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GOLDMINT Rating Review (<https://goldmint.io/>)

ICO dates (20.09.2017 — 20.10.2017)



I C O R A T I N G

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1. Ratings	3
2. General information about the Project and ICO	4
3. Project services and their usage	6
4. Engineering solutions	8
5. Development strategy and Roadmap	10
6. Market Review	12
7. Team	17
8. Marketing strategy	19
9. Competitive Advantages of the Project	20
10. Risks of the Project	22
11. Economy of the Project	23
12. Investment highlights of the token	25

1. Ratings

We assign a "Stable" rating to the GoldMint project. We consider the idea of the project to be promising, but it calls for more in-depth reflection by the team. We do not recommend that investors participate in the ICO for several reasons.

A token that is gold-based is a great idea which should be positively perceived by the crypto-market due to general high volatility and a lack of basic value in most existing crypto-currencies. In our opinion, the Goldmint project team has sufficient qualifications and experience to implement such a project, but at the current time, the level of its development leaves much to be desired.

A financial model of the organization is completely absent, which prevents us drawing conclusions about the feasibility of purchasing MNT tokens. In addition, the goal of \$40 million seems to us to be greatly overstated, especially given the fact that the team intends to retain 10% of the funds raised for no apparent reason.

Perhaps it is worth considering the option of buying MNT tokens in 9-10 months' time, before launching the platform directly - provided that the market is not already occupied by another player.

2. General information about the Project and ICO

Goldmint is a platform that will issue a GOLD certificate, 100% guaranteed by physical gold or ETF shares. The project will have its own blockchain, the consensus in which will be achieved based on the Proof of Stake (PoS) algorithm. MNT - utility tokens, which will be used to confirm transactions in GOLD. The more the MNT token token, the more blocks it can add to the chain.

The project is conducting the ICO with the aim of raising funds for the development and popularization of the GOLD crypto currency. The organizer of the ICO is GoldMint PTE Ltd, registered in Singapore. During the token sale, investors will be credited with MNTP pre-launch tokens running on the Ethereum platform. Later, when Goldmint's own blockbuster is ready for launch, MNTPs will be exchanged for the main MNT tokens in a 1:1 ratio. The main incentive to purchase utility MNTP tokens (which will later become MNT) is the revenue that their holders can receive for confirming transactions on the platform with GOLD tokens.

Website: <https://goldmint.io/>

Whitepaper: <https://goldmint.io/white-paper>

Slack: <https://slack.goldmint.io/>

Twitter: https://twitter.com/Goldmint_io

Telegram: <https://t.me/goldmintio>

Facebook: <https://www.facebook.com/goldmint.io>

Bitcointalk: <https://bitcointalk.org/index.php?topic=2091726.0>

GitHub: <https://github.com/Goldmint>

Reddit: <https://www.reddit.com/r/goldmintio/>

Medium: <https://blog.goldmint.io/>

Start ICO: September 20, 2017 at 9:00 UTC

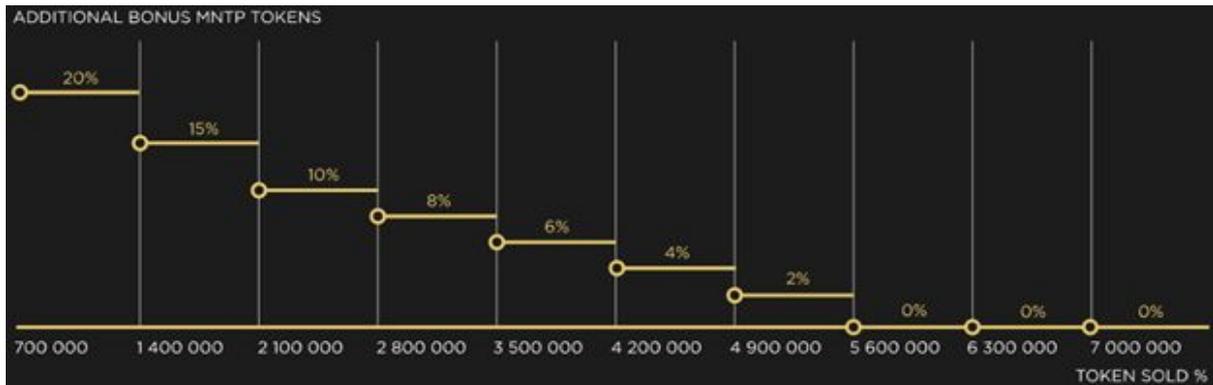
Duration ICO: no data available

Token: MNTP

Target cap on crowdsale: \$ 40 million

Price ICO: 1 MNTP = \$ 7

Bonuses:



Accepted currencies: BTC, ETH

Total amount of issue: 10`000`000 MNTP tokens

- 7`000`000 MNTP tokens - for sale
- 2`000`000 MNTP tokens - for team
- 1`000`000 MNTP tokens - for bounty campaign

Distribution of funds:

- 30% Marketing
- 35% Development
- 10% Team
- 5% Legal, registration
- 10% Staff expansion
- 10% Other

Token Issue Date: MNTP tokens are released when tokens are distributed around one month after ICO starts

3. Project services and their usage

Within the framework of the Goldmint project, it is planned to create a decentralized GOLD crypto currency, backed 100 per cent by physical gold and ETF shares. Goldmint undertakes to redeem for money, any number of GOLD crypto assets presented at the current LBMA¹ price with a commission of 1 to 5%. Thus, the authors state that the price of 1 GOLD token will be 100% correlated with the price of 1 ounce of 999 gold (31.1035 grams), traded on the London bullion market. Goldmint will use its own PoS blockchain system based on the Graphene platform, developed by the authors of the Bitshares project².

