



ZoroMine

“a quantum leap into crypto mining”

Lambert High School

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Sarvesh Prabhu, *Chief Mining Officer*
Jai Chirag Trivedi, *Chief Data Scientist*
Arjun Janakiraman, *Chief Financial Officer*



Executive Summary

ZoroMine is the world's first quantum-powered cloud-based **crypto-mining** technology platform. ZoroMine's patented machine learning algorithm leverages the Amazon Graviton 3 processor and Amazon Quantum Computing for Bitcoin & Ethereum mining in the AWS cloud. The ZoroMine 1.0 model is 128x faster than traditional computers and 36% more energy-efficient, offering customers high profits at low cost.

Our market study reveals that cryptocurrency adoption is in the early stages, with just under 4% of the world's population has invested in cryptocurrency. A recent Forbes research estimates that the crypto market will explode to \$3 trillion by 2023, from the current size of around \$1 trillion. However, the traditional crypto mining process is expensive--due to energy and hardware requirements--making the operating expense ratio (OER) very high. ZoroMine capitalizes on this market opportunity offering its customers an attractive higher yield for lower investment and operating cost.

ZoroMine is an early adopter of machine learning models combined with pay-per-use cloud services and quantum technology for crypto mining, offering longevity and sustainable growth. Our revenue model includes a monthly subscription fee, 18% earnings of mined bitcoin, and crypto advisory services. The long-term growth and revenue are multifaceted, with growth levers linked to the number of users, mining activities, and the market value of bitcoin.

ZoroMine operates as a domestic Limited Liability Corporation registered in the State of Georgia owned by Sarvesh Prabhu, Arjun Janakiraman, and Jai Chirag Trivedi. The business will be generally available beginning June 15, 2022. The owners have extensive experience in business development, product positioning, financial planning, technology, and operations. Sarvesh is the Chief Mining Officer overseeing the business strategy, product development, organizational structure, financial forecast, and loan procurement. Arjun is the Chief Financial Officer who oversees sales, marketing, accounting, and invoice revenue operations. Jai is the Chief Data Scientist who oversees analytics research & development, artificial intelligence & machine learning, cloud, and technology operations.

Financial Assumptions & Projections

The business is confident of generating revenue beginning October 2022 and growing to **\$4.8m by 2023**. The revenue is built with an assumption of 250 users, 50 bitcoins mined, and 3% of the users signed up for advisory services.

The financial model in exhibit 3.1 illustrates the revenue growth and 10-year projection. With a steady increase in user base, more bitcoins mined, and users opting in for advisory services, in Year 5, the business will generate revenue of **\$45.79m** with an operating profit of **\$31.20m**, ramping to **\$1.03 billion** of revenue with an operating profit of **\$847.40m** in Year 10. Annual pre-tax positive cash flow begins in 2022.

The business is forecasting a 5-year Net Present Value (NPV) of \$20.26m and an Internal Rate of Return (IRR) of 216%, with a 10-year NPV of \$491.64m and an astounding IRR of 454%.

Loan Strategy

The market differentiator of the ZoroMine is the machine learning-driven model built out of quantum computing in the cloud infrastructure. The business is seeking a 7(a) SBA loan from Chase Bank of \$809k in March 2022 to build the solution. The owners provide a personal guarantee with collateral to Chase Bank to secure the loan. Given that the business is forecasting operating profit from year 1, the business will fully repay the loan in 3-year with an annual interest rate of 7%.



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1.0 Business Entity

1.1 Legal form of business

ZoroMine registered as a Limited Liability Corporation (LLC) under the State of Georgia. Our products are cloud-based offerings and operating in Georgia; the LLC offers exemption from the Georgia Corporate Income Tax. ZoroMine is directly responsible for mining and adding new cryptocurrencies, so a disciplined operation regarding compliance, regulation, and administration is imperative. The LLC eases the tax filing and allows the partners to take advantage of the federal tax treatment options. With our LLC business, we particularly like that we will review balance sheet and P&L statements upon the close of every month.

