



KINESIS

Monetary System

Blueprint

KINETICALLY CHARGED MONEY



KINESIS

Monetary System

Kinetically Charged Asset Backed Yield Bearing Monetary System of Shared Economic Wealth For a Successful and Sustainable Future

Since money belongs to the community ... it would seem that the community may control it as it wills, and therefore may make as much profit from alteration as it likes, and treat money as its own property.

Nicholas Oresme, Traictie de la Première Invention des Monnoies (1355)

We naturally imagine that the spot on which we ourselves stand is fixed, and that the things around us move. The man who is in a boat seems to see the shore departing from him, and it was the doctrine of the first philosophers that the sun moved round the earth, and not the earth round the sun. In consequence of a similar prejudice, we assume that the currency which is in all our hands, and with which we ourselves are, as it were, identified, is fixed, and that the price of bullion moves; whereas in truth, it is the currency of each nation that moves, and it is bullion, the larger article serving for the commerce of the world, which is the more fixed.

Henry Thornton, An Enquiry Into the Nature of the Paper Credit of Great Britain, 1802

Developed by the Kinesis Limited & Allocated Bullion Exchange Limited (ABX) teams in collaboration with partners and associates

Not Available to US citizens and residents who are not Accredited Investors

In the same way our sun unconditionally delivers an indiscriminate share of energy to planet Earth that stimulates life, we present a comparative energy system to stimulate the movement of money, assets and hence overall commerce and economic activity in a fair, honest and rewarding process. It is an entirely new monetary system, which is based on movement, kinetics and velocity. We name the system **Kinesis**.

The Kinesis system is an evolutionary step beyond any monetary and banking system available in the world today. It enhances money as both a store of value and a medium of exchange, and has been developed for the benefit of all. Core to the mechanics of the system is the perpetual incentive and thus stimulus for money velocity. Outside capital is attracted into Kinesis via a highly attractive risk/return ratio and then put into highly stimulated movement, promoting commerce and economic activity. This is achieved through giving money 1:1 (100%) direct allocated asset backing and then attaching a unique multifaceted yield system that fairly shares the wealth generated by the system according to participation and money velocity.

Aside from offering the greatest store of value and striving to provide the most efficient medium of exchange, Kinesis is a monetary and banking system focused on: minimising risk; maximising return; stimulating velocity and maximising the rate of adoption.

Kinesis defeats Gresham's Law of Money that asserts "bad money drives out good", by highly incentivising "good money" to circulate and be utilised as an effective medium of exchange. Someone who values money over other money is inclined to hoard it and not use it as a payment currency, but rather use the less valued currency for payments. This model has been broken in the Kinesis system as the reward for using the valued currency is so tremendously strong.

The primary currency chosen for the Kinesis monetary system is a kinetically charged physical gold backed currency. Gold being the greatest store of value, indestructible in every sense, physically rare in quantity and has been appreciated by human civilisation as money for longer than anything else. It is the money created by our universe and not by people. It is created by a rare cosmic event of two neutron stars colliding, so rare that the first time this event was witnessed by humankind was 17 August 2017. Hold gold in your hands and you can feel its energy. It is the colour of stars, it is the money of the universe. Gold is the undisputed champion of fair, honest and sustainable money. Put allocated gold on a kinetically charged decentralised rail system and you have a very special monetary system. We believe this is what we have achieved, and a lot more.

The Kinesis system can be overlaid on top of anything that can be standardised, traded and stored as value. Accordingly, we are developing a kinetically charged cryptocurrency suite with allocated title of bullion, fiat bank notes, cryptocurrencies and other assets that are securely physically and digitally stored in our allocated Kinesis banking and asset management system. By attaching a yield to currency or asset tokens, risk/return ratios can be forecasted and virtually all currency and investment asset markets can be targeted and infiltrated. As such, over time we plan for more currencies and assets to be added, ultimately infiltrating more markets spread across the world.

Kinesis will attract capital from:

- 1. Cryptocurrency markets** – currently little to no yield
- 2. The gold and silver markets** – currently little to no yield
- 3. Fiat currency markets** – low to negative yield via debt based interest rates
- 4. Investment asset markets** – comparatively low yields for stock market and property investment

Ultimately, if someone can get the same asset at the same price, but with significantly lower risk and higher return, it makes little sense for them to not choose the asset with the better risk/return ratio, particularly when significant returns are on offer. As the Kinesis monetary system is one that allocates title directly to the ultimate beneficial owner, where banks conversely hold legal title of their customer deposits and put those deposits at risk, the Kinesis system is in fact much less risky and with much greater return than legacy alternatives. With global low to negative interest rates, bail-in provisions, depositors' insurance being removed, and with banks holding legal title to their customer deposits, it makes no sense to choose risk and nil-to-negative return over the alternative Kinesis system with negligible risk and high return. In comparison to legacy fiat money and fractional banking systems, Kinesis seems too good to be true, but it isn't. Once clearly understood, Kinesis will lead a highly disruptive paradigm shift in money.

Kinesis has taken the very best properties of both old-world money and new-world innovation and combined them together to power banking and commerce in a new fair, inclusive and incentivised way. The result is something extraordinarily powerful that will change the way we all view money forever.

The primary elements of Kinesis are:

- **Gold & Silver** - The primary currencies backed 1:1 with allocated physical gold & silver – the greatest stable and definable stores of value for use in commercial and private transactions and investment.
- **Yield** - A perpetually recurring yield generated from economic activity, not from debt based interest like fiat currency – providing definable value via Net Present Value (NPV) calculations for use in commercial, institutional and retail investment.
- **Cryptocurrency technology** – can only be enhanced.
- **Blockchain** peer-to-peer decentralised distributed ledger technology – can only be enhanced.

Kinesis can never be destroyed as these elements will never go away, never be valueless and can only be enhanced. Nothing can take away the value of asset intrinsic backing and the value of future cash flows, and technology will only ever be enhanced. Gold and silver have survived the greatest test of all, time, and so too will Kinesis.

Other cryptocurrencies with value determined by the anonymous decentralised blockchain payment capabilities and their controlled supply scarcity are all at risk of losing value as their initial founding value proposition is diluted by others coming into the market with enhanced solutions. This is evidenced by Bitcoins' dominance continuing to fall and has been witnessed in many other industries and markets throughout history as competitors rise.

A major contributing factor to the volatility in cryptocurrencies is that they are impossible to value. By intrinsically backing a currency, hence back-stopping the value and defining the risk, and then placing a yield on it, hence defining the return and providing superior value, then a currency which is safe, stable and rewarding is created with a highly attractive investment risk/return ratio attached. This form of currency has necessary real-world application in both commerce and private transactions, along with attracting capital from institutional and retail investors and savers.

This is not just a currency, this is a new parallel monetary and banking system to sit alongside but integrated into the legacy problematic centrally controlled fiat and fractional monetary and banking systems. Kinesis is the undeniable superior alternative.

This model is highly revolutionary alone, however to take it the next step further, already in place is a highly disruptive retail and institutional commercialisation strategy with unique distribution and committed adoption from day one of launch. Pre-existing investment commitments are in place for the Kinesis currency suite which will surpass the largest ICO to date by a significant multitude. Kinesis is being developed and being brought to launch by a consortium of industry leading organisations in the precious metal trading, mining, refining, exchange, technology, blockchain, mobile banking, vaulting, postal system and marketing spheres. From launch the system will have extensive institutional and retail distribution, integration, liquidity and adoption. Our liquidity, which will be provided by professional bullion market participants and others, will enable billions of dollars of value to efficiently enter and exit the market. Direct and indirect integrations will provide for immediate adoption into hundreds of millions of users.

With the evolution of blockchain, cryptocurrencies and mobile devices, the people of the world have been presented with a profound opportunity. It's an opportunity to apply empowering creativity to money and be part of a person-centric revolution. We have now been enabled to adopt and support a system that individually and collectively benefits us all based upon nothing more than participation. This system combines new world decentralised technology with the oldest, fairest and most sustainable form of money, to empower and serve the interests of us all equally and capitalistically.

Welcome to Kinesis, the equally all empowering monetary system of the future.

About Us

Vision

To unrelentingly drive for positive global change by pushing the boundaries of what is achievable with money, economics and commerce for the unified advancement and betterment of all.

Mission

To develop a universally adopted decentralised asset backed monetary system that is disruptively efficient, secure, fair and commercially powerful.

Our Pillars

Secure. Efficient. Rewarding.

Our Objectives

- Empower people
- Re-monetise the world's true and honest money – Gold and Silver
- Provide maximum monetary safety and stability
- Offer a global, universal and highly inclusive currency and payments platform
- Expand mobile payment reach and utilisation to those who do not have bank accounts
- Provide the most secure form of digital data storage
- Provide meaningful commercial rewards for all involved

Our Values

At Kinesis we believe:

- Your money and your identity should be safe
- Your money should be fair, equal and honest
- You should own your money – in the fractional banking system the banks own it
- You should control and have trust in your money
- You should be able to bank outside the banking system
- Your money should be an effective store of value and efficient medium of exchange globally
- Your money should be stable and hold its value over time
- Your money should be universal – have global appreciated value, acceptance and application
- You should be able to securely, efficiently and cost-effectively transact in and transfer your money around the world in real-time
- Your money should not be eroded in value by inflationary money printing
- You should not be forced to be subjected to the risks attached to the centrally controlled legacy fiat money and fractional banking systems
- Your money should be transacted in a trustless decentralised system
- You should be able to transparently see in real-time the verified reserves held securely in trust backing your money
- You should be commercially rewarded for utilising your money and spreading the Kinesis vision

ABX & Kinesis

Landmark Event Timeline

LANDMARK EVENT TIMELINE



* **ITO** - Initial Token Offer – referring to the launch of the Kinesis Velocity Tokens

* **ICO** - Initial Coin Offer – referring to the launch of the Kinesis Digital Currency Suite

KINESIS LAUNCH TIMELINE

Kinesis Launch Timeline

**Commercialisation Campaign Begins****(KVTs & Kinesis Currency Suite)**

- Work with ABX members and precious metals industry to promote KVT & currency suite
- Work with influencers to begin spreading the vision and message of Kinesis
- Begin media and institutional sales road show around the world
- Organise retail user meetups in major cities around the world
- Continue integrations into third party platforms and crypto exchanges
- Begin online & offline marketing program
- Begin Bounty program and affiliate marketing
- Connector agent network mobilised
- Recruiter educational program established

* **KVT** - Kinesis Velocity Tokens* **Kinesis Currency** - Asset based digital currency suite

Leadership Team

Thomas Coughlin**CEO
Chief Executive Officer (Executive Director)**

Thomas Coughlin is the Chief Executive Officer (CEO) of Kinesis Limited as well as Allocated Bullion Exchange (ABX). He has worked in the investment, funds management and bullion industries for approximately seventeen years. His professional portfolio management career spans the foundation of the boutique investment company, TRAC Financial, to the establishment of a highly successful Absolute Return Fund.

Thomas has dedicated a significant part of his career working collaboratively to build the complex systems of a cross-border international bullion market with an extensive global network of central bankers, brokers, fund managers and advisers. His experience, extensive network and broad knowledge of capital markets, enable him to deliver exceptional value and insight to all stakeholders.

Michael Coughlin**CFO
Chief Financial Officer (Executive Director)**

Michael Coughlin is the Chief Financial Officer (CFO) of Allocated Bullion Exchange (ABX). His tertiary accountancy education was completed at the University of Southern Queensland, with Post Graduate studies at the University of Queensland in Economics, and Canberra University in Taxation Law.

Michael has a total of 41 years experience as a CPA in the accountancy and financial services professions. He has owned and operated a Brisbane-based public accountancy firm and financial services company since 1984. Awarded a Cadetship with the Australian Taxation Office in 1973, he worked in the assessing, business audit and investigation areas of the Australian Taxation Office, and eventually in the Interpretation and Advising Branch of the Taxation Office's Head Office in Canberra until November 1979, at which time he commenced in public practice.

David Charles**Non - Executive Director**

David Charles is a Director of the Allocated Bullion Exchange. A lawyer by trade, David has protected and advanced the interests of some of the largest and most prominent entities in the world, across four continents.

David's experience spans corporate structuring, domestic and cross-border mergers & acquisitions, capital markets and private equity, insurance, intellectual property and planning & environment law. David holds a Bachelor of Laws (Commercial Law) from the University of Queensland and a Graduate Diploma of Legal Practice. He is admitted/registered in several jurisdictions worldwide.

Leadership Team

David Underwood**Non - Executive Director**

David Underwood graduated as a teacher from the University of Southern Queensland in 1974 and worked with the Queensland Department of Education until 1977.

During his time in Queensland Parliament he was the Shadow Minister of Health, Education, Tourism and National Parks serving numerous Parliamentary Committees.

Following his resignation from Parliament, he was a consultant to business and industry for a number of years prior to becoming the Mayor of Ipswich City for four years until local government amalgamation of Ipswich City and Moreton Shire in 1995.

David has been a shareholder in ABX since its inception, and brings a wealth of experience and policy expertise to the Board.

Rosalyn Charlton**CTO
Chief Technology Officer**

Rosalyn Charlton is the Chief Technology Officer (CTO) of Allocated Bullion Exchange (ABX). As an Agile Practitioner, she has coached and led sizeable teams of professionals and directed numerous successful projects using Agile strategies.

Rosalyn is a resourceful and insightful professional with a natural disposition to strategic problem solving using both her extensive knowledge of Agile methodologies and her inherent problem solving skills. Applying these skills through strategic architectures and technologies, Rosalyn ensures that business objectives are always fully comprehended and met.

Her areas of expertise include IT Strategy, Strategic Management, Agile Development and Management Methodologies, SCRUM, Kanban, Enterprise Architecture Principles, Development Team Leadership and Management, Effective Team Dynamics, Collaborative Management, Change Management, Business Process Design and Analysis.

Eric Maine**CSO
Chief Strategy Officer**

Eric Maine has more than 30 years of senior management experience in the exchange and financial markets. His most recent positions in the Asia Pacific Region included Director of Market Development at the Hong Kong Mercantile Exchange (HKMEx), Head of Product Development and Management at Singapore Exchange (SGX), and Head of Product & Research at Singapore Mercantile Exchange (SMX). Eric has also held positions at Intercontinental Exchange (ICE) and the New York Board of Trade.

Outside of the exchange space, Eric has held senior level management positions, including Senior Managing Director of Canning/Maine Inc, a New York based investment firm, Managing Director/Head of Metals at Allied Irish Banks and Vice President of Metals and Mining at Prudential-Bache (now Jefferies Bache).

Leadership Team

Richard Melbourne



Head of Member Services

Richard Melbourne is Head of Member Services at Allocated Bullion Exchange (ABX). Richard has spent the past decade within the Financial Services industry as a senior investment advisor and head of operations at both boutique specialty investment firms, along with internationally respected investment houses. Richard has always been in customer facing roles and understands the significant value of delivering excellence in customer experience.

Richard holds a Bachelor of Business, majoring in both management and finance from Griffith University and has also studied international markets abroad at The University of Sheffield in the UK. His experience building relationships with institutional and sophisticated clients, each from highly varying industries, underpins the unrivaled level of customer satisfaction he aims to deliver in this role.

Dan Ryan



General Counsel

Dan Ryan is a commercial and technology lawyer with over 15 years' high-level advisory and transactional experience in Asia. Mr Ryan began his career working for leading international law firms (Baker & McKenzie, Freshfields) in their corporate, intellectual property and technology groups before moving to senior in-house roles.

He has served as a director on a range of boards – from publicly-listed multinationals, to fast-moving technology start-ups. In addition to his legal background, he reads and speaks Mandarin to a very high professional level, and has particular expertise in the China market.

Peter Magan



Operations Manager

Peter is a highly experienced financial services professional with extensive knowledge of trading, operations and systems for multiple financial instruments and products in the European, North American and Asian markets. With over 25 years of wide ranging business experience, Peter held a variety of Back and Middle Office positions with top tier financial institutions in London before moving to Singapore to head up the establishment of regional Asia Pacific Futures Middle Offices, firstly for MF Global and then ICAP.

MARKET PROBLEMS BEING SOLVED

Market Problems Being Solved

Kinesis provides for strong solutions to many problems embedded in various different markets. The main markets are listed in the table below.