In addition to creating the GOLD crypto currency, the authors of the project plan to launch a network of devices called Custody Bot, designed to automatically determine the chemical composition of gold products and their subsequent storage. These devices will outwardly look like ATMs, but their internal structure includes a spectrometer, scales and a computer based on Linux OS connected to the GOLD blockchain platform. The founders of the project expect that Custody Bot will be located in small banks, pawnshops and other relevant institutions. Thus, in their opinion, Custody Bot in the long term will be able to become a full-fledged automatic analogue pawnshop, in which people will take their gold products and almost immediately be able to exchange for GOLD crypto currency.

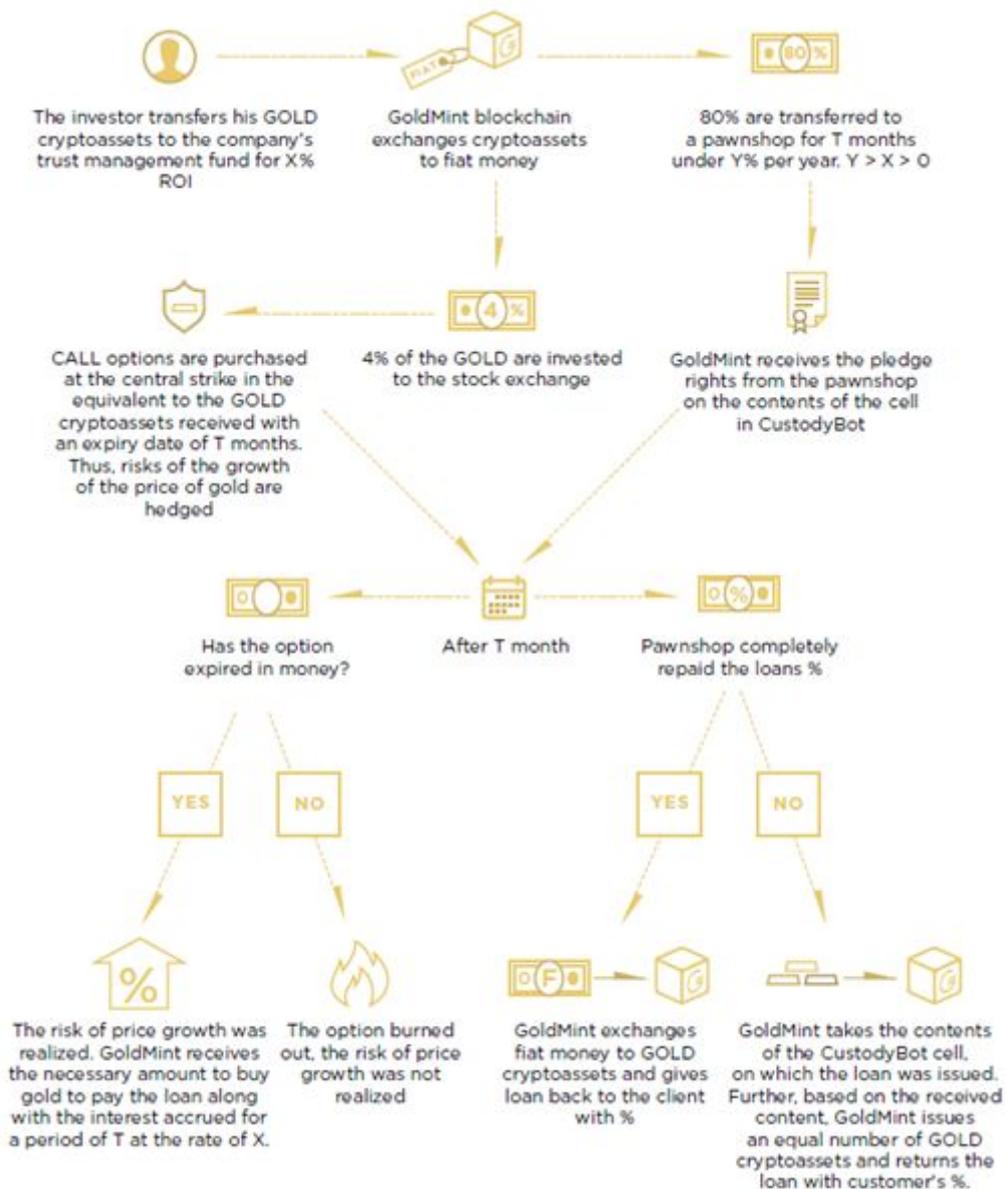
Goldmint will also release an API for creating third-party apps and other interfaces. This functionality will enable online shops to receive payment for goods and services in the form of GOLD coins, and banks and other financial institutions - to accept crypto currency as collateral for loans.

