



CORECOIN

Digital currency that are backed by gold



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1 About CoreCoin

CoreCoin is a virtual currency backed by gold and does not lose its value.

Point 1: Convertible to gold.

- CoreCoin can be converted into gold at an exchange rate of 1,000 tokens per ounce (31.1g) of gold.
- Like platinum and silver, gold is a real asset. Therefore, its value can never become zero.
- The international value of gold is increasing over the long term.

Point 2: Russian gold mining rights and superficies obtained.

- Russian gold mining rights and superficies have been obtained. The mined gold will back the tokens.
- All mining evidence will be presented.
- Public data concerning the gold mine is highly reliable, provided by a NASDAQ-listed company conducting the survey and providing the report.

Point 3: Tokens have more investment value than gold.

- A great thing is receiving a high-rate bonus for keeping CoreCoin.
- With gold, you receive no dividends no matter how long you keep it. However, with CoreCoin, you receive a bonus of 18% worth of tokens after keeping it for two years.
- You can thereby increase your assets more than with gold.

2 Virtual Currency Problems

Normally, when you think about investing in virtual currency, the following four problems come to mind.

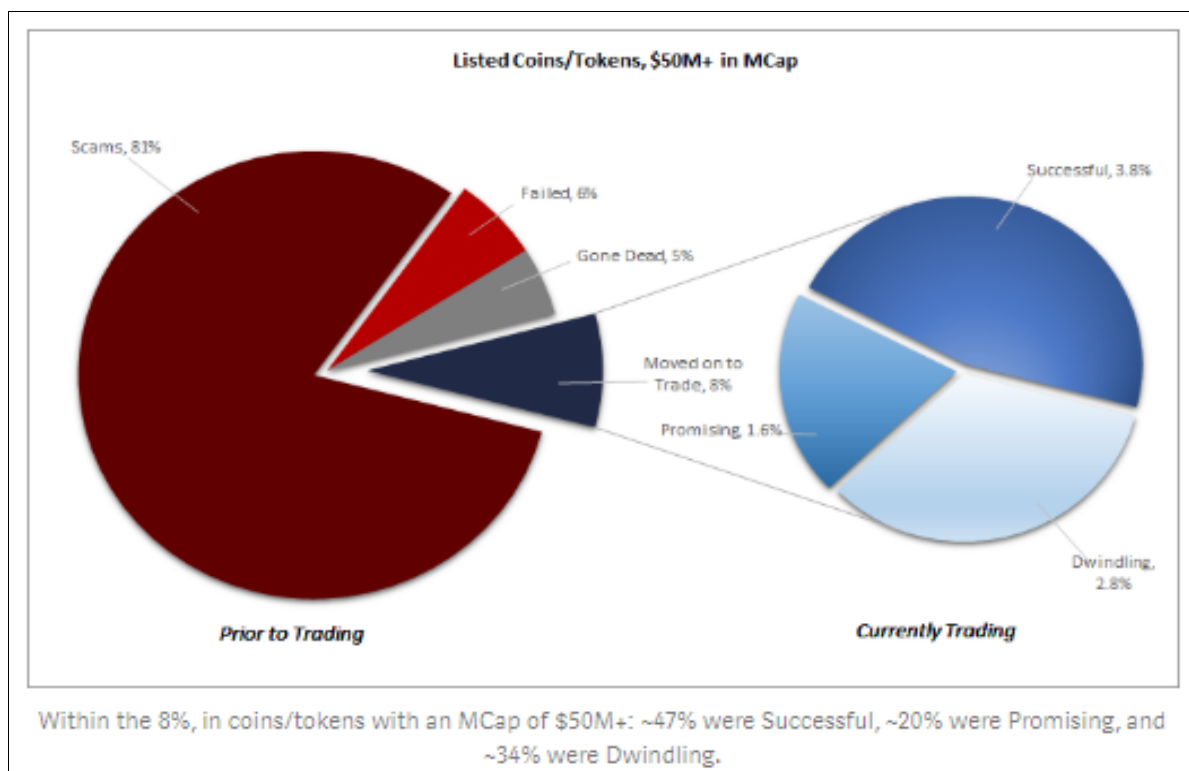
2.1 Wild price fluctuations

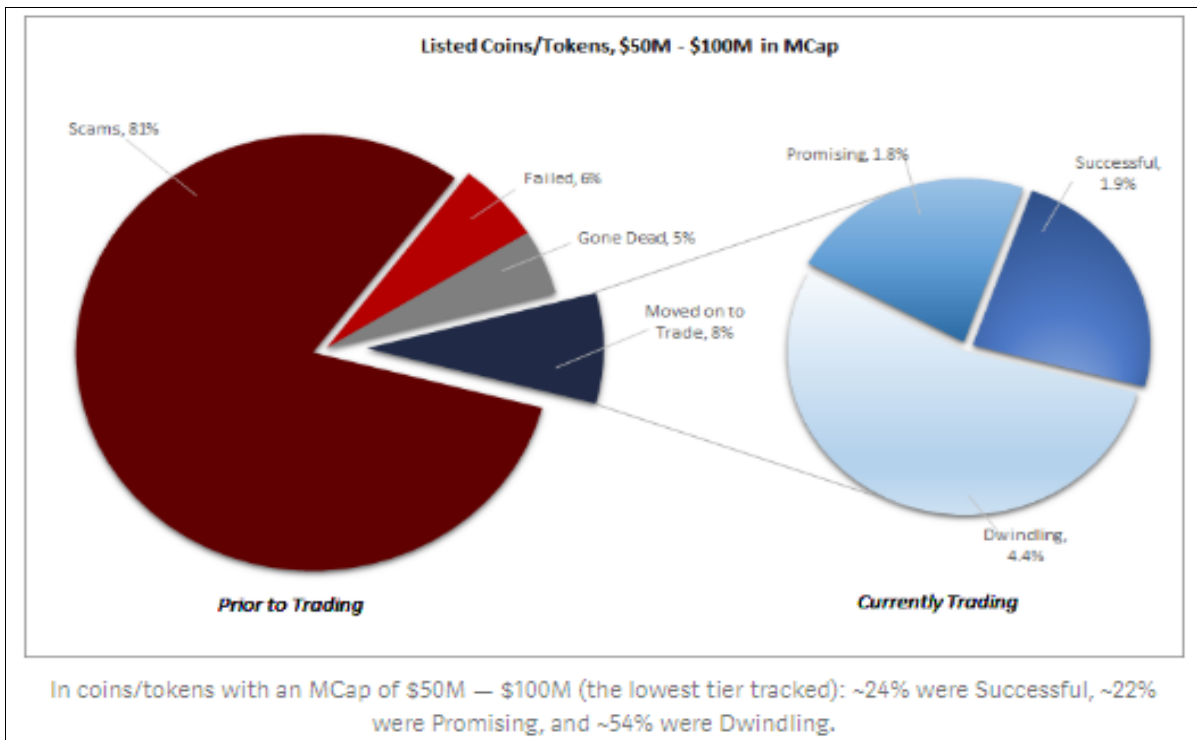
After being listed on an Exchange, most all tokens fluctuate greatly in price. Therefore, compared to stocks, bonds, or gold, it is often difficult to gauge the timing to sell.

