

eGold Mining White Paper

A Company That Incentivizes eGM Token Holders Through Mining Dividends



THE INFORMATION CONTAINED IN THIS WHITE PAPER IS FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, ANY INTEREST IN eGold Mining LLC THIS WHITE PAPER INCLUDES “FORWARD-LOOKING STATEMENTS” ABOUT A NETWORK CURRENTLY UNDER DEVELOPMENT, BUT NOT YET DEVELOPED. THESE FORWARD-LOOKING STATEMENTS ARE BASED ON ASSUMPTIONS WHICH WE BELIEVE ARE REASONABLE BASED ON CURRENT EXPECTATIONS AND PROJECTIONS ABOUT FUTURE EVENTS AND INDUSTRY CONDITIONS AND TRENDS AFFECTING OUR BUSINESS. HOWEVER, WHETHER ACTUAL RESULTS AND DEVELOPMENTS WILL CONFORM TO OUR EXPECTATIONS AND PREDICTIONS IS SUBJECT TO A NUMBER OF RISKS AND UNCERTAINTIES THAT, AMONG OTHER THINGS, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE CONTAINED IN THE FORWARD-LOOKING STATEMENTS. WE ASSUME NO OBLIGATION TO UPDATE ANY SUCH FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

The purpose of this White Paper is to present the eGold Mining LLC (“eGold Mining”) Project (defined below) to potential EGM Tokens (Token) holders in connection with eGold Mining’s proposed security token offering. The information set forth below may not be exhaustive and does not imply any elements of a contractual relationship. Its sole purpose is to provide relevant information to potential Token purchasers in order for them to determine whether to undertake a thorough analysis of the company with the intent of acquiring eGM Tokens (tokens). All relevant legal information for any such Token acquisition will be contained in the applicable Simple Agreement for Future Tokens document.

This White Paper does not constitute an offer to sell or a solicitation of an offer to buy a security in any jurisdiction in which it is unlawful to make such an offer or solicitation. Neither the United States Securities and Exchange Commission (SEC) nor any other foreign regulatory authority has approved an investment in the tokens.

The eGM Token (Token) is being categorized as a security because it entitles token holders to receive a share of the profits, if any, from the eGold Mining project described herein. The Tokens may be subject to certain restrictions on sale or transfer under US securities laws. The eGold Mining Security Token Offering restricts access for US- citizens, residents of the US, and green card holders to the category of “accredited investors”, in compliance with the US Securities Act Regulation D Rule 506 (c). If the SEC approves eGold Mining’s Reg A+ offering (Mini-IPO), U.S. Non-accredited investors will be permitted to participate in the Public Token Sale. All relevant legal information for any such Token acquisition will be contained in the applicable Simple Agreement for Future Tokens document.

This English language White Paper is the primary official source of information about the EGM Token (token). The information contained herein may from time to time be translated into other languages or used in the course of written or verbal communications with existing and prospective customers, partners, etc. In the course of such translation or communication some of the information contained herein may be lost, corrupted, or misrepresented. The accuracy of such alternative communications cannot be guaranteed. In the event of any conflicts or inconsistencies between such translations and communications and this official English language White Paper, the provisions of this English language original document shall prevail.

Getting tired of losing money during a bear market? Wish there was a way you can keep earning money through your investments even when the market is down? With the release of blockchain technology, many opportunities have opened to increase personal wealth whether through trading on the market or mining cryptocurrency from your home. During times the market is down, mining cryptocurrency still remains profitable if electricity prices and operational costs can be kept low. eGold Mining plans to allow investors to earn a passive income from cryptocurrency mining by simply holding our eGM tokens. Cryptocurrency mining has gotten more mainstream as time has passed but not everyone has the budget or time to buy the equipment, pay the electricity costs, and maintain the operation. eGold Mining plans to provide a solution where regular people can earn their share of profits from cryptocurrency mining while greatly incentivizing long-term token holders by insuring the base value of their investment with hard assets.

Overview of eGold Mining

eGold Mining is a cryptocurrency mining solutions project (the “Project”) that is designed to allow individuals to support and participate in blockchain mining. The project intends to build and maintain datacenters with blockchain mining capabilities. eGold Mining will be building datacenters in South Dakota, USA. With industrial electric prices quoted at **4.5c/kWh**, [cool temperatures throughout the year](#), abundance of green energy, and lack of state corporate taxes, South Dakota is a prime location for a large-scale cryptocurrency mining operation.

