

**OSPREY BITCOIN TRUST (BTC)**  
**2022 Grantor Trust Tax Information**  
**EIN: 37-6695894**

The following information is being provided to assist Unitholders of the Osprey Bitcoin Trust (BTC) (the "Trust") with reporting of their taxable income and expenses for the period January 1, 2022 through December 31, 2022.

**TAXATION OF THE TRUST**

The Trust is a grantor trust for U.S. federal income tax purposes. As a result, the Trust itself is not subject to U.S. federal income tax. Instead, the Trust's income and expenses "flow through" to the Unitholders.

**TAXATION OF US INDIVIDUAL UNITHOLDERS**

Unitholders generally will be treated, for U.S. federal income tax purposes, as if they directly owned a pro rata Unit of the underlying assets held in the Trust. Unitholders also will be treated as if they directly received their respective pro rata Units of the Trust's income and proceeds, and directly incurred their pro rata Unit of the Trust's expenses. Most state and local tax authorities follow U.S. income tax rules in this regard. However, Unitholders should contact their own tax advisors as to the state and local tax consequences of ownership of the Trust.

The Trust holds only Bitcoin ("BTC") tokens and, accordingly, received no income during the year.

The Trust paid expenses periodically, as shown in the attached 2022 Gross Proceeds File. These expenses are allocated into monthly periods as shown in the 2022 Expense File. An example illustrating the computation of a Unitholder's share of expenses is provided.

Because the Trust sold only a de minimis amount of BTC for payment of Trust expenses during the year and made no distributions of sale proceeds to its Unitholders, under Treas. Reg. Sec. 1.671- 5(c)(2)(iv)(B) neither the Trust nor brokers are required to report the gross proceeds of Trust sales to Unitholders on Form 1099B. In lieu of Form 1099B, this information is contained in the attached 2022 Gross Proceeds File together with an example illustrating how a Unitholder should calculate gain or loss.

**GLOSSARY OF TERMS**

Osprey Bitcoin Trust (BTC) - (the "Trust")

Expense File – Summary of allocated monthly Trust expenses per Unit in USD (page 2)

Gross Proceeds File – Summary of daily value per unit (in BTC), amount of BTC sold (in BTC), and per Unit proceeds from BTC sold (in USD) - (pages 3 -14)

Pro-Rated Shares – All income and expenses are distributed pro rata based on the actual number of days in the calendar month (see example on page 2)

## OSPREY BITCOIN TRUST (BTC) 2022 EXPENSE FILE

Summary of Expenses and Sales by Month		
Date	Expenses Per Unit (USD)	Amount of BTC Sold Per Unit
January	0.00913635	0.00000014
February	0.01174548	0.00000032
March	0.01178405	0.00000013
April	0.01189725	0.00000040
May	0.01478841	0.00000035
June	0.01031889	0.00000020
July	0.00801941	0.00000025
August	0.00829897	0.00000056
September	0.00752697	0.00000044
October	0.00671343	0.00000050
November	0.00653011	0.00000075
December	0.02744382	0.00000028
<b>Total for year</b>	<b>0.13423136</b>	<b>0.00000432</b>

### How to Calculate the Unitholder's Investment Expenses

Identify in the table above the months (full and partial) in which the Unitholder held Units in the Trust. The amount in the column labeled "Expenses Per Unit," represents the amount of investment expense paid per Unit for a full month. For any month in which the Units were not held on each day in such month, the expenses should be pro-rated based on the actual number of days held.

### Example illustrating calculation of a Unitholder's 2022 Osprey Bitcoin Trust (BTC) Expenses

Assume that a Unitholder purchased 20,000 Units on February 15, 2022 and sold them on September 15, 2022. For the month of February, Unitholder's expenses are \$0.01174548 (See Summary Table above – February Factor) x (13/28) = \$0.00545326 per Unit. For the months of March through August, the expenses per Unit are as shown in the summary table above. For the month of September, Unitholder's expenses are \$0.00752697 (See Summary Table above – September Factor) x (15/30) = \$0.003763485. The total expenses for Unitholder are therefore \$0.074323725 per Unit (sum of all factors from February 15th through September 15th) multiplied by the number of Units held (20,000), or \$1,486.47.