After being listed, the price of many of the tokens become lower than the ICO purchase price. The price becomes close to zero and selling would bring no profit. In many cases, the investment amount cannot be recovered. While the monthly fluctuation of the dollar-yen exchange rate is about 5%–7%, the monthly fluctuation of virtual currency is at minimum 20%–30% and can even exceed 100%.

2.2 Many scams

Sadly, many virtual currency ICOs have exploitive purposes from the project's outset. As shown by the data below, 81% of ICO projects garnering USD5,000 or more were a scam.





(*1)

2.3 Unknown if the project will come to fruition.

You may have noticed the term "Fintech" appearing in the news frequently. Technologies to digitize money have caught the attention of financial institutions around the world. They are aware of the possibilities of virtual currency. Therefore, there are many projects involving virtual currency. However, even if the project concept is wonderful, many projects do not come to fruition according to their concept.

2.4 The technology is hard to understand.

The development of technologies these past 10 years has been remarkable. New technologies like AI, Blockchain, and IoT have entered practical use. There are also many startups proposing new technologies that may someday support people's future. Even when an idea sounds wonderful at first, in some cases, the technology has not yet been perfected or there are no developers for it. It is difficult for ordinary investors to evaluate whether a new technology is promising or not. Malicious companies may purposely make it difficult for investors to understand the complicated technology behind the project.