To finance the Project, eGold Mining is launching an Security Token Offering (or “STO”) to certain investors, which we will convert into an Initial Public Offering (or “IPO”), in which eGold Mining’s selling (EGM) tokens, a security token, pursuant to Simple Agreements for Future Tokens between eGold Mining and the investors. eGold Mining plans to work on a Mini-Initial Public Offering (“IPO”) under Regulation A+, which, upon approval by the Securities and Exchange Commission (“SEC”), would open up participation in the Project to the public. The EGM token holders will get up to 50% of the Project’s blockchain mining profits paid out monthly in ETH.

Project Objective

Even during a bear market, mining cryptocurrencies remains profitable given a few factors. These factors include the cost of hardware, electricity costs, cooling costs, maintenance costs, and difficulty level. With the increase in difficulty, instability of price for mining

hardware, and the residential cost of electricity being too high, mining cryptocurrencies at home has gotten to be much less profitable than it used to be.

In early January 2018, the cost of one Antminer s9 was over \$5000 but now newer, more efficient Antminers are selling for ten times less. A person who bought an Antminer s9 during that time will not break even for many years. People mining at home will not be able to turn a profit with the increase in difficulty and high electricity costs. We want to take away all risks with home mining and instead, let them enjoy the fruits of mining by simply holding asset-backed eGM tokens. No rigs, no wires, no maintenance, no electric costs, no home-mining financial risks. eGold Mining will be the future of passive income and the main mission of the project is to maximize profits for long-term eGM token holders and to increase the eGM token base value by using a percentage of net profits to back these tokens with hard assets.

Many investors securely hold their cryptocurrency long-term but receive no additional income from holding. Their investment is tied mainly to what state the overall market is in, bull or bear. eGold Mining wants to incentivize token holders regardless of the state of the market. Through large-scale mining, we want to reward those investors who simply hold their tokens and put their trust into the future of the company. The longer eGM tokens are consecutively held, the more a holder is rewarded.

Our plan is to position the business to become the leading brand in profit sharing of mined cryptocurrencies in the United States. Currently, there are very few companies that share profits with token holders in the USA so the market is wide open for the taking. After doing extensive research and feasibility studies, we are enthusiastic and confident that South Dakota is the best place to launch our cryptocurrency mining business.

Security Token Offering

Security Token Offering (STO) means primary public sale of **EGM Token**.

Max EGM Tokens: 50,000,000

EGM Token are an Ethereum security token, representing the right to profit-sharing from the mining proceeds of the eGold Mining project. The EGM token holders will receive up to 50% of the Project's blockchain mining profits paid out monthly in ETH.

The EGM Token is classified as a security under U.S. securities laws and as a result the STO will be restricted to certain types of investors in order to comply with U.S. securities laws.

EGM tokens will be offered in 3 different stages, each with a different bonus.

Minimum Purchase Amounts for USA Accredited Investors: \$10,000

Minimum Purchase Amount for Foreign Investors: \$500

To comply with U.S. securities laws, sale will be restricted to U.S. accredited investors only and sold pursuant to such investors pursuant to a Simple Agreement for Future Tokens pursuant to Regulation D, Rule 506(c) of the U.S. Securities Act of 1933, as amended (the “Securities Act”). During these sales, sales to investors outside the United States will be limited to only non-U.S. persons as defined under Regulation S of the Securities Act.

Rule 506(c) defines an “accredited investor” as:

- an individual with a net worth of at least \$1 million, not including the value of his or her primary residence
- an individual with income exceeding \$200,000 in each of the two most recent calendar years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year, or
- a trust with assets of at least \$5 million, not formed only to acquire the securities offered, and whose purchases are directed by a person who meets the legal standard of having sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the prospective investment
- a bank, insurance company, registered investment company, business development company, or small business investment company
- an employee benefit plan (within the meaning of the U.S. Employee Retirement Income Security Act) if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of \$5 million
- a tax exempt charitable organization, corporation or partnership with assets in excess of \$5 million
- a director, executive officer, or general partner of the company selling the securities
- an enterprise in which all the equity owners are accredited investors

Upon the SEC approval the Reg A+ offering (Mini-IPO) of EGM tokens, U.S. non-accredited investors will be allowed to participate. However, additional limitations apply on the amount of money a non-accredited investor may invest.

- 10% of the greater of annual income or net worth (for natural persons); or
- 10% of the greater of annual revenue, or net assets at fiscal year-end (for non-natural persons).

Tokens will be generated at the end of the STO. 20% of total amount sold will be generated and given to eGold Mining.

