
Crypto 528 – Whitepaper

November 27, 2021



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Abstract

Introduction

This whitepaper provides detailed financial and strategic information necessary to establish and operate Crypto 528 as a Decentralized Autonomous Organization (DAO). The document outlines the rights of DAO token holders, growth, procedures for operation, profit generation and future expansion.

The goal of Crypto 528 is to be a globally recognized brand that holds and operates multiple blockchain products through a DAO structure. The DAO initially will own a crypto mine in Tbilisi Free Trade Zone that will mine 5 different types of cryptos and pay monthly dividends back to token holders.

The Organization

Crypto 528 will be wholly run as a DAO whereby token holders can stake their tokens to earn governance tokens which gives the holder voting rights in the company. The voting rights include but are not limited to:

- Decide which cryptos the company mines
- What mining equipment should be purchased
- When mining equipment should be replaced or upgraded
- Approve DAO employee and director compensation
- Appoint an independent community member to the board and determine compensation
- What actions to take with the 10% mining reserve held by the DAO
- When/if the DAO or any operations of the DAO should be sold, shut down or dismantled
- Set the charity amount to donate (minimum of 10%) and choose the charities to donate to
- Approve any additional token issuances or offerings
- Can put forth initiatives for the company to vote on
- Approve the strategic direction for the DAO

Financials

Crypto 528 has forecasted substantial revenues throughout the 5-year financial forecast. In order to account for coin price volatility, there have been no forecast price increases in the coins in the financial model. This allows for a very conservative outlook on business operations ensuring the success of the mine.

Who We Are

1. Introduction

Crypto 528 is a unique Decentralized Autonomous Organization (DAO) which funds and operates the project of opening a cryptocurrency mine in the country of Georgia. There will be two types of tokens issued, non-governance tokens and governance tokens. Non-governance token holders are entitled to monthly crypto dividends paid directly to their wallets as well as any proceeds from the sale or windup of the mine. Non-governance tokens are stakeable allowing holders to earn governance tokens. Governance tokens enable holders the right to vote in the DAO on all organization decisions and policies. Governance tokens can also be traded on decentralized exchanges.

Our goal is to enable all people the ability to own, operate and be a part of a crypto mining community.

2. What is a DAO?

A DAO is a member-owned community and is a safe method to collaborate with internet strangers in a joint project or initiative enabling like-minded folks to connect around the globe (Ethereum.org, 2021).

It is an internet-native business that's collectively owned and managed by its members. DAOs have built-in treasuries that no one has the authority to access without the approval of the group. Decisions are governed by proposals and voting to ensure everyone in the organisation has a voice. This prevents a CEO from authorising spending based on their own whims and there's no chance of the company manipulating the books. Everything is out in the open and the rules around spending company money are coded into the DAO via smart contracts (Ethereum.org, 2021). All major company decisions are made by governance token holders creating a strong sense of community and ownership of the project.

Figure 1: DAO vs a Traditional Organization

DAO	A traditional organisation
Usually flat, and fully democratized.	Usually hierarchical.
Voting required by members for any changes to be implemented.	Depending on structure, changes can be demanded from a sole party, or voting may be offered.
Votes tallied, and outcome implemented automatically without trusted intermediary.	If voting allowed, votes are tallied internally, and outcome of voting must be handled manually.
Services offered are handled automatically in a decentralized manner (for example distribution of philanthropic funds).	Requires human handling, or centrally controlled automation, prone to manipulation.
All activity is transparent and fully public.	Activity is typically private, and limited to the public.

Source: <https://ethereum.org/en/dao/>

3. The Meaning Behind 528

528 Hz is also known as frequency of health and longevity; its vibrations lift your heart and divine forces in harmony with creation and nature (Meditative Mind, 2021). It is the powerful sound of love and restores human consciousness, bringing more harmony and balance to life. It also helps to create self-love and can end the problems of illness, hatred, jealousy in the world and it is recommended for good and sound/deep sleep (Meditative Mind, 2021).

One academic study published in the Scientific Research Journal examined the stress-reducing effect of music with a frequency of 528 Hz, which has recently attracted attention as a “healing” type of music on the endocrine system and the autonomic nervous system (Akimoto, K., Hu, A., et al., 2018). Nine healthy participants (one man and eight women, aged 26 - 37 years) listened to 528 Hz and standard 440 Hz music on separate days. The study measured salivary biomarkers of stress (cortisol, chromogranin A, and oxytocin) before and after exposure to music, and continuously recorded the activity of the autonomic nervous system. The Profile of Mood State, 2nd edition, was also administered as a subjective indicator of stress. In the 528 Hz condition, mean levels of cortisol significantly decreased, chromogranin A tended to decrease, and oxytocin significantly increased after music exposure. However, no significant change was observed in any salivary biomarkers in the 440 Hz condition (Akimoto, K., Hu, A., et al., 2018). Tension-anxiety and Total Mood Disturbance scores were significantly reduced after exposure to 528 Hz music, while there was no significant difference following 440 Hz music (Akimoto, K., Hu, A., et al., 2018).

These results suggest that the influence of music on the autonomic nervous system and endocrine system varies depending on the frequency of the music, and furthermore, that 528 Hz music has an especially strong stress-reducing effect, even following only five minutes of exposure (Akimoto, K., Hu, A., et al., 2018).

Business Background

Business History

The founders of Crypto 528 are profusely active in charity work and donations both locally and globally. Their goal is to bring positive change to the world by creating a community of like-minded individuals with a focus on sustainable development, peace, justice and love. Through the use of blockchain, the founders aim to create a community that can continually have a positive in the areas the organizations operates and globally. The project also aims to give token holders an opportunity to own and operate a cryptocurrency mine while creating a sense of community. Position

The business is currently in the initial start-up phase, it has registered a company name and has secured a 300sqm (3200sqft) location in the Free Trade Zone that is 20km outside of Tbilisi, the capital city of Georgia. There are four founders and no other employees as of yet.