Total Expenses per Unit	0.074323725
Number of Units Held	20,000
<b>Total Expense</b>	<u>\$ 1,486.47</u>
(Please consult your tax advisor as to reporting)	

## OSPREY BITCOIN TRUST (BTC) 2022 GROSS PROCEEDS FILE

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
1/1/2022	0.0003389523070	0.00000000	
1/2/2022	0.0003389452130	0.00000000	
1/3/2022	0.0003389381191	0.00000000	
1/4/2022	0.0003389310287	0.00000000	
1/5/2022	0.0003389239172	0.00000000	
1/6/2022	0.0003389167987	0.00000000	
1/7/2022	0.0003389096676	-0.00000014	0.00591443
1/8/2022	0.0003389025367	0.00000000	
1/9/2022	0.0003388954058	0.00000000	
1/10/2022	0.0003388882726	0.00000000	
1/11/2022	0.0003388811513	0.00000000	
1/12/2022	0.0003388740403	0.00000000	
1/13/2022	0.0003388669191	0.00000000	
1/14/2022	0.0003388598013	0.00000000	
1/15/2022	0.0003388526835	0.00000000	
1/16/2022	0.0003388455659	0.00000000	
1/17/2022	0.0003388384484	0.00000000	
1/18/2022	0.0003388313172	0.00000000	
1/19/2022	0.0003388241843	0.00000000	
1/20/2022	0.0003388170630	0.00000000	
1/21/2022	0.0003388098919	0.00000000	
1/22/2022	0.0003388027210	0.00000000	
1/23/2022	0.0003387955501	0.00000000	
1/24/2022	0.0003387883650	0.00000000	
1/25/2022	0.0003387811751	0.00000000	
1/26/2022	0.0003387739876	0.00000000	
1/27/2022	0.0003387667792	0.00000000	
1/28/2022	0.0003387596015	0.00000000	
1/29/2022	0.0003387524239	0.00000000	
1/30/2022	0.0003387452465	0.00000000	
1/31/2022	0.0003387380781	0.00000000	

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
2/1/2022	0.0003387117635	-0.00000010	0.00373678
2/2/2022	0.0003387045738	0.00000000	
2/3/2022	0.0003386973670	0.00000000	
2/4/2022	0.0003386902152	0.00000000	
2/5/2022	0.0003386830635	0.00000000	
2/6/2022	0.0003386759120	0.00000000	
2/7/2022	0.0003386687989	-0.00000014	0.00622747
2/8/2022	0.0003386616873	0.00000000	
2/9/2022	0.0003386155545	0.00000000	
2/10/2022	0.0003386064101	0.00000000	
2/11/2022	0.0003385982210	0.00000000	
2/12/2022	0.0003385900320	0.00000000	
2/13/2022	0.0003385818432	0.00000000	
2/14/2022	0.0003385736490	0.00000000	
2/15/2022	0.0003385655224	0.00000000	
2/16/2022	0.0003385573940	0.00000000	
2/17/2022	0.0003385491514	0.00000000	
2/18/2022	0.0003385408754	0.00000000	
2/19/2022	0.0003385325996	0.00000000	
2/20/2022	0.0003385243238	0.00000000	
2/21/2022	0.0003385160481	0.00000000	
2/22/2022	0.0003385076840	0.00000000	
2/23/2022	0.0003384993097	0.00000000	
2/24/2022	0.0003384909674	0.00000000	
2/25/2022	0.0003384777298	-0.00000009	0.00327682
2/26/2022	0.0003384694187	0.00000000	
2/27/2022	0.0003384611077	0.00000000	
2/28/2022	0.0003384529057	0.00000000	