The authors of the GOLD project singled out 6 main applications of their platform:

1. Investing. Since the dynamics of GOLD will be identical to the exchange's gold prices, the purchase of this crypto active will be similar to the acquisition of physical gold or ETF shares in order to maintain or increase its value.
2. Receiving a loan secured by cryptotenes GOLD. After passing the KYC procedures, the GOLD coin holders will be able to apply for a loan at Goldmint itself or with its partners.
3. Transfer of GOLD crypto assets to the management of Goldmint trust fund. At the same time, the monetary and financial flow scheme appears as follows:

¹ <http://www.lbma.org.uk/lbma-gold-price>

² <http://docs.bitshares.org/>



4. Transfer of gold reserves across state borders by converting physical gold into GOLD crypto assets and subsequent reverse exchange. Such a scheme, according to the authors of the project, bears lower costs compared to the transportation of gold in kind.

5. Hedging of crypto-trader risks. The high volatility of cryptocurrency is one of the most important problems for their mass distribution. In this respect, the availability of GOLD coins in a crypto-currency portfolio will help to diversify risks and reduce its volatility.

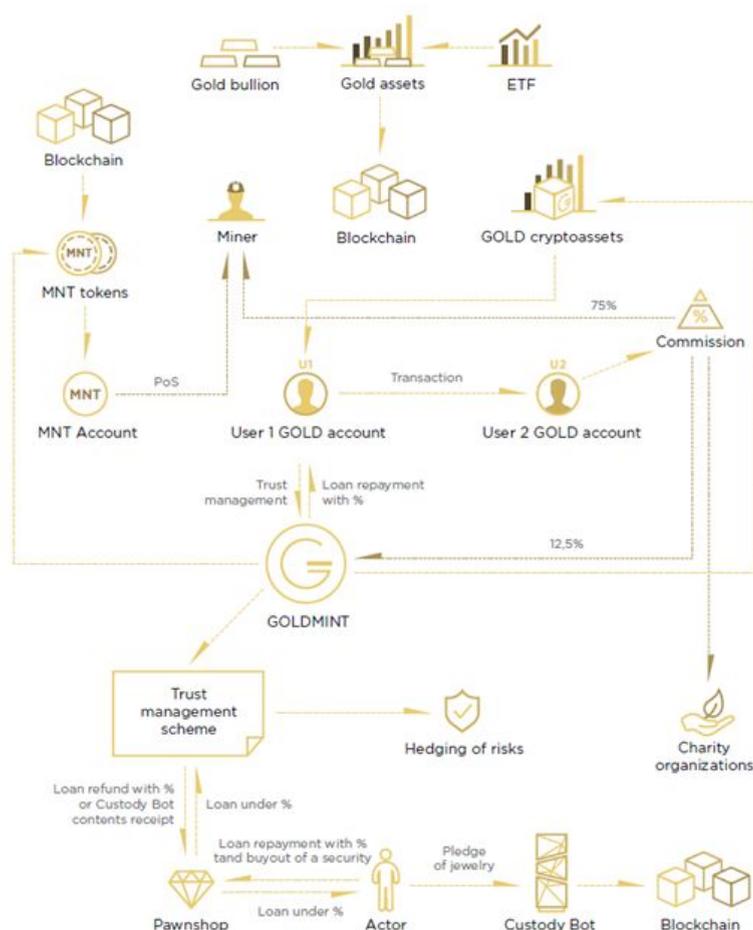
6. Using GOLD for the ICO. The authors state that the crypto-assets of their project will help reduce risks in falling markets, however, in our opinion, it makes no sense to put this function into a separate category, since it is a special case of the previous paragraph.

4. Engineering solutions

One of the main features of the Goldmint project is its own private blockchain, based on Graphene³ technology and using the Proof-of-Stake consensus algorithm. Graphene - an industrial strength software platform for deploying third generation cryptographically secure decentralized ledgers known as blockchains. It was created by Cryptonomex Inc., an independent blockchain development based on the core of the BitShares blockchain.

According to Goldmint's Anthony Akentiev, the main blockchain developer, the company decided to create its own blockchain in order to be more secure than Ethereum, as it will not use Turing-complete smart contracts. Besides, it does not allow addition of custom tokens, and it will have a very high throughput⁴.

The general architecture of the platform is presented on the following scheme:



³ <http://docs.bitshares.org/>

⁴ <https://blog.goldmint.io/goldmint-blockchain-why-custom-85e339756253>

Thus, the Goldmint platform will use 2 types of tokens: GOLD and MNT. As already described, tokens of the first type will be used by participants as "digital gold". The second type of token is technically used and will be needed to confirm transactions in GOLD. Since the consensus in Goldmint's blockchain will be achieved based on the Proof-of-Stake algorithm, the number of blocks that the miner can confirm and add to the chain will depend on the number of MNT tokens available to him. As a reward for the creation of the block, miners will receive a commission in the form of GOLD tokens of about 0.225% of the transaction amount.

- Miners who have too little computational power to validate their blocks or are unable to fulfill their duties, are removed from the White List of reliable miners and lose their rights to mine. The responsibility of validating blocks goes to another member selected by GoldMint calculations.
- To become a validator, one simply needs to download the GoldMint account.
- Users with a significant amount of MNT who have too little computational power can rent computational power from other miners.
- Members can own no more than 10,000,000 MNT tokens.
- Owning MNT does not imply rights to participate in the management of GoldMint nor does MNT represent a share in a company partnership.
- MNT tokens holders are allowed to vote on the GoldMint platform. This means that MNT holders can participate in the right to vote on changes to the platform.