Our Mission and Goal

Our mission is to bring positive change to the world by creating a DAO of like-minded individuals with a focus on sustainable development, peace, justice and love.

Our goal is to expand into a globally recognized brand that holds and operates multiple blockchain products through a DAO.

Core Values

The organization has the following core values and can only be amended through vote by governance token holders

- Put people and the wellbeing of the world before profit
- Facilitate sustainable development
- Give back to charities and the local communities in any areas we operate
- Consider the long-term impact on the world of each decision made by the DAO

- Grow and unite a global sense of community

Our Strategy

Key steps in achieving success:

In order to proceed with operations, Crypto 528 requires capital to:

- Purchase equipment and materials
- Conduct interior design and lease space fit out
- Hire and train mine technicians
- Implement the marketing plan
- Fund operating expenses as required
- File Regulation A+ in the United States

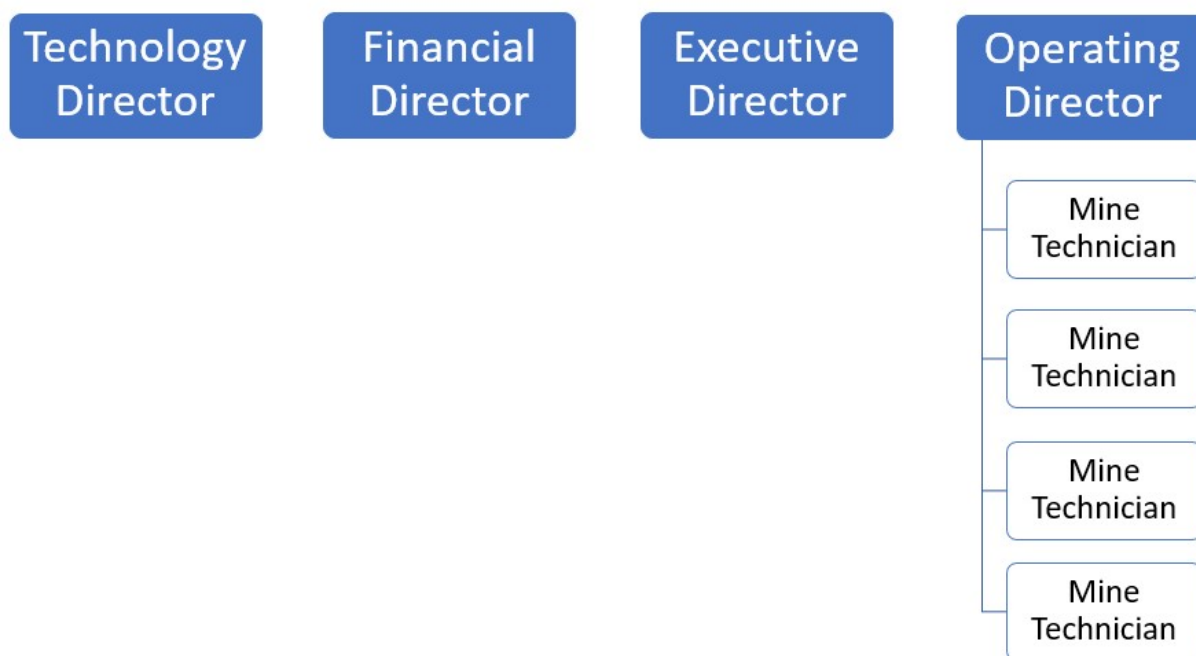
Once the mine has opened and is in operation, our strategy will consist of:

- Perfecting the operating model
- Continuous improvement monitoring
- Assessment for expansion
- Supporting local businesses
- Giving back to the communities we operate in
- Enhancing the brand reputation and image
- Developing new products under the brand

Current and Planned Team

Crypto 528 currently has four members on the project team; an Executive Director, a Financial Director, an Operations Director and an Information Technology Director. Additionally, the business will hire four mine technicians that will provide 24/7 monitoring and support for the equipment ensuring the mine is constantly running at maximum capacity. The mine will also hire local third-party cleaning services to ensure the equipment is kept in pristine condition.

Figure 1: Planned Team Structure



Retention, Engagement and Recruitment

The founding team has had a huge impact on the development and bringing this project to life. They are crucial to the continued success of the project as they understand and are familiar all aspects of the mine. In any organization salaries are required to attract and retain exceptional candidates to ensure its continuous and operation. As a result each of the director positions in the DAO will be compensated equally at an initial salary of \$8,000 (USD) per month. Compensation for the mine technician position will be \$3,000 (USD) per month. As well full medical benefits will be provided equally to all employees of the DAO. Any additional compensation for the director or mine technician positions in the future will need to be approved by governance token holders. Also, any new additions to the project team or hiring of employees for the DAO will need to be approved by governance token holders along with salary ranges and offerings for the new positions.

The Core Team



Vlasta H.

Executive Director

Former movie producer, European real estate developer, marketing specialist, and is a crypto visionary



Mark M.

Financial Director

CPA, CMA

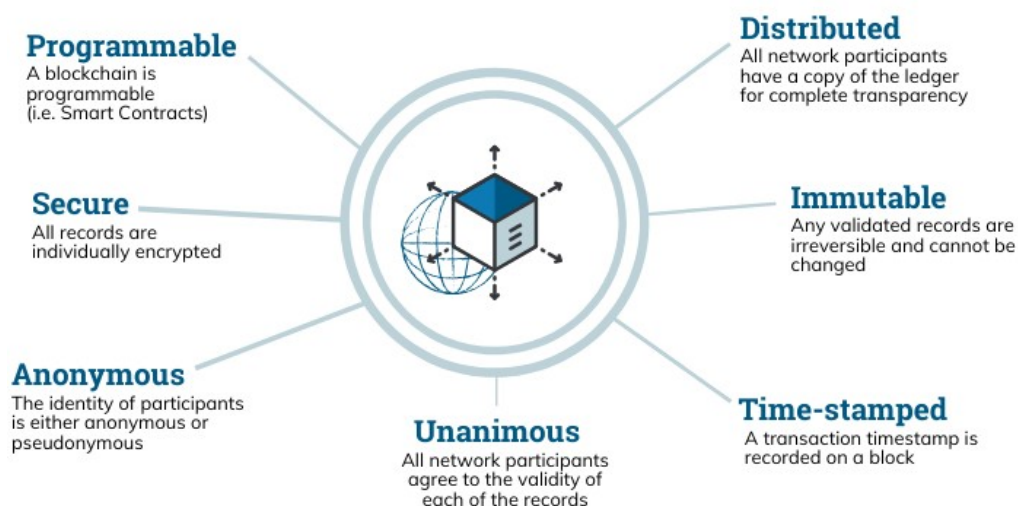
8 years of project accounting experience in construction, oil & gas, and mining and blockchain enthusiast

