver47 Exploration, Barksdale Resources, and Kuya Silver. We also have a nickel and platinum discovery at Fathom Nickel. We believe our portfolio companies are on the verge of expanding their discoveries and making many more new ones.

In the current and upcoming drill seasons, we are particularly excited about the prospects for brand new discoveries at Rackla Gold, Mogotes Metals, Hannan Metals, BCM Resources, Westward Gold, Core Silver, Harvest Gold, Trifecta Gold, Kingfisher Metals, Kalo Gold, Aztec Minerals, CopperCorp Resources, Red Canyon Resources, Orestone Mining, Barksdale Resources, Condor Resources, Novo Resources, Inflection Resources, Yukon Metals and Dry River among others. All these companies in our portfolio have currently active or upcoming drill programs.

Ahead of the Curve in a Reawakening Industry

Our commitment to exploration at an opportune time, after more than a decade of industry-wide underinvestment, we think has positioned us ahead of the curve now that the countercyclical mining industry has finally started to turn up. And, holy cow, is it ever starting to heat up. The Trump administration's push toward US reindustrialization and critical mineral onshoring is a huge catalyst for the industry.

We think it is still early and that the length of the upturn in the cycle could last a full decade, which, coincidentally, is the average time it takes for a successful mining project to go from drilling and discovery into production. Capital cycles and commodity prices cycles in the metals and mining industry are intertwined because of these long lead times. While this may discourage some, it excites us. It presents the opportunity to both invest and harvest returns though all parts of the cycle, and all segments of the industry over time, from exploration, to development, to production. through a dedicated, long-term, industry-focused investment strategy that we believe can meaningfully outperform benchmarks.

Crescat's Precious Metals and Institutional Commodities funds are two funds specifically focused on the activist metals strategy. They can act as important diversification tools for investors seeking countercyclical alternatives to the S&P 500, especially amid the current backdrop of extreme valuations and inflationary pressures.

US Mining Policy: The Biggest Tailwind in Decades

The Trump Administration's policy shift — led by executive orders, permitting reform, and legislation — has lit a fire under the domestic mining industry unlike anything seen before, with several key developments now underway.

On March 20, 2025, the administration issued a landmark executive order titled "Immediate Measures to Increase American Mineral Production", representing a major federal push to reestablish domestic mining leadership. Key provisions included:

- Declared a national energy emergency, targeting increased domestic metals and minerals output;
- Broadened the definition of "critical minerals" to include copper, uranium, potash, and gold, and essentially any mineral or metal that the Federal government sees fit;
- Positioned mineral production as a national security imperative;
- Directed agencies to expedite permitting on federal lands;
- Delegated sweeping authority to the Secretary of Defense and the National Energy Dominance Council (NEDC);
- Activated the Defense Production Act (DPA) to finance key mining and processing projects;
- Ordered federal land prioritization for mineral development; and
- Initiated a Section 232 Investigation into the national security implications of critical mineral imports.

The policy framework backing this revival is equally robust:

- Fast-tracked dozens of projects under FAST-41 permitting status, including major gold, copper, and lithium projects;
- Created a Critical Minerals Fund via the U.S. International Development Finance Corporation and DoD;
- Delegated DPA authorities for direct government investment in mines;
- Encouraged agency prioritization of mineral development over competing land uses;
- Mandated public-private coordination to ensure secure supply chains.

Consider the Department of Defense's recent strategic investment in MP Materials—it could signal a major turning point in the government's approach to participating in financial markets.

This isn't a bailout — it's a deliberate move to take a 15% ownership stake in a public company, something we can't recall the DoD ever doing at this scale. The closest historical parallel may be the 1940s, when the Defense Plant Corporation funded the construction of thousands of factories to secure America's wartime industrial capabilities—producing weapons, vehicles, aircraft, and critical materials.

All other recent cases were either financial rescues or did not involve direct equity stakes of 15% or more. What we're witnessing today is a serious acknowledgment of a structural vulnerability, and it's likely just the beginning, a taste of what is to come in the US sovereign wealth fund.

Mining remains the foundation of technological advancement and industrial resurgence, yet the US is still far from securing the necessary metals and materials to sustain such ambitions. America's dependence on metal imports is a core deficiency, and this move may be just the beginning of a broader government effort to confront that reality.