1.2 Company Governance

Equity in ZoroMine will be equally split between the three founders and executive team: Sarvesh Prabhu (Chief Miner), Arjun Janakiraman (Chief Financier), and Jai Trivedi (Chief Data Scientist). Strategic decisions and a long-term course of action will be decided by the C-suite officers. Each C-suite executive will oversee departments in ZoroMine that align with their expertise.

ZoroMine's Chief Miner, Sarvesh Prabhu will supervise Human Resources, Customer Support, and Program Management. Prabhu currently holds a Bachelor's Business degree with a minor in communications from the Scheller College of Business at Georgia Tech and a Master's in Business Administration from Tepper School of Business at Carnegie Mellon. His astounding networking and communication skills make him a perfect fit to spearhead this portfolio.

ZoroMine's Chief Financier, Arjun Janakiraman will oversee the sales and accounting departments. Janakiraman holds a Bachelor's degree in finance and has completed his Ph.D. program in the intersection of artificial intelligence and cryptography. His in-depth understanding of the crypto-verse will allow him to appropriately assess the market, price our platform, and control our expenditures.

Jai Trivedi, ZoroMine's Chief Scientist, holds a Bachelor's degree in Computer Science from Georgia Institute of Technology's college of engineering and is pursuing a Master's in Computer science with a focus in cloud computing. He will supervise the software development team and the Cloud Site Reliability engineers. Jai's advanced technical knowledge enables him to adequately assess the quality and functionality of our platform.

1.3 At-Home Business

ZoroMine is a fully work-from-home business and therefore has no physical location/facility. Making ZoroMine work from home reduces monthly expenses, thereby improving our margins. According to Global Workplace Analytics, companies save roughly 11,000 dollars annually per employee that works from home. The savings are split between overhead, real estate cost, and transit subsidies. These savings grant ZoroMine a larger budget to tinker with the platform, reduce prices for customers, and increase profit margins.



1.4 Short and Long-term Goals

- **Short Term (Years 1-2)**
 - Establish brand reputation
 - Customer renewal rate greater than 65%
 - Financially breakeven by year 2
 - Pay off the loan by year 3
- **Long Term (Years 3+)**
 - Continue Customer renewal at a rate greater than 65%
 - Produce Profit Margins of 68% or higher.
 - Expand advisory services into a full advisory board with an independent business streamline
 - Open the Gold and Platinum packages with ZoroMine