What is Blockchain?

Blockchain is the fundamental element of cryptocurrency, it is a system of recording information in a way that makes it difficult or impossible to change, hack, or cheat the system (Euromoney, 2021). It is a digital ledger of transactions that is duplicated and distributed across a network of computer systems that are each on the blockchain (Euromoney, 2021). Every block in the chain contains a series of transactions. Every time a new transaction occurs on the blockchain, a record of that transaction is added to the ledger of every participant on the chain. This decentralised database of transactions that is managed by the participants on the blockchain is known as Distributed Ledger Technology (DLT) as seen in figure 2 below.

Figure 2: Properties of Distributed Ledger Technology (DLT)

The Properties of Distributed Ledger Technology (DLT)



Source: <https://www.euromoney.com/learning/blockchain-explained/what-is-blockchain>

Transactions in the DLT are recorded with an immutable cryptographic signature called a hash (Euromoney, 2021). This means if one block in one chain was tampered with, it would be immediately apparent that something on the network has changed. This means that if hackers

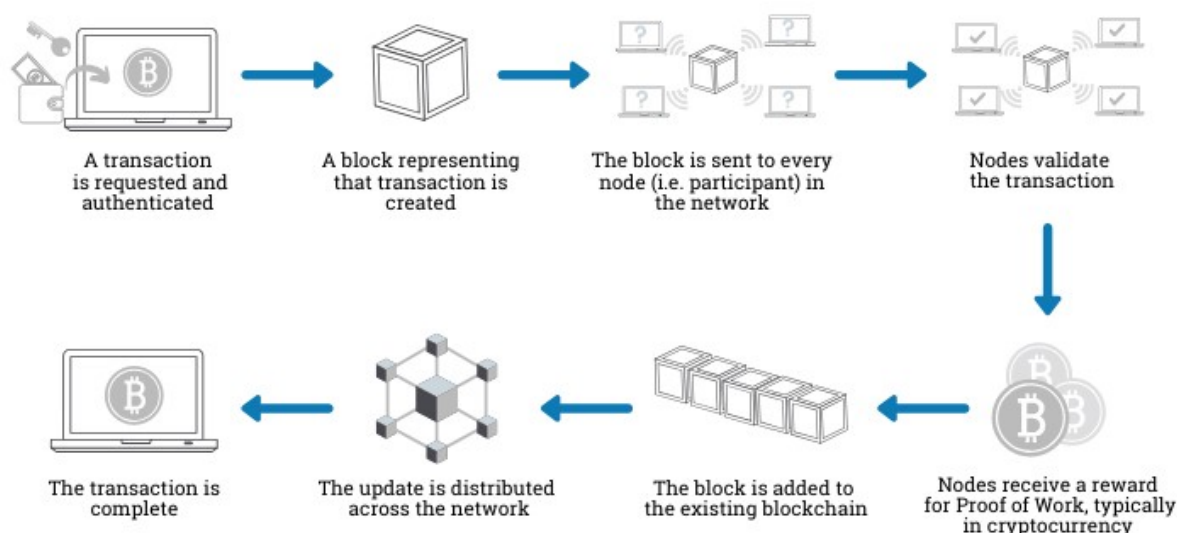
wanted to corrupt a blockchain system, they would have to change every block in the chain, across all of the distributed ledgers in the network (Euromoney, 2021).

How does blockchain work?

Blockchain was designed to operate without a central authority, but still ensure all transactions on the network are authenticated (Euromoney, 2021). This is done using cryptographic keys, which identify users and gives them access to their “account” or “wallet” on the network (Euromoney, 2021). Once the transaction is agreed between the users, it needs to be authorised before it is added to a block in the chain. In a public blockchain, this means that the majority of all “nodes” (or computers in the network) agree that the transaction is valid (Euromoney, 2021). People who own computers that help form the network are incentivised to verify transactions through rewards (Euromoney, 2021).

Figure 3: Blockchain Transaction Process

How does a transaction get into the blockchain?



Source: <https://www.euromoney.com/learning/blockchain-explained/how-transactions-get-into-the-blockchain>

Proof of Work vs. Proof of Stake

There are two types of main validation networks:

a) *Proof of Work*

Proof of Work requires the people who own the computers in the network to solve a complex mathematical problem to be able to add a block to the chain. Solving the problem is known as mining, and 'miners' are usually rewarded for their work in cryptocurrency (Euromoney, 2021).

Mining isn't easy, the mathematical problem can only be solved by trial and error and the odds of solving the problem are about 1 in 5.9 trillion (Euromoney, 2021). Mining requires substantial computing power which in turn uses considerable amounts of electricity. As a result, the rewards for undertaking the mining must outweigh the cost of the mining equipment and the electricity cost of running it. To put it in scale, using one normal computer alone would take years to find a solution to the mathematical problem (Euromoney, 2021).