The National Energy Dominance Council (NEDC) — chaired by the Secretary of the Interior, Doug Burgum, and vice-chaired by the Secretary of Energy, Chris Wright — has become the operational hub for this effort. It coordinates permitting, production, capital deployment, and industrial partnerships. The NEDC works closely with the DoD, EXIM Bank, and the private sector to realign supply chains and ensure US mineral independence.

In parallel, the recently passed OBBB Act ("One Big Beautiful Bill") complements these executive actions with tax incentives, accelerated depreciation, and regulatory relief for energy and mineral development. Its primary aim is to jumpstart domestic equipment manufacturing and significantly strengthen U.S.-based mining operations.

Discovery: The Foundation of Long-Term Value Creation

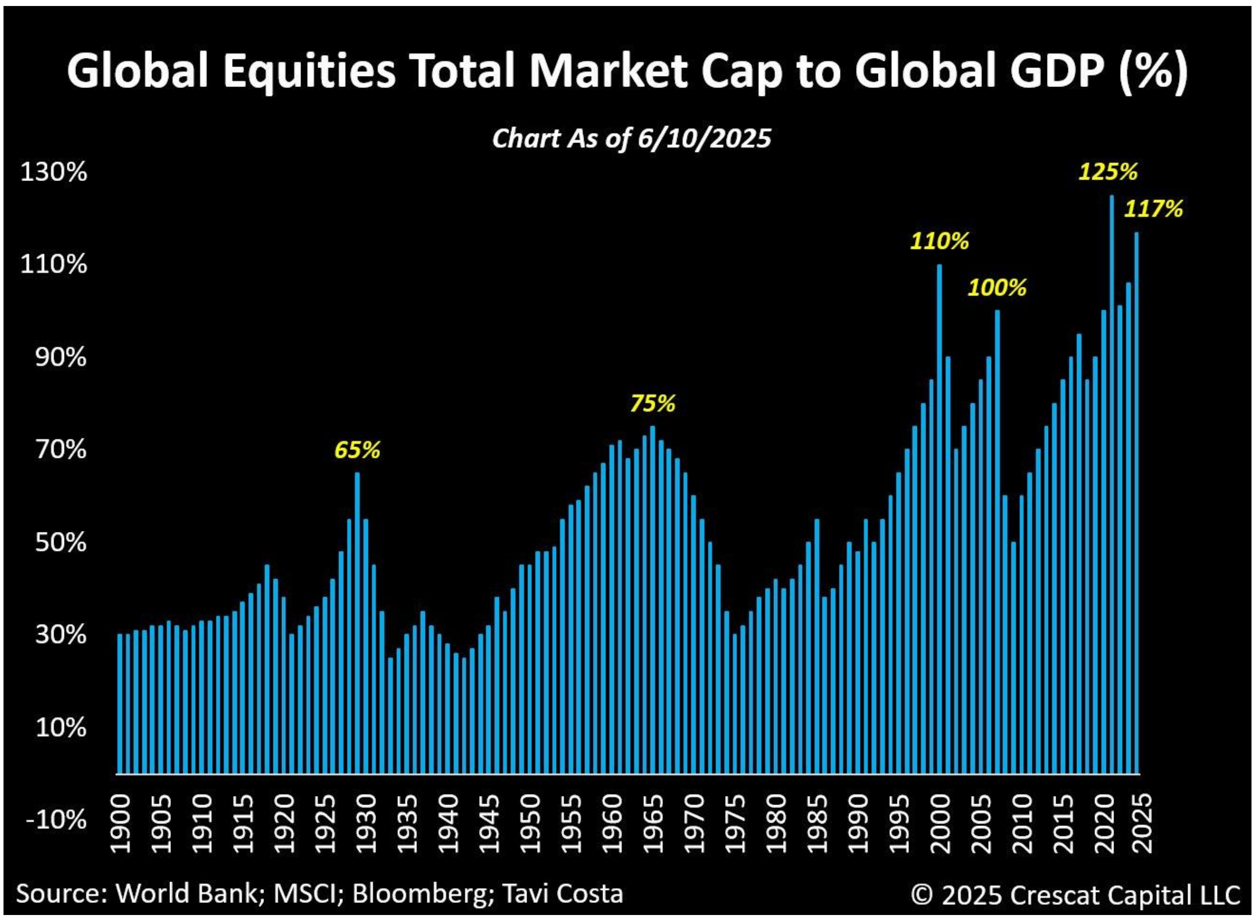
Our portfolio has been focused on the initial and sometimes explosive phase of wealth creation in the mining industry — discovery. Making a big discovery is not easy and can carry substantial risk, but it can also be highly rewarding while setting the stage for significant future long-term wealth accumulation. Greenfield exploration carries ultra-high risk in any single company or drill target. We have built a highly diversified portfolio to strategically help mitigate that risk. With expert geological oversight and shareholder activism, we work to convert raw risk into calculated bets creating what we believe is a highly favorable reward-to-risk ratio.

