

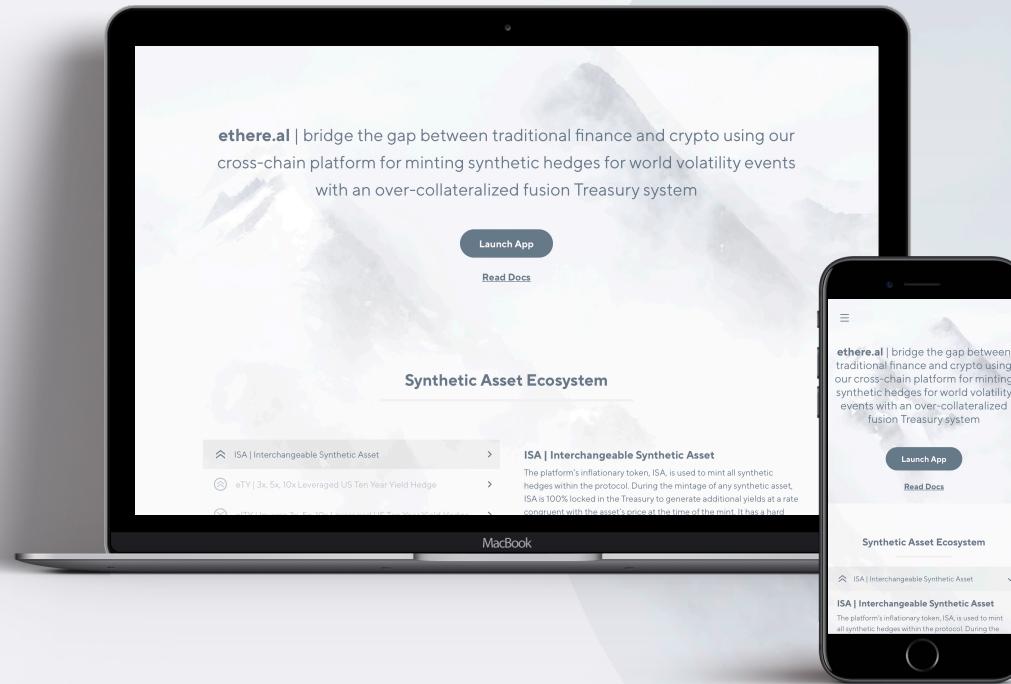
INVESTOR DECK • Q2 2022

there.al

DeFi TradFi Bridge | Algorithmic Options | Synthetic Economies | Leveraged 10YR Assets | Recession
Hedges | Deep Learning Market Sentiment Tokenization

Fusion between traditional and decentralized finance.

Algorithmically enforced - human driven.



