

LitePaper

version 1.0



MOONGATE

| The world's leading cryptocurrency mining investment company

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OPPORTUNITY

As a new investment market, the overall market scale of cryptocurrencies has increased about 110 times in the last 5 years. In April 2021, the total market value exceeded US\$2 trillion. There are more than 221 million people involved in cryptocurrency trading over the world.

The reason why the cryptocurrency market has such rapid growth, is largely affected by the over-issuance of unanchored currencies such as the US dollar. In June 2021, the year-on-year inflation rate of the US dollar hit a new record of 5.3% and exceeded the eve of any financial crisis in history. At the same time, the innovation of blockchain technology with the advantages of efficiency and convenience in the financial field has significantly impacted the traditional financial market share. The decentralized finance DeFi has attracted more than US\$100 billion by the smart contracts in less than one year.

Bitcoin — the best-performing asset class



Today, more than 10,749 cryptocurrencies can be invested and traded in the world, of which Bitcoin has taken nearly 60% of the market share. First Bitcoin transaction started in 2009, and in the last 12 years, the price of BTC has increased by 17,000 times as more and more people are using Bitcoin.

As the earliest cryptocurrency, BTC has already been accepted as an online payment choice by those payment gateway giants, such as PayPal, Square, etc. As early as 2013, US Securities and Exchange Commission (SEC) approved the first Bitcoin Trust in the world, the Grayscale Bitcoin Trust (GBTC), opened the investment door to traditional institutions and high-net-worth individuals. In May 2021, El Salvador became the first country to adopt Bitcoin as a legal tender, which is another milestone for Bitcoin.

Bitcoin is obtained neither through physical printing, nor through any issuing agency like a central bank. It has a decentralized mutual authentication system, which allows all computers around the world to access and to obtain Bitcoin as a "reward" by completing a specific encryption algorithm. The decentralized operation of Bitcoin with the only total of 21million tokens are very similar to gold. Hence, it is called "digital gold" by many investors, and the method of obtaining Bitcoin is also called "mining".

OPPORTUNITY

Mining - a smarter choice

The price volatility of Bitcoin is exceptionally high. In 2021, the highest price of Bitcoin was more than US\$64,000, and the annualized volatility of return was above 81%. In a bear market, the large retracement of stocks is about 60%, and the large retracement of funds is about 50%. However, Bitcoin suffered the deepest decline of nearly 90% in previous bear market. These are the difficult factors for investors to trade Bitcoin.

Bitcoin mining is another option for investing in Bitcoin. From April 2017 to April 2021, the price of Bitcoin increased by 720%. Even though the Bitcoin mining hashrate scale has increased by 100 times in the last four years, the revenue of mining hashrate per unit has increased by 350% in the last year. For long-term Bitcoin investors, mining is a better choice. In the first three months of 2021, the Bitcoin mining investors have shared profit of US\$4.194 billion.



PROBLEM

To participate in Bitcoin mining, there are two main methods currently in the market, "deploying physical mining equipment" and "purchasing cloud mining". Deploying physical mining equipment requires extremely complete conditions of implementation: 1. Stable policy factors; 2. Sufficient power resources; 3. Experienced technical operations. Cloud mining is a remote mining model to obtain revenue by signing an online contract with a professional mining operator and leasing hashrate for mining. Regardless which method to choose, for ordinary investors, they will face the following risks:



Policy risk

Bitcoin always faces a lot of regulatory disputes in a few countries, like China. In May 2021, China issued multiple bans to ban Bitcoin mine. In the next two weeks, Bitcoin entire network hashrate has been cut by 50%. Selling mining equipment, shutting down production and moving mining pools led directly to hundreds of millions of dollars in losses to investors.

As the country with the lowest Bitcoin mining cost in the world, Venezuela banned crypto mining operations and prohibited people from importing mining equipment and private mines since 2018, to prevent the legal tender from completely abandoned, and on the other hand, it was also because of the power shortages.