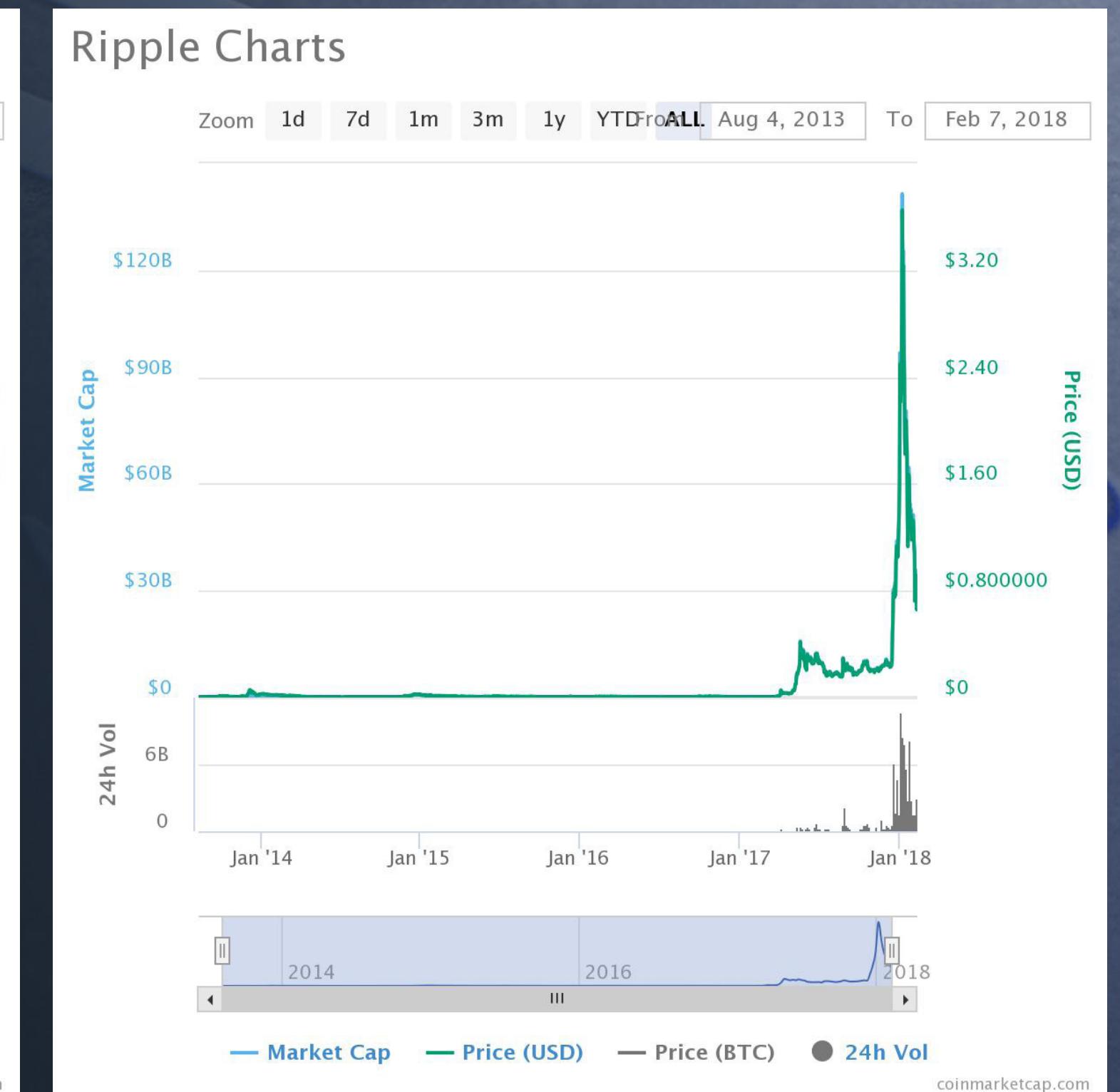
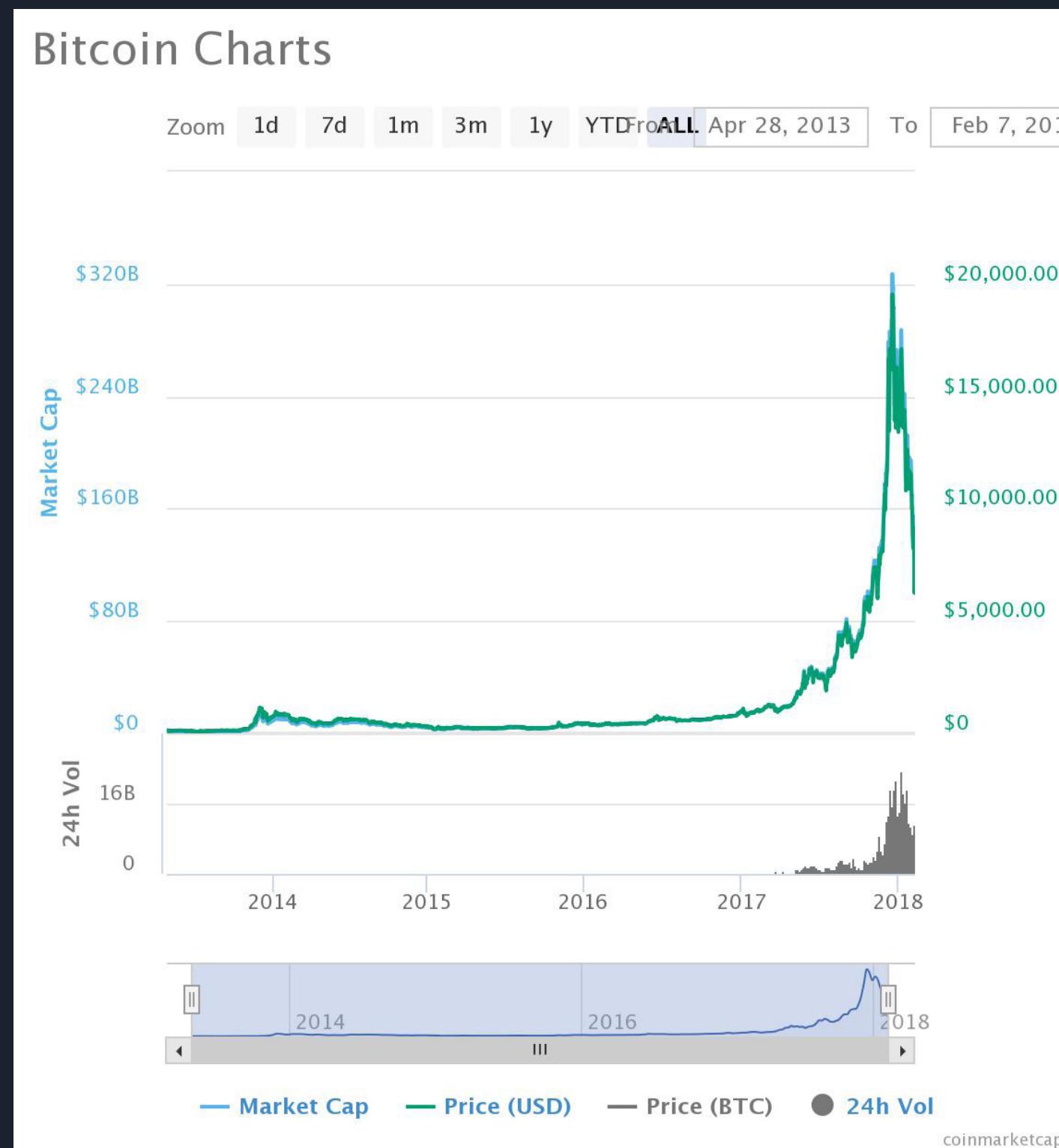
| | Cryptocurrencies | Fiat Currencies | Asset Backed Currencies | Unallocated Bullion Markets |
|-------------------------------|------------------|-----------------|-------------------------|-----------------------------|
| Store of Value: | | | | |
| Devaluation | | Solved | | Solved |
| Volatility | Solved | | | Solved |
| Security | Solved | Solved | Solved | Solved |
| Counterparty Risk | | Solved | Solved | Solved |
| Manipulation | Solved | Solved | | Solved |
| Medium of Exchange: | | | | |
| Efficiency | | Solved | | Solved |
| Costly | | Solved | | |
| Liquidity | Solved | | Solved | |
| Velocity | Solved | Solved | Solved | Solved |
| Gresham's Law of Money | Solved | | Solved | Solved |
| Yield | Solved | Solved | Solved | Solved |

The boxes filled in blue indicate the major market problems that Kinesis solves.

Cryptocurrency Market Problems

Volatility in cryptocurrencies makes them non-viable stores of value, hence non-viable currencies. They cannot possibly serve what money is designed to serve... Commerce!

- A currency must be stable and as close as possible as the fixed article of exchange in an economy.
- Looking at the charts below of the three largest cryptocurrencies (not small obscure cryptocurrencies), it is clear that they are simply not viable reserve currencies that can facilitate global commerce.
- How can a business with budgeted profit margins even momentarily accept these currencies as a form of payment, yet alone as a reserve currency to sit on their balance sheet? It's simply not possible, and money was created to serve and bring efficiency to commercial transactions.
- The early cryptocurrencies are the pioneers for the future, however in their current form and without intrinsic value have limited commercial application and sustainability, and as such a limited life.
- They do however pave the way forward for new and improved innovations – **enter Kinesis!**



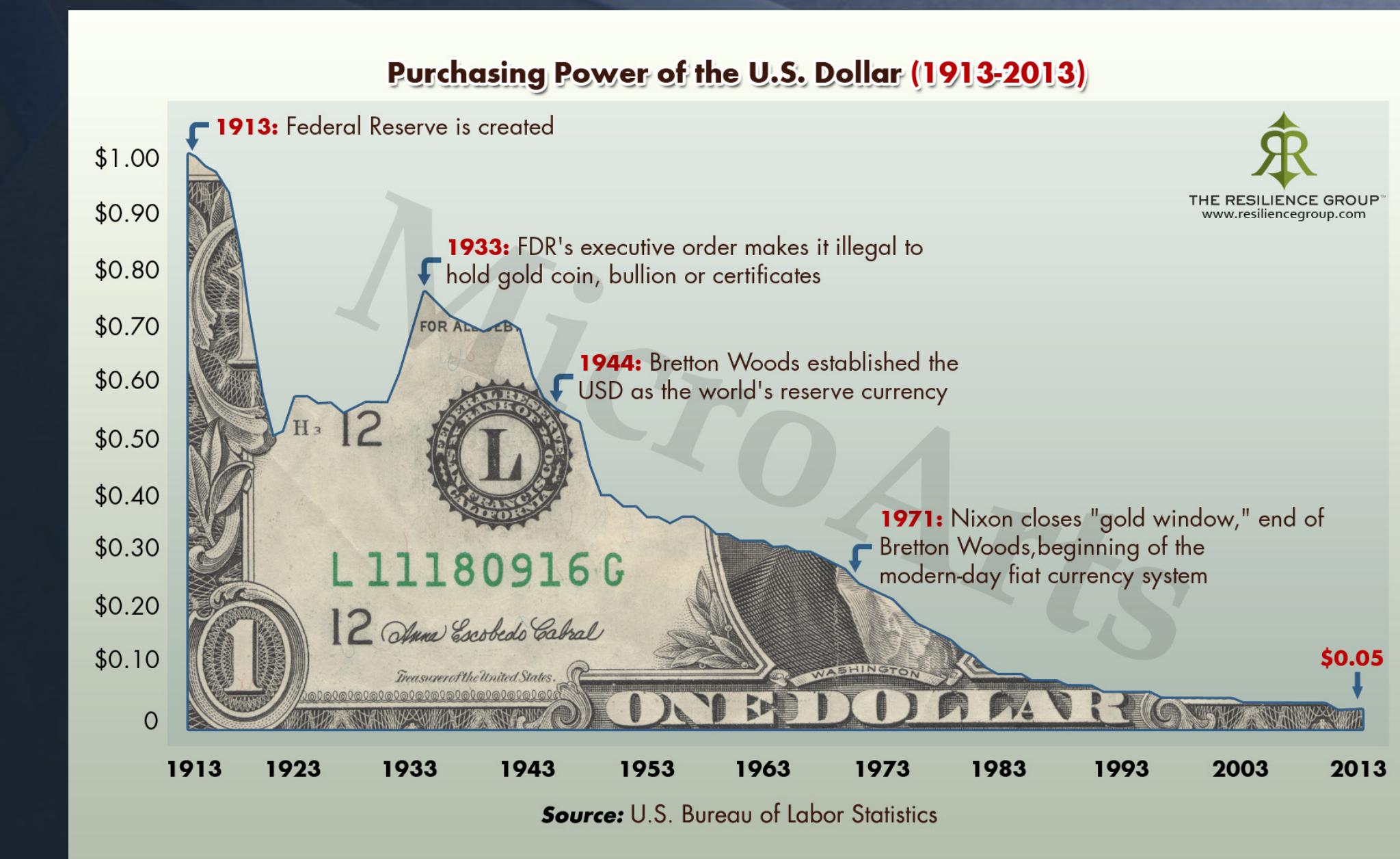
Fiat Currency Market Problems

Fiat Currencies are a terrible Store of Value and only have a finite shelf-life.

- The history of fiat money has been one of clear failure, put simply they never survive very long. In fact, EVERY fiat currency since the Romans first began the practice in the first century has ended in devaluation and eventual collapse, of not only the currency, but of the economy that housed the fiat currency as well.
- Central Banks print and devalue money causing price inflation as and when they choose to keep commercial banks lending and consumers spending to maintain economic growth in Nominal terms (without inflation taken into account) in our consumption based economy.
- Currently bank deposits globally are almost universally losing money in Real terms by paying interest below the rate of inflation.
- The counterparty risk of depositing funds with a bank (giving title of your money to a bank) and for no reward is not a good deal for the depositor and makes no investment sense, particularly with bail-in provisions, depositors insurance being removed and interest rates being negligible. **It's a terrible deal to deposit money in the bank.**



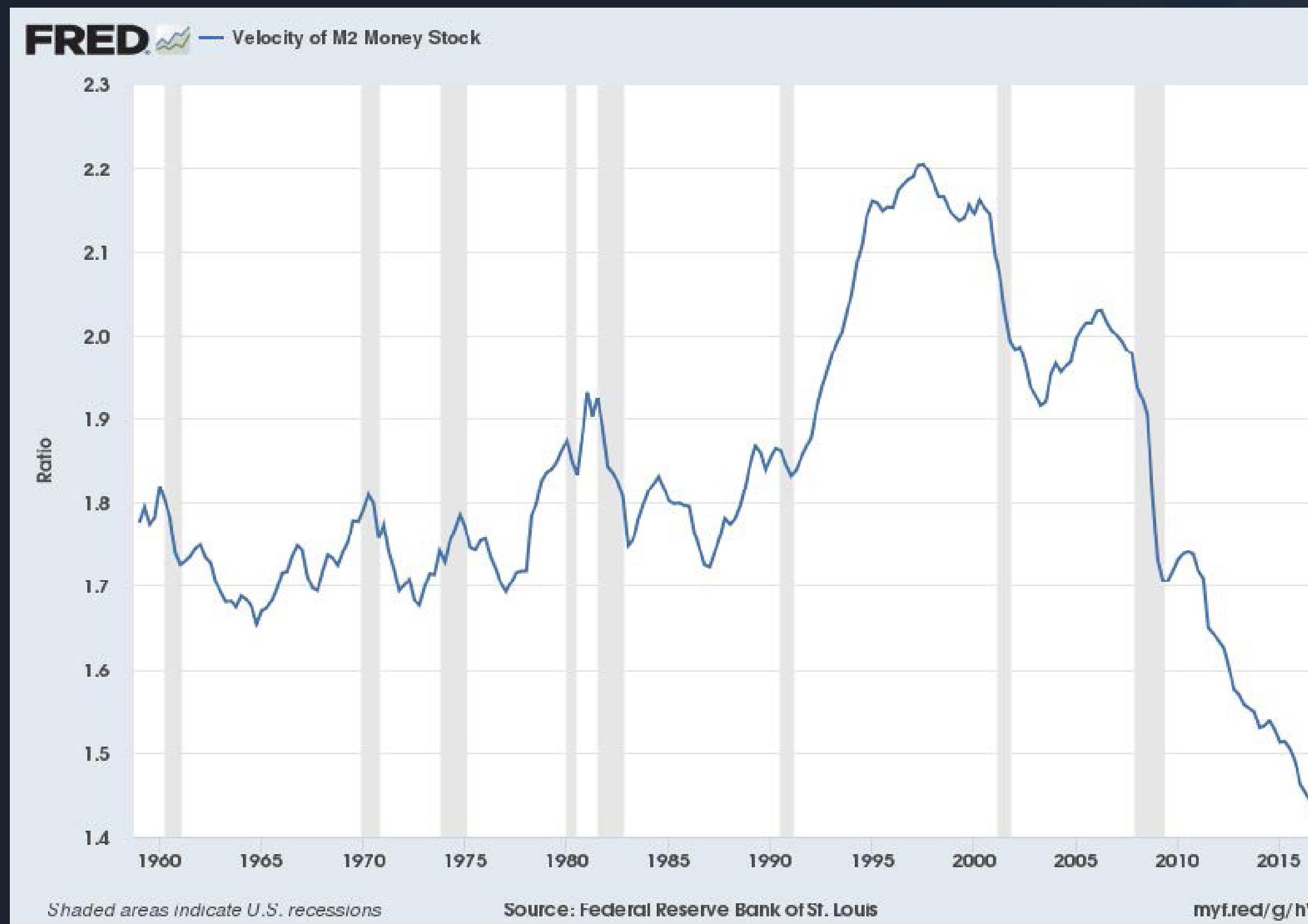
The Adjusted Monetary Base is the sum of currency in circulation outside Federal Reserve Banks and the U.S. Treasury, plus deposits held by depository institutions at Federal Reserve Banks.



US\$1 in 1913 when the US Federal Reserve was created is now worth US\$0.05 according to the official CPI measures. As can be seen from the chart, the complete removal of the gold backing has resulted in complete central planner control over the value of the currency and continuous devaluation and CPI inflation.