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
3/1/2022	0.0003384447890	0.00000000	
3/2/2022	0.0003384366628	0.00000000	
3/3/2022	0.0003384344154	0.00000000	
3/4/2022	0.0003384162968	0.00000000	
3/5/2022	0.0003384070129	0.00000000	
3/6/2022	0.0003383977291	0.00000000	
3/7/2022	0.0003383801226	-0.00000013	0.00478327
3/8/2022	0.0003383749677	0.00000000	
3/9/2022	0.0003383798319	0.00000000	
3/10/2022	0.0003383612741	0.00000000	
3/11/2022	0.0003383459527	0.00000000	
3/12/2022	0.0003383365940	0.00000000	
3/13/2022	0.0003383272354	0.00000000	
3/14/2022	0.0003383202694	0.00000000	
3/15/2022	0.0003383157645	0.00000000	
3/16/2022	0.0003383123014	0.00000000	
3/17/2022	0.0003383031162	0.00000000	
3/18/2022	0.0003382997095	0.00000000	
3/19/2022	0.0003382905881	0.00000000	
3/20/2022	0.0003382814669	0.00000000	
3/21/2022	0.0003382677404	0.00000000	
3/22/2022	0.0003382644848	0.00000000	
3/23/2022	0.0003382549956	0.00000000	
3/24/2022	0.0003382548492	0.00000000	
3/25/2022	0.0003382484657	0.00000000	
3/26/2022	0.0003382439249	0.00000000	
3/27/2022	0.0003382393841	0.00000000	
3/28/2022	0.0003382387858	0.00000000	
3/29/2022	0.0003382288245	0.00000000	
3/30/2022	0.0003382168153	0.00000000	
3/31/2022	0.0003382002651	0.00000000	

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
4/1/2022	0.0003381965789	0.00000000	
4/2/2022	0.0003381886816	0.00000000	
4/3/2022	0.0003381807845	0.00000000	
4/4/2022	0.0003381704628	0.00000000	
4/5/2022	0.0003381630048	0.00000000	
4/6/2022	0.0003381413986	0.00000000	
4/7/2022	0.0003381311671	0.00000000	
4/8/2022	0.0003381187509	0.00000000	
4/9/2022	0.0003381107104	0.00000000	
4/10/2022	0.0003381026701	0.00000000	
4/11/2022	0.0003380739860	-0.00000014	0.00562939
4/12/2022	0.0003380602446	0.00000000	
4/13/2022	0.0003380664044	0.00000000	
4/14/2022	0.0003379727244	-0.00000015	0.00615087
4/15/2022	0.0003379645513	0.00000000	
4/16/2022	0.0003379563782	0.00000000	
4/17/2022	0.0003379482053	0.00000000	
4/18/2022	0.0003379460752	0.00000000	
4/19/2022	0.0003379428578	0.00000000	
4/20/2022	0.0003379332754	0.00000000	
4/21/2022	0.0003379251889	0.00000000	
4/22/2022	0.0003379050137	0.00000000	
4/23/2022	0.0003378968271	0.00000000	
4/24/2022	0.0003378886407	0.00000000	
4/25/2022	0.0003378859331	0.00000000	
4/26/2022	0.0003378624815	0.00000000	
4/27/2022	0.0003378924473	-0.00000011	0.00427418
4/28/2022	0.0003378890841	0.00000000	
4/29/2022	0.0003378735089	0.00000000	
4/30/2022	0.0003378652627	0.00000000	