Market Size

Total Available Market

\$7.5T+

Indirect exposure to crypto

Target Market Share

100M

Of direct exposure through
derivatives

Serviceable Market

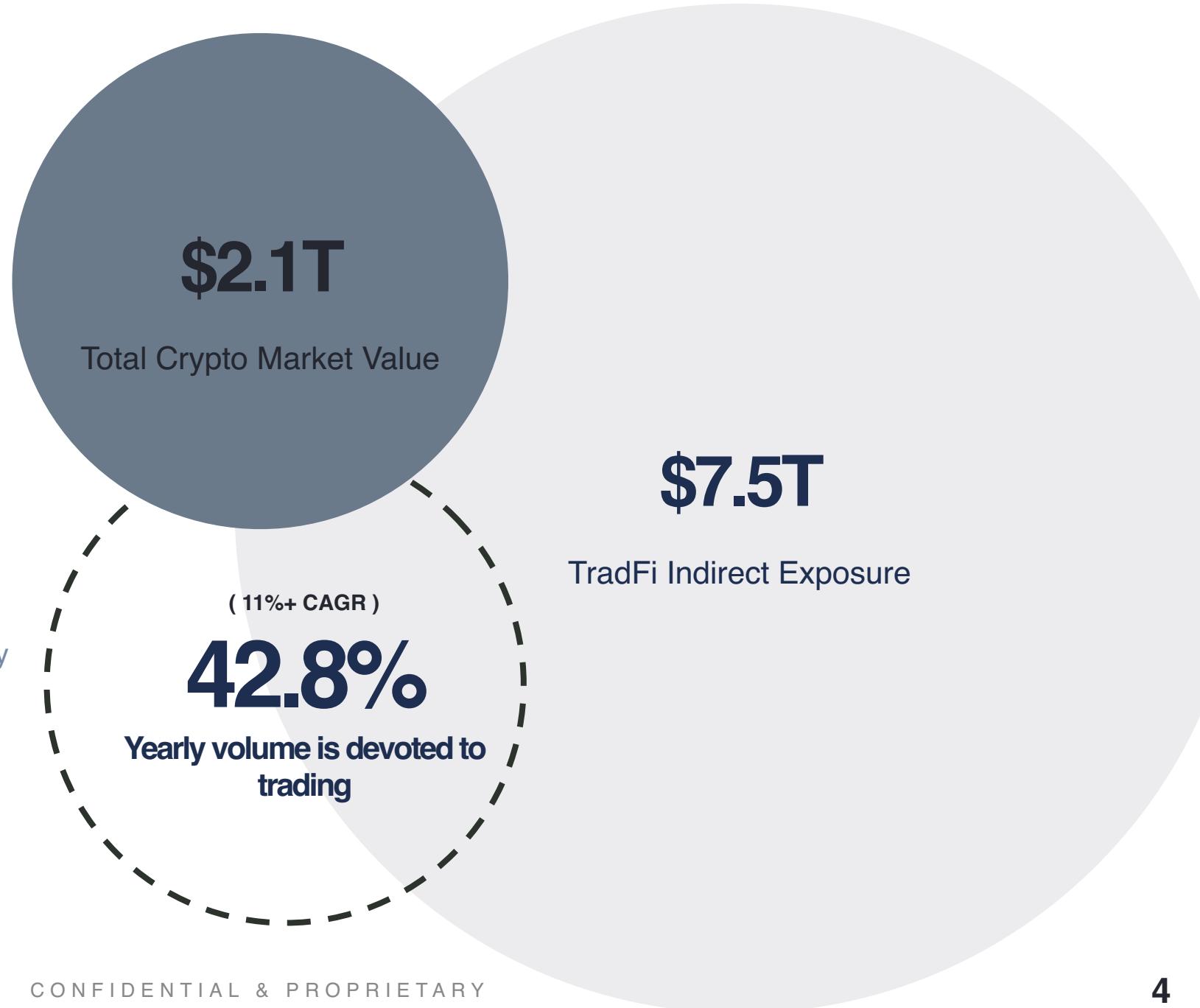
100B+

In notional value of derivative
transactions

Market

While crypto is gaining traction, there are still trillions of dollars left untapped in TradFi.

It is our objective to capture this capital through innovative asset offerings found nowhere else and a full range of algorithmically enforced option chains.



Asset Overview

All Assets Are Shortable Using Rho As Collateral

RHO

Dynamic I fixed yield asset as well as the bridge to TradFi from DeFi. Used as collateral.

MGMS

Mirrors total market sentiments as derived by over 1,000 separate data points.

sEconomies

Tokenized GDP values for specific countries extrapolated over both generalized market and crypto moves.

eBTC I eETH

Create a synthetic asset that inversely follows the price action of the underlying token with a click of a button.

Algorithmically Enforced Options

Liquid chain of cash settled American Style options that can derive a functional chain algorithmically for any token with more than 6 weeks of data.

usRP

Tokenized probability of a recession in the United States.

eTY I eITY

Leveraged and inverse leveraged assets reflecting the United State's Ten Year Treasury Rate.

ISA

The platform's semi inflationary token used to mint assets on ethere.al

NTH

Hedges for real-world volatility events that are difficult to hedge using traditional financial assets.

