



TAGIUK GOLD

A BERING SEA OF POSSIBILITIES

WHITE PAPER FOR TAGIUK FORWARD CONTRACTS



INTRODUCTION

Tagiuk Gold LLC is an Alaska mining operations company, mining for gold offshore Nome, Alaska. Tagiuk has agreements for mining rights to over 23,000 acres of the Nome gold field. Beginning in 2006, Tagiuk's founder has become one of the most successful miners in Nome's recent history. Building on that experience and expertise, Tagiuk is poised to become one of the top five mining operations in Alaska within two years.

THE PROBLEM

Funding the construction of a gold mining operation is expensive:

A new gold mining operation requires large capital expenditures to purchase and fabricate new equipment, and transport it to the mining site.

Finding funding for a mining operation can be difficult:

- Many banks will not loan to gold mines for start-up or expansion until they have enough net revenues to make the loan payments, this limits the rate of expansion.
- Placer deposits, no matter how rich, cannot meet the Proven Reserve requirements defined by the United States and Canadian governments; meaning they cannot be considered assets for public company balance sheets.
- Marine placer gold mining companies do not fit neatly into the existing categories that lenders like. The equipment is specialized and in a remote location, making a low value as collateral for a loan.
- Miners need to be able to sell gold in order to buy equipment to mine the gold they sell.

Buying gold is expensive:

Individuals wanting to buy physical gold need to save up, in order to buy enough gold to get a decent price. While they save up, the price of gold could go up, making it even

harder to buy. Small buyers are limited in the ways they can lock in a price.

Selling gold in small quantities is time consuming:

Gold miners prefer to sell their gold in large batches to wholesalers or refiners.

THE SOLUTION

Use Blockchain Technology to provide Forward Gold Contracts for Physical Delivery in smaller quantities to buyers with confidence.

What is a Forward gold contract:

- A common mining industry method for funding large capital expenditures and operating expenses.
- A legally binding bilateral purchase and sale agreement between two parties looking to buy or sell gold for a discount price paid now, for physical delivery on a future date.
- Forward Gold Contracts are not a regulated security as defined by the SEC.
- Forward Gold Contracts are not futures as defined by the CFTC.

What is Blockchain Technology:

- A blockchain is the digitized (de-centralized) public ledger of transactions that are recorded and added together in chronological order. This distributed ledger technology (DLT), through smart contracts, will allow buyers and sellers to track the digital transaction. Computers connected to the network (individual nodes) are used to prove and verify transactions, within digital currencies (tokens). Documents are digitized, coded and inserted into the blockchain, creating an indelible record that cannot be changed. The record's authenticity can be verified by the entire community using the blockchain instead of a single centralized authority.
- Link to Investopedia definition: <https://www.investopedia.com/terms/b/blockchain.asp>

- Smart Contracts Transaction between buyers and sellers will use the Ethereum blockchain and will utilize smart contracts to facilitate the forward contracts, thus simplifying the transactions, increasing efficiency, reduce administrative costs.

Good for the gold buyer:

- Buyer is able to buy gold at a discount, in exchange for deferred delivery at a future date..
- Buyer is able to buy gold in small increments, at a discounted price.
- People can buy small (or large) quantities of gold direct from a mining operation, without large transaction and shipping fees.
- Buyer can dollar cost average their purchase of gold, then take delivery when the contract matures.

Good for the gold mining operation:

- Gold miner is able to fund expansion faster than other methods, increasing production.
- Gold miner is able to get paid now, for gold it will produce in the future.
- As a one-time agreement, the forward contract is more cost effective in the long run than selling equity, despite selling a significant portion of the first gold it produces for a steeply discounted price.
- Gold miner can sell large or small quantities of gold direct to consumers, without spending large amounts of time keeping track of records.

ABOUT THE BLOCKCHAIN TOKEN

Using the Ethereum network, an ERC20 token, Called TGLD, will be issued by Tagiuk Gold, LLC.

Some of the token features will include:

- Mintable, with 500 to 70,000 TGLD Tokens, to be issued.
- Each TGLD Token represents a forward gold contract for one troy ounce of

pure gold content.

