

Dan Schwartz
State Treasurer



STATE OF NEVADA
OFFICE OF THE STATE TREASURER

November 28, 2017

Rick Combs
Director of the Legislative Counsel Bureau
Legislative Building
401 S. Carson Street
Carson City, NV 89701

Subject: 2017 Annual Report of Nevada Capital Investment Corporation (NCIC)

Dear Mr. Combs:

Nevada Revised Statutes §355.270 requires the Nevada Capital Investment Corporation (NCIC) to provide an annual report to the Governor and the Director of the Legislative Counsel Bureau for transmission to the Legislative Commission, if submitted in an odd-numbered year. Please find attached this year's annual report, which was prepared by Hamilton Lane, the fund manager for this program, and approved by the NCIC Board of Directors at its November 15, 2017 meeting.

This report details NCIC's investments in the Silver State Opportunities Fund, LLC (SSOF). The SSOF is the investment vehicle managed by Hamilton Lane. As detailed in the report, during Fiscal Year 2017, SSOF was fully committed as of May 13, 2016. Approximately, 85% (\$37.7 million) of the committed capital has been drawn from the Permanent School Fund as of June 30, 2017.

In terms of financial performance, the Fund is generating a 2.52% net annual return to the State's Permanent School Fund. On a gross basis, the Fund is generating a 7.01% Internal Rate of Return (IRR). As of June 30, 2017, the NCIC has contributed \$37.7 million and received \$5.8 million in distributions, resulting in \$31.9 million in net contributed capital. Over time, the gap between the gross and net returns is expected to narrow as the Fund matures. The performance is driven by yield-producing fund investments and the Fund's co-investments are expected to contribute future positive value to the Fund.

As of June 30, 2017, twenty-eight (28) companies have received investments from the Fund to date. This includes investments throughout the entire State as noted in the report. This is a total of \$555 million invested in Nevada by the Fund and its partners which stretches far beyond the \$50 million capital invested via the Permanent School Fund. The Fund investments have supported 2,393 Nevada employees with an average wage of \$64,000 annually which is higher than the national average wage.

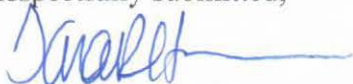
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STATE TREASURER PROGRAMS
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Nevada Prepaid Tuition Program
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College Savings Plans of Nevada
Nevada College Kick Start Program

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SSOF activities are helping to create a new private equity ecosystem in the State and providing local companies with access to the broader private investment community. The combination of investing in Nevada-based companies and developing a network of new investors, who are coming to Nevada to invest in local businesses, is critical to creating a private capital ecosystem.

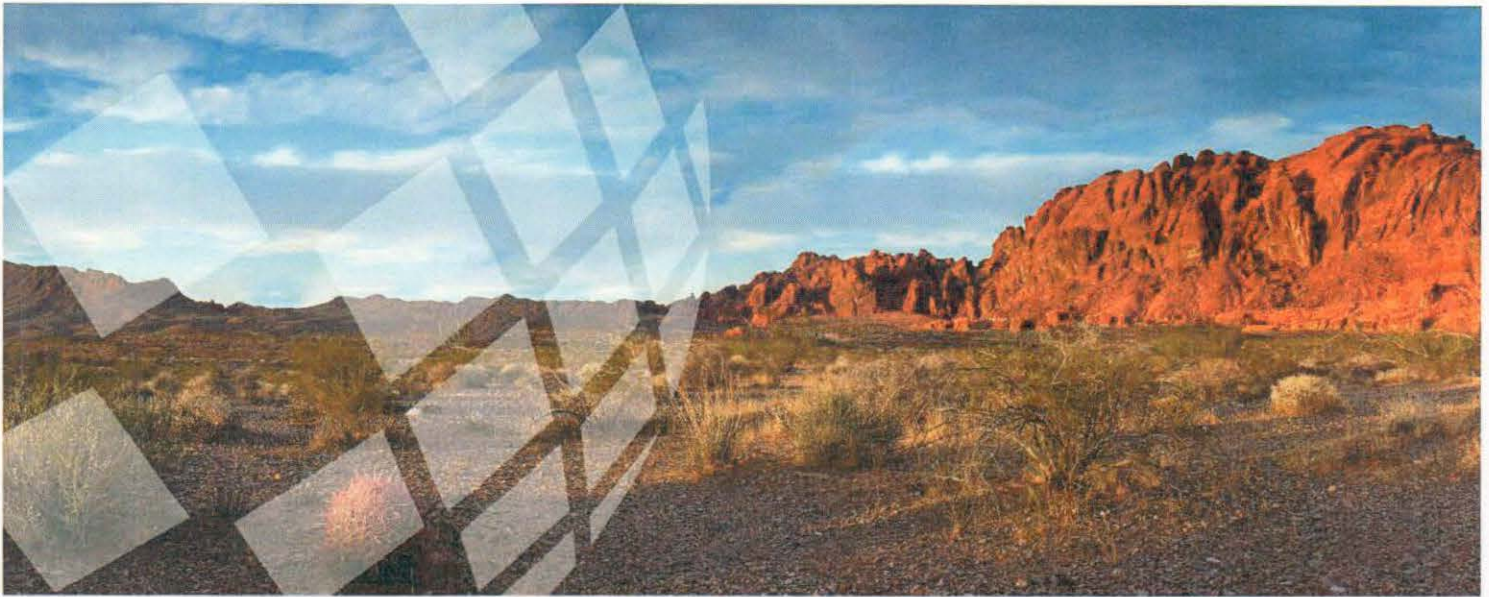
Respectfully submitted,



Tara R. Hagan
Chief Deputy Treasurer/
Treasurer, Nevada Capital Investment Corporation



Hamilton Lane®



JUNE 30, 2017

ANNUAL INVESTMENT REPORT

Silver State Opportunities Fund

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Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

Content

[Section 1 – Executive Summary](#)

[Section 2 – Nevada Impact](#)

[Section 3 – Portfolio Overview](#)

[Appendix A – Glossary of Terms](#)

[Appendix B – Disclosure Statement](#)

[Appendix C – Annual Report Metrics](#)

Section 1:

Executive Summary

Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

Executive Summary

Program Background:

Nevada Capital Investment Corporation ("NCIC") partnered with Hamilton Lane in August of 2012, to provide investment management services through the Silver State Opportunities Fund LLC ("Silver State", "SSOF" or the "Fund"). The Fund's primary objective is to generate attractive private equity returns by investing in private equity opportunities in Nevada, and its secondary objective is to help economic activity and employment in the state. In September 2012, Hamilton Lane opened its Nevada office to oversee the management of the Fund; David Helgersen, Miguel Luina, and Anup Sharma serve as the main points of contact from Hamilton Lane. The NCIC has committed \$50 million to the Fund, and in order to maintain alignment with the NCIC, Hamilton Lane has allocated \$0.5 million to invest alongside the NCIC.