As the blockchain grows, more computers will join to try and solve the complex problem, the problem will get harder and the network will get larger, theoretically increasing the size of the blockchain further and making it more difficult to sabotage or hack (Euromoney, 2021).

b) Proof of Stake

Some blockchain networks have adopted a different verification model known as "Proof of Stake" which does not involve solving a complex mathematical formula. Participants in this model must have a "stake" in the blockchain which usually means owning some of the tokens or cryptocurrency (Euromoney, 2021). Stakeholders are then chosen usually at random to verify & validate transactions on the network. If they propose adding a block with inaccurate information, they lose some of their staked holdings as a penalty (Daly, 2021). Because no mining is required, this saves substantial computing power resources and consumes significantly less electricity.

How does mining work?

Crypto mining is used in the "Proof of Work" validation model, which involves validating cryptocurrency transactions on a blockchain network by solving a complex mathematical formula. Once the formula has been solved, new coins or tokens are generated to reward miners for their work in securing the network (Freeman Law, 2021). Since distributed ledger networks lack a centralized authority, mining is an essential process for validating transactions (Freeman Law, 2021). As a result, miners are incentivized to secure the network by participating in the transaction validation process by rewarding the solver of the complex mathematical equation with newly created coins or tokens (Freeman Law, 2021).

The complex mathematical equations are in the form of cryptographic hashes which are digital signatures for a chunk of data and are generated to secure data transferred on a public network (Freeman Law, 2021). Miners compete with their peers for a hash value that is generated by a

transaction on the network, and the first miner to crack the cryptographic code gets to add the block to the ledger and receive the reward (Freeman Law, 2021).

Each block in the ledger uses a hash function to refer to the previous block in the chain. This forms an unbroken chain of blocks that leads back to the very first block on the chain (Freeman Law, 2021). As new miners enter the network and continue to deploy more advanced computer hardware to solve the mathematical problems, the equations on the network will increase in difficulty.

What is required to mine cryptocurrencies?

The mining process requires computers with specialized software specifically designed to solve complicated, cryptographic mathematic equations. It also requires specialized hardware which can be either a Graphics Processing Unit (GPU) or an application-specific integrated circuit (ASIC) which is used to solve the mathematical equation. The hardware must be connected to a reliable internet source at all times in order to continually solve the mathematical problem. As well, each mining participant is also required to be a member of an online community called a mining pool (Freeman Law, 2021). Mining pools allow participants to combine their resources in order to increase their chances of successfully mining blocks on a blockchain. If the pool succeeds in solving the equation, the reward is distributed proportionately across all members of the mining pool (Freeman Law, 2021).

There are 5 important factors to consider when mining crypto:

- 1) Electricity cost: The average ASIC miner will use close to 72 terawatts of power to create one Bitcoin about every 10 minutes (Freeman Law, 2021).
- 2) Quality of mining equipment: The varying types of hardware and software programs result in different mining speeds and are continually evolving and advancing every year.
- 3) Outside temperature of the mining facility: Due to their immense power usage, mining equipment gives off a tremendous amount of heat and requires cooling. This is also impacted by the outside temperature of the facilities location.
- 4) Mining pool selection: Some mining pools have higher success rates than others but can also have more participants sharing the rewards.
- 5) Regulatory requirements: Each miner must operate with the regulatory requirements of their jurisdiction.

How do miners make money?

When a miner or mining pool successfully solves the complex mathematical equation in the “Proof of Work” model, the miner or pool is rewarded a share of new crypto coins created by adding the transaction to the block. This can then be exchanged for fiat currency on a crypto exchange to pay for goods and services.

Cryptos Mined by the DAO

1) Bitcoin

What is it:

Bitcoin was the first successful crypto currency to come into existence using peer-to-peer technology operating with no central authority or banks. Bitcoin is open source meaning its design is public, so nobody owns or controls the Bitcoin network, and everyone can take part (Bitcoin, 2021).

Why Mine Bitcoin?

- First cryptocurrency in existence
- High liquidity
- Ease of access to mining equipment
- Numerous mining pools
- Well known and has the potential to become a mainstream currency

Bitcoin Current Price

At the time of writing this whitepaper, the value Bitcoin was \$56,264.40 USD per coin. See Appendix B for coin price forecasts.

Bitcoin Mining Equipment Required:

Bitmain S19 pr0



Number of units required: 148

Price: \$11,000 USD per unit

See Appendix A for equipment comparison

Percentage of total mine capacity: 60%

Total Value of Bitcoin Mining Equipment: \$1,628,000 USD

2) Ethereum

What is it:

Ethereum is a technology that's home to digital money, global payments, and applications. The community has built a booming digital economy, bold new ways for creators to earn online, and so much more. It's open to everyone, wherever you are in the world – all you need is the internet (Ethereum, 2021).

Why Mine Ethereum?

- Runs a multitude of tokens and smart contracts on the network
- High liquidity
- Ease of access to mining equipment
- Numerous mining pools
- Significant industry support and traction

Ethereum Current Price

At the time of writing this whitepaper, the value Ethereum was \$ 4,292.09 USD per coin. See Appendix B for coin price forecasts.

Ethereum Mining Equipment Required:

Innosilicon A10 Pro + 6G



Number of units required: 89

Price: \$15,000 USD per unit

See Appendix C for equipment comparison

Percentage of total mine capacity: 15%

Total Value of Ethereum Mining Equipment: \$ \$1,335,000 USD

3) Nervos

What is it:

Early internet applications lived on segregated networks needing different ways to access and interact. Now, in today's decentralized world we again see this segregation into different ecosystems with poor interoperability. The Nervos Network solves this problem by offering a suite of integrated solutions that allow the developer to build Universal Apps (Nervos, 2021).

Why Mine Nervos?

- Unique access to any asset on any Blockchain
- High liquidity
- Ease of access to mining equipment
- Up and coming coin with large growth potential

Nervos Current Price

At the time of writing this whitepaper, the value Nervos was \$ 0.03065 USD per coin. See Appendix B for coin price forecasts.