Accepted forms of payment: Bitcoin (“BTC”), Ethereum (“ETH”), TokenDesk (“TDS”), Credit Cards, U.S. dollars paid by wire transfer.

Which Cryptocurrencies will be mined?

eGold Mining will be mining a host of different cryptocurrencies based on profitability at the given time. eGM will be using ASIC-based, GPU-based, and FPGA-based hardware to mine these cryptocurrencies. A few cryptocurrencies we will mine are BTC, ETH, LTC, ETC, DASH, ZEC, etc. Expansion programs will be done monthly to increase the number of hardware to mine more cryptocurrencies. The goal is to maximize short-term and long-term profits.

Business Model

eGold Mining plans on incentivizing investors who hold their tokens long-term. These investors must hold their tokens in a private wallet. Holders will earn ‘G-points’ by holding eGM tokens and their score will be calculated by two simple factors -

- 1) Amount of eGM tokens held**
- 2) Consecutive days eGM tokens are held**

Investors who are holding their tokens in an exchange wallet or actively trading their eGM tokens will not receive a share of mining profits as they will not be able to accumulate any

G-points. By doing so, private wallet holders of eGM token will receive a larger percentage of the profits in comparison to the total circulating supply of eGM tokens they own. We believe the G-point system will create more long-term holders for the eGM token thus reducing the tradeable supply. With the additional factor of increasing demand due to increase in profit share, the overall value of eGM tokens is expected to increase over time.

There are two other ways we believe the value of the eGM token will increase.

- Asset-Backing
- Buy-Back Burn Program

Asset Backing

To give eGM tokens a real world value, we plan on using 5% of net profits every month to back these tokens through hard assets. Backing eGM tokens with hard assets will provide a higher base value for these tokens and provide an insurance for token holders. For example, if \$1 million worth of hard assets are backing 25 million eGM, the cheapest an eGM token can ever be worth is 4 cents. The hard assets will be held in an escrow account to guarantee its insurance of the eGM tokens. Assets will be made available to eGM token holders in the case eGold Mining LLC goes out of business. eGold Mining will buy investor's eGM tokens, sell the allocated assets, and return the token holder the FIAT value of their investment that is backed by assets.

Buy-Back Burn Program

To continuously reduce the supply of eGM tokens once the STO is complete and the facility is operational, 5% of net profits every month will be used to buy eGM tokens and burn them indefinitely. This is expected to increase the price of the eGM token over time while reducing the supply of eGM tokens.

G-points

System Behind G-points

eGold Mining will be sharing 50% of the net profits earned through mining with token holders. The amount of shared profit a token holder receives will increase as the operation expands. Token holders will be paid by the amount of G-points they accumulate by holding their eGM tokens in a private wallet. Mined coins will be distributed at the end of each month based on the number of G-points accumulated in comparison to everyone else.

The token holders who hold the longest will be rewarded most in the long run. As they accumulate more G-points, they receive a larger share of the profits. Anyone who moves their tokens to an exchange wallet will lose all their G-points and will not receive any share of the mining profits. You must **keep and hold** your eGM tokens in a non-exchange/private wallet to keep your G-points. Anyone who moves their tokens to another private wallet will have to fill out a form to keep their G-points. A move from a private to another private wallet can only be done once a year.

For an example of how G-points are accumulated -

At Day 1 -

- Holder A has 500 tokens in her private wallet
- Holder B has 1000 tokens in his private wallet
- Holder C has 1000 tokens in an exchange wallet
- Holder D never moves his 10000 tokens from an exchange wallet

After 10 days (Day 10)

- Holder A has 5000 G-points
- Holder B has 10000 G-points
- Holder C has 0 G-points
- Holder D has 0 G-points

At Day 10 -

- Holder A adds another 500 tokens to her private wallet (new total = 1000 tokens)
- Holder B keeps the same amount in his private wallet (1000 tokens)
- Holder C moves his 1000 tokens to a private wallet
- Holder D never moves his 10000 tokens from an exchange wallet

After another 10 days (Day 20)

- Holder A has 15000 G-points
- Holder B has 20000 G-points
- Holder C has 10000 G-points
- Holder D has no G-points

At Day 20 -

- Holder A keeps same amount in her wallet (1000 tokens)
- Holder B keeps the same amount in his wallet (1000 tokens)
- Holder C keeps the same amount in his wallet (1000 tokens)

- Holder D never moves his 10000 tokens from an exchange wallet

After another 10 days (Day 30)

- Holder A has 25000 G-points
- Holder B has 30000 G-points
- Holder C has 20000 G-points
- Holder D has 0 G-points

Total G-points for the month = 75,000.