Fiat Currency Market Problems

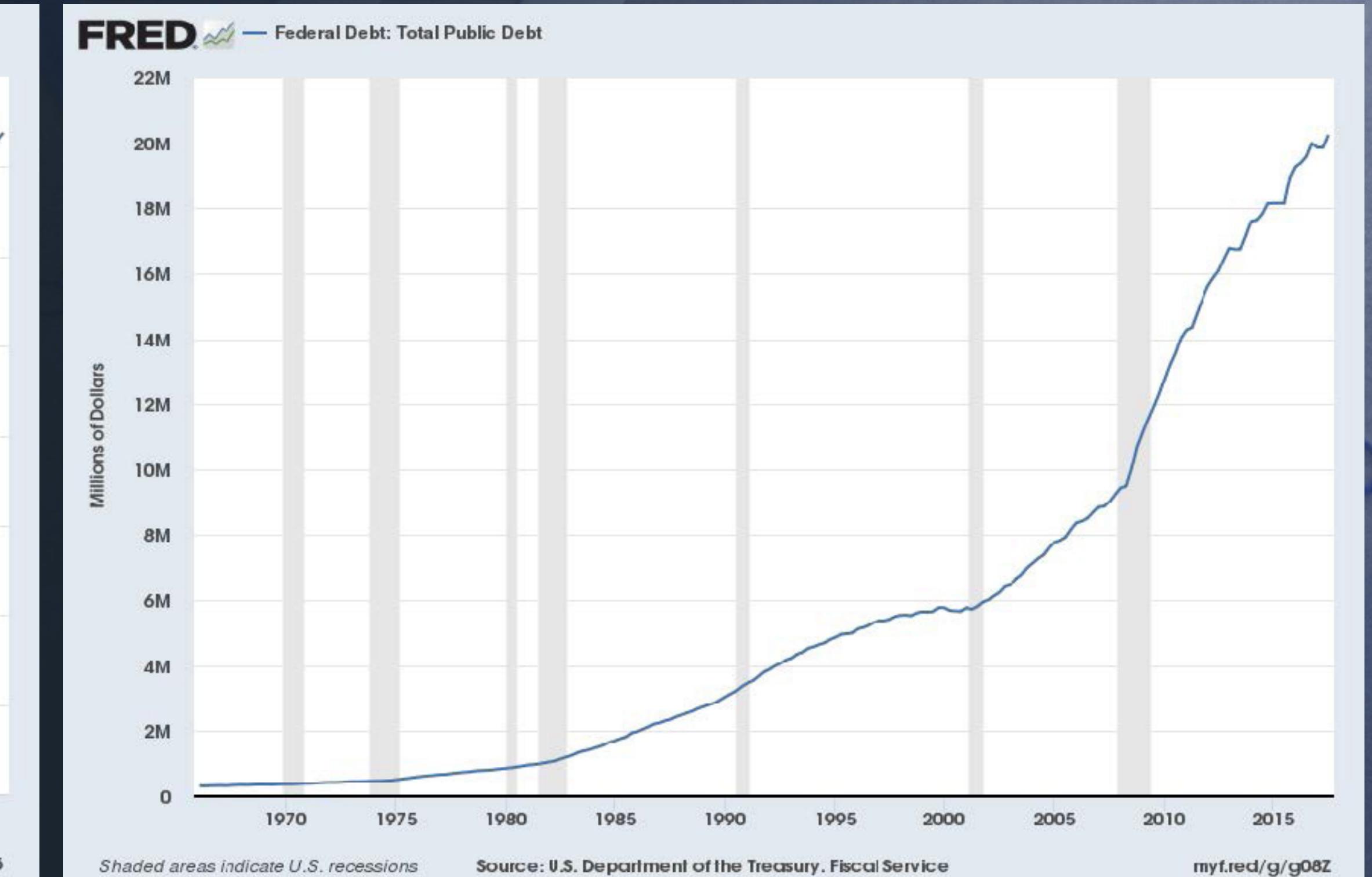
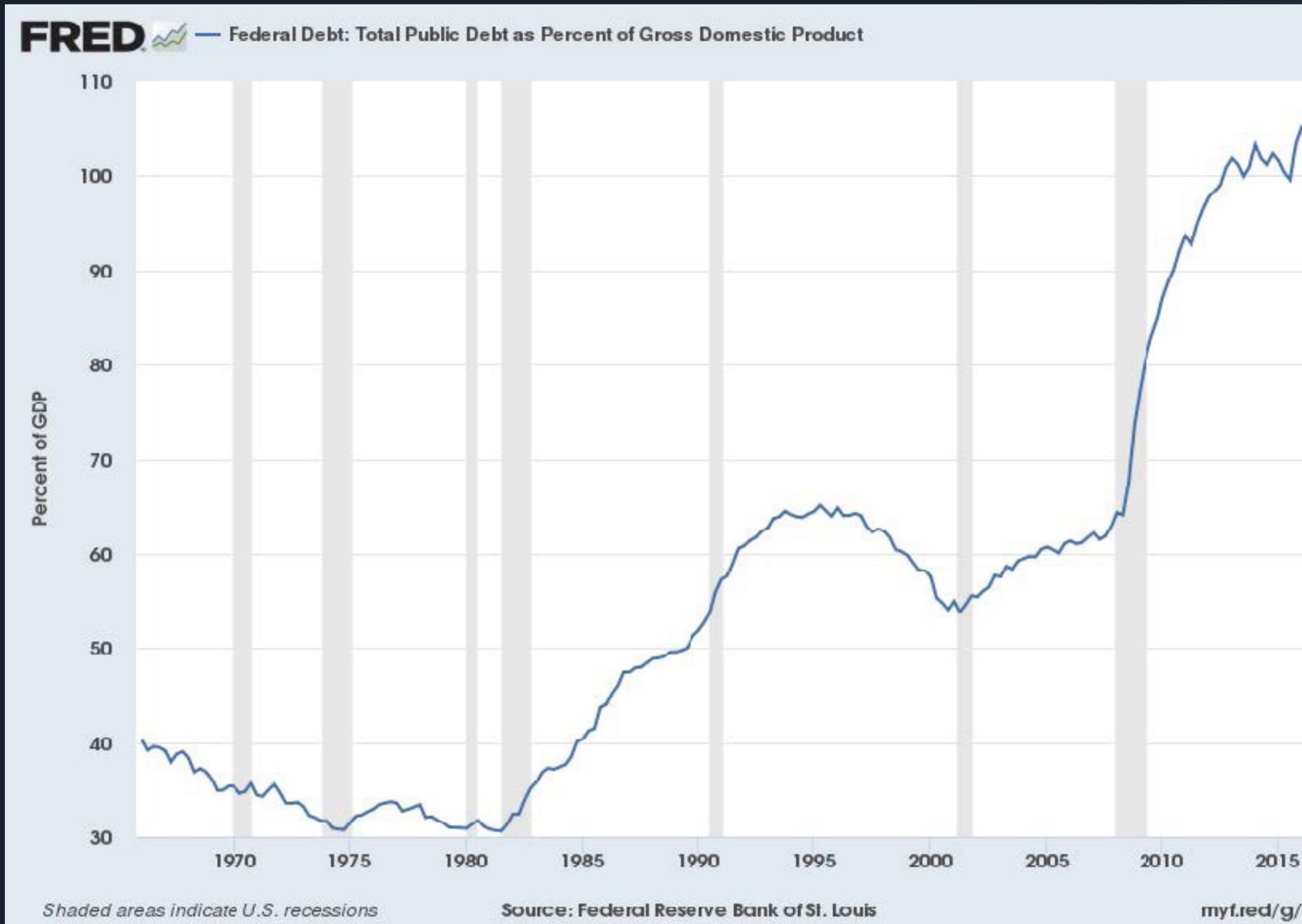
- As illustrated in this chart the printing of US dollars to stimulate economic activity is having less and less positive economic effect.
- When this happens and the government is required to finance its budget on freshly printed money. History shows that currency crashes and high inflation or even hyperinflation typically follow.
- The US government along with other major governments and monetary systems around the world are funding themselves through deficit funding from central banks.



The velocity of money is the frequency at which one unit of currency is used to purchase domestically-produced goods and services within a given time period. In other words, it is the number of times one dollar is spent to buy goods and services per unit of time. If the velocity of money is increasing, then more transactions are occurring between individuals in an economy. The frequency of currency exchange can be used to determine the velocity of a given component of the money supply, providing some insight into whether consumers and businesses are saving or spending their money.

Fiat Currency Market Problems

- The US government along with most other major governments are getting further into debt and they cannot possibly get out of it.
- Federal debt continues to rise against GDP, in nominal terms, to completely unsustainable levels.
- The US government can barely afford their interest payments on their debt, particularly if interest rates go up!
- Unfunded off-balance sheet liabilities far surpass the liabilities currently held on balance sheet and the balance sheet shows a hopelessly insolvent economy.



Asset Backed Currency Problems

Gold and asset backed payment and currency platforms have had their share of significant problems now and in the past.

Greshams' Law of Money

The first problem comes from Gresham's Law of Money – "bad money drives out good". Gresham wasn't the first economist or philosopher to identify this phenomena, but nevertheless got his name branded to it. It is basically an observation of human behaviour with money, where people who value one currency over another will hold onto and hoard the more valued currency and spend the currency they value less. In the case of gold and silver, people who hold it over legal tender fiat currency, typically do not wish to spend it, choosing the less valued fiat currency to spend.

Kinesis defeats Gresham's Law phenomena by highly incentivising people to utilise the currency through a multifaceted reward system based upon participation and money velocity.

Yield

The second problem comes from the fact precious metals and many other assets have no yield attached to them. Further to this, they actually typically cost money to hold securely. In this respect, a yielding asset like interest bearing bank deposits or stocks paying dividends become a more attractive investment option for investors looking for a yield on their investments.

Kinesis solves the problem of precious metals not having a yield by attaching multiple yields for all kinds of passive or active participation. As illustrated in slides below, the forecasted model of the multifaceted yield system offers a more attractive alternative than the yields on offer for passive investors, as well as, highly incentivising participation by those who wish to be active.

Security

The final major problem revolves around security. There have been multiple cases of fraud throughout history involving precious metals and other assets and using them as a payment solution. An investor must clearly be cautious in who they invest with to avoid the real risk of fraud and theft. At the time of this writing, Tether, a company that issues a widely traded cryptocurrency claimed to be backed by US dollars, had been subpoenaed under mysterious and nefarious appearing circumstances around the USD backing of their cryptocurrency. We take a neutral view on Tether, however there had been complaints circulating the internet for a prolonged period that there were issues in actually redeeming the crypto for USD. This Bloomberg article broke the news and all one needs to do is a google search to understand the situation.

Kinesis utilises the multi-layered third-party audit and verification system of ABX's Quality Assurance Framework. ABX is a global wholesale spot bullion exchange which has been operating without blemish since 2013 and has large physical broker/dealers and traders around the world entrusting its systems. Further, large partnerships are in place with the likes of Deutsche Borse Group, one of the largest exchange groups in the world, government owned postal systems, like PT Pos Indonesia, as well as, established large mobile banking and vaulting partners. The physical handling, clearing, storage and delivery mechanics are currently being integrated into a Deutsche Borse Group regulated commodity clearinghouse, European Commodity Clearing, who must also maintain approval and acceptance from the German financial regulator. All bullion has a verified audit trail with multi-layered third-party audit and verification in place and regularly audited and transparent holdings system. Please see ECC/ABX Announcement and ABX/PT Pos Announcement.

Bullion Market Problems

Archaic & Inefficient Market

Wholesale market participants currently trade OTC and in the physical markets largely outside of the electronic environment either via phone, email, or in person. These systems are completely manual, problematic, inefficient and costly. Phone dealing desks are costly and involve manually booking a trade, placing a physical order with a supplier and hedging the trade. There is an acceptance in the market that the legacy OTC London market architecture is outdated and there is a need for a transition to new globally efficient digital system.

Kinesis via its institutional integration with ABX and its operationally segregated wholesale contracts, which offer serial number and bar hallmark, provides an ideal solution for bi-lateral wholesale trading through the blockchain. This solution will be promoted in partnership with ABX and their extensive network of institutional partners.

Siloed and Disconnected

Local physical markets currently trade in a very siloed manner, completely independent and disconnected from one another.

- *We interface these markets and aggregate global physical liquidity.*

Limited Resources

Many organisations do not have the resources to conduct the necessary due diligence, understand the regulatory framework and establish global operations.

- *We allow local market participants to expand their horizons internationally. This enables them to benefit from international liquidity and attract international clients.*

Barriers to Entry

There are significant barriers of entry into the physical market in each location. Outside of the big bullion banks or international trading houses, local market participants are only trading in their home region and only facing local clients. As a result there has been no pre-existing global aggregator platform and substantial price differentials exist in the different liquidity centres around the world.

- *We break down the barriers to entry to each physical market.*
- *We directly interface these trading centres allowing traders to arbitrage the differential. Accordingly, we contend we will flatten the global prices of physical gold and silver.*

| | London Market | ABX | Kinesis Wholesale Exchange | Kinesis Blockchain Network |
|--------------------|----------------------------------|--------------------------------|--------------------------------|-------------------------------|
| Market Type | OTC | Centrally Cleared | Centrally Cleared | Blockchain Peer-to-Peer |
| Fractional Reserve | Yes | No | No | No |
| Full-Reserve | No | Yes | Yes | Yes |
| Market Location | London | Global | Global | Global |
| Price | London | Global | Global | Global |
| Title of Ownership | Unallocated Held by Custodian | Allocated Held by Investor | Allocated Held by Investor | Allocated Held by Investor |
| Transparency | Low | High | High | High |
| Re-Hypothecation | Yes | No | No | No |
| Price Manipulation | Open | Not possible | Not possible | Not possible |
| Global Logistics | Inefficient & Expensive | Efficient & Cost- Effective | Efficient & Cost- Effective | Efficient & Cost-Effective |
| Market Hours | 24 hours, 5 days per week | 23 hours, 5 days per week | 23 hours, 5 days per week | 24 hours, 7 days per week |

Bullion Market Problems

Precious Metal Producers Do Not Have Access To The Wholesale Market

- Unlike in the energy or base commodity space, precious metal mining producers (suppliers) have no pre-existing way to enter the wholesale market directly.
- There are challenging barriers to entry for end consumers (Jewellers, Manufacturers & Investors) to directly access the wholesale market. The physical trade flow of bullion typically passes through a series of intermediaries.

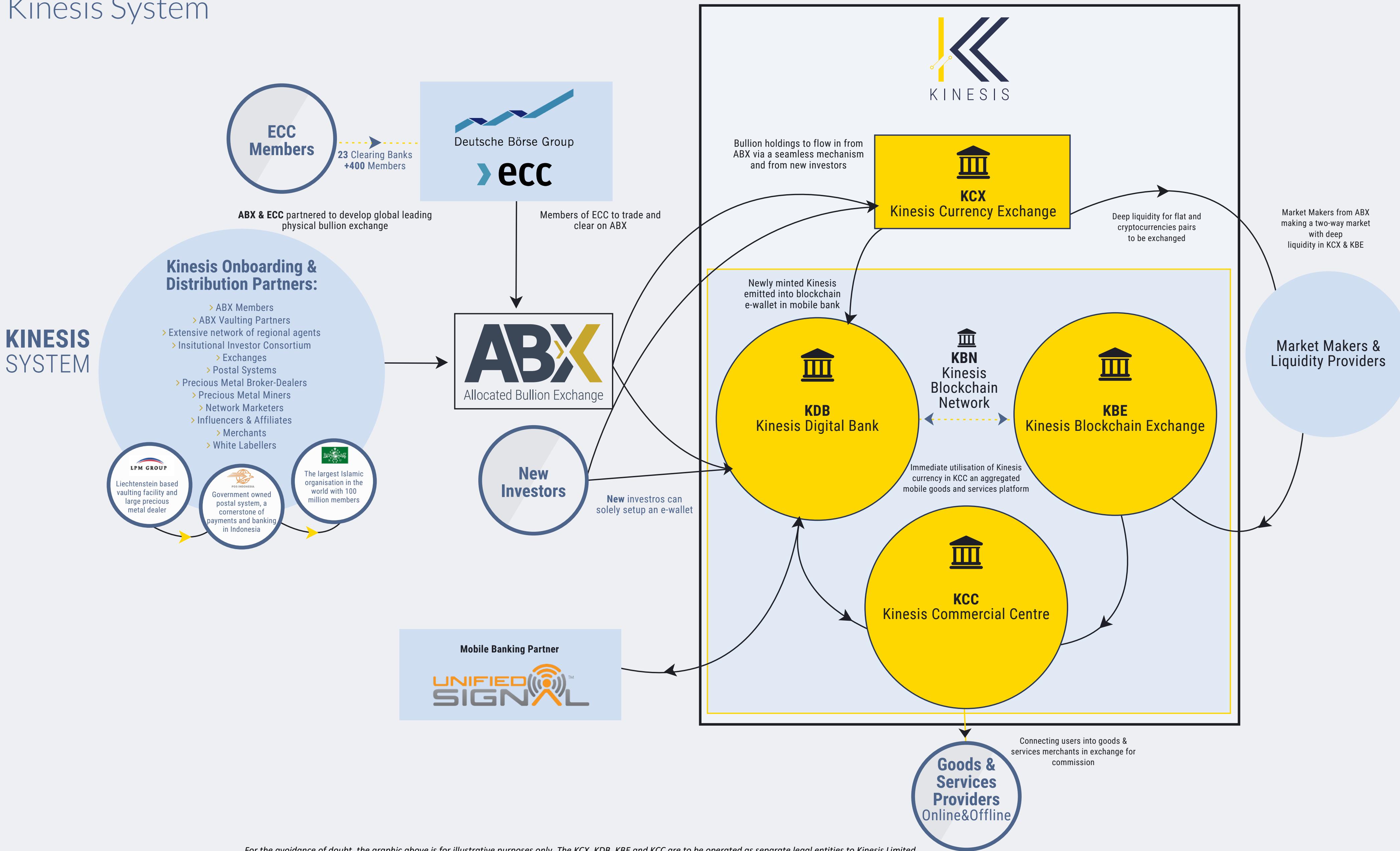


Kinesis Solutions

- Kinesis provides this facility to enable suppliers to act as Liquidity Providers and access our exchange directly and sell metal at the “Offer” price. Currently, mining producers must sell to an intermediary and hit their “Bid”, which decreases their revenues materially. As the vast majority of producers sell at spot this is a compelling proposition for them.
- ABX integrates the physical trade cycle, allowing for end consumers to access the exchange directly.
- By changing the physical price maker and taker dynamics we contend that we will change the price discovery dynamics of the precious metals market.
- We also contend that by bringing the Producers directly onto our platform we will bring the rest of the industry into our market.

Kinesis System

KINESIS SYSTEM



Kinesis System

Kinesis is a full-circle monetary system made up of all elements/functions required for a successful and effective monetary system. These differing functions make up different business units within the group. They are as follows:

Kinesis Currency Exchange (KCX)

The wholesale market where the currency is created (minted) in an institutional centrally cleared exchange with deep liquidity and connectivity into global wholesale trading organisations via Allocated Bullion Exchange (ABX).

Kinesis Blockchain Network (KBN)

The blockchain network where all Kinesis counterparts are connected via highly efficient blockchain technology. Kinesis currencies can be sent, spent, saved or traded through the blockchain.

Coins purchased in the wholesale market are emitted into the KBN with incentives based on money velocity.

Kinesis Blockchain Exchange (KBE)

A blockchain digital currency exchange where Kinesis and other digital currencies can be traded. This is being developed internally to ensure deep liquidity for the Kinesis currencies.