Nervos Mining Equipment Required:

Goldshell Ck5



Number of units required: 45

Price: \$10,000 USD per unit

See appendix D for equipment comparison

Percentage of total mine capacity: 10%

Total Value of Nervos Mining Equipment: \$450,000 USD

4) Litecoin

What is it:

Litecoin is a peer-to-peer Internet currency that enables instant, near-zero cost payments to anyone in the world. Litecoin is an open source, global payment network that is fully decentralized without any central authorities. Mathematics secures the network and empowers individuals to control their own finances (Litecoin, 2021).

Why Mine Litecoin?

- Faster transaction confirmation times and improved storage efficiency than other “Proof of Work” currencies
- High liquidity
- Ease of access to mining equipment
- Numerous mining pools
- Substantial industry support and traction

Litecoin Current Price

At the time of writing this whitepaper, the value Litecoin was \$ 197.72 USD per coin. See Appendix B for coin price forecasts.

Litecoin Mining Equipment Required:

Bitmain L7(9500MH)



Number of units required: 12

Price: \$25,000 USD per unit

See Appendix E for equipment comparison

Percentage of total mine capacity: 5%

Total Value of Litecoin Mining Equipment: \$300,000 USD

5) Zcash

What is it:

Zcash is a privacy-protecting, digital currency built on strong science. With Zcash, people can transact efficiently and safely with low fees. Shielded Zcash ensures transactions remain confidential while allowing people to selectively share address and transaction information for auditing or regulatory compliance (Zcash, 2021).

Why Mine Zcash?

- Gives its users strong privacy through zk-SNARKs, a novel form of zero-knowledge cryptography
- High liquidity
- Ease of access to mining equipment
- Numerous mining pools
- Significant industry support and traction

Zcash Current Price

At the time of writing this whitepaper, the value Zcash was \$232.92 USD per coin. See Appendix B for coin price forecasts.

Zcash Mining Equipment Required:

Bitmain Z15



Number of units required: 27

Price: \$10,000 USD per unit

See Appendix F for equipment comparison

Percentage of total mine capacity: 5%

Total Value of Zcash Mining Equipment: \$270,000 USD

6) Decred

What is it:

Decred employs an innovative hybrid Proof-of-Work/Proof-of-Stake system that layers security and carefully aligns incentives. This system yields the best of both worlds, making it an order of magnitude more expensive to attack than pure Proof-of-Work or pure Proof-of-Stake (Decred, 2021).

Why Mine Decred?

- Has a hybrid Proof-of-Work/Proof-of-Stake system that layers security and carefully aligns incentives
- High liquidity
- Ease of access to mining equipment
- Numerous mining pools
- Significant industry support and traction

Decred Current Price

At the time of writing this whitepaper, the value Decred was \$105.88 USD per coin. See Appendix B for coin price forecasts.

Decred Mining Equipment Required:

Bitmain DR5



Number of units required: 23

Price: \$9,000 USD per unit

See Appendix G for equipment comparison

Percentage of total mine capacity: 5%

Total Value of Decred Mining Equipment: \$207,000 USD

Summary

By mining 5 different currencies, the DAO essentially acts as a “Proof of Work” crypto ETF where Crypto 528 token holders gain exposure to multiple different crypto currencies that are mined. This provides an additional revenue stream by adding rewards paid by the networks for mining as well as the traditional appreciation of the asset value of the coins.

Market Analysis

Global Crypto Market

The global cryptocurrency market size was valued at \$3 Trillion in 2021 (Kutlu, O, 2021). It is projected to continue growing at a CAGR of 12.8% from 2021 to 2030 (Borasi, P., Goswami, A., Kumar, V, 2021). This growth is attributed to increased need for operational efficiency and transparency in financial payment systems, rising remittances in developing countries, higher demand for data security, increase in demand for cryptocurrency among banks, and untapped potential on emerging economies (Borasi, P., Goswami, A., Kumar, V, 2021). These factors are expected to facilitate market expansion during the next decade. The transaction segment will grow

at a highest CAGR of 14.6% during 2021 – 2030 and Bitcoin (BTC) will retain the largest market share throughout the forecast period (Borasi, P., Goswami, A., Kumar, V, 2021).

Token Holder Rights

Non-Governance Token Holders

Non-governance token holders will have the following rights:

- Their proportional share of all daily crypto mined paid in dividends once a month
- Any proceeds from the sale or dismantling of the mine
- Any appreciation in the value of the Crypto 528 token

Governance Token Holders

Governance token holders will have the following rights:

- Voting rights on the network to determine how the company is run
- Decide which cryptos the company mines
- What mining equipment should be purchased
- When mining equipment should be replaced or upgraded
- Approve DAO employee and director compensation
- Appoint an independent community member to the board and determine compensation
- What actions to take with the 10% mining reserve held by the DAO
- Approve any expansion initiatives by the company
- When/if the DAO or any operations of the DAO should be sold, shut down or dismantled
- Approve any mergers or acquisitions
- Set the charity amount to donate (a minimum of 10%) and determine the charities to donate to
- Approve any additional token issuances or offerings
- Can put forth initiatives for the company to vote on
- Approve the strategic direction for the DAO

Tokens Issued

As seen in figure 4 below, Crypto 528 will issue a total of 72,060,966 tokens at a value of \$0.10 USD each bringing the total market cap to \$7.21m USD. The four founders will keep

5% of the company each for a total of 20% of the DAO. This also applies to governance tokens, giving the majority of company control to the governance token holders.

Figure 4: Crypto 528 Share Capital

Share Capital					
Year	Year-2022	Year-2023	Year-2024	Year-2025	Year-2026
Initial Investor Tokens	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Non-Founder Tokens Issued	55,848,773	55,848,773	55,848,773	55,848,773	55,848,773
Founder Tokens Issued	14,212,193	14,212,193	14,212,193	14,212,193	14,212,193
Marketing Tokens Issued	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total Tokens Issued	72,060,966	72,060,966	72,060,966	72,060,966	72,060,966
Founder Company Ownership	20%	20%	20%	20%	20%
Non-Founder Company Ownership	80%	80%	80%	80%	80%

Financial Year

Crypto 528 will have a financial year ending on December 31st of each year.

