



DACXI GOLD WHITEPAPER

# Dacxi Gold Token (DXGT)

A digital token backed by  
physical gold.



## Abstract

Gold in the form of coins and gold bars has been used for thousands of years as the most trusted form of money; a store of wealth and a medium of exchange to buy & sell. The problem with physical gold has always been its issues with security and transportation, so paper money was created backed by physical gold with the gold kept in secure facilities around the world. It was called the 'Gold Standard'.

When paper currency was decoupled from its gold backing in the 1970's, governments were able to print unlimited money based on their own good judgement, rather than backed by gold, or any other tangible underlying asset. Winding forward to today there are record amounts of money being printed by central banks to stimulate economies, also increasing asset values around the world, causing a 'bubble' in nearly all asset classes. With the uncertain economic times we live in, gold is starting to gain a lot of attention as a way to protect people's wealth.

There are currently nine trillion dollars of physical gold stored around the globe. As a wealth-protection asset, it has the same issues of storage, security, transformation, and trading in small amounts. As much as people want to own gold, these problems hold people back.

### **The Dacxi Gold Token solves the physical gold problems.**

Using the Blockchain and crypto currency, it is now possible to buy/sell gold through a trusted token that is fully backed by the physical gold. DGXT token-holders now can secure their wealth with gold and buy, sell, and transfer it in small amounts, that previously would have never been economically feasible.

Each issued Dacxi Gold token in circulation is backed by one ounce of highest quality gold bought and stored in the vaults of reputable bullion dealers in Australia and the United Kingdom. The coin is easy to buy. It is stored securely in your personal Dacxi wallets on the Dacxi Exchange, which has one of the world's highest independent security ratings. The coin is fully redeemable. All gold holdings are separated from Dacxi operations.

## History of gold & money:

Gold has always played an important role in the international monetary system. Gold coins were first issued in Lydia (now part of Turkey) around 550 BC. They circulated as currency in many countries before the introduction of paper money.

By the late 19th century, many of the world's major currencies were fixed to gold at a set price per ounce, under the 'Gold Standard'<sup>1</sup> In 1861, the US treasury printed the first U.S. paper currency. The Gold Standard Act of 1900 established gold as the only metal for redeeming paper currency. European countries who wanted to standardise transactions soon adopted the 'gold standard'. It guaranteed that the government would redeem any amount of paper money for its value in gold. This meant that transactions no longer had to occur using the heavy gold bullion or coins; instead paper currency was used as it guaranteed its value to something real (i.e. Gold)<sup>2</sup>

During the Second World War it became clear that a new monetary system was needed to replace the Gold Standard as many countries had their currencies removed from the gold standard in order for them to print more currency bills to help finance their war effort. After the war, the world pegged their currency to the US dollar which was again backed by gold, yet the US government still wanted to print more money, President Nixon removed the gold backing in 1971 and the new era of 'FIAT currency' was born.

Today no currency is backed by gold and Reserve Banks have dramatically increased the money supply globally to stimulate their economies. This has reduced the world's confidence in the value of currencies meaning gold is back in favour as a way of protecting the value of wealth or value. More than nine trillion dollars of the total gold available today is used for investment.

## Problem statement:

The problems associated with using physical gold as money or wealth-protection haven't changed in centuries. It is very difficult to buy in small amounts. The minimum purchase quantity of investment grade gold requires customers to buy a gold bar. Also, gold bars are expensive to store in secure vaults, and insecure if stored personally. There are large costs in transportation, and large expenses when buying and selling the gold.

### New Innovation - DXGT Token

New technology allows for a new form of 'digital gold'.

Few people want to actually own the physical gold for all the reasons explained. What they actually want is to be able to diversify into the 'gold opportunity' is the simplest and most secure way. To enable them to switch out of other assets into gold.

New blockchain database technology, invented to create crypto currencies, like Bitcoin, can now be used to create a secure 'tokenised' digital form of gold. Just as the innovation of paper backed by gold transformed the world, so will the innovation of a new digital token backed by gold change the wealth market.

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<sup>1</sup>Money and Gold: <https://www.gold.org/about-gold/history-gold/golds-role-money#:~:text=Gold%20has%20always%20played%20an,the%20introduction%20of%20paper%20money>. Accessed on 22 September 2020

<sup>2</sup>History of the Gold Standard: <https://www.thebalance.com/what-is-the-history-of-the-gold-standard-3306136> Accessed on 22 September 2020  
<sup>3</sup>How big is the Gold Market: [http://www.perthmintbullion.com/au/blog/blog/20-07-02/How\\_big\\_is\\_the\\_global\\_gold\\_market.aspx#:~:text=At%20over%20USD%209.5%20trillion,at%20the%20end%20of%202019](http://www.perthmintbullion.com/au/blog/blog/20-07-02/How_big_is_the_global_gold_market.aspx#:~:text=At%20over%20USD%209.5%20trillion,at%20the%20end%20of%202019). Accessed on 2 Oct 2020

Now buying gold is simple secured by the technology and Dacxi A+ secure exchange allowing for the simplest way of buying, storing, and selling gold tokens. You can buy a fraction of an oz of gold because everything is digital.

Buying gold will never be so simple and secure.

#### DXGT coin details:

- 1 DXGT coin = 1 troy ounce of Gold.
- **RIGHTS:** Anyone who owns the DXGT token owns the underlying gold.
- **Circulating Supply:** The number of tokens in circulation is based on tokens issued. Tokens are only issued to customers with the equivalent amount of metal backing stored at the vaults.
- **Blockchain/Maximum Supply:** 100,000 tokens. Only issued on gold backing.
- **Divisibility:** Four decimal places which is approximately \$20
- **Token Creator:** Dacxi Pte. Ltd, Singapore
- **Holding Company:** Dacxi Precious Metals Pty Ltd, Australia

#### Key features of the Dacxi Gold Token (DXGT)

- **UNDERLYING ASSET:** The physical gold is bought from reputed bullion dealers and is stored in secured vaults.
- **MINIMUM INVESTMENT:** There is a low minimum investment amount for buying DXGT tokens.
- **TOKEN STORAGE:** Token can be stored on Ethereum compatible wallets.
- **STORAGE FEES:** There are no storage fees to be paid by token holders in relations to the physical gold.
- **TRADING:** DXGT can be bought and sold on selected token exchanges.
- **REDEEMABLE:** DXGT token are redeemable in a number of ways including the physical (conditions apply, read below)
- **AUDIT:** To verify the gold backing of tokens an independent third-party accounting firm will review on a monthly basis, to confirm that tokens issued to customers corresponds to physical gold held in the vault.
- **BLOCKCHAIN:** DXGT is an Ethereum based token made using the ERC-20 protocol. All transactions of DXGT follow the Ethereum blockchain protocol.

## Redeemability:

- DXGT token is redeemable in a number of ways giving token owners flexibility.
  1. Most token owners are not expected to want to redeem the physical gold so they will sell their tokens on an exchange.
  2. Dacxi offers the option to convert to FIAT currency should the token owner not want to sell on exchange. There are costs for this option additional to exchange selling costs.
  3. Token owners have the ability to redeem their tokens into physical allocated gold bars via the OTC process. Minimum redemption amounts are applicable for physical gold.
- DXGT allows customers to buy investment grade gold in smaller amounts. Due to the fabrication and logistics charges, it is not possible for customers to claim the physical gold for small amounts. Redemption of the physical gold is only possible for customers wanting to convert 5 DXGT tokens (i.e. 5 troy ounces of gold). There is also a maximum threshold amount set for delivery of the physical gold metal. Dacxi will advise customers via email on the minimum and maximum thresholds as and when a customer request for the physical gold.
- If the customers are not able to meet the minimum requirements, Dacxi also offers the option to convert their DXGT tokens into FIAT currency. Customers can sell their DXGT tokens to Dacxi and in turn, Dacxi will sell the underlying asset back to the bullion dealer and credit the customers FIAT wallets. Customers then have the option to withdraw their FIAT currency into their bank account.
- While Dacxi endeavours to provide the physical Gold upon redeemability, this feature is not available in some countries and locations. Where it is not possible, bank transfers or Bitcoin will be used for redemption.
- DXGT coins have an expiry date which is 31st December 2025. All DXGT coin holders will need to transfer back the DXGT tokens to Dacxi treasury in exchange for FIAT or BTC or request delivery of the physical gold (please refer to redeemability conditions). In absence of instruction on this date, the physical gold will be liquidated, and cash deposited into your Dacxi wallet. Should the coin be taken off the Dacxi exchange it will need to be returned into a Dacxi DXGT wallet before the due date for conversion. The coins will not be redeemable after 31st January 2026.

## ERC-20 token:

DXGT is an ERC-20 token minted on the Ethereum blockchain. Ethereum is the largest general blockchain network which gives security and reliability. As per the ERC-20 protocol, the token has smart contract that follows a standard characteristic (i.e. name, symbol, decimal precision, etc.) The total number of tokens and token balances can be tracked on the blockchain which gives full transparency.

## Buying Dacxi Gold Tokens

The process of buying DXGT is a simple matter of purchasing through an exchange that allows the purchase. Storage is then possible at the exchange or an external wallet that stores ERC-20 tokens.

## Disclaimer:

Whilst this is not a marketing or offer document, some readers may be interested in purchasing the DXGT coin. It is important that they undertake their own due diligence in order to evaluate any and all risks that might be associated with Dacxi and DXGT Coins. Please understand that the purchase of any of Dacxi's products are potentially high reward and inherently risky and you do so at your own risk. See our [Terms and Conditions](#) on the Dacxi websites for the complete disclaimer.

### Risks may include but may not be limited to:

#### Market risk

The market for the exchange of tokens and crypto assets is unregulated, fluid, and immature. Currency and token values are subject to