2.0 Operations Management

2.1 Products and Services

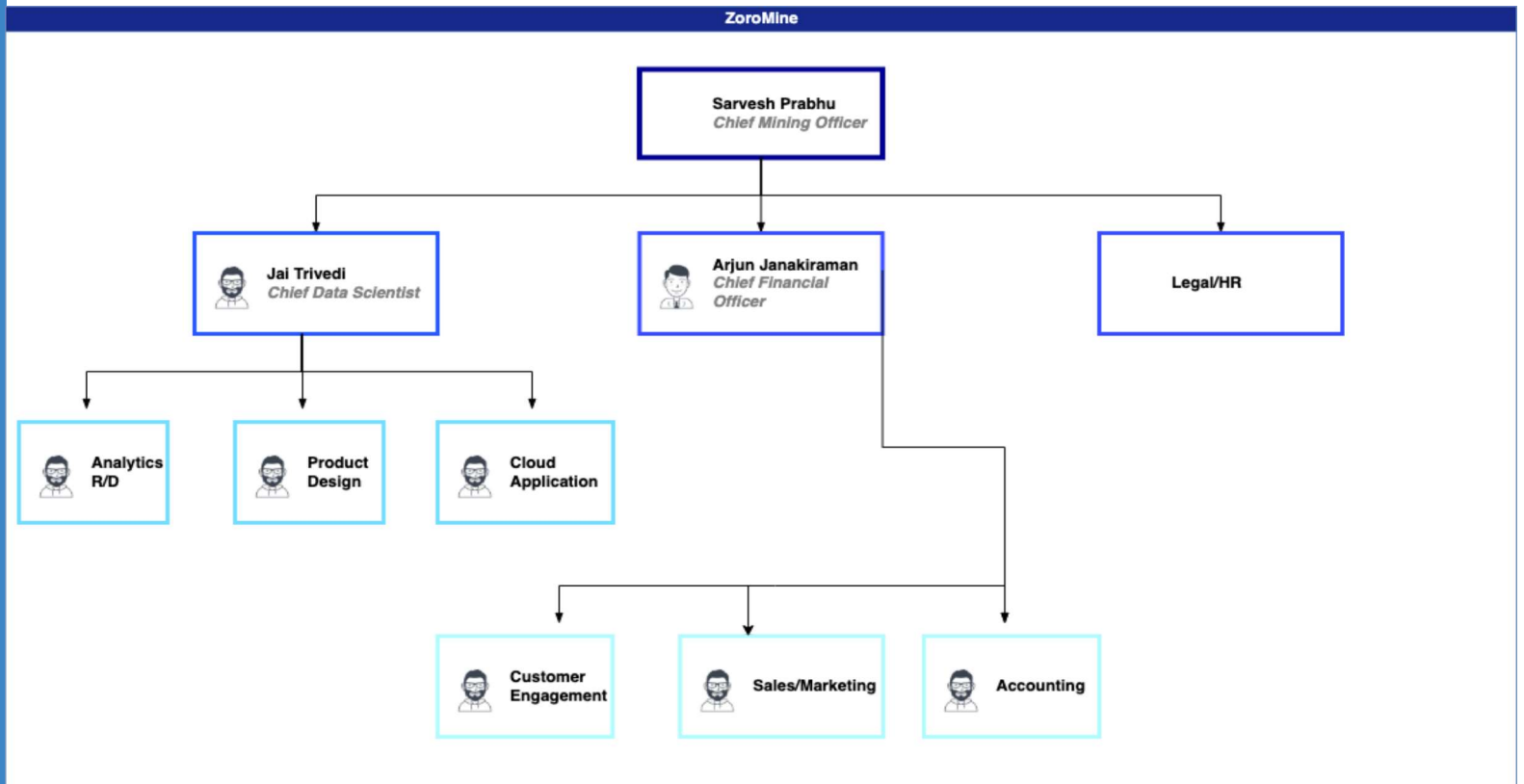
ZoroMine will be utilizing a monthly-subscription business model for its offered services, along with the additional financial advisory plan service. The algorithm will begin as a silver package that will allow one thread of mining. The individual threads are a measurement of the CPU power offered. The thread will be allocated per person and will have the mining systems run as though each individual owned a thread of their own hardware. This in turn provides them with significantly higher profits, which help ZoroMine's customers develop and expand their portfolio.

In the future, ZoroMine will open more premium services, offering more threads to consumers. From this point, the consumer has a choice of upgrading to either the gold or platinum package, which will offer an increase to 3 or 5 threads, for gold and platinum respectively.

The financial advisory service is an on-call system where a customer in need of any crypto-financial advice can receive structured and proven assistance from professionals. This pay-per-hour service will help those having trouble getting started or those with doubts alleviate their concerns so that they can optimize their investments as much as possible.



2.2 Operating Model



2.3 Management Personnel

Chief Mining Officer: **Sarvesh Prabhu**

- Oversees all business portions of the company
- Defines mission, purpose, metrics
- Makes strategic decisions to improve profitability and bring in new opportunities

Chief Data Scientist: **Jai Trivedi**

- Oversees software development projects
- Guides developments and innovations of the algorithm
- Reimagine structures for new data solutions

Chief Financial Officer: **Arjun Janakiraman**

- Oversees all financial transactions
- Analyze company's financial strengths and weaknesses to propose strategic planning
- Budgeting and Expense Control