Kinesis Digital Bank (KDB)

An established mobile banking system with a digital currency wallet where Kinesis currencies can be used for savings or payments, remittances and money movement.

This facility also has a Mastercard and Visa debit card and accompanying companion card facility providing the ability to use Kinesis as a payment currency across the world.

Kinesis Commercial Centre (KCC)

An online aggregator platform of goods and service providers, enabling the Kinesis currency suite to be seamlessly utilised as payment for listed merchants.

Kinesis Digital Bank KDB

An established mobile banking system with a digital currency wallet where Kinesis currencies can be used for savings or payments, remittances and money movement. This facility also has a Mastercard & Visa debit card and accompanying companion card providing the ability to use Kinesis as a payment currency across the world.

- A global mobile e-wallet and commerce technology suite where Kinesis can be moved to in real-time.
- Secure mobile wallet and debit card platform which can be viewed in any fiat currency of choice.
- Extensive functionality and value provided to individual and corporate members, including private labelling abilities.
- Includes a mobile wallet account system and balance that is equivalent to a virtual savings account including the ability for customers to earn 3% APR interest rate on all funds loaded on the mobile wallet.
- Includes an integrated debit card equivalent to a checking account, which can be used anywhere Visa / MasterCard is accepted and customers can withdraw funds at virtually any ATM around the world.
- A companion card can be created for kids, family members abroad,
- and funds can be moved from the mobile wallet to a companion card in real-time and for FREE.
- Ability for merchants to integrate simple APIs to accept customer payments without paying 1.5% to 4% credit card merchant processing costs and virtually eliminate any and all credit card bad debt.



Mobile Fiat Wallet Fees

| Type | Price (US\$ Equivalent) |
|--|--------------------------|
| Move funds to/from Mobile Wallet into/out checking/savings account | \$1.00/transaction |
| Money Movement from Mobile Wallet to Debit Card in Real-Time: | FREE |
| Mobile Wallet to Mobile Wallet | FREE |
| Kinesis to Mobile Wallet / Debit Card Real-Time money movement | 1% of transaction amount |
| Merchant Processing Fees | \$0.00 |

Debit Card Fees

| Type | Price (US\$ Equivalent) |
|--|-------------------------|
| Price of Card | \$3.00 |
| Monthly Maintenance fee: | |
| Primary Card | \$1.00 |
| Companion Card | \$1.00 |
| ATM withdrawals | \$2.00 |
| ATM Balance Inquiry | \$0.50 |
| Local Use on the Visa / MasterCard Network | FREE |

Kinesis Digital Bank Digital Money Ecosystem

KINESIS DIGITAL BANK DIGITAL MONEY



Kinesis Money

The Currency Suite

Our 1:1 fully allocated asset based digital currency suite

will have the following products incorporated:

Reserve & Payment Currencies

- Physical Gold & Silver
- Segregated Physical Gold & Silver bars
- Physical bank notes: EUR, JPY, GBP & CHF
- Digital Currencies: TBA

Investment currencies

- Pair: Physical Silver/Paper Silver

| | Fiat Currency | Crypto currency | Physical Gold & Silver | Kinesis Physical Cryptocurrency |
|----------------------|--------------------|-----------------|------------------------|---------------------------------|
| Medium of Exchange | Good | Fair | Poor | Excellent |
| Store of Value | Fair | Poor | Excellent | Excellent |
| Yield | Little to Negative | Little to Nil | Nil | Excellent |
| Legal Tender | Yes | No | No | No |
| Intrinsic Value | No | No | Yes | Yes |
| Full Reserve | No | Yes | Yes | Yes |
| Gresham's Law | Satisfies | Satisfies | Satisfies | Defeated |
| Velocity | Yes | No | No | Yes |
| Value Stability | Good | Volatile | Excellent | Excellent |
| Liquidity | Excellent | Poor | Excellent | Excellent |
| Efficiency | Poor | Good | Poor | Excellent |
| Security | Good | Fair | Excellent | Excellent |
| Utilisation | Excellent | Poor | Poor | Excellent |
| Fungibility | Excellent | Good | Good | Excellent |
| Durability | Good | Excellent | Excellent | Excellent |
| Portability | Poor | Excellent | Poor | Excellent |
| Business Suitability | Excellent | Poor | Poor | Excellent |

Kinesis Payment Currency Specifications

Gold Payment Currency (KAU)

Description: 1 fine gram gold contract and token, consisting of gold cast bars of minimum fineness of 995, and bearing a serial number and identifying stamp of a refiner as per ABX Quality Assurance Framework, table of Approved Refiner List.

| | KCX | KBN | KBE |
|---|---|---|-----------------------------|
| Contract/Token Code | KAU | KAU | KAU |
| Contract/Token Size | 1 KAU (1 fine gram of Gold) | 1 KAU (1 fine gram of Gold) | 1 KAU (1 fine gram of Gold) |
| Fineness | Minimum 995 | Minimum 995 | Minimum 995 |
| Vault Location | By Choice: Liechtenstein, Hong Kong, Singapore, Sydney, Dubai, London, Zurich, New York & expanding with demand | Aggregated across vaults. Choice of withdrawal based on vault inventory | Aggregated across vaults |
| Title | Allocated | Allocated | Allocated |
| Operational Stored | Non-Segregated | Non-Segregated | Non-Segregated |
| Title Transfer Clearing | Centralised | Decentralised Blockchain | Decentralised Blockchain |
| Price Quotation Currency | USD | N/A | USD |
| Price Quotation Unit | 1 Fine gram | N/A | 1 fine gram |
| Tick Size | \$0.01 | N/A | \$0.01 |
| Settlement | T+2 | T+0 | T+0 |
| Minimum Send/Spend Quantity | N/A | 0.001 KAU (0.0001 fine gram) | N/A |
| Min. Physical Withdrawal Quantity | 1,000 KAU (1,000 fine grams) | 100 KAU (100 fine grams) | N/A |
| Min. Physical Deposit Quantity | 100 KAU (100 fine grams) | N/A | N/A |
| Minimum Physical for Digital (EFD) Quantity | 100 KAU (100 fine grams) | N/A | N/A |
| Minimum Emission Quantity | 100 KAU (100 fine grams) | N/A | N/A |

Silver Payment Currency (KAG)

Description: 10 grams silver contract and token, consisting of silver cast bars of a minimum fineness of 999, and bearing a serial number and identifying stamp of a refiner as per ABX Quality Assurance Framework, table of Approved Refiner List.

| | KCX | KBN | KBE |
|---|---|---|----------------------------|
| Contract/Token Code | KAG | KAG | KAG |
| Contract/Token Size | 1 KAG (10 grams of Silver) | 1 KAG (10 grams of Silver) | 1 KAG (10 grams of Silver) |
| Fineness | Minimum 999 | Minimum 999 | Minimum 999 |
| Vault Location | By Choice: Liechtenstein, Hong Kong, Singapore, Sydney, Dubai, London, Zurich, New York & expanding with demand | Aggregated across vaults. Choice of withdrawal based on vault inventory | Aggregated across vaults |
| Title | Allocated | Allocated | Allocated |
| Operational Stored | Non-Segregated | Non-Segregated | Non-Segregated |
| Title Transfer Clearing | Centralised | Decentralised Blockchain | Decentralised Blockchain |
| Price Quotation Currency | USD | N/A | USD |
| Price Quotation Unit | 10 grams | N/A | 10 grams |
| Tick Size | \$0.01 | N/A | \$0.01 |
| Settlement | T+2 | T+0 | T+0 |
| Minimum Send/Spend Quantity | N/A | 0.001 KAG (0.001 gram) | N/A |
| Minimum Withdrawal Quantity | 10,000 KAG (10,000 gram) | 5,000 KAG (5,000 grams) | N/A |
| Minimum Deposit Quantity | 1,000 KAG (1,000 grams) | N/A | N/A |
| Minimum Physical for Digital (EFD) Quantity | 1,000 KAG (1,000 grams) | N/A | N/A |
| Minimum Emission Quantity | 1,000 KAG (1,000 grams) | N/A | N/A |

Kinesis Wholesale Segregated Currency Specifications

Gold Wholesale Currency (KWG)

Description: 1 fine kilogram gold contract and token, consisting of gold cast bars of minimum fineness of 9999, and bearing a serial number and identifying stamp of a refiner as per ABX Quality Assurance Framework, table of Approved Refiner List.

| | KCX | KBN | KBE |
|---|---|---|---------------------------------|
| Contract/Token Code | KWG | KWG | KWG |
| Contract/Token Size | 1 KWG (1 fine kilogram of Gold) | 1 KWG (1 fine kilogram of Gold) | 1 KWG (1 fine kilogram of Gold) |
| Fineness | Minimum 9999 | Minimum 9999 | Minimum 9999 |
| Vault Location | By Choice: Liechtenstein, Hong Kong, Singapore, Sydney, Dubai, London, Zurich, New York & expanding with demand | Aggregated across vaults. Choice of withdrawal based on vault inventory | Aggregated across vaults |
| Title | Allocated | Allocated | Allocated |
| Operational Stored | Segregated | Segregated | Segregated |
| Title Transfer Clearing | Centralised | Decentralised Blockchain | Decentralised Blockchain |
| Price Quotation Currency | USD | N/A | USD |
| Price Quotation Unit | 1 fine kilogram | N/A | 1 fine kilogram |
| Tick Size | \$0.01 | N/A | \$0.01 |
| Settlement | T+2 | T+0 | T+0 |
| Minimum Send Quantity | N/A | 1 KWG (fine kilogram) | N/A |
| Min. Physical Withdrawal Quantity | 1 KWG (fine kilogram) | 1 KWG (fine kilogram) | N/A |
| Min. Physical Deposit Quantity | 1 KWG (fine kilogram) | N/A | N/A |
| Minimum Physical for Digital (EFD) Quantity | 1 KWG (fine kilogram) | N/A | N/A |
| Minimum Emission Quantity | 1 KWG (fine kilogram) | N/A | N/A |

Silver Wholesale Contract (KWS)

Description: 1,000 troy ounces of silver contract and token, consisting of silver cast bars of minimum fineness of 999, and bearing a serial number and identifying stamp of a refiner as per ABX Quality Assurance Framework, table of Approved Refiner List.

| | KCX | KBN | KBE |
|---|---|---|-------------------------------------|
| Contract/Token Code | KWS | KWS | KWS |
| Contract/Token Size | 1 KWS (1,000 troy ounces of silver) | 1 KWS (1,000 troy ounces of silver) | 1 KWS (1,000 troy ounces of silver) |
| Fineness | Minimum 999 | Minimum 999 | Minimum 999 |
| Vault Location | By Choice: Liechtenstein, Hong Kong, Singapore, Sydney, Dubai, London, Zurich, New York & expanding with demand | Aggregated across vaults. Choice of withdrawal based on vault inventory | Aggregated across vaults |
| Title | Allocated | Allocated | Allocated |
| Operational Stored | Segregated | Segregated | Segregated |
| Title Transfer Clearing | Centralised | Decentralised Blockchain | Decentralised Blockchain |
| Price Quotation Currency | USD | N/A | USD |
| Price Quotation Unit | 1 troy ounce | N/A | 1 troy ounce |
| Tick Size | \$0.01 | N/A | \$0.01 |
| Settlement | T+2 | T+0 | T+0 |
| Minimum Send Quantity | N/A | 1 KWS (1,000 troy ounces) | N/A |
| Min. Physical Withdrawal Quantity | 1 KWS (1,000 troy ounces) | 1 KWS (1,000 troy ounces) | N/A |
| Min. Physical Deposit Quantity | 1 KWS (1,000 troy ounces) | N/A | N/A |
| Minimum Physical for Digital (EFD) Quantity | 1 KWS (1,000 troy ounces) | N/A | N/A |
| Minimum Emission Quantity | 1 KWS (1,000 troy ounces) | N/A | N/A |

Kinesis Physical Fiat Currency Specifications

EUR Physical Fiat Currency (KEU)

Description: 1 Euro (€) contract and token, consisting of physical EUR bank notes as per ABX Quality Assurance Framework.

| | KCX | KBN | KBE |
|-----------------------------|---|---|--------------------------|
| Contract/Token Code | KEU | KEU | KEU |
| Contract/Token Size | KEU 1 (€1) | KEU 1 (€1) | KEU 1 (€1) |
| Vault Location | By Choice: Liechtenstein, Hong Kong, Singapore, Sydney, Dubai, London, Zurich, New York | Aggregated across vaults. Choice of withdrawal based on vault inventory | Aggregated across vaults |
| Title | Allocated | Allocated | Allocated |
| Title Transfer Clearing | Centralised | Decentralised Blockchain | Decentralised Blockchain |
| Price Quotation Currency | EUR | N/A | EUR |
| Price Quotation Unit | €1.00 | N/A | €1.00 |
| Tick Size | \$0.01 | | \$0.01 |
| Minimum Send/Spend Quantity | N/A | KEU 0.01 (€0.01) | N/A |
| Minimum Withdrawal Quantity | KEU 50,000 (€50,000) | KEU 5,000 (€5,000) | N/A |
| Minimum Deposit Quantity | KEU 50,000 (€50,000) | N/A | N/A |
| Minimum Emission Quantity | KEU 1,000 (€1,000) | N/A | N/A |

JPY Physical Fiat Currency (KJY)

Description: 100 Japanese Yen (¥) contract and token, consisting of physical JPY bank notes as per ABX Quality Assurance Framework.

| | KCX | KBN | KBE |
|-----------------------------|---|---|--------------------------|
| Contract/Token Code | KJY | KJY | KJY |
| Contract/Token Size | KJY 1 (¥100) | KJY 1 (¥100) | KJY 1 (¥100) |
| Vault Location | By Choice: Liechtenstein, Hong Kong, Singapore, Sydney, Dubai, London, Zurich, New York | Aggregated across vaults. Choice of withdrawal based on vault inventory | Aggregated across vaults |
| Title | Allocated | Allocated | Allocated |
| Title Transfer Clearing | Centralised | Decentralised Blockchain | Decentralised Blockchain |
| Price Quotation Currency | JPY | N/A | JPY |
| Price Quotation Unit | ¥100 | N/A | ¥100 |
| Tick Size | ¥1 | | ¥1 |
| Minimum Send/Spend Quantity | N/A | KJY 0.01 (¥1) | N/A |
| Minimum Withdrawal Quantity | KJY 50,000 (¥5,000,000) | KJY 5,000 (¥500,000) | N/A |
| Minimum Deposit Quantity | KJY 50,000 (¥5,000,000) | N/A | N/A |
| Minimum Emission Quantity | KJY 1,000 (¥100,000) | N/A | N/A |

* Other contract/token specifications supplied under NDA to strategic investors.

Multifaceted Velocity Based Incentivising Yield System

Kinesis has developed a multifaceted yield system that is specifically designed to attract institutional and retail capital and incentivise use and velocity of the currency suite. Users are financially rewarded based on their participation and the overall velocity (rate that money changes hands) of the Kinesis currencies. This revolutionary unique yield is derived purely from economic output rather than debt like fiat currency with fractional banking.

Our system provides for very interesting economic implications. Under a fiat monetary system with fractional banking, there is the need to continually devalue the currency and inflate prices to stimulate economic activity, which can only work for a finite period of time and is now currently ceasing to work. In the Kinesis system of shared economic wealth this is not required as the incentive to utilise the currencies is so great.

In the cryptocurrency sphere, the Kinesis currency suite will provide a stabilising force, as well as, velocity being highly incentivised. It then stands to reason so too will the velocity of the Kinesis currencies be high. Other volatile cryptocurrency holders can find price stability by converting their volatile cryptocurrencies into Kinesis. Our currency suite will be particularly useful for businesses and merchants.

As a benchmark we have taken the cryptocurrency backed by USD, Tether, and looked at their velocity rates and then dramatically decreased them in our assumptions to remain conservative. Tether's velocity stays high for one main reason, they provide a stable price that can be used by cryptocurrency users to liquidate volatile cryptocurrencies and hold a relatively stable one. Their model has been a success and their velocity is higher than any other cryptocurrencies. Between 1 December 2017 to 17 January 2018 their velocity rate averaged at 199% per day.

Backed up by strong argument and evidence, it is our strong conviction that the Kinesis currency suite offers a far superior substitute to Tether. While Tether offers price stability for cryptocurrency users, they present no certainty with redemptions and have a product that is beholden to the fractional banking system that has proven for them to be laden with multiple layers of counterparty risk. In contrast, Kinesis offers similar or better price stability with tremendous liquidity provided by bullion industry participants, with negligible counterparty risk (bullion and cash vaulted) much greater incentive to trade, use and attract capital.

