



## THE NEXT GENERATION OF CRYPTOCURRENCY

QuriGold is the evolution of e-coin and the revolution of money – the asset backed e-coin

## WHITEPAPER V1.5.1

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Quri Tokens do not represent or confer any ownership right, stake, share or security or equivalent rights, or any right to receive future revenue share or profits, intellectual property rights or any other form of participation in or relating to QuriGold and their respective corporate affiliates, including the governance of QuriGold, Quri Tokens are not intended to be a digital currency, security, commodity, expectation of profit or any other kind of financial instrument.

In recognition of the fact that the United States government has provided limited guidance and has not passed any laws with respect to the sale of digital tokens, we believe it best that no United States-based individuals participate in the purchase of the Quri Tokens.

In addition, foreign investors should be aware of laws prohibiting its residents from participating in initial coin offerings (ICOs) or token sales, particularly in USA, Canada, South Korea, China and Singapore.

## EXECUTIVE SUMMARY

We believe we are at an inflection point in the evolution of our monetary system. As the Blockchain's global distributed ledger offers clear advantages over centralized record keeping, Blockchain technology has exposed a need to the general public while tearing down centuries old established banking practices. Blockchain is poised to change how people and businesses conduct and operate their businesses. One of the main beneficiaries of the blockchain phenomena is digital currencies or cryptocurrency.

While the adoption of cryptocurrency in the global monetary system has been negligible to date, tier one banks and financial institutions have been allocating funds to building their own blockchain solutions. In some cases, consortiums of financial institutions have been combining resources to construct their own bank-to-bank internal blockchain clearing systems.

We think it's unlikely that the cryptocurrencies will become mainstream currencies short term, however, we believe that in the mid to long-term, it will become more of a common occurrence to see crypto alternatives alongside other payment options like traditional credit card solutions or online solutions like PayPal.

Nevertheless, it is becoming obvious that the current cryptocurrencies have flaws – they have yet to weather any serious crisis, have no intrinsic value and the usefulness appears to be primarily in assisting grey and black-market players move funds from one jurisdiction to another.

Cryptocurrency must evolve to survive. We believe the next stage in this evolution will be a move towards an asset backed token, either directly backed with assets or indirectly through a blockchain industry ecosystem.

What we propose is a hybrid of bankable hard assets and a NPV (Net Present Value) of deliverable assets, bought at a discount. We believe the hybrid model can be a benefit to all stakeholders while providing value, security and transparency to our token holder community. We believe this can result in a pure gold exposure through this combination of bullion holdings and a high-quality portfolio of deliverable gold.

Additionally, we believe that the gold industry is ready for change and QuriGold can offer a financing alternative. By purchasing future gold delivery from the gold companies nearing production, we can reduce the financing burden and dilutive aspect of their production goals. What we propose to the mining producer, through QuriGold, is access to this global capital conduit of the cryptocurrency community ecosystem. We believe this can be a much cheaper and less invasive route to capital that is needed to advance gold companies to production.

We envision that QuriGold can offer two main benefits:

- Token holders can have security, transparency and identifiable value
- Gold industry has a new financing alternative