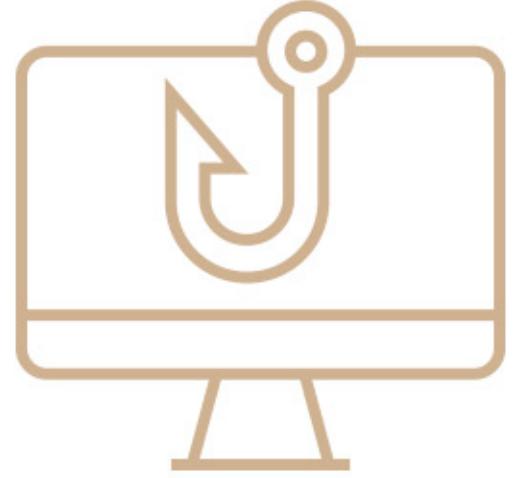
Price fluctuations

The costs of Bitcoin mining mainly include electricity fee, custody fee and mining equipment, and the price of mining equipment usually fluctuates greatly.

For example, during this bull market in Jan 2021, the famous mining equipment manufacturer Bitmain launched the latest mining machine Ant S19pro, the official price was US\$4,300. However, the actual market price was as high as US\$7700 and will not be shipped till August at the earliest. According to the official price, the cost recovery period is 6 months. If take the market price and the waiting period for delivery into consideration, even if the Bitcoin price stabilizes above US\$30,000, the cost recovery period is at least three times more.

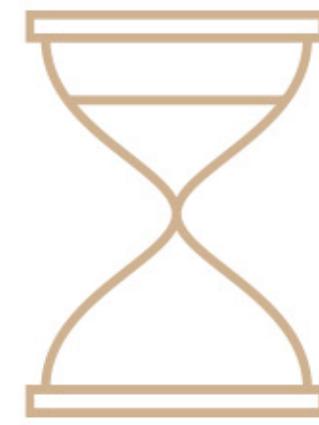
During previous bull market at end of 2017, the Baikal B mining machine with ex-factory price of US\$4,600. The highest market price even hit US\$20,000. However, in April 2018, as the single-day profit of Bitcoin mining dropped by more than 90%, the mining machine price also dropped below US\$1,500 and was rarely required in the market.

PROBLEM



Scam risk

Due to the numerous cloud crypto mining platform scams and the lack of supervision, the reputation of cloud crypto mining is getting worse. Security researchers at the Lookout Threat Lab have identified over 170 Android apps on the market, including 25 on Google Play, scamming people interested in cryptocurrencies by providing could mining service through apps download. There is no cloud crypto mining service taken place in these apps, and more than 93,000 people have been stolen at least US\$350,000 between users paying for apps and buying additional fake upgrades and services. The loss of cloud crypto mining scam in apps is immeasurable.



Liquidity risk

Low liquidity is an important reason why cloud mining has never been able to get rid of niche products. There are some cloud mining platforms with good reputation in the market, such as HashNest. However, signing a cloud mining contract is considered as buying a low-liquidity financial product. Most platforms do not support transfer or refund during the contract period. In addition, due to the inconsistencies in the cloud mining products standards released by each platform, cross-platform transfers are impossible.



SOLUTION

Moongate Investments is a leading cryptocurrency mining asset management platform. Based on rich resources in cryptocurrency industry and excellent managerial capabilities of digital assets, Moongate Investments provides one-stop cryptocurrency mining asset management services to help investors avoid the industry risks and achieve a successful return on investment.



Selected technical service partners

Cooperate with mine operators (listed companies) that provide clean energy and own professional qualifications in Europe, North America etc.



Professional asset management

Grasp the cyclical characteristics of the cryptocurrency market and establish a specialised asset matching ROI evaluation model to optimize the allocation of mining asset.



On-chain information disclosure

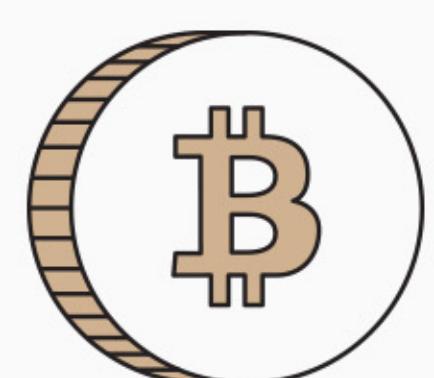
Effective information such as asset scale, revenue, and value, etc. are available on the on-chain address any time.

