

# GOLDCRYPTO

## World's First Theft Protected Cryptocurrency

### AuX - The Optimal Cryptocurrency

**Better Than 'Gold Standard'  
Gold Backed  
Mine Pre-Purchase Advantage  
Continually Increasing in Value**

*"We have gold because we cannot trust governments."* President Herbert Hoover 1933

*"Financial markets organizations, restricted by stringent regulations, are investing in blockchain solutions across business areas to cut down on existing business frictions, rather than to grow. Our research highlights why you need to quickly get on board, or lose out on not just the benefits, but miss out on setting the standards and defining how the ecosystem will operate."* IBM Institute for Business Value

**June 2018**



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## INTRODUCTION

**GoldCrypto Mission:** To establish GoldCrypto AuX tokens as the World's most secure value cryptocurrency, through its unique Gold Standard gold-backing, and unmatched token security.

**Product:** GoldCrypto AuX tokens are secure, highly scalable gold-backed cryptocurrency tokens.

Within a market of economic uncertainty, terrorism, political instability and many other threats, the case for establishment of a gold-backed, decentralized, nationless and secure cryptocurrency is an imperative for true utility in commerce, portability, and for wealth and value preservation. This is especially the case given that the US dollar and most of [the world's other fiat currencies](#) are predominantly backed by debt and the clear majority of some [1,628 exchange listed cryptocurrencies](#) have no tangible backing and little chance of success. Logically most will ultimately be viable as globally accepted cryptocurrencies.

GoldCrypto AuX Tokens are ERC20 standard tokens optimal for all payments and remittances. They also:

- establish unique security – if stolen through any hacking they are replaced
- introduce a cryptocurrency that is better than *Gold Standard*
- impact and expand a significant cryptocurrency market opportunity
- continuously increase in gold backing
- provide for participation by all
- gain leverage from potential future gold-backed banking operations

**Significantly, AuX token gold backing commences at a 150% premium and will continually increase.**

### Market for GoldCrypto AuX Tokens

- **Globally:** For anyone wanting access anywhere in any currency at ATMs or in stores or online world-wide – at minimal cost.
- **Cryptocurrency Buyers:** As a Gold Standard cryptocurrency ever increasing in gold-backing, AuX tokens will appeal as a decentralized global cryptocurrency.
- **Hedge Buyers:** If concerned with inflation, political instability, economic uncertainty, gold as a bullion product, AuX tokens provide attractive options.
- **Institutional Buyers:** Safe and secure Gold Standard AuX cryptocurrency tokens convertible to physical gold, represent a highly attractive option for gold acquisition.
- **Bullion Buyers:** Being backed by ever increasing physical gold, AuX tokens provide a most advantageous leveraged gold position opportunity.

## **'Gold Standard'**

*The Gold Standard - Gold once backed most currencies. The UK stopped using the Gold Standard in 1931, and the US in 1933 phasing it out totally in 1971. Today **the Gold Standard is no longer used by any fiat currency.***

### **AuX tokens have all the components of an ideal currency:**

- **Value** – 150% gold-backed and ever increasing, AuX value is irrefutable **and not based on speculation.**
- **Cryptocurrency** – A global nationless digital currency that recognizes no borders.
- **Safe and Secure** – If hacked (unlikely) then AuX tokens are replaced.
- **Counterfeiting** – Cannot be counterfeited as AuX tokens are fully accounted on blockchain.
- **Trust** – Backed by verifiable increasing gold.
- **Scalability** – Can be transacted at 1,000s transactions per second
- **Transferable** – Can be used for payments, remittances, be bought or sold or used in stores worldwide.
- **Authenticity** – AuX token authenticity can always be validated and verified.
- **Portability** – AuX tokens are globally portable. Using GoldCrypto wallets/cards, can be realized in multiple countries and currencies, instantly exchanges for other cryptocurrencies or used in stores worldwide.
- **Fungibility** – Able to be used for exchange of most any value services or products and/or for physical gold which is itself highly fungible.
- **Durability** – As a digital currency, AuX token durability exceeds that of all fiat currencies.
- **Divisibility** – Provide for divisibility that will enhance global usage as and when required commensurate with its growth traction as a cryptocurrency.

However, for any cryptocurrency to emerge as a true global currency of choice, its usage value, recognition, and acceptance needs to be unquestioned and unanimous worldwide. Further, scalability needs to be addressed. Even Bitcoin, with a current value of around US\$7,000 per token, is still a very small player relative to the size of the global currency market. Putting things into perspective, Bitcoin has a current market capitalization of US\$115 billion within a global market where all fiat currencies total US\$90.4 trillion of which only US\$7.6 trillion is in printed or minted form.

Notably and additionally, global mined gold reserves are at US\$7.7 trillion, stock market assets are US\$73 trillion, property assets are US\$217 trillion. Hanging over all this is a total global debt of US\$215 trillion and a derivatives market of well over US\$500 trillion.

Clearly, a run on any of the major fiat currencies or other asset liquidation would be cataclysmic.

In the 'new-age' crypto world, AuX tokens are positioned to capitalize on:

- **Demand** – There is a clear demand for an efficient, highly scalable, transparent and portable asset backed cryptocurrency.
- **Value** – Through their unique structure, AuX tokens ever increase in gold backing.
- **Acceptance** – AuX tokens, as a trusted, true value cryptocurrency, have unlimited potential.
- **Widespread Use** – Being gold backed, verifiable, validated, tradable, used for payments and remittances, accepted by stores worldwide positions AuX tokens as the ideal value cryptocurrency.