2.4 Workforce

Job Title	Job Description	Skills	Education	Salary
Software Development	Optimize and troubleshoot with the platform to ensure quality.	Python Angular Ruby AWS	Bachelor's Degree in Software Engineering, Computer science, or similar fields (Required); AWS Certification (Required)	\$90,000
Quality Assurance	Analyze the algorithms as well as test results in order to detect any errors.	Python Angular Ruby AWS	Bachelor's Degree in Software Engineering, Computer science, or similar fields (Recommended); AWS Certification (Required)	\$75,000
Program Management	Oversee day-to-day operations and work hand-in-hand with dev. team to ensure efficiency for the program.	Python Angular Ruby AWS	Bachelor's Degree in Software Engineering, Computer science, or similar fields (Required); AWS Certification (Required)	\$110,000
Cloud Site Reliability Engineers	Are responsible for maintaining the functionality and any migrations/transfer of the cloud infrastructure.	Python Angular Ruby AWS	BS in Software Engineering, Computer science, or similar fields (Recommended); AWS Certification (Required)	\$70,000
Customer Support	Respond to customers who are having trouble with the platform.	People/ communication Skills	GED	\$40,000
Sales and Marketing	Work to promote the algorithm across a multitude of platforms (social media, television, etc.).	Good understanding of our target demographics and the business as a whole	Communications, Marketing, or Business degrees recommended.	\$90,000



Accounting	Handle all of the financial information that is part of running the business such as handling taxes, balance sheets, and other financial documents.	Knowledge of accounting practices	Bachelor's Accounting Degree	\$80,000
Human Resources	Oversees the link between management and employees by supervising over hirings, internal discourse, etc.	Business Management Skills as well as empathetic and financial skills.	Bachelor's in Human Resources	\$50,000
Financial Advisors	Assess the financial needs of our company and advises our decisions with investments and/or money moves	Setting Financial Goals and/or possibilities	Bachelor's in business, finance, financial planning, or economics	\$70,000
Legal	Responsible for all legal and legal-related external matters such as litigation, investigations, compliance, mergers, and acquisitions	Have education of all practices in a court of law.	Business Law Degree	\$125/hr



3.0 Target Market and Financials

3.1 Financial Model

ZoroMine Financial Summary							* Revenue projections based on October 2022 product launch						Updated February 8, 2022
	2022	2023	2024	2025	2026	5 Yr	2027	2028	2029	2030	2031	10 Yr	
(in US \$)	Year 1 *	Year 2	Year 3	Year 4	Year 5	Total	Year 6	Year 7	Year 8	Year 9	Year 10	Total	
Sales Forecast / Assumptions													
Monthly Subscription Fee	49	49	49	59	59		69	69	69	99	99		
No. of Customers	90	250	375	563	844		1,013	1,519	2,278	3,417	5,126		
No. of bitcoins mined	8	50	75	113	169		253	380	570	854	1,281		
No. of Customers for Advisory Services	14	38	56	84	127		152	228	342	513	769		
Revenues													
Subscription Fees	52,920	147,000	220,500	398,250	597,375	1,416,045	838,350	1,257,525	1,886,288	4,059,619	6,089,428	15,547,254	
Earnings of Mined Bitcoin	345,360	2,158,500	3,237,750	4,856,625	7,284,938	17,883,173	10,927,406	16,391,109	24,586,664	36,879,996	55,319,994	161,988,342	
Crypto Advisory Services	13,500	37,500	56,250	84,375	126,563	318,188	151,875	227,813	341,719	512,578	768,867	2,321,039	
Total Revenue	823,560	4,803,150	7,380,450	11,959,920	20,823,075	45,790,155	36,944,657	67,036,676	128,710,418	252,858,377	503,644,145	1,034,984,427	
Revenue Growth %	n/a	483%	54%	62%	74%		77%	81%	92%	96%	99%		
Cost of Goods Sold (COGS)													
Product Development	29,635	97,020	152,145	282,758	430,110	991,668	620,379	980,870	1,527,893	3,369,484	5,358,697	12,848,989	
Cloud OpEx Cost	193,402	1,424,610	2,234,048	3,448,204	5,245,155	12,545,418	8,086,281	12,785,065	19,915,198	30,610,397	48,681,595	132,623,953	
Ongoing Maintenance & Support	7,560	24,750	38,813	59,906	91,125	222,154	112,388	177,694	276,792	425,440	676,603	1,891,070	
Total Cost of Goods Sold	461,194	3,170,079	5,092,511	8,491,543	14,992,614	32,207,940	27,339,046	52,288,607	104,255,438	209,872,453	443,206,847	869,170,332	
Gross Profit	362,366	1,633,071	2,287,940	3,468,377	5,830,461	13,582,215	9,605,611	14,748,069	24,454,979	42,985,924	60,437,297	165,814,095	
Gross Margin %	44%	34%	31%	29%	28%	30%	26%	22%	19%	17%	12%		
Expenses													
Commissions	16,471	86,457	140,229	251,158	458,108	952,422	738,893	1,139,623	2,445,498	5,310,026	11,080,171	21,666,634	
Depreciation	1,071	6,244	9,595	15,548	27,070	59,527	48,028	0	0	0	0	107,555	
Total Expenses	17,542	92,701	149,823	266,706	485,178	1,011,950	786,921	1,139,623	2,445,498	5,310,026	11,080,171	21,774,189	
Expense to Growth %	2.13%	1.93%	2.03%	2.23%	2.33%	2.21%	2.13%	1.70%	1.90%	2.10%	2.20%	2.10%	
Operating Profit													
Operating Profit	443,652	3,077,378	4,942,687	8,224,837	14,507,436	31,195,991	26,552,125	51,148,984	101,809,940	204,562,427	432,126,676	847,396,143	
Profit Margin %	54%	64%	67%	69%	70%	68%	72%	76%	79%	81%	86%	82%	