SOLUTION

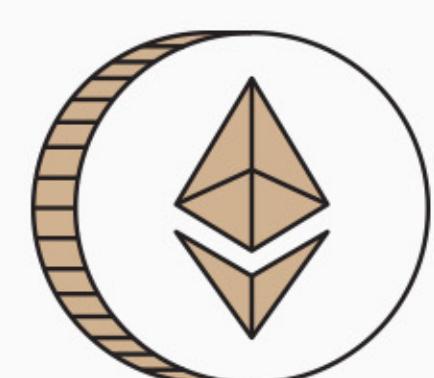
Investment portfolio

As a professional cryptocurrency mining asset management platform, besides Bitcoin, the investment portfolio of Moongate covers a wide range of assets in crypto field.

The proof-of-work consensus (PoW) used in Bitcoin mining is the most popular mining consensus in the cryptocurrency field currently, and the cryptocurrency mining based on the PoW is also the most common investment choice, including:



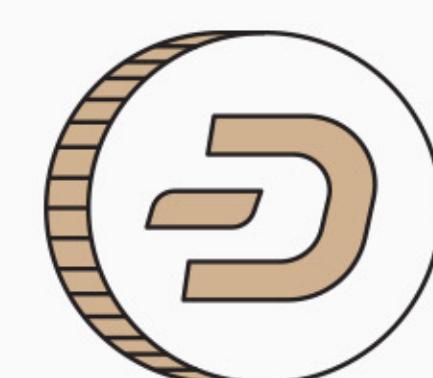
Bitcoin



Ethereum



Litecoin



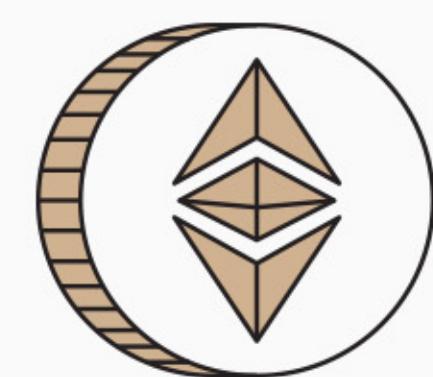
Dash



Zcash



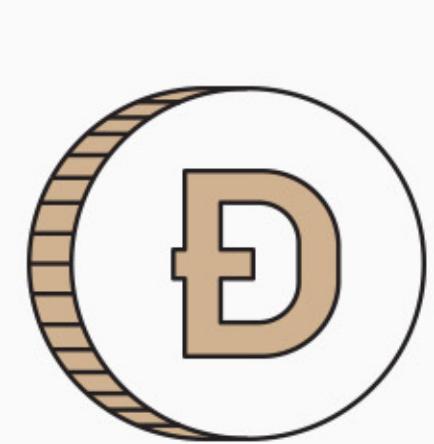
Bitcoin Cash



Ethereum Classic



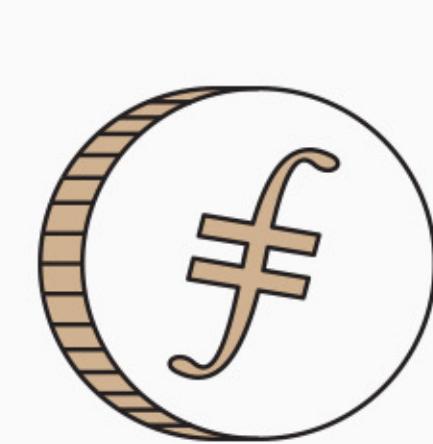
Monero



Dogecoin



DigiByte



Filecoin



Chia Network

In addition to PoW consensus, the mining projects based on time-space proof consensus (PoSt) are also very popular with mining investors in 2020, such as FIL.

SOLUTION

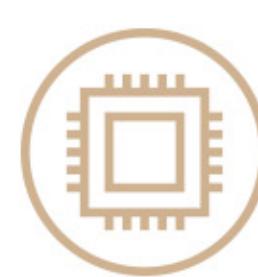
Investment criteria

Before choosing any cryptocurrency mining project, Moongate will conduct a product evaluation based on the following criteria:



Project background

investor background, team members, etc.



Core technology

technical competitiveness and code quality.



Economic model

design principles and details of token economic model.



Application scenarios

commercial applications and expandable fields.



Number of users

number of holding addresses, open interests.



Price cycle

currency price in market cyclical fluctuation.



Mining income

ROI evaluation based on mining model.