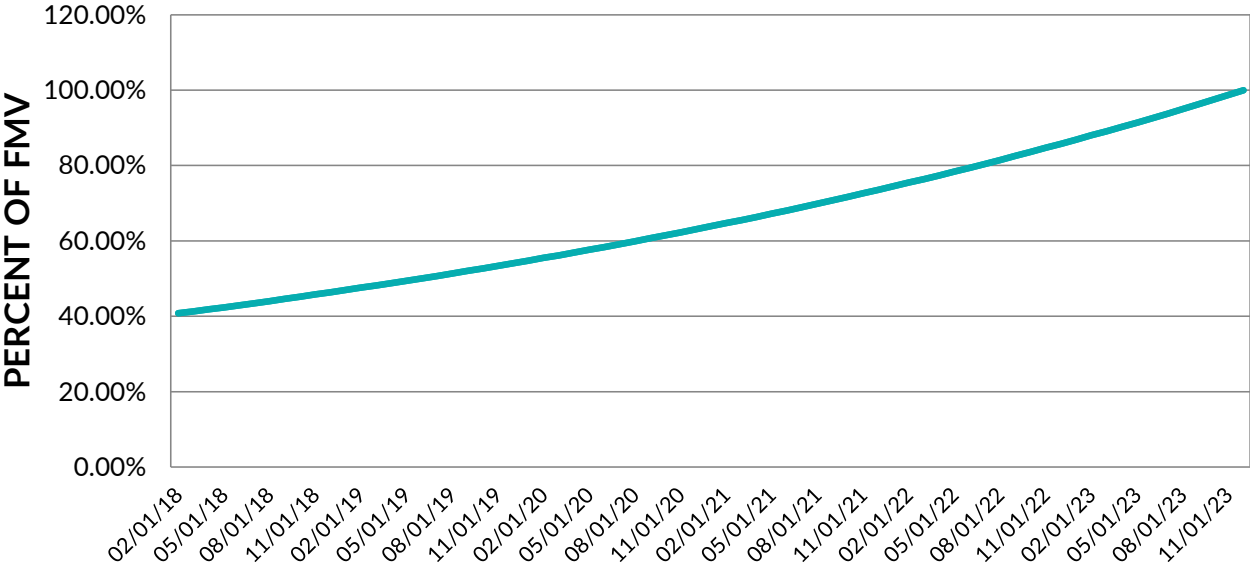
- These utility tokens are purchase receipts redeemable for the physical gold starting on the delivery date of December 1, 2023.
- Tokens will be metered out over 10 to 18 months, with price set based on a standard time-value formula and the market price for gold.
- Transferable, with forward compatibility for some potential regulatory changes, by being capable of using daily transfer limits, using ERC20's locking features.
- Fractionable, so buyers can buy parts of an ounce over time, as long as they have a full contract for delivery.

SALE PRICE:

The price we sell the token for will be calculated daily based on a standard time-value of money discount from the most recent London PM Fix for Gold.

$$\left[\begin{array}{l} \text{London PM} \\ \text{Fix for Gold} \end{array} \right] \div e^{\left(15\% \times \left(\frac{\text{(Number of days from today until December 1, 2023)}}{365.25} \right) \right)}$$

SALE PRICE % OF GOLD PRICE OVER TIME



For example:

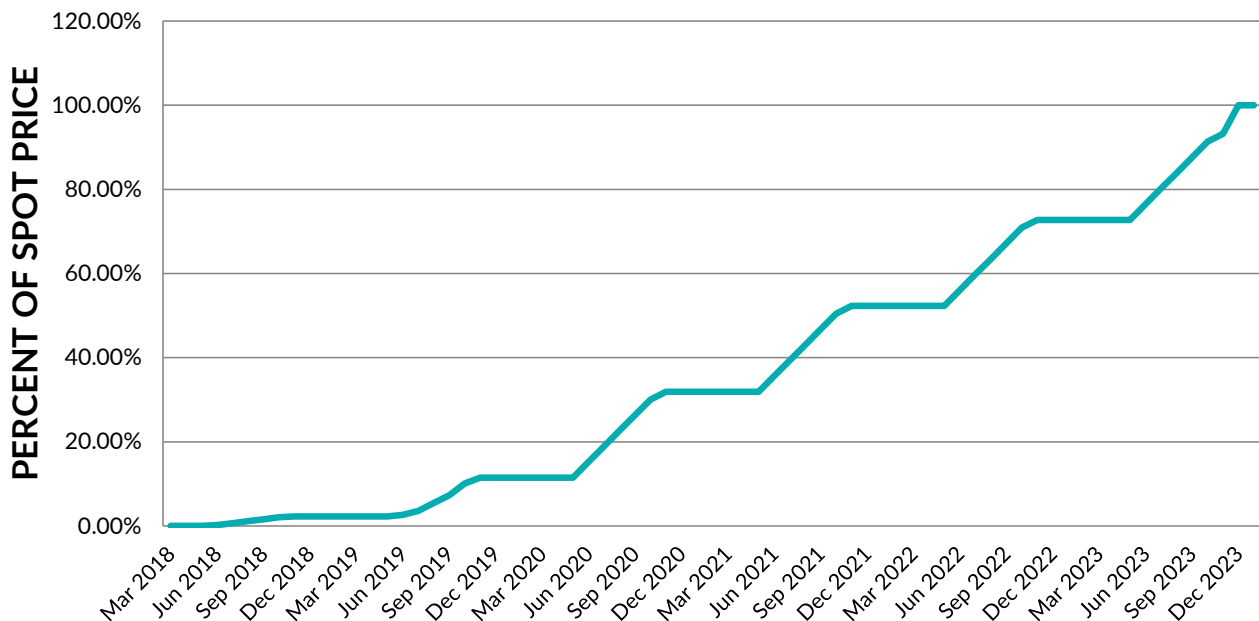
Buyer purchases 1 ounce of gold on February 1st. The price of gold was \$1,341.35 (USD)/oz. This forward contract value on that day was discounted at 40.8% price as percent to FMV, so the price of the TGLD Forward Contract would have been \$547.27 (USD)/oz or \$17.59/g (USD). Promised delivery date on December 1, 2023 FOB Anchorage, AK.

PURCHASE PRICE:

We will offer to buy back contracts based on how much gold is in the Forward Reserve and the most recent London PM Fix for Gold.

$$\left[\begin{array}{l} \text{London PM} \\ \text{Fix for Gold} \end{array} \right] \times \left(\begin{array}{l} \text{Number of ounces in} \\ \text{Forward Reserve} \end{array} \right) \div \left(\begin{array}{l} \text{Forward Reserve} \\ \text{Target Size} \end{array} \right)$$

PURCHASE PRICE PROJECTION, % OF GOLD PRICE OVER TIME



TAGIUK HISTORY AND ROADMAP

- **2006 - 2018:** Develop expertise and experience in mining for gold offshore Nome, Alaska, rising from a small-scale operation to one of the largest and most successful.
- **2016:** Form Tagiuk Gold LLC, a gold mining operations company.
- **2016:** Complete gold mining operator agreements for access to over 23,000 acres from mineral rights holders. This is five times more area than any other unaffiliated operation in the Nome offshore area.
- **MARCH 2018:** Raise capital by creating and offering Forward Gold Contracts via Blockchain Token direct to gold buyers.
- **JUNE 2018:** Begin construction of three large-scale marine mining vessels.
- **JUNE 2019:** Begin mining offshore Nome, Alaska with new vessels
- **JUNE 2019 - NOVEMBER 2023:** Conduct mining operations, direct a portion of gold mined into a reserve vault.
- **DECEMBER 1ST, 2023:** Forward contracts delivery date, begin redemption of contracts by delivering physical gold to buyers.

ABOUT THE COMPANY

THE PEOPLE

ANDREW C. LEE is a professional gold miner, with twelve years experience mining offshore Nome using a variety of mining vessels, most of which were designed and built by him. He is a graduate of the University of Alaska Fairbanks with a degree in Computer Science. He has mined with 6-inch, 8-inch, and 10-inch diver-operated suction dredges, and an 18-inch remote controlled suction dredge vehicle. He has mined the offshore Nome gold field for twelve years. Andrew has an ownership interest in two groups of mining leases, one with 16,579 acres the other with 2,742 acres.

REBECCA “BECKI” LEE has two seasons experience with offshore mining, four years experience in accounting, and two years experience as a grade 7-12 math teacher. She is a graduate of Southern Oregon University with a degree in Accounting and a Masters in Teaching.

CHARLES “SPIKE” JARDEL is the lead welder and crew chief. His Air Force career encompassed a diverse collection of skills, including; aircraft maintenance, quality assurance, logistics management, Branch Chief, Production Superintendent, project management, and air crew. After 22 years, he retired with the rank of E-8. Spike attended Missouri Welding Institute, receiving certifications in both structural and pipe welding. His new skills have taken him to Prudhoe Bay, Fairbanks, Anchorage, and Valdez Alaska. Spike has eight years mining experience.

