



July 30, 2022

Liftoff

Dear Investors:

Crescat just finished a strong turnaround month. We are so excited about what we have going on in our portfolios that we wanted to deliver this important update to those investors who might want to take advantage of the August investment window while there is still time over the weekend.

Thanks to the macro setup today, we have never been more optimistic about the opportunities that we have in our funds to deliver performance through year-end, and over the next several years.

Net Performance Estimates Through July

Crescat Strategies Net Return Estimates through July 31, 2022

CRESCAT STRATEGIES VS. BENCHMARK (Inception Date)	July	YTD	Annualized Trailing				SINCE INCEPTION	CUMULATIVE SINCE INCEPTION	YEARS SINCE INCEPTION
			1-YEAR	3-YEAR	5-YEAR				
Global Macro Hedge Fund (Jan. 1, 2006)	8.5%	34.2%	7.7%	25.6%	13.5%	12.8%	632.2%	16.6	
Benchmark: HFRX Global Hedge Fund Index	0.5%	-4.6%	-4.3%	3.0%	1.9%	0.9%	16.9%		
Long/Short Hedge Fund (May 1, 2000)	11.1%	14.5%	-2.2%	20.9%	11.6%	8.1%	464.1%	22.3	
Benchmark: HFRX Equity Hedge Index	1.0%	-3.8%	-0.4%	5.2%	3.5%	2.5%	74.6%		
Precious Metals Hedge Fund (August 1, 2020)	21.3%	-11.5%	-20.1%	-	-	63.6%	167.4%	2.0	
Benchmark: Philadelphia Gold and Silver Index	-2.1%	-17.1%	-23.1%	6.9%	6.1%	-14.9%	-27.5%		
Large Cap SMA (Jan. 1, 1999)	7.1%	-2.6%	8.1%	6.7%	6.1%	9.8%	804.0%	23.6	
Benchmark: S&P 500 Index	9.2%	-12.6%	-4.7%	12.9%	12.8%	7.3%	422.0%		
Precious Metals SMA (June 1, 2019)	22.1%	-12.5%	-30.6%	25.0%	-	33.5%	149.5%	3.2	
Benchmark: Philadelphia Gold and Silver Index	-2.1%	-17.1%	-23.1%	6.9%	6.1%	16.3%	61.4%		

Crescat's Top 5 Positions

Our funds delivered strong gains this month thanks to the many gold and silver discoveries in the making in our activist precious metals theme. The precious metals mining indices appear to have turned up convincingly off their mid-month lows from the depths of the market's recent despair, the worst sentiment for gold and silver that we have ever seen. Our funds have been performing way out ahead of the indices on this turn. We think it is based on the vastly superior quality, deep value, and high growth potential of our holdings. Here are some highlights from our top five positions:

1. Eskay Mining has identified and begun drilling at the new highly prospective Scarlet Ridge region. Eskay remains our largest position across the firm and was up 21% this month. We own 15% of the company including warrants. Eskay's Mining geologic team is the world's expert on volcanic massive sulfide gold systems. Their goal is to flesh out the bigger extension of the historic Eskay Creek Mine on their larger property package directly to the south. In the Golden Triangle of British Columbia, Eskay Creek, a VMS system, was one of the world's highest-grade gold mines ever. It delivered essentially ALL of Barrick Gold's profits in the late 1990s and early 2000s. It was the whole reason Barrick bought Homestake Mining to help make that company what it is today, the second largest market cap gold mining stock next to Newmont. We think Eskay Mining has incredible upside potential from here as they continue to prove out their bona-fide new VMS discovery.
2. Quinton Hennigh, Crescat's Geologic and Technical Director, believes that Snowline Gold, now our 2nd largest position firmwide, could be onto the biggest gold discovery in N. American history. The biggest to date is Goldstrike, Barrick's other company-maker project, a Carlin-style gold system in Nevada. That was the same discovery that made Pierre Lassonde a billionaire. Snowline is how we sleep like babies at night, owning 22.5% of the company across our funds including warrants! Snowline was up 62% this month. It has assays that should be coming out in a few weeks which we expect to be phenomenal. We think Snowline is worth many, many multiples of where it is trading today. It is still undiscovered by the market at large though starting to perk up. While there are no guarantees, we are strongly encouraged these results could provide another significant boost to our funds in August.
3. Eoro Resources is Crescat's 3rd largest position. It is currently advancing one of the largest silver and base metals discoveries in the world in the last several decades in S. America. It was up 31% this month. We own 11.3% of this company on a partially diluted basis. This story just keeps getting better. The company just announced assay results of one of its highest-grade holes yet.
4. Western Alaska Minerals, now our 4th largest position firmwide, is onto a major silver, lead, and zinc discovery. It was up 220% this month! It is still way undervalued in our model. We own about 15% of this company. We expect assays out soon with the best of them later in August.
5. Goliath Resources, our fifth largest position across our funds, was up 21% last month. Crescat owns 19% of this company including warrants. The company is onto a major high-grade gold and silver discovery in the Golden Triangle in British Columbia. Like Eskay Mining in the same region, it is well financed for an aggressive summer drill season. The company just added a fifth rig at its Surebet zone while also announcing that exploratory drilling early in the season has identified an entirely new zone that could substantially expand the footprint of this deposit. At a minimum, we are highly confident that continued strong drill results at Surebet will drive this company higher over the next several months.