The project team apparently also plans to lay out the code for several smart contracts on Github, but to date their repository on this site is empty⁵.

Index	Description	Github links
GMSC-1.1	Smart contract for initial MNTP (pre-launch) token emission	
GMSC-1.2	Smart contract for initial MNTP (pre-launch) tokens refund	
GMSC-3	Smart contract for MNTP tokens purchase for ETH	

⁵ <https://github.com/Goldmint>

5. Development strategy and Roadmap

The white paper of the project describes in some detail the company's development plan for the coming year, in two directions - structuring the business as a whole and technological developments. In the first case, the key period is the second quarter of 2018, in which is scheduled the launching of trading in GOLD crypto assets. Thus investors will be able to use purchased tokens for their intended purpose at least six months after the ICO, when it can be expected that they start increasing their value.

The development of the technical aspects of the platform will proceed more or less evenly, adding new capabilities to the platform as soon as they are ready. The launch of the serial production of Custody Bot Storage Unit devices is scheduled for the 4th quarter of 2018, after which the authors outline three stages of market capture:

1. To gain access to 1% of global gold circulation (over 300 tons) by launching Custody Bot automated storage facilities in pawnshops around the world.
2. To gain access to another 5% of gold circulation by introducing Custody Bot to shopping centers.
3. To gradually gain access to a final 10% of gold reserves, worth more than \$100 billion, and to develop a special version of Custody Bot for popular installation.

We decided to check whether the leaders' plans in this direction are realistic. According to the description of the device Custody Bot, presented in Whitepaper, it will be 1.5m x 0.8m x 0.65m, and have 40 cells for storing gold products.



Let's say that on average one gold item weighs 30 grams, then one device in a moment will be able to store a maximum of 1.2 kg of gold. Then, in order to gain access to 300 tons of world gold turnover, the creators of the project will need to install about 250,000 such devices. Taking into account the indicated cost of between \$10,700 to \$ 21,300, even from the calculation of the lower boundary, the funders will need to spend more than \$2.5 billion.

Naturally, the gold items stored in the device can be withdrawn and moved to other stores. However, in our opinion, estimates of market capture of 5% and 10% are completely unrealistic, which speaks either of the lack of understanding of the market by the authors, or of their negligent approach to writing accompanying documentation.

6. Market Review

Goldmint is another alternative channel for investing in gold. In principle, there are enough methods in the world for buying precious metals; the key ones we will describe below.

The first alternative is the purchase of physical gold - ingots of precious metals. Precious metal ingots are standard and dimensional ingots made in refineries that comply with the state and industry standards of the jurisdiction in which they are made either to the international quality standards established by the London Association of Precious Metals Market Participants (LBMA) and the London Platinum and Palladium Market Participants (LPPM).

The price of the ingot depends on three variables:

- the exchange price of the smelted metal;
- the dollar exchange rate in relation to the buyer's local currency in country of residence;
- Spread of a financial institution selling/buying the bar.

Thus, the dynamics of quotations for gold bars repeats the dynamics of quotations of gold in terms of the home currency of the buyer. Wherein:

- Ask/Bid price spreads can reach 40-60%;
- additional spreads of Bid prices depending on the state of the ingot are 2-3%;
- there are additional costs associated with the storage of gold bars in the bank's storehouse or individual cell.

Thus, the economic rationale for purchasing precious metal ingots is not clear.

Another tool that allows investing in precious metals, including gold, but with significantly smaller spreads and transaction costs is stock futures for gold, or ETF stocks investing in physical gold.

The central world trading platform for futures and options for gold is COMEX, part of the CME group: it can be used to deliver futures with a delivery date up to June 2023. This is in theory; in practice liquidity is until December 2018, after which open interest is frankly low:

Month	Open	High	Low	Last	Change	Settle	Estimated Volume	Prior Day Open Interest
AUG 17	1289.4	1289.4	1286.9	1289.0	+3.8	1288.9	250	739
SEP 17	1285.1	1290.7	1283.1	1290.4	+3.4	1289.0	532	1,315
OCT 17	1286.9	1293.7	1284.7	1292.8	+3.7	1291.3	4,099	52,180
DEC 17	1290.4	1297.0	1287.9	1296.3	+3.7	1294.7	236,252	390,087
FEB 18	1293.2	1300.1	1292.8	1299.6	+3.7	1298.3	1,067	19,419
APR 18	1296.0	1303.5B	1296.0	1302.3B	+3.6	1301.8	1,094	6,243
JUN 18	1305.8	1306.4B	1300.1A	1305.3	+3.5	1305.3	1,043	9,361
AUG 18	-	-	-	-	+3.4	1308.8	1,696	6,929
OCT 18	1307.1	1307.1	1307.1	1307.1	+3.3	1312.3	1,441	1,624
DEC 18	1315.8	1316.1B	1315.8	1316.0A	+3.3	1316.0	1,297	8,115
FEB 19	-	-	-	-	+3.3	1319.8	0	9
APR 19	-	-	-	-	+3.3	1323.6	0	0
JUN 19	-	-	-	-	+3.3	1327.5	0	748
DEC 19	-	-	-	-	+3.3	1338.8	0	2,464
JUN 20	-	-	-	-	+3.2	1349.7	0	284
DEC 20	-	-	-	-	+3.1	1361.7	0	676
JUN 21	-	-	-	-	+3.1	1374.2	0	15
DEC 21	-	-	-	-	+3.1	1387.6	0	225
JUN 22	-	-	-	-	+3.1	1400.6	0	5
DEC 22	-	-	-	-	+3.1	1414.6	0	5
JUN 23	-	-	-	-	+3.1	1428.6	0	0