STEPHEN “STEVE” LEE is the lead mechanic and responsible for the operation and preventative and corrective maintenance on all engines, machinery, electronics, electrical, and plumbing systems on the barge and supporting vessels. He retired from the US Navy after more than 20 years including service in Submarines and the Surface fleet. Steve is an ABYC Certified Master Technician.

PLANS

With full funding of \$35,000,000, Tagiuk Gold Mining Company plans to build and operate three new mining vessels with proprietary undersea mining technology. Each vessel will be designed to mine 300 to 600 yards per hour. This will increase current level of production eight fold. These vessels will fully comply with all safety, mining, and environmental regulations. With prompt funding, these vessels would become operational in June 2019.

With partial funding, plans can still proceed by building fewer vessels, perhaps with lower initial capacity, and the Forward Gold Contracts will still be fulfilled on time.

ABOUT GOLD MINING OFFSHORE NOME

The Company presently intends to operate on several properties owned by other entities.

GENERAL DETAILS FOR ALL PROPERTIES:

- The location of the properties are in Norton Sound, near Nome, Alaska. From the port of Nome, the properties extend approximately 11.5 miles to the West, and 5.5 miles to the East, and as far as 3 miles from shore.
- Access to the properties are by way of sea, either via the Port of Nome, or any navigable waterway connected to Norton Sound.
- The property is owned by the State of Alaska, and has issued mining leases to the leaseholders.
- To maintain the lease, the leaseholder must pay annual rents to the State of Alaska, as well as maintain good standing through proper documentation of activities.
- These properties are a placer deposit, on submerged lands.

GENERAL HISTORY AND DESCRIPTION OF THE PROPERTIES:

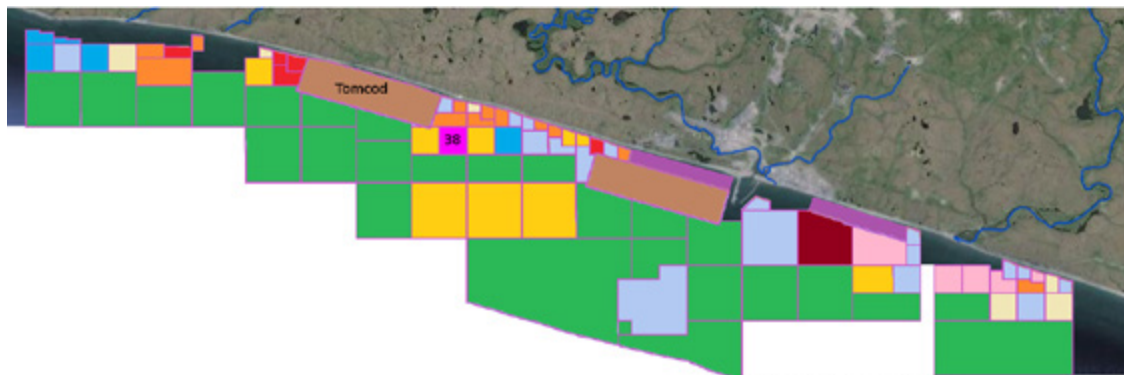
- The United States Geological Survey (USGS) has the following recent reports relating to this area, including significant overlap to the properties:
 - USGS Alaska Resource Data File NM253 https://mrdata.usgs.gov/ardf/show-ardf.php?ardf_num=N253
 - USGS Mineral Resource Data System ID A012964

◦ USGS Deposit ID 10002101 https://mrdata.usgs.gov/mrds/show-mrds.php?dep_id=10002101

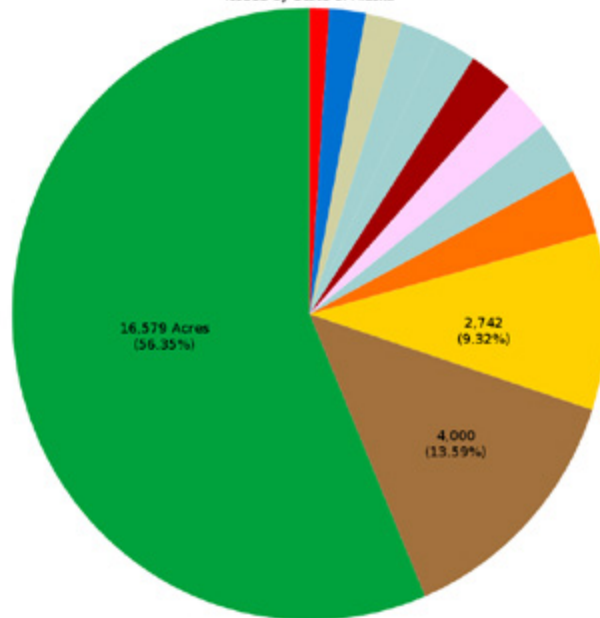
- Host Rock type: Unconsolidated Deposit, Sand and Gravel
- Stratigraphic age: Pliocene and Pleistocene
- Rock description: Nome River Till