Asset classification

Through the above multi-dimensional in-depth evaluation, Moongate will divide the invested mining projects into the following three categories:

Mature

Mainstream mining currencies with stable ecology, mature industry, market compliance and high recognition (such as Bitcoin)

Developing

sustainable mining currencies generally recognized by leading exchanges and compliance agencies (such as Filcoin)



Innovative

new mining currencies that are hot in the market, with high risks, high returns, and high criteria for entry time (such as Chia)



SOLUTION

Tokenization

Traditional asset management platforms involve investors by recruiting partners, issuing funds, and even going public. For example, the famous mining stock Marathon Patent Group (Mara) in the Nasdaq in the United States. The main revenue of Mara basically comes from Bitcoin mining. Mining revenue is the main factor driving the price increase in stock. In the last year, its stock price increased by about 100 times.

Moongate attracts investors by issuing cryptocurrency "HashrateToken". Compared to Mara issuing shares in the secondary market, Moongate can attract more investors from different classes to by selling cryptocurrencies with less restrictions. Moreover, the strategy of mining portfolio assets of Moongate has more advantages.



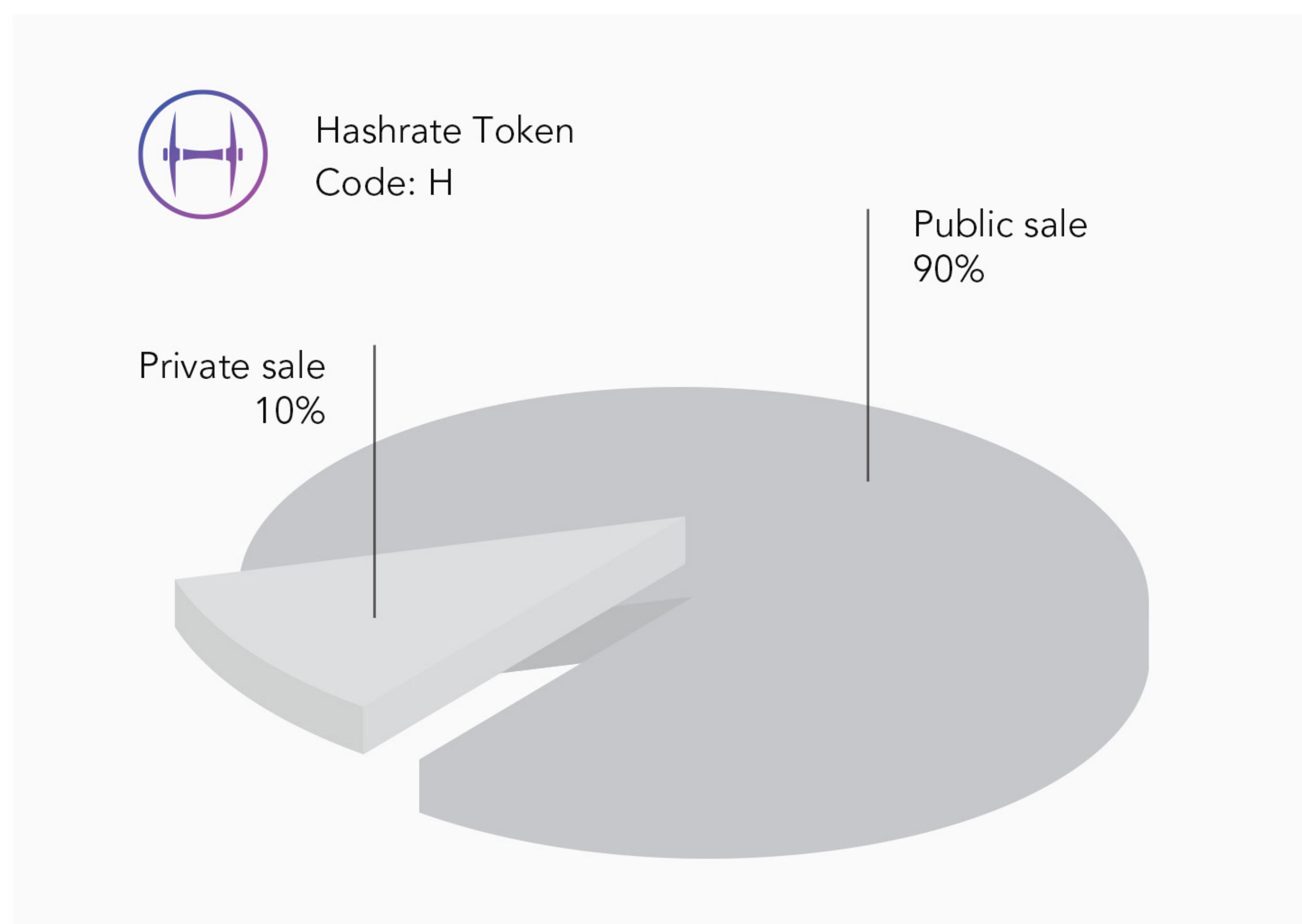
TOKENOMICS

HashrateToken is a utility token issued by Moongate Investments based on BEP20, and the symbol of token is "H". The total issuance of HashrateToken is 300 million. The distribution method of HashrateToken is 10% (30 million) for private sale and 90% for public sale. The team will not reserve any number of tokens.

Token supply

Private sale is only for professional investors or investment institutions. The private sale price of HashrateToken is US\$0.50 per token. The private sale started on May 1st, 2021, for a period of three months. The tokens from private sale will be vested in batches monthly from the first landing of crypto exchange, and the linear vesting period is 12 months.

Besides purchasing HashrateToken on exchange, investors can also participate in the public sale on the official website. The date, quantity and price of each public sale will be announced in advance. The token from public sale will be vested in batches monthly starting from the following month, and the linear vesting period is 12 months. All funds raised of HashrateToken will be used to invest in cryptocurrency mining.