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
5/1/2022	0.0003378570166	0.00000000	
5/2/2022	0.0003378498385	0.00000000	
5/3/2022	0.0003378373436	0.00000000	
5/4/2022	0.0003378398197	-0.00000014	0.00542466
5/5/2022	0.0003378128544	0.00000000	
5/6/2022	0.0003378026271	0.00000000	
5/7/2022	0.0003377942503	0.00000000	
5/8/2022	0.0003377858736	0.00000000	
5/9/2022	0.0003377401180	0.00000000	
5/10/2022	0.0003377335423	0.00000000	
5/11/2022	0.0003377049108	0.00000000	
5/12/2022	0.0003376869318	0.00000000	
5/13/2022	0.0003374994281	-0.00000021	0.00602709
5/14/2022	0.0003374893895	0.00000000	
5/15/2022	0.0003374793510	0.00000000	
5/16/2022	0.0003374643757	0.00000000	
5/17/2022	0.0003374596487	0.00000000	
5/18/2022	0.0003374408304	0.00000000	
5/19/2022	0.0003374381593	0.00000000	
5/20/2022	0.0003374208545	0.00000000	
5/21/2022	0.0003374107080	0.00000000	
5/22/2022	0.0003374005616	0.00000000	
5/23/2022	0.0003373880890	0.00000000	
5/24/2022	0.0003373815139	0.00000000	
5/25/2022	0.0003373738792	0.00000000	
5/26/2022	0.0003373611529	0.00000000	
5/27/2022	0.0003373446537	0.00000000	
5/28/2022	0.0003373344483	0.00000000	
5/29/2022	0.0003373242430	0.00000000	
5/30/2022	0.0003373140378	0.00000000	
5/31/2022	0.0003373379215	0.00000000	

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
6/1/2022	0.0003373099088	0.00000000	
6/2/2022	0.0003373022654	-0.00000014	0.00425342
6/3/2022	0.0003372824844	0.00000000	
6/4/2022	0.0003372723801	0.00000000	
6/5/2022	0.0003372622760	0.00000000	
6/6/2022	0.0003372774774	0.00000000	
6/7/2022	0.0003372623741	0.00000000	
6/8/2022	0.0003371665032	-0.00000006	0.00187501
6/9/2022	0.0003371546768	0.00000000	
6/10/2022	0.0003371286502	0.00000000	
6/11/2022	0.0003371184634	0.00000000	
6/12/2022	0.0003371082767	0.00000000	
6/13/2022	0.0003369780383	0.00000000	
6/14/2022	0.0003369399478	0.00000000	
6/15/2022	0.0003369115635	0.00000000	
6/16/2022	0.0003368759415	0.00000000	
6/17/2022	0.0003368524560	0.00000000	
6/18/2022	0.0003368405096	0.00000000	
6/19/2022	0.0003368285633	0.00000000	
6/20/2022	0.0003368166172	0.00000000	
6/21/2022	0.0003368177953	0.00000000	
6/22/2022	0.0003367781068	0.00000000	
6/23/2022	0.0003367950765	0.00000000	
6/24/2022	0.0003367957451	0.00000000	
6/25/2022	0.0003367840139	0.00000000	
6/26/2022	0.0003367722829	0.00000000	
6/27/2022	0.0003367456311	0.00000000	
6/28/2022	0.0003367104230	0.00000000	
6/29/2022	0.0003366974480	0.00000000	
6/30/2022	0.0003366290602	0.00000000	



Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
7/1/2022	0.0003366379139	-0.00000014	0.00262806
7/2/2022	0.0003366256188	0.00000000	
7/3/2022	0.0003366133238	0.00000000	
7/4/2022	0.0003366010290	0.00000000	
7/5/2022	0.0003366331106	0.00000000	
7/6/2022	0.0003366181493	0.00000000	
7/7/2022	0.0003366661323	0.00000000	
7/8/2022	0.0003366534979	0.00000000	
7/9/2022	0.0003366419168	0.00000000	
7/10/2022	0.0003366303359	0.00000000	
7/11/2022	0.0003365653139	0.00000000	
7/12/2022	0.0003365022763	0.00000000	
7/13/2022	0.0003365025191	0.00000000	
7/14/2022	0.0003365342383	0.00000000	
7/15/2022	0.0003365330154	-0.00000011	0.00225640
7/16/2022	0.0003365212641	0.00000000	
7/17/2022	0.0003365095130	0.00000000	
7/18/2022	0.0003365149379	0.00000000	
7/19/2022	0.0003365646875	0.00000000	
7/20/2022	0.0003365613902	0.00000000	
7/21/2022	0.0003365355651	0.00000000	
7/22/2022	0.0003365035115	0.00000000	
7/23/2022	0.0003364921309	0.00000000	
7/24/2022	0.0003364807505	0.00000000	
7/25/2022	0.0003364439610	0.00000000	
7/26/2022	0.0003363928121	0.00000000	
7/27/2022	0.0003364533503	0.00000000	
7/28/2022	0.0003364773998	0.00000000	
7/29/2022	0.0003364699239	0.00000000	
7/30/2022	0.0003364588455	0.00000000	
7/31/2022	0.0003364477672	0.00000000	