These are just our top five positions. We have an entire metals portfolio of 90 companies, 60 of which we consider core activist positions. We have worked incredibly hard putting this portfolio together over the last two years. We believe there is much upside ahead based on this truly one-of-a-kind collection of new discoveries. Many of our companies have assays coming over the next several weeks and months that could be big upward drivers for our funds. Our Lassonde curve model valuation of these companies is showing deep value and multi-fold return potential ahead. Take a look at the statistics in our Activist Metals Dashboard that show the appreciation potential of our entire exploration-focused portfolio at the end of this letter. It also shows the top 20 positions therein that we believe have the potential to deliver the most return for our funds.

Great Rotation: Alive & Well

Commodities came roaring back in late July after the June and early July shakeout. At the same time, our shorts in overvalued stocks are what held back the Crescat Global Macro Fund and Crescat Long/Short Fund in July from being even stronger. These short positions are key reasons why these two funds are up year to date in an otherwise down market. We think there is much more to still play out in this bear market outside of commodities. Our short positions in these funds are critical hedges to maintain in the current macro environment. We are confident that our shorts are ripe to start performing again.

The overvalued stock market at large is ready to turn back down while deep, structural, supply-driven resource inflationary pressures remain. The firm's overriding Great Rotation theme, which we are well positioned for in these two funds, is alive and well. Fed tightening does nothing to stop the energy and materials structural supply problems to meet inelastic demand for food and energy, so there are great deep-value and high-growth opportunities over the short and medium-term on the long side of the market for many scarce commodity industries.

The need for investors to gird their portfolios with inflation protection is as great as it has ever been. Investors at large, however, are still unaware of this need as evidenced by low medium and long-term inflation expectations embedded in the fixed income markets today. These mispricings present tremendous risks and opportunities.