If payouts were done at the end of the month and these were the only four holders for the eGM tokens -

- Holder A would receive 33% (25000/75000) of monthly net profits for token holders
- Holder B would receive 40% (30000/75000)
- Holder C would receive 27% (20000/75000)
- Holder D would receive no profit shares (0/75000)

Not only does it matter how many eGM tokens you possess, but it also matters how many consecutive days you held them in a private wallet.

Note - If Holder A removed the 500 additional tokens before the end of the month, she will lose all G-points earned from those 500 tokens, leaving her with a total of 15000 G-points.

G-point Payout System

There will be three classes of payouts for G-point accumulation - Short Term, Long Term, Elite.

Short Term Holders

For Short Term, the G-points will reset every month giving everyone a fair shot for profit sharing. 25% of the net profits will be shared with eGM token holders every month. You must be holding for the entirety of the month to earn your share of the Short Term profits for that month. If an investor's profit share value for that month is \$1 greater than the transfer fee, no profits will be shared and anyone lower on the G-points ranking system from thereon will not receive a profit share.

Long Term Holders

For Long Term, the G-points will reset every six months. Long Term holders will receive 15% of net profits at the end of every six months depending on how many G-points they have

accumulated. This share of profits will be separate from the Short Term share of profits and only Long Term token holders can participate. This profit share will be held in a private wallet for six months and only be paid to qualified Long Term Holders. You must be holding tokens for at least three months to get your share of the Long Term profits.

Elite Holders

Elite holders will never have their G-points reset and will be paid 10% of net profits at the end of every year. Elite holders must hold their tokens for at least $0.5 \text{ years} + 0.75(n)$, $n = \#$ of elite payouts, to qualify for the Elite holders share of profits. For example, for the first payout, you must hold for at least six months. For second payout, you must hold for at least fifteen months. For third payout, you must hold for at least two years, etc. eGM believes holders who never sell should be rewarded with a bonus for their patience and continued trust. eGM holds the right to change the rules of the G-point system to benefit a majority of investors.

G-points for each class will be updated daily on eGoldmining.com on a token holders dashboard corresponding to each token holder's wallet address.

Economics Behind G-points

The G-point system is there to create and greatly incentivize long-term holders for the eGM token. We believe that a majority of investors will hold for over a year to earn a share of the Elite payouts. With less tokens on the market and more being held in private wallets, we believe that this will inherently increase the eGM token value by playing with the supply and demand principle of economics. For example, if 10 million tokens are being religiously held in private wallets for a share of the net profit, that means there are only 10 million tokens that are being traded on the market. With less tradeable supply and more demand for the coin as profit share increases every month, we expect the value of eGM token to increase in value. Couple this with the Asset-backing of eGM tokens and the Buy-Back Burn program, and we expect the eGM token to increase in value overtime.

Distribution of Net Profits

All mined cryptos will be converted to ETH and payments will be done via smart contracts. The smart contract will send your share of the profits to the same wallet address your eGM tokens are held based on the number of G-points you have accumulated and the net profit mined for that particular month. A secure private wallet may be built for holding eGM tokens and receiving distribution of net profits.

Cloud Mining Contracts

Through cloud mining contracts, eGM will be able to expand operations for both cloud mining contracts and profit-sharing operations at an incredibly fast pace. This faster growth will allow for larger profit shares for eGM token holders. We expect a high amount of hash power to be sold out within the first three months of operations. We will be able to offer the most competitive contracts on the market and that is due to the fact we have very competitive electricity prices. Electricity costs will be deducted directly from mining profits. Contracts for a shorter period may be negotiated.

Mining Colocation Contracts

We understand that people have mining machines at home but their electricity cost is too high to make any profits from these miners. These individuals need cost-efficient electricity prices so they can make a profit off their machines. Others do not have the ability to keep their machines cool cost-effectively as they live in hot climates and cooling is expensive. We provide them a service where we can maintain their mining machines. Lastly, there are those who are not allowed to legally mine in their district. We will provide a service for them to host their miners for a very low price compared to competitors.

eGM provides these people with colocation contracts where they can ship us their mining machines and we will host and maintain their mining servers at our facilities with our low electricity prices. This will allow eGM to have a steady monthly income for the company which will be used to buy more hardware for eGM token holders.