## AuX Token - Operational Simplicity

**ICO:** Cryptocurrencies are exchanged for GoldCrypto AuX Tokens

**Trading:** Able to be bought and sold on cryptocurrency exchanges

**Commerce:** Ideal for payments and remittances

**Optional Gold:** Option to exchange for physical gold any time after 2024

- Physical gold underpins AuX token utility.
- **Following ICO closing, each AuX token will be backed by over US\$0.30 value equivalent in physical gold – a 150% premium. This gold backing then progressively increases.**

## GoldCrypto *Gold Standard*

The GoldCrypto *Gold Standard* is backed by pre-purchased gold to be delivered as bullion following traditional mining operations. Significantly, the **initial AuX Token gold backing following the ICO closing** is positioned to continuously increase.

The pre-purchase, or streaming, of gold and other precious metals is a well-accepted industry practice. Significant publicly-listed companies, including Franco-Nevada, Silver Wheaton, Royal Gold, Sandstorm, and Osisko Royalties, acquire gold through pre-purchase or streaming agreements. **Similarly, GoldCrypto interest in gold starts while it is still in the ground and continues as it is mined, processed, and stored as bullion in recognized depositories.**

GoldCrypto gold is pre-purchased through Scottsdale Arizona based Key Capital Corporation (“Key Capital”) which has a mining team with extensive experience and expertise in all facets of mining. Key Capital will monitor mine performance and the production of all pre-purchased gold (see: [www.keycapitalgroup.com](http://www.keycapitalgroup.com)).

**There are risks (See “Risks and Uncertainties” section of GoldCrypto Disclosure Statement).** AuX tokens, like other cryptocurrencies, **do not come with guarantees. AuX token market demand – pricing – can rise or fall regardless of the price of gold or the level of gold backing.**

**In short, nothing is totally risk free. Life itself is not risk free, be it related to health, marriage, investment, conduct, or other issues. Despite considered risk factors, GoldCrypto participation is up to the individual.**

## SNAPSHOT

### AuX Token Objectives

- Establish a 'Gold Standard' token with an appreciating use value
- Bridge an old currency – gold, with the new-economy AuX cryptocurrency
- Provide a level playing field and opportunity for all participants
- Provide a secure, transparent, and accountable AuX cryptocurrency

### AuX Token Features

- Gold leverage
- At ICO, gold backing of 150% on participation
- Accretive - further gold pre-purchases continually credited to AuX token backing
- Nationless - not controlled by any country, authority, or bank

### AuX Tokens Provide

- A secure and 24/7 global portable cryptocurrency
- A gold and/or token use-value structured to appreciate over time
- Security, transparency, and efficiency through the GoldCrypto blockchain
- Access to all regardless of wealth or position

**The ability to ultimately exchange AuX tokens for physical gold on highly attractive terms and pricing is a unique and distinguishing AuX token use feature of comfort, security, and difference for all participants.**

### What are GoldCrypto AuX Tokens?

AuX tokens are nationless secure and transparent blockchain based software contracts. They are ERC20 standard digital tokens exchangeable for select cryptocurrencies during the GoldCrypto ICO and in subsequent GoldCrypto exchange offers. AuX tokens may be bought and sold on an ultra-secure exchange launching in Q1, 2019 where any stolen tokens will be subject to replacement. AuX tokens are positioned as ideal for payments and remittances, and ultimately, they will be able to be exchanged for physical gold.

### Physical Gold

- 1) **Gold Mine Operations:** All GoldCrypto pre-purchased gold is produced through select traditional gold mining operations where production and performance are monitored on site by Key Capital.
- 2) **Gold Bullion Processing:** Highly regarded Scottsdale Mint is proposed to refine the mined gold to 99.99 purity (see: [www.scottsdaleilver.com](http://www.scottsdaleilver.com)).

- 3) **Gold Storage:** All Gold bullion will be stored and regularly audited at recognized major depositories such as, Singapore Precious Metals Exchange and Byzantium International Ltd. Cayman Islands (see: [www.sgpmx.com](http://www.sgpmx.com) and [www.byzantium.ky](http://www.byzantium.ky)).

**Digital Gold** – The GoldCrypto blockchain transparent ledger of accounts, regardless of how many times the AuX tokens are sold (if sold), immutably records:

- 1) the originating cryptocurrency exchange for AuX;
- 2) the initial gold backing convertibility of all AuX tokens; and
- 3) the accretive increases in gold backing of the AuX tokens.

## THE BLOCKCHAIN WORLD

Over the past 20 years the Internet has changed our lives, the way we communicate, transact, pay bills, and receive and share information, etc. Many companies have leveraged the Internet with some becoming among the largest and most valuable companies in the world. Blockchain is now seen as similarly disruptive and is gaining rapid adoption. Blockchain will almost certainly re-write most everything, especially in communications, transactional, security and financial markets – **the cornerstones of all commerce.**

Blockchain technology provides an ingenious way to securely store data and verify its integrity through a decentralized and distributed network. Blockchain inherently protects all transactions by adding each transaction to the distributed blockchain ledger so that they cannot be changed.