Annual General Meeting

Once a year, there will be an annual general meeting for governance token holders where any initiatives can be submitted and are voted on along with regular company operations. The date for the annual general meeting will be determined by token holders, but can be no later than 6 months from the end of the previous financial year.

Location

The location of the Crypto 528 mine is in Georgia, located in a 300sqm (3,200sqft) warehouse in the Tbilisi Free Trade Zone located 20km outside of Tbilisi the country's capital city. The Tbilisi Free Trade Zone JSC was launched in November 2015 on 170,000 m2 of land. The BitFury Group, one of the world's leading blockchain technology companies is the owner and developer of the property (Tbilisi Free Trade Zone, 2021). They also own and operate a facility in the Tbilisi Free Trade Zone as seen in figure 5 below:

Figure 5: Tbilisi Free Trade Zone Map



Source: <https://www.tfz.ge/en/map/>

The benefits of operating in the Tbilisi Free Trade Zone include:

- Electrical costs of \$0.04 kw/h
- No tax on profits earned
- No tax on dividends paid
- No property tax
- No customs duties paid on importing equipment

Figure 6: Crypto 528 Unit in the Tbilisi Free Trade Zone (Exterior)



Figure 7: Crypto 528 Unit in the Tbilisi Free Trade Zone (Interior)



Other benefits of opening the mine in Georgia include:

- Some of the friendliest crypto regulation in the world
- Low costs for rent and labour
- High internet speeds at a lower cost
- Annual temperature of 11.2 °C (52.1 °F) in Tbilisi (Climate-data.org, 2021)
- Uses the GEL as it's national currency (\$0.32USD = \$1GEL)
- Modern country with historic background

Figure 7: Tbilisi at Night



Source: <https://www.viator.com/en-MY/tours/Tbilisi/Tbilisi-walking-tour/d22516-102951P3>

Future Expansion

After perfecting the initial mine model, Crypto 528 intends to build a 2300sqm (25,000sqft) mine in Georgia that is completely powered by renewable energy, significantly reducing our electricity costs and providing sustainability for the world. The timeline for these expansion plans would be within one year of operating if approved by the DAO.

SWOT – Internal and External Forces

As shown in figure 8 below, Crypto 528 has many strengths and opportunities, but also several weaknesses and threats in the market.

Figure 8: Crypto 528 SWOT Analysis

Strengths <ul style="list-style-type: none"> - Relatively low electricity costs - Sourcing used miners from China - No tax on profits or dividends - No customs import duty - Relatively low average temperature - Crypto friendly regulations - Low operating costs - Paying locally in GEL - Donations to charity - Holding a 10% reserve - Operates as a DAO 	Weaknesses <ul style="list-style-type: none"> - Only a small facility - Bigger mining firms are more competitive - Has less resources than bigger mining firms
Opportunities <ul style="list-style-type: none"> - Ability to expand facility to 300sqm - Mining coins with large growth potential - Creation of additional blockchain products 	Threats <ul style="list-style-type: none"> - Increased regulation - Crypto market volatility - New hardware equipment

Marketing Strategy

Launch Strategy

During initial launch, 1 million tokens will be used in marketing efforts. Of the 1 million marketing tokens, 300,000 will be distributed to various charities chosen by the Crypto 528 founding team. An additional 400,000 tokens will be used for an influencer marketing competition where 30

influences will be chosen by Crypto 528 to compete with one another to get the most views on Crypto 528 content. The winner will receive 250,000 tokens, second place will receive 100,000 and third place 50,000 for a total of 400,000 tokens. The remaining 300,000 tokens of the 1 million token marketing budget will be used to distribute to other influencers and marketing teams.

Crypto 528 also intends to spend \$30,000 USD on a marketing campaign primarily based around social media in non-regulated crypto countries across the globe.

Ongoing Marketing Strategy and Budget

In order to continue to build awareness around the Crypto 528 brand to facilitate the launch of new Crypto 528 products, the DAO will spend \$30,000USD in an ongoing marketing budget primarily focused around social media.

Milestones (Roadmap)

Our detailed milestones are shown in the following table and chart. The related budgets are included with the expenses shown in the projected Profit and Loss statement, which is in the financial analysis that comes in further in this plan.

Figure 9: Crypto 528 Road Map and Milestones

Dividends

As seen in figure 9 below, Crypto 528 will pay out a 65% dividend yield in the first year at current coin market prices. In order to include for volatility, no price increases are forecasted for the coming 5 years to provide a completely conservative model. Even with no forecasted coin price increases and maintaining the current halving rates and increased difficulty for mining, Crypto 528 will still return 152% on investment in next 5 years.

Figure 10: Crypto 528 Dividend Yield

Dividend Yield					
Year	Year-2022	Year-2023	Year-2024	Year-2025	Year-2026
Currency	USD	USD	USD	USD	USD
Dividends Paid	\$4,650,052.01	\$2,296,244.45	\$1,977,351.95	\$1,035,086.77	\$946,753.30
Dividends Paid per Token	\$0.07	\$0.03	\$0.03	\$0.01	\$0.01
Token Price	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
Dividend Yield	66%	33%	28%	15%	13%

NFTs

Through staking, holders will also be able to earn Crypto 528 NFTs which depict a storyline that will continue throughout all Crypto 528 products.

Start-Up Costs

As seen below in figure 11, the total funds required to be raised are \$5.585m.