Projections & Return on Investment

Since there are three different methods of expansion for eGold Mining (Cloud Mining Contracts, Mining Colocation Contracts, and Regular Mining Operations), it is difficult to determine the exact projections and return on investments. Cloud mining contracts will be very profitable upfront, and allow us to expand operations at a faster rate. Since the mining difficulty levels for all tokens are always changing, it is difficult to give an accurate estimation on net profits and return on investment a year from now. These first year estimates are based on \$3m raised in STO. They are the minimum token holders may receive through their investment if only regular mining operations are done without expansion. These estimates **do not include** increase in difficulty, but we plan on overcoming that factor by expanding faster than difficulty increases. These estimates are based off \$2m worth of Antminer s9j profitability at eGM's quoted

electricity rate of 4.5c/kWh. eGM will be using more profitable mining machines, so these estimates can be taken as a base minimum.

Estimated Profits First Year (based on \$3 mln softcap reached and conservative sales projections met)

- **Cloud Mining: \$250K net margin (EBITDA)**
- **Colocation Services: \$300K net margin (EBITDA)**
- **eGM Profit Sharing: \$615k net margin (based on 11/23 difficulty & price)**
- **Gross Profit = \$1.15M**
- **Federal Corporate Income Tax = 21%, Operating Costs → \$120k**
- **Net Profit → \$1.15M * 0.79 ~ \$920K - \$120K → \$800K**
- **50% Token Holder Share**
 - **25% to short term holders (paid monthly) ~ \$200K/yr.**
 - **15% to long term holders (paid every six months) ~\$120K/yr.**
 - **10% saved for elite holders (paid every year) ~ \$80K/yr**
 - **Subtotal For eGM Token Holders: ~\$400K**
- **50% Company Share**
 - **20% eGM Expansion ~ \$160K/yr**
 - **15% Company Share ~ \$120K/yr**
 - **5% Asset-Backing Purchases ~\$40K/yr**
 - **5% Buyback-Burn ~ \$40K/yr**
 - **5% Company Reserves ~ \$40K/yr**

Upon successful scaling and launch of the eGold Mining's operation, token holders will begin receiving monthly dividend payments in the form of ETH. Coins mined by eGM will be converted to ETH directly. The resulting ETH will be the earnings distributed to token holders minus all electrical and operational costs. In addition, in order to stimulate growth, 30% of earnings will be reinvested back into the expansion of the eGold Mining operations, backing of eGM tokens, and burning of eGM tokens resulting in larger payouts and more growth. 50% of ETH will be distributed to eGM token holders who accumulate G-points via the dividend-paying

smart contract. The smart contract will distribute this ETH to token holders respective to the amount of G-points an investor accumulated compared to everyone else.

We have seen other companies in the past promise returns of 400% or more. This is wrong and misleading. As market volatility is high and mining difficulties are constantly fluctuating, eGold Mining is reluctant to promise any official ROI percentage. eGold Mining will provide all historical data throughout the lifetime of the project for current and prospective investors to review and evaluate their positions.

Sustainability and Expansion Strategy

The future of a business is strongly related to its ability to sustain and grow. To be able to sustain and grow, a business must have the capacity and competence of the employees, a strong financial strategy and a solid business structure. If any of these factors are missing from a business, then it won't be long before the business closes shop.

One of our major goals of starting eGold Mining is to build a business that will survive off its own cash flow without the need for injecting finances from external sources once the business is officially running. We know that one of the ways of gaining approval and winning more token holders over is to maximize the amount of dividends that are shared each month.

eGold Mining will make sure that the right foundation, structures, and processes are put in place to ensure that our business operates at its full potential. Our company's expansion strategy is designed to drive our profits to greater heights. We will be accomplishing this by reinvesting 20% of net profits into buying more ASIC miners every month. This will allow token holders to enjoy increasing profits at the end of each month. Not only will 20% of net profits from mining go into expansion every month, our cloud mining contracts will be allowing us to grow operations at a much faster rate.

Lastly, eGM plans to slowly phase into renewable energy. Once the company is self-sustaining, we will be allocating a certain amount of funds every year into slowly building either solar farms or wind farms. This will reduce electricity prices in the long run and ensure a safer environment for our future.

Potential Issues

Lifespan of Miners

One of the biggest issues in this project is the fact that these miners have a short lifespan. Many people have complained that their ASIC miners have malfunctioned within a year. After doing intensive research on the matter, and also consulting with experienced people who run current bitcoin mining farms, it may also be possible to increase the life of miners indefinitely if broken parts are replaced. We have an advisory group familiar with the process of repairing mining machines and having them run much longer than their expected half life. It is possible to extend the life of an ASIC miner way past its 2-3 year lifespan. Miners must be kept in a dust-free, low humidity, low temperature environment with continuous air circulation to get the most potential and longest natural life out of them. We plan on running miners for as long as possible. Older gear may be sold at fair market price and newer, more powerful miners will be bought with those funds as well as funds we spend for expansion.