3 CoreCoin Resolves Virtual Currency Problems

CoreCoin resolves the virtual currency problems in Chapter 2. CoreCoin uses the gold standard which is the foundation of existing currency systems. Since CoreCoin is backed by gold from a Russian gold mine, there is collateral for the value of the tokens.

Also, even if the price of the tokens decrease after being listed, the tokens can still be exchanged for gold, so investors can plan risk management more flexibly.

3.1 The origin of modern currency: "Gold bill of exchange"

Before paper money went into circulation, mined metals such as gold, copper, and silver were used as money. Rich people possessed a lot of gold coins. However, it forced people to manage their gold coins themselves. People became vulnerable to theft and other crimes, and the more they possessed, the higher the burden for keeping the gold securely.

And so in the 1650s, the top business people at the time issued a bill of exchange instead. It was the start of a deposit service for gold coins that were in circulation as money.

These business people also started using the deposited gold coins to loan them out. Later, they realized that they could just loan out a gold bill of exchange instead of actual gold coins. The gold bill of exchange came to be circulated as the actual gold itself. People trusted this gold bill of exchange as a way to exchange it for actual gold. The system therefore worked.

This system is the same as the banking system we have today. The bank's passbook only has printed numbers which people trust to be worth paper money that can be withdrawn.

3.2 About the gold standard

The financial system started by the business people eventually expanded to the national level. It was the birth of the paper currency system with paper indicating the possession of gold. The system was managed by the national government.

Since the national government issued the paper currency, the paper was then used as something of value. The "gold standard" refers to paper money that can be converted to a solid (and trusted) amount of gold.

As the world economy developed and more merchants did business, the required amount of paper currency also increased. With more paper currency due to the world's developing economy, the paper currency could no longer be all converted into gold since the amount of gold on Earth is fixed. Each country then issued paper currency that suited their own country's economic scale. This is called a "planned monetary system." However, a planned monetary system has the respective country's government and economic conditions determine the value of the currency. Therefore, depending on the country's level of "trust," the value of the currency can become stable or unstable. This is one drawback of the system.

3.3 Creating a true digital currency

As mentioned previously, the bill of exchange for conversion to gold has backed the modern currency system as the monetary economy developed. However, existing virtual currency is not backed by any solid credit such as gold or other real assets nor any government backing. Therefore, as mentioned in Chapter 2, there are problems.

In order for us to resolve virtual currency problems, we thought it was necessary to go back to the origin of the currency system and have "exchange to gold" as security.

CoreCoin was therefore created.

4 Digital Currency Synonymous with Carrying Money

CoreCoin can be converted to gold.



Since you can convert 1000 CoreCoin to 31.1g of gold, investors can base their risk management on gold market prices.

4.1 About tokens and rates

CoreCoin promises that 1,000 tokens can be converted into 1 oz. (31.1g) of gold.

Even if the value of tokens decreases, 1,000 tokens can still be converted into 1 oz. (31.1g) of gold.

When you compare it to the current price of gold, you can see how advantageous it is.

*Conversion to gold can be done only in Hong Kong.

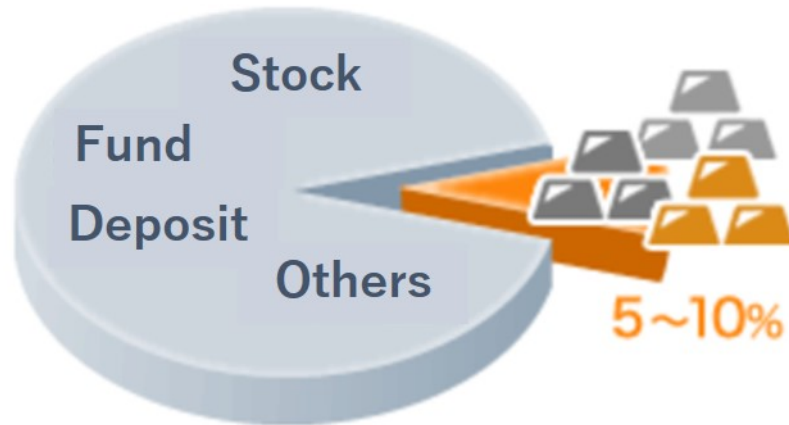
4.2 Property value of gold

Since gold is a real asset like platinum, silver, etc., its value cannot become zero.