Portfolio Activity & Performance⁽¹⁾:

The Fund is fully committed as of May 13, 2016. Approximately 85% (\$37.7 million) of committed capital has been drawn as of June 30, 2017.

The Fund is performing well both in terms of economic impact to the State and financial performance. The Fund, along with its general partners, has invested a total of \$555.4 million⁽²⁾ in twenty-eight Nevada companies to date, an increase of roughly 5% compared to the total dollar amount invested at June 30, 2016. This represents 15 times more capital than has been drawn by the Fund. These investments have helped fuel rapid hiring at portfolio companies, which have grown Nevada employment by 66%⁽³⁾ since investment to 2,393 combined employees, compared to 1,660 employees as of June 30, 2016. The drivers of the year-over-year increase were portfolio companies held by Waterton Precious Metals Fund II Cayman, L.P., which added 556 employees during the period. The jobs supported by these investments are high paying positions that boast average salaries of \$64,031, 45% higher than the average Nevada wage⁽⁴⁾ and 29% higher than the average national wage⁽⁴⁾ in 2016.

In terms of financial performance, the Fund is generating a 2.52% net annual return to the State's Permanent School Fund. On a gross basis, the Fund is generating a 7.01% IRR, 1.1x total value to paid in multiple ("TVPI"). As of June 30, 2017, the NCIC has contributed \$37.7 million and received \$5.8 million in distributions, resulting in \$31.9 million in net contributed capital. The performance is driven by yield-producing fund investments and the Fund's co-investments are expected to contribute future positive value to the Fund.

⁽¹⁾ As of June 30, 2017

⁽²⁾ Includes capital invested by SSOF and funds that have received capital from SSOF.

⁽³⁾ Headcount growth calculated based on number of full time employees as of 6/30/17 compared to number of stabilized full time employees at portfolio companies as of the first SSOF investment. Stabilization adjustment performed only for companies that were not viable economic entities at time of investment.

⁽⁴⁾ Refer to footnotes located on page 2-1

Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

The Fund's impact on the State extends well beyond the returns to the Permanent School Fund, employment, and economic activity directly attributable to portfolio companies. The Fund's activities are helping to create a new private equity ecosystem in the State and providing local companies with access to the broader private investment community. Since the program's launch in 2012, SSOF managers opened four new offices and hired four local private equity investment professionals. The Fund has made over 270 introductions between Nevada-based companies and sources of capital. The State has also benefited from the two Silver State Investor Forums created by the Fund which has brought over 70 leading investment managers to the state, giving the local business community a chance to showcase its strengths and improve connections between Nevada-based companies and broader sources of capital. We believe the combination of investing capital directly into the state and developing a network of new investors, who are coming to Nevada to invest in local businesses, is critical to developing a vibrant private capital ecosystem.

Section 2:

Nevada Impact

Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

Nevada Impact

The Fund has recently completed its investment period and, while still early, has already had a meaningful impact on Nevada's economy. The following table summarizes the economic impact of the Fund as of June 30, 2017.

Nevada Impact	
Category	Examples
Nevada Investments	<ul style="list-style-type: none">- 28 Nevada companies have received investments to date- \$555mm invested in Nevada by SSOF & partners (26x multiplier)- \$2,035mm of capital raised by SSOF portfolio companies (97x multiplier)- Investments spread throughout state.
PE Ecosystem	<ul style="list-style-type: none">- SSOF is developing the Nevada private equity ecosystem- 4 new offices opened by institutional investors in Nevada- 4 investment professional hires in Nevada- 7 funded managers actively seeking investments in the State.
Employment	<ul style="list-style-type: none">- 2,393 Nevada employees supported by SSOF investments- 66%⁽¹⁾ Nevada employment growth (vs overall state growth of 16%⁽²⁾)- \$64k average wage for Nevada employees at SSOF companies<ul style="list-style-type: none">- 45% higher than the 2015 Nevada average wage ⁽³⁾- 29% higher than the 2014 US average wage ⁽⁴⁾
Additional Impact	<ul style="list-style-type: none">- SSOF hosted two private equity conferences in Nevada<ul style="list-style-type: none">- 300+ Attendees- 70+ managers representing over \$100 billion of capital- 270+ investor introductions to Nevada companies- Multiple investment offers directly resulting from introductions

⁽¹⁾ Headcount growth calculated based on number of full time employees as of 6/30/2017 compared to number of stabilized full time employees at portfolio companies as of the SSOF investment. Stabilization adjustments performed only for companies that were not long-term viable economic entities at time of investment.

⁽²⁾ Nevada employees on non-farm payrolls growth from 6/30/2012 to 6/30/2017 according to U.S. Bureau of Labor Statistics

⁽³⁾ Based on Bureau of Labor Statistics 2016 average wage for all Nevada occupations.

⁽⁴⁾ Based on Bureau of Labor Statistics 2016 average wage for all U.S. occupations.

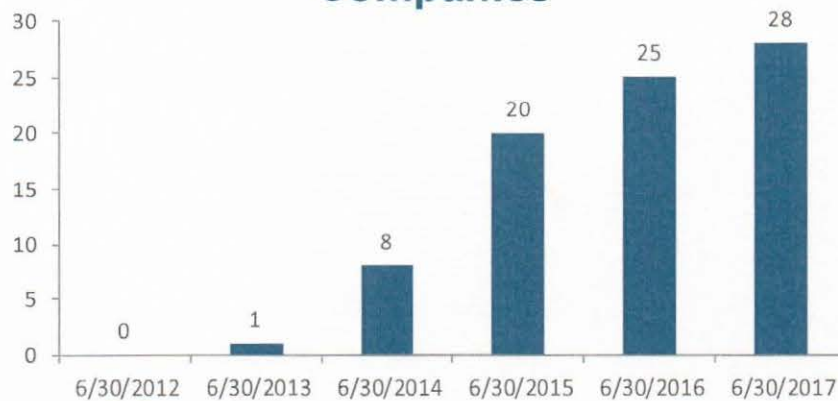
Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

Nevada Investments

Since its inception in 2012, the Fund has seen a steady growth of Nevada businesses in the portfolio. As the Fund develops, the companies receiving capital from SSOF are expected to continue to increase. As of June 30, 2017, the SSOF has invested in twenty-eight Nevada-based companies.