**Within the next decade, blockchain technology applications are expected to become just as important as the Internet itself, and equally as valuable.**

Global leaders in finance, banking, Internet of Things (IoT), supply chains, manufacturing and tech markets are already actively engaging in the potential incorporation of blockchain within their respective industry specializations. Those looking at early adoption and/or participation include ABN AMRO, Accenture, Andreessen Horowitz, ANZ Bank, ASX, Bank of China, Bank of Tokyo, Blockchain, BNP Paribas, BNY Mellon, Calastone, China Union Pay, Cisco, CLS, CME Group, Tokenbase, ConsenSys, Credits, The Depository Trust & Clearing Corporation (DTC), Deutsche Börse Group, Digital Asset Holdings, DOCOMO, Fujitsu Limited, Guardtime, Hitachi, IBM, Intel, IntellectEU, J.P. Morgan, Kasikornbank, Microsoft, Mitsubishi, Mizuho, NEC, NTT DATA, NYSE, People’s Bank of China, Postal Bank of China, R3, Red Hat, Santiago Stock Exchange, SBI Securities, State Street, SWIFT, Symbiont, The Moscow Exchange, Trafigura, Union Square Ventures, USAA, VMware, Walmart, Wells Fargo, Yes Bank and many more.

Blockchain technologies will be massively disruptive as they gain momentum and achieve global adoption. **The realization of extraordinary value opportunities across most market sectors will be equally impressive.**

There is no doubt that blockchain based secure and enhanced services will dramatically improve standards and efficiencies throughout global commerce as they incorporate immutability, improved security and transparency metrics made possible by blockchain.

## Traditional Economy Issues

### Participation

Most of the World's population with bank or investment accounts tolerate associated traditional, inefficient, and costly fee-driven transactions. Over two billion people globally are unbanked, and even more not invested, as in the current traditional system they cannot support the fees charged.

Why? Largely because **Industry fees and participation are biased against smaller traders, depositors, investors, and borrowers with most significant opportunities reserved for the wealthy.** The average person just does not get a look-in or have sufficient wealth to be attractive to such opportunities. Investopedia "[How to invest in Private Equity](#)" sums it up:

*Private-equity investing is not easily accessible for the average investor. Most private-equity firms typically look for investors who are willing to commit as much as \$25 million. Although some firms have dropped their minimums to \$250,000, this is still out of reach for most people.*

*Funds - Minimum investments can be in the \$100,000 to \$250,000 range, and the manager may not let you participate unless you have a net worth between \$1.5 million to \$5 million.*

GoldCrypto AuX decentralized digital tokens establish a better than *Gold Standard* cryptocurrency and provide a new level of opportunity – **available to all.**

**The concept of decentralized, nationless, digital, 'private currencies' is nothing less than revolutionary,** as is evidenced by the rapid growth in blockchain technology and the digital cryptocurrency markets. The introduction of an accretive *Gold Standard* AuX token is even more so.

### Trust – Security – Confidence

Globally, there is a clear declining confidence in banks, governments, and authorities (incl. regulators) as highlighted by recent events in USA, Germany, Spain, Greece, England, France, Cyprus, and many other countries. Also, of concern is growing global unrest including: increasing terrorism incidents, the global refugee situation, USA relationships with China, Russia, and Middle East, and the potential for nuclear engagement with North Korea.

Despite financial markets being highly regulated, their failings are a matter of record as evidenced by multi-billion-dollar fraud/failure by 'trusted' and 'regulated' parties like Lehman Brothers, WaMu, IndyMac, Netbank, American S&L, Bank of New England, Sachsen, the Icelandic banks, Long Term Credit Bank of Japan, New Frontier Bank,

Madoff, Enron, Tyco, Parmalat, Adelphia, Bre-X and many others. In global penny stock, venture, and OTC markets there is little that regulation and oversight does to adequately protect investors, as the record demonstrates.

The unfortunate reality is, despite our sophisticated systems and complex laws, **consumer, user and investor protection leave a lot to be desired. Trust and confidence are severely damaged for the average person.** Under the current flawed regulatory regimes, denying them free-choice alternatives or early investment opportunities is also not a true or fair solution.

**Combining blockchain transparency, security, and immutability with a *Gold Standard AuX* token seeks to introduce trust, fair exchange, and a unique value potential to the blockchain and cryptocurrency world.**

## **Blockchain – Leveling the Playing Field!**

Blockchain is game-changing, disrupting many things, including commerce as we know it, financial markets and investing. The blockchain opportunity is created for anyone and everyone. With few barriers to entry currently, ground-floor blockchain opportunities abound.

A 2016 World Economic Forum paper predicts blockchain will be **the ‘beating heart’ of the global financial system**, identifying it among 10 emerging technologies forecast to disrupt global industry. Clearly, **early movers are presented a generational opportunity for ground-floor participation.**

Transactions through blockchain platforms **introduce transparency, security, longevity, interoperability, efficiency and support at levels and cost that cannot be matched by the legacy systems** of the current traditional market. This new generation of applications **has the potential to establish ground-breaking levels of trust, transparency, accountability, and efficiency** that will streamline business process and legal constraints within and across all markets - globally.

**Mainstream imminent blockchain adoption** is evident in many developing commercial initiatives including the growing and rapid acceptance of Bitcoin; Ethereum being used in multiple mainstream applications; major banks using Ripple; China looking at introducing digital currency; [Microsoft’s Coco](#) Framework for blockchain enterprise; [Corda’s A3 \\$107 raise](#) through major bank and institutional interests, to progress development of a bank and institutional distributed ledger platform; and [Linux Foundation’s Open Source Hyperledger](#) with partners that include **global leaders in finance, banking, Internet of Things, supply chains, manufacturing and technology.** These include ABN AMRO, Accenture, ANZ Bank, Blockchain, BNY Mellon, Calastone, Cisco, CLS, CME Group, ConsenSys, Credits, The Depository Trust & Clearing Corporation (DTCC), Deutsche Börse Group, Digital Asset Holdings, Fujitsu Limited, Guardtime, Hitachi, IBM, Intel, IntellectEU, J.P. Morgan, NEC, NTT DATA, R3, Red Hat, State Street, SWIFT, Symbiont, VMware and Wells Fargo.