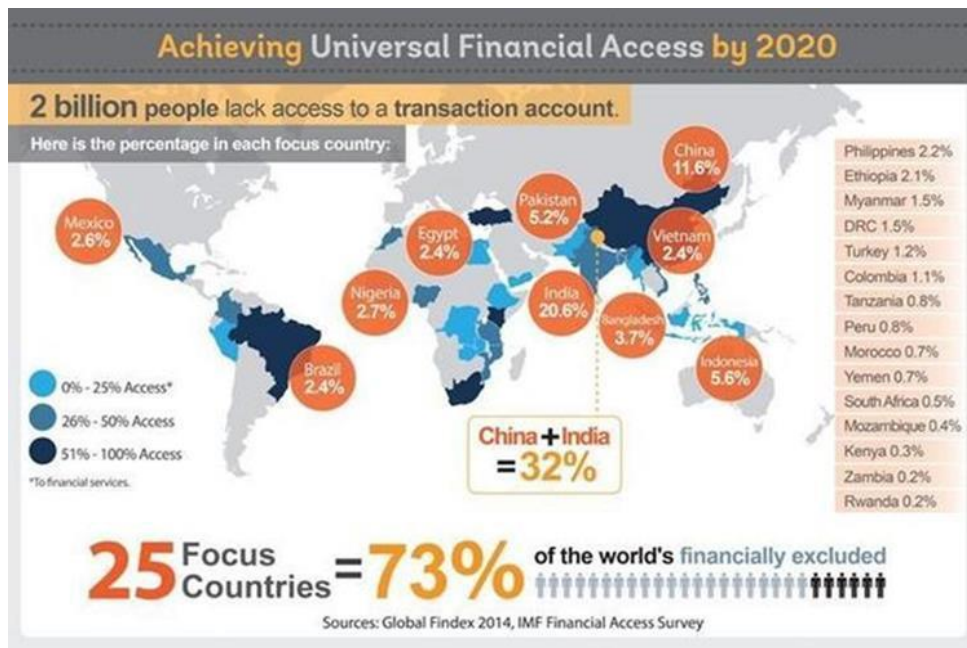
Our token will hold initially 20% gold bullion residing in a fully auditable location, 55% in gold delivery contracts and the remainder set aside for marketing, legal, storage costs and administration. However, over time, as the gold is delivered, the bullion percentage will increase. To track the intrinsic value of the gold and NPV of deliverable gold, we propose the concept of Quri Holder Value. Quri Holder Value (QHV) is the very core of our value proposition of transparency and auditable value. QHV is calculated in real-time and is based on the combination of the market price of gold, the amount of gold owned by the token, and the net present value of the gold contracts deliverable at maturity. As a token holder, you can view the CHV in real-time and observe over time that as the gold delivery contract gets closer to delivery, the net present value of the gold contract should migrate closer to the market price of gold bullion.

The gold bullion portion will be purchased through normal financial channels at market prices, while the future gold delivery contracts will be negotiated by QuriSolutions directly with gold producers. We expect this process should result in a fair price for the future gold production that covers the producer's production costs yet offers significant discount to the market price. We believe this model can provide a tangible benefit to both token holders looking for value and transparency and gold producers looking for non-traditional routes of financing their production without bearing the costs associated with traditional financing channels, such as streaming arrangements.

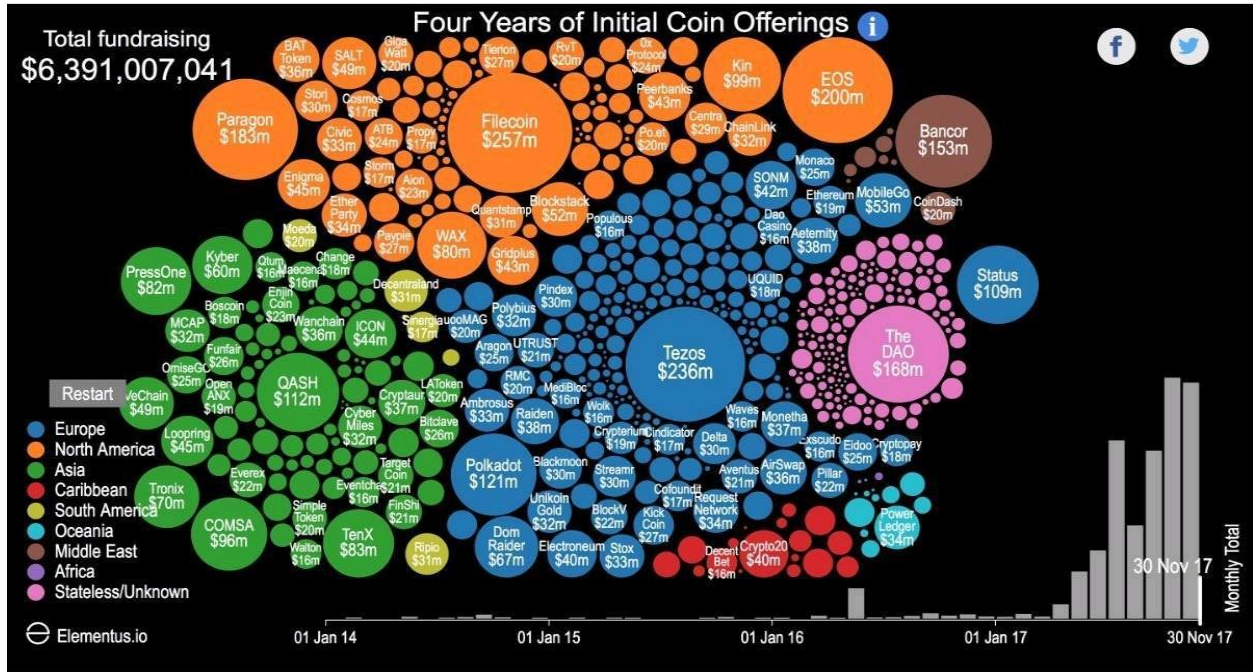
Lastly, our token infrastructure backbone will employ Ethereum as the Next-Generation Smart Contract and decentralized application platform. We chose to utilize this platform as it fulfills the functionality and complexity needs for this project such as: quicker block time, smaller blocks, smart contract ability, and a developer community actively improving the platform with a vision to create a censorship-resistant self-sustaining decentralized world computer that can perform calculations, store data, and allow communications.

