

GRAYSCALE BITTENSOR TRUST (TAO)

2025 Grantor Trust Tax Information

EIN: 99-6506784

CUSIP: 38963B100

Ticker: GTAO

The following information is being provided to assist Shareholders of the Grayscale Bittensor Trust (TAO) (the "Trust") with reporting of their taxable income and expenses for the period January 1, 2025 through December 31, 2025.

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 Shareholders.

TAXATION OF US INDIVIDUAL SHAREHOLDERS

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

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

The Trust paid expenses periodically, as shown in the attached 2025 Gross Proceeds File. These expenses are allocated into monthly periods as shown in the 2025 Expense File. An example illustrating the computation of a Shareholder's share of expenses is provided.

Because the Trust paid out only a de minimis amount of TAO tokens for payment of Trust expenses during the year and made no distributions of sale proceeds to its Shareholders, 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 Shareholders on Form 1099B or 1099DA. In lieu of Form 1099B or 1099DA, this information is contained in the attached 2025 Gross Proceeds File together with an example illustrating how a Shareholder should calculate gain or loss.

GLOSSARY OF TERMS

Grayscale Bittensor Trust (TAO) - (the "Trust")

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

Gross Proceeds File – Summary of daily value per share (in TAO), amount of TAO paid to cover trust expenses (in TAO), and per share proceeds from TAO paid to cover trust expenses (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)

GRAYSCALE BITTENSOR TRUST (TAO) 2025 EXPENSE FILE

Summary of Expenses by Month (Details on pages 3-14)

Date	Expenses Per Share (USD)	Amount of TAO Per Share
December 2024	0.02089126	0.00004133
January	0.00925948	0.00004166
February	0.00572187	0.00002574
March	0.00913235	0.00004109
April	0.01321029	0.00003771
May	0.01765518	0.00004145
June	0.01367701	0.00003996
July	0.01437907	0.00003938
August	0.01329980	0.00004123
September	0.01198957	0.00003926
October	0.01931663	0.00003979
November	0.01139257	0.00003820
December	0.00900864	0.00004089
Total for year	0.16893372	0.00050769

How to Calculate the Shareholder's Investment Expenses

Identify in the table above the months (full and partial) in which the Shareholder held shares in the Trust. The amount in the column labeled "Expenses Per Share", represents the amount of investment expense paid per share for a full month. For any month in which the shares were not held on each day in such month, the expenses should be pro-rated based on the number of days held (see attached details for each month pages 3-14).

Example illustrating calculation of a Shareholder's 2025 Grayscale Bittensor Trust (TAO) Expenses

Assume that a Shareholder purchased 20,000 shares on February 15, 2025 and sold them on September 15, 2025. For the month of February, Shareholder's expenses are \$0.00572187 (See Summary Table above – February Factor) x (13/28) = \$0.00265658 per share. For the months of March through August, the expenses per share are as shown in the summary table above. For the month of September, Shareholder's expenses are \$0.01198957 (See Summary Table above – September Factor) x (15/30) = \$0.00599479. The total expenses for the Shareholder are therefore \$0.09000507 per share (sum of all factors from February 15th through September 15th) multiplied by the number of shares held (20,000), or \$1,800.10.

Total Expenses per Share	\$ 0.09000507
Number of Shares Held	20,000
Total Expense	\$ 1,800.10

(Please consult your tax advisor as to reporting)

GRAYSCALE BITTENSOR TRUST (TAO) 2025 GROSS PROCEEDS FILE

Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
1/1/2025	0.01972188		
1/2/2025	0.01972053		
1/3/2025	0.01971918		
1/4/2025	0.01971783		
1/5/2025	0.01971648		
1/6/2025	0.01971513		
1/7/2025	0.01971378	0.00004133*	0.02089126*
1/8/2025	0.01971243		
1/9/2025	0.01971108		
1/10/2025	0.01970973		
1/11/2025	0.01970838		
1/12/2025	0.01970703		
1/13/2025	0.01970568		
1/14/2025	0.01970433		
1/15/2025	0.01970298		
1/16/2025	0.01970163		
1/17/2025	0.01970028		
1/18/2025	0.01969893		
1/19/2025	0.01969758		
1/20/2025	0.01969623		
1/21/2025	0.01969489		
1/22/2025	0.01969354		
1/23/2025	0.01969219		
1/24/2025	0.01969084		
1/25/2025	0.01968949		
1/26/2025	0.01968814		
1/27/2025	0.01968679		
1/28/2025	0.01968544		
1/29/2025	0.01968410		
1/30/2025	0.01968275		
1/31/2025	0.01968140	0.00004166**	0.00925948**

