



**THE SAFETY OF
OWNING SILVER,
THE EASE OF
DIGITAL CURRENCY**

SILV Token

WHITE PAPER

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Introduction

ABOUT SILV

Precious metals market participants currently face a trade-off between security and liquidity. The first choice is to own physical silver or an allocated physical silver product which is cumbersome to store, trade, divide or leverage. The second is through unallocated portfolios, Exchange Traded Funds, futures or wholesale trading, which sacrifice direct ownership of the underlying physical silver.

Xbullion was built to solve this problem by amalgamating the security of owning precious metals with the ease of digital currency, providing **secure precious metals storage with liquidity** through the ownership of their stablecoins which are backed 1:1 by precious metals such as gold and silver.

The xbullion tokens are built to the Ethereum ERC-20 standard for ease of integration with existing industry platforms and applications, whilst harnessing the advantages of Blockchain such as **speed, accessibility, security of ownership and transparency.**

After great success from the GOLD token launched in mid-Sept 2020, xbullion are now releasing SILV.

Unlike the traditional precious metals market, xbullion is able to provide partners and users 9999 silver bullion, secure storage without a management fee and the ability to transfer ownership 24/7/365 near instantly, through the application of blockchain and working with their world-renowned suppliers.

Each xbullion (SILV) token represents 1 gram of 99.995 investment grade silver bullion and is redeemable in 1000 token increments for the underlying 1kg physical bar.

SILV token holders benefit from the appointment of best-in-class precious metals vaulting, insurance and a globally reputable auditor operating a structured process that ensures security at every level.

* subject to 1000 tokens (1kg silver bullion)

ABOUT THE COMPANY

XBULLION is a Cayman island-based company falling under the umbrella of the Bullion Asset Management (BAM) Group of companies specializing in aggregating best-in-class suppliers, auditors, custodians, insurers and advisors to tokenize physical assets on the blockchain.

A BRIEF HISTORY of Silver

The earliest record of silver mining was at Bolkardağ mines circa 6,000 years ago in Cappadocia which was situated in the Eastern part of Anatolia - in present-day Turkey. There were more than 800 mines at Bolkardağ at the time. Where continuous excavation of silver is carried out to meet the increasing demand of the locality. Indeed, Anatolian kings prided themselves in the possession of these mines. The ornamental and commercial value of silver in Anatolia made it spread to other more popular cities in Greece. Subsequently, Athenians also discovered that there were silvers at Laurium.

This marks the beginning of the Laurium mines. The Athenians were more creative with silver as they made parts of it into naval ships and won wars with it.

However, there was a time the production had to reduce because lesser ores of silver were seen in Laurium. This shortage of availability lasted for more than 1,000 years before it started booming again.

Through continuous intercultural interaction circa 256 BC, the Greeks introduced silver to the Romans. In fact, silver got its name from the Latin—which was the language of the Romans—word "Argentum." Hence the reason the chemical symbol is "Ag."

The Romans gave more standards to silver as a medium of exchange. This standard Roman silver was the denarius which weighed 4.5 grams. However, its value started witnessing debasement with time, especially during the reign of Emperor Nero.

The last traces of silver, being issued in Rome, was around 275 AD. This history will not be complete without remarking how the Spanish discovered silver in the middle of the 16th century. This was the period Spanish Conquistadors subjugated the new expanse land of Peru and New Spain.

Later, they discovered the Potosi mines and some others around Zacatecas. These mines produced a greater quantity of silver than had ever been which some archeologists measured as 85% of the total silver supply at that time. Thus, this boosted the economy of Spain.

<https://investingnews.com/daily/resource-investing/precious-metals-investing/silver-investing/5-factors-drive-silver-demand/>

The Modern Silver

In the modern history of silver, the United States was a major country that brought it to global relevance. In 1792, the United States government enacted the Coinage Act of 1792 which established the silver-based monetary system.

