

Raising capital for an gold mine (operational in 2021) through Tokenization

Securing investor trust through Tezos

Dinkar Ganti, Shekar Mantha & Jovan Smith

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Objective

- ▶ Raise 1MM USD to bring a mine back to production in 2021.

Roles and responsibilities

- ▶ Entity with placer and hard rock gold claims.
- ▶ Autiz LLC - Entity with responsibility to manage the tokenization.

Details about the Mine

- ▶ Mine is pending sale for 50 % of the mine asset base for USD 10MM.
- ▶ Mine is not currently operational (estimated to be in 2021).
- ▶ Mine has an *in situ* gold deposit of approximately USD 1,000.00 MM
- ▶ Mine needs USD 1MM for improvements in property and equipment (more detail needed).
- ▶ Estimated daily production (based on neighboring contiguous property) - 22 oz at 75 % purity.

Tokenization process and details

- ▶ Divide the tokenization into phases of USD 100,000.00 per round (in steps of three.) Each tokenization phase last between 30 - 90 days.
- ▶ Establish contracts to monitor the progress of the use of funds.
- ▶ Create a dividend schedule based on the daily production.

Tokenization details per round

- ▶ 1 USD = 100 AUTIZ tokens.
- ▶ Total percentage of the mine to be tokenized is about 10 % USD 100.00 MM in the lifetime of the mine.
- ▶ AUTIZ commission = 0.001 % AUTIZ value.
- ▶ Production for the mine is captured in a Production contract tied to the Mine.
- ▶ An audit smart contract that validates the financials of the asset holding company (aka the Mine).
- ▶ AUTIZ tokens represent the valuation of the production of the mine and *not* the value of gold (AU) at any given day.

Contracts and Details

- ▶ Tokenization contract - the core contract establishing the value of the token.
- ▶ Production schedule contract - A contract backed by a mobile application to record and publish mine production figures.
- ▶ Auditor's contract - A contract that validates financials every quarter.
- ▶ A dividend report contract - Performs the actual transfer of dividend based on the quarterly results.
- ▶ A contract to compute penalties and fines that the underlying asset needs to pay for non-performance.

Tokenization Roadmap

- ▶ Private, by invitation only, tokenization. This has the advantage of KYC/AML requirements as well as accreditation requirements for the token. For example, each investor can only buy in 20,000 AUTIZ lots. Another advantage of this approach is building credibility on the street. Though, tokenization is not sufficient to build such trust and the gaps in credibility needs to be filled through adherence to the letter of the local laws and make them binding through the relevant smart contracts.
- ▶ Secutirized token We would propose to securitize the token after the third of fourth round of tokenization to ensure trust.

Product roadmap

- ▶ Build the financial model
- ▶ Setup the legal structure
- ▶ Setup a team to build and release the product.

Questions and comments

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