Source:

http://www.cmegroup.com/trading/metals/precious/gold_quotes_settlements_futures.html

This tool is bought via a broker, the investor paying the brokerage and exchange commission accordingly. These are not high in price.

However in addition to the brokerage and exchange commission, buyers of futures lose because of the contango effect – the futures price of a commodity asset in normal market conditions is higher than spot prices:



The graph above shows gold futures with delivery in August 2018, the bottom is the spot price of a troy ounce of gold. These two graphs will converge on the expiry date. However the futures holder will incur losses in excess of the futures price over the spot price. These losses are generally equal to the value of the risk-free rate in the nominal currency.

In order to exclude these losses, the investor can purchase physical gold through the shares of the ETF fund. The largest and most liquid ETF fund is SPDR Gold Trust (GLD). The net asset value of the fund is over \$33 billion. The investor pays a management fee to the management company ETF at the rate of 0.4% per annum and a brokerage commission for the purchase of shares⁶. There are no other costs; thus it is cheaper than investing in futures, given the negative effect of contango. It is important that GLD provides ETF shares with physical gold purchased at LME.

There are also ETF funds reflecting the dynamics of gold with leverage 2x-3x in one direction or another. Such funds are invested in derivatives, so there is also a contango effect with all the negative consequences for investors. This is thus a speculative instrument that allows "in the moment" playing on the growth or reduction of the price of precious metal.

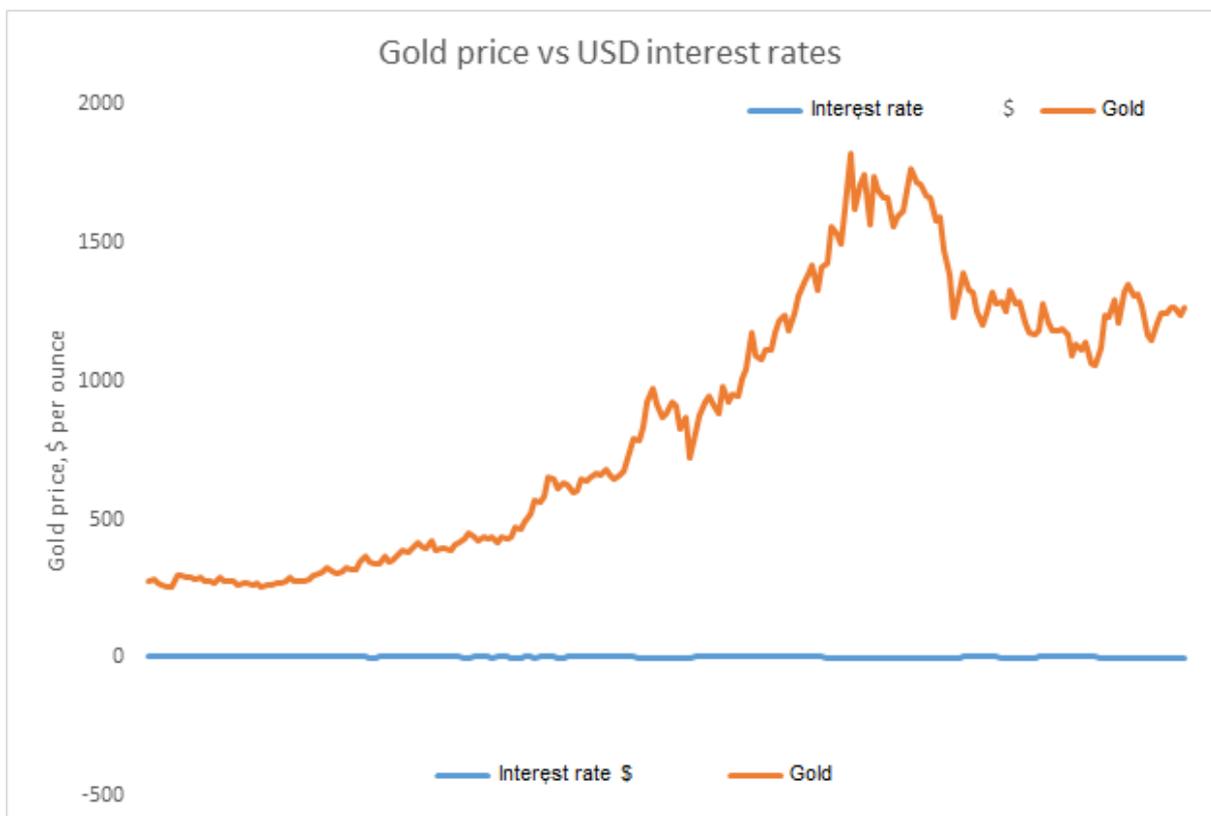
Assessment of gold price prospects

Gold is a very interesting asset in terms of marketing. From the point of view of objective investment attractiveness, the situation is somewhat worse.