TAGIUK GOLD MINING COMPANY HAS OPERATOR AGREEMENTS FOR THREE GROUPS OF MINING PROPERTIES OFFSHORE NOME, ALASKA.

1. Mining area consists of 26 leases totaling approximately 16,579 acres.
2. Mining area consists of 9 leases totaling approximately 2,742 acres.
3. Mining area consists of 2 leases totaling approximately 4,000 acres.



29,423 Acres of Offshore Mining Leases Issued by State of Alaska



TERMS AND CONDITIONS

COMPLIANCE

While these forward contracts themselves are not subject to regulatory rules as regulated securities, There are numerous regulations that do apply, such as relating to the transfers of large amounts of cash. We will follow the Know Your Customer (KYC) and Anti-Money Laundering (AML) protocols to provide protection in the interests of both parties; especially for amounts over \$10,000 per day. Thank you for your cooperation and understanding.

DISCLAIMERS

The TGLD Utility Token is a tool to be used in tracking of tokens. while trading is discouraged, we understand that some parties may wish to trade or sell their Tokens. If the TGLD Token is traded, then we have proof of ownership with the use of blockchain technology. If trading occurs, authenticity of the Forward Contract can be validated here-in. The TGLD Utility Token is not expected to gain value or have intrinsic value other than facilitate the forward contract. The TGLD Utility Token is only used by the token owner, redeemable for the agreed upon forward contract for gold.

The TGLD Utility Token is not an investment, nor is it considered a regulated security. The possession or ownership of the TGLD Utility Token does not grant any title, right, or interest in any company, enterprise, or undertaking, and does not grant the owner a share of any revenue or profits outside of the taking possession of the Forward Contract for gold. Passively holding the TGLD Token has no expectation of profit or value.

FUNGIBLE

The gold delivered by these contracts is fungible. While the issuer will strive to deliver

raw gold from offshore Nome, Alaska, the value of the contract is for the gold content, not the form or source. The issuer may substitute gold from other sources and/or in other forms, so long as the gold content has the same weight, and the material delivered is in the same purity range, as required by the Forward Gold Contract.

NO ADVICE

We do not claim to offer financial advice.

DUE DILIGENCE

Price of gold may fluctuate up or down.

DELIVERY EXPECTATIONS

Physical delivery of the gold purchased under this contract will be available December 1, 2023. Or possibly sooner, if the Forward Reserve reaches the Target Size.

DEFAULT RISK

In the unlikely event that the gold is not delivered, the holder of the Forward Gold Contract has numerous remedies including through the Federal Trade Commission, Mail Order Law, and Contract Law. The holder of the Forward Gold Contract is a customer and a creditor of the issuer until the conclusion of the contract.

REGULATORY NOTES:

- Forward Gold Contracts are not regulated securities as defined by the SEC.
- The SEC administers and enforces the federal laws that govern the sale and trading of securities, such as stocks, bonds, and mutual funds, but does not regulate futures trading.
- The Commodity Futures Trading Commission (CFTC) regulates Futures and

Futures markets. Futures are a standardized and regulated type of forward contract. This contract is not a Futures Contract.

- Forward Gold Contracts are not futures as defined by the CFTC.
- Gold is an exempt non-agricultural commodity under CEA Section 1a(20)
Exempt commodity: The term “exempt commodity” means a commodity that is not an excluded commodity or an agricultural commodity.
- Both the Commodity Exchange Act (the CEA) and CFTC regulations have long recognized a forward contract exclusion from futures contracts.
- CEA Section 1a(47)(B)(ii) Exclusions: The term “swap” does not include any sale of a non-financial commodity or security for deferred shipment or delivery, so long as the transaction is intended to be physically settled.