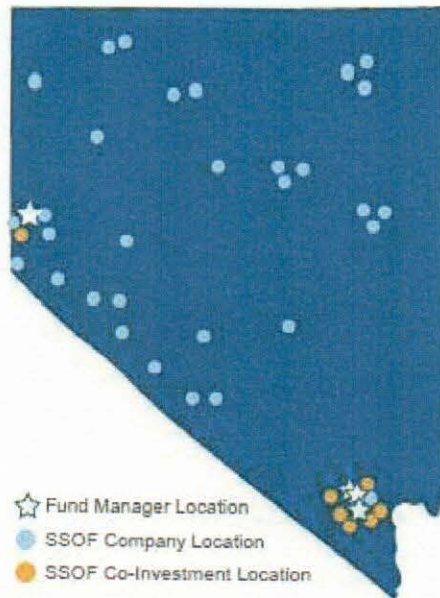
SSOF Nevada-Based Portfolio Companies



The program's impact on the State has been widespread with fund partners opening offices and seeking investments across the North, South and rural regions of the State.

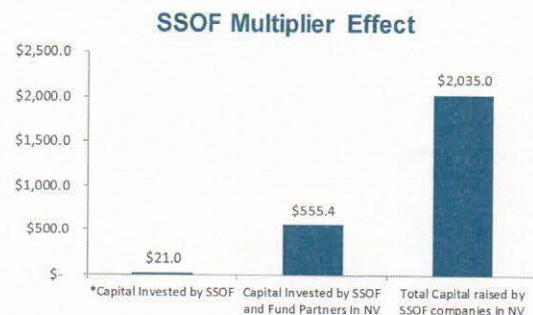
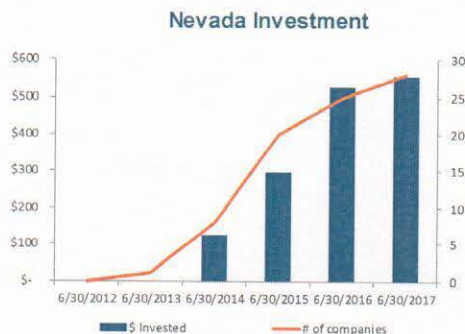
Silver State Opportunities Fund LLC

Fiscal Year 2017 Report



Multiplier Effect

The SSOF has leveraged its capital to have a meaningfully larger impact on Nevada than its fund size. The SSOF and its partners have invested a total of \$555.4 million in 28 Nevada companies as of 6/30/17, which represents over 12x the total capital committed by the Fund. This capital, in turn, has helped support \$2,035.0 million of total capital raised by Nevada companies.



Private Equity Ecosystem

In addition to providing Nevada companies with much-needed capital, the SSOF has laid the groundwork for a thriving private equity ecosystem. Prior to the launch of SSOF, there were no institutional private equity firms located in Nevada. Through the SSOF's work, four new private equity offices have opened in Nevada, creating four new private equity positions within the State.

Silver State Opportunities Fund LLC

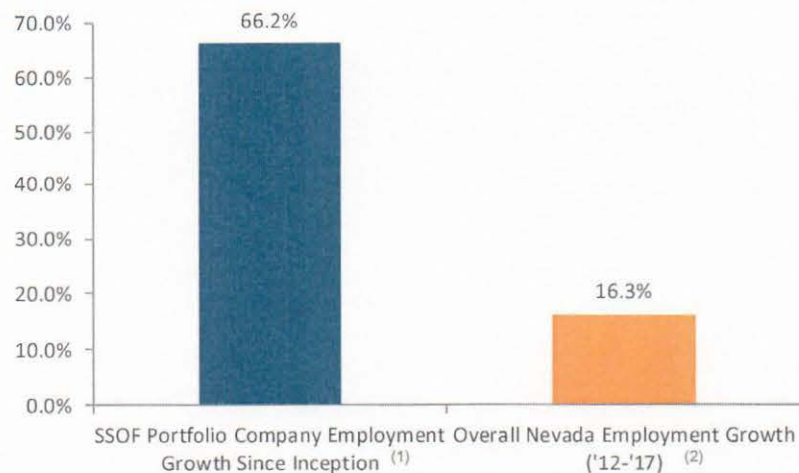
Fiscal Year 2017 Report

Employment

The SSOF has had a significant positive impact on employment within the State. Including Nevada-based investment professionals employed by SSOF fund managers, businesses which have received SSOF capital currently employ 2,393 Nevadans.



At the portfolio company level, SSOF investments have grown employment by 66.2%⁽¹⁾ since investment to 2,393 employees, compared to 16.3%⁽²⁾ overall employment growth in Nevada over the same time period.



⁽¹⁾ Headcount growth calculated based on number of full time employees as of 6/30/17 compared to number of stabilized full time employees at portfolio companies as of the first SSOF investment. Stabilization adjustment performed only for companies that were not long-term viable economic entities at time of investment.

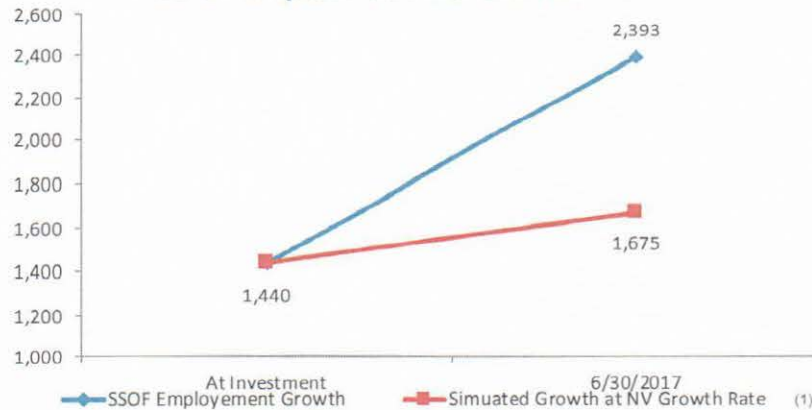
⁽²⁾ Nevada employees on non-farm payrolls growth from 6/30/12 to 6/30/17 according to U.S. Bureau of Labor Statistics.

Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

The capital provided by SSOF and its partners have helped portfolio companies meaningfully outpace Nevada's overall employment growth. As a result, the Fund's portfolio companies added approximately 718 more jobs than the average Nevada company would have over the same time period.