* These amounts reflect the token-per-share and proceeds-per-share accrued from December 1 through December 31, 2024. The sale of these tokens occurred on January 7, 2025.

** These amounts reflect the token-per-share and proceeds-per-share accrued from January 1 through January 31, 2025. The sale of these tokens occurred on March 31, 2025.

GRAYSCALE BITTENSOR TRUST (TAO) 2025 GROSS PROCEEDS FILE

Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
2/1/2025	0.01968005		
2/2/2025	0.01967870		
2/3/2025	0.01967736		
2/4/2025	0.01967601		
2/5/2025	0.01967466		
2/6/2025	0.01967331		
2/7/2025	0.01967197		
2/8/2025	0.01967062		
2/9/2025	0.01966927		
2/10/2025	0.01966792		
2/11/2025	0.01966658		
2/12/2025	0.01966523		
2/13/2025	0.01966388		
2/14/2025	0.01966254		
2/15/2025	0.01966119		
2/16/2025	0.01965984		
2/17/2025	0.01965850		
2/18/2025	0.01965715		
2/19/2025	0.01965580		
2/20/2025	0.01965446		
2/21/2025	0.01965311		
2/22/2025	0.01965176		
2/23/2025	0.01965042		
2/24/2025	0.01964907		
2/25/2025	0.01964773		
2/26/2025	0.01964638		
2/27/2025	0.01964503		
2/28/2025	0.01964369	0.00002574**	0.00572187**

** These amounts reflect the token-per-share and proceeds-per-share accrued from February 1 through February 28, 2025. The sale of these tokens occurred on March 31, 2025.

GRAYSCALE BITTENSOR TRUST (TAO) 2025 GROSS PROCEEDS FILE

Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
3/1/2025	0.01964234		
3/2/2025	0.01964100		
3/3/2025	0.01963965		
3/4/2025	0.01963831		
3/5/2025	0.01963696		
3/6/2025	0.01963562		
3/7/2025	0.01963427		
3/8/2025	0.01963293		
3/9/2025	0.01963158		
3/10/2025	0.01963024		
3/11/2025	0.01962889		
3/12/2025	0.01962755		
3/13/2025	0.01962621		
3/14/2025	0.01962486		
3/15/2025	0.01962352		
3/16/2025	0.01962217		
3/17/2025	0.01962083		
3/18/2025	0.01961949		
3/19/2025	0.01961814		
3/20/2025	0.01961680		
3/21/2025	0.01961545		
3/22/2025	0.01961411		
3/23/2025	0.01961277		
3/24/2025	0.01961142		
3/25/2025	0.01961008		
3/26/2025	0.01960874		
3/27/2025	0.01960739		
3/28/2025	0.01960605		
3/29/2025	0.01960471		
3/30/2025	0.01960337		
3/31/2025	0.01960202	0.00004109**	0.00913235**

** These amounts reflect the token-per-share and proceeds-per-share accrued from March 1 through March 31, 2025. The sale of these tokens occurred on March 31, 2025.