## BLOCKCHAIN – A BIGGER IMPACT THAN THE INTERNET

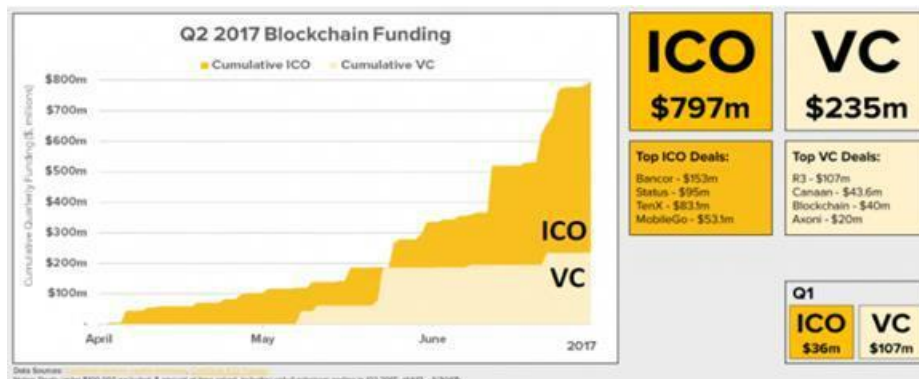
In a recent report, the World Economic Forum estimates that by 2025, 10% of global GDP will be stored on blockchain technology. OECD forecasts global GDP this year to be \$44T growing to \$53T by 2025. In short, it is anticipated that blockchain will quickly ramp up to \$5T marketplace in eight years. The proliferation of Initial Coin Offerings (ICO) has dwarfed traditional funding models in the last few years as the friction of a heavy regulatory environment and a tilted playing field benefiting well-capitalized investors has seen capital flow to the Blockchain model.



This has led to re-thinking of how startups can be funded and is up-ending the traditional funding relationships.