More to come...

RHO

Rho has been designed to be a dynamic fixed-yield product. While these two terms appear to contradict each other, we will explain more below. This model is used to bridge the gap between crypto and Traditional Finance through its collateral backing system and unique evolution metrics. Per dollar of minted Rho, the funds are positioned into 80% USDC, 10% ISA, 5% eITY3, and 5% eTY3. However, when minting Rho, the ISA used to mint the synthetic yield product backings is deposited into a Reserve Fund for Rho. Therefore, Rho is already over-collateralized by 10% worth of ISA at the time of mint. However, this over-collateralized portion is a synthetic backing at the time of mint and acts as a long-term hedge and growth multiplier as it is slowly released back into the Rho contract to begin appreciating the asset over the course of the variable time-locked interval of 1 year. This synthetic backing alone sets the fixed income portion of Rho close to 10% YoY. Investors looking for diversification and lower volatility will enjoy the benefits of Rho. Rho is also used for collateral on ethere.al for securing short positions and option legs.

eTY | eITY

With the divergence of opinion on whether BTC is positively correlated to inflation, we have developed a synthetic asset that tracks the US Ten Year Treasury Rate (the “Rate”) at a leveraged rate between 3-10x - eTY. Conversely, we have also developed an inversely proportional leveraged Rate asset called eITY. Like the following assets, both are minted with ISA our partially inflationary token ISA. Investors looking to hedge interest rate changes can effectively hedge upside or downside potential using less capital due to the leverage nature.

eBTC | eETH

Using similar mint mechanics as eTY and eITY, one can mint two separate large-cap inverse hedges using ISA. Rather than opening a leveraged farm to short either BTC or ETH, you can create a synthetic asset that inversely follows the price action of the underlying token with a click of a button. As such, you can collect a higher yield rate over time upon selling them to the Treasury, decreasing your overall risk of holding either the inverse or underlying asset. We will add additional large-cap tokens in the future once our platform achieves a more robust Treasury.

usRP

One of the most damaging events to befall a portfolio is an unforeseen recession. Therefore, following suit with our eTY and eITY products, we are introducing a tokenized measure of recession based risk. Initially, this mintable asset will reflect the risks associated with the United States' Economy - given its influence over the global markets. Risk will not only be calculated based of a conglomeration of analyst reflections, but will also utilize several machine learning algorithms which factor in overall market and global sentiments which will be cross-weighted not only quarterly, but also day-to-day to reflect ever changing shifts in geopolitical inputs.

sEconomies

Taking the same principle workings behind eTY and eITY products, you can mint synthetic and short synthetic economies. You no longer need to position an investment on a single or collective series of events through the use of these products. Instead, you can invest through a thesis of economic growth or regression - rather than the influences of said growth/regression on singular or basket-type assets.

As Rho evolves, synthetic economies will play a role in its growth through additional fusion backings. We have chosen the following initial economies to represent a dynamic range of stability and growth characteristics.

MGMS

Extrapolating out the market sentiment algorithms weighting our synthetic economy values, we also offer a mintable asset that tracks the projected aggregated sentiments of the US market on a trailing 30 day period cross-weighted by a 10 day measure. The overall sentiment is then weighted to the broader index with results ratioed against the broader crypto market. More than 1,000 separate inputs are accounted for within the model. You can think of MGMS as the VIX which encompasses crypto and traditional markets risks. It is designed to be highly tradable - both short and long.

Mints start at 10 USD worth of ISA and will theoretically fluctuate daily between 7 and 13 in most cases depending on the cross-weighted sentiments pulled from the algorithm. More extreme range bounds are possible, but unlikely given the fact pricing is reflected on a trailing measure.