However, there was a radical change with the advent of the Gold Standard Act of 1900. The law demonetized both gold and silver from being legal tenders, and thus pegged their relevance to the US dollar. Subsequently, the United States government declared that private persons could no longer own some measures of silver. This legislation subtly nationalized the substantial ownership and thus the government the biggest buyer at the time.

Fortunately, the severity of this law started fading in the '90s. This was when Warren Buffet purchased about 130 million ounces of silver. Yet, most investors didn't know how lucrative silver could be until it outperformed gold by 80% in 2010.

Between 2010 and now (2021), the price of silver per ounce has grown from \$15 to \$24.35. More importantly, experts have—with the look of things—predicted that silver would most likely hit \$64.96 per ounce by 2030.

This parabolic move is predicated on the rise of technology and its continuous need for silver specifically. Silver remains the best conductor of heat among all the elements. The photography industry will always need silver nitrate for effective output.

This and many other industrial reasons are why the price of silver would possibly make bullish moves in the years to come.

Silver Market Problems

The current silver market is opaque and outdated. Forcing participants into a trade-off between owning the underlying asset and liquidity. This problem has been a major dent on the evolving silver industry. Therefore, there is a gap for innovation and modernization.

Xbullion fills this gap and solves this trade-off between the security of physical silver and the liquidity of paper markets. With Xbullion, participants no longer need to trade-off between underlying assets and liquidity. Indeed, the silver industry is now ripe for disruption.

SUPPLY

Globally, the supply of silver has been making a pyramidal shape over the years because it keeps getting more scarce. In fact, gold supply is twelve times the supply of silver. This relative scarcity has been projected on the price and subsequent supply of silver.

Thus, this scarcity in supply has an implication on the cost of logistics. The costs associated with supply chains—such as logistics and fabrications—play a large role in the pricing for the end consumers.

At the end of the day, this might become quite cumbersome for an average buyer or investor. That explains the reason some buyers or investors take two steps backward before eventually footing the cost of silver supply.

Therefore, only with the massive scale associated with over-the-counter (OTC) and paper markets can wholesale pricing be realised and with strict limitations on the delivery of the underlying silver, usually at prohibitive levels to non-institutional clients.

These limitations pose a huge problem to the silver industry. On this note, Xbullion has ameliorated this by leveraging the top-tier world-class refineries and miners.

PAPER SILVER (ETFS)

A majority of the world's silver is traded through paper derivatives or exchange-traded funds, with limited backing of physical silver. "The latest disclosure from the CME is that the ratio of paper silver vs. the amount of deliverable ounces has spiked to over 200:1".¹

Futures contracts are not immune from defaults as evidenced by the Maine futures potato contract which defaulted on the NYMEX in 1979. This disparity between physical silver and paper traded volumes has led to the following commentary, of Lynette Zang of ITM Trading, who states: "You will see the physical gold & silver markets de-couple from the paper markets"²

Along with James Rickards who suggests that when you need your gold, you may not be able to get it, stating; "Someday, probably sooner than later, somebody is going to show up and say, 'I want my gold, please' and the custodian won't be able to give it to them."³

The Solution – xbullion

xbullion's unique approach brings to market dramatic increases in efficiencies in transparency, supply chain logistics and silver ownership. The xbullion product through its direct agreements with some of the world's most reputable precious metals refiners and wholesale providers, coupled with its innovative fee model enables its end users to access wholesale pricing without an ongoing management fee.

What makes xbullion truly special is that it offers this whilst maintaining a 100% physically backed silver product, employing best in class security, auditing and redemption solutions. These distinguishing operational qualities give Xbullion an edge over others.

The Product

The xbullion token (SILV) is a digital asset secured by 1 gram of investment grade silver bullion, sourced from some of the world’s most reputable suppliers. The token holders have direct ownership of the underlying silver bullion which is stored securely in best-in-class geo-dispersed vaults.