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
8/1/2022	0.0003364035423	0.00000000	
8/2/2022	0.0003363911123	0.00000000	
8/3/2022	0.0003363982514	-0.00000014	0.00328701
8/4/2022	0.0003363481726	0.00000000	
8/5/2022	0.0003363551534	0.00000000	
8/6/2022	0.0003363433244	0.00000000	
8/7/2022	0.0003363314956	0.00000000	
8/8/2022	0.0003363568697	0.00000000	
8/9/2022	0.0003363126317	0.00000000	
8/10/2022	0.0003363231132	0.00000000	
8/11/2022	0.0003363330885	0.00000000	
8/12/2022	0.0003363199492	0.00000000	
8/13/2022	0.0003363084273	0.00000000	
8/14/2022	0.0003362969056	0.00000000	
8/15/2022	0.0003362777215	0.00000000	
8/16/2022	0.0003362652589	-0.00000042	0.01009079
8/17/2022	0.0003362394731	0.00000000	
8/18/2022	0.0003362293561	0.00000000	
8/19/2022	0.0003361677714	0.00000000	
8/20/2022	0.0003361554986	0.00000000	
8/21/2022	0.0003361432261	0.00000000	
8/22/2022	0.0003361232336	0.00000000	
8/23/2022	0.0003361242124	0.00000000	
8/24/2022	0.0003361173374	0.00000000	
8/25/2022	0.0003361021265	0.00000000	
8/26/2022	0.0003360609802	0.00000000	
8/27/2022	0.0003360484980	0.00000000	
8/28/2022	0.0003360360160	0.00000000	
8/29/2022	0.0003360052559	0.00000000	
8/30/2022	0.0003359873892	0.00000000	
8/31/2022	0.0003359845545	0.00000000	

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
9/1/2022	0.0003359591117	0.00000000	
9/2/2022	0.0003359477532	-0.00000014	0.00278583
9/3/2022	0.0003359350306	0.00000000	
9/4/2022	0.0003359223081	0.00000000	
9/5/2022	0.0003359095859	0.00000000	
9/6/2022	0.0003358526732	0.00000000	
9/7/2022	0.0003358469168	0.00000000	
9/8/2022	0.0003358429641	0.00000000	
9/9/2022	0.0003359104824	0.00000000	
9/10/2022	0.0003358982063	0.00000000	
9/11/2022	0.0003358859304	0.00000000	
9/12/2022	0.0003359121028	0.00000000	
9/13/2022	0.0003358227803	0.00000000	
9/14/2022	0.0003358016073	-0.00000030	0.00605651
9/15/2022	0.0003357842648	0.00000000	
9/16/2022	0.0003357669126	0.00000000	
9/17/2022	0.0003357540917	0.00000000	
9/18/2022	0.0003357412709	0.00000000	
9/19/2022	0.0003357254411	0.00000000	
9/20/2022	0.0003356964182	0.00000000	
9/21/2022	0.0003356836602	0.00000000	
9/22/2022	0.0003356805264	0.00000000	
9/23/2022	0.0003356510790	0.00000000	
9/24/2022	0.0003356379616	0.00000000	
9/25/2022	0.0003356248446	0.00000000	
9/26/2022	0.0003356253944	0.00000000	
9/27/2022	0.0003356080784	0.00000000	
9/28/2022	0.0003356110915	0.00000000	
9/29/2022	0.0003355933439	0.00000000	
9/30/2022	0.0003355850288	0.00000000	