GRAYSCALE BITTENSOR TRUST (TAO) 2025 GROSS PROCEEDS FILE

Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
4/1/2025	0.01960068		
4/2/2025	0.01959934		
4/3/2025	0.01959800		
4/4/2025	0.01959665		
4/5/2025	0.01959531		
4/6/2025	0.01959397		
4/7/2025	0.01959263		
4/8/2025	0.01959128		
4/9/2025	0.01958994		
4/10/2025	0.01958860		
4/11/2025	0.01958726		
4/12/2025	0.01958592		
4/13/2025	0.01958458		
4/14/2025	0.01958323		
4/15/2025	0.01958189		
4/16/2025	0.01958055		
4/17/2025	0.01957921		
4/18/2025	0.01957787		
4/19/2025	0.01957653		
4/20/2025	0.01957519		
4/21/2025	0.01957385		
4/22/2025	0.01957251		
4/23/2025	0.01957117		
4/24/2025	0.01956983		
4/25/2025	0.01956849		
4/26/2025	0.01956715		
4/27/2025	0.01956580		
4/28/2025	0.01956446		
4/29/2025	0.01956312		
4/30/2025	0.01956178	0.00003771	0.01321029

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Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
5/1/2025	0.01956045		
5/2/2025	0.01955911		
5/3/2025	0.01955777		
5/4/2025	0.01955643		
5/5/2025	0.01955509		
5/6/2025	0.01955375		
5/7/2025	0.01955241		
5/8/2025	0.01955107		
5/9/2025	0.01954973		
5/10/2025	0.01954839		
5/11/2025	0.01954705		
5/12/2025	0.01954571		
5/13/2025	0.01954437		
5/14/2025	0.01954304		
5/15/2025	0.01954170		
5/16/2025	0.01954036		
5/17/2025	0.01953902		
5/18/2025	0.01953768		
5/19/2025	0.01953634		
5/20/2025	0.01953501		
5/21/2025	0.01953367		
5/22/2025	0.01953233		
5/23/2025	0.01953099		
5/24/2025	0.01952965		
5/25/2025	0.01952832		
5/26/2025	0.01952698		
5/27/2025	0.01952564		
5/28/2025	0.01952430		
5/29/2025	0.01952297		
5/30/2025	0.01952163		
5/31/2025	0.01952029	0.00004145	0.01765518

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Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
6/1/2025	0.01951896		
6/2/2025	0.01951762		
6/3/2025	0.01951628		
6/4/2025	0.01951494		
6/5/2025	0.01951361		
6/6/2025	0.01951227		
6/7/2025	0.01951094		
6/8/2025	0.01950960		
6/9/2025	0.01950826		
6/10/2025	0.01950693		
6/11/2025	0.01950559		
6/12/2025	0.01950425		
6/13/2025	0.01950292		
6/14/2025	0.01950158		
6/15/2025	0.01950025		
6/16/2025	0.01949891		
6/17/2025	0.01949758		
6/18/2025	0.01949624		
6/19/2025	0.01949490		
6/20/2025	0.01949357		
6/21/2025	0.01949223		
6/22/2025	0.01949090		
6/23/2025	0.01948956		
6/24/2025	0.01948823		
6/25/2025	0.01948689		
6/26/2025	0.01948556		
6/27/2025	0.01948423		
6/28/2025	0.01948289		
6/29/2025	0.01948156		
6/30/2025	0.01948022	0.00003996	0.01367701

GRAYSCALE BITTENSOR TRUST (TAO) 2025 GROSS PROCEEDS FILE

Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
7/1/2025	0.01947889		
7/2/2025	0.01947755		
7/3/2025	0.01947622		
7/4/2025	0.01947489		
7/5/2025	0.01947355		
7/6/2025	0.01947222		
7/7/2025	0.01947088		
7/8/2025	0.01946955		
7/9/2025	0.01946822		
7/10/2025	0.01946688		
7/11/2025	0.01946555		
7/12/2025	0.01946422		
7/13/2025	0.01946288		
7/14/2025	0.01946155		
7/15/2025	0.01946022		
7/16/2025	0.01945888		
7/17/2025	0.01945755		
7/18/2025	0.01945622		
7/19/2025	0.01945489		
7/20/2025	0.01945355		
7/21/2025	0.01945222		
7/22/2025	0.01945089		
7/23/2025	0.01944956		
7/24/2025	0.01944822		
7/25/2025	0.01944689		
7/26/2025	0.01944556		
7/27/2025	0.01944423		
7/28/2025	0.01944290		
7/29/2025	0.01944157		
7/30/2025	0.01944023		
7/31/2025	0.01943890	0.00003938	0.01437907