We are not generalists dabbling in mining. We are specialists with a long-term, repeatable investment process. We have found that the biggest gains in this industry can come not from quick trades — rather early-stage positioning, shareholder activism, and patient holding through full commodity cycles. We believe that true wealth in this industry can be created, not by luck, but by persistent application of honed skills and sound investment principles.

Why Now — and Why Crescat

We are looking to partner with clients who are not afraid and are able to be early-cycle investors — those willing to act ahead of the crowd. We are not here to chase the latest FOMO-fueled manias in overvalued tech, AI, or crypto. We are focused on those who want to get in early and stay in it for the long term alongside us to capitalize on the next great investment themes. At major tops, the masses, by definition, are chasing overvalued, late-cycle momentum trades. That's not our style at all.

In fact, we believe the U.S. is in the midst of one of the greatest investment bubbles of all time — one that eclipses the 1929 Roaring Twenties, 1972 Nifty Fifty, and the 2000 Dotcom bubbles by a variety of valuation measures which we have laid out in prior letters. Here is a new valuation-risk chart for you below — global equity market cap to total world GDP.



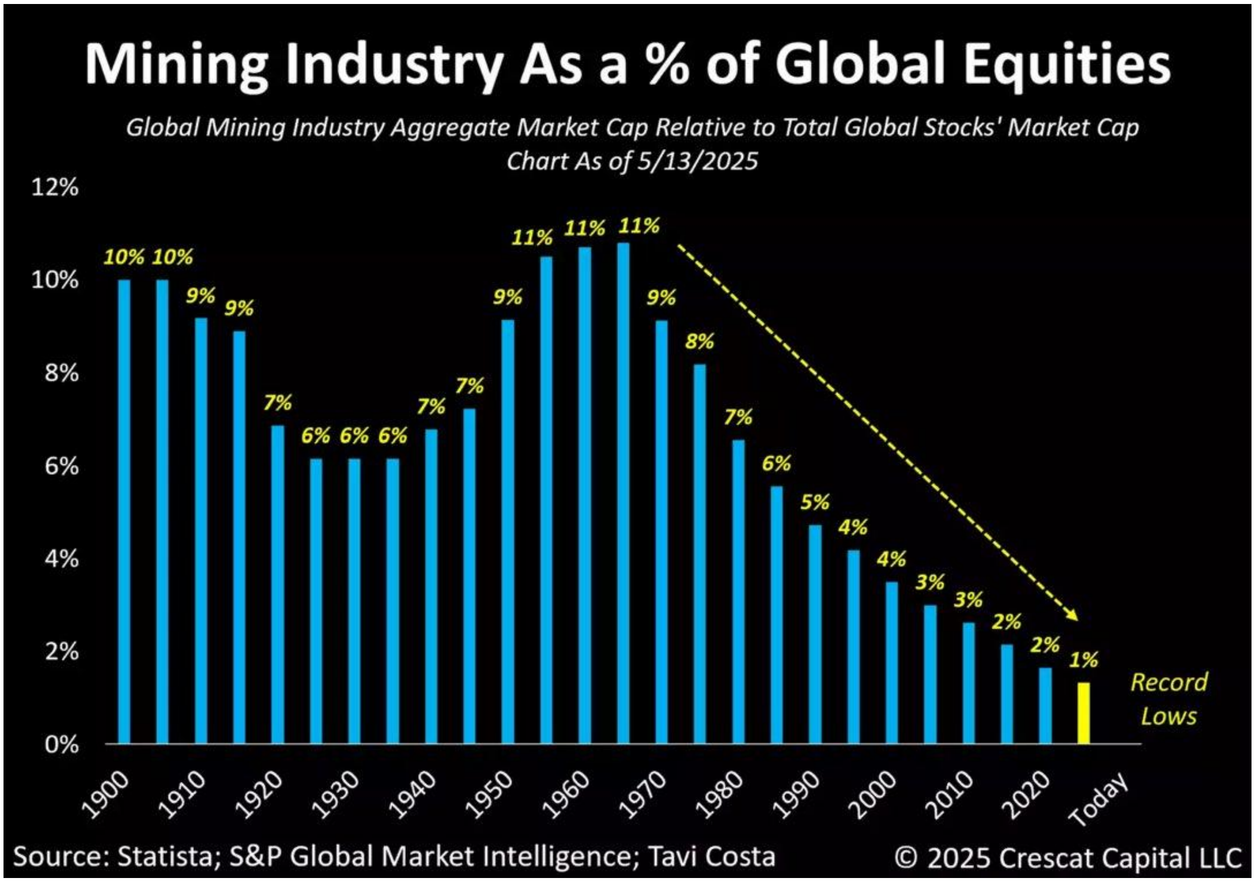
Our work has documented that the bursting of each of the three prior bubbles mentioned above coincided with the start of major secular *bull* markets in precious metals equities. The setup today offers many parallels. Predicting the precise timing of the bust is difficult — but we are confident it is coming, and we want to be prepared for it before it's too late. When valuations are high and volatility is low, we think it pays to deploy strategies like Nassim Taleb's *Black Swan* put option approach. That's what helped our macro and long/short funds generate strong gains in April — even as our long activist mining positions corrected. We rang the register on the puts when volatility spiked and the market went down, but with volatility having shrunk substantially again, already, and with the S&P 500 and Nasdaq 100 hitting new highs, we see it as time to reload that strategy, which we have been doing recently in our macro and long/short funds.