***“Our research highlights why you need to quickly get on board, or lose out on not just the benefits, but miss out on setting the standards and defining how the ecosystem will operate.”*** IBM on blockchain

***“We think blockchain is going to potentially transform every industry.”*** Microsoft Azure



## HOW GOLDCRYPTO WORKS

GoldCrypto introduces its **secure and unique Gold Standard AuX token** opportunity in the game-changing blockchain economy where all AuX token participants receive the full utility use-benefits of the tokens, with **accountability, transparency, and security unmatched in the 'old world'**.

Gold bullion backing for AuX tokens is secured through pre-purchase agreements with Key Capital with the physical gold being sourced from various mine production operations.

**Gold pre-purchase, or streaming, is not novel and is an established practice** in the mining industry. Notable public companies that pre-purchase future gold stream delivery from gold mine production opportunities include Franco-Nevada, Silver Wheaton, Royal Gold, Sandstorm, and Osisko Royalties.

**The gold backing provides a unique Gold Standard for AuX tokens with multiple opportunity levels:**

1. **ICO:** Major cryptocurrencies can be exchanged for AuX tokens.
2. **Gold Standard Cryptocurrency:** As a unique better than Gold Standard token, AuX tokens will be exchange tradable and globally portable. As a value cryptocurrency AuX tokens will be able to be used for payments, remittances and for purchase of goods and services online or in stores worldwide.
3. **Gold Delivery:** AuX tokens will be optionally exchangeable for physical gold any time after 2024.

**The option to exchange AuX Tokens for gold bullion is backed by in-ground gold and, subsequently through gold bullion creation (following physical mining and refining), and its storage as gold bullion. This option provides purchasing power protection, wealth creation, and assets diversification.**

The AuX tokens will exist autonomously as a cryptocurrency within the GoldCrypto Blockchain AuX token economy after all final platform development, completion of the AuX ICO and finalization of the first gold pre-purchases.

70% of all AuX tokens to be issued pursuant to the GoldCrypto ICO and subsequent offers will be owned by the participants in the ICO, and/or where issued for gold pre-purchases. The remaining 30% of AuX tokens will be reserved for operational costs and for the development team, advisors, and the earliest adopters/contributors. **The maximum AuX ever to be issued will be 10 billion AuX tokens.**

Following the AuX token ICO closing, GoldCrypto will finalize gold pre-purchase agreements with Key Capital through its Service Operator. **All gold pre-purchases will be limited to NO MORE than 25% of the identified recoverable gold from any specific mine.** From this point forward, **AuX tokens will be backed by their cryptocurrency Gold Standard** (in-ground gold that is to be mined, processed, and refined into gold bullion).

This **pre-purchase of gold provides AuX token holders leveraged and highly favorable terms of wealth protection associated with AuX token participation.** GoldCrypto AuX tokens are positioned as a **revolutionary utility use-value product** in the emergent decentralized blockchain and cryptocurrency economy with **their unique use potential and cryptocurrency *Gold Standard* appreciation potential.**

## HOW THE GOLD BACKING VALUE INCREASES

GoldCrypto's Service Operator has an agreement with Key Capital to pre-purchase up to a **maximum of 25% of assessed recoverable gold** from any specific gold mining operation agreed to be pursued. The pre-purchased and, ultimately, delivered gold provides the AuX token gold backing.

**Limiting gold pre-purchase to 25% of assessed recoverable gold from any specific mining operation, although not a guarantee, provides a comfortable buffer for commercial delivery viability and gold backing for the AuX tokens at well below current gold market prices.**

Operationally, as physical pre-purchased gold is delivered from any specific mining operation:

- 30% will be retained as bullion to the direct gold backing benefit of all AuX Tokens
- Up to 65% - less operational costs - will be reinvested in further selected gold pre-purchases to assure continued additional accretive gold backing for AuX tokens
- 5% will be donated to the 'CrypDonate' Social Enterprise which is mandated to establish sustainable community projects in third-world and developing countries

As the number of mine pre-purchase operations increase, so does reinvestment into further gold pre-purchase agreements. **In this way, the physical gold backing and value for all AuX tokens will continue to accrue.**

### Unique Gold Leverage Potential through Pre-Purchase

**To demonstrate the leverage provided by the unique GoldCrypto approach, consider the following example:**

- If pre-purchases commence from three mining operations, gold deliveries will commence from these three sources in approximately 9 – 15 months.
- With 30% going to bullion storage vaults and up to 65% to further gold pre-purchases, say from two additional mines, then in approximately 18 - 24 months five gold mines will be delivering gold.
- Again with 30% going to gold vault storage and up to 65% for further gold pre-purchases, say from three additional mines, then in 27 - 33 months gold deliveries will be coming from eight mining operations.
- In 36-42 months gold would be being delivered from around 12 mines.....and so on.
- In this way pre-purchased **gold delivery continues to increase exponentially**, as gold deliveries from an ever-increasing number of mines add gold backing value to the AuX tokens.