Updated Hardware

As seen in the past, ASIC miner manufacturers like Bitmain, Innosilicon, and others compete to build the most powerful and efficient miners. This competition leads to their older and less powerful miners to become less profitable and sometimes obsolete. These newer miners increase the overall difficulty level of mining but are able to reduce the energy costs by being more energy efficient. Our expansion operation lets us stay ahead of this curve by buying these newer miners every month. We will be able to compete with other mining farms by being able to keep up with the increase in difficulty as these newer miners are released. These more efficient miners will also save us a few percentage from electricity costs in the long run as well as the space needed to host these miners and the cost of that space.

Declining Block Rewards

[This article](#) does a good job in explaining how halving block rewards has affected the market in the past. There seems to be a correlation when block rewards are cut in half, the price of BTC eventually goes on a bull run. So we expect to have returns cut in half while expenses stay the same soon after the halving events, but in the long term, we expect to be more profitable with an increase in the price of BTC and other cryptocurrencies.

We do expect an initial increase in the cost/profit ratio for operations immediately following a halving event but we will try to offset those increased expenses by holding a five percent of yearly net profits in a private wallet to pay off any additional expense during the block reward halving event. We will also be preparing for this moment by expanding operations every month. We will be expanding our mining operation into any coin that is profitable at the time or has the potential to be very profitable in the future. Diversification is key to maintaining a

successful mining operation. Token holders will have the ability to vote for which new coin we start mining.

Increase in Difficulty

The increase in difficulty is an issue that will make home mining obsolete in two or three years. The difficulty for BTC mining has been increasing rapidly every month with no signs of slowing down, in this past year it was gone from under 1 trillion to almost 6 trillion . After doing calculations on [BitcoinWisdom](#), at the current BTC price of \$7500, we will be profitable until the difficulty level triples. At the current difficulty level of 6 trillion, we will be profitable unless BTC falls under \$3000. We will overcome this problem by expanding our operations every month through 20% of the net profits. We will also be able to expand at a faster rate through our cloud mining contracts. We will also be overcoming this issue by expanding operations into coins that are more profitable, at the time, than BTC. Our operation is dedicated to maximizing the amount of profits from mining all cryptocurrencies, not just BTC. Lastly, with our cheap electricity costs, we have a better chance of staying afloat since our electricity expenses are less than a large majority of other miners.

Advantages & Disadvantages Over Other Companies

The number one advantage we have over other mining companies is that we are based in the United States. Being located in the United States allows investors to have more security of their investment and the ability to hold someone accountable. We take pride in being an American mining company and having the ability to abide by all regulations set by US lawmakers to provide security to investors in an uncertain cryptocurrency industry.

There is no contract/rental agreement for hash power nor is personal hardware required with eGM tokens. There is no associated mining pool fees or random maintenance fees associated with eGM tokens. There is no risk of a scam or ponzi scheme with eGold Mining. You simply hold your tokens in a non-exchange wallet and rack up your G-points. The more G-points you accumulate, the more you will earn. eGold Mining will be selling cloud mining contracts but those will not be associated with eGM tokens. The only way to earn a share of the mining profits is to buy and hold eGM tokens in a non-exchange wallet. The main reason for our cloud mining contracts is to expand operations as fast as possible. KYC process will be required for profit sharing as this should be considered reportable income.

The advantage we have over companies like Genesis Cloud Mining is that we have cheaper prices for the same services. One thousand ASIC miners will be used for cloud mining

contracts. Initial funds earned from these contracts will be used to buy more ASIC miners and expand the operation at a faster rate. These other cloud mining companies tend to have random fees that eat away at your rightful profits. eGold Mining plans to eliminate this issue altogether. There will be a one-time fee for cloud mining contracts and continuing electric costs with no additional expenses.

Another advantage of eGold Mining is that when you purchase the eGM token, you still retain part of your original investment since the eGM tokens have value and they can be sold on the market at any time. If the value of eGM tokens increases from the ITO price, your original investment is already in a profit, and you also receive a share of profits from mining at the end of every month essentially having two sources of passive income. The tokens will also be backed with \$ every month thus insuring your original investment by increasing the base value of the eGM tokens through a valuable commodity.

Another advantage is the transparency of our operation and the ability to calculate how much share you will receive each month. There will be monthly accounting reports on all expenses and profits which will be posted on the eGold Mining website.