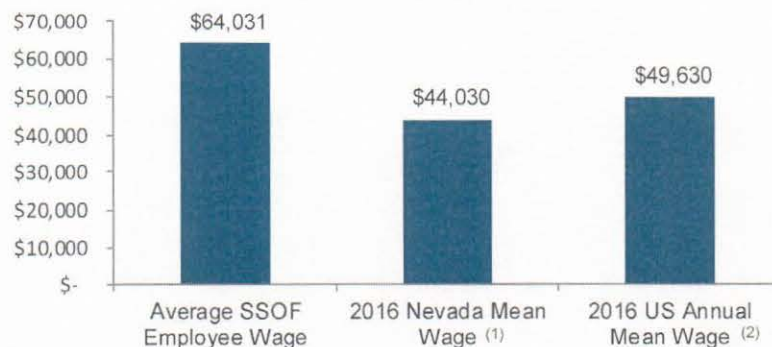
SSOF Impact on Job Growth



(1) Simulated employment calculated by applying average unadjusted Nevada non-farm employment growth from 6/30/12 to 6/30/17, according to the U.S. Bureau of Labor Statistics, to portfolio company employment at the time of original investment.

SSOF portfolio companies create high quality jobs, resulting in attractive wages for their employees. The average wage for Nevada employees at SSOF portfolio companies is \$64k, 45% higher than the average Nevada wage⁽¹⁾ and 29% higher than the average national wage⁽²⁾ in 2016.

SSOF Salaries Outperform State and National Averages



(1) Based on Bureau of Labor Statistics 2016 average wage for all Nevada occupations.

(2) Based on Bureau of Labor Statistics 2016 average wage for all U.S. occupations.

Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

Additional Outreach

Hamilton Lane's presence and involvement in the Nevada community has created benefits beyond the capital invested by the SSOF. These efforts have helped attract additional capital to the state, educate local market participants, build deeper relationships within the Nevada private equity community and connect local businesses with sources of capital.

Silver State Investor Forum

Hamilton Lane, in partnership with the State Treasurer's Office and the NCIC, has hosted two private equity conferences in Nevada, one in Northern Nevada and one in Southern Nevada. Both conferences sold out and attracted a combined 300+ attendees, including 70+ investment managers representing over \$100 billion of capital. The conferences provided educational content on private markets and created an environment that connected local companies and intermediaries to sources of capital.

Sponsorships

Silver State has selectively sponsored events for local businesses to increase the visibility of the program within the community. These events have led to positive publicity and incremental deal flow.

Active Outreach

Hamilton Lane is an active member of the Nevada business community, helping connect the local business community with the broader private equity community. Since the Fund's inception, Hamilton Lane has made over 270 introductions to private equity firms on behalf of Nevada companies.

Event Attendance

The Fund's representatives have attended and supported dozens of local business conferences, including events hosted by SciTech, the Reno-Gazette Journal, the Governor's Office of Economic Development, chambers of commerce, the Department of Business and Industry, the Rocky Mountain Venture Capital Association, NCET and several others.

Section 3:

Portfolio Overview

Silver State Opportunities Fund LLC

Fourth Quarter Fiscal 2017 Report

Hamilton Lane was engaged by the Nevada Capital Investment Corporation ("NCIC") in August of 2012, to provide investment management services through the Silver State Opportunities Fund LLC ("Silver State" or the "Fund"). In September 2012, Hamilton Lane opened its Nevada office to oversee the management the Fund; David Helgersen, Miguel Luina, and Anup Sharma serve as the main points of contact from Hamilton Lane for the Fund. Silver State's investments are to include both partnerships and co-investments focusing on compelling investments across various investment strategies (buyout, venture capital, growth, mezzanine, distressed, and special situations) with a significant presence in Nevada. The NCIC has committed \$50 million to the Fund, and Hamilton Lane has committed \$0.5 million to the vehicle. The chart below presents an overview of the Fund and investment portfolio as of June 30, 2017.

Silver State Opportunities Fund LLC Overview		
General Overview		
Closing Date	August 1, 2012	
Vintage Year	2013	
Termination Date of Fund ⁽¹⁾	August 1, 2022	
Committed Capital (Fund Size)	\$50,505,051	
\$ millions	6/30/2016 ⁽³⁾	6/30/2017
<u>Partnerships</u>	7	7
Capital Committed to Partnerships	\$23.6	\$23.6
Unfunded Commitment to Partnerships	\$11.5	\$8.3
Paid-In Capital	\$12.8	\$16.8
Capital Distributed	\$1.3	\$4.5
Market Value	\$12.9	\$15.9
Since Inception IRR (gross)	8.71%	12.18%
<u>Active Co-Investments</u>	7	7
Paid-In Capital to Co-Investments	\$19.3	\$20.9
Capital Distributed from Co-Investments	\$0.5	\$1.3
Market Value	\$17.8	\$21.0
Since Inception IRR (gross)	(5.03%)	3.34%
<u>Silver State Total</u>		
Total Capital Committed to Investments	\$42.9	\$44.6
Paid-In Capital	\$32.1	\$37.7
Capital Distributed	\$1.8	\$5.8
Market Value	\$30.6	\$36.9
Total Value Multiple	1.01x	1.13x
Since Inception IRR (gross) ⁽²⁾	0.96%	7.01%
Since Inception IRR (net)	(4.81%)	2.52%

⁽¹⁾ Term may be extended by the Manager for up to two successive one-year periods in its sole discretion. Per the terms of the Amended and Restated LLC Agreement, NCIC and the Manager may make an additional capital commitment at the end of the Commitment Period of the First Tranche. Should NCIC elect to make a Second Tranche Commitment, the termination date of the Fund will change.

⁽²⁾ Gross IRR does not include payments for Hamilton Lane management fees or Fund partnership expenses.

⁽³⁾ Prior quarter information is based upon the financial information presented in the Silver State Opportunities Fund LLC Fourth Quarter Fiscal 2016 Alternative Investment Report and Audited Financial Statements.

Silver State Opportunities Fund LLC

Fourth Quarter Fiscal 2017 Report

Investments

Since inception, \$37.7 million has been called and \$5.8 million has been distributed to the Fund as of June 30, 2017.

Investment details as of June 30, 2017 are provided in the chart below.