Figure 11: Crypto 528 Fundraising

Investment Required	
Project Cost(CAPEX)	\$4,342,800.00
Working Capital(Opex)	\$1,242,077.25
Total Investment Required	\$5,584,877.25

Payroll

In order to provide retain top talent and continue driving forward the Crypto 528 vision, the following salaries will be paid out as seen below:

Figure 12: Future Staffing Plan

CRYPTO 528		Payroll				
Year		Year-2022	Year-2023	Year-2024	Year-2025	Year-2026
Currency		USD	USD	USD	USD	USD
Payroll Cost						
Two Directors	Administration	\$192,000.00	\$201,600.00	\$211,680.00	\$222,264.00	\$233,377.20
Two Directors	Operations	\$192,000.00	\$201,600.00	\$211,680.00	\$222,264.00	\$233,377.20
Four Mine Technicians	Operations	\$144,000.00	\$151,200.00	\$158,760.00	\$166,698.00	\$175,032.90
One Office Helper	Administration	\$24,000.00	\$25,200.00	\$26,460.00	\$27,783.00	\$29,172.15
Total Payroll Cost		\$552,000.00	\$579,600.00	\$608,580.00	\$639,009.00	\$670,959.45

Assumptions

All financials are projections and estimates, which are based on the following assumptions:

CRYPTO 528	
Basic Input Assumptions	
Facility Power(MW)	0.8
Available Power(KW)	800
Energy price/(KWH)	\$0.04
Mining Pool Fee	1.00%
Tax On Net earning	0.00%
Inflation(Per Annum)	3.00%
Depreciation Rate	33.33%

Financial Plan

Profit and Loss

As seen in the figure below, Crypto 528 will be profitable year over year:

Figure 13: Five Year Proforma Profit and Loss

CRYPTO 528		Profit & loss				
Year		Year-2022	Year-2023	Year-2024	Year-2025	Year-2026
Currency		USD	USD	USD	USD	USD
Revenue		\$5,201,027.85	\$5,201,027.85	\$4,931,677.19	\$3,977,527.07	\$3,977,527.07
Opex		\$1,242,077.25	\$1,190,418.57	\$1,239,238.13	\$1,290,002.87	\$1,342,800.14
Gross Profit		\$3,958,950.60	\$4,010,609.28	\$3,692,439.06	\$2,687,524.20	\$2,634,726.93
EBITDA		\$3,958,950.60	\$4,010,609.28	\$3,692,439.06	\$2,687,524.20	\$2,634,726.93
Depreciation	33.33%	\$1,447,600.00	\$1,927,122.22	\$2,421,030.11	\$1,482,155.24	\$1,526,619.89
EBIT		\$2,511,350.60	\$2,083,487.06	\$1,271,408.95	\$1,205,368.96	\$1,108,107.04
EBT		\$2,511,350.60	\$2,083,487.06	\$1,271,408.95	\$1,205,368.96	\$1,108,107.04
Tax	0.00%	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Net Profit		\$2,511,350.60	\$2,083,487.06	\$1,271,408.95	\$1,205,368.96	\$1,108,107.04

Cashflow Forecast

Cash flow projections are critical to Crypto 528's success. The DAO will have to ensure enough crypto is mined to pay all mine expenses. Once all operating expenses of the mine have been paid, 10% of the mined crypto is retained in the company for expansion or to be paid as a special dividend, 10% is donated to charity and 80% is paid out to token holders. The cashflow statement is seen below in figure 14.

Figure 14: Projected Five Year Cash Flow Statement

CRYPTO 528		Cashflow				
Year		Year-2022	Year-2023	Year-2024	Year-2025	Year-2026
Currency		USD	USD	USD	USD	USD
Cashflow From Operations						
Profit After Tax		\$2,511,350.60	\$2,083,487.06	\$1,271,408.95	\$1,205,368.96	\$1,108,107.04
Add:		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Depreciation		\$1,447,600.00	\$1,927,122.22	\$2,421,030.11	\$1,482,155.24	\$1,526,619.89
Adjusted Profits		\$3,958,950.60	\$4,010,609.28	\$3,692,439.06	\$2,687,524.20	\$2,634,726.93
Cash Flow From Operating Activities						
		\$3,958,950.60	\$4,010,609.28	\$3,692,439.06	\$2,687,524.20	\$2,634,726.93
Cash Flow From Investing Activities						
Purchases of Property and Equipment		-\$4,342,800.00	-\$1,438,566.67	-\$1,481,723.67	-\$1,526,175.38	-\$1,571,960.64
Cash Flow From Investing Activities						
		(\$4,342,800.00)	(\$1,438,566.67)	(\$1,481,723.67)	(\$1,526,175.38)	(\$1,571,960.64)
Cash Flow From Financing Activities						
Issue of Equal Owners Share Capital		\$5,584,877.25	\$0.00	\$0.00	\$0.00	\$0.00
Dividends Paid		(\$4,680,925.07)	(\$2,314,838.36)	(\$1,989,643.86)	(\$1,045,213.94)	(\$956,489.66)
Cash From Financing Activities						
		\$903,952.18	-\$2,314,838.36	-\$1,989,643.86	-\$1,045,213.94	-\$956,489.66
Opening Balance		\$0.00	\$520,102.79	\$777,307.05	\$998,378.59	\$1,114,513.47
Activity During Period		\$520,102.79	\$257,204.26	\$221,071.54	\$116,134.88	\$106,276.63
Closing Balance		\$520,102.79	\$777,307.05	\$998,378.59	\$1,114,513.47	\$1,220,790.10

Statement of Financial Position

Crypto 528 will be funded 100% by equity, leaving the company in a prime start-up position with not having to service any debt payments. It will also facilitate future expansion by allowing the company to take on debt. With no debt, Crypto 528 will have marginal liabilities on the balance sheet and high total assets due to the value of the equipment purchased.