With South Dakota's cold climate, cooling costs will be greatly reduced by simply using large intake/exhaust fans that provide continued air circulation to pull the hot air out of our mining farm and replace it with cooler air from outside. Cooling will not be required during the winter months at all. Evaporative cooling will be the method of choice during the few hot summer days as it is ten times cheaper than conventional A/C.

eGold Mining Team

- President and Founder - M. Avais Khan

Dr. Mohammad Avais Khan is the founder and creator of eGold Mining. After self-learning about the cryptocurrency market for the past 4 years, he realized the only way to stay profitable in this market is through cryptocurrency mining. After months of intensive research, Mo was able to produce this white paper by himself. He has gained abundant knowledge about the market through applicability and research, and believes he has found a working business model where everyone profits, even in a bear market. Mo attended Penn State University for 2 years before transferring closer to home to Rutgers University and pursuing his education in Biology. Mo is a recent graduate from Avalon University School of Medicine and has chosen to take a break from medicine to focus on delivering the promises set in this white paper. One of his future goals is to be involved in

the medical technology industry. In the past few years, he has advised on the startup of a few blockchain projects, he has helped develop white papers and business models for many early entrepreneurs, he has assisted on a few small-scale cryptocurrency mining operations, and he has created basic ERC20 token contracts for many people. He has also taught himself the basics of technical analysis and how to read charts. Mohammad has a unique passion for the cryptocurrency market and believes that decentralized currencies are the future. Entrepreneurship is in his blood as his father is a very successful self-employed businessman. He has the drive, the team, and all the tools necessary to make this project a reality for everyone.

- Executive Vice President - M. Abraham Nasim

M. Abraham Nasim is an entrepreneur and an expert in data analytics and data science. Over the course of 10 years, Abe has successfully led teams at Fortune 500 companies to build big data landscapes and analytical platforms. The core strategies Abe has mastered is enabling companies to be more data-driven and generate business value. Presently, Abe is Founder and President of CogniSoft Technologies, a management consulting firm specializing in data analytics. Abe received a Bachelors of Science in Computer Science at The College of New Jersey and is currently pursuing his MBA at the Fox School of Business. Abe has a passion for data management and believes blockchain is the future for everything related to data storage and data authenticity.

- VP of Finances - Andrew Fornes

Andrew's knowledge when it comes to the cryptocurrency mining business industry is second to none. He knows about every new and old business in this sector. He knows the exact details of all their business models and which ones have been successful and which ones have not. He has studied the successes and failures of these companies and is considered a huge asset with his knowledge in starting and maintaining a large scale cryptocurrency mining operation that pays dividends. Andrew has worked on a few mining operations himself so he is well-versed on the operational side of mining as well.

- VP of Sales & Communications - Danish Qureshi

Danish Qureshi brings a vast amount of experience and talent to the eGM team. He studied Marketing & African American studies from the University of North Carolina at Chapel Hill and obtained a Medical Degree from Avalon University School of Medicine. His passion for marketing was seen way before his admission to UNC and continues to shine. In high school, he was helping local businesses with their online

marketing presence. In college, he continued to excel in marketing research interning for large corporations. Danish has been a cryptocurrency enthusiast since 2012 and has worked on marketing campaigns for various projects in blockchain such as healthcare and the airline travel industry. Danish also has tons of experience raising money for businesses through dinner events, fundraisers, and conventions. His sales and communication expertise is greatly valued and his ability to adapt and succeed in new industries is unmatched.

- VP of Operations - Jeremy Tan

Jeremy Tan graduated with a degree in Finance from USC. Jeremy has spent six years working in investment banking. Jeremy began exploring cryptocurrencies and mining in 2014. He is currently the CEO of Veritas Mining in Thailand which has been running for over a year. He is now a partner with eGold Mining as head of Operations which handles all aspects related to mining. Through his expertise and experience with crypto-mining and contacts with suppliers, he is a well-greased cog within the EGM mining machine.

- Accounting Advisor - M. Omair Khan

M. Omair Khan has earned a degree in Accounting & Finance from Rutgers University. Omair is currently a corporate accountant for Bed, Bath & Beyond, a billion dollar company. Omair is more than pleased to provide his services to eGold Mining and is a believer in the future of blockchain technology.

- Financial Advisor - Kashif Khan

Kashif Khan has earned a degree in Accounting from Rutgers University. Kashif Khan has an unmatched amount of experience in business and finance as he was the co-founder & CFO of a multi-million dollar IT company at the young age of 22. He founded the company on a \$20,000 loan and turned it into millions. As time progressed, Kashif decided he wanted to dedicate his talents to a greater cause so he resigned as CFO from his company and accepted various positions at non-profit organizations that help children with disabilities and those with speech and hearing issues. Kashif was more than happy to advise on this project as he believes in the profitability of eGM's business model and believes in the future of blockchain technology.