INVESTMENT NAME	INVESTMENT STRATEGY	CAPITAL COMMITTED	PAID-IN CAPITAL ⁽¹⁾	CAPITAL DISTRIBUTED	REPORTED MARKET VALUE	IRR ⁽²⁾
Partnerships						
Brentwood Associates Private Equity V, L.P.	Corp Fin/Buyout	\$ 3,000,000	\$ 2,811,692	\$ 720,240	\$ 2,495,381	15.69%
Convergent Capital Partners III, L.P.	Mezzanine	5,000,000	3,264,482	143,537	3,994,117	11.51%
Enhanced Small Business Investment Company, L.P.	Mezzanine	2,600,000	1,689,929	589,493	1,917,651	15.98%
Graycliff Private Equity Partners III, L.P.	Corp Fin/Buyout	1,000,000	702,962	437,843	375,293	18.78%
Huntington Capital Fund III, L.P.	Mezzanine	5,000,000	4,154,574	1,638,429	3,217,581	11.78%
Sorenson Capital Partners III, L.P.	Corp Fin/Buyout	2,000,000	1,326,693	18	1,388,673	3.68%
Waterton Precious Metals Fund II Cayman, L.P.	Corp Fin/Buyout	5,000,000	2,843,598	948,016	2,526,535	10.30%
Partnerships Total		\$ 23,600,000	\$ 16,793,929	\$ 4,477,576	\$ 15,915,231	12.18%
Co-Investments ⁽³⁾	Corp Fin/Buyout	\$ 21,008,209	\$ 20,887,675	\$ 1,301,224	\$ 20,986,188	3.34%
Total		\$ 44,608,209	\$ 37,681,604	\$ 5,778,800	\$ 36,901,419	7.01%

⁽¹⁾ Paid-In Capital includes amounts paid for investments, management fees and expenses.

⁽²⁾ IRR is net of management fees, but gross of HL Fees.

⁽³⁾ Co-Investments have been blinded upon client request.

A listing of Nevada companies having received an investment from the Fund as of June 30, 2017 is provided in the chart below.

Nevada Portfolio Companies ⁽¹⁾		
Name	Location	Description
Miller Heiman, Inc.	Washoe County	Corporate education company
The Marshall Retail Group	Las Vegas	Specialty retail providing turnkey solutions to casino hotel and airport operators
Las Vegas Color Graphics	Las Vegas	Privately-owned, full service commercial printing company
West Dermatology	Henderson	Operates a network of 26 dermatology clinics
Kareo, Inc.	Las Vegas	Cloud-based office software platform for small physician practices
Mission Senior Living	Carson City, Reno, Fernley, Gardnerville	Operator of multiple retirement and assisted living centers
Rural Physicians Group	Las Vegas	Provides rotating hospitalists to critical access and rural hospitals in the US
Super Color Digital	Las Vegas	Provides printing and graphics for various brands
Software Paradigms International	Las Vegas	Provides IT services and solutions for retailers globally
Elko Mining Group	Elko County	Mining operator
Reno Mining Office	Reno	Mining operator
Esmeralda Mine and Mill	Mineral County	Ore processing facility and precious metal extraction
Spring Valley / Gold Rock	White Pine and Pershing Counties	Precious Metal Deposit
Borealis Mine	Mineral County	Precious Metal extraction
Hollister Mine	Elko County	Precious Metal extraction
Mineral Ridge Mine	Esmeralda County	Precious Metal extraction
Pinson Mine	Humboldt County	Precious Metal extraction
Reward Gold Mine	Nye County	Precious Metal extraction
Clover	Elko County	Precious Metal extraction
Goldfield (Gemfield)	Esmeralda County	Precious Metal extraction
Converse	Humboldt County	Precious Metal extraction
Iceberg	Eureka County	Precious Metal extraction
Ruby Hill Mine	Eureka County	Gold extraction
Mt. Hamilton	White Pine County	Precious Metal extraction
Burke Williams	Las Vegas	Owns and operates multiple spas
Prologistics Distribution	Henderson	Provides distribution services to the B2B and B2C markets
Contact Gold	Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lyon, Mineral, Nye, Pershing, Storey, Washoe and White Pine Counties	13 project investments through debt financings, minority equity and similar arrangements to other mining companies with operations in Nevada
	Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lyon, Mineral, Nye, Pershing, Storey, Washoe and White Pine Counties	39 unpatented projects; 29 patented projects

