



- White Paper -

SLVR - The First Digital Token Supported by a Silver Mine

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"Until government administrators can so identify the interests of government with those of the people and refrain from defrauding the masses through the device of currency depreciation for the sake of remaining in office, the wiser ones will prefer to keep as much of their wealth in the most stable and marketable forms possible — forms which only the precious metals provide."

— Elgin Goseclose

ABSTRACT

We, M. Mobarak and Robert D. Scott, present SLVR, a digital currency soon to be supported by a silver producing mine in one of the richest world deposits located in the famous Sultepec Mining District outside of Mexico City, Mexico. Originating in the sixteenth century, this mining facility has boasted rich deposits for centuries. We control over 4,892 acres of mining concessions, known as the Belem Silver and Gold Project. Our management team has spent approximately \$28,000,000 USD to render this mine operational and further capital to make SLVR the first digital token supported by a producing silver mine.

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1 Our Company's Values

1.1 Mission

At the heart of SLVR lies a drive to create and capture value by uncovering and developing the potential in each project we undertake. We believe in teamwork, innovation, professionalism, and long-term decision-making. We endeavor to preserve and enhance our reputation for integrity through all our actions.

1.2 Vision

Over the years we have focused our vision on the kind of company we aspire to be. Although markets fluctuate, our vision remains clear and steady. Our objective is to be a profitable leader in mining development while simultaneously producing value for our clients and token holders. We will consistently produce projects of lasting value. We recognize the need to be flexible, entrepreneurial, and aggressive, both as individuals and as an organization. For these reasons, we have created our digital SLVR token supported by the rich deposits we extract from the ground. A digital token supported by a proven commodity for millennia, SILVER. This precious metal provides individuals and organizations with a robust and decentralized method of exchanging value while using a familiar unit of value (Silver by the ounce). The innovation of blockchains is an auditable and cryptographically secured global ledger. Asset supported token issuers and other market participants can take advantage of blockchain technology, along with embedded consensus systems, to transact in familiar, less volatile assets. In order to maintain accountability and to ensure stability in exchange price, we propose a method to maintain a one to one reserve ratio between a cryptocurrency token, called SLVR, and its associated real world asset, Silver, once produced from the mine. This method uses the Ethereum blockchain, Proof of Reserves, and other audit methods to prove that issued tokens are fully supported and reserved at all times.

1.3 Community Responsibility

Belem enjoys a conflict-free relationship with adjacent communities by maintaining permanent communication and dialogue with those communities to encourage trust and integration. We have improved the standards of living based on supporting popular community interests alongside income-generating activities. Belem thus considers itself an integral member of its surrounding community.

2 Introduction

The chief problem with money in the world is that most currency constitutes FIAT currency; it is supported by nothing and is bound to decrease in value to the point of extinction due to mass printing and hyperinflation.

The average lifespan of fiat currency is only twenty-seven years. Even if a currency survives, it will experience inflation invariably. With central banks that wield the power to print as much currency as desired, combined with the destructive effects of inflation, the purchasing power of fiat monies experience a steady decline.

The world's oldest fiat currency, the British pound sterling (GBP), is an excellent example. Since its inception, the pound has lost 99.5 percent of its value. Historically, precious metals have been more robust in maintaining value because their worth has always remained steady. 2000 years ago, in the Roman Empire, for instance, a soldier's suit of armor held a value of approximately an ounce of gold. Today, a nice suit would cost around one gold coin. Unlike fiat currencies, precious metals eschew price fluctuation.