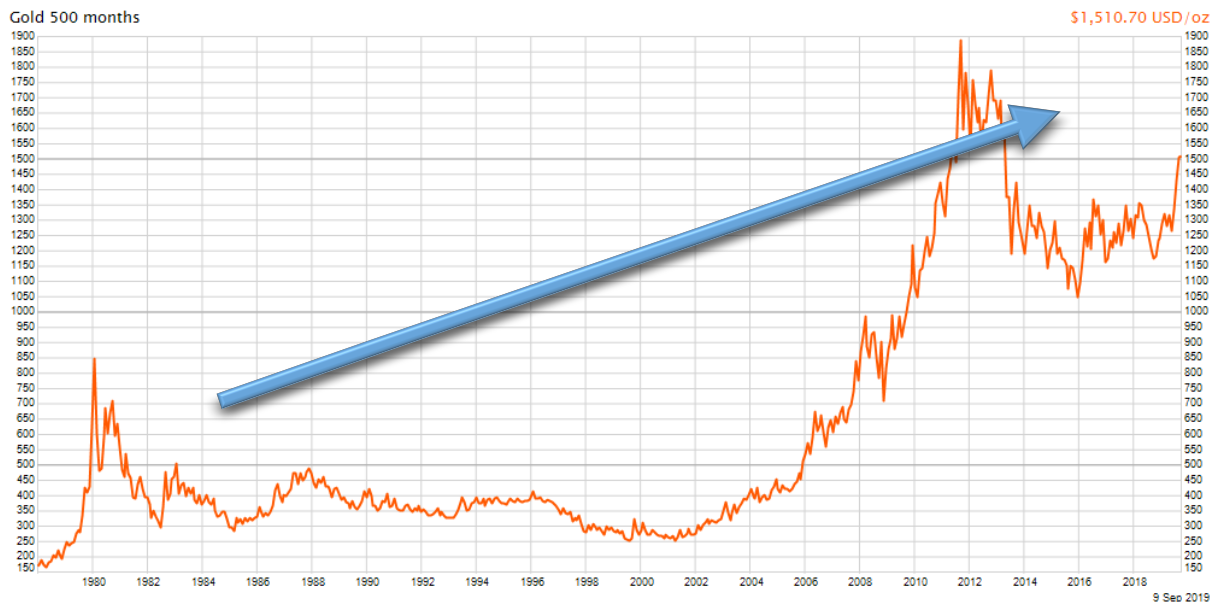
National/regional currencies like the yen, US dollar, and euro are based on the credit of "trust." Therefore, it is possible for the currency's value to become zero due to political and economic conditions. However, since gold itself is a real asset, its value can never become zero.



Also, some experts say that compared to crude oil and other commodities, gold is having better prospective value in recent years. Since gold is hardly affected by prices of financial instruments like stocks and bonds, having about 5% to 10% of gold in your asset portfolio is said to be good for diversification.



Gold Price After the Abolishment of the Gold Standard



(*2)

The long-term international value of gold has been increasing.

4.3 About CoreCoin retention bonus

For Phase 4 in Chapter 7, when the user keeps CoreCoin in the CoreWallet (dedicated Wallet), the bonuses below are given.

When using CoreWallet, the user can receive the following bonuses:

- During the first year after Corewallet is released, 1% of the CoreCoin amount held in the Wallet will be added monthly (12% per year).
- During the second year after Corewallet is released, 0.5% of the CoreCoin amount held in the Wallet will be added monthly (6% per year).

*For the time period while the user's CoreCoin is kept in CoreWallet.

Even when you possess gold, you do not receive any dividends, etc. However, you can opt to receive up to 18% of extra tokens if you keep CoreCoin as tokens for two years.