The financial model indicates a steady year-over-year (YOY) revenue, costs are linear to the growth, software assets are amortized for 5-fiscal years, and there are no hardware assets or datacenter expenses required due to ZoroMine is a cloud-native solution in AWS.

The stable operating profit is an excellent indication of the underlying growth in the foundational product and the growth attributed by the organic growth of the user base and the bitcoins mined.



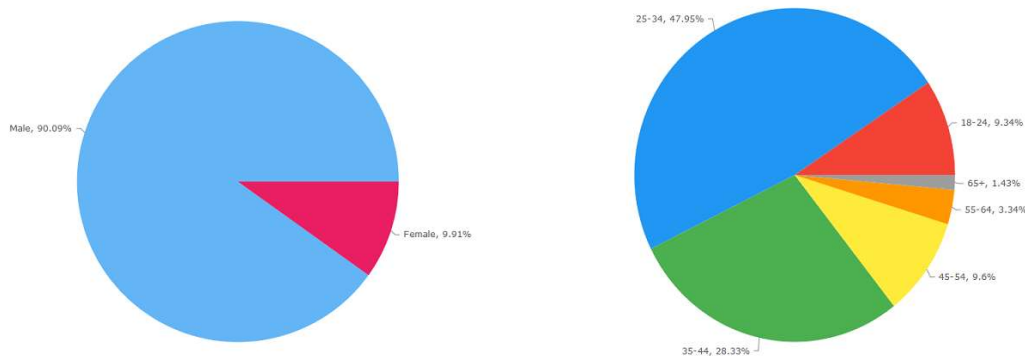
3.2 Target Market Defined

ZoroMine targets younger generations who are blazing the trail with crypto investments. Of all the crypto investors, 44.3% are millennials, 28.6% are Gen X, 17.8% are Gen Z, and 8.2% were Baby Boomers.

Youthful Audience

Arjun's marketing team performed extensive research with Bitcointalk forum, Cointraffic.io, and concluded that over 57% of the users engaged in the bitcoin conversations are under 34, making the age group of 25-34 our primary target. The next group of 38% of the audience was between the ages 35-54, with the remaining 5% aged 55+.

We further segmented the market by gender; the Bitcoin community tends to be highly skewed, with 90% of users reporting as male in a Google analytics report.



ZoroMine and High School – “Invest with a purpose”

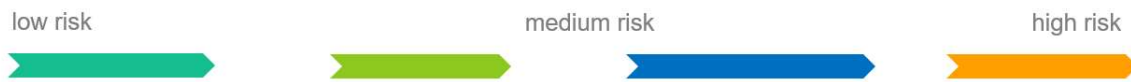
ZoroMine is partnering with high schools in Georgia to create awareness of cryptocurrency and foster the early investment culture at the foundational level. ZoroMine offers a steep discount of up to 50% of the computational cost of mining for the student's first bitcoin. With this discount, the ZoroMine services are more accessible to the students at the target age of 14-18. Additionally, ZoroMine is sponsoring and mentoring “Young Miners” in high school clubs.