3 Tokens

SLVR is defined as an ERC20 compliant token implemented using the Human Standard by *consensys*. There will be a capped maximum supply of 23 million tokens ever created. SLVR is divisible up to six decimals. Additional features include a public variable, ***currentFloat***, which tracks the total SLVR in existence and functions allowing the SLVR management team to mint new SLVR tokens as more silver is mined and the reserves in the physical vault increase. Note, the ***totalSupply*** variable reflects the maximum supply that can be minted by the SLVR team while ***currentFloat*** represents the amount of SLVR tokens minted and redeemable for physical silver. The total supply of SLVR is initially 7 million coins and is raised according to a preset schedule described in section 4. We suggest that a single token be called a “SLVR” and the smallest unit a “SLVR bit.” We also define the ticker symbol as “SLVR” to represent one ounce of actual silver exiting the mine. You can purchase tokens directly and at a fixed price via Ethereum and Bitcoin. The initial crowdfund will offer 4 million tokens, another 3 million will be minted and reserved by the SLVR management team as milestones are achieved. This allocates the first 7 million ounces of silver from the mine to be reserved to back the outstanding SLVR tokens before anymore SLVR can be minted. After the initial supply is fully secured by extracted silver, new silver emissions from the mine will be available for purchase in the form of SLVR via a new crowdfund contract. The full contract code and explanation can be reviewed at: <https://github.com/AaronJaramillo/SLVR>

4 Crowdfund

The initial crowd sale of the SLVR Tokens will be at \$10.00 per Token. Each Token is to be supported by one 99% pure ounce of Silver. At the start of this crowdfund silver is trading at around \$17.00. The SLVR token uses the full value of the mine, including future emissions, to secure a 1-to-1

peg with an ounce of silver. This gives token holders the promise of delivery as silver is extracted out of the Belem mine. SLVR is an ERC20 compliant token redeemable for 1 ounce of silver thus facilitating the creation of liquid markets supported by silver while enjoying the benefits of security and decentralization provided by the ethereum blockchain. The SLVR token crowdfund provides an equal opportunity for all token holders to purchase silver without having to go through a middleman. Our tokenized silver product will provide a useful commodity-supported smart contract which will become an invaluable tool for capital management, allowing an array of disintermediated financial services for the silver market. Token holders can thus gain or hedge exposure to the price of silver utilizing low friction blockchain technologies. Eventually, SLVR tokens can act as an underlying settlement mechanism for complex decentralized financial instruments such as futures and options. In this way we aim to disintermediate access to the silver financial markets and thus provide access to sound wealth protection. The Crowdfund will have a minimum target of 400,000 tokens to start towards milestone 1, and will be limited to 500,000 tokens per entity to insure market makers not holding all of the tokens. The initial offering of tokens aims to act as a presale, selling future emissions from the mine at a steep discount in order to raise funds upfront to optimize mining efficiency and build out an infrastructure allowing access to commodity supported financial markets via blockchain technology. There will be a capped amount of Tokens at the special price of \$10.00 for 30 days only. The physical silver will be available on a first-come-first-served basis as it is extracted from the mine. The daily production will be approximately 600 tons and shall be increased by the end of 2017 to approximately 1000 tons per day. We are also giving a bonus to the 50 largest token holders who purchase 500 Tokens or more, a 100% paid trip to the Belem mine and beautiful stay in a Hotel in Acapulco Mexico. This paid trip will be a great way to meet some of our early backers and get real hands on view of their Tokens in action.

5 Mining and new token minting

As production from the mine are securely stored and the audited reserves achieve a 1-to-1 ratio with the initial supply of tokens issued (Denoted by the solidity variable *currentFloat*), SLVR will have the ability to mint new tokens supported by the newly mined silver. **This minting of newly mined silver will be limited by parameters in the tokens solidity code. The supply of SLVR is initially limited to 7 million tokens for 5 years, after which point and when the reserves are in excess of 100%, new SLVR can be minted by the team according to the amount of excess silver in reserve. The maximum supply of SLVR after 5 years will be 14 million, after 10 years the maximum supply will be 19 million. Finally, after 15 years the SLVR team will be able to mint and sell the remaining supply of SLVR up to 23 million.**

6 SLVR Redemption and Token Burning

The SLVR smart contract defines a protocol for burning SLVR tokens and correspondingly lowering the current float to reflect the redemption of a SLVR token for physical silver from the vault. This protocol requires the SLVR team to define and authorize an external smart contract to act as a burner. The user can then approve this contract to spend the desired amount of SLVR, at this point the contract can call the burn tokens function in the SLVR contract and securely burn the SLVR.