Figure 15: Crypto 528 Statement of Financial Position

CRYPTO 528		Statement of Financial Position				
Year		Year-2022	Year-2023	Year-2024	Year-2025	Year-2026
Currency		USD	USD	USD	USD	USD
Assets						
Current Assets						
Cash in Hand		\$520,102.79	\$777,307.05	\$998,378.59	\$1,114,513.47	\$1,220,790.10
Total Current Assets		\$520,102.79	\$777,307.05	\$998,378.59	\$1,114,513.47	\$1,220,790.10
Non-Current Assets						
Crypto Mining Equipment and infrastructure		\$4,342,800.00	\$5,781,366.67	\$7,263,090.33	\$8,789,265.71	\$10,361,226.35
Less Accumulated Depreciation		\$1,447,600.00	\$3,374,722.22	\$5,795,752.33	\$7,277,907.57	\$8,804,527.46
Total Assets		\$3,415,302.79	\$3,183,951.49	\$2,465,716.59	\$2,625,871.61	\$2,777,488.98
Current Liabilities						
Accounts Payable		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Current Liabilities		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Long Term Liabilities						
Bank Loan		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total Liabilities		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Shareholders' Equity						
Share Capital		\$5,584,877.25	\$5,584,877.25	\$5,584,877.25	\$5,584,877.25	\$5,584,877.25
Share Premium		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Retained Earnings		-\$2,169,574.47	-\$2,400,925.76	-\$3,119,160.67	-\$2,959,005.64	-\$2,807,388.27
Total Shareholders' Equity		\$3,415,302.79	\$3,183,951.49	\$2,465,716.59	\$2,625,871.61	\$2,777,488.98
Total Liabilities and Shareholders' Equity		\$3,415,302.79	\$3,183,951.49	\$2,465,716.59	\$2,625,871.61	\$2,777,488.98

Business Continuity Planning

Every business has risks associated with operations, in the outlook for Crypto 528, there are two identifiable risks noted in figure 16 below:

Figure 16: Crypto 528 Risks

Risk	Systems, policies, or tools to mitigate risk
Coin Price Volatility	- As long as it is approved by the DAO, Crypto 528 will engage in hedging for Bitcoin and other currencies to offset any price drops.
Increased Regulation	Crypto 528 will continually be monitoring regulatory situations throughout the globe. Once the DAO gets approval for a Regulation A+, the organization will be authorized to operate by the SEC.

Legal and Regulatory Compliance

As countries continue to revamp and update cryptocurrency regulation requirements, the onus will be on token holders to adhere to the laws and regulations of their respective countries.

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Appendices

Appendix A: Bitcoin Miners

Bitcoin Mining (ASIC) Options					
Option #	1	2	3	4	5
Maker	Bitmain	Bitmain	Bitmain	Cannan	Bitmain
Model	S19 XP	S19 pr0	S19	Avalon Miner 1246	T19
Hashing Function	SHA256	SHA256	SHA256	SHA256	SHA256
Unit CAPEX (incl. shipping and GST)	\$18,000.00	\$11,000.00	\$10,000.00	\$9,000.00	\$9,000.00
Kilowatt Consumption	3.01	3.25	3.25	3.42	3.2
Hash Rate (TH/S)	140	110	95	90	84

Appendix B: Coin Price Forecasts

CRYPTO 528 Coin Price Prediction						
Year	Current Prices	Year-2022	Year-2023	Year-2024	Year-2025	Year-2026
Currency		USD	USD	USD	USD	USD
Bitcoin	58,608.73	91,662.00	129,346.00	187,909.00	252,586.00	363,452.00
Litecoin	221	333	484	669	973	1,469.00
Zcash	182	259	366	526	779	1,132.00
Decred	107	165	235	338	487	721
Nervos	0.03	0.04	0.05	0.08	0.12	0.17
Ethereum	4,289.00	6,241.00	9,067.00	13,046.00	18,956.00	27,012.00

Source: <https://priceprediction.net>

Appendix C: Ethereum Miners

Ethereum Mining (ASIC) Options				
Option #	1	2	3	4
Maker	Bitmain	Innosilicon	Innosilicon	Innosilicon
Model	E9	A10 Pro + 6G	A10 Pro + 7G	A11 Pro
Hashing Function	Ethash	Ethash	Ethash	Ethash
Unit CAPEX (incl. shipping and GST)	\$30,000.00	\$14,000.00	\$15,000.00	\$33,000.00
Kilowatt Consumption	2.556	0.9	1.35	2.35
Hash Rate (MH/S)	3000	500	750	1500

Appendix D: Nervos Miners

Nervos Mining (ASIC) Options	
Option #	1
Maker	Goldshell
Model	Ck5
Hashing Function	Eaglesong
Unit CAPEX (incl. shipping and GST)	\$10,000.00
Kilowatt Consumption	1.8
Hash Rate (Th/S)	12

Appendix E: Litecoin Miners

Litecoin Mining (ASIC) Options					
Option #	1	2	3	4	5
Maker	Bitmain	Bitmain	Godshell	Innosilicon	Bitmain
Model	L7(9500MH)	L7(9160MH)	LT5 pro	A6+	L3+(600MH)
Hashing Function	Scrypt	Scrypt	Scrypt	Scrypt	Scrypt
Unit CAPEX (incl. shipping and GST)	\$25,000.00	\$20,000.00	\$10,000.00	\$8,000.00	\$1,000.00
Kilowatt Consumption	3.45	3.425	2.08	1.5	0.85
Hash Rate (MH/S)	9500	9160	2450	2250	600

Appendix F: Zcash Miners

Zcash Mining (ASIC) Options					
Option #	1	2	3	4	5
Maker	Bitmain	Bitmain	Innosilicon	Innosilicon	Innosilicon
Model	Z15	Z11	A9++	A9+	A9
Hashing Function	Equihash	Equihash	Equihash	Equihash	Equihash
Unit CAPEX (incl. shipping and GST)	\$10,000.00	\$3,000.00	\$2,500.00	\$2,000.00	\$1,000.00
Kilowatt Consumption	1.51	1.418	1.55	1.55	0.62
Hash Rate (Ksol/S)	420	135	140	120	50

Appendix G: Decred Miners

Decred Mining (ASIC) Options	
Option #	1
Maker	Bitmain
Model	DR5
Hashing Function	Blake256R14
Unit CAPEX (incl. shipping and GST)	\$9,000.00
Kilowatt Consumption	1.8
Hash Rate (Th/S)	35