The tokens are built on the decentralised Ethereum network adhering to the ERC20 standard. Allowing for it to be traded 24/7/365, globally, without friction near instantaneously.

xbullion has developed a partnership with world renowned auditors to conduct a comprehensive audit of the procedures, financials, and underlying assets. Specialists Zokyo have conducted an audit of the smart contract to provide additional peace of mind on xbullion’s underlying technology.

<div></div> <div>Accessible</div> <div>As a ERC-20 token, xbullion SILV can be traded or moved with ease around the world: to anyone, anywhere, and at anytime – at a fraction of the cost of a traditional transaction. With its ability to be fractionalised to 0.00000001 of a gram, the token allows for both hyper-specific trading and exceptionally low investment minimums.</div>	<div></div> <div>Economical</div> <div>Physical silver is expensive to store and transport securely. Xbullion provides token holders with all the benefits associated with silver without the custody and security costs. There are no excess costs to the token holder for vaulting and insurance.</div>
<div></div> <div>Secure</div> <div>Xbullion SILV acts digitally as silver acts physically. In addition to xbullion’s world-class storage, insurance, and auditing – it is unable to reverse or freeze on chain transactions and wallets. It is the only token which maintains the benefits of physical silver on the digital layer.</div>	<div></div> <div>Liquid</div> <div>Tokens can be easily and rapidly redeemed for fiat currency or traded against other digital assets. Or, subject to a 1kg minimum, the token holder can physically redeem their owned silver facilitated by one of xbullion’s insured, third party, specialist couriers (fees apply).</div>
<div></div> <div>Transparent</div> <div>Xbullion SILV is subject to regular comprehensive audits by BDO to confirm that the token maintain a 1:1 parity with 99.995/LBMA physical silver. The Ethereum blockchain also provides a secure, immutable ledger of all transactions giving transparent insight into the token’s issuance, management, and ownership.</div>	<div></div> <div>Rewarding</div> <div>The future introduction of a linked debit card for the direct spend of SILV represents liquid convenience and status. Additionally, for early-adopters of xbullion SILV, planned initiations to waitlist for xbullion management tokens presents a low-barrier, high-return venture capital opportunity.</div>



Our Team



DAVID LIGHTFOOT | CEO

David is blockchain expert co-founding two digital asset firms specialising in brokerage and custody. David has also spent years in the blockchain field working as a consultant, with many uHNW accounts and start-ups. David has worked with key individuals in blockchain development and was the first person to deliver lectures on digital assets at the University of Queensland and for Shanghai Jiao Tong University. David holds a Bachelor of Economics from the University of Queensland.

ASHLEIGH ANDRUSKA | COO

Ashleigh is the Head of Operations for the xbullion group. Previously she was the Operations Manager at Decentralised Capital, a specialist blockchain firm focused on developing institutional grade digital assets and services. Ashleigh has over ten years experience in operations and commercial management. Prior to Decentralised Capital, Ashleigh worked for the Australian Federal Police. She has a Bachelor's Degree in International Relations and Public Relations.



JONATHON CARLEY | CFO

Jonathon is a finance and governance professional with over 10 years combined experience across commercial, audit and business advisory roles with a focus on growing private groups and listed public companies. Prior to joining DigitalX, Jonathon worked with a large Australian ICT & Cloud Services provider and the 5th largest international accounting firm. At DigitalX, Jonathon is responsible for all financial matters. Jonathon is a member of the Chartered Accountants Australia and New Zealand (CAANZ) and a fellow of the Governance Institute of Australia.

KINSEY COTTON | DIRECTOR

Kinsey is a Director and Co-founder of Tibra Capital. Tibra employs over 100 staff across offices in Hong Kong, Dubai, London and Australia. The company trades a range of equity, fixed income, foreign exchange and derivative instruments across various global exchanges and made a record \$139m profit in 2018. Kinsey also holds directorship roles with NSW based firm Schofield King Lawyers and venture outfit YMF Investments where he is a founding partner. Kinsey is a graduate member of the Australian Institute of Company Directors.