Velocity Based Incentivising Yields

Minter Yield

- Designed to attract capital and then put it into motion
- Maximises the incentive to use (send, spend or sell) the currency
- Rewards participants who buy the currency in the primary market and then use it in the secondary blockchain market
- Will receive a share of the transaction fees as a yield forever on the Kinesis coins they created and then used
- The more the Kinesis coins created are transacted or the higher the velocity, the higher the yield

Holder Yield

- Provides a yield on passive investment on Kinesis currency simply while holding Kinesis
- This is a purely passive return and designed to compete with bank deposits, stock dividend yields and rental property yields
- Kinesis Holders simply enjoy the benefits of the economic activity of the system while having their money held in the system

Fee Sharing

Transaction Fees KCC Commission

| | Pre-ICO | Post-ICO | |
|-------------------|---------|----------|------|
| Minter | 15% | 5% | |
| eWallet Depositor | 10% | 5% | |
| Holder | 15% | 15% | 40% |
| Recruiter | 15% | 7.5% | |
| KVT | 20% | 20% | 20% |
| White Labeler | N/A | 10% | 20% |
| Partners | 20% | 20% | 0% |
| Kinesis | 5% | 17.5% | 20% |
| | 100% | 100% | 100% |

This table illustrates where the fees can go for every transaction if all incentivising yields are utilised

Recruiter Yield

- Rewards entities (people or corporations) who recruit (refer) new e-wallet users
- Designed to incentivise bring more participants into the ecosystem

Depositors Yield

- Applicable on the initial deposit directly into their e-wallet
- Maximises the incentive for a large initial deposit and then use of the currency
- Will receive a share of the transaction fees as a yield forever on the Kinesis coins they bought and then used
- The higher the velocity of the initially purchased Kinesis coins, the higher the yield

Kinesis Minter Yield

| | Incentive | | | Yield based on Velocity | | | | | |
|----------|-----------|-------------|---------------|-------------------------|-------|-------|-------|--------|--------|
| | Fee | Fee Share % | Transaction % | 20% | 30% | 40% | 50% | 80% | 100% |
| Pre-ICO | 0.45% | 15% | 0.068% | 3.94% | 5.91% | 7.88% | 9.86% | 15.77% | 19.71% |
| Post-ICO | 0.45% | 5% | 0.023% | 1.31% | 1.97% | 2.63% | 3.29% | 5.26% | 6.57% |

Kinesis Depositor Yield

| | Incentive | | | Yield based on Velocity | | | | | |
|----------|-----------|-------------|---------------|-------------------------|-------|-------|-------|--------|--------|
| | Fee | Fee Share % | Transaction % | 20% | 30% | 40% | 50% | 80% | 100% |
| Pre-ICO | 0.45% | 10% | 0.45% | 2.63% | 3.94% | 5.26% | 6.57% | 10.51% | 13.14% |
| Post-ICO | 0.45% | 5% | 0.023% | 1.31% | 1.97% | 2.63% | 3.29% | 5.26% | 6.57% |

Kinesis Holder Yield

| | Incentive | | | Yield based on Velocity | | | | | |
|-----------------------|-----------|-------------|---------------|-------------------------|--------------|---------------|---------------|---------------|---------------|
| | Fee | Fee Share % | Transaction % | 20% | 30% | 40% | 50% | 80% | 100% |
| Pre & Post ICO | 0.45% | 15% | 0.0675% | 3.94% | 5.91% | 7.88% | 9.86% | 15.77% | 19.71% |
| KCC Commission Share1 | 5.00% | 40% | 0.04% | 2.34% | 3.50% | 4.67% | 5.84% | 9.34% | 11.68% |
| | | | | 6.28% | 9.42% | 12.56% | 15.70% | 25.11% | 31.39% |

1 Assuming 2% of all transactions are occurring in the KCC

Kinesis Recruiter Yield

| | Incentive | | | Yield based on Velocity | | | | | |
|----------|-----------|-------------|---------------|-------------------------|-------|-------|-------|--------|--------|
| | Fee | Fee Share % | Transaction % | 20% | 30% | 40% | 50% | 80% | 100% |
| Pre-ICO | 0.45% | 15% | 0.06750% | 3.94% | 5.91% | 7.88% | 9.86% | 15.77% | 19.71% |
| Post-ICO | 0.45% | 7.5% | 0.03375% | 1.97% | 2.96% | 3.94% | 4.93% | 7.88% | 9.86% |

This table illustrates the incentivising yields and their potential per annum return based on the Kinesis systems money velocity rate

Tether Velocity

USD Backed

| Date | Open | High | Low | Close | Volume | Market Cap | Velocity |
|--------------|----------|------|----------|----------|---------------|---------------|----------|
| Jan 17, 2018 | 1.03 | 1.07 | 0.997739 | 1.01 | 5,588,840,000 | 1,671,280,000 | 334.40% |
| Jan 16, 2018 | 1.01 | 1.05 | 0.999001 | 1.03 | 5,552,930,000 | 1,478,030,000 | 375.70% |
| Jan 15, 2018 | 1.02 | 1.02 | 1 | 1.01 | 2,557,180,000 | 1,490,690,000 | 171.54% |
| Jan 14, 2018 | 1 | 1.04 | 1 | 1.02 | 2,960,410,000 | 1,474,490,000 | 200.78% |
| Jan 13, 2018 | 1 | 1.01 | 0.996576 | 1 | 2,759,880,000 | 1,474,160,000 | 187.22% |
| Jan 12, 2018 | 1.01 | 1.02 | 0.997711 | 1.01 | 2,668,220,000 | 1,477,270,000 | 180.62% |
| Jan 11, 2018 | 0.999976 | 1.02 | 0.990198 | 1 | 3,841,110,000 | 1,468,050,000 | 261.65% |
| Jan 10, 2018 | 1.01 | 1.01 | 0.996446 | 1 | 3,189,860,000 | 1,475,650,000 | 216.17% |
| Jan 09, 2018 | 1.01 | 1.01 | 1 | 1.01 | 2,766,180,000 | 1,480,690,000 | 186.82% |
| Jan 08, 2018 | 1.01 | 1.04 | 0.997617 | 1.01 | 3,815,750,000 | 1,475,640,000 | 258.58% |
| Jan 07, 2018 | 1.01 | 1.02 | 0.998208 | 1 | 2,338,180,000 | 1,478,770,000 | 158.12% |
| Jan 06, 2018 | 1 | 1.01 | 0.996847 | 1.01 | 2,620,080,000 | 1,468,500,000 | 178.42% |
| Jan 05, 2018 | 1 | 1.01 | 0.985915 | 0.998634 | 3,096,620,000 | 1,470,660,000 | 210.56% |
| Jan 04, 2018 | 1.01 | 1.02 | 0.993822 | 1 | 3,200,130,000 | 1,386,140,000 | 230.87% |
| Jan 03, 2018 | 1.01 | 1.02 | 1 | 1.01 | 2,471,690,000 | 1,377,120,000 | 179.48% |
| Jan 02, 2018 | 1.01 | 1.01 | 0.99325 | 1 | 2,635,860,000 | 1,375,940,000 | 191.57% |
| Jan 01, 2018 | 1.01 | 1.02 | 1 | 1.01 | 1,685,300,000 | 1,385,260,000 | 121.66% |
| Dec 31, 2017 | 1.02 | 1.02 | 1 | 1.01 | 1,927,010,000 | 1,401,350,000 | 137.51% |
| Dec 30, 2017 | 1.01 | 1.03 | 0.992842 | 1.02 | 2,711,060,000 | 1,378,640,000 | 196.65% |
| Dec 29, 2017 | 1.01 | 1.02 | 1 | 1.01 | 1,929,090,000 | 1,281,970,000 | 150.48% |
| Dec 28, 2017 | 1 | 1.03 | 1 | 1.01 | 2,211,410,000 | 1,222,130,000 | 180.95% |
| Dec 27, 2017 | 1 | 1.01 | 0.996458 | 1 | 1,939,950,000 | 1,223,800,000 | 158.52% |
| Dec 26, 2017 | 1.01 | 1.02 | 0.99858 | 1 | 1,854,780,000 | 1,230,870,000 | 150.69% |
| Dec 25, 2017 | 1.03 | 1.03 | 1.01 | 1.01 | 1,708,380,000 | 1,250,340,000 | 136.63% |

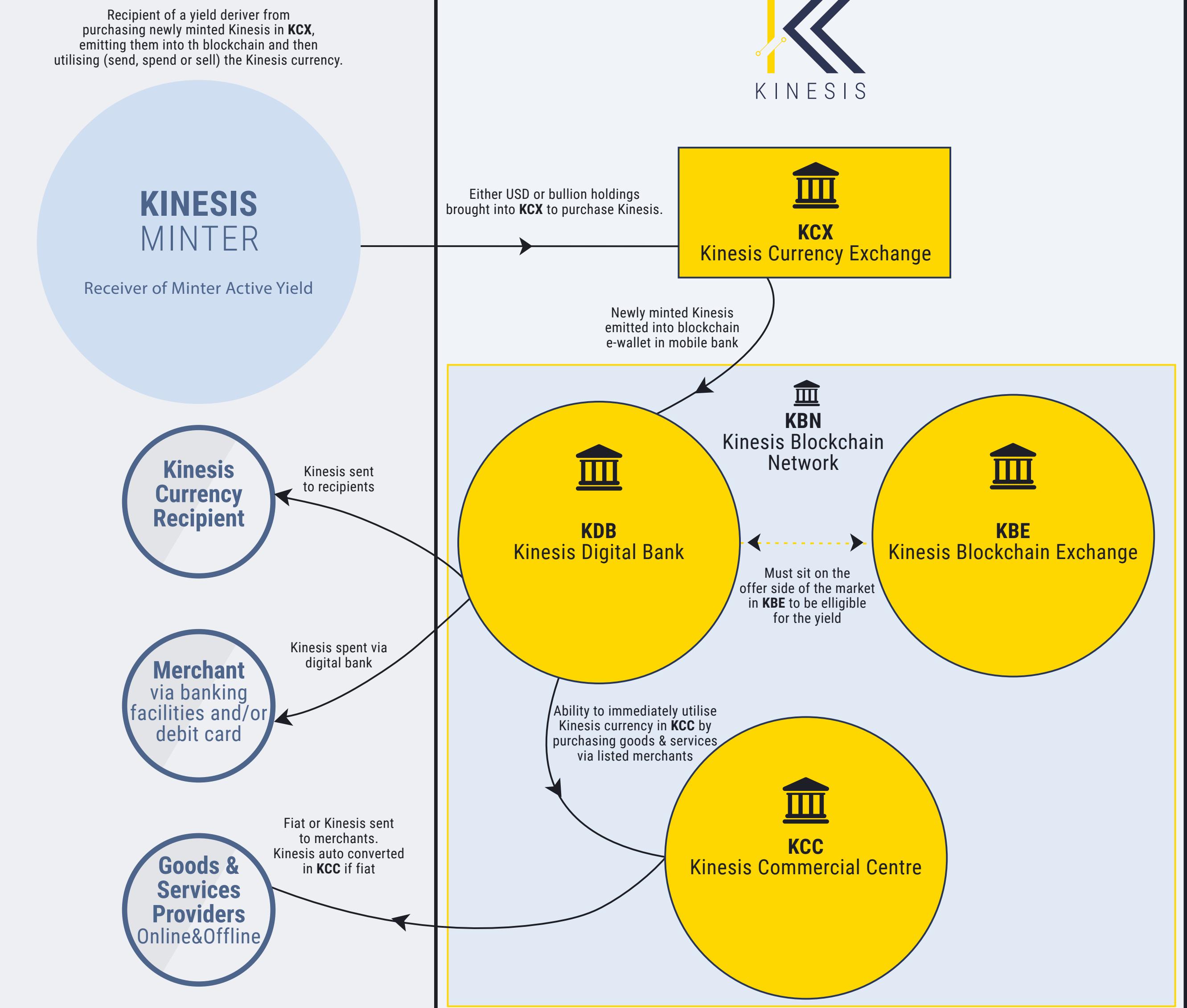
| Date | Open | High | Low | Close | Volume | Market Cap | Velocity |
|--------------|---------|------|----------|----------|---------------|---------------|----------|
| Dec 24, 2017 | 1.05 | 1.07 | 1.02 | 1.02 | 2,611,590,000 | 1,279,860,000 | 204.05% |
| Dec 23, 2017 | 1.01 | 1.05 | 1.01 | 1.05 | 2,353,740,000 | 1,233,180,000 | 190.87% |
| Dec 22, 2017 | 1.01 | 1.06 | 0.963089 | 1.02 | 4,687,950,000 | 1,225,820,000 | 382.43% |
| Dec 21, 2017 | 1 | 1.04 | 0.993811 | 1.01 | 3,106,720,000 | 1,171,760,000 | 265.13% |
| Dec 20, 2017 | 1.01 | 1.02 | 0.989079 | 1 | 3,751,790,000 | 1,178,880,000 | 318.25% |
| Dec 19, 2017 | 1.01 | 1.03 | 0.996768 | 1.01 | 3,073,860,000 | 1,133,710,000 | 271.13% |
| Dec 18, 2017 | 1.01 | 1.02 | 0.99574 | 1.01 | 2,517,230,000 | 1,130,790,000 | 222.61% |
| Dec 17, 2017 | 1.01 | 1.02 | 1 | 1.01 | 1,931,020,000 | 1,132,150,000 | 170.56% |
| Dec 16, 2017 | 1.02 | 1.02 | 1 | 1.01 | 1,592,730,000 | 1,036,710,000 | 153.63% |
| Dec 15, 2017 | 1.01 | 1.02 | 0.995525 | 1.02 | 2,044,500,000 | 1,029,020,000 | 198.68% |
| Dec 14, 2017 | 1.03 | 1.05 | 1.01 | 1.01 | 2,336,180,000 | 912,768,000 | 255.94% |
| Dec 13, 2017 | 1.08 | 1.09 | 1.02 | 1.03 | 2,198,140,000 | 906,935,000 | 242.37% |
| Dec 12, 2017 | 1.02 | 1.08 | 1 | 1.08 | 2,240,840,000 | 854,806,000 | 262.15% |
| Dec 11, 2017 | 1.01 | 1.03 | 0.99995 | 1.02 | 1,542,120,000 | 824,373,000 | 187.07% |
| Dec 10, 2017 | 1.02 | 1.04 | 0.971536 | 1.02 | 1,649,500,000 | 831,978,000 | 198.26% |
| Dec 09, 2017 | 1.02 | 1.05 | 0.99356 | 1.02 | 1,598,910,000 | 830,771,000 | 192.46% |
| Dec 08, 2017 | 1.04 | 1.06 | 0.986563 | 1.02 | 1,993,030,000 | 843,587,000 | 236.26% |
| Dec 07, 2017 | 1.01 | 1.08 | 1 | 1.03 | 1,671,610,000 | 819,775,000 | 203.91% |
| Dec 06, 2017 | 0.99976 | 1.02 | 0.99584 | 1.01 | 1,281,490,000 | 813,822,000 | 157.47% |
| Dec 05, 2017 | 1 | 1.01 | 0.996458 | 1 | 814,146,000 | 816,872,000 | 99.67% |
| Dec 04, 2017 | 1 | 1.01 | 0.992132 | 1 | 668,510,000 | 816,012,000 | 81.92% |
| Dec 03, 2017 | 1 | 1.03 | 0.98532 | 1 | 946,749,000 | 814,847,000 | 116.19% |
| Dec 02, 2017 | 1.01 | 1.02 | 0.995611 | 0.999654 | 679,950,000 | 770,858,000 | 88.21% |
| Dec 01, 2017 | 1.01 | 1.02 | 0.993043 | 1.01 | 749,396,000 | 769,516,000 | 97.39% |

Average from 1 Dec to 17 Jan = 199%

KINESIS MINTERS

Kinesis Minters

- Kinesis Minters will receive a yield on their investment by simply purchasing Kinesis currency in the KCX wholesale market and then sending, spending or selling them in the Kinesis Blockchain Network (KBN).
- Once the currency is purchased in KCX it is automatically emitted and appears in the Minters e-Wallet in KDB.
- The Minters Yield will become receivable once the coins are then sent, spent or sold (from the offer side) from the e-Wallet.
- The yield is based on the velocity of the currency and derived from a perpetual share of transaction fees from the coins the Minter created in proportion to all coins in existence.
- The more currency minted and sent into the system by the Minter, the more value of currency will be moving through the system and the greater the recurring financial reward will be. This has the effect of highly incentivising the utilisation of the currency.
- **This system provides people and businesses with perpetual recurring revenue that continues to build over time with currency use, simply just for creating and using the Kinesis currency – a truly incredible opportunity!**
- This yield is associated with true economic activity and represents a very powerful return on capital and incentive to utilise the Kinesis currency, particularly as the capital only needs to be tied up for a relatively short period of time and while holding it the Holders Yield will also be receivable.
- **This revenue generation opportunity is unlike anything currently available and offers almost everyone with requisite spare capital with an entirely new way to generate money.**



Kinesis Minters

- These tables model the returns available according to a number of capital revolutions (cycles) of a capital investment of \$50,000.
- The more revolutions performed then the more capital is working for a minter in the market and the more transaction fees they are sharing in.
- These tables show the incentive to utilise, sell and circulate the Kinesis currency, kinetically charging it, for both businesses and individuals alike.
- Businesses can pay their employees in Kinesis and begin building an entirely new revenue stream that continues to grow larger and larger over time.
- Private and institutional investors/traders can circulate their capital and earn more as more Kinesis currency they minted travels through the system.
- This system highly rewards participation honestly and fairly.
- It should be evident from this illustration that this system will stimulate economic activity without the need to inflate prices and devalue currency.**
- This is a greatly needed fair and rewarding real world monetary solution**

| Capital Revolutions | Investment | Yield based on Velocity & Revolutions % | | | | | | | | | |
|---------------------|------------|---|---------|---------|---------|---------|---------|---------|------------|----------|----------|
| | | 20% | | 30% | | 40% | | 50% | | 80% | 100% |
| | | % | \$ | % | \$ | % | \$ | % | \$ | | |
| 5 | 50,000 | 19.71% | 9,855 | 29.57% | 14,783 | 39.42% | 19,710 | 49.28% | 24,637.50 | 78.84% | 98.55% |
| 10 | 50,000 | 39.42% | 19,710 | 59.13% | 29,565 | 78.84% | 39,420 | 98.55% | 49,275.00 | 157.68% | 197.10% |
| 15 | 50,000 | 59.13% | 29,565 | 88.70% | 44,348 | 118.26% | 59,130 | 147.83% | 73,912.50 | 236.52% | 295.65% |
| 20 | 50,000 | 78.84% | 39,420 | 118.26% | 59,130 | 157.68% | 78,840 | 197.10% | 98,550.00 | 315.36% | 394.20% |
| 25 | 50,000 | 98.55% | 49,275 | 147.83% | 73,913 | 197.10% | 98,550 | 246.38% | 123,187.50 | 394.20% | 492.75% |
| 50 | 50,000 | 197.10% | 98,550 | 295.65% | 147,825 | 394.20% | 197,100 | 492.75% | 246,375.00 | 788.40% | 985.50% |
| 100 | 50,000 | 394.20% | 197,100 | 591.30% | 295,650 | 788.40% | 394,200 | 985.50% | 492,750.00 | 1576.80% | 1971.00% |