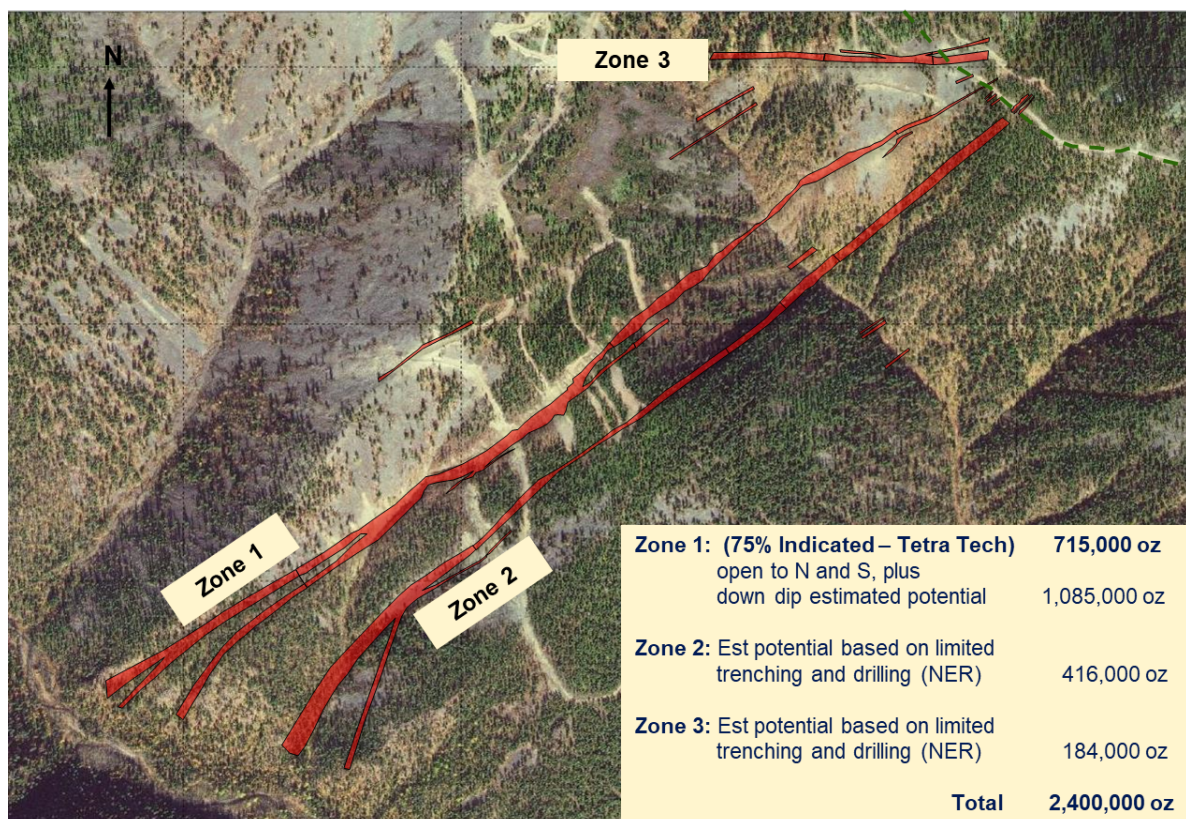
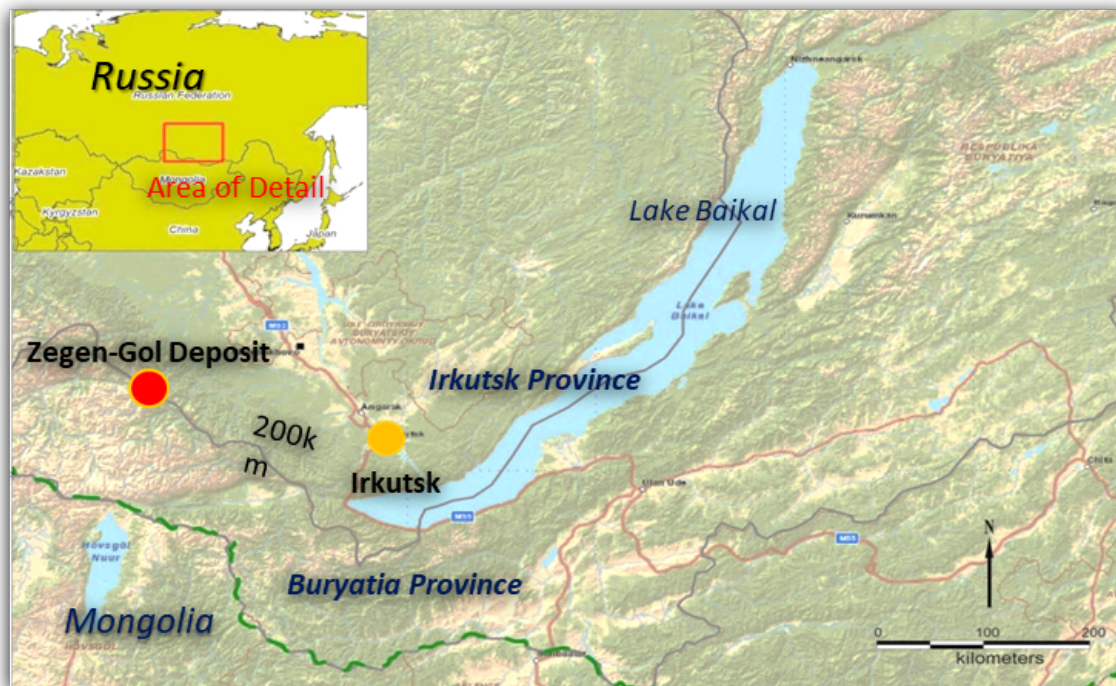
Therefore, you can see that CoreCoin offers a high investment return in addition to convertibility to gold.