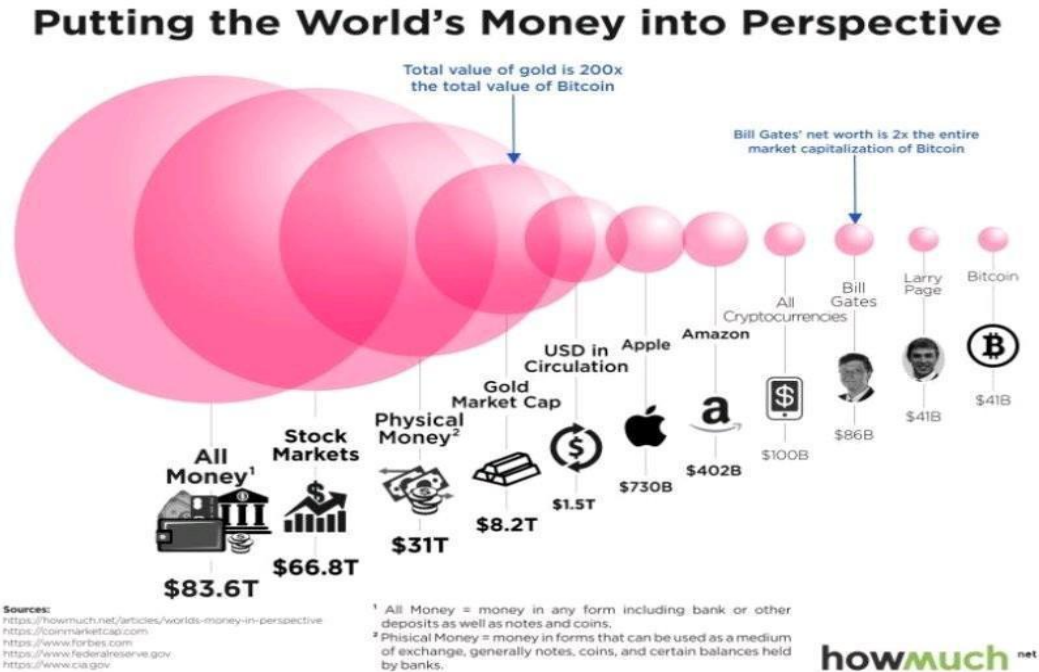


We believe this evolution is in the early stages and is the start of a secular trend in financing. Companies that adopt this new paradigm can take advantage of this quickly evolving marketplace.





As we see crypto evolving, it is still a fraction of the established capital markets. We believe there is a long secular, disruptive change ahead for the traditional money clearing markets.



## THE QURI TOKEN & QHV

Cryptocurrencies like Bitcoin and Ether were supposed to liberate us from the banking industry and central bank's control as well as from the regulatory overreach that stifles free enterprise. The current crypto boom has created a new elite that exercises almost the same level of control and potential abuse over the crypto currency as central banks do over the fiat. Crypto coin markets have been subject to high volatility while most coins at best hold no intrinsic value and at worst are fraudulent in this unregulated marketplace. Initial Coin Offerings (ICOs) are launching weekly with average investors doing at best superficial due diligence on most of these coin offerings. With little intrinsic value in the coin and little regulation, investors are by and large participating in a giant casino. We believe a good majority of these ICO's misrepresent the true value of the offering via price manipulation at the ICO stage, thereby enriching the founders & friends at the expense of

the average investors. While hopes were high initially that crypto currency would usher a new era of transparency and efficiency into financial markets, the reality is that crypto currency markets have a high degree of volatility, risk and uncertainty in an unregulated marketplace.

QuriGold's goal is to improve upon the present circumstances and provide a framework of security, transparency and identifiable value. We believe that QuriGold can deliver its pledge of providing its token holders with a true, verifiable measure of its value while providing a mechanism, built into the very framework of its platform, to increase the value over time. Our offering is built around two basic concepts.

## THE FIRST CONCEPT IS QURIGOLD WILL BE *ASSET BACKED*

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The QuriGold token will be backed in part by both gold bullion and the present value of the future gold production that we negotiate on behalf of the token holders. Going forward, we will ensure that each new token offering introduced into the market must bring additional value to the total token supply and increase the average value of each token. We refer to this concept as *Quri Holder Value*. The Quri Holder Value or QHV, and the calculation thereof, forms the core of the value that we offer our token holder community.

Our tokens are issued to represent the value of our holdings in Gold Bullion and the Contracts for the future production of the gold. We anticipate negotiating these futures contracts at discounted spot prices that should provide needed financing to gold producers while ensuring Quri Holder Value increases as producers move along their production schedule. Each token represented is backed by a tangible asset and future gold delivery, ensuring value to the token holder. As we add more contracts and issue more tokens, we follow the process outlined below to ensure that the individual value of each token grows as additional gold producers come on board.

# OUR SECOND CONCEPT IS *TRANSPARENCY*

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We offer QuriGold with a simple goal in mind – to provide *real* value to its holders. To deliver on this principle, we need to go beyond the fiction & narrative of most crypto currency offerings. We aim to deliver financial accountability and transparency to our token holders by actively reporting on a regular basis. We believe in a regulatory framework whereby the underlying assets of the token are verifiable and auditable. It is our intention to be transparent to all our token holders so that they can see in real time the present value of the gold delivery as well as the gold bullion holdings. To which:

1. The gold bullion holdings will be auditable and verifiable
2. Our contracts with producers will be milestone based
3. No funds are released until production milestones are reached
4. All our producers will report in real-time on a publicly viewable platform where information on milestones achievement, goals and timelines are available to the public in addition to the financial transactions pertaining to bullion purchases
5. Our Quri Holder Index will be accessible in real time calculating the total value of bullion and the NPV of the production contracts

# CALCULATION OF QURI HOLDER VALUE: QHV

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We calculate the QHV using real-time gold futures and gold spot prices. As we expect to have a number of projects and delivery schedules, we need a formula that encapsulates all the various aspects of our business while providing our token holders an accurate daily price.

$$\Sigma \frac{-(C) + \frac{C}{(1+r)^t}}{(1+r)^t}$$

## THE NEXT GENERATION OF PRECIOUS METAL PRODUCTION FINANCING

As the precious metal industry is very capital intensive, the need for capital to allow a company to go into production is paramount.

There are a number of traditional alternatives for a mining company to access capital, some attractive and some not so attractive.

1. The equity markets are the traditional route for many companies and if their stock price is high enough, the issuing equity shares is a viable and economical route. Unfortunately, sometimes, the stock price does not reflect the true value of the company and any issuance of stock is dilutive for the company.
2. Asset sales can raise the required funds, but the company may or may not get the value inherent in the asset; it may be a strategic asset and may impinge on the long-term growth prospects of the company; or the sale may impair the balance sheet depending if it is pledged as a covenant to debt.
3. Bank debt is attractive, but mostly requires heavy-handed covenants and a Bankable Feasibility Study, which can be quite expensive.
4. Company-issued debt is attractive as well but requires a specialized, sophisticated investor who again will demand security on a selected somewhat liquid asset.
5. Royalty companies are somewhat new to the marketplace and typically take a percentage of revenue from all produced metals, typically for the lifetime of the underlying asset. This is similar to an equity stake but with an income component and sometimes board representation.
6. Streaming companies are the latest entrant to the space and they typically take a percentage of production and take delivery of the metal for the lifetime of the specified mine. The Streamers pay a portion of the agreed upon amount and release funds on milestones. Typically, the mining company would prefer not to lose control over the producing asset but if they are short of funds, then they are compelled to proceed.

## THE NEXT GENERATION

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The Blockchain cryptocurrency ecosystem provides a number of advantages, including lowering transaction costs, quicker execution for transactions, disintermediation and transparency of the transaction ecosystem but most importantly – it has revolutionized the access to global capital.

What we propose to the mining producer is access to this global capital conduit through QuriGold. We believe this can be a much cheaper and less invasive route to capital that is needed to advance the company to production.

QuriGold facilities will allow it to pre-purchase a defined amount of production (future delivered gold).

The advantages to the mining company as we see it are:

1. There is a definable amount of gold to be delivered – there is no call on future revenues or percentage of production
2. This is a non-dilutive funding process and is balance sheet friendly
3. No restrictive or hedging covenants – just a finite deliverable
4. Operational control stays with the mining company
5. This is a creative way to monetize future production and diversifies development risk
6. Provides a flexible source of funding for development stage assets
7. There can be an token bonus for early delivery – thereby incentivizing management

QuriGold will access the crowdfunding cryptocurrency community for funding – *which to date is a \$476 Billion marketplace*. For example, the leading gold backed e-coin has a \$485 Million USD market capitalization. QuriGold then negotiates with the mining company after thorough due diligence and arrives at a price per ounce with milestone payments. These milestones are communicated in a transparent way as to build confidence and assurance to our token holder community. Our straightforward due