⁶ <http://www.etf.com/GLD>

Gold is traditionally perceived by investors as a protective asset. But it has a serious competitor - US Treasuries (UST). The difference is that according to the UST, periodic income in the form of coupons is accrued, and for gold there is no profit - the investor can earn only on the growth of the price. Thus, in the usual situation it is more convenient for an ordinary investor to buy UST and receive coupons rather than investing in gold.

The situation changes if the real risk-free yield becomes negative; this happens when dollar inflation exceeds the dollar yield-to-maturity UST.



In the graph above, there are spikes in the growth of gold prices in 2008 and 2011. - when interest rates in the dollar zone slid into negative territory. And vice versa, after the rates in the US returned to a plus, the gold chart corrected.

The Fed's goal of inflation in the US is 2%. The yield of a ten-year benchmark is 2.2%. Inflation in July 2017 was 1.7%. Thus, real rates are likely to remain positive, which limits the potential for growth in the price of gold.

However, gold can rise in price "in the moment": if the political incapacity of Donald Trump continues to grow, the US stock market may expect a large-scale correction, which has not been seen since 2008. Then the American and other world stock

markets will go down. As a result, we will see the flight of investors out of risk, and precious metals will be one of the directions in which capital will go.

According to the consensus forecast by Reuters, the average price of an ounce of gold in 2018 will be \$1291, which is equivalent to the value of an ounce at the time of writing this review.

7. Team

The Goldmint platform is being developed by entrepreneurs who launched the Russian company LOT LLC ("Lot-Gold"⁷) in 2016, which buys gold from pawnshops and sells it to licensed refineries. As of June 30, 2017, the revenue of Lot-Gold since the beginning of the year was \$ 50.2 million. Thus, the founders of the Goldmint project have applied experience in working with precious metals.

The description of the team in the white paper and on the site is divergent, which troubles us a little. In addition, some project participants do not list Goldmint on their personal pages on LinkedIn as a place of work.

Dmitry Plushevsky, CEO ([LinkedIn](#)) - in addition to the successfully implemented Lot-Gold project, Dmitry has considerable experience working in IT, including being a mentor and trainer in Skolkovo, as well as a director of development at the venture fund Typhoon Digital Development.

Konstantin Romanov, co-founder – was also co-founder and CEO of Lot-Gold for operations with gold assets. Konstantin has more than 20 years of experience in the position of Vice President, including in such large corporations as Rosbank and Interros. He also held the position of advisor to the General Director of OJSC MMC Norilsk Nickel. Konstantin is listed as a co-founder only in the white paper; Goldmint.io does not provide any information about him.

Igor Ryabenkiy ([LinkedIn](#)) - in the white paper is listed as a co-founder, on the site as advisor. Igor is the managing partner of Altair Capital Venture Fund, which successfully supports innovative projects in the online sphere.

Eugeny Volfman ([LinkedIn](#)) is a co-founder & CBDO. Evgeny occupies the position of Director for Investments at "Lot-Gold". Has considerable experience in creating mobile applications.

Konstantin Pichugin ([LinkedIn](#)) - CTO. A developer of desktop and mobile applications, games, 3D simulators and blockchain-based projects; Has been a programmer since 2006.

⁷ <http://lot-zoloto.ru/>

Anton Akentiev ([LinkedIn](#)) - Lead blockchain programmer. Anton has over 10 years of programming experience in C ++ and Solidity, and is also CEO & founder of the project Chain.cloud and CTO & founder of Dao.casino.

Vyacheslav Sokoltsov - Business Development / ICO advisor.

The project assumes an increase in the strength of the team after the ICO. Future vacancies will include another 13 permanent participants in the development of the platform as well as the use of outsourcing services in marketing.

In general, in our opinion, the project team is highly qualified and has every chance of a successful company launch. In addition, among the project's advisors there are authoritative professionals in the crypto industry, such as Vladislav Martynov, who is a member of the advisory board at the Ethereum Foundation.

8. Marketing strategy

In the structure of future costs, project marketing is estimated at 30% of the budget, while the review of the market and the company's development strategy in this direction are paid minimal attention in the white paper. The authors distinguish 4 types of target audience:

- Crypto traders - these participants can use GOLD for hedging cryptocurrency volatility, as described in the white paper. GOLD can also be used to convert cryptocurrency into fiat.
- Standard investors - these investors may want to buy GOLD as cryptocurrency or as a type of security.
- E-commerce and self-employed individuals - GOLD can be used for pay for goods and services. Its low volatility as an asset and its predictability make it an invaluable form of currency.
- Banks - GOLD cryptoassets. There is free liquidity and extra earning potential from trading gold into fiat and vice versa. Banks also earn commissions from participating in the GoldMint partner program.

In general, the people most interested in the GOLD CRL have been correctly identified, but no data are given on the number of these groups, their characteristics and optimal models for promoting the services of the company amongst them. In addition, almost no information is provided in the document regarding the gold market, which Goldmint intends to work through the Custody Bot network of devices. This is most surprising, since the authors of the project came to the sphere of cryptocurrency from this very sector.