## INDICATIVE INITIAL AUX TOKEN GOLD POTENTIAL

The following is presented as an **indicative and conservative scenario** for the *Gold Standard* backing by physical gold for each AuX token over 10 years and assumes there is **no increase in gold price over the period** and an initial 100 million AuX tokens are exchanged at ICO. It should be noted that this calculation is for illustrative purposes only and based upon the following assumptions:

### Assumptions:

- 1 AuX Token is US\$0.20 equivalent (as gold is predominantly traded in USD)
- Total mine(s) production will exceed 130,000 ounces of gold over a maximum 10 years
- 32,500 ounces of gold (25% of forecast production) are pre-purchased
- Pre-purchase gold value at ICO: (As at April 14, 2018 at US\$1,345 per ounce – US\$43.7 million)
- Initial in-ground AuX token gold backing: over US\$0.30 value per AuX token.
- As mining progresses and gold is refined and delivered: 30% (US\$13.1 million at April 14 pricing)) will be held in bullion vaults; 45% (US\$28.4 million) to be re-invested in further gold pre-purchase opportunities, and 5% (USD\$2.2 million) will be provided to CrypDonate’s global community projects.
- The 65% re-investment process continues as further production projects are realized. **This assures the AuX token gold backing will continue to increase substantially and accretively.**

### Gold Backing Potential for Each AuX Token in 10 Years – Indicative Case

| Gold Backing   | Base Case     | Target        |
|--|---------------|---------------|
| <b>Initial Gold Backing per AuX token (US\$0.20 ICO pricing)</b>           | <b>\$0.30</b> | <b>\$0.30</b> |
| of which up to 65% is reinvested in next gold pre-purchases                |               |               |
| Year 2 – additional gold pre-purchases                                     | \$0.45        | \$0.60        |
| Year 4 – additional gold pre-purchases                                     | \$0.45        | \$0.60        |
| Year 8 – additional gold pre-purchases                                     | \$0.45        | \$0.60        |
| Year 10 – additional gold interest, plus add-back of 65% repurchase credit | \$0.79        | \$0.94        |
| <b>Total adjusted Gold Backing per AuX token</b>                           | <b>\$2.48</b> | <b>\$3.08</b> |

Should the gold price increase or decrease over the period then values would be similarly affected.

Therefore, for AuX token holders that do not trade or sell their tokens or otherwise use their tokens for payments, remittances, or similar, should they be looking to a token exchange for physical gold after ten years then the appreciation potential from ICO participation would be between 1,140% and 1,440% (without accounting for any gold price movements). For AuX token holders taking advantage of the 10% bonus during Round 1 of the ICO, the appreciation would be between 1,265% and 1,595%.

## MAIN OPERATIONAL RELATIONSHIPS

The following parties are intended to support the mostly autonomous GoldCrypto AuX token economy operations. In each respective case if the identified party is not engaged, or ceases to act, a replacement party of similar standing will be engaged if needed.

### **Crypto Investor Inc – Service Operator/Administrator**

GoldCrypto incubator, Crypto Investor, Inc., is a Belize corporation and governed under English Common Law, augmented by local legislation. Crypto Investor, Inc also serves as the GoldCrypto Service Operator and administrator in managing and coordinating all actions and activity required to meet the objectives of the GoldCrypto AuX token economy.

Following the AuX token ICO, the Service Operator, on behalf of the GoldCrypto economy, will finalize the gold pre-purchase agreements with Key Capital for the first identified gold mining operations. Gold pre-purchases will **NOT EXCEED 25% of the identified recoverable gold** in any specific mining operation.

The Service Operator, as well as providing for the gold pre-purchase agreements and management thereof, will also provide the additional mechanism to effectively materialize any actions required for the benefit of the predominantly autonomous GoldCrypto economy interest. In this manner, the Service Operator will act as an economy manager or trustee. This provides for ready interaction wherever it may be required with Key Capital and/or any other entities, private, corporate, or governmental. Should the Service Operator at any time become incapable of providing this service or resign from any aspect of its service operation, then Crypto Investor, Inc will appoint an alternative party to act for the GoldCrypto economy interests.

Should, for any reason, any formal licensing or similar be required in any global jurisdiction in which the GoldCrypto economy desires to operate, the Service Operator will seek such licensing and/or approvals as required for and on behalf of the GoldCrypto economy interests. The Service Operator does not and will not claim or register any kind of property, trademark or other rights pertaining to GoldCrypto for its own interest. All intellectual property rights, trademarks, branding, and other rights will remain exclusively the property of the GoldCrypto economy, regardless of if held in trust and/or on account for GoldCrypto by the Service Operator.

### **Key Capital Corporation – Mining Expertise and Gold Pre-Purchase Partner**

The Scottsdale based Key Capital Corporation management and core consulting team have extensive commercial and technical experience and expertise in all key mining and banking disciplines. GoldCrypto is pre-purchasing its gold from selected gold mine production opportunities through Key Capital in conjunction with the Service Operator (see: [www.keycapitalgroup.com](http://www.keycapitalgroup.com)).



## **Scottsdale Mint LLP – Mint**

Scottsdale Mint, an ISO 9001-2008 certified US Company is globally recognized for its integrity, quality, standards, and security of its bullion products. Scottsdale Mint is proposed by Key Capital as the GoldCrypto bullion mint. Additionally, to the Scottsdale Mint certification and identification of all bullion, AuX token gold will also be blockchain identified and, thus, be able to be immutably tracked and identified (see [www.scottsdalesilver.com](http://www.scottsdalesilver.com))

## **Gold Bullion Vault Storage**

GoldCrypto proposes to use world class bullion storage partners such as Singapore Precious Metals Exchange and Byzantium International Ltd. Cayman Islands as its bullion storage partners. (see: [www.byzantium.ky](http://www.byzantium.ky), and [www.sgpmx.com](http://www.sgpmx.com)). Each operates high security bonded storage facilities providing the epitome of secured bullion facilities. This level of accountability is further enhanced through holdings being identifiable and trackable through the GoldCrypto blockchain.