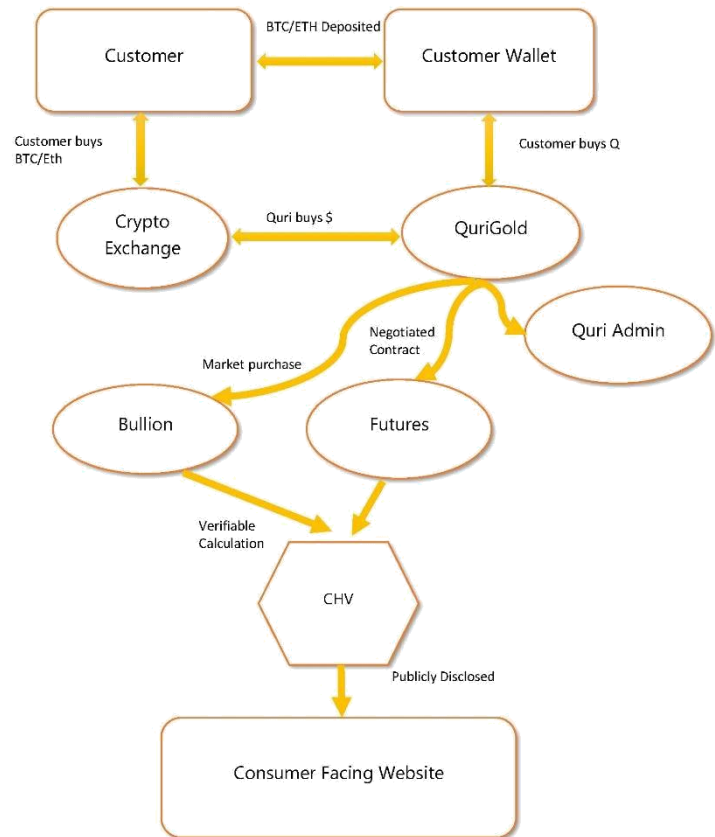
diligence and documentation should result in an expedited funding process relative to project financing.

## TECHNICAL DISCUSSION

*Ethereum - A Next-Generation Smart Contract and Decentralized Application Platform* Main advantages of using existing Ethereum framework include low implementation costs, high degree of customization and security. By utilizing private blockchain on Ethereum, QuriGold is able to leverage advantages of a mature blockchain platform to custom tune it for our unique application and to conduct and store our digital transactions in a transparent and secure way vis-à-vis blockchain. QuriGold will build under with cryptocurrency standards offered by Ethereum at the deployment moment: Proof-of-Work (PoW). The Ethereum based smart contract are used to set out, implement and validate the rules governing the use and issuance of QuriGold tokens and represents the values of integrity and transparency prevalent throughout this project.

## TECHNICAL DESIGN

The technical solution for QuriGold consists of three main elements: User-facing website, backend server for asset management and smart contracts on Ethereum blockchain. The system is designed to allow the public to purchase QuriGold tokens using their existing Ethereum compatible wallets. A customer will be able to exchange BTC/ETH for QuriGold tokens. See Figure:



## WEBSITE

Consumer facing website will contain real-time information on the current gold supply and the present and future value of our gold contracts. Our gold producers will export their project data to a common project management platform to present real-time data on the state of their projects. This data will be graphically presented on the website showing the milestones and fiat release past/current/future to the company based on those milestones. A real-time chart shows the total value of all gold in our network, both physical as well as the PV and FV of the contracts for a user to be able to form a complete picture of the value inherent in the network at any given time.

## WALLET

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Rather than associate ourselves with a particular exchange and force our users to open a wallet with providers such as Coinbase, Exodus or Bitrexx, we chose to operate our network completely compatible with ERC-20 standard. This way, users can choose their own wallet or keep the wallet they already use.

At publishing time, the following wallets will be compatible with our STO and beyond (this list has been steadily growing and new wallets are added frequently):

- [MyEtherWallet](#) (no download needed)
- [MetaMask](#) (Firefox and Chrome browser addon)
- [Mist](#) (Desktop)
- [Parity](#) (Desktop)
- [Parity](#) + [Ledger](#) (Hardware wallet)
- [imToken](#) (iPhone)
- [imToken](#) (Android)
- [Trust](#) (iPhone)
- [Trust](#) (Android)
- [Cipher](#) (iPhone)
- [Cipher](#) (Android)
- [MyEtherWallet](#) + [Ledger](#) (Hardware Wallet)
- [MyEtherWallet](#) + [Trezor](#) (Hardware wallet)

Keeping with QuriGold's commitment to the Quri Holder Value, we chose to take the route that will provide our token holders with the most freedom as well as security in how they can buy and sell our tokens. Additionally, this approach does not require additional resources dedicated to the development of proprietary wallets solutions. Rules governing the transactions, gas limits and time limits are all definable via smart contracts and therefore do not require any additional changes on the user side. Users can enjoy using the interface they are used to without making any changes to their cryptocurrency workflow.