* The above table is modelled according to a non-compounding annual return according to how many revolutions of capital have been completed over any period of time for \$50,000

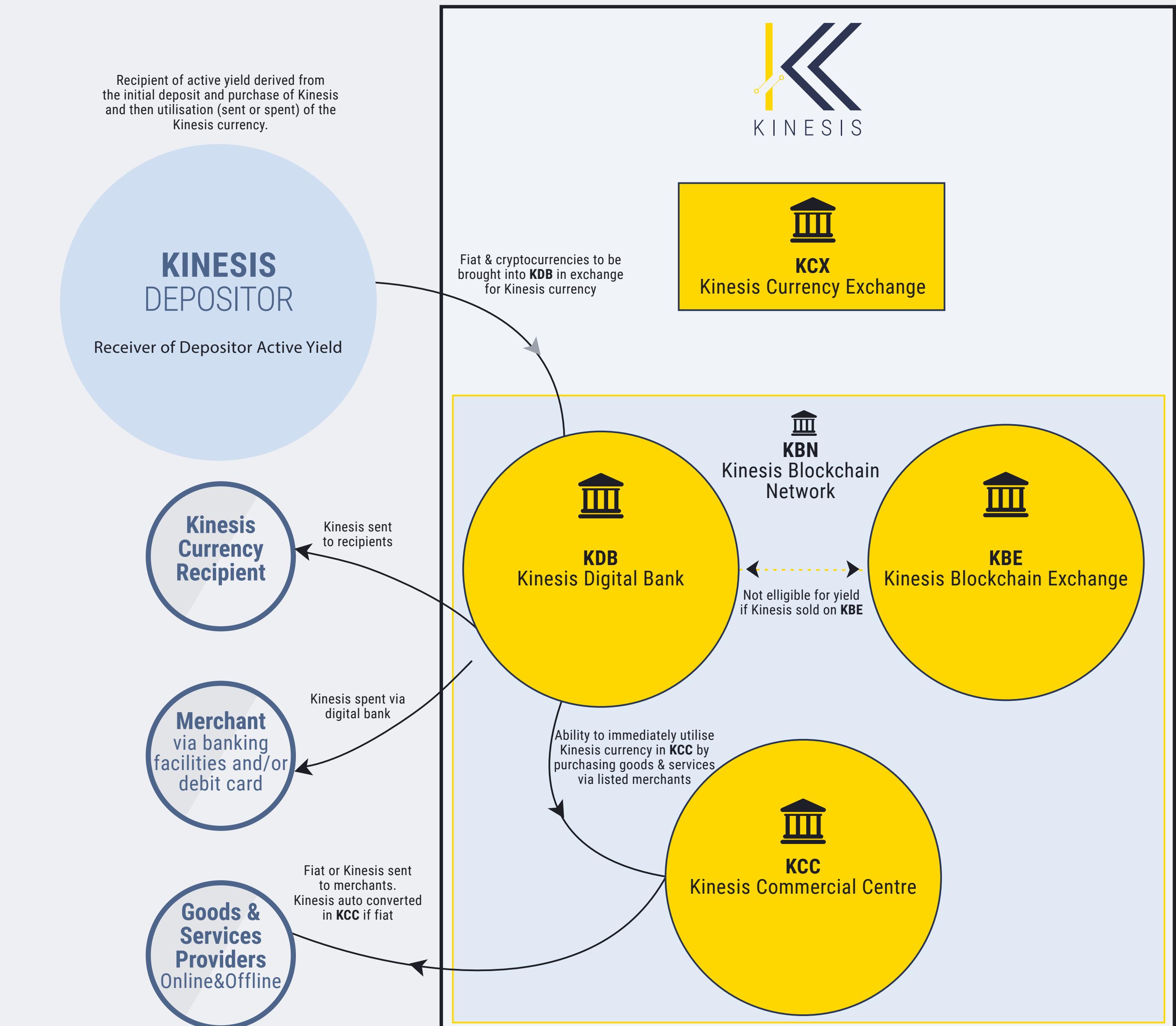
| Revolutions per month | | | | | | | | | | | | |
|-----------------------|-----------------------|--------|-----------------------|--------|-----------------------|---------|-----------------------|---------|-----------------------|---------|-----------------------|-----------|
| | 0.5 | | 1 | | 2 | | 3 | | 4 | | 5 | |
| Month | Accumulated Portfolio | Profit | Accumulated Portfolio | Profit | Accumulated Portfolio | Profit | Accumulated Portfolio | Profit | Accumulated Portfolio | Profit | Accumulated Portfolio | Profit |
| 1 | 50,000 | 1,478 | 50,000 | 2,957 | 50,000 | 5,913 | 50,000 | 8,870 | 50,000 | 11,826 | 50,000 | 14,783 |
| 2 | 51,478 | 1,522 | 52,957 | 3,131 | 55,913 | 6,612 | 58,870 | 10,443 | 61,826 | 14,623 | 64,783 | 19,153 |
| 3 | 53,000 | 1,567 | 56,088 | 3,316 | 62,525 | 7,394 | 69,312 | 12,295 | 76,449 | 18,082 | 83,935 | 24,816 |
| 4 | 54,567 | 1,613 | 59,404 | 3,513 | 69,920 | 8,269 | 81,608 | 14,476 | 94,531 | 22,358 | 108,751 | 32,152 |
| 5 | 56,180 | 1,661 | 62,917 | 3,720 | 78,188 | 9,247 | 96,084 | 17,044 | 116,889 | 27,647 | 140,903 | 41,658 |
| 6 | 57,841 | 1,710 | 66,637 | 3,940 | 87,435 | 10,340 | 113,128 | 20,068 | 144,536 | 34,186 | 182,561 | 53,974 |
| 7 | 59,551 | 1,761 | 70,577 | 4,173 | 97,775 | 11,563 | 133,196 | 23,628 | 178,722 | 42,271 | 236,535 | 69,932 |
| 8 | 61,312 | 1,813 | 74,751 | 4,420 | 109,338 | 12,930 | 156,824 | 27,819 | 220,993 | 52,269 | 306,467 | 90,607 |
| 9 | 63,125 | 1,866 | 79,171 | 4,681 | 122,268 | 14,459 | 184,643 | 32,754 | 273,262 | 64,632 | 397,074 | 117,395 |
| 10 | 64,991 | 1,921 | 83,852 | 4,958 | 136,727 | 16,169 | 217,397 | 38,564 | 337,894 | 79,919 | 514,469 | 152,103 |
| 11 | 66,913 | 1,978 | 88,810 | 5,251 | 152,897 | 18,082 | 255,961 | 45,405 | 417,813 | 98,821 | 666,572 | 197,072 |
| 12 | 68,891 | 2,037 | 94,062 | 5,562 | 170,978 | 20,220 | 301,366 | 53,459 | 516,634 | 122,194 | 863,644 | 255,336 |
| Annual Profit | | 20,928 | | 49,623 | | 141,198 | | 304,825 | | 588,828 | | 1,068,980 |
| Annual Yield | | 42% | | 99% | | 282% | | 610% | | 1178% | | 2138% |

* The above table is modelled according to the assumption of a 30% daily velocity rate that is compounding per month

KINESIS DEPOSITORS

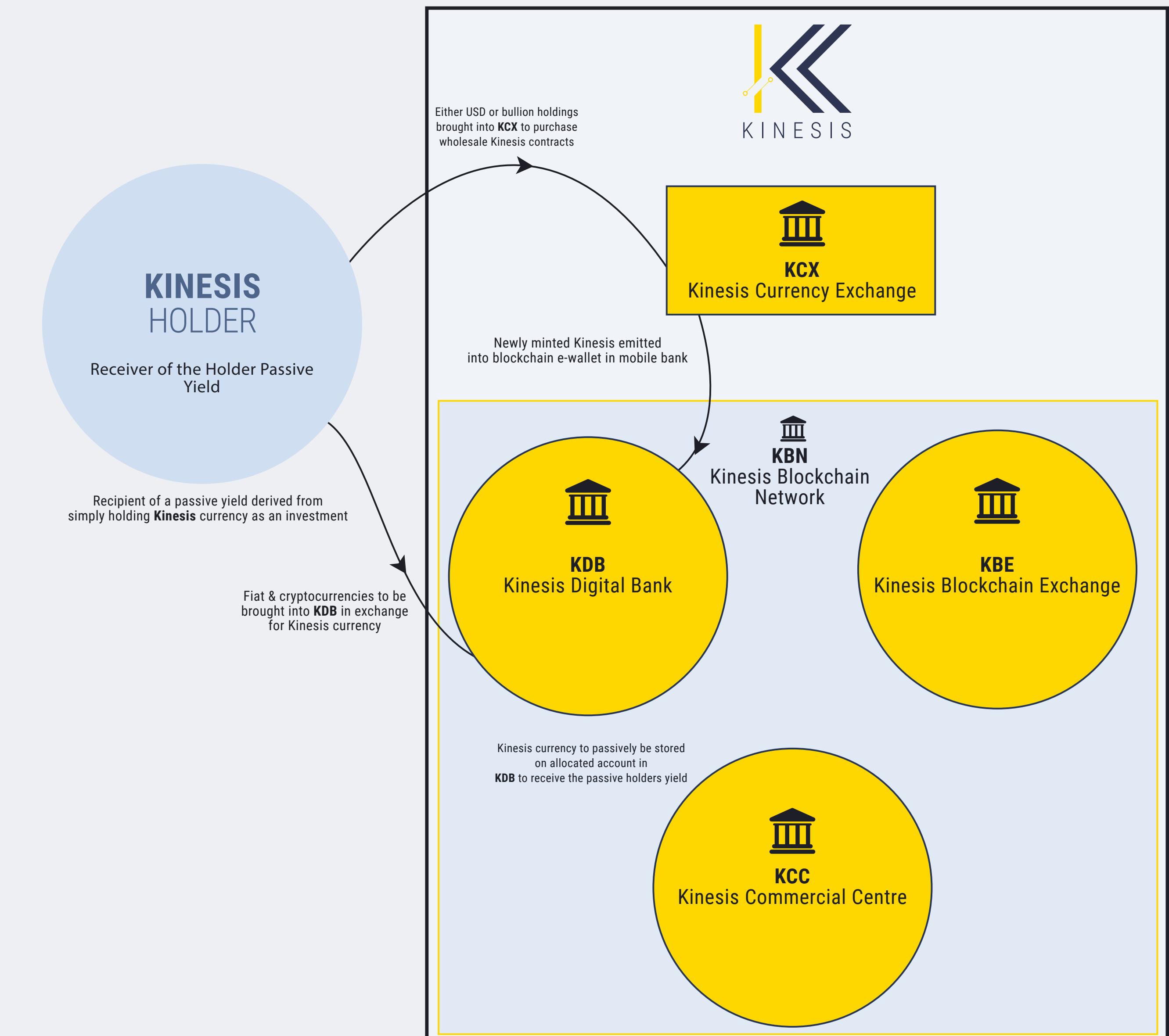
Kinesis Depositors

- Kinesis Depositors will receive a yield on their initial deposit/purchase of Kinesis from their e-Wallet in the KDB once they are sent or spent.
- As Kinesis' travel from hand-to-hand throughout the KBN a proportional share of the transaction fees will be shared perpetually with the Depositor for the life of the currency.
- The yield is based on the velocity of the currency and derived from a perpetual proportional share of the transaction fees associated Kinesis currency in existence.
- This yield is designed to maximise initial deposits into the Kinesis Blockchain Network by strongly rewarding this initial deposit.
- This yield is associated with true economic activity and represents a very powerful return on capital and incentive to utilise the Kinesis currency.
- This is applicable for all Kinesis currencies in the Kinesis cryptocurrency suite.



Kinesis Holders

- Kinesis Holders will receive a yield on their passive investment in the Kinesis currency held in their KBN e-Wallet.
- The yield is based on the velocity of the currency and derived from a consolidated share of the transaction fees across the Kinesis Blockchain Network (KBN), calculated on a daily basis and credited to their e-Wallet accounts monthly.
- This yield is derived from true economic activity and a sharing of the wealth of the entire Kinesis system, there is no interest or debt associated with this yield.
- **Based on conservative velocity figures the yield will far surpass global bank deposit interest rates with allocated ownership and less risk, thus kinesis is set to attract large sums of capital from all asset classes spread across the world.**
- This is applicable for all Kinesis currencies in the Kinesis digital currency suite.



Kinesis Holders Yield

These three tables display a comparison between the potential Kinesis Holders Yield, global interest rates and G20 average dividend yields.

Clearly even with modest velocity rates Kinesis Holders will receive better returns on their Kinesis holdings than on bank deposits or equity dividend yields.

Kinesis provides passive investors and savers with highly attractive risk/return metrics.

| Kinesis Holder Yield | | | | | | | | | |
|-----------------------|-----------|-------------|---------------|-------------------------|--------------|---------------|---------------|---------------|---------------|
| | Incentive | | | Yield based on Velocity | | | | | |
| | Fee | Fee Share % | Transaction % | 20% | 30% | 40% | 50% | 80% | 100% |
| Pre & Post ICO | 0.45% | 15% | 0.07% | 3.94% | 5.91% | 7.88% | 9.86% | 15.77% | 19.71% |
| KCC Commission Share1 | 5.00% | 40% | 0.04% | 2.34% | 3.50% | 4.67% | 5.84% | 9.34% | 11.68% |
| | | | | 6.28% | 9.42% | 12.56% | 15.70% | 25.11% | 31.39% |

1 Assuming 2% of all transactions are occurring in the KCC

Dividend Yields
Average Equity Dividend Yields in G20 Economies as of Jan 29, 2016

| Country | Average Dividend Yield |
|-------------------|------------------------|
| Australia | 5.42 |
| Russia | 4.96 |
| Brazil | 4.74 |
| Saudi Arabia | 4.69 |
| United Kingdom | 4.42 |
| European Union | 3.75 |
| Italy | 3.61 |
| China | 3.56 |
| France | 3.45 |
| Turkey | 3.42 |
| Canada | 3.26 |
| South Africa | 3.11 |
| Germany | 3.02 |
| Indonesia | 2.53 |
| United States | 2.23 |
| Mexico | 2.12 |
| Japan | 2.09 |
| India | 1.47 |
| Argentina | 0.67 |
| South Korea | 0.60 |
| Source: Bloomberg | |

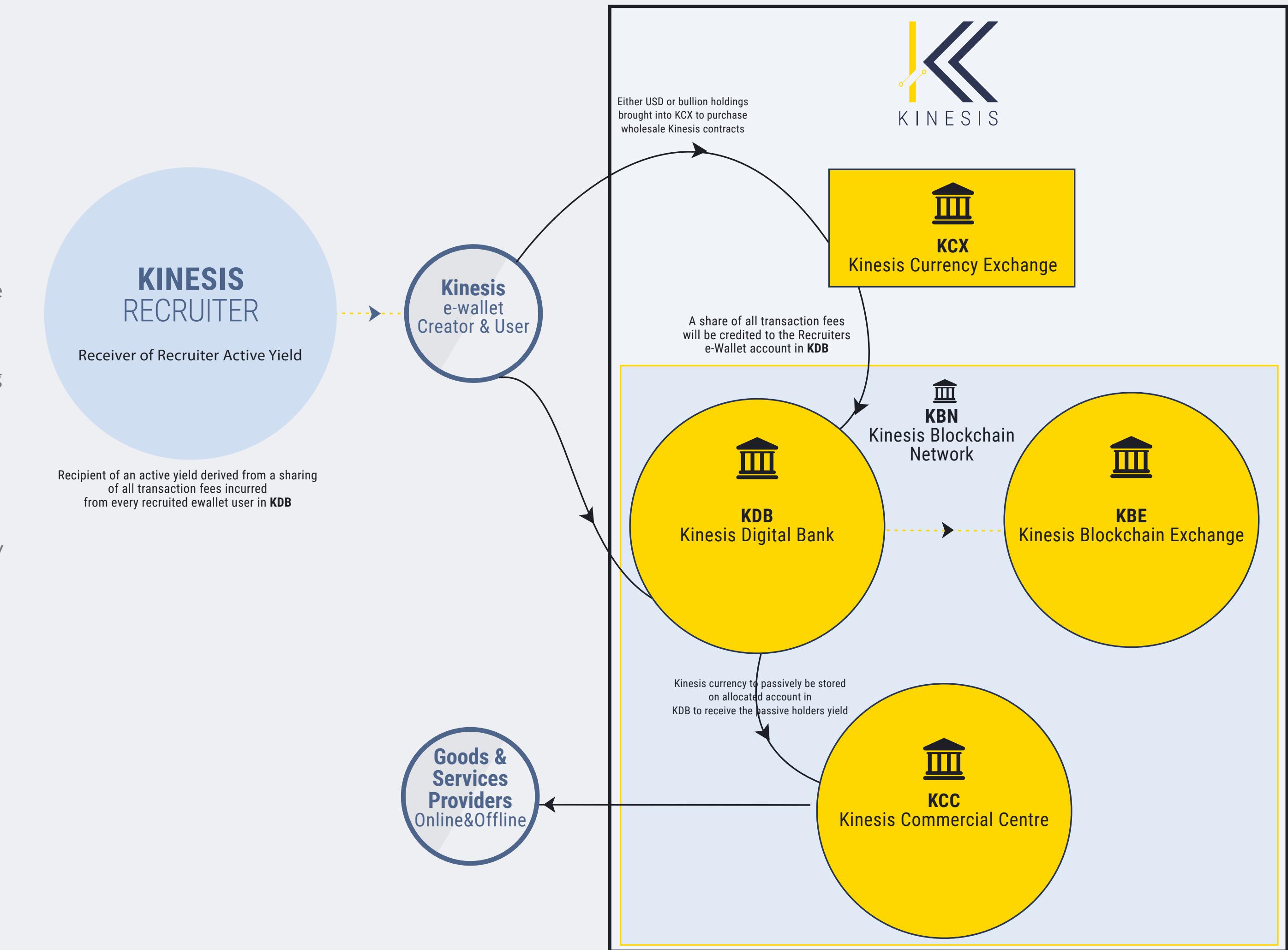
Global Interest Rates

| Name of interest rate | Country/Region | Current Rate |
|-------------------------------------|----------------|--------------|
| American interest rate FED | United States | 1.50% |
| Australian interest rate RBA | Australia | 1.50% |
| Banco Central interest rate | Chile | 2.50% |
| Bank of Korea interest rate | South Korea | 1.50% |
| Brazilian interest rate BACEN | Brazil | 7.00% |
| British interest rate BoE | Great Britain | 0.50% |
| Canadian interest rate BOC | Canada | 1.00% |
| Chinese interest rate PBC | China | 4.35% |
| Czech interest rate CNB | Czech Republic | 0.50% |
| Danish interest rate Nationalbanken | Denmark | 0.05% |
| European interest rate ECB | Europe | 0.00% |
| Hungarian interest rate | Hungary | 0.90% |
| Indian interest rate RBI | India | 6.00% |
| Indonesian interest rate BI | Indonesia | 6.50% |
| Israeli interest rate BOI | Israel | 0.10% |
| Japanese interest rate BoJ | Japan | -0.10% |
| Mexican interest rate Banxico | Mexico | 7.25% |
| New Zealand interest rate | New Zealand | 1.75% |
| Norwegian interest rate | Norway | 0.50% |
| Polish interest rate | Poland | 1.50% |
| Russian interest rate CBR | Russia | 7.75% |
| Saudi Arabian interest rate | Saudi Arabia | 2.00% |
| South African interest rate SARB | South Africa | 6.75% |
| Swedish interest rate Riksbank | Sweden | -0.50% |
| Swiss interest rate SNB | Switzerland | -0.75% |
| Turkish interest rate CBRT | Turkey | 8.00% |

KINESIS RECRUITERS

Kinesis Recruiters

- Kinesis Recruiters will receive a perpetual revenue share on all transaction fees on the eWallets they recruit.
- This provides an immediate business opportunity for anyone, whether they are: a private individual referring friends or family; someone wanting to establish a business to refer investors/users into Kinesis; an online marketer or affiliate; a person or business wanting to refer other businesses or broker/dealer operations in; or a pre-established business wanting to enrol there clients in the Kinesis system.
- This revenue is unlike anything currently available and offers almost everyone a new way to generate money.
- The more the Recruiters enlisted eWallets transact then the larger the transaction fee revenue is for them.
- The viral and scalable nature of the system is astoundingly powerful.