GRAYSCALE BITTENSOR TRUST (TAO) 2025 GROSS PROCEEDS FILE

Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
8/1/2025	0.01943757		
8/2/2025	0.01943624		
8/3/2025	0.01943491		
8/4/2025	0.01943358		
8/5/2025	0.01943225		
8/6/2025	0.01943091		
8/7/2025	0.01942958		
8/8/2025	0.01942825		
8/9/2025	0.01942692		
8/10/2025	0.01942559		
8/11/2025	0.01942426		
8/12/2025	0.01942293		
8/13/2025	0.01942160		
8/14/2025	0.01942027		
8/15/2025	0.01941894		
8/16/2025	0.01941761		
8/17/2025	0.01941628		
8/18/2025	0.01941495		
8/19/2025	0.01941362		
8/20/2025	0.01941229		
8/21/2025	0.01941096		
8/22/2025	0.01940963		
8/23/2025	0.01940830		
8/24/2025	0.01940697		
8/25/2025	0.01940564		
8/26/2025	0.01940431		
8/27/2025	0.01940299		
8/28/2025	0.01940166		
8/29/2025	0.01940033		
8/30/2025	0.01939900		
8/31/2025	0.01939767	0.00004123	0.01329980

GRAYSCALE BITTENSOR TRUST (TAO) 2025 GROSS PROCEEDS FILE

Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
9/1/2025	0.01939634		
9/2/2025	0.01939501		
9/3/2025	0.01939368		
9/4/2025	0.01939236		
9/5/2025	0.01939103		
9/6/2025	0.01938970		
9/7/2025	0.01938837		
9/8/2025	0.01938704		
9/9/2025	0.01938572		
9/10/2025	0.01938439		
9/11/2025	0.01938306		
9/12/2025	0.01938173		
9/13/2025	0.01938041		
9/14/2025	0.01937908		
9/15/2025	0.01937775		
9/16/2025	0.01937642		
9/17/2025	0.01937510		
9/18/2025	0.01937377		
9/19/2025	0.01937244		
9/20/2025	0.01937112		
9/21/2025	0.01936979		
9/22/2025	0.01936846		
9/23/2025	0.01936714		
9/24/2025	0.01936581		
9/25/2025	0.01936448		
9/26/2025	0.01936316		
9/27/2025	0.01936183		
9/28/2025	0.01936050		
9/29/2025	0.01935918		
9/30/2025	0.01935785	0.00003926	0.01198957

GRAYSCALE BITTENSOR TRUST (TAO) 2025 GROSS PROCEEDS FILE

Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
10/1/2025	0.01935653		
10/2/2025	0.01935520		
10/3/2025	0.01935387		
10/4/2025	0.01935255		
10/5/2025	0.01935122		
10/6/2025	0.01934990		
10/7/2025	0.01934857		
10/8/2025	0.01934725		
10/9/2025	0.01934592		
10/10/2025	0.01934460		
10/11/2025	0.01934327		
10/12/2025	0.01934195		
10/13/2025	0.01934062		
10/14/2025	0.01933930		
10/15/2025	0.01933797		
10/16/2025	0.01933665		
10/17/2025	0.01933532		
10/18/2025	0.01933400		
10/19/2025	0.01933268		
10/20/2025	0.01933135		
10/21/2025	0.01933003		
10/22/2025	0.01932870		
10/23/2025	0.01932738		
10/24/2025	0.01932606		
10/25/2025	0.01932473		
10/26/2025	0.01932341		
10/27/2025	0.01932208		
10/28/2025	0.01932076		
10/29/2025	0.01931944		
10/30/2025	0.01931811		
10/31/2025	0.01931679	0.00003979	0.01931663