Also, if you opt not to receive the bonus and instead list your CoreCoin for sale, the following selling rates at the Exchange will be possible depending on the length of your retention period:

- After 6 months, you can sell 5% of your CoreCoin.
- After 9 months, you can sell another 5% of your CoreCoin.
- After 12 months, you can sell another 5% of your CoreCoin.
- After 13 or more months, you can sell all your CoreCoin.

5 About the Russian Gold Mine

We have obtained mining rights until 2026 for a gold mine (3.9 sq. km) in the mountains of eastern Siberia in Russia. It has been confirmed that this mine has about 75 tons of gold deposits.



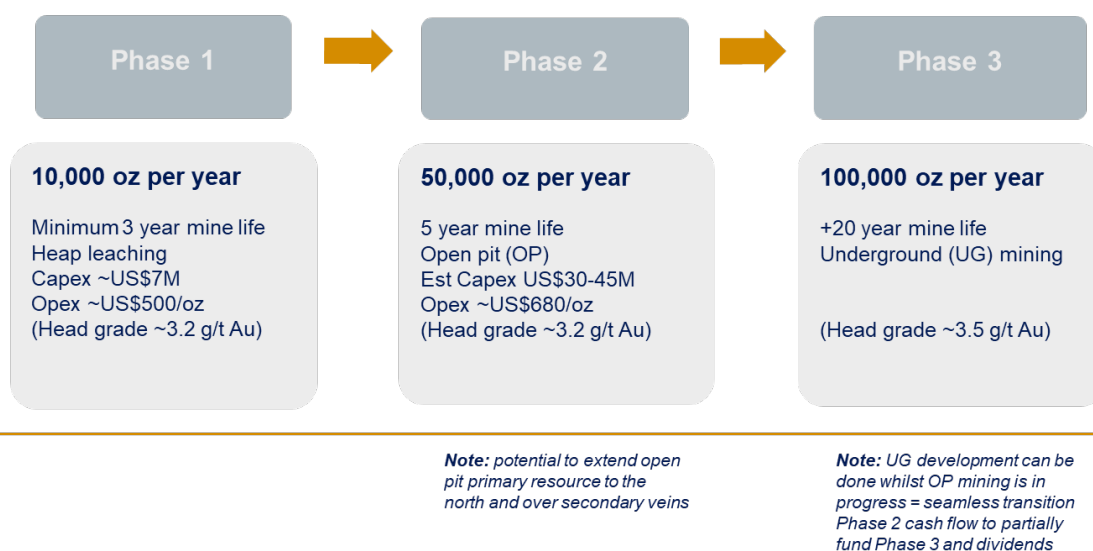
5.1 Advantages of having both superfices and mining rights

If we possessed only the mining rights and no superfices, it is possible for the superfices owner to prohibit us from entering the land even if we had the mining rights to it. We would not be able to mine the gold. Such problems occur quite frequently.

With CoreCoin, we have the mining rights and we have obtained the right from the Russian government to use the superfices held by the Russian government. Therefore, we need not worry about our mining plans being disrupted.