Kinesis Velocity Token (KVT) - Initial Token Offer (ITO)

- To participate in the Kinesis Currency ICO at the preferential Pre-ICO fee sharing rates, subscription is required in the KVT ITO.
- KVT holders receive a proportional 20% share of all transaction fees associated with all Kinesis currencies and 20% of all commissions from the Kinesis Commercial Centre (KCC).
- Pre-sale offers a 2.5-25% discounted.
- Technically and legally hard capped to a maximum of 300,000 KVTs to be issued.
- A minimum of 5% and a maximum of 20% of transaction fees of the Kinesis system will go towards buying back the tokens at market prices, which will then be held by Kinesis Limited.

| Token Name | Kinesis Velocity Token |
|-----------------------------------|--|
| Token Symbol | KVT |
| Pre-Sale Timing | 14 February 2018 – 30 June 2018 |
| Public Sale Timing | 1 July 2018 to 31 August 2018 |
| Pre-Sale Discount | 2.5-25% |
| Issue price of Tokens | US\$1,000 |
| Sale Size Limits | Technically and legally hard capped at 300,000 KVTs |
| Further token issues | No, there will never be any dilution to the rights of KVT holders |
| Secured methods of token purchase | Fiat & Ethereum (ETH) |
| Token holder rights & benefits | 20% of all transaction fees of Kinesis cryptocurrency suite 20% of all commission received from the Kinesis Commercial Centre (KCC) The exclusive right to participate in the Kinesis currency ICO with pre-ICO preferential rates |
| Token Issuance date | 1 July 2018 and thereafter upon subscription |
| Token activation date | 31 August 2018 |
| Token Buy-Back Program | A minimum of 5% of total transaction fees goes towards buying back token Buy-back of tokens increased to 20% of transaction fees if token price goes 5% below listing price |

| Thresholds | | | |
|--------------------|----------------------|---------------------|----------|
| Token issue period | First Date Available | Last Date Available | Discount |
| Pre-Sale | | | |
| 1st Phase | 14-Feb-18 | 14-Mar-18 | 25% |
| 2nd Phase | 15-Mar-18 | 31-Mar-18 | 15% |
| 3rd Phase | 01-Apr-18 | 14-Apr-18 | 10% |
| 4th Phase | 15-Apr-18 | 30-Apr-18 | 5% |
| 5th Phase | 1 May 2018 | 30 June 2018 | 2.5% |
| Public Sale | 1 July 2018 | 30 August 2018 | Nil |

Kinesis Velocity Token Projected Financials

Based solely on a modest infiltration rate in the gold market and not considering infiltrating any other market. The Kinesis System can be applied on top of any asset and to any market. KVT holders will benefit from the currency suite expansion into all future asset classes.

A reasonable velocity rate of 30% has been applied. Remember that Tether's velocity rate over the last 2 months is circa 200%.

An assumption of 1-3% of transactions going through the KCC is also considered to be conservative particularly with additional loyalty programs that will be developed.

As can be seen from this table the share of fees and commission per KVT results in a very attractive yield.

Because we can forecast future returns we can calculate a Net Present Value (NPV) per KVT based on Discounted Cash Flow analysis.

As can be seen in the red box at the bottom of the table, the NPV based on 5 years cash flows and a discount rate of 5% is over \$248k per KVT, which at current prices represents extraordinary value.

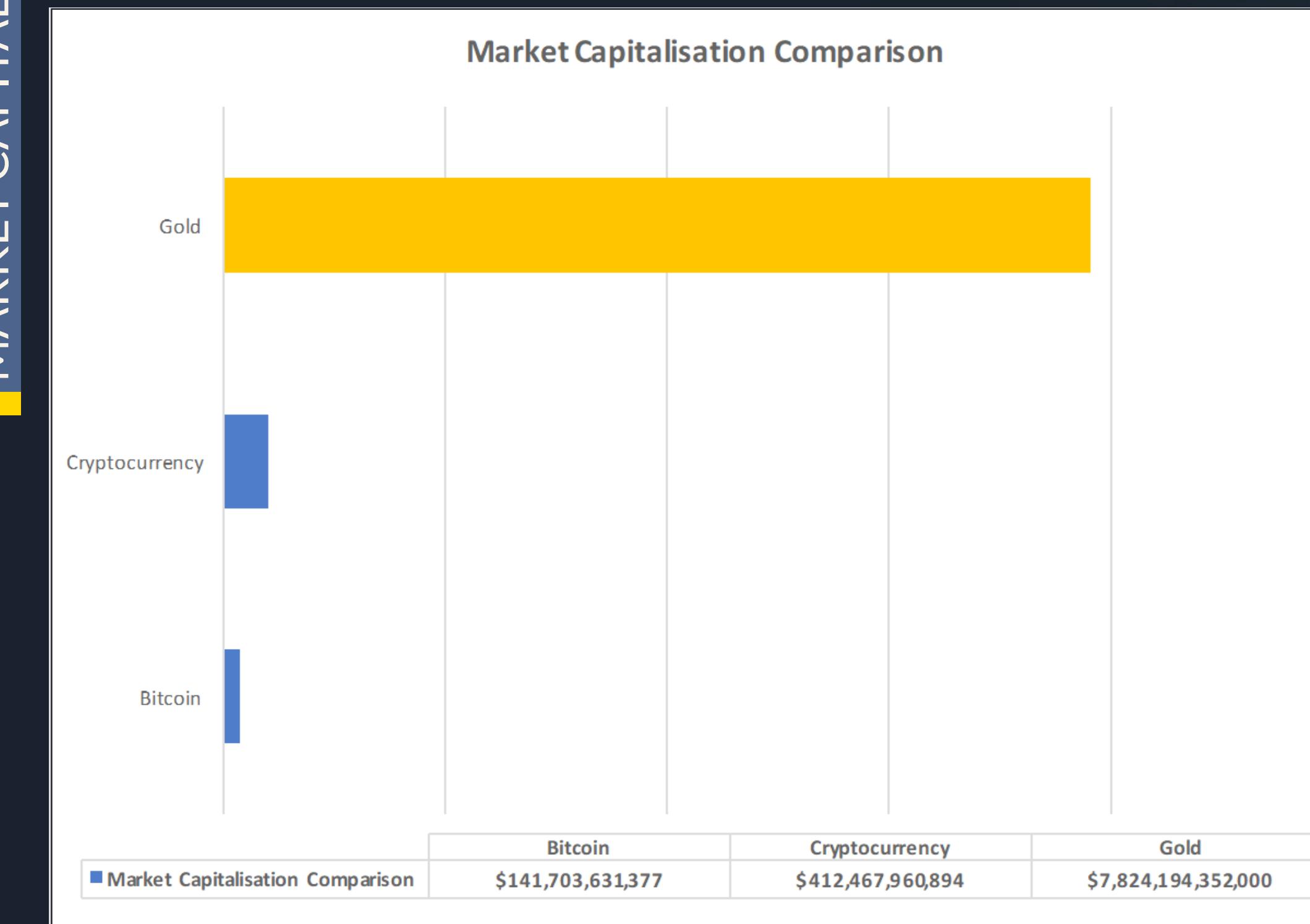
With the volatility in other cryptocurrencies the discount rate would have to be much higher to represent the risk and they also largely do not have a yield.

| | Year | | | | |
|---------------------------------------|-----------------|-------------------|--------------------|--------------------|--------------------|
| | 1 | 2 | 3 | 4 | 5 |
| Average Market Capitalization (USD) | 7,824,194,352 | 45,862,973,550 | 103,956,073,380 | 226,257,336,180 | 366,903,788,400 |
| Velocity 1 | 30% | 30% | 30% | 30% | 30% |
| Days in Year | 365 | 365 | 365 | 365 | 365 |
| Yearly Volume (USD) | 856,749,281,544 | 5,021,995,603,725 | 11,414,376,857,124 | 24,775,178,311,710 | 40,175,964,829,800 |
| Transaction Fee % | 0.45% | 0.45% | 0.45% | 0.45% | 0.45% |
| Transactions Fees (USD) | 3,855,371,767 | 22,598,980,217 | 51,364,695,857 | 111,488,302,403 | 180,791,841,734 |
| Commercial Centre Transactions | | | | | |
| Share of Total Transactions (%) | 0.5% | 1.0% | 2.0% | 3.0% | 3.0% |
| Share of Total Transactions (\$) | 4,283,746,408 | 50,219,956,037 | 228,287,537,142 | 743,255,349,351 | 1,205,278,944,894 |
| Average Commission Rate | 5% | 5% | 5% | 5% | 5% |
| Total Commission Income | 214,187,320 | 2,510,997,802 | 11,414,376,857 | 37,162,767,468 | 60,263,947,245 |
| KVT Share % | 20% | 20% | 20% | 20% | 20% |
| KVT Transaction Revenue (USD) | 771,074,353 | 4,519,796,043 | 10,272,939,171 | 22,297,660,481 | 36,158,368,347 |
| KVT Commission Revenue (USD) | 42,837,464 | 502,199,560 | 2,282,875,371 | 7,432,553,494 | 12,052,789,449 |
| Projected KVT Revenue (USD) | 813,911,817 | 5,021,995,604 | 12,555,814,543 | 29,730,213,974 | 48,211,157,796 |
| KVT Issued | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 |
| Per KVT | 2,713.04 | 16,739.99 | 41,852.72 | 99,100.71 | 160,703.86 |
| Cost per KVT | | | | | |
| 25% Discount | 750 | 750 | 750 | 750 | 750 |
| 15% Discount | 850 | 850 | 850 | 850 | 850 |
| 10% Discount | 900 | 900 | 900 | 900 | 900 |
| Full Price | 1000 | 1000 | 1000 | 1000 | 1000 |
| Yield | | | | | |
| 25% Discount | 361.74% | 2232.00% | 5580.36% | 13213.43% | 21427.18% |
| 15% Discount | 319.18% | 1969.41% | 4923.85% | 11658.91% | 18906.34% |
| 10% Discount | 301.45% | 1860.00% | 4650.30% | 11011.19% | 17855.98% |
| Full Price | 271.30% | 1674.00% | 4185.27% | 9910.07% | 16070.39% |
| NPV* (5% Discount rate) | | | | | |
| 25% Discount | 248,207.18 | | | | |
| 15% Discount | 248,111.94 | | | | |
| 10% Discount | 248,064.32 | | | | |
| Full Price | 247,969.08 | | | | |

Market Capitalisation

- As can be seen from the charts below, the gold market is vastly larger than all cryptocurrency markets combined.
- Kinesis is providing a solution which will infiltrate currency, asset and investment markets around the world, not just gold, silver and cryptocurrency markets.
- In our financial projections we are solely modelling a modest infiltration of the gold market and nothing more.**
- In reality there will be an infiltration of all asset, investment and currency markets – our yield and stability (risk/return metrics) make us an asset that is appropriate for almost anyone's risk profile, portfolio allocation and investment horizon.
- Over time we will infiltrate fiat currency: bank deposits; money movements; remittances; payments, micro payments; micro lending; lending etc.
- The scope and scalability of the Kinesis Monetary System is extraordinary!**

| Market Infiltration | |
|-------------------------|------------------------|
| Physical Gold Market | Modest Infiltration |
| Physical Silver Market | Not taken into account |
| Paper Gold Market | Not taken into account |
| Paper Silver Market | Not taken into account |
| Cryptocurrency Market | Not taken into account |
| Fiat Currency Market | Not taken into account |
| Investment Asset Market | Not taken into account |



MARKET CAPITALISATION

Market Capitalisation

| Gold Market | | | | | |
|-------------------------------------|-------------------|-------------------|--------------------|--------------------|--------------------|
| | Year | | | | |
| | 1 | 2 | 3 | 4 | 5 |
| Physical Gold mined | 187,200 | 187,200 | 187,200 | 187,200 | 187,200 |
| Gold production | | 3,000 | 3,000 | 3,000 | 3,000 |
| Above ground gold reserves (tonnes) | 187,200 | 190,200 | 190,200 | 190,200 | 190,200 |
| Gold Price | 1,300 | 1,500 | 1,700 | 1,850 | 2,000 |
| Above ground gold reserves (US\$) | 7,824,194,352,000 | 9,172,594,710,000 | 10,395,607,338,000 | 11,312,866,809,000 | 12,230,126,280,000 |
| Market Infiltration | 0.10% | 0.50% | 1% | 2% | 3% |
| Market Capitalisation | 7,824,194,352 | 45,862,973,550 | 103,956,073,380 | 226,257,336,180 | 366,903,788,400 |

| CryptoCurrency Market | | | | | |
|------------------------------|-----------------|-------------------|-------------------|-------------------|--------------------|
| | Year | | | | |
| | 1 | 2 | 3 | 4 | 5 |
| Cryptocurrency Market (US\$) | 800,000,000,000 | 3,000,000,000,000 | 5,000,000,000,000 | 9,000,000,000,000 | 13,000,000,000,000 |
| Market Infiltration | 0.98% | 1.53% | 2.08% | 2.51% | 2.82% |
| Market Capitalisation | 7,824,194,352 | 45,862,973,550 | 103,956,073,380 | 226,257,336,180 | 366,903,788,400 |

| NASDAQ | | |
|--------------------------------|----------|-------------------|
| Date | 12/06/95 | 09/03/00 |
| Nasdaq Composit | 902.68 | 5046.86 |
| Years | | < 5 |
| Growth Rate | | 559.10% |
| Market Cap in Year 2000 (US\$) | | 6,600,000,000,000 |



- The NASDAQ in the early tech boom and internet bubble is a highly comparable market to the cryptocurrency markets.
- Over 5 years the NASDAQ grew 559% during a relatively late adoption period in comparison to the cryptocurrency markets.
- The NASDAQ reached a market capitalisation of US\$6.6 Trillion
- NASDAQ stocks had little to no earnings, like cryptocurrencies (excluding Kinesis)
- The NASDAQ is USA centric
- Cryptocurrency markets are completely global
- US Dollars are worth less now than what they were then
- With the above considered we assume that the cryptocurrency markets will reach a size at least 3 times larger than the NASDAQ during the same time period.
- $3 \times \text{US\$6.6T} = 13,418,336,509,062 = \text{circa US\$13 Trillion}$
- The survivors of the dotcom crash became the largest companies in the world. It's very possible the same will happen in the cryptocurrency markets.

In forecasting the Kinesis market capitalisation/monetary base, we have solely looked at an infiltration of the gold market and nothing else.

| Market Infiltration | |
|-------------------------|------------------------|
| Physical Gold Market | Modest Infiltration |
| Physical Silver Market | Not taken into account |
| Paper Gold Market | Not taken into account |
| Paper Silver Market | Not taken into account |
| Cryptocurrency Market | Not taken into account |
| Fiat Currency Market | Not taken into account |
| Investment Asset Market | Not taken into account |

This market capitalisation is assuming NIL infiltration of cryptocurrency markets or any other market apart from the gold market.

USE OF FUNDS

Use of Funds

Kinesis is seeking to raise over US\$200 million to enable it to aggressively grow its business by completing the integration of all elements in its physical asset based digital currency, blockchain, payments, vaulting and precious metal trading businesses, and initiating its global commercialisation program. The plan contemplates one large closing in late Q2 2018. Roughly \$44.25 million is allocated to working capital over the next 15 months. \$148.75 million is allocated to capital investment in platform integrations, financial and banking licenses, market making capital and a series of strategic investments across the supply line.