GRAYSCALE BITTENSOR TRUST (TAO) 2025 GROSS PROCEEDS FILE

Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
11/1/2025	0.01931547		
11/2/2025	0.01931415		
11/3/2025	0.01931282		
11/4/2025	0.01931150		
11/5/2025	0.01931018		
11/6/2025	0.01930885		
11/7/2025	0.01930753		
11/8/2025	0.01930621		
11/9/2025	0.01930489		
11/10/2025	0.01930356		
11/11/2025	0.01930224		
11/12/2025	0.01930092		
11/13/2025	0.01929960		
11/14/2025	0.01929828		
11/15/2025	0.01929695		
11/16/2025	0.01929563		
11/17/2025	0.01929431		
11/18/2025	0.01929299		
11/19/2025	0.01929167		
11/20/2025	0.01929035		
11/21/2025	0.01928903		
11/22/2025	0.01928770		
11/23/2025	0.01928638		
11/24/2025	0.01928506		
11/25/2025	0.01928374		
11/26/2025	0.01928242		
11/27/2025	0.01928110		
11/28/2025	0.01927978		
11/29/2025	0.01927846		
11/30/2025	0.01927714	0.00003820	0.01139257

GRAYSCALE BITTENSOR TRUST (TAO) 2025 GROSS PROCEEDS FILE

Date	TAO Per Share	Number of TAO Used to Cover Trust Expenses Per Share (in TAO)	Proceeds from Payout of TAO to Cover Trust Expenses Per Share (in USD)
12/1/2025	0.01927582		
12/2/2025	0.01927450		
12/3/2025	0.01927318		
12/4/2025	0.01927186		
12/5/2025	0.01927054		
12/6/2025	0.01926922		
12/7/2025	0.01926790		
12/8/2025	0.01926658		
12/9/2025	0.01926526		
12/10/2025	0.01926394		
12/11/2025	0.01926262		
12/12/2025	0.01926130		
12/13/2025	0.01925998		
12/14/2025	0.01925866		
12/15/2025	0.01925734		
12/16/2025	0.01925602		
12/17/2025	0.01925471		
12/18/2025	0.01925339		
12/19/2025	0.01925207		
12/20/2025	0.01925075		
12/21/2025	0.01924943		
12/22/2025	0.01924811		
12/23/2025	0.01924679		
12/24/2025	0.01924548		
12/25/2025	0.01924416		
12/26/2025	0.01924284		
12/27/2025	0.01924152		
12/28/2025	0.01924020		
12/29/2025	0.01923889		
12/30/2025	0.01923757		
12/31/2025	0.01923625	0.00004089	0.00900864
TOTAL		0.00050769	0.16893372

Grayscale Bittensor Trust (TAO) Gross Proceeds and Expense Files show TAO tokens per share owned in the Trust, as well as TAO tokens paid out, proceeds, and expenses per share in the Trust. You can use this information to calculate your share of Trust expenses, and your gain or loss on sale of TAO tokens to pay such expenses.

The Trust holds no assets other than TAO tokens. Accordingly, when expenses are incurred, Trust assets (i.e., TAO tokens) are sold to cover the expenses. The following example illustrates the tax consequences to the Shareholder. In Step 1, we discuss how a Shareholder would determine his or her stake in the Trust (i.e., how many TAO tokens they own). In Step 2, we discuss how much of his or her stake is sold throughout the year to cover expenses (and how many TAO tokens they still own). In Step 3, we determine the Shareholder's basis in the TAO 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 Shareholder's tax return. In Step 5, we calculate the Shareholder's portion of the Trust's expenses. In Step 6, we determine the Shareholder's new balance of TAO tokens at the end of the year and his or her new cost basis in the TAO tokens.

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

Example: Shareholder XYZ purchases 20,000 Trust shares on 2/10/2025 at a price of \$7.75 per share for a total purchase price of \$155,000. Shareholder XYZ had no other purchases or sales of Trust shares during 2025 and held the shares for the remainder of 2025.

Step 1: Identify the shareholder's pro rata ownership of Bittensor

Locate the Bittensor Per Share amount on Shareholder XYZ's purchase date of 2/10/2025 in the gross proceeds file. In this example the number is 0.01966792. This represents the number of TAO tokens per share on that date.