As for the current promotion of the ICO project, we estimate the company's activity in this direction as average. Goldmint is represented on almost all major social networks and responds promptly to the majority of incoming questions. Nevertheless, on 31/08/2017 the number of participants in the project chat in telegraph and slack does not exceed 200, and the branch on Bitcointalk contains only 87 messages, about half of which are left by company representatives.

Apparently, the advertising campaign is only 2-3 weeks old, so it is quite possible that by the time of the ICO launch, the popularity of these communication channels will increase.

9. Competitive Advantages of the Project

The Goldmint project should be compared with two types of companies - from the real economy and from the cryptocurrency sphere. In the first case, traditional investors in Goldmint Gold may be interested perhaps only by the availability of a simpler process of acquiring assets, since there are no bureaucratic obstacles for the purchase of GOLD tokens in the form of registration on an exchange and confirmation of identity; only a computer or a smartphone with internet access is needed. In addition, the possibility of crushing tokens significantly reduces the threshold for entry, and as a consequence increases the number of potential buyers. However there is also a downside - the complete absence of legal status of such transactions and insecurity in the event of fraudulent actions.

If we talk about cryptocurrency projects, then there are already several gold-backed tokens and will appear in the near future. Among them are OneGram, Digix and HelloGold. Here's how the authors distinguish GOLD tokens from similar projects:

- GoldMint uses its own blockchain and altcoin, called MNT, for GOLD transactions.
- GoldMint uses Proof-of-Stake where miners are given blocks / transactions according to the amount of MNT they have. Proof of stake (PoS) is faster, simpler and cheaper than proof of work (PoW).
- Custody Bot 2 - GoldMint's innovative storage unit is programmed to automatically identify and store gold jewelry, small ingots (up to 100 grams) and coins, without human intervention.

Comparing Goldmint, for example with the HelloGold project, we can distinguish the following differences. HelloGold tokens, secured by gold, will indeed be released on Ethereum blockchain, but from our point of view there are no disadvantages. Quite the contrary; the integration of HelloGold crypto assets into existing exchange and storage systems will be much easier than adapting the new Goldmint blockchain system. As for the "throughput" of the blockchain Ethereum and Goldmint, the latter will have an advantage if we compare their current state. However, the Ethereum Foundation development team has already announced that in September 2017 the platform will be upgraded to the Metropolis version⁸, which will significantly improve its stability.

⁸ <https://cointelegraph.com/news/ethereum-announces-metropolis-hard-fork-coming-late-september>

Another difference between Hello Gold and Goldmint is the return on investment method for investors who buy project tokens on the ICO. With the first company, the holders of tokens do not need to become project miners, they just need to wait patiently until HelloGold earns a profit and accrues some sort of dividend from it. On the other hand, the potential earnings of HelloGold investors are limited to a specific amount of 3,800 kg of gold, while Goldmint project token holders will receive commissions from transactions all the time while people transfer GOLD tokens to each other.

The last point we would like to note is the significant superiority of HelloGold over Goldmint in terms of the business model and the forecasting of stages of its development. In addition, HelloGold has an already working MVP, and the project team consists of experienced professionals having worked in the largest ETF fund in the world.

10. Risks of the Project

Having analyzed the available documentation of the Goldmint project, we can distinguish two main risks that can significantly affect the successful implementation of the idea:

1. Absence of a financial model. We understand that it is rather difficult to forecast the demand for a service that does not yet exist, but you can always go from the opposite, having understood how much the company needs to earn in order to at least cover the costs. In the case of Goldmint, the white paper did not present any potential turnover or planned costs. Also, it remains unclear to us what the company plans to spend the \$40 million on, an amount indicated as necessary for the launch of the project. In our opinion, the development of a platform based on ready-made technology does not require such a large amount of funds.

The same argument applies to the Custody bot storage unit - judging by the management's statements, the company plans to build several dozens of such devices, each of which will cost from \$10,700 to \$21,300. At the same time, there is no economic justification for the feasibility of its functioning; what kind of income will a single device bring, what is its benefit to a traditional pawnshop, what is the cost of its maintenance, and so on.

2. Proof of Stake consensus algorithm. Despite the continuing polemic between supporters of various consensus systems in decentralized networks, we can state only one thing with certainty: the Proof of Stake algorithm has not yet passed the test of time that Proof of Work has passed, so all the authors' statements about the advantages of PoS over PoW are theoretical. In this regard, the intention of Goldmint's founders to launch the platform, the confirmation of transactions on which will be 100% produced according to PoS, we rather consider a risk of the project, rather than an advantage.