Non-Traditional Hedges

Through ethere.al investors are able to mint specific hedges for real-world volatility events that are difficult to hedge using traditional financial assets such as volatility-killing option spreads or directional long/short assets. These community-driven asset classes will be minted using ISA and carry their own risks and rewards to diversify your portfolio further. Events such as political or environmental outcomes, manufacturing increases, labor force participation rates, policy shifts, and more will be able to be easily weighted into your portfolio through these measures.

Each side of the outcome will be set to zero and a predetermined time frame will be given. Not only will you be able to deposit funds into the side you pick, but you will be also trade your position to the other side as the position matures and you've collated more data.

Options

As a team that consists of several professional investors, we wanted to further bring traditional finance into DeFi and vice versa. Through several formulas we use in our own portfolios to calculate option prices and volatility skew, we have applied and retrofitted them to encompass the utilities of our other exotic products. For the first time, we are removing all direct human influence in option pricing and assigning stringent yet dynamically oscillating values. Through this method - time, volume, and underlying volatility become the driving force of positional pricing. Therefore, pricing becomes more predictable, consistent, and less contingent on human emotions. By striping down option buying and selling to these core values which are algorithmically enforced - we increase liquidity efficiency. We have also developed a thorough margin schedule to allow for multi-leg and multi-dated positions to be established both long and short utilizing both calls and puts - a first for DeFi. As a result of this algorithmic pricing structure, we are able to provide options for any searchable token older than 6 weeks - not just our own product line - another first in any market.

ISA

The platform's semi-inflationary utility token, ISA, is used to mint all synthetic hedges within the protocol. During the mintage of any synthetic asset, ISA is 100% locked in the Treasury to earn additional yields at a rate congruent with the asset's price at the time of the mint. It has a hard cap of 120m with an initial supply of 25m. Emissions stand at 5 ISA per block, equating to a 1.8-year timeline before reaching the max supply. See the expanded breakdown further on for a complete analysis of its economics. Upon depositing ISA into the auto-compounding contract, you will receive sISA which could be used as collateral in the future.

Swap and Mint Fees

Swap functions have a base fee of 0.3%; however, swapping eTY, eITY, eBTC, eETH, sEconomies, usRP, and MGMS have a 2.5% swap fee, prioritizing minting, thus providing continual buy and use pressure for ISA. These swap and mint fees are deposited in the Treasury, which will be used to buy back ISA at a variable floor price - thus collateralizing ISA itself. These fees also allow for external investment structures to be built, generating continual yields for the platform as a whole. Options themselves will have its own structure as dictated by the drift and margin formula behind a specific leg pair.

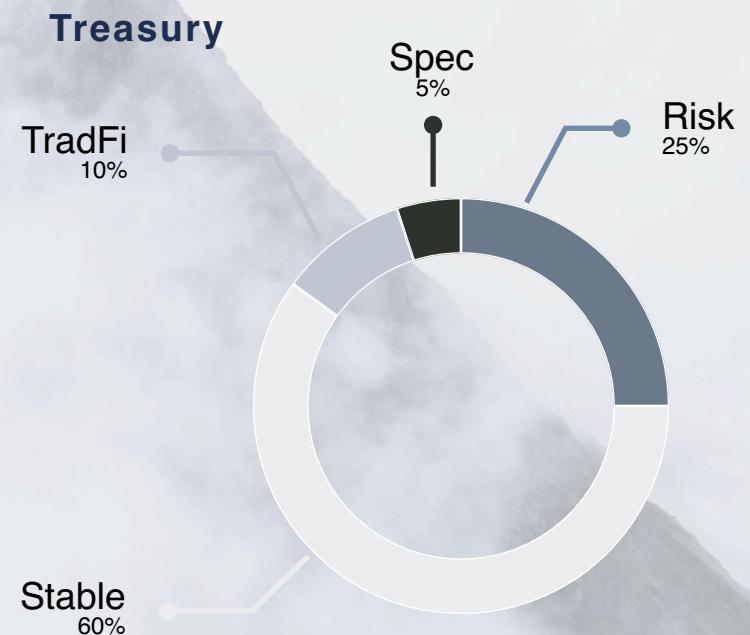
ISA itself has a trailing volatility measure in place that will help stabilize the ecosystem long term. When the price of ISA falls more than 10%, a panic control penalty will activate. This is to ensure continual analysis of all buy and sell orders to ensure a congruent investment thesis over time, rather than acting on impulse - thus helping protect investors over the long term. This penalty is calculated by implementing a 1/4 the downward percentage move on a 1 hour trailing value as a fee. For example, if the price of ISA were to fall 20% in a single hour, the new swap fee would be $(0.25 \times 20\%) + 0.3\% = 5.3\%$. However, once volatility normalizes again on the hour, the protection fee will revert to 0 and you will be left with the standard 0.3% fee.