For Shareholder XYZ, the total amount of TAO tokens owned for its 2/10/2025 purchase is 393.35840000 (0.01966792 per share multiplied by 20,000 shares purchased on 2/10/2025). Note: This step should be completed for each date on which Trust shares were purchased.

Step 2: Calculate the Bittensor paid out from Shareholder XYZ's account during 2025 to pay expenses

The TAO tokens paid out per share during 2025 includes the cumulative amounts of all TAO token payouts for the period which includes the day after the purchase date of 2/10/2025 through the day before payout date.

During 2025, the total amount of TAO tokens paid out after the 2/10/2025 purchase date is 0.00041551 per share. This is determined by taking the total amount of TAO tokens per share paid out in 2025 (0.00050769) and subtracting the amount of TAO tokens paid out prior to the purchase (0.00004133 related to December 2024 and 0.00004166 from January, plus 0.00000919 (10/28 multiplied by 0.00002574 from February)). Then multiply this number (0.00041551) by the number of shares owned (20,000) for a total of 8.31014286 tokens paid to cover trust expenses.

Step 3: Calculate Shareholder's cost basis in Bittensor paid out from Shareholder's account

Total TAO token payout (<i>Step 2</i>)	8.31014286		
	-----	x	\$ 155,000
TAO tokens acquired (<i>Step 1</i>)	393.35840000		
Cost basis of TAO token payout	\$ 3,274.55		

Step 4: Calculate Shareholder's gain or loss on Bittensor payout for each lot purchased

Identify all proceeds per share received by the Trust after Shareholder XYZ's 2/10/2025 purchase date. During 2025, periodic payouts for the period 2/11/2025 through 12/31/2025 generated proceeds per share of \$0.13673946 (total proceeds of payout of TAO tokens for the year, \$0.16893372, less \$0.03219427, which is the proceeds of payouts made prior to purchase [\$0.02089126 related to December 2024, \$0.00925948 from January] plus \$0.00204353 from the first ten days in February). Therefore, Shareholder XYZ's gain or loss is determined as follows:

Total Proceeds: \$0.13673946 per share X 20,000 shares	\$	2,734.79
Less: Total cost basis of TAO token payout (<i>Step 3</i>)		<u>3,274.55</u>
Total Reportable Gain/(Loss)	\$	<u>(539.76)</u>
(To be reported on Shareholder's Form 1040 Schedule D)		

Step 5: Calculate Shareholder's investment expenses

Identify all expenses per share paid by the Trust after Shareholder XYZ's 2/10/2025 purchase date. During 2025, the expenses were paid periodically and for the period of 2/11/2025 through 12/31/2025 amounted to \$0.13673946 per share. Therefore, Shareholder XYZ's expenses are as follows:

Total Expenses Per Share (<i>Step 4</i>)	\$	0.13673946
Total Shares		<u>20,000</u>
Total Expense	\$	<u>2,734.79</u>

Step 6: Calculate Shareholder's Adjusted Bittensor Held and Cost Basis

TAO tokens Purchased on 2/10/2025 (<i>Step 1</i>)		393.35840000
Less: TAO token payout during 2025 (<i>Step 2</i>)		<u>8.31014286</u>
Adjusted Shareholder's TAO tokens at 12/31/2025		<u>385.04825714</u>
Original Purchase Cost on 2/10/2025	\$	155,000.00
Less: Cost of TAO token payout during 2025 (<i>Step 3</i>)		<u>3,274.55</u>
Adjusted Shareholder's basis at 12/31/2025	\$	<u>151,725.45</u>

Shareholder's adjusted TAO tokens and adjusted cost calculated in Step 6 are his/her adjusted TAO tokens and adjusted basis for the 2/10/2025 purchase at the end of 12/31/2025.

Shareholders 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. Shareholders who purchased their shares prior to 2025, 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 12/31/2024 should be used as the beginning cost for 2025 instead of the original purchase cost. Shareholders with an additional purchase in 2025 will have two cost lots to account for in 2025. The calculation of gains and losses will be affected by the cost basis method used to account for the sales.