CALVIN NG | DIRECTOR

Calvin is a Director and Co-founder of Aura Group, a group of global financial services businesses with offices in Sydney, Melbourne, Brisbane, Singapore and Bangkok. Prior to establishing Aura Group, Calvin was part of the direct investment team at Babcock & Brown focusing on high yield debt, listed equities and private equity investments. He holds a Bachelor of Commerce and Bachelor of Laws from the University of New South Wales. Calvin has also completed the Graduate Diploma of Legal Practice and has been admitted to practice as a Lawyer in the Supreme Court of New South Wales.

LEIGH TRAVERS | ADVISOR

Leigh is Managing Director of ASX-listed blockchain technology and asset management firm DigitalX Ltd and serves as Vice Chairman of Australia's Blockchain industry body. Leigh co-founded a blockchain media and education company and Blockchain Centre Perth, a coworking space that serves as a home for local tech and investment professionals. Leigh previously worked for seven years at an ASX-listed wealth management firm. Leigh holds a Bachelor of Commerce and Communications from the University of Western Australia and a Fintech Certification from MIT.



HERCULES TSOUTSAS | ADVISOR

Hercules is the Managing Director of Jaggards, one of the oldest precious metals and rare coin merchants in Australia and a founding partner of the xbullion group. With over seven years of bullion industry experience, Hercules is a highly seasoned product management and marketing leader with experience designing strategy and overseeing growth opportunities. Commercially minded with relevant experience in consumer electronics and financial services, his focus is now on developing innovative products to transform and democratise bullion ownership.

LAURIE FRANICEVICH | ADVISOR

Laurie is the current Business Development Manager at Aura Funds Management and is responsible for overseeing distribution of financial products across the Aura Group as well as liaising with the Group's investor base. Laurie has been working in the investment and finance industry for twenty years before joining Aura Funds Management 4 years ago. Previously Laurie worked for Microequities Asset Management and prior to that he held senior roles with firms specialising in trustee/responsible entity services, hedge funds, margin lending and superannuation. Laurie holds a Diploma of Financial Services Financial Planning from Kaplan Professional Education.





MANISH MALHOTRA | ADVISOR

Earlier in his career Manish worked in the private wealth business with the Royal Bank of Scotland in India, Middle East and Singapore. Later moving to New York to work with the World Gold Council where he handled global relationships and promoting gold as an asset class. He led several gold initiatives including working with the Central bank of Turkey for the setup of an Istanbul Gold exchange under Bourse Istanbul. Manish is a qualified finance professional with almost two decades of experience across MNC banks/Asset Managers and Management Consulting firms. He specialises in product development, strategy, business development & management consulting in private wealth, investments, debt and equity fund raise and in the precious metals eco system.

MICHAEL BACINA | ADVISOR

Michael advises companies with Digital Law: the intersection of cutting edge technology, automation and innovation. As a former developer in the blockchain space, Michael has a rare combination of technical, regulatory and legal skills. Piper Alderman was on the forefront, advising a significant number of the top ten ICO offerings. Michael has maintained an active involvement in software development. He is knowledgeable in the workings of and legal issues surrounding virtual currencies and cryptocurrencies, blockchain projects, smart contract deployments as well as Fintech projects. Michael regularly publishes on technology and Blockchain matters and is a sought after speak in relation to legal issues facing smart contracts and Blockchain adoption.



BENEFITS OF BLOCKCHAIN

The benefits of asset management through blockchain opens up a new world of possibility to the legacy silver industry.

Blockchain provides for **a decentralized ledger of immutable ownership**. Similar to the internet, the widespread adoption of cryptographic assets and blockchain has revolutionized the payment system.

Like the internet has done with information sharing; blockchain is now allowing people to exchange value, cross invisible boundaries to transact **near instantly, globally, securely and at low cost**.

The following table show the key benefits of managing xbullion's silver on the Ethereum blockchain.