5.2 Mining plan

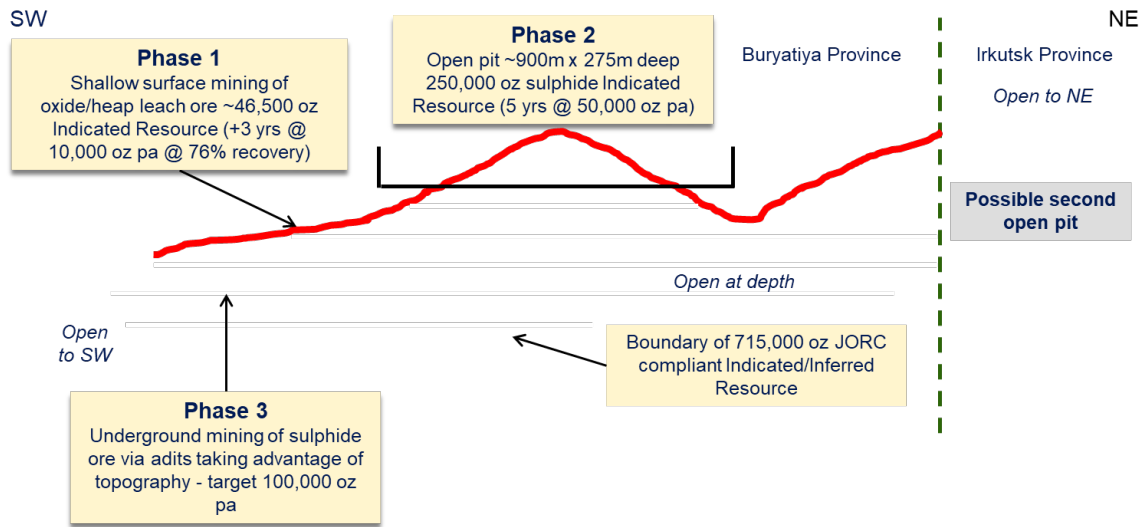
The mining schedule is as follows:



For Phase 1, heap leaching will be used since it is low cost and has a short lead time for mining. From Phase 2, while using the mining profits reaped from heap leaching, the open-pit method will be used to mine much more. Then in Phase 3, the profits earned from the open-pit method will be used to switch to an underground operation that will be larger in scale. This will make it possible to mine 100,000 oz. a year.

Starting out with a mining method requiring minimal equipment investment enables low-risk mining.

Long section through the modelled mineralisation



5.3 Data reliability

Tetra Tech, Inc., listed on NASDAQ, surveyed our gold mine and gathered the data for the report they submitted above.

The data and IR report on the gold-mining project as provided by Tetra Tech, Inc. are sent to CoreCoin users every year.

6 Why CoreCoin Uses IEO

IEO stands for "Initial Exchange Offering." Normally, with an IEO, the tokens (virtual currency) issued by the project are sent to an Exchange. Then for the project, the Exchange sells the tokens to investors.

6.1 Differences between ICO and IEO and their advantages and cautions

The hitherto frequent ICOs (Initial Coin Offering) have been used by the project's development team to issue and sell tokens. One drawback was that a large number of scam coins were issued.

With an IEO, tokens are issued by the project's development team. However, the tokens are sold by the virtual currency Exchange.

6.2 IEO advantages

1. The Exchange screens projects to minimize scams (that steal procured funds).

In the case of an ICO, the project developer issues and sells the tokens. Since the project developer does both, there is no third party to screen the project for reliability and future prospects. It was necessary for investors to evaluate the project themselves. With an IEO, before selling tokens, the Exchange screens the project. Therefore, having an IEO makes it more secure for project reliability.

2. Listing on an IEO Exchange brings high hopes.

With an ICO in most cases, we could not tell which Exchange the tokens would be listed on nor could we know when they would be listed. And so it was highly risky for investors. However, with an IEO, the tokens on sale are normally listed immediately after the IEO by the Exchange that implemented the IEO. Therefore, compared to ICO, the investment risk is low.

6.3 IEO cautions

There are many Exchanges created on the pretense of listing tokens. When investing in an IEO, the investor must investigate the Exchange that will conduct the sale to check the Exchange's neutrality and reliability.

7 Schedule

Phase 1 **Start of Sale by the Exchange, December 2019**

Phase 2 **Listing on Exchange, February 2020**

Phase 3 **Half-Year Lockup, February 2020 to August 2020**

- Token lockup for six months after the listing date.

Phase 4 **Core Wallet Release & Bonuses, from March 2020**

- IR information, etc., to be disclosed by the Wallet.
- The right to obtain CoreCoin based on the amount possessed will be scheduled as follows:
 - During the first year after Corewallet is released, 1% of the CoreCoin amount held in the Wallet will be added monthly (12% per year).
 - During the second year after Corewallet is released, 0.5% of the CoreCoin amount held in the Wallet will be added monthly (6% per year).

Phase 5 **Gold Sales Outlet Opening, from December 2021**

- 1000 Core can be converted into 1 oz. (31.1g) of gold.

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