Treasury | Predictive Optimization

At the core of any sustainable business model is a robust financial system. As such, we have utilized our experience in traditional finance paired with our experience in creating models to derive various optimization algorithms to ensure maximum return from both our Treasury and bond emittance. Furthermore, we will be implementing a diverse set of asset classes that focus on lower volatility to ensure capital preservation during times of market uncertainty. However, we will also take some risk asset positions - though hedged - to enable growth that will minimize long-term dilution to holders. Additionally, through our partnership with Veta Fund, we expect quarterly cash flow from traditional finance investments at a rate of 5% per annum.

TREASURY TABLE

| | |
|----------------------|-----|
| Risk Assets | 25% |
| Stable Assets | 60% |
| Add. TradFi Exposure | 10% |
| Speculative Assets | 5% |

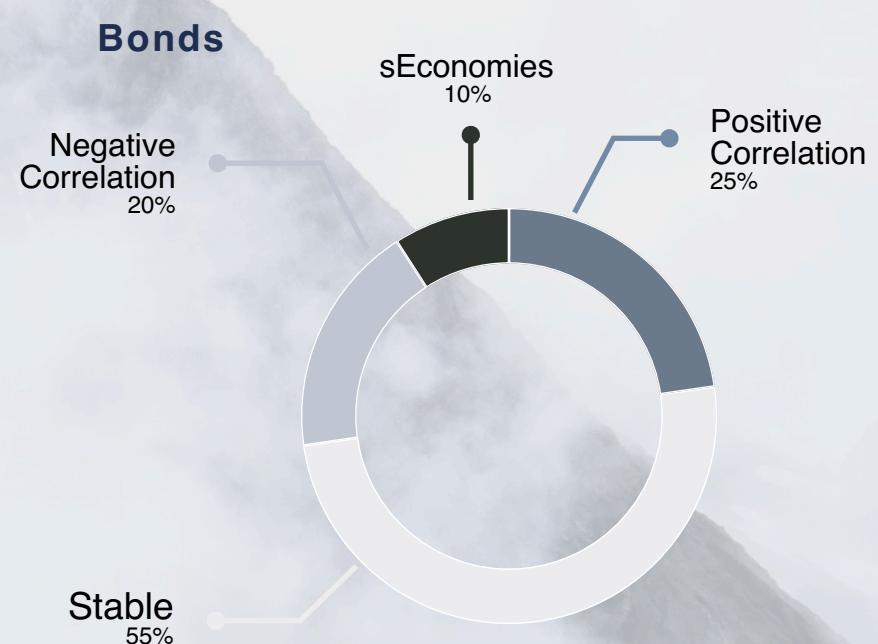


Bonds

Singular and Multi-asset Bond utilization is one of the core areas that will drive growth of the platform. Here, users can sell multiple liquidity pairs to the protocol and, in return, receive dynamically discounted platform tokens which vest ratably over a 7-14 day period chosen by the depositor. 50% of all emissions will be diverted to the bonding portion of the platform. These tokens will be distributed per the block rate — rather than minted during the purchase cycle. As such, inflation is partially mitigated because tokens will matched to TVL. Bond delivery and asset class will be optimized using projected returns for said asset pairs. They will also be cross-weighted against current mint rates of each asset type and their specific volatility rating to build deeper and more efficient liquidity for the platform as a whole.