We believe artificial intelligence euphoria is the modern-day equivalent of historical eras such as Railway Mania (UK, 1840s) or the Dotcom Bubble (1999–2000). Like railroads and the internet, AI will change the world — however we feel the investment frenzy has grown far too large relative to the economy to justify an acceptable future return on that investment. Valuations are unsustainably high.

The result — way too much capital, chasing too few real opportunities virtually assuring what could become major losses. The economy at large simply does not appear capable of generating enough growth and return to go around. As in as past manias, this is what sets the stage for the next economic downturn. History doesn't repeat, but it sure rhymes.

Positioned for What's Next

Our metals theme is the largest exposure today across all our funds for a reason. Undervalued, growth-rich, early-stage activist mining positions offer what we believe to be a compelling alternative to large, crowded, overvalued segments of the market. We are interested in the kind of companies that we think have the ability to deliver when the current investment bubbles burst, just as precious metals mining stocks have done time and again throughout history. Many mining stocks are off to the races year to date, but we think it is only the first inning. As the chart below shows, on a global basis, never before have mining stocks been less crowded or more undervalued relative to other sectors of the market as they are today. We are very excited about the current deep-value setup and the potential for future high secular growth opportunities ahead for our portfolio of carefully selected precious and base metals mining equities.



Performance of all Crescat Strategies Since Inception

Crescat Strategies Net Return Estimates Through June 30, 2025

CRESCAT STRATEGIES VS. BENCHMARK (Inception Date)	JUNE	YTD	ANNUALIZED TRAILING 1-YEAR	3-YEAR	5-YEAR	10-YEAR	SINCE INCEPTION	CUMULATIVE SINCE INCEPTION	YEARS SINCE INCEPTION
Global Macro Hedge Fund (Jan.1, 2006)	7.8%	61.7%	46.6%	-0.3%	7.0%	5.2%	10.2%	569.1%	19.5
Excluding SCM SP^2 (Jan.1, 2006)	10.4%	93.8%	49.9%	0.4%	7.4%	5.4%	10.4%	584.5%	19.5
Benchmark: HFRX Global Hedge Fund Index	1.1%	2.4%	4.8%	3.8%	3.5%	2.1%	1.4%	30.2%	
Institutional Macro Hedge Fund (July 1, 2023)	5.2%	53.2%	40.1%	-	-	-	5.2%	10.6%	2.0
Excluding SCM SP^2 (July 1, 2023)	6.6%	84.6%	42.0%	-	-	-	5.7%	11.6%	2.0
Benchmark: HFRX Global Hedge Fund Index	1.1%	2.4%	4.8%				5.1%	10.4%	
Long/Short Hedge Fund (May 1, 2000)	6.6%	57.2%	42.1%	-0.4%	5.4%	3.8%	6.6%	400.9%	25.2
Excluding SCM SP^2 (May 1, 2000)	8.4%	86.7%	43.3%	-0.2%	5.6%	3.9%	6.6%	405.1%	25.2
Benchmark: HFRX Equity Hedge Index	1.4%	4.3%	7.0%	6.9%	7.8%	3.7%	3.0%	111.2%	
Precious Metals Hedge Fund (August 1, 2020)	8.5%	48.8%	39.1%	15.1%	-	-	28.0%	235.9%	4.9
Excluding SCM SP^2 (August 1, 2020)	12.8%	73.7%	39.6%	15.2%	-	-	28.1%	237.1%	4.9
Benchmark: Philadelphia Gold and Silver Index	7.0%	51.0%	51.5%	24.9%			7.7%	44.4%	
Institutional Commodity Hedge Fund (July 1, 2023)	9.2%	43.7%	35.2%	-	-	-	15.5%	33.5%	2.0
Excluding SCM SP^2 (July 1, 2023)	13.8%	67.2%	38.8%	-	-	-	17.1%	37.0%	2.0
Benchmark: Philadelphia Gold and Silver Index	7.0%	51.0%	51.5%				32.9%	76.9%	