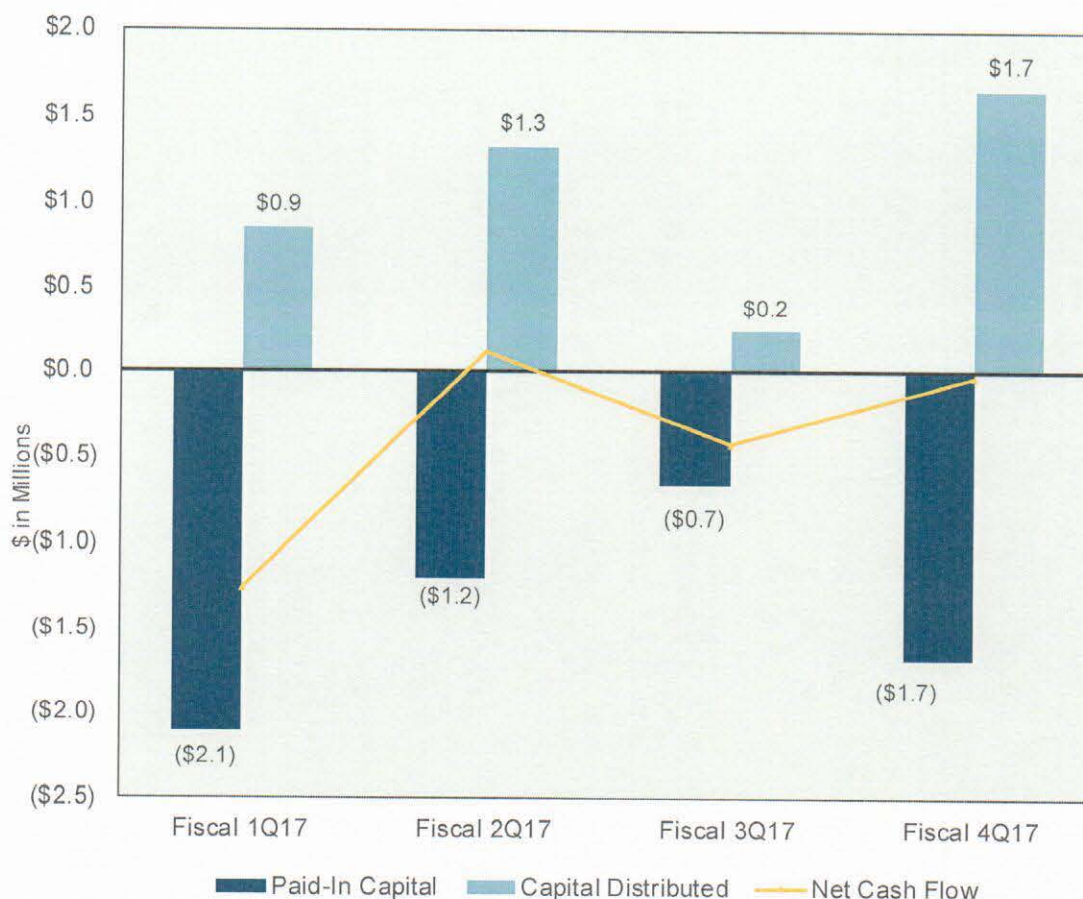
⁽¹⁾ Chart includes exited investments

Silver State Opportunities Fund LLC

Fourth Quarter Fiscal 2017 Report

Cash Flows

The chart below presents the investment cash flows for each quarter of the fiscal year ended June 30, 2017.



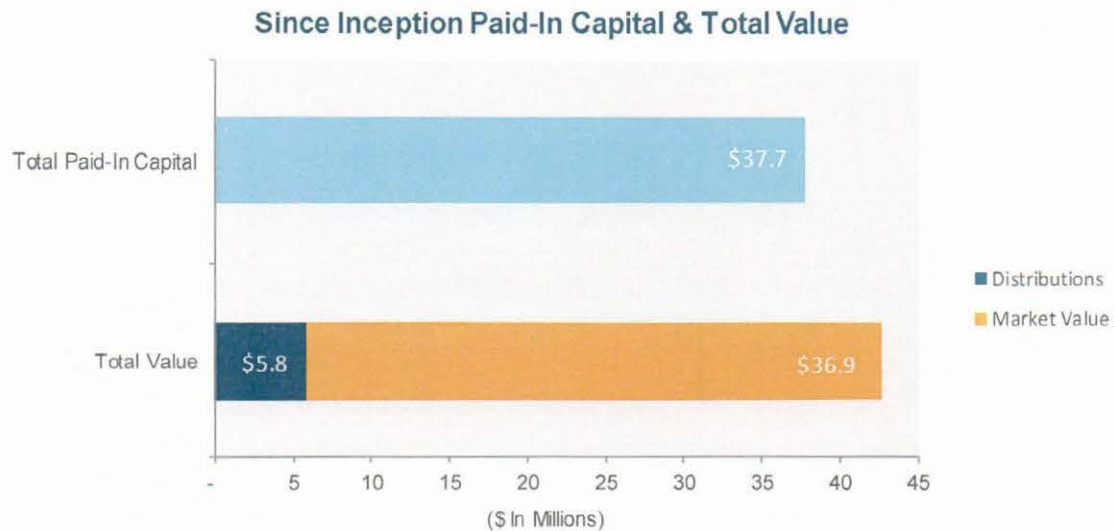
During the fiscal fourth quarter of 2017, the Fund invested \$1.7 million to underlying partnerships. The Fund did not make any additional contributions to co-investments. The Fund received \$1.7 million in distributions during the quarter. Huntington Capital Fund III, L.P., which executes mezzanine investments in mature, profitable companies located in or near low- to moderate-income areas, distributed \$1.2 million during the quarter.

Investment Returns

As of June 30, 2017, the Fund has generated a gross internal rate of return ("IRR") of 7.01% and net IRR, including management fees paid to Hamilton Lane, of 2.52%. Additionally, the Portfolio has a gross total value multiple of 1.13x. The positive performance for the quarter can be attributed to the increase in value for 13 of the 14 investments.

