

MANDATORY REDEMPTION NOTICE

**for the attention of the holders of the ETHWetc Physical EthereumPoW ETC bonds with the
ISIN DE000A3G01J0
issued by
ETC Issuance GmbH**

This notice relates to the ETHWetc Physical EthereumPoW ETC bonds with the ISIN DE000A3G01J0 (the "**Bonds**"), offered by ETC Issuance GmbH (the "**Issuer**") under its base prospectus dated 23 November 2021, as supplemented from time to time (the "**Base Prospectus**") and must be read in conjunction with the Terms and Conditions of the Bonds (the "**T&Cs**"). Terms not otherwise defined herein shall have the meaning as specified in the T&Cs.

1. Mandatory Redemption

The Issuer hereby informs the **Bondholders**, that it has taken the decision to issue this **Mandatory Redemption Notice** pursuant to §4 (2) (d) of the T&Cs on the basis no eligible **Depository** can provide custody of EthereumPoW ("**ETHW**").

This notice constitutes a **Mandatory Redemption Notice** in accordance with §4 (2) of the T&Cs.

2. Immediate consequences for the Bonds and Bondholders

As a result of no eligible **Depository** being able to provide custody of **ETHW**, it is not possible to provide physical delivery of **ETHW** as underlying of the **Bonds**. Accordingly, all **Bonds** must be redeemed by payment of **USD** for each of the **Bonds** held by such **Bondholder** in an amount equal to the proceeds of sale of the **Cryptocurrency Entitlement** using the **Cryptocurrency Auction Procedure**.

On the basis it is not possible to redeem by physical delivery of **ETHW**, it is not necessary for the **Bondholders** to complete the **Mandatory Redemption Form**. The Issuer will redeem the **Bonds** and distribute **USD** without requiring any further information from the **Bondholder**.

During the period from the occurrence of this **Mandatory Redemption Notice**, until the **Mandatory Redemption Date**, i.e. the date the **Bonds** shall be redeemed at their **Mandatory Redemption Price**, the Issuer will suspend any **Put Option Exercises** by **Bondholders** in relation to the **Bonds**. During this period, **Bondholders** will not be able to exercise their **Bonds** but will only be able to sell their **Bonds** in the secondary market via an exchange or over-the-counter.

3. Cryptocurrency Auction Procedure

On or around 30 October 2022, the Issuer will inform the **Bondholders** via the **Website** that it is auctioning the **ETHW** (the "**Announcement Date**"), starting on a date no later than 14 **Business Days**, and not earlier than 7 **Business Days** from the **Announcement Date**. Further details of the **Cryptocurrency Auction Procedure** will be provided via the **Website** on the **Announcement Date**.

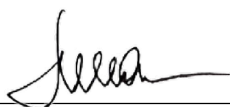
This document is provided by ETC Issuance GmbH, in its capacity as the issuer of the **Bonds**. It is directed at **Bondholders** and prospective investors in the **Bonds** to draw particular attention to the modalities and consequences of the Mandatory Redemption of the **Bonds** and the subsequent **Cryptocurrency Auction Procedure**.

A full description of the risks and the terms applicable to the **Bonds** is contained in the offering documentation for the **Bonds**, available on <https://etc-group.com/>.

PLEASE CONSIDER THESE RISKS CAREFULLY BEFORE MAKING ANY INVESTMENT DECISIONS IN RELATION TO THE BONDS AND, IF IN DOUBT, PLEASE SPEAK TO A FINANCIAL ADVISER TO UNDERSTAND THE IMPLICATIONS OF SUCH RISKS FOR YOUR INVESTMENT.

THE BONDS HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, (THE "**SECURITIES ACT**"). THE BONDS AND THE ETHW BONDS ARE BEING OFFERED OUTSIDE THE UNITED STATES OF AMERICA (THE "**UNITED STATES**" OR "**U.S.**") IN ACCORDANCE WITH REGULATIONS UNDER THE SECURITIES ACT, AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

Yours faithfully,



for and on behalf of

ETC Issuance GmbH