TOKENOMICS



Token burning

According to the token model of HashrateToken, all funds raised from the sale of HashrateToken will be used to invest in cryptocurrency mining. The main usage of the income from the token holders investing in cryptocurrency mining is to repurchase the HashrateToken in the circulation, of which 20% will be rewarded to the operation team and 80% will be on-chain burned and destroyed.

Token rights

MinerToken holders can enjoy the following three privileges forever:



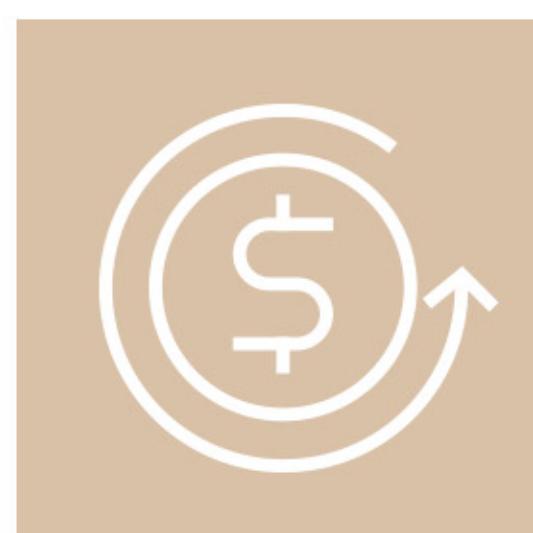
Co-governance

Vote on the usage of mining income to determine the proportion of repurchase & burn or compound investment.



Priority

Enjoy priority to participate in the public sales with an adequate number of HashrateToken.



Buyback

HashrateToken can be traded on the exchange after being released and repurchased by the project management.

ABOUT US

The management team of Moongate Investments have a strong traditional financial background. The core members have participated in the early Bitcoin mining start-up in Europe and in the United States, after diving several rounds of bull-bear conversion in the cryptocurrency market, they have extensive investment management experience. The team are committed the integration of Bitcoin payment and mining resources perennially, have strategic cooperative relations with reliable blockchain technology enterprises and crypto mining companies in Europe and in the United States.

Advisory board

This innovative business model has won the favour with many famous experts in the fields of finance, technology, venture investment, etc. They joined Moon-gate advisory board, offered great support for the project fundraising and provided consultation in their respective professional fields. The most well-known representatives in the board are Mr. Richard Wong and Dr. Rock Jin.

Richard Wong

Famous investor/Partner as DFJ DragonFund, who is focusing on investment in AI, financial technology, etc. And has invested in international impressive projects such as Yeepay, Senodia Technologies, Vechain, Hcash, Penta, OXTex, etc.

Dr. Rock Jin

Independent economist, praised by the media as "Soros's Chinese Disciple". Appointed as chief economist of Sinolink Securities, He is also the co-founder of US Sanpu Securities that was successfully listed on the Nasdaq in 1997.

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