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
10/1/2022	0.0003355740391	0.00000000	
10/2/2022	0.0003355630496	0.00000000	
10/3/2022	0.0003355543181	0.00000000	
10/4/2022	0.0003355668888	-0.00000014	0.00273580
10/5/2022	0.0003355524290	0.00000000	
10/6/2022	0.0003355379714	0.00000000	
10/7/2022	0.0003355073202	0.00000000	
10/8/2022	0.0003354963275	0.00000000	
10/9/2022	0.0003354853350	0.00000000	
10/10/2022	0.0003354646790	0.00000000	
10/11/2022	0.0003354450744	0.00000000	
10/12/2022	0.0003354396749	0.00000000	
10/13/2022	0.0003354380051	0.00000000	
10/14/2022	0.0003354187606	0.00000000	
10/15/2022	0.0003354076907	0.00000000	
10/16/2022	0.0003353966210	0.00000000	
10/17/2022	0.0003354001089	0.00000000	
10/18/2022	0.0003353823523	-0.00000037	0.00717496
10/19/2022	0.0003353715998	0.00000000	
10/20/2022	0.0003353566374	0.00000000	
10/21/2022	0.0003353485957	0.00000000	
10/22/2022	0.0003353375351	0.00000000	
10/23/2022	0.0003353264747	0.00000000	
10/24/2022	0.0003353190566	0.00000000	
10/25/2022	0.0003353296134	0.00000000	
10/26/2022	0.0003353295112	0.00000000	
10/27/2022	0.0003353158146	0.00000000	
10/28/2022	0.0003353046408	0.00000000	
10/29/2022	0.0003352932155	0.00000000	
10/30/2022	0.0003352817903	0.00000000	
10/31/2022	0.0003352646469	0.00000000	

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
11/1/2022	0.0003352550220	0.00000000	
11/2/2022	0.0003352387238	0.00000000	
11/3/2022	0.0003352276006	0.00000000	
11/4/2022	0.0003352366867	0.00000000	
11/5/2022	0.0003352253932	0.00000000	
11/6/2022	0.0003352140999	0.00000000	
11/7/2022	0.0003351952970	-0.00000014	0.00290425
11/8/2022	0.0003351069852	0.00000000	
11/9/2022	0.0003350210464	0.00000000	
11/10/2022	0.0003350788401	0.00000000	
11/11/2022	0.0003350103367	0.00000000	
11/12/2022	0.0003349975651	0.00000000	
11/13/2022	0.0003349847936	0.00000000	
11/14/2022	0.0003349576372	0.00000000	
11/15/2022	0.0003349701877	0.00000000	
11/16/2022	0.0003349557647	-0.00000061	0.01027427
11/17/2022	0.0003349438573	0.00000000	
11/18/2022	0.0003349305896	0.00000000	
11/19/2022	0.0003349178380	0.00000000	
11/20/2022	0.0003349050866	0.00000000	
11/21/2022	0.0003348842250	0.00000000	
11/22/2022	0.0003348747195	0.00000000	
11/23/2022	0.0003348668556	0.00000000	
11/24/2022	0.0003348541012	0.00000000	
11/25/2022	0.0003348403795	0.00000000	
11/26/2022	0.0003348275892	0.00000000	
11/27/2022	0.0003348147991	0.00000000	
11/28/2022	0.0003347985909	0.00000000	
11/29/2022	0.0003347888953	0.00000000	
11/30/2022	0.0003347841850	0.00000000	