Further details to be provided under Non-Disclosure Agreements to strategic investors.

| | Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 | Total by Function |
|-------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------------|
| Sales/Relationship | \$917,985 | \$1,399,392 | \$1,865,853 | \$1,865,853 | \$1,865,853 | \$7,914,936 |
| Marketing | \$1,853,931 | \$1,977,954 | \$2,025,666 | \$2,136,951 | \$2,257,791 | \$10,252,293 |
| Technology | \$2,063,205 | \$3,094,825 | \$4,126,435 | \$4,126,435 | \$4,126,435 | \$17,537,335 |
| Product Development | \$297,114 | \$445,671 | \$594,225 | \$594,225 | \$594,225 | \$2,525,460 |
| Legal & Compliance | \$317,994 | \$397,500 | \$397,500 | \$437,247 | \$437,247 | \$1,987,488 |
| Ops/Administration | \$317,994 | \$397,500 | \$397,500 | \$437,247 | \$437,247 | \$1,987,488 |
| Fixed and PP&E | \$95,400 | \$159,000 | \$159,000 | \$190,800 | \$190,800 | \$795,000 |
| Platform Integrations | \$0 | \$1,800,000 | \$900,000 | \$900,000 | \$400,000 | \$4,000,000 |
| Platform Development | \$2,000,000 | \$5,000,000 | \$5,000,000 | \$5,000,000 | \$5,000,000 | \$15,000,000 |
| Licenses | \$0 | \$4,000,000 | \$4,000,000 | \$4,000,000 | \$3,000,000 | \$15,000,000 |
| Consultants | \$250,000 | \$250,000 | \$250,000 | \$250,000 | \$250,000 | \$1,250,000 |
| Market Making Capital | \$39,750,000 | \$0 | \$0 | \$0 | \$0 | \$39,750,000 |
| Strategic Investment | \$15,000,000 | \$20,000,000 | \$20,000,000 | \$10,000,000 | \$10,000,000 | \$75,000,000 |
| Total by Period | \$62,863,623 | \$38,921,842 | \$39,716,179 | \$29,938,758 | \$28,559,598 | \$200,000,000 |

TOKEN ALLOCATION

Token Allocation

Advisers

All advisers, brokers, referrers and affiliates who assist with and recruit users and investors during the KVT & Kinesis Currency ICO launch period.

Founders & Executive Management Team

The founders and management will be allocated 9% to reward and maintain loyalty.

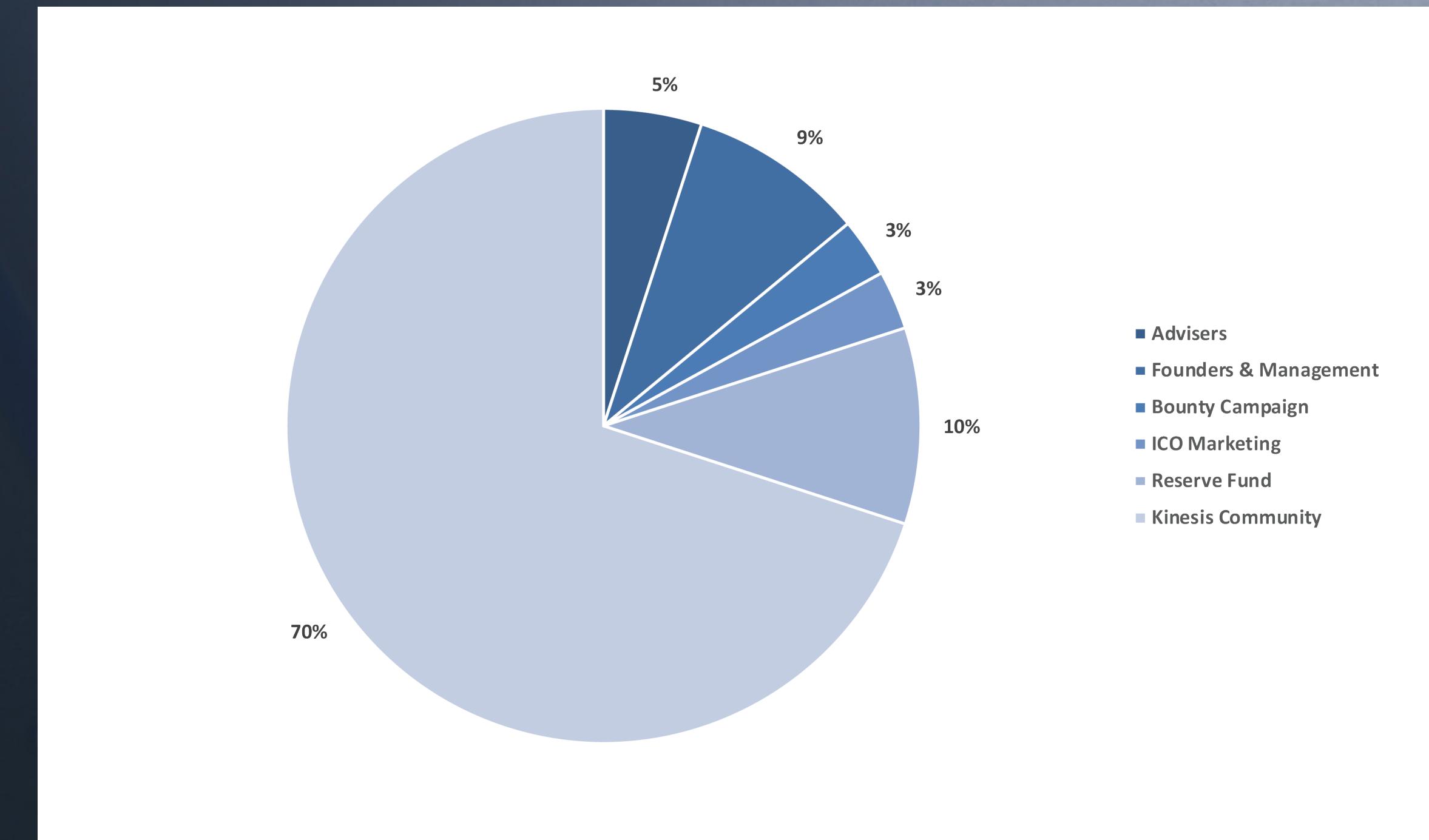
Bounty Campaign

Influencers, marketers and anyone subscribed into the bounty program to assist with the promotion of both KVT and the Kinesis currency suite.

ICO Marketing

Budget directed into marketing expenses for the KVT ITO and the Kinesis currency suite ICO.

| Token Allocation | |
|-----------------------|------|
| Advisers | 5% |
| Founders & Management | 9% |
| Bounty Campaign | 3% |
| ICO Marketing | 3% |
| Reserve Fund | 10% |
| Kinesis Community | 70% |
| | 100% |



Reserve Fund

A pool of capital held in reserve for the the Kinesis entity upon any significant opportunities arising. This will be allocated in the interests of further stimulating money velocity.

Kinesis Community

The allocation to the subscribing token holders in the Kinesis System.

Institutional Target Market Sectors

Cryptocurrency Market

Recruiters

- Businesses paying employees, contractors & partners
- Online Marketers
- Network Marketers

Banking Solution Users

- Corporates

Investors/Traders

- Crypto Hedge Funds
- Market Makers
- Institutional Miners

Platform Providers

- Cryptocurrency Platforms
- Cryptocurrency Brokers
- Crypto Banks

White Labelers

- Merchants
- Cryptocurrency Brokers

Physical Participants

Traders

- Bullion Dealers
- Wholesale Traders

Producers

- Miners
- Refiners

End-Users

- Jewellers
- Industrial Manufactures

Other

- Banks
- Central Banks
- Governments
- Exchanges

Institutional Investors

Asset Managers

- Fund complexes
- Sovereign Wealth
- Hedge Funds

- Insurance Companies
- Private Banks
- Multi-Family Offices
- Outsource CIOs

Asset Owners

- Foundations
- Endowments
- Public Funds
- Corporates
- UHNW/Single Family Offices

Administrators & Brokers

Investment Administrators

- RIA & Broker Dealer Custodians
- SMSF Admins (AU)
- SIPP Admins (UK)

Brokerage Platforms

- FX Brokers
- Commodity Brokers
- CFD Brokers
- Electronic market operators and BD
- Physical metal platforms

WHO BENEFITS?

Who Benefits?

Now think.... If you feel you could benefit from this system in anyway, then perhaps so too could anyone!

| | Minter | Depositor | Holder | Recruiter |
|-------------------------|--------|-----------|--------|-----------|
| Individual | Yes | Yes | Yes | Yes |
| Business | Yes | Yes | Yes | Yes |
| Cryptocurrency Exchange | Yes | N/A | Yes | Yes |
| Precious Metal Dealer | Yes | Yes | Yes | Yes |
| Precious Metal Miner | Yes | N/A | Yes | Yes |
| PM Vaulter | Yes | Yes | Yes | Yes |
| Investor | Yes | Yes | Yes | N/A |
| Saver | Yes | Yes | Yes | N/A |
| Fund Manager | Yes | Yes | Yes | N/A |
| Broker | Yes | Yes | Yes | Yes |
| Government | Yes | Yes | Yes | Yes |
| Online Marketer | Yes | Yes | Yes | Yes |
| Influencers | Yes | Yes | Yes | Yes |
| Network Marketers | Yes | Yes | Yes | Yes |
| Merchants | Yes | Yes | Yes | Yes |
| Postal Systems | Yes | Yes | Yes | Yes |
| White Labelers | Yes | Yes | Yes | Yes |
| Everyone who uses money | Yes | Yes | Yes | Yes |

Who Benefits?

Imagine.....

The average person who just wants to make an extra \$100 per week... Kinesis provides them a plug-and-play opportunity to use the system themselves just like their current banking system and make money, then they can network or use social media to bring people into the system to recruit other people to make some more money, potentially a lot.

A precious metal investor can suddenly invest with an attractive yield attached.

A business that wants to build an entirely new revenue stream and generate more profits can use this system for their banking, pay their employees, partners & trade creditors.

A precious metals broker/dealer can offer this to their loyal customer base and earn an entirely new stream of recurring revenue that over time can easily far surpass the marginal profit margins they currently derive.

A precious metal miner can sell their metal into the Kinesis system and receive not only better prices, but a whole new revenue stream that keeps getting larger and larger with the more metal they sell into the Kinesis system.

A government can adopt this system and rollout a strong currency with strong stimulus for economic growth and receive political popularity, along with avoiding charging unpopular income taxes as the transaction based system should generate enough income to serve the country.

A government owned postal system acting as agent for other payment and remittance providers, can adopt the Kinesis system and provide a more efficient and cost effective solution that serves the interests of their country's populous much better.

A precious metal vaulter can offer the Kinesis system to their clients storing metal with them to provide their clients with a yield on their metal holdings, which will far surpass the fees they are paying in storage.

A large retailer wishes to white label the Kinesis solution with their own brand and roll it out to all their customers in order to build greater loyalty and connection to their brand via a loyalty based token currency system, banking & debit card.

An online marketer is looking for a new virally powerful product to market and be a significant revenue raiser.

A cryptocurrency exchange wishes to offer to their customers a stable currency that is highly liquid and offers a safe, secure and stable location for their customers to park their capital outside of other volatile cryptocurrencies.

An analyst with an online blog and loyal followers wishes to support a new innovative product that can change the world for the better and also be part of its success and earn some revenue from promoting it.

Kinesis will offer these things in almost every example above from day 1 of launch!!!

Historical Precedent

During the Middle Ages a borderless transnational group of merchants and traders bound together to develop a commercially orientated group that would work together for the greater commercial benefit of all involved. This group would go onto dominate commercial activity in Northern Europe, particular the Baltic and North Seas, between the 13th and 15th century and dictate its own terms of trade and currency outside of weaker nation states and their border defined economies.

The name of this group was the Hanseatic League and it became arguably the most powerful and influential commercial organisation in history.

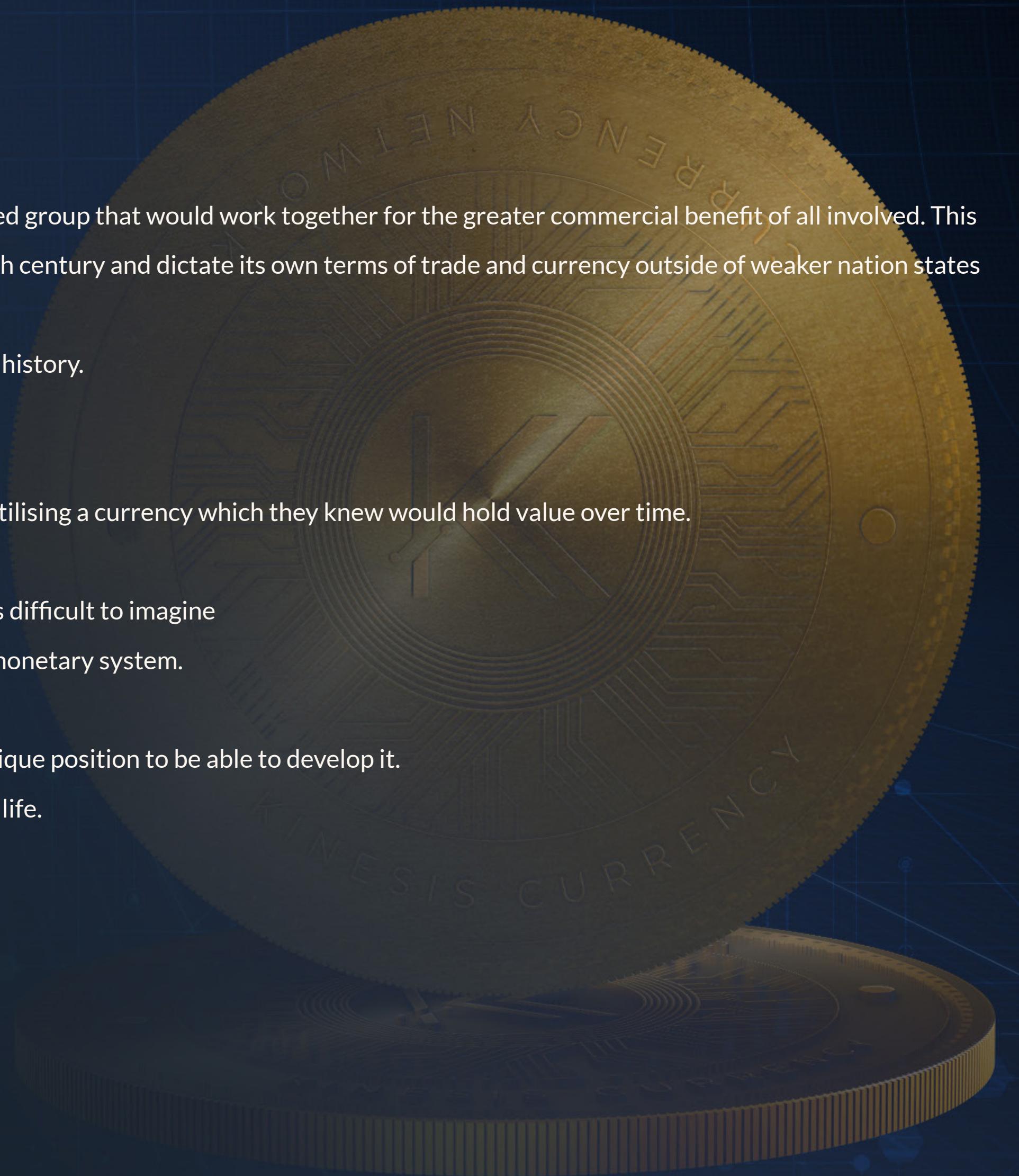
It is argued and accepted that the Pound Sterling originated from the league's currency which was denominated in gold and silver.

The Hanseatic League refused to accept other nation states currencies as these were continuously being debased, instead insisted on utilising a currency which they knew would hold value over time.

With blockchain and cryptocurrency technology connecting the world of commerce and money in a way we have never before seen, it is difficult to imagine a better time in history than now to use the Hanseatic League's historical precedent and collectively develop the Kinesis currency and monetary system.

With the correct commercialisation strategy this possibility becomes a reality. This simply should be undertaken and our team is in a unique position to be able to develop it.

The economic benefits are overwhelming for anyone participating and our team has the technology and expertise to bring this vision to life.



Conclusion

This Blueprint has presented a new system for money which has been architected and engineered for real world application and success. For money to be successful it must be: 1) an efficient medium of exchange; and 2) an effective store of value.

However, the problem is it is very difficult to achieve both while promoting economic activity, hence the continual desire by central planners to maintain a level of inflation, or in other words a devaluation of currency. Under the Kinesis system we are able to take the greatest store of value, gold, make it an efficient medium of exchange via blockchain and cryptocurrency technology, then stimulate money velocity and economic activity through a multifaceted incentivising yield system.

The system kinetically charges money for movement to maximum velocity. Kinesis is a truly ground-breaking invention that has the potential to change the world of money as we know it.

The Kinesis monetary system shares in all economic activity generated according to different forms of participation, active and passive. Capital is mobile throughout the world and always seeking attractive risk/return investment metrics, yield and/or capital appreciation with minimal risk. Ultimately, the yield of an investment is the most definable comparative factor between investment assets. Risk and the potential for capital appreciation being more difficult to understand, compare and forecast.

In fact, it is the yield that typically brings value to an asset and with this logic prevailing, the introduction or increase of a yield will revalue the underlying asset upwards. We expect a revaluation upwards of assets in the Kinesis system.

Kinesis is not abstract or theoretical, it has been meticulously planned and at the time of this writing the majority of the ecosystem has been built with the commercialisation already starting. It has been architected and engineered by exchange, market, banking and technology professionals who have a deep understanding of what is required to build out and commercialise this monetary system and currency market in the most strategically effective sequential way.

The distribution network is already extraordinarily powerful and primed for action.

The value and positive consequences of this system are well understood. Kinesis is being developed for the people of the world. Such dramatic change will not come from policy makers or planners, it can only come from the people.

We believe that Kinesis has the power to supercharge the revolution that is underway with the exponential increasing awareness and adoption of decentralised cryptocurrency and blockchain technology.

We look forward to your participation and seeing you on the other side!

Welcome to Kinesis

The monetary system for a successful and sustainable future.

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