## **Interactive Brokers Group, Inc. (IB) – Trading Desk**

To the extent that the GoldCrypto economy may benefit from currency or gold hedging and/or equity positioning, or from gold futures sale or purchase, or similar transactions, then all such transactions are proposed to be conducted through an IB account. Greenwich, Connecticut headquartered IB conducts its broker/dealer and trading businesses in over 100 markets worldwide. The IB Group and its affiliates execute nearly 1,000,000 trades per day, have over 1,100 employees and are regulated by the SEC, FINRA, NYSE, FCA and other regulatory agencies around the world. (see: [www.interactivebrokers.com](http://www.interactivebrokers.com)).

## **Modulus Financial Engineering, Inc. – Funds Management Platform**

Should the management of any surplus GoldCrypto economy funds or other accumulated assets be deemed or required at any time to be held on account, then GoldCrypto intends to use a Modulus platform which is a market leading, industry proven, robust product, fully supported by a 200+ developer team. Scottsdale based Modulus has provided advanced technology products and services to clients since 1997, including NASDAQ Stock Market, J.P. Morgan Chase, Bank of America, Credit Suisse, Barclays Capital, Goldman Sachs, Merrill Lynch, Fidelity, TD Ameritrade, IBM, Microsoft, Yahoo, Google, Cisco, Adobe, Ford Motor Company, SAS Institute, Rutgers University, the University of Chicago, and thousands of other corporate, educational, governmental, and non-profit institutions, throughout 94 countries. (see: [www.modulusfe.com](http://www.modulusfe.com)).



## FOR GOLDCRYPTO TOKEN AND EXCHANGE SECURITY THE FOLLOWING ARE KEY TEAM MEMBERS

### CryptoSecure

The groundbreaking security of the CryptoSecure Platform and products is a world-first solution designed specifically to resolve the security and scalability issues of the cryptocurrency market. The Platform security is delivered through layered protocols that include access control, network security, Proof of Identity, Authority, and Stake, and further enhanced through deployment of Jentu software providing the industry's strongest security by, **ensuring that hackers have nothing to hack**, and providing instant mitigation of any ransomware, viruses, trojans, botnets and other malware.

### Jentu

The GoldCrypto data centers and servers are to be security enhanced through Jentu Technologies Inc. Should there be any breach, Jentu provides for instant immediate mitigation of ransomware, viruses, trojans, botnets and other malware. It is secure, lightning fast and stable. **Jentu software addresses all 20 SANS Critical Security Controls**. This means additional airtight infrastructure security and advanced breach mitigation capabilities. Jentu offers 20x network acceleration and can provide 10,000x increased performance and reduced latency with unlimited scalability and record-breaking stability/reliability.

### Quantus

Quantus Technical Solutions led by Larry Cameron, our Security Specialist and Advisor has an extensive cyber security, infrastructure, IT, blockchain and hacking background. Quantus provides product security auditing, consulting, hardening, implementation, integration, support and project management services. The extensive Quantus team experience and expertise helps GoldCrypto assure best practice IT management solutions that mitigate security risk and threats.

### PreCharge

GoldCrypto through the CryptoSecure Platform uses industry trusted and proven preCharge as its core Wallet and Card provisioner and for the security enhancement and payments processing of its Exchange being launched in Q1, 2019. Never hacked in over 10 years of operation settling multi-billion dollars in electronic transactions. PreCharge, as an industry pioneer, has used Distributed Ledgers for compliance, Proof-of-Identity and Proof-of-Authority for over a decade, as well as introducing token transactions over the same period.

### Technical Development Team

The powerhouse team that ties it all together for GoldCrypto and through CryptoSecure product development and IT is provided through a contracted team of highly experienced industry professionals comprising some 40 software engineers, programmers, blockchain developers, front and backend developers and engineers. The team has extensive industry experience and expertise in all aspects of development and programming, including within the blockchain and cryptocurrency market. The team works with both GoldCrypto and CryptoSecure and their other technical specialists in the development of all security initiatives and integrations.



## GOLDCRYPTO ICO

Funding of initial gold pre-purchase agreements and the development and operation of the GoldCrypto economy will be secured through the GoldCrypto AuX token ICO campaign. The GoldCrypto AuX token ICO will seek to secure at least \$3 million in AuX token value equivalent with an optimistic target of \$50 million or more in AuX token value equivalent. As gold is predominantly traded in USD, the base attributed \$0.20 AuX token ICO pricing is pegged to the USD.

The ICO commenced on May 1, 2018 and will be open for participation until August 31, 2018. Participation is available at [www.GoldCrypto.io](http://www.GoldCrypto.io).

The ICO offers a bonus for early participation as follows:

- **Pre-ICO till April 30 - Closed**
- **May 1 to June 15 – Closed**
- **June 16 to July 31 – 5% Bonus**
- **From thereon no ICO Bonus – until 31 August 2018 unless closed earlier**

## GoldCrypto AuX Tokens

AuX tokens are secure blockchain ERC20 software accounting units used to record their utility use rights and entitlements. AuX token ownership denotes a holder's right to use the tokens for payments and remittances, and to otherwise sell or exchange AuX tokens, or to exercise the option to receive a future physical gold exchange.