## BACKEND

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QuriGold is built on Ethereum, a blockchain-based distributed computing platform that allows to run smart contracts. By using Ethereum as the abstract foundational layer, QuriGold is ample to implement all the features and rules associated with issuance of the tokens and handling of the transactions and balances directly into smart contracts, which are deployed and processed by the entire network. By using the Ethereum infrastructure with the purpose of validating transactions and adding new blocks to the blockchain, we minimize any possible attack on the token.

QuriGold uses Geth (Go-Ethereum - <https://github.com/ethereum/go-ethereum>). Geth is a multipurpose command line tool that runs a full Ethereum node implemented in Go. Geth implementation allows one to take part in the Ethereum live network or initiate its own genesis node and create a private blockchain as is in our implementation. The Geth is running on a Linux server. Communication with Geth, is managed through the Node.js intermediary application and the Ethereum network.

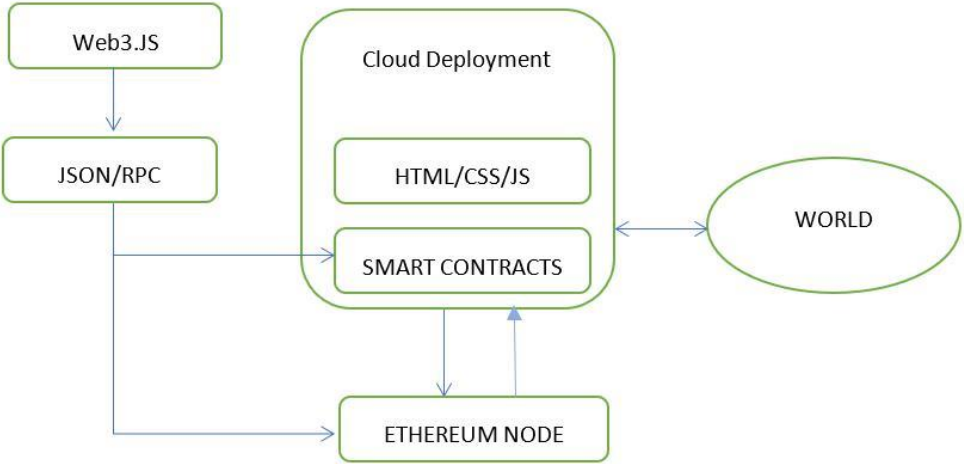
The applications connecting to the Ethereum blockchain are built on Trufe (<https://github.com/ConsenSys/trufe>). Trufe is a development environment, testing framework and asset pipeline for Ethereum. We use Ethereum Trufe for:

- Built-in smart contract compilation, linking, deployment and binary management
- Configurable build pipeline with support for custom build processes
- Network management for deploying to our private network

The communication between the Ethereum blockchain and the web-applications (such as wallets) is managed using the Web3.js framework (<https://github.com/ethereum/web3.js/>). Web3.js is the Ethereum compatible JavaScript API, which implements the Generic JSON RPC spec. The communication layer between GETH and the front-end application is implemented using Node.js, which uses an event- driven, non-blocking I/O model that allows it to manage communications between the users and QuriGold. The Node.js application is communicating with GETH through IPCs (Internal Procedure Calls). The Node.js application is sharing the same server with Geth.

Communication with the Ethereum node is done through the JSON RPC API. JSON-RPC is a stateless, light-weight Remote Procedure Call (RPC) protocol. Primarily, this specification defines several data structures and the rules around their processing. It is transport agnostic in that the concepts can be used within the same process, over sockets, over HTTP or in many various message-passing environments.