Large Cap SMA (Jan. 1, 1999)	6.8%	33.7%	26.9%	13.1%	6.7%	8.1%	10.0%	1137.7%	26.5
Benchmark: S&P 500 Index	5.1%	6.2%	15.0%	19.3%	16.6%	13.6%	8.3%	719.4%	
Precious Metals SMA (June 1, 2019)	7.1%	47.5%	32.7%	-3.3%	-1.0%	-	11.3%	91.9%	6.1
Benchmark: Philadelphia Gold and Silver Index	7.0%	51.0%	51.5%	24.9%	11.5%		21.2%	222.2%	

Performance figures for the SMA composites have been restated and may differ from performance previously presented in Crescat materials for these strategies. *Please see important disclosures regarding this table below.*

Sincerely,

Kevin C. Smith, CFA

Founding Member & Chief Investment Officer

Tavi Costa
Member & Macro Strategist

Quinton T. Hennigh, PhD
Member & Geologic and Technical Advisor

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Performance

Performance data represents past performance, and past performance does not guarantee future results. Performance data, including Estimated Performance, is subject to revision following each monthly reconciliation and/or annual audit. Individual performance may be lower or higher than the performance data presented. The currency used to express performance is U.S. dollars. Before January 1, 2003, the results reflect accounts managed at a predecessor firm. ***Crescat was not responsible for the management of the assets during the period reflected in those predecessor performance results. We have determined the management of these accounts was sufficiently similar and provides relevant performance information.***

1 - Net returns reflect the performance of an investor who invested from inception and is eligible to participate in new issues and side pocket investments. Net returns reflect the reinvestment of dividends and earnings and the deduction of all expenses and fees (including the highest management fee and incentive allocation charged, where applicable). An actual client's results may vary due to the timing of capital transactions, high watermarks, and performance.

2 - Performance figures presented, excluding SCM SP, represent the fund's net returns calculated without the impact of the San Cristobal Mining, Inc. side pocket that was designated on July 1st, 2024. The side pocket includes a private equity asset that is not available to new investors in the funds on or after July 1, 2024. Excluding these assets provides a clearer view of the performance to investors coming into the funds after that date. New investors cannot participate in the SCM Side Pocket and will not share in its potential gains or losses. Investors should consider both the overall performance and the performance excluding the side pocket when evaluating the fund's returns.

3 – The SMA composites include all accounts that are managed according to CPM's precious metals or large cap SMA strategy over which it has full discretion. Investment results shown are for taxable and tax-exempt accounts. Any possible tax liabilities incurred by the taxable accounts are not reflected in net performance. Performance results are time weighted and reflect the deduction of advisory fees, brokerage commissions, and other expenses that a client would have paid, and includes the reinvestment of dividends and other earnings.