AuX tokens are not to be considered legal tender, securities, or commodities. AuX tokens are not redeemable for cash through GoldCrypto. Although AuX tokens may be traded on cryptocurrency exchanges, GoldCrypto disclaims responsibility for their negotiability. AuX tokens are a cryptocurrency, a digital asset, bearing value by themselves based on their underlying gold backing use-value, properties and/or rights only. AuX tokens convey no voting rights, no equity interest, or any other interest or entitlement in the GoldCrypto economy.

Over time, GoldCrypto will issue up to a total maximum 10 billion AuX tokens with a total 7 billion AuX tokens planned to be sold through the ICO and progressively from thereon as and when further gold pre-purchase opportunities arise on sufficiently attractive terms. The remaining 30% of AuX tokens will be used for payment of operational costs and also be progressively issued to the development team, advisors, and the earliest adopters/contributors. To enable broad participation, the **minimum ICO participation is 250 AuX tokens**.

GoldCrypto reserves the right in its absolute discretion to deny any application for AuX tokens. This right is further reserved for any subsequent attempt to trade AuX tokens or to exchange them for physical gold if participating parties are unable or refuse to comply with Anti Money Laundering (AML), Counter Terrorism Financing (CTF), and Know Your Client (KYC) regulations, laws, best practice, or other applicable compliance that may apply at any time.



*“Deficit spending is simply a scheme for the ‘hidden’ confiscation of wealth. Gold stands in the way of this insidious process. It stands as a protector of property rights.” — Alan Greenspan*

## ASSURING SECURITY OF AUX TOKENS

The unprecedented CryptoSecure Platform security provides GoldCrypto layered protocols that include access control, network security, Proof of Identity, Authority, and Stake. This will be further enhanced through deploying Jentu network software to create the industry’s strongest security **ensuring that hackers have nothing to hack** and providing instant mitigation of any ransomware, viruses, trojans, botnets and other malware. This network solution meets all 20 of the SANS Critical Security Controls and has recently been audited by the US Government and approved for government installations.

As well as having the ERC20 standard AuX tokens on the public blockchain, GoldCrypto uses a permissioned ledger interface that validates and authorizes all transactions. This interface, provided through the CryptoSecure Platform, seamlessly assures that transactions are between KYC validated parties as well as identifying the smart contract tokens being transacted. This safeguard provides for all transaction identification, compliance and tracking where ever required.

GoldCrypto AuX tokens are first created through the permissioned ledger with all associated transactional and recording proceeded through ERC20 standard smart contracts on the public blockchain. This ground-breaking GoldCrypto security provision for its AuX tokens is being customized through the CryptoSecure Platform.

**Note:** For clarity re tokens being claimed to be hackproof: This is only applicable to tokens to be listed and trading on a CryptoSecure Platform Exchange and held in CryptoSecure enabled wallets. The CryptoSecure Platform and Exchange operations networks are managed by servers that deliver mirrored images to endpoints (the operational computers) that don’t have hard drives. **No hard drives means Nowhere for hackers to hack.** AuX tokens will be the first to be listed on this secure Exchange.

Should any AuX tokens be stolen, they will immediately be voided on the permissioned ledger and on the blockchain, and then be subject to replacement.

Finally, AuX tokens will only be able to be traded between parties that are KYC compliant. It is important however to recognize that no KYC information is openly shared with, or provided to any regulator, or third party, except through formal demand from authorities that may be investigating serious illicit activities such as arms dealing, drug running, terrorism, slavery, or similar. Basically, issues concerning serious AML/CTP activities. Therefore, parties involved in any of these types of activities are discouraged from participating in AuX tokens.

In summary, with CryptoSecure.com AuX token breakthrough security measures in place, hacking of AuX tokens becomes futile as any stolen tokens are rendered valueless and useless. They will be unable to be legitimately transferred or used ever, and hackers will be identified and prosecuted

## OPERATIONS ROADMAP

### Platform and Infrastructure

|                             |                             |                              |                            |
|-----------------------------|-----------------------------|------------------------------|----------------------------|
| <b>Current</b>              | <b>Feb 2018/April 2018</b>  | <b>May/Aug 2018</b>          | <b>Q4 2018</b>             |
| Operative                   | Smart Contracts Integration | ICO                          | Tokenization and List      |
| Service Operator formalized | Pre-ICO continues           | Gold pre-purchases finalized |                            |
| Confirm Appointments        | Risk Management integration |                              |                            |
| Finalize Whitepaper         | CryptoSecure.com Security   |                              |                            |
| <b>Q4 2018</b>              | <b>Q2/Q3 2019</b>           | <b>Q3 2019</b>               | <b>Q3 2019 -Forward</b>    |
| Next gold pre-purchases     | First gold deliveries       | Next gold pre-purchases      | Increasing gold deliveries |

### Big Picture Operations Roadmap

Logically, the agreements to pre-purchase gold are limited by the level of support for the AuX token ICO. While in this Whitepaper 100 million AuX is used for basic example illustration, far larger quantities of gold can readily be pre-purchased on similarly attractive terms – at approximately 50% of current gold price.

**It is envisaged that a secure gold-backed AuX token that continues to increase in gold backing represents the ideal cryptocurrency and will dramatically enhance participation. Additionally, the option for future gold bullion delivery is equally compelling.**

**The ultimate vision is for AuX tokens to be established as the World’s most secure value cryptocurrency, through its unique better than Gold Standard gold-backing, unmatched token security and also for AuX tokens to not be anchored by a fee-driven banking system or by disparate regulatory regimes.**

### Future Vision

**AuX tokens have the potential, over time, to emerge a *Gold Standard* cryptocurrency, and as AuX tokens are gold backed and secure, credit/debit facilities and other financial services may be offered to AuX token holders at a future time.**

**GoldCrypto is committed to establishing its *Gold Standard* AuX token cryptocurrency and expanding its utility benefits and value commensurate with scale and growth-rate.**

## **FUTURE BANKING POTENTIAL**

The immediate focus is on optimizing the gold pre-purchase value of the GoldCrypto economy and thereby the utility of AuX tokens. However, in the future, and dependent on success and scale of operations, the GoldCrypto economy may explore the potential establishment of a global decentralized GoldCrypto banking operation.