In return, ZoroMine has more customers and opportunities to continue leveraging our services for mining more cryptocurrency, thus increasing our top-line revenue.

Upon successful implementation, ZoroMine plans to expand to high schools nationwide and reach colleges.

3.3 Risks and Adverse Results

We understand that ZoroMine's solution is utilizing bleeding-edge technology combined with the power of machine learning, cloud technology, and quantum computing. While using these technologies offered a niche position in the market, it also comes with potential risks. Hence, our leadership team proactively planned the mitigations.



01

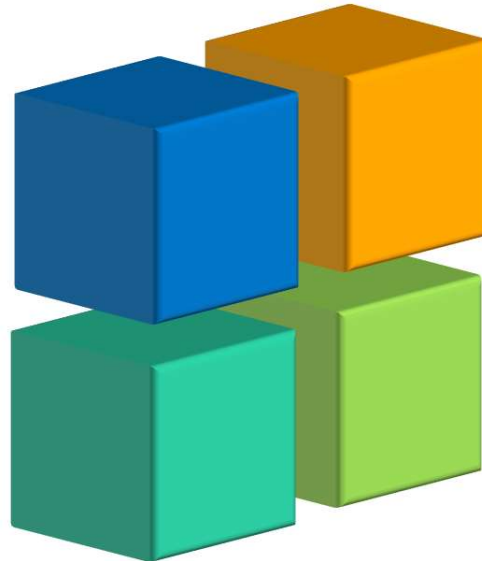
Blockchain Disruption

ZoroMine will deploy a new Machine Learning model to accommodate Blockchain evolution.

02

Cryptocurrency Volatility

Volatility is inevitable as the crypto market matures. Gladly, ZoroMine is powered by quantum computing which can sustain longer compute cycles with quicker results.



03

Share Dilution

While ZoroMine targets bitcoin and Ethereum in the initial stages, it will scale to support any cryptocurrency in the market and can create new NFTs as needed.

04

Energy Consumption

ZoroMine utilizes a pay-per-use cloud computing model and is built using Infra-as-code (IaC) technology, allowing to utilize the compute resources only when needed.

3.4 Assumptions and supporting documents

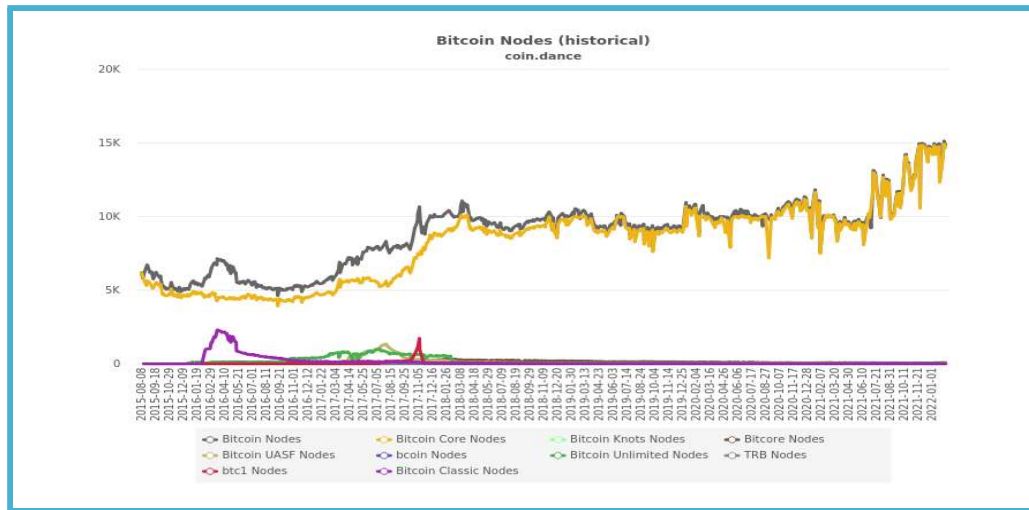
ZoroMine initially targets mining bitcoin in the generally available release in 2022 and will scale to mining Ethereum in its full market launch in 2023.

Each cryptocurrency type will be associated with a machine learning model, allowing to optimize the mining techniques per cryptocurrency.