11. Economy of the Project

In its white paper, Goldmint indicates four major sources of revenue:

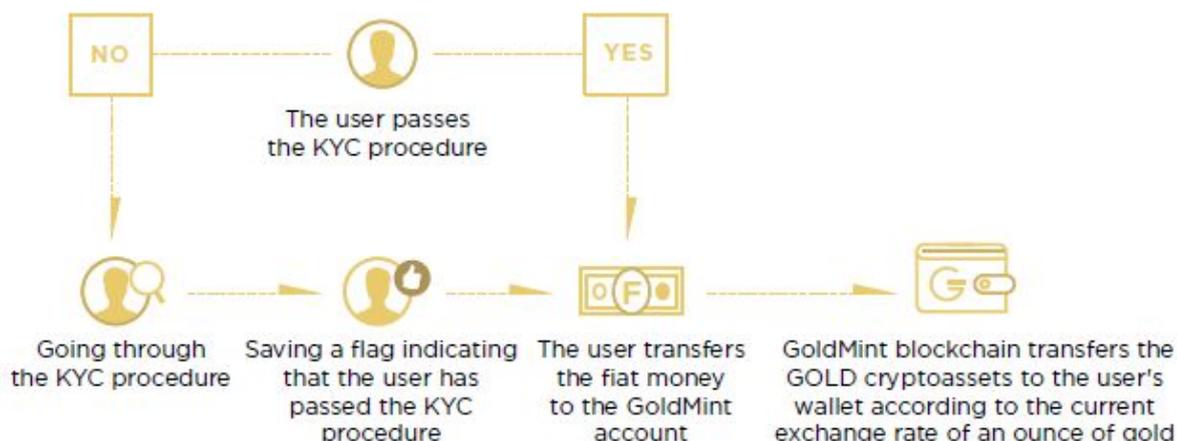
1. Commission for transactions in GOLD between users. Its exact value is not defined, but the authors indicate that this will be $X\%$, where X , by all accounts, depends on the volume of the transaction. In this case, the minimum limit will be a fixed value (for example, 0.0025 GOLD), depending on the current price of gold, and the maximum limit is expressed as a percentage, but not higher than 0.3%. 75% of this commission will be sent to the miners who confirm the transactions. The remaining 25% is used to support the needs of the system and charity.



2. GOLD security lending commissions. We did not find a precise description of the commissions and transactions in which they arise, in the documentation for the project. Perhaps the authors had in mind the revenues that arise as a result of the activity of the Trust fund, the scheme of which is described in Section 3, but nothing is said about any commissions in the scheme.

3. Revenue from the exchange of physical gold to the GOLD crypto assets. As far as we understand, we are talking about commissions that are used during the purchase by users of the GOLD crypto assets for fiat money - in this case they are 5%. Also, Goldmint will take a commission in the amount of 1 to 5% when the platform participants sell the GOLD tokens for fiat money. What determines the size of this commission is not specified.

BUYING GOLD CRYPTOASSETS FOR FIAT MONEY



4. Proceeds from the use of owned and franchised Custody Bot. There is no data on this direction in white paper. However, the cost of production of such a device, which will be in the range from \$10,700 to \$ 21,300, is indicated.

5. Also on the project site, an annual management fee of 0.2-0.8% per annum is indicated, depending on the volatility of gold and the number of investors.

In general, we can say that the financial model for the company is absent from Goldmint. Despite the fact that the founders of the project describe the amount of commissions that will be charged by the platform during operations in some detail, we find it difficult to draw any conclusions, since no information is provided on the projected number of participants in the platform and the volume of transactions.

In addition, the project documentation does not contain any estimates of the planned costs of Goldmint. According to the roadmap, the launch of the blockchain system for the GOLD platform is scheduled for the 2nd quarter of 2018, and accordingly revenues will only be generated starting from this period. Will the project survive without additional injections in the event that it does not collect the necessary amount for the ICO? We can only guess.

12. Investment highlights of the token

By investing in the Goldmint platform, investors should clearly understand that the increase in the cost of the MNT token will directly depend on the prevalence of the GOLD cryptocurrency, which will take some time. First, the launch of the platform itself is scheduled for the second quarter of 2018 – thus the growth of the MNT price to this point can only be speculative. Secondly, the cryptotokens of GOLD will have to compete for buyers with other gold-backed tokens, and in this struggle those who can offer the most convenient technology, high security and attractive conditions will win.

In addition we have identified a few more minor shortcomings that could negatively affect the price of the token. For example, on the project site the authors directly say that they are not going to agree with the exchanges on listing their token: "MNT will be traded on the exchanges which will list the token, we can not somehow influence this process. In our opinion, the distribution of attracted funds is strange, in our opinion, based on the budget presented in white paper. In addition to 20% of the released tokens, 10% of the collected tokens are to be traded on Liqui, YoBit, Tidex, HitBTC. ICO funds the team also keeps to themselves.

On the other hand, there are also positive moments from an investor's point of view. The first of them was a successfully completed pre-ICO project, as a result of which Goldmint attracted \$600,000 in just 36 hours, which may indicate a high interest by the community. The second advantage for increasing the cost of MNT tokens is the interesting defrost scheme for tokens intended for the team - they will be partially released every 3 months after the ICO only if the current price of tokens on the exchange is higher than the one at the time of the previous issue. At the same time, the volume of output will also depend on the value, on which the price of MNT has grown.

In the end, the idea of based-gold crypto currency seems to us quite attractive, however we do not see much sense in buying MNT tokens at this stage. The model of the company requires serious improvement, first of all particularly the financial component. In addition, before the actual launch of the platform itself at least 9-10 months will pass, after which the question of purchasing MNT tokens can be considered again, if during this time the market is not captured by a competing project.

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Our goal is to increase the transparency and reliability of the young ICO market and to minimize the risk of fraud.

We appreciate feedback with constructive comments, suggestions and ideas on how to make the analysis more comprehensive and informative.