It is envisaged that the demand for secure decentralized gold asset-backed banking accounts would introduce a game changing opportunity in the global banking and exchange market.

All depositor accounts would be held in gold assets and withdrawals could be made in most countries, in major currencies, cryptocurrencies, or in physical gold.

**Should GoldCrypto at some future time proceed with this initiative, 80% of all banking operational net surpluses will procure further gold pre-purchases for the GoldCrypto economy benefit.**

## **FINANCES**

In the AuX ICO, GoldCrypto seeks to exchange and issue at least 15 million AuX tokens with an ambitious 250 million AuX target. Use of ICO proceeds will be proportioned pro-rata between the 15 million and the target 250 million in accordance with the indicative schedule as follows:

### **ICO Token Breakdown – Use of ICO proceeds**

|                           | <b>15 million</b> | <b>100 million</b> | <b>250 million</b> |
|---------------------------|-------------------|--------------------|--------------------|
| <b>Gold Pre-Purchase</b>  | <b>75%</b>        | <b>90%</b>         | <b>92%</b>         |
| Consultants               | 6%                | 3%                 | 2%                 |
| Legal/Accounting          | 7%                | 1%                 | 1%                 |
| Marketing                 | 8%                | 2%                 | 2%                 |
| Miscellaneous/Contingency | 4%                | 4%                 | 3%                 |

The unissued balance of AuX tokens following the ICO will be progressively offered dependent upon sufficiently attractive future gold pre-purchase agreements being available.

GoldCrypto ongoing operational costs will be met through transactional fees generated as well as from any differential in the pre-purchase price of gold that GoldCrypto’s Service Operator is able to negotiate as the price of pre-purchased gold for the AuX economy is fixed at the greater of 50% of gold price or US\$750 per ounce.

## MARKETING AND BUSINESS DEVELOPMENT

Marketing is being conducted globally through the Internet and supported through traditional and social media exposure and further through blockchain communities, trade shows, and conferences.

GoldCrypto seeks to capitalize on a clear market demand for a secure, efficient, and portable asset-backed cryptocurrency, and in this regard AuX tokens stand out.

- ✓ Safe and secure. If hacked (unlikely) – **stolen AuX tokens replaced**
- ✓ Backed by physical gold
- ✓ A better than gold-standard cryptocurrency
- ✓ Gold backing continually increasing
- ✓ Transparent blockchain
- ✓ Nationless with no global jurisdictional boundaries
- ✓ Option to exchange AuX tokens for physical gold
- ✓ **Advantages over Bitcoin** - gold backed, verifiable, validated, tradable, used for payments and remittances, positions AuX tokens as the ideal value cryptocurrency.

**AuX Tokens – are an ideal currency**

## CONTINGENCIES

**Legal Costs:** Legal requirements include but are not limited to all final required or desired structuring, especially prior to and during the AuX token ICO. Ongoing resources may also be required for possible contingent legal work, as a number of global authorities and/or governments ultimately may form views on cryptocurrencies and their offerings that may have an impact on GoldCrypto, AuX tokens, and/or the AuX token ICO. Although GoldCrypto is of the view its AuX tokens are not legal currency tender or securities, a contingency legal fund will be reserved for any potential future issues.

**AuX Blockchain Architecture:** GoldCrypto aims to be backboned on a decentralized Ethereum application framework. While each of the GoldCrypto components are well developed, the overall software integration is still under development and will be for a while, especially as GoldCrypto implements the CryptoSecure Platform security for its AuX tokens and future Exchange and moves key operational aspects from its beta base to full commercialization.

**Accuracy of information:** The GoldCrypto Whitepaper and the GoldCrypto website include projections and information obtained and prepared internally through market research, publicly available information, and industry publications. Such market research, publicly available information, and industry publications often state that their information has been obtained from sources believed to be accurate and reliable. Consequently, GoldCrypto provides no assurance as to the accuracy or completeness of such included information.

**Consents:** Save for GoldCrypto and Crypto Investor Inc and their management, no person has approved the content of this Whitepaper or the GoldCrypto website, or provided consent to the inclusion of his, her, or their name within this Whitepaper or the GoldCrypto website.

## SUMMARY COMMENTS

In a World first, GoldCrypto introduces a breakthrough level of security and value to the cryptocurrency market.

AuX tokens represent the World’s most secure value cryptocurrency, through their unique better than Gold Standard gold-backing, and unmatched token security – providing for stolen tokens to be replaced.

Following AuX token exchange listing AuX tokens are expected to be highly liquid. During the AuX token ICO, major cryptocurrencies can be exchanged for GoldCrypto AuX tokens which will **broaden AuX token exposure and appeal.**

## THE AUX DIFFERENCE

| Currency   | Backing                | Security                      |
|------------|------------------------|-------------------------------|
| Fiat       | Increasing Debt Levels | Subject to inflation          |
| Bitcoin    | Zero                   | Highly susceptible to hacking |
| AuX tokens | Increasing Gold Value  | Safe and Secure               |

### EMPOWER YOURSELF

*“Whoever has the gold makes the rules” – Wizard of Id*