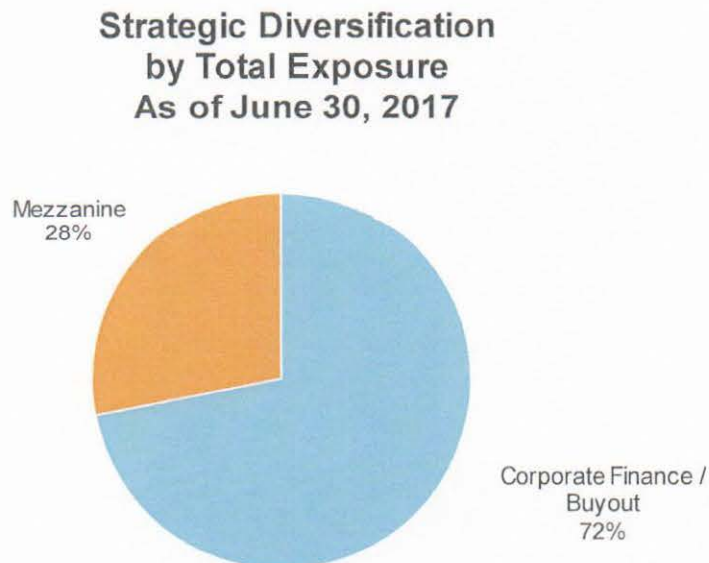
Silver State Opportunities Fund LLC

Fourth Quarter Fiscal 2017 Report



Diversification

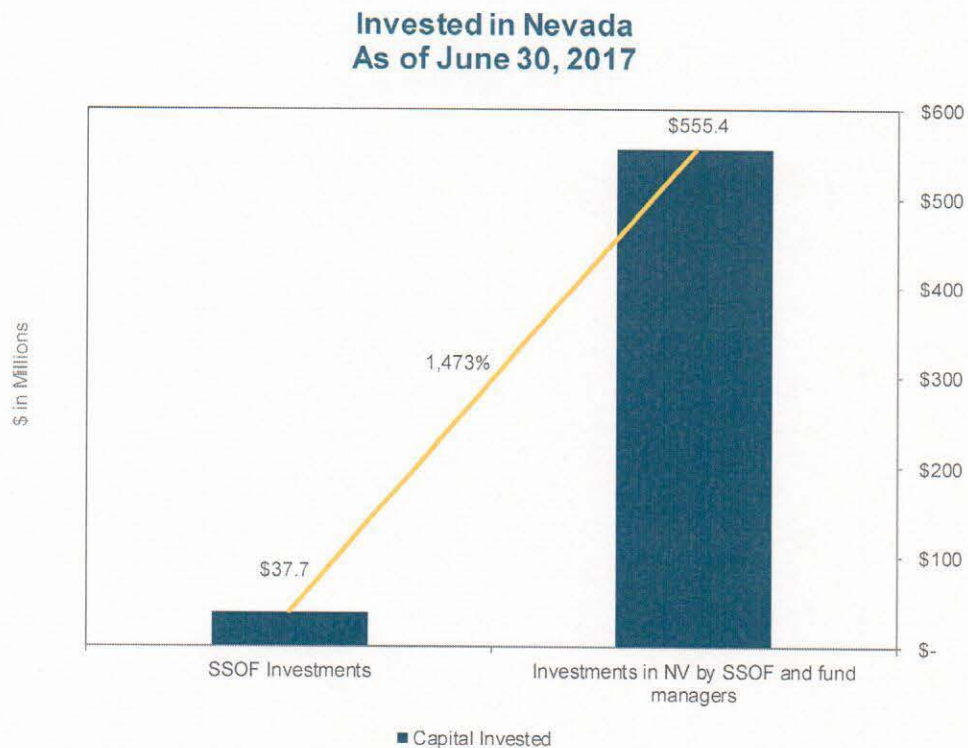
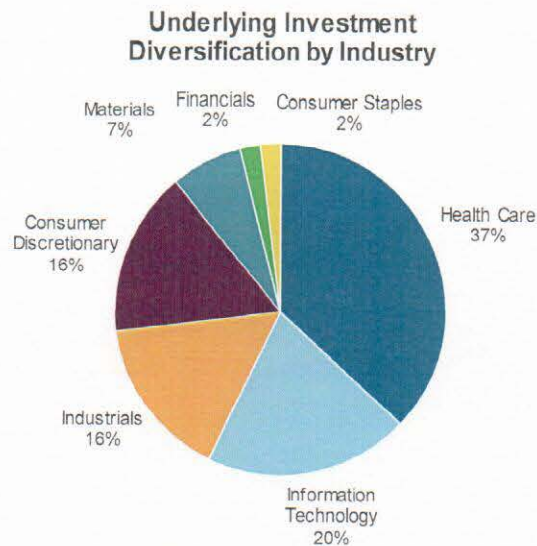
The Fund has committed to seven co-investments and seven fund investments as of June 30, 2017. The strategic diversification information presented in the chart below is based on total exposure as of June 30, 2017, which is the sum of unfunded commitments plus adjusted market values.



Silver State Opportunities Fund LLC

Fourth Quarter Fiscal 2017 Report

The chart below displays the diversification of the Fund's underlying holdings by industry and by state as of June 30, 2017. These amounts will change as new investments are made across varying investment strategies and industries.



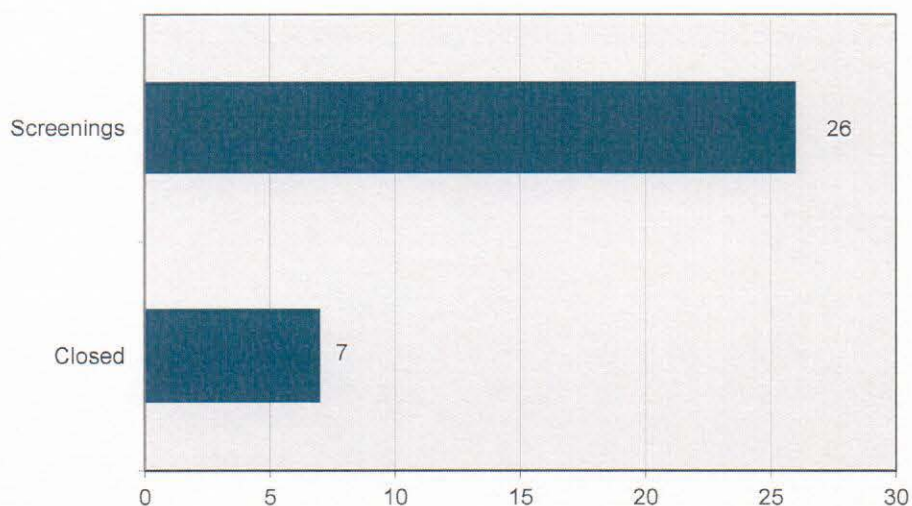
Silver State Opportunities Fund LLC

Fourth Quarter Fiscal 2017 Report

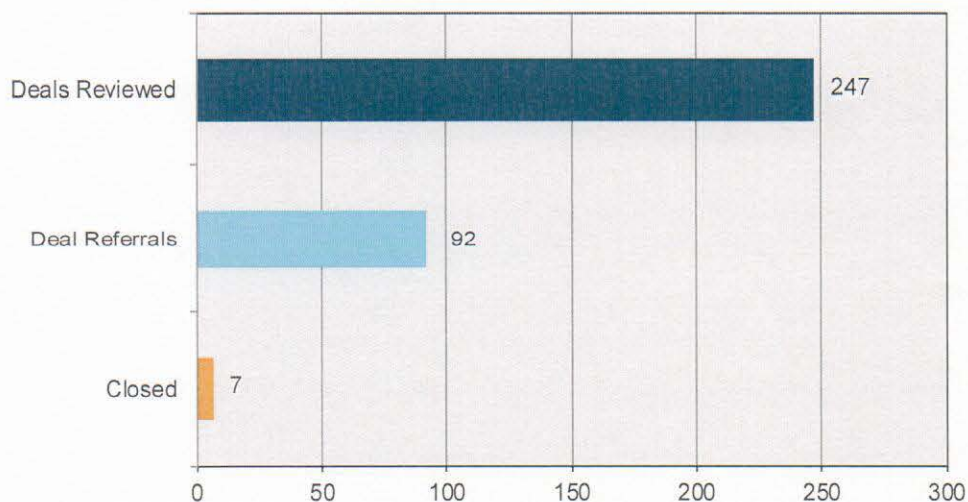
Deal Flow

The charts below provide detail regarding partnership and co-investment deal flow for the Fund during the Commitment Period, which ended May 13, 2016.

Partnership Pipeline



Co-Investment Pipeline



During the Commitment Period, Hamilton Lane evaluated 26 partnership and 247 co-investment opportunities for the Fund.

Silver State Opportunities Fund LLC

Fourth Quarter Fiscal 2017 Report

Fund Marketing

The following chart shows Hamilton Lane's marketing expenditures relative to its original budget. Hamilton Lane has made a concerted effort to limit marketing expenses and focus on supporting events with the highest impact for the Fund.

Marketing Expenses Fiscal year Ended June 30, 2017	
Items	Cost
Marketing Expenses	\$10,691
Marketing Budget	\$50,000

Appendix A:

Glossary of Terms

Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

Additional Fees: The amount of capital an investor pays into a fund/investment that does not count against the investors' commitment. Additional fees typically consist of management fees or late-closing interest expense.