7 SLVR Interface

After the initial Crowdfund, the SLVR team will need three months setup to implement all objectives in this Whitepaper. Each SLVR token

purchased through a smart contract will create an account with a username and password through our website at www.slvrmine.com. This enables clients to see their own silver with actual photos and filing codes for storage inside our vault. Token holders may trade for physical silver by returning tokens to SLVR and scheduling pick up or delivery of their 99% pure silver ingots or bars. (Note: we shall not deliver to clients based in the United States, Hong Kong or Singapore. We elect NOT to deliver silver to residents based in the United States, Canada and UK.

8 Proven Reserves

The Belem Mine boasts 12,000,000 ounces in proven certified reserves. (SEE GLOSSARY) Some estimates put the mine reaching anywhere from a minimum of 20 million to a maximum yield of 40 million ounces. Over the next ten years as the silver is mined and stored within secure vaults for trade with digital-Token holders SLVR will have quarterly audits to prove that silver is being stored in safe and secure vaults. No currency can guarantee absolute stability, but SLVR limits your exposure to the downside risk by backing the token with future production.

9 History of Belem

Belem is located outside of Mexico City, Mexico in the Sultepec Mining District and consists of claims totaling approximately 4,892 acres. Silver mining in the Sultepec Mining District dates to the sixteenth century, and managerial personnel have been heavily involved in all aspects of the operation including construction of a fully operational processing plant

and all required infrastructure including roads, water access, tailing dams, and dedicated power lines.

10 Bitcoin, Ethereum, Altcoins, and Physical Silver Depositories

Cold storage: This is an offline repository where the bulk of the Ethereum and Bitcoin will reside. Funds from the cold storage will be transferred to the hot wallet following the approval of three SLVR Signatories. All funds raised through the SLVR Token Launch are put in fiat escrow (funds received in cryptocurrencies are first converted into USD). Funds are released from escrow in batches only after the underlying milestones are achieved and relevant tokens are issued and distributed.

Hot wallets: This will be the account where bitcoin and Ethereum will be used for funding the launch of the project (e.g., capital and initial operating costs “Milestone 1”). The hot wallet will be also the active account where salaries, expenses, and operating costs of the mine will be calculated.

During the crowdfund, funds in BTC (“bitcoin”), ETH (Ethereum), and Altcoins (all other coins) will be immediately placed into SLVR escrow storage, an offline repository. ShapeShift and Changelly will be actively supported for ICO collection as they are the market leaders in instant digital currency conversion. Both ShapeShift and Changelly are used to easily convert cryptocurrencies from one to another.

SLVR will have contracts with international depositories for storage of physical silver. These various respected vaults are independently operated and maintain complete separation from SLVR. Locations are staffed with experienced professionals in precious metals and banking industries.

100% allocated and segregated storage giving direct ownership with discreet and confidential transactions. Global distribution is key, and SLVR's international depositories provides secure, insured, and efficient depository services for token holders.

11 Experience, Committed and Proven Management Team

The assembled Management Team is fully committed in the Belem Mine with \$28 million USD already invested. A proven team is already working onsite in Mexico with a chief executive officer. This together with local knowledge that is complemented by onsite mining, metallurgical and engineering expertise, Management has demonstrated an ability to build and run a successful mining operation annually. The SLVR team is boldly looking forward to the digital age by implementing something revolutionary in the crypto space that gives unparalleled service and safety to token holders by giving them a supported currency that is not bound by deflating currencies.

12 Accountability

We understand that our implementation doesn't immediately create a fully trustless cryptocurrency system. Mainly because users must trust SLVR and Crypto Wallets as well as Banking institutions. We will be the custodian of the reserve assets. However, almost all exchanges and wallets (assuming they hold USD/fiats) are subject to the same weaknesses. Users of these services are already subject to these risks. Here is a summary of the possible scenarios and our careful approach to securing assets for everyone involved.

SLVR has third-party accounting firms giving token holders quarterly reports regarding how much silver is produced from the Belem Mine and more importantly how much silver is in the vaults.