4 - Data shown is generated by Preqin, a leading provider of data and intelligence for the alternative assets industry. Fund managers, including Crescat, report their performance information to Preqin. Crescat pays an annual fee to Preqin to have access to the database, which gives us the ability to generate this report. The rankings are versus all 873 hedge funds in the Preqin database with a minimum 3-year track record and YTD performance updated through March 2025 as of 4/25/2025. No award or ranking should be construed as a guarantee that you will experience a certain level of results, nor should it be construed as a current or past endorsement of Crescat.

5 - The activist metals portfolio subset consists of firmwide holdings across all Crescat funds and SMA accounts in the mining industry where Crescat strives to help companies build economic metal resources through exploration and drilling. Crescat provides capital and geologic guidance to help companies build resources across Crescat's activist portfolio.

Crescat target resource estimates are based on internal modeling performed by Crescat's Geologic and Technical Director, Quinton T. Hennigh, PhD and include various assumptions based on his analysis of geology, geophysics, geochemistry, historic drill assays, and metallurgical recovery data received to date. Target resource estimates are discounted based on drilling progress to date, an assessment of the management and technical team's strengths and weaknesses affecting their ability to advance the project, and environmental, local community, and government permitting risk factors. Estimates are displayed on a gold equivalent basis based on current price-to-gold ratios for silver, copper, and other metals if the primary metal is other than gold. Further drilling, assaying, resource modeling, and engineering studies will be required to determine whether Crescat's target resource estimates can be reasonably expected to be achieved. Crescat's target resource estimates are updated monthly across the entire portfolio.

The number of active drills includes the number of drills currently in operation doing exploration and/or infill drilling or expected to be deployed over the next twelve months based on each company's drilling plans and Crescat's assessment of the company's ability to finance and execute those plans.

6 Performance estimates through April 30th, 2025. *Performance figures presented represent the fund's net returns calculated without the impact of the San Cristobal Mining, Inc. (SCM) Side Pocket that was designated on July 1st, 2024. The SCM Side Pocket includes a private equity asset that is not available to new investors in the funds on or after July 1, 2024. This asset was included in the fund performance prior to that date. Excluding the SCM Side Pocket after that date provides a clearer view of the performance to investors coming into the funds after July 1, 2024. New investors cannot participate in the SCM Side Pocket and will not share in its potential gains or losses. Investors should consider both the overall performance and the performance excluding the side pocket when evaluating the fund's returns. Fund performance, including the SCM Side Pocket, can be found on the firm's website here:https://www.crescat.net/performance/. Returns for the most recent month are based on internal estimates which have the potential to change once finalized. Additional disclosures regarding risks and performance presented are found here:https://www.crescat.net/due-diligence/disclosures/

Benchmarks

PHILADELPHIA STOCK EXCHANGE GOLD AND SILVER INDEX. The PHLX Gold/Silver Sector Index (XAU) is a capitalization-weighted index composed of companies involved in the gold or silver mining industry. The Index began on January 19, 1979.

S&P 500 INDEX. The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization.

S&P Select Industry Indices are designed to measure the performance of narrow GICS® sub-industries. The Metals and Mining Select Industry Index comprises stocks in the S&P Total Market Index that are classified in the GICS Aluminum, Coal & Consumable Fuels, Copper, Diversified Metals & Mining, Gold, Precious Metals & Mining, Silver and Steel sub-industries.

References to indices, benchmarks or other measures of relative market performance over a specified period of time are provided for your information only. Reference to an index does not imply that the fund or separately managed account will achieve returns, volatility or other results similar to that index. The composition of an index may not reflect the manner in which a portfolio is constructed in relation to expected or achieved returns, portfolio guidelines, restrictions, sectors, correlations, concentrations, volatility or tracking.

Hedge Fund disclosures: Only accredited investors and qualified clients will be admitted as limited partners to a CPM hedge fund. For natural persons, investors must meet SEC requirements including minimum annual income or net worth thresholds. CPM's hedge 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 CPM's hedge funds, the terms of the offering, or the accuracy or completeness of any offering materials. A registration statement has not been filed for any CPM hedge fund with the SEC. Limited partner interests in the CPM hedge 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 CPM's hedge funds are not subject to the protections of the Investment Company Act of 1940.

Those who are considering an investment in the Funds should carefully review the relevant Fund's offering memorandum and the information concerning CPM. **For additional disclosures including important risk disclosures and Crescat's ADV please see our website: https://www.crescat.net/due-diligence/disclosures/**