- Engineering Advisor - Edwin Christiaan Swijnenburg

Edwin Christiaan is an Industrial Engineer who works in the fruit transport cooling industry. Edwin has worked on mining operations in the past and has built a complete mining facility in 2016 ranging from electrical, construction, cooling, and setup work. Edwin has a passion for the engineering side of mining which includes ASIC machines and cooling systems. Edwin believes he can build a more efficient and cheaper way to keep mining facilities cool and his years of expertise in the cooling industry makes him a great addition to the eGold Mining team.

- Product Advisor - Irfan Rashid

Irfan Rashid is a proven, innovative and goal-oriented professional with over ten years of experience in Business and Technology across multiple sectors and industries to include eCommerce and Financial Services. His expertise is in designing intuitive and simple user interfaces for browser and app solutions, having mastered the concepts of interactive design, UX (user experience) and UI (user interface). His true passion lies in understanding his clients' most complex business and technology needs in order to help plan, guide, and execute brand and product improvements. Irfan received his Bachelor of Science in Business Administration in Finance in 2007 from the University of Alabama Huntsville. He quickly married his financial background with Information Technology to implement solutions for his clients in the form of financial and payroll ERP tools. Some of his greatest professional accomplishments include leading the implementation of a new intranet site for a Big Four consulting firm with a global audience of over 23,000 users, completing a total redesign of a leading Money Transfer provider's web and mobile experience and capabilities for their online money transfer and bill payment offerings, and most recently managing the creation, delivery and adoption of a brand new product offering that allowed for the monitoring and reporting on player participation and coach certification in youth football across the United States. It is Irfan's diverse experience and vast skill set that make him a very strong asset to the eGM Advisory team.

- Web Developer - Egor Ledovskikh

Team's Mission Statement

Do you know what made us tired? Losing money by holding during a bear market. Many of us like to play it safe by HODL and not risk the day-trading game. Many of us like to leave our investment and check on it every few months because we believe our investments have a bright future. But the worst feeling is when you check your investments and see they have tanked

because the overall market has tanked, even when the company you invested in has been doing well. You know this is temporary, markets are just cyclical after all, but you wish you weren't losing so much. Then you start thinking, "should I sell now? Maybe that's a bad idea, the price might go higher after I sell." The market starts playing these mind games, and it leaves you confused and frustrated.

What if that stress can be taken away? What if you know that even if the overall market is down, you will still be earning money off your investment? It took a while to realize that one of the few things that remains profitable during a bear market is crypto-mining, another being arbitrage. Arbitrage opportunities are hard to find in bear markets unless you have developed a program running thousands of microtransactions per day. But with crypto-mining, if you have an inexpensive electricity rate and figure out a way to nullify cooling costs, you can be profitable even if the market tanks or if the difficulty dramatically rises.

We, the eGM team, were able to secure inexpensive electricity rates in a state with a very cool climate, even in the summer. We have vast amounts of experience working in various industries related to blockchain not only in the USA, but all over the world. All of us have a passion for blockchain technology, business, and cryptocurrencies. We want to provide a way for the common 'HODLer' to receive a share of profits that only cryptocurrency miners receive. We believe that eGold Mining will provide an easy way for investors to earn passive income on a monthly basis.

We want to protect the regular investor from the wide variety of scams associated with mining and cryptocurrency ICOs. eGold Mining will provide transparent accounting reports every month so investors will know how much they are going to receive with absolutely no hidden fees or random expenses. Our business model is set for rapid and continuous expansion so the amount of profit share grows every month. We also want to insure the eGM token with s to increase its base value. And lastly, we want to provide investors a secure and registered business they can trust with their money. With the ample amount of scams currently in the cryptocurrency world, we want to take away the stress investors may have with trust. We believe that eGold Mining is the future of passive income and we are here to make that a reality for all.

Risk Factors

Acquiring eGM tokens involves a high degree of risk, including, but not limited to, the risks which are set forth in detail in the eGold Mining Private Placement Memorandum ("PPM") or other applicable or related offering memorandum provided by eGold Mining in connection with its sale of eGM Tokens. Before purchasing eGM Tokens, it is recommended that each prospective purchaser carefully weighs all the information and risks described in the PPM or other applicable or related offering memorandum.