Long-term sales contracts are common in the mining industry. Producers and buyers complete sales contracts that are often a year or longer to secure supply and reasonable pricing arrangements. Such contracts are often fundamental to the development and continuation of a mining entity and are the basis on which the decision is made to proceed to the production stages. Digital tokens are accounted for under our smart contract on the Ethereum network. Contracts will typically stipulate a set volume of product over the period at an agreed price. Prices may vary based on world market prices, cost escalation, or some other form of price index, which is why the smart contract will guarantee all token holders.

Observe that almost all digital currencies and token wallets (assuming they hold USD/fiat) already face many challenges. Therefore, users of these services are already subject to certain risks. Below we describe how some of these concerns are being addressed.

We could go bankrupt: In this case, the business entity SLVR would go bankrupt but client funds would be safe, and subsequently, all SLVR Tokens will remain redeemable and Silver will be able to be picked up at 3rd party vaults.. Since all SLVR exist on the Ethereum blockchain they can be stored by individuals directly through securing their own private keys.

Our bank could go insolvent: This is a risk faced by all users of the Ethereum network and by all exchange operators. SLVR currently has accounts with various Banks of whom are aware and confident that SLVR's business model is acceptable. Additional banking partners are being established in other jurisdictions to further mitigate this concern.

Our bank could freeze or confiscate the funds: Our banks are aware of the nature of Bitcoin and other crypto currencies, they are accepting of Bitcoin businesses. They also provide banking services to some of the largest Bitcoin exchanges globally. The KYC/AML processes we follow are also used by the other digital currency exchanges they currently bank with. They have assured us we are in full compliance.

We could abscond with the reserve assets: The articles of corporation are public as well as the business owners names, locations, and reputations. Ownership of the account is legally bound to the corporate charter. Any transfers in or out of the bank account will have the associated traces and are bound by rigid internal policies.

13 Milestones (Roadmap)

- July 24th White Paper release with extensive marketing and PR campaign (1 week).
- August 3rd Technical White Paper release.
- August 4th Launch of SLVR crowdfund (1 Month).

Milestones: To be completed upon successfully raising our minimum 400,000 token sales.

- Milestone 1 - September 4th Scale up of the Belem silver mine (3 months).
- Milestone 2 - September 4th Start of API based website interface for clients (3-6 months).
- Milestone 3 - September 4th Launch of Social Media Detailing mining operations and silver processing with Youtube videos inside the mine.
- Milestone 4 - November 4th Launch of beta web platform for client interface for future delivery of silver.
- Milestone 5 - January 4th Delivery of first silver into secure vaults.

- Milestone 6 - February 2018 SLVR Hosts 50 Token holders for a Belem Mine Tour

14 SLVR Legal and Compliance

The SLVR crowdfund will take place on the Ethereum network for 30 days only. The first step to participate in the crowdfund is to go to the document on our home page that states “BUY SLVR TOKEN.” There is a step-by-step process to help you get involved. Please read the “Terms and Conditions” portion because it pertains to your SLVR purchase and has valuable information. We will require an AML (Anti Money Laundering) form filed out as well as a KYC (Know Your Client) form to ensure that we are doing our due diligence in who is participating in the ICO. SLVR will adhere to all government laws and restrictions to individuals in every part of the world.

15 Conclusion

SLVR constitutes the first digital Token cryptocurrency supported by silver in existence today. SLVR is based on the Ethereum blockchain, one of the most secure and well-tested blockchains in existence. Management aims to have SLVR Tokens fully reserved in a one-to-one ratio. SLVR has a simple and reliable Proof of Reserves implementation and undergoes regular professional audits. Our underlying banking relationships, compliance, and legal structure provide a secure foundation for us to be the custodian of reserve assets and issuer of SLVR Tokens. Our team is composed of experienced and respected entrepreneurs from the Mining and Tech sector and beyond. We are focused on arranging integrations with existing businesses in the cryptocurrency space. Businesses like exchanges, wallets, merchants, and others. Please reach out to us to find out more.

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