

# Frequently Asked Questions

## MAKING AN INVESTMENT

### What am I investing in?

You are investing in a limited liability company that invests in oil and gas assets or other oil and gas related acquisitions via working interest purchases and participation agreements, or mines bitcoin using its own mining infrastructure. Our team identifies, acquires, and manages the assets on your behalf. We expect the asset base to grow and change over time as we acquire more interest in projects, and as others are sold or paid off.

### Who can Invest?

At this time, we only accept accredited investors. According to SEC regulations, an accredited investor is someone with a net worth exceeding \$1 million (excluding the value of the person's residence) or someone who has earned an income of \$200,000 (or \$300,000 for a married couple) in each of the prior two years. Certain licensed financial professionals can also invest, even if they do not meet the income/net worth requirements.

### Do I have to prove that I am an accredited investor?

Yes, once you make an investment with us, you will verify your accreditation status through our partner, Parallel Markets. They will ask for documentation about your finances to verify that you are accredited. EnergyFunders does not receive or hold any of your financial or personal documents during the accreditation process. We only receive a letter informing us of your accreditation status. These letters expire after 90 days, so if you make additional investments with us, you may need to reverify your status before we can accept your investment. Each entity you invest with will need to be verified as accredited.

### How do I earn returns from these investments?

During the early phase of the partnership, as investments generate cash, we hope to pay out a portion of the fund's net income via periodic distributions. The remaining net income will be retained for reinvestment opportunities. As the fund approaches its target life of three to five years, we plan to stop reinvesting and may begin distributing a more significant portion of net income. At the end of the fund life, we may liquidate the remaining investments and distribute proceeds back to investors, net of expenses and fees.

### When will the new funds close?

We have not established a close date for the funds at this time.

### How long will my money be in this investment fund?

Our funds have a target life of three to five years. As the fund begins nearing the end of its life, we plan to begin liquidating the remaining investments and distributing proceeds back to investors, net of expenses and fees.

### Can I sell my shares in your fund after I have invested?

We have partnered with tZERO, an alternative trading system, to offer the potential for liquidity and a continuous trading environment for private market assets, giving investors the ability to buy in and out of funds in a potentially expedited manner. Our partnership is in the process of being finalized, as it is subject to regulatory holding periods and tZERO's internal due diligence, but we anticipate trading to begin in early 2023.

### What are the fees for the Bitcoin Discovery and Drilling Funds?

Fees and distributions are as detailed below:

Origination Fees	
If the Capital Contribution is:	The origination fee shall be:
Less than \$100,000	3.00% of the Capital Contribution
At least \$100,000 but less than \$250,000	2.50% of the Capital Contribution
At least \$250,000 but less than \$500,000	1.75% of the Capital Contribution
Equal to greater than \$500,000	1.00% of the Capital Contribution

#### Assets Under Management Fee

2% assets under management fee calculated annually and charged monthly over the course of the year.

#### Distributions

All the profits of the company, after fees and other expenses will be distributed as follows:

- First, to investors until each investor has received an internal rate of return of 15%; and
- Second, 80% to investors and 20% to the Manager

### What are the fees for the America First Energy Fund and Yield Fund II?

Our fee structure for Yield Fund II and America First Energy Fund I includes only two components, which are 2% of assets under management annually (paid monthly), plus a one-time origination fee based on investment size, as detailed below:

Origination Fees	
If the Capital Contribution is:	The origination fee shall be:
Less than \$100,000	5.00% of the Capital Contribution
At least \$100,000 but less than \$250,000	3.25% of the Capital Contribution
At least \$250,000 but less than \$500,000	2.50% of the Capital Contribution
At least \$500,000 but less than \$1,000,000	1.75% of the Capital Contribution
Equal to greater than \$1,000,000	1.00% of the Capital Contribution

# Frequently Asked Questions

## Where are the oil and gas wells located?

The current wells that we have identified are in the Gulf Coast region where the team has significant experience and connections. We have also identified opportunities in several other basins that the team has experience in as we expand our asset base utilizing our extensive network of oil and gas operators.

## Have specific questions about our current funds?

Read more fund FAQs here:

- [BITCOIN DISCOVERY FUND I](#)
- [DRILLING FUND I](#)
- [YIELD FUND II](#)
- [AMERICA FIRST ENERGY FUND I](#)

## Are joint investment accounts allowed?

Yes, joint investment accounts are allowed as long as both investors are accredited.

## Can I invest through a family office, trust, IRA, or financial advisor account?

Yes, you can invest via whatever entity type best suits your needs. We also welcome investments via IRAs and have partnerships with several self directed IRA (SDIRA) groups. [Please see here on our website.](#)

## Can international investors invest?

Yes, we accept international investors that have a U.S.-based LLC.

## How do I sign up?

You can get started with your investment today! Just [CLICK THE JOIN BUTTON](#) on our home page, where you can create an account and investment profile, and add your bank account. Once your bank account is verified, you will be able to invest directly in our funds in a few simple steps.

## TAX INFORMATION

### What are the tax benefits of investing in oil and gas?

The U.S. Tax Code is incredibly favorable for consumers who invest in oil and gas. We suggest reading [THIS INSIGHT POST](#) where we detail the specifics of each tax benefit and contacting your personal tax accountant with further questions.

### What tax documents will I receive?

Investors will be provided with federal and state Schedule K-1 tax documents via our EnergyFunders platform.

### What is a schedule K-1?

A Schedule K-1 shows your allotted portion of income, gains/losses, and associated deductions for a chosen investment fund.

## Where do I find and access my tax documents?

Your tax documents can be found in our Investor Platform, once you log into [WWW.ENERGYFUNDERS.COM](http://WWW.ENERGYFUNDERS.COM) Look for the Documents tab in the left navigation, where you will find all of your tax documents.

## ABOUT ENERGYFUNDERS

### How long has EnergyFunders been in business?

EnergyFunders was founded in 2013, with an original focus on wildcat-style exploration wells.

In mid-2020, Paleo Resources, Inc., now EF EnergyFunders Ventures, Inc., acquired EnergyFunders and shifted the platform focus toward lower-risk investments designed to generate steady yields and capital appreciation.

The company has successfully raised and deployed around \$30 million in capital since its inception.

### Does EnergyFunders have an Advisory Board?

Yes, the EnergyFunders Advisory Board is composed of experienced oil and gas professionals from EF EnergyFunders Ventures, Inc., the EnergyFunders parent company, as well as outside strategic advisors. View more about [OUR TEAM HERE.](#)

### Who is on the executive team for EnergyFunders?

The EnergyFunders executive team includes:

- Chief Executive Officer [Laura Pommer](#)
- Vice President of Reservoir Engineering and Regulatory Affairs [Virginia Urban Light](#)
- Chief Financial Officer [Garrett Glass](#)
- Chief Technology Officer [Piyush Prakash](#)

Together, the team has decades of combined experience in oil & gas and in creating/managing digital platforms.

CEO Laura Pommer previously founded and served as CEO for private-equity backed Century Natural Resources, LLC.

[LEARN MORE ABOUT OUR TEAM HERE.](#)

### How can I contact you if I have questions?

If you are considering making an investment with EnergyFunders and have questions, [PLEASE FILL OUT THIS SHORT FORM](#), and we will get back to you with answers.

You may also email us at any time at [INFO@ENERGYFUNDERS.COM](mailto:INFO@ENERGYFUNDERS.COM)

If you would like to discuss partnering with us on a project, [PLEASE FILL OUT THIS FORM.](#)