It uses the JSON (RFC 4627) as data format. Any frontend applications communicate with the Intermediate Layer Web Sockets and a REST API. See figure below:



## 12 QURIGOLD ROADMAP



### INITIAL FUNDRAISING

- Full Marketing Strategy Implementation
- Crowdfunding – soft Launch
- Incentives Developed
- Initial Gold Delivery Contract(s) Secured
- Legal Status Finalized

### DEVELOPMENT

- Dev Team Formation
- Core Development Completion
- Security/Pre-ICO Ready
- Scale-up Ready
- Payment processing established

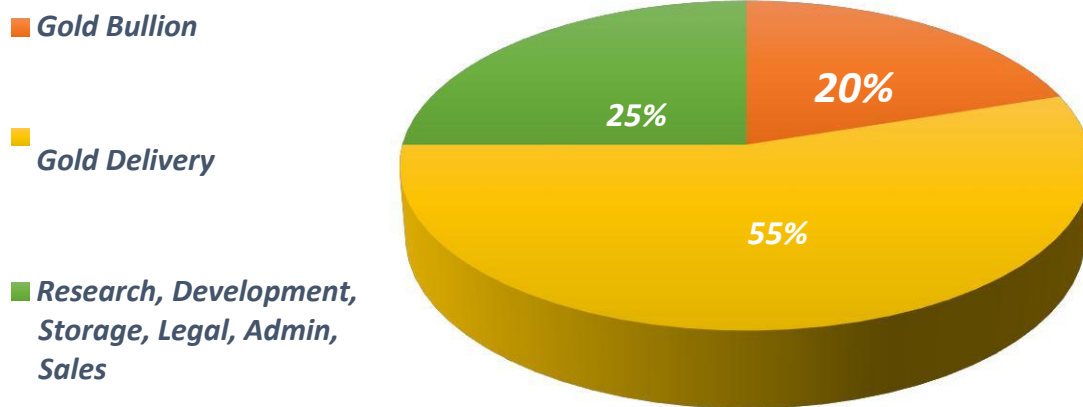


### INITIAL SECURITY OFFERING

- Server Capacity Scale-Up as Needed Based on Demand
- Website Integration
- Producer Integration
- Integration with Additional Payment Processors and Exchanges
- Public Offering



## USE OF FUNDS



### Gold Bullion: 20%

Our token will hold initially 20% gold bullion residing in a fully auditable location and be purchased through recognized financial channels at market prices

### Gold Delivery Contracts: 55%

The gold delivery contracts will be negotiated by QuriSolutions directly with gold producers. These will have a varying degree of delivery timelines, cost per ounce and contract size. Our plan is to have a significant number of producers contracted to deliver a diversified stream of deliverable gold

### Corporate: 25%

There are costs associated with gold storage as well as due diligence and legal per delivery contract. Capital for ongoing maintenance, administration and sales to run this token enterprise is needed. Research and development will be a small portion of the costs but is needed to maintain our high standards.

## THE TEAM

**Chris MacPherson – CoFounder** - Chris has 25 years' experience in finance, banking and entrepreneurial enterprises in the North American markets. He has extensive experience in the capital markets and is co-founder of Mojo Games. Chris has been responsible for finance and marketing activities, funding and acquisition opportunities as well as assisting in strategic and tactical matters. He has sat on a number of boards, including BC Hydro and Westech.

**Genya Kaplun– CoFounder** - Genya boasts over 20 years of experience in IT industry. He spent last 10 as an IT manager, responsible for design, scale-up and operations of IT infrastructure at CBI Consultants. Genya has deep understanding of the current state of the industry as well as technology. He has been providing professional consulting services in the area of secure communications, points of sale security and penetration preparedness for the past 10 years.

**Ava Bolhari – CTO** - Ava has spent the past 13 years working with Big Data in banking, financial and medical research industries. She has extensive experience in all aspects of Data warehouse design and architecture, Data Modeling, BI and analytics, Data Integration and Data visualization. In a Senior Data Engineer capacity, Ava has been responsible for conceptual design and architecture of the data infrastructure for a large number of successful projects both in the banking and the biomedical research fields. Additionally, Ava has extensive development experience with proficiency in .Net framework.

## Advisors

**Dr. Anjum Siddiqui – PhD Economics** - Dr. Siddiqui is a senior economist and scholar with diverse expertise in monetary economics, macroeconomics, finance, and international business. He is an internationally recognized scholar in policy oriented macroeconomic research which has been published in reputable journals and recognized by peers. Dr. Siddiqui has senior leadership and management experience in the banking sector. As the Senior Executive Vice President and Chief Economist and Head of Strategic Planning at National Bank of Pakistan (NBP), he was the Lead Economist representing NBP in the \$300 million "Banking Sector Reform Project" for Pakistan, financed by the World Bank