Capital Committed: An investor's financial obligation to provide a set amount of capital to the investment.

Capital Contributed: Capital contributed from an investor's capital commitment to fund partnership investments, organizational expenses and management fees.

Capital Distributed: Cash or stock disbursed to the investors of an investment.

Co/Direct Investment: A direct investment is a purchased interest of an operating company. A co-investment is a direct investment made alongside a partnership.

Corporate Finance/Buyout: Funds seeking to make controlling and non-controlling investments in established companies which have the potential to achieve greater value through improved performance.

Cost Basis: Capital contributions less return of principal.

Fund-of-Funds: An investment vehicle which invests in other private equity partnerships.

Fund/Investment Size: The total amount of capital committed by investors to a fund.

Investment Category: Used to identify investments in one of the following categories: co/direct investments, fund-of-funds, primary funds, secondary fund-of-funds or secondary purchases.

Investment Strategy: A sub-classification of a partnership's investment type, such as Co/Direct Investment, Corporate Finance/Buyout, Mezzanine, Real Estate, Special Situation, Venture Capital.

Life Cycle Period: The current stage of a partnership depending on the percentage contributed to date. Life cycle periods are investment and realization.

Mezzanine: An investment strategy involving the purchase of subordinated debt. These securities exist between the senior debt and equity of a holding's capital structure. Subordinated debt carries a lower level of risk than pure equity structures because they generate current income and have a more senior position in the company's capital structure.

Net Internal Rate Of Return ("IRR"): The discount rate that equates the net present value of the partnership's cash outflows with its inflows and residual value at the time of calculation. The calculation is net of management fees and the general partner's carried interest.

Originator: The institution responsible for recommending a client commit to an investment.

Ownership Percentage: The investor's percent of ownership as measured by capital committed divided by fund/investment size.

Paid-In Capital: The amount of capital an investor has contributed to a partnership, which includes capital contributions and additional fees.

Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

Pooled Average IRR: An IRR calculation which aggregates cash flows (paid-in capital and capital distributed) and the reported market values of each investment within a portfolio to create one portfolio investment and return.

Portfolio Holding Exposure: The limited partner's pro rata allocation to an underlying investment based on the ownership percentage of the partnership.

Primary Fund: Defines when the investor acquired an interest in the partnership. Primary fund is the investment category when an investor participates in a closing at the inception of the partnership.

Private Equity Partnership: A professionally managed pool of capital that generally invests in unlisted companies or securities. Common investment strategies include corporate finance/buyout, mezzanine, special situations and venture capital.

Realized Multiple: Ratio of cumulative distributions to paid-in capital.

Return On Investment ("ROI"): A calculation based on the total value (market value plus distributions) divided by paid-in capital for an investment.

Reported Market Value: The investment's capital account balance at quarter end, which includes the general partner's reported value of the underlying holdings and other assets and liabilities.

Secondary Fund-of-Funds: A private equity vehicle formed to purchase active partnership interests from an investor.

Secondary Purchase: A purchase of an existing partnership interest or pool of partnership interests from an investor.

Special Situation: Partnerships that invest using a unique strategy. Examples include distressed and turnaround, industry focused and multi-stage partnerships.

Total Exposure: Calculated by the summation of market value and unfunded commitments.

Venture Capital: An investment strategy that provides start-up or growth capital to companies in the early stages of development. Venture investments generally involve a greater degree of risk, but have the potential for higher returns.

Vintage Year: The year in which a partnership makes its first capital call for an investment into a portfolio company/holding.

Appendix B:

Disclosure Statements

Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

Non-public information contained in this report is confidential and intended solely for dissemination to Silver State Opportunities Fund and/or its Affiliates. Hamilton Lane has prepared this report to enable Silver State Opportunities Fund and/or its Affiliates to assess the performance and status of its alternative investment portfolio. The calculations contained in this document are made by Hamilton Lane based on information provided by the general partner (e.g. cash flows and valuations), and have not been prepared, reviewed or approved by the general partners. Hamilton Lane hereby disclaims any liability resulting from any unauthorized dissemination of the attached information.

The information contained in this report may include forward-looking statements regarding the funds presented or their portfolio companies. Forward-looking statements include a number of risks, uncertainties and other factors beyond the control of the funds or the portfolio companies, which may result in material differences in actual results, performance or other expectations. The information presented is not a complete analysis of every material fact concerning each fund or each company. The opinions, estimates and analyses reflect our current judgment, which may change in the future.

All opinions, estimates and forecasts of future performance or other events contained herein are based on information available to Hamilton Lane as of the date of this presentation and are subject to change. Past performance of the investments described herein is not indicative of future results. Certain of the information included in this presentation has not been reviewed or audited by independent public accountants. Certain information included herein has been obtained from sources that Hamilton Lane believes to be reliable but the accuracy of such information cannot be guaranteed.

The past performance information contained in this report is not necessarily indicative of future results and there is no assurance that the funds will achieve comparable results or that they will be able to implement their investment strategy or achieve their investment objectives. The actual realized value of currently unrealized investments will depend on a variety of factors, including future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the current unrealized valuations are based.

Any tables, graphs or charts relating to past performance included in this report are intended only to illustrate the performance of the funds or the portfolio companies referred to for the historical periods shown. Such tables, graphs and charts are not intended to predict future performance and should not be used as the basis for an investment decision.

Appendix C:

Annual Report Metrics

Silver State Opportunities Fund LLC

Fiscal Year 2017 Report

Investment Statistics

- a) Committed Capital – pg. 3-1
- b) Invested Capital –pg. 3-1
- c) Distributions–pg. 3-1
- d) Market Value–pg. 3-1
- e) IRR–pg. 3-1
- f) Gross Total Return–pg. 3-1
- g) Net Total Return–pg. 3-1
- h) Net Portfolio Cash Flow–pg. 3-3
- i) Exposure by Strategy–pg. 3-4
- j) Exposure by Industry–pg. 3-5
- k) % of Capital Invested/Committed to Nevada–pg. 3-5

Ancillary Benefits

- a) Total monies invested in Nevada companies by funds with NCOF participation–pg. 2-1
- b) # of Nevada companies receiving investment–pg. 2-1
- c) # of Nevada employees of companies receiving investments–pg. 2-4
- d) # of Nevada jobs created/retained–pg. 2-5
- e) Estimated payroll/average salary of jobs created/retained–pg. 2-5