Key Features	XBULLION Token	ETFS	Physical Storage
Globally Accessible	Yes	No	No
Instant Transfers	Yes	No	No
Peer to Peer	Yes	No	No
Decentralised	Yes	No	No
Programable	Yes	No	No
Fractional	Yes	Yes	No
Management, Transfer or Storage Fees	No	Yes	Yes

Fees

xbullion's innovative fee model enables the end users to experience a secure pool allocated silver solution, with access to wholesale pricing and no ongoing management fees. A key point of differentiation when compared to other silver backed tokens and a key competitive advantage in the traditional silver market.

This approach makes integration into existing exchanges a relatively simple exercise due to xbullion's conformity with typical ERC-20 standards. Something that alternative products with management fees have struggled with in the past.

As such, xbullion is simply a better silver product for the traditional silver industry. With the added feature of being able to send silver, instantly, around the globe, 24/7; all at a cost orders of magnitudes cheaper than a Visa or Mastercard transaction. A feature that is simply not available (n/a) for ETFs or futures contracts.

Fee Type	XBULLION Token	SCN	SSTX	SVS	SLV
Transfer Fees	0.50%	n/a	n/a	n/a	n/a
Management Fee	0.00%	n/a	n/a	n/a	0.5%

xbullion's silver supply agreements, with some of the world's most reputable refiners and wholesalers, coupled with its innovative fee structure allows it to pass on wholesale pricing to its end users, without charging an ongoing management fee.

The analysis on the next page compares the cost of buying and selling 1kg of silver bullion over a 1 and 3 year period. xbullion is the most competitive way to buy and own silver bullion.

Supplier	XBULLION SILV Token	iShares Silver Trust (SLV)	Physical SILVER	Silver standard Token (AUG)	Silver Gateway (SVS)	Silver Stonks Token (SSTX)
Price of purchase (per ounce)	\$1036.36	\$21.77	\$23	\$1,091.60	n/a	n/a
Management Fee (annual)	0	0.5%	\$0.25	0	n/a	n/a
Transfer Fee	0.50%	n/a	n/a	0%	n/a	\$0.15 (BSC) \$19 (ESC)
Issuance Fee	0	n/a	0.10%	0	n/a	n/a
Buy back price	\$1,030.96	n/a	\$22	\$989.60	n/a	n/a
Total Cost 1 Year	\$10.58	n/a	n/a	\$102	n/a	n/a
Total Cost 3 Year	\$10.58	n/a	n/a	\$102	n/a	n/a
Time to Settle	Instant	Instant	T to T + 5 days	Instant	Instant	Almost instantly
Redeemable for Physical	Yes	Yes	Yes, can be cumbersome	Yes	No	No
Redemption Fee	1%	n/a	0	n/a	n/a	None
Minimum Purchase	Nil	n/a	Variable	?	n/a	n/a

*data collected July2021

xbullion Specifications

xbullion Technology Stack

The xbullion platform incorporates a number of innovative technologies to achieve the unique benefits the token offers. The xbullion token is issued, managed, and secured using blockchain technology, specifically the Ethereum blockchain. The supporting technical elements required for the xbullion platform to function as intended are described below.

The xbullion token

1 xbullion SILV token = 1g of 99.995 investment grade silver bullion

TICKET SYMBOL	SILV
DISTRIBUTION	Available to retail and professional clients subject to jurisdiction. To trade digital asset exchanges and OTC in Singapore, Austratilia, Thailand and Indonatia.
INCEPTION DATE	April 2021
MINIMUM PURCHASE	Nil – fractionalised to 8 decimal places.
MINIMUM PURCHASE REDEMPTION	1000 xbullion token

MANAGEMENT	Xbullion Holding
COLLATERAL TYPE	Commodity Backed
BASE CURRENCY	Silver
BLOCKCHAIN	Ethereum ERC – 20 Token
AUDIT FREQUENCY	Quarterly
CUSTODIANS	Malca – Amit (Singapore), Baird & Co. (London), Jaggards (Sydney)



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Get In Touch
<https://xbullion.io/>