Date	BTC/Unit (Net)	BTC Sold per Unit (in BTC)	Proceeds from Sales of BTC per Unit (in USD)
12/1/2022	0.0003347691333	0.00000000	
12/2/2022	0.0003347581265	-0.00000013	0.00229757
12/3/2022	0.0003347455463	0.00000000	
12/4/2022	0.0003347329663	0.00000000	
12/5/2022	0.0003347189850	0.00000000	
12/6/2022	0.0003347071913	0.00000000	
12/7/2022	0.0003346918158	0.00000000	
12/8/2022	0.0003346855339	0.00000000	
12/9/2022	0.0003346713029	0.00000000	
12/10/2022	0.0003346587519	0.00000000	
12/11/2022	0.0003346462011	0.00000000	
12/12/2022	0.0003346340952	0.00000000	
12/13/2022	0.0003346265619	-0.00000015	0.00254349
12/14/2022	0.0003346133844	0.00000000	
12/15/2022	0.0003345917782	0.00000000	
12/16/2022	0.0003345669953	0.00000000	
12/17/2022	0.0003345485930	0.00000000	
12/18/2022	0.0003345301909	0.00000000	
12/19/2022	0.0003345074769	0.00000000	
12/20/2022	0.0003344930000	0.00000000	
12/21/2022	0.0003344730000	0.00000000	
12/22/2022	0.0003344550000	0.00000000	
12/23/2022	0.0003332990000	0.00000000	
12/24/2022	0.0003332800000	0.00000000	
12/25/2022	0.0003332620000	0.00000000	
12/26/2022	0.0003332430000	0.00000000	
12/27/2022	0.0003332120000	0.00000000	
12/28/2022	0.0003331860000	0.00000000	
12/29/2022	0.0003331680000	0.00000000	
12/30/2022	0.0003331470000	0.00000000	
12/31/2022	0.0003331280000	0.00000000	
Total		-0.00000432	0.1126083

Osprey Bitcoin Trust (BTC) Gross Proceeds and Expense Files show BTC tokens per Unit owned in the Trust, as well as BTC tokens sold, proceeds, and expenses per Unit in the Trust. You can use this information to calculate your share of Trust expenses, and your gain or loss on sale of BTC tokens.

The Trust holds no assets other than BTC tokens. Accordingly, when expenses are incurred, Trust assets (i.e., BTC tokens) are sold to cover the expenses. The following example illustrates the tax consequences to the Unitholder. In Step 1, we discuss how a Unitholder would determine his or her stake in the Trust (i.e., how many BTC tokens they own). In Step 2, we discuss how much of his or her stake is sold throughout the year. In Step 3, we determine the Unitholder's basis in the BTC tokens sold by the Trust. Gain or loss from this sale is determined in relation to the basis of the assets sold. In Step 4, we determine the gain or loss from the sale of the assets and where the gain or loss is reported on the Unitholder's tax return. In Step 5, we calculate the Unitholder's portion of the Trust's expenses. In Step 6, we determine the Unitholder's new balance of BTC tokens at the end of the year and his or her new cost basis in the BTC tokens.

The following example is for illustrative purposes only and is not intended to be construed as tax advice. Unitholders should consult a tax professional in the use of their information on their respective tax returns.

**Example:** Unitholder XYZ purchases 20,000 Trust Units on 4/14/2022 at a price of \$10.91 per Unit for a total purchase price of \$218,200. Unitholder XYZ had no other purchases or sales of Trust Units during 2022 and held the Units for the remainder of 2022.

**Step 1: Identify the Unitholder's pro rata ownership of Bitcoin.**

Locate the Bitcoin Per Unit amount on Unitholder XYZ's purchase date of 4/14/2022 in the gross proceeds file. In this example the number is 0.00033797. This represents the number of BTC tokens per Unit on that date.

For Unitholder XYZ, the total amount of BTC tokens owned for its 4/14/2022 purchase is 6.7594 (0.00033797 per Unit multiplied by 20,000 Units purchased on 4/14/2022). Note: This step should be completed for each date on which Trust Units were purchased.

**Step 2: Calculate the Bitcoin sold from Unitholder XYZ's account during 2022**

The BTC tokens sold per Unit during 2022 includes the cumulative amounts of all BTC token sales for the period which includes the day after the Unit purchase date of 4/14/2022 through the day before Unit sale, if any.