FAANG+ Luring the Unsuspecting

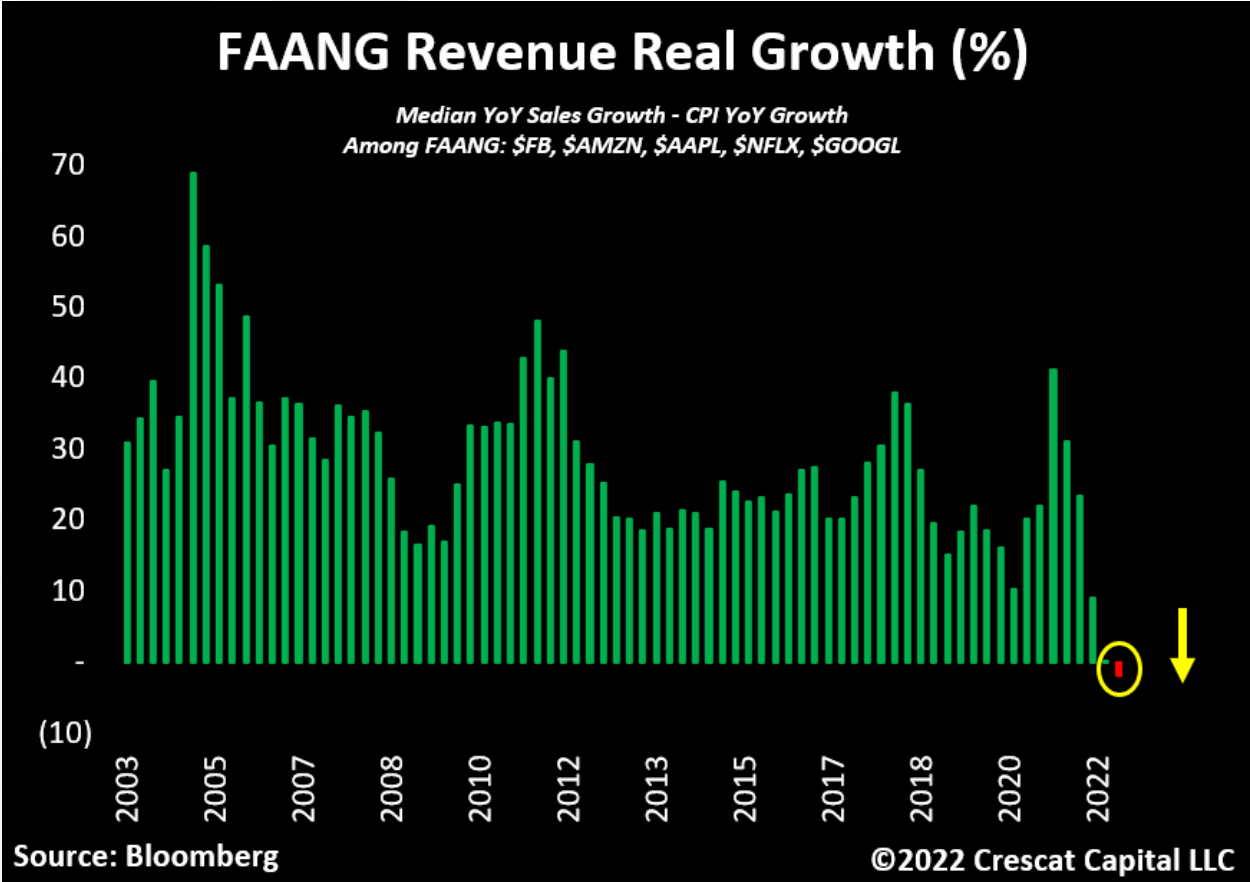
Last week looked like short-seller capitulation to us for the market at large and in mega-cap tech stocks in particular. Crescat is not capitulating at all. There were many "buy-the-news" headlines that could mark the peak of yet another bear market rally.

It was a trifecta of truly bearish news last week:

1. The 75-basis-point Fed rate hike;
2. The negative Q2 real GDP print, the second quarter in a row; and
3. Lousy mega-cap tech earnings.

Yes, it was all really bad news, but short-term positioning was offside on the expectation of all this bad news, so there was a technical shakeout of short sellers. Normally, two quarters of negative real GDP means that we have already been in a recession, but unemployment remains low, so there is an abundance of recession deniers. It is sad how many people, including policy makers, appear clueless about the fact that labor markets are always a lagging indicator ahead of economic downturns. Because inflation is so high today, and the Fed so behind the curve, the current period of negative real growth is likely to be very drawn out and is only just getting started. We are in a stagflationary environment that we think will be very similar to the two-year long recession in 1973 and 1974 with many of the same investment implications. However, this one could be even more severe due to the much bigger global debt imbalances today. Inflation is the only viable solution to resolve these imbalances, in our analysis, so that means there is likely to be a lot more of it ahead.

There was a massive deceleration in revenues, earnings, and free cash flow of all the FAANG+ stocks that have recently reported, and they are all still richly valued. Beware of the false narratives designed to lure unsuspecting investors back into these former darlings. The truth is that high-multiple growth stocks traditionally do poorly in an inflationary environment. These stocks are hardly even growing anymore especially on an inflation-adjusted basis. Here is the shocking truth:



The FAANG+ results are nowhere near strong as the market has been interpreting. We have been increasing our shorts there into this recent short covering rally. We think the equity bear market will resume soon in earnest with the Fed still in tightening mode and the yield curve now well-inverted. Our global macro fund and long/short funds have a proven history of delivering in bear markets.

The Time to Act is Now

We are making this pitch to current and prospective new investors to add money now, because we truly believe the timing is excellent to put money into Crescat’s funds for an August 1 start. We can still take subscriptions over the weekend. Please reach out to Marek Iwahashi by responding to this email if you would like to receive paperwork for a new subscription or an additional subscription for those who are already invested.