BOND Projection - Balanced Weekly

| | |
|---------------------------|-----|
| Stable Assets | 55% |
| MGMS usRP eTY | 25% |
| eITY eETH eBTC | 20% |
| sEconomies | 10% |



Current Progress

1. Bonds, Swap, Liquidity Pairing, eTY, and eITY are functional.
2. Full logic and algorithms built for RHO, usRP, sEconomies, and MGMS.
3. Algorithms for materializing IV:RV for options pricing completed.
4. Algorithms for optimizing collateral rates for options and short positions completed.
5. 6 different DL models built for optimizing and predicting Treasury funds completed.
6. 1B+ data points processed.
7. Partnership established with TradFi fund Veta.Fund.
8. All pages built.

To Do

1. Hire second developer.
2. Convert algorithms to solidity and tie them in with front end for remaining mintable products.
3. Build social channels.
4. Build out partnerships.
5. Launch.



Raise Target | 2.75m

1.75m Further development with new hires, maintain and continually update neural networks, build external infrastructure as we will be seeking to comply with regulations for expansion into other derivative products and join with more TradFi partners. Provides enough working capital for 1 year.

550k For initial liquidity.

450k For community building, marketing, and partnerships.

We have calculated a year's worth of expenses, with zero regard for founder pay as the only compensation received will be derived through equity - and is therefore dependent on performance. The raise target will provide enough working capital to finish phase 2 developments and add new talent to the team to continue innovation.

Future Road Map — Beyond Phase 2

Additional Asset Mints

RHO | LARGE CAPS | ECONOMIES

We are looking into creating additional asset types that further increase the capabilities of portfolios built using ethere.al. New large cap derivative products are under review, along with additional Economies, and additional volatility trading tools. Furthermore, we are examining areas to insure physical assets through our platform using NFTs which will allow for yield generation on off-chain assets.

Deep Option Liquidity

OPTION OPTIMIZATION

We will already be the first to bring to market a fully functional algorithmic option chain. We will also be the first to allow for on demand chain generation. While initially we are optimizing peer-to-peer liquidity, we are developing multi-reinforced “oceans” that will cycle liquidity through a portion of the treasury to allow for one sided fills - which will be another first of its kind. This basket type asset pool will allow for sustainable option chain growth - even for traditionally lower liquidity tokens.

Tokenized Algorithms

NEW ASSET CLASS TYPE

We have created a diverse portfolio of deeply trained algorithms that are at the core of our platform. We are researching the introduction of a designated hub which opens up these systems to token holders where they can run their own simulations, extrapolations, and forecasts to build and optimize their portfolio. This will allow for broader optimization across the entire ecosystem which will lead to more volume as well as another source of revenue for platform.

Core Team — Execution

Ethereal Investments

FOUNDER | CEO | CFO

Long-term tech and internet property investor.

I have many years worth of experience in technology startups, having run multiple large scale projects involving cloud infrastructure and data processing. I found fusions between large data and investing. I have built multiple predictive models to enhance our portfolio's risk:reward ratio. These same algorithms are what power ethere.al at its core. Through this traditional market experience, I will be leveraging connections I have in the space to introduce more TradFi capital to DeFi.

Joshua

LEAD DEVELOPER

Solidity and front end specialist. 4+ years of experience.

Experience in both traditional web development and blockchain projects focused around supply-chain management, identity management, asset management, and securitization.

Experience with front to back end integration for various financial information exchanges built with Ethereum contracts.

Veta Capital

PARTNER | ALGO REVIEW

A hedge fund focused on derivatives trading.

The investment team consists of machine learning, finance, law, and accounting professionals. The Fund is open to lending resources to ethere.al to assist in the further implementation of machine trained algorithms along with access to TradFi research for market sentiments.

The Fund is also open to making investments in products available on the ethere.al platform.