The Silver launch of ZoroMine offers 1 thread, Gold and Platinum will offer 3 and 5 concurrent threads running in parallel offering faster mining opportunities. The revenue model is associated with the number of threads.

The first 5 years of ZoroMine support the Silver package, allowing ZoroMine to collect adequate usage metrics to build efficient machine learning models in the future.

The Node usage forecasting is based on the actual experiments conducted by Coin.dance organization.



4.0 Loan Procurement

4.1 Name and Type of Financial Institution

ZoroMine seeks a 7(a) type Small Business Administration (**SBA**) loan from the Chase Business division of JPMorgan **Chase Bank**.

ZoroMine owners have extensive experience in startups, innovating niche products, and machine learning. Our Chief Mining Officer, Sarvesh, has recently won first place in an entrepreneurial competition hosted by North Georgia University.

The Financial Summary in exhibit 3.1 shows a steady cash flow from Year 1, with a substantial operating profit superseding the total value of the loan. Additionally, though in high school, the owners have maintained an excellent credit score.

Why Chase Bank?

In the crypto world, time is money. Chase is an SBA preferred lender, which means Chase will process the loan application faster and offers immediate payout. Chase SBA is start-up friendly, offering low-interest rates and a flexible payment schedule. Though our ask is only \$809k, Chase can pre-approve up to \$5m when needed.

4.2 Purpose of Loan and Requested Amount

ZoroMine will utilize this loan to build the machine learning model, acquire the training dataset, establish cloud computing infrastructure, and optimize quantum cycles. The loan is for **\$809,200** for a March 2022 payout. Jei, our Chief Data Scientist, is a DevOps engineer himself who will set up an agile squad to develop the product. The owners provide a personal guarantee to Chase Bank to expedite the loan process.



4.3 Itemized Forecasted Expenditures

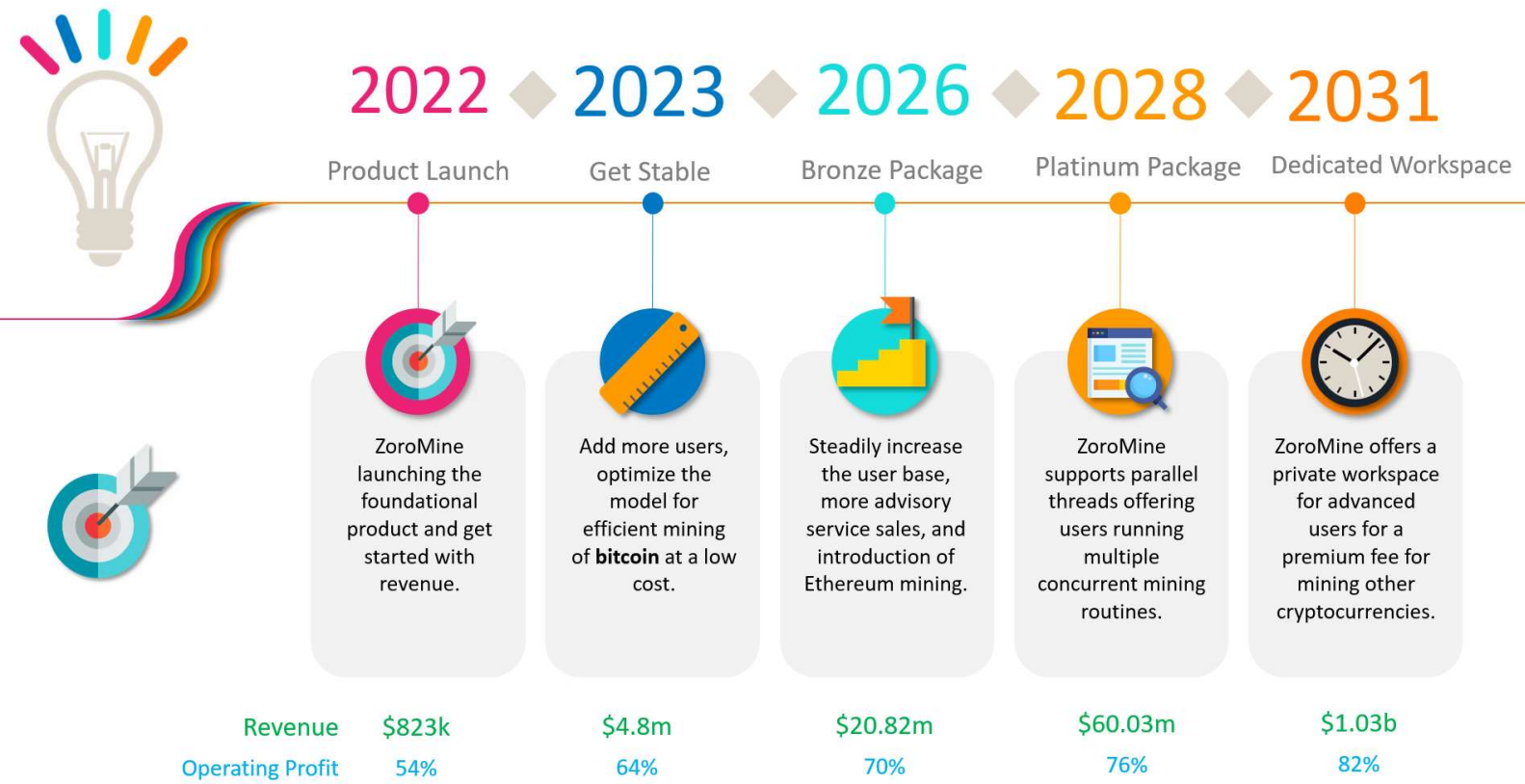
ZoroMine - Expenditure Summary			Updated February 9, 2022	
	One-Time Expenses	\$4,374		
	Annual Expenses	\$2,706,321		