Gold Spot Price:

Silver Spot Price:

Number of Total Positions:

Number of Activist Positions:

Gross Gold Equivalent Target Ounces (Millions)

Net Probability Adjusted Gold Equivalent Target Ozs (Millions)

Probability Adjusted Gold In Ground Value

Peak Lassonde Curve Gold in Ground Value

Net Probability Adjusted Gold in Ground Value

Valuation / Appreciation Potential (CPMF)

Metals NAV Across Crescat Funds:

\$231,976,839

\$1,734

\$19.09

97

60

529

277

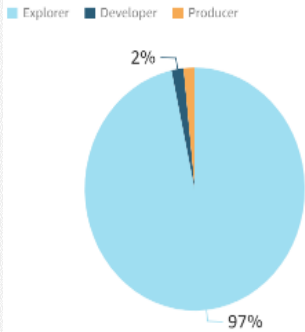
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\$94.5B

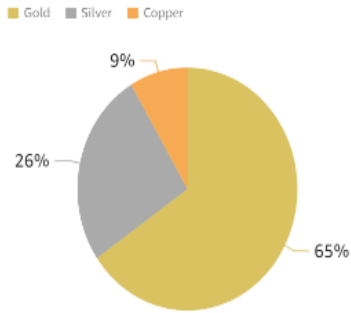
\$12.2B

3,208%

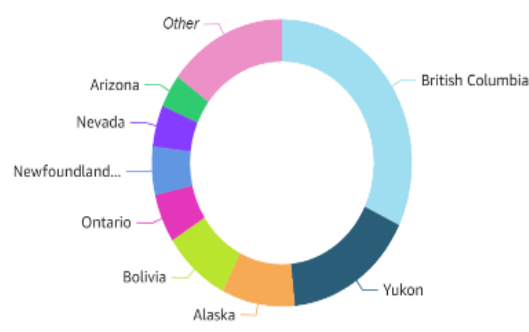
% NAV Exposure By Explorer, Producer, Developer



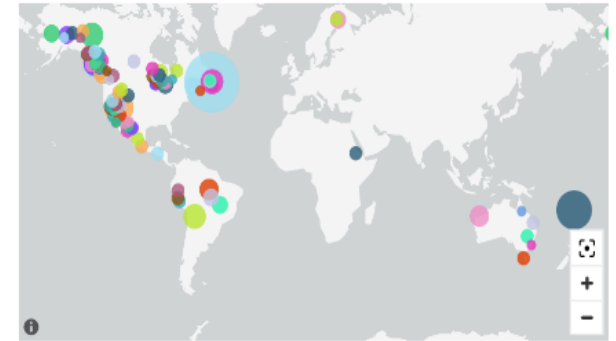
% NAV Exposure By Primary Metal



% NAV Exposure By Fraser Jurisdiction of Lead Project



151 Drills Turning Over Next 12 Months



Company Name	Fraser Jurisdiction	Primary Metal	Portfolio Contribution Potential	Valuation/ Appreciation Potential	Gold Equiv M Ozs Target	Probability of Delivering Gold Target	Probability Adjusted Gold M Ozs	Probability Adjusted Gold in Ground Value	# of Drills	Dilution Discount	Expected Profitability Premium	Market Cap
SNOWLINE GOLD CORP	Yukon	Gold	732.5%	5,952%	50	55%	27.5	\$46,978,250,000	4	25%	25%	\$189,048,045
ELORO RESOURCES LTD	Bolivia	Silver	602.4%	10,023%	75	85%	63.8	\$108,904,125,000	4	30%	10%	\$236,109,450
WESTERN ALASKA MINERALS CORP	Alaska	Silver	332.1%	3,224%	12	55%	6.6	\$11,274,780,000	2	40%	25%	\$34,310,196
PACIFIC RIDGE EXPLORATION LT	British Columbia	Copper	272.1%	13,257%	10	75%	7.5	\$12,812,250,000	2	25%	25%	\$21,040,563
CORE ASSETS CORP.	British Columbia	Silver	122.5%	4,776%	10	55%	5.5	\$9,395,650,000	1	35%	25%	\$40,761,888
GOLIATH RESOURCES LTD	British Columbia	Gold	115.4%	2,483%	7	65%	4.6	\$7,772,765,000	4	25%	50%	\$67,881,296
ESKAY MINING CORP	British Columbia	Gold	105.6%	640%	9	75%	6.8	\$11,531,025,000	4	18%	25%	\$321,959,095
BLACKJACK SILVER CORP - PRIVATE COMPANY	Montana	Silver	79.6%	9,890%	4	75%	3.0	\$5,124,900,000	1	27%	10%	\$20,508,206
BELL COPPER CORP	Arizona	Copper	75.8%	5,368%	10	35%	3.5	\$5,979,050,000	1	28%		\$26,032,766
BCM RESOURCES CORP	Utah	Copper	47.8%	6,091%	10	25%	2.5	\$4,270,750,000	1	37%		\$14,242,304
TIMBERLINE RESOURCES CORP	Nevada	Gold	39.0%	3,819%	4	65%	2.6	\$4,441,580,000	2	35%	10%	\$23,177,885
NULEGACY GOLD CORP	Nevada	Gold	37.1%	4,413%	10	35%	3.5	\$5,979,050,000	1	40%	10%	\$26,498,360
BRIXTON METALS CORP.	British Columbia	Gold	36.5%	5,202%	10	50%	5.0	\$8,541,500,000	2	27%		\$34,799,851
CONDOR RESOURCES INC.	Peru	Gold	36.1%	10,158%	8	50%	4.0	\$6,833,200,000	1	35%	25%	\$13,322,642
BARKSDALE RESOURCES CORP	Arizona	Silver	32.2%	8,221%	10	75%	7.5	\$12,812,250,000	1	33%	10%	\$36,691,960
MARONAN	Queensland	Silver	31.6%	2,620%	8	50%	4.0	\$6,833,200,000	2	20%	10%	\$51,750,000
ZACAPA RESOURCES	Arizona	Copper	26.8%	6,996%	10	25%	2.5	\$4,270,750,000	2	30%		\$12,036,787
TECTONIC METALS INC	Alaska	Gold	26.2%	3,865%	4	35%	1.4	\$2,391,620,000	1	50%	25%	\$12,062,804
ALTAMIRA GOLD CORP	Brazil	Gold	25.6%	3,659%	5	45%	2.3	\$3,843,675,000	2	35%	25%	\$22,905,506
FINLAY MINERALS LTD	British Columbia	Silver	22.3%	4,241%	3	40%	1.2	\$2,049,960,000	1	33%	10%	\$9,443,759

Sincerely,

Kevin C. Smith, CFA
Member & Chief Investment Officer

Tavi Costa
Member & Portfolio Manager

For more information including how to invest, please contact:

Marek Iwahashi
Client Service Associate
miwahashi@crescat.net
303-271-9997

Cassie Fischer
Client Service Associate
cfischer@crescat.net
(303) 350-4000

Linda Carleu Smith, CPA
Member & COO
lsmith@crescat.net
(303) 228-7371

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Important Disclosures

Performance data represents past performance, and past performance does not guarantee future results. An individual investor's results may vary due to the timing of capital transactions. Performance for all strategies is expressed in U.S. dollars. Cash returns are included in the total account and are not detailed separately. Investment results shown are for taxable and tax-exempt clients and include the reinvestment of dividends, interest, capital gains, and other earnings. Any possible tax liabilities incurred by the taxable accounts have not been reflected in the net performance. Performance is compared to an index, however, the volatility of an index varies greatly and investments cannot be made directly in an index. Market conditions vary from year to year and can result in a decline in market value due to material market or economic conditions. There should be no expectation that any strategy will be profitable or provide a specified return. Case studies are included for informational purposes only and are provided as a general overview of our general investment process, and not as indicative of any investment experience. There is no guarantee that the case studies discussed here are completely representative of our strategies or of the entirety of our investments, and we reserve the right to use or modify some or all of the methodologies mentioned herein.

Separately Managed Account (SMA) disclosures: The Crescat Large Cap Composite and Crescat Precious Metals Composite include all accounts that are managed according to those respective strategies over which the manager has full discretion. SMA composite performance results are time weighted net of all investment management fees and trading costs including commissions and non-recoverable withholding taxes. Investment management fees are described in Crescat's Form ADV 2A. The manager for the **Crescat Large Cap** strategy invests predominately in equities of the top 1,000 U.S. listed stocks weighted by market capitalization. The manager for the **Crescat Precious Metals** strategy invests predominantly in a global all-cap universe of precious metals mining stocks.

Hedge Fund disclosures: Only accredited investors and qualified clients will be admitted as limited partners to a Crescat hedge fund. For natural persons, investors must meet SEC requirements including minimum annual income or net worth thresholds. Crescat'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 Crescat'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 Crescat hedge fund with the SEC. Limited partner interests in the Crescat 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 Crescat's hedge funds are not subject to the protections of the Investment Company Act of 1940. 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 of Crescat's hedge funds may not be directly comparable to the performance of other private or registered funds. Hedge funds may involve complex tax strategies and there may be delays in distribution tax information to investors.

Investors may obtain the most current performance data, private offering memoranda for a Crescat's hedge funds, and information on Crescat's SMA strategies, including Form ADV Part II, by contacting Linda Smith at (303) 271-9997 or by sending a request via email to lsmith@crescat.net. See the private offering memorandum for each Crescat hedge fund for complete information and risk factors.