During 2022, the total amount of BTC tokens sold after the 4/14/2022 purchase date is 0.0000035433 per Unit. This is determined by taking the total amount of BTC tokens sold per Unit in 2022 (0.00000432) and subtracting the amount of BTC tokens sold prior to the purchase date (0.0000007767, using 14/30th of the total sales for April). Then multiply this number (0.0000035433) by the number of Units owned (20,000) for a total of 0.07087 BTC tokens sold.

**Step 3: Calculate Unitholder's cost basis in Bitcoin sold from Unitholder's account**

Total BTC tokens sold ( <i>Step 2</i> )	0.07087		
	-----	x	\$218,200
BTC tokens acquired ( <i>Step 1</i> )	6.7594		
Cost basis of BTC tokens sold	\$ 2,287.75		

**Step 4: Calculate Unitholder's gain or loss on Bitcoin sold for each lot purchased**

Identify all proceeds per Unit received by the Trust after Unitholder XYZ's 4/14/2022 purchase date. During 2022, periodic sales for the period 4/15/2022 through 12/31/2022 generated proceeds per Unit of \$0.0811775 (total proceeds of sales of BTC tokens for the year, 0.1126083, less 0.03143084, which represents the proceeds of sales made prior to purchase (0.02393877 from January through March plus 0.00749207 which is 14/30th of the proceeds received in April)). Therefore, Unitholder XYZ's gain or loss is determined as follows:

Total Proceeds: \$0.0811775 per Unit X 20,000 Units	\$ 1,623.55
Less: Total cost basis of BTC token payout (Step 3)	<u>\$ 2,287.75</u>
Total Reportable Gain/(Loss)	<u>\$ (664.20)</u>

(To be reported on Unitholder's Form 1040 Schedule D)

**Step 5: Calculate Unitholder's investment expenses**

Identify all expenses per Unit paid by the Trust after Unitholder XYZ's 4/14/2022 purchase date. During 2022, the expenses were paid periodically and for the period of 4/15/2022 through 12/31/2022 amounted to \$0.09601343 per Unit (total annual expense per Unit of 0.13423136, less 0.03821793, which represents the expense paid prior to the 4/14/2022 purchase date (totals for January through March plus 14/30th of April)). Therefore, Unitholder XYZ's expenses are as follows:

Total Expenses Per Unit	\$ 0.09601343
Total Units	<u>20,000</u>
Total Expense	<u>\$ 1,920.27</u>

**Step 6: Calculate Unitholder's Adjusted Bitcoin Held and Cost Basis**

BTC tokens Purchased on 4/14/2022 (Step 1)	6.75940000
Less: BTC token sold during 2022 (Step 2)	<u>0.07087000</u>
Adjusted Unitholder's BTC tokens at 12/31/2022	<u>6.68853000</u>
Original Purchase Cost on 4/14/2022	\$ 218,200.00
Less: Cost of BTC tokens sold during 2022 (Step 3)	<u>\$ 2,287.75</u>
Adjusted Unitholder's basis at 12/31/2022	<u>\$ 215,912.25</u>

Unitholder's adjusted BTC tokens and adjusted cost calculated in Step 6 are his/her adjusted BTC tokens and adjusted tax basis for the 4/14/2022 purchase at the end of 12/31/2022.

Unitholders with several purchases should calculate gain, loss and adjusted basis separately for each purchased lot and then sum up the results of each lot to arrive at the net reportable gain or loss and the total investment expenses. Unitholders, who purchased their Units prior to 2022, and made no other purchases, should calculate their adjusted cost basis using the gross proceeds information for the relevant years by following the same steps as in the example above. The adjusted cost basis at 12/31/2021 should be used as the beginning cost for 2022 instead of the original purchase cost. Unitholders with an additional purchase in 2022 will have two cost lots to account for in 2022. The calculation of gains and losses will be affected by the cost basis method used to account for the sales.