ZoroMine - Itemized Expenditure			Updated February 9, 2022	
Business/Operational Expenses				
	Business Setup / Capital Expenditure			
	LLC Registration & Accountant	\$1,800	One-time	
	Annual filing & BBB memberships	\$13	Monthly	
	Loan Payment			
	Loan Principal Payment	\$22,478	Monthly	
	Interest Payment	\$1,573	Monthly	
	Marketing	Digital marketing / AdClick expenses	\$780	Monthly
	Legal	Legal & Contracts	\$633	Monthly
	Magazines	Magazines & Subscriptions	\$18	Monthly
Recurring Expenses				
	People	Payroll - Salary, Incentives, Benefits	\$80,333	Monthly
	Cloud OpEx Cost	Cloud Formation, Graviton 3, and Quantum	\$118,718	Monthly
	3rd Party Services			
	Security Assessments	\$480	Monthly	
	Monitoring Solutions	\$125	Monthly	
	Virtual Meeting subscriptions	\$375	Monthly	
Non-Recurring Expenses				
	Home Office			
	Employee Welcome Kit	\$250	One-Time	
	At-Home Office Supplies	\$100	One-Time	
	Laptop and Accessories	\$1,150	One-Time	
	Software & Data			
	Machine Learning Training Data from Kaggle.com	\$899	One-Time	
	Software Licenses	\$175	One-Time	



4.4 Financial Stability “the future is bright”

The timeline chart below illustrates ZoroMine’s Financial Stability journey.



Cryptocurrency is in high demand in the market right now, and the market continues to bloom. There are numerous challenges in mining cryptocurrency, and there is a gap in the market. ZoroMine is a niche in this market by leveraging the best of cloud computing, machine learning, and quantum computing which overcomes the challenges by many magnitudes.

ZoroMine takes a pragmatic approach to launch the product in 2022. ZoroMine uses land and expand strategy and offers gold and platinum services and private workspaces for advanced users at a premium cost. This strategy ensures steady growth and enables agility and accommodates macroeconomic changes. ZoroMine is a cloud-based offering, and its entire organization is structured as a stay-at-home-business entity demonstrating reduced operations cost, a Covid-19 friendly environment.

ZoroMine is a cash flow business with a lower operating cost due to the at-home and cloud-operations model; there is higher operating profit right from the beginning allowing the organization to grow significantly in the years to come. We are confident and excited to see ZoroMine growing from a start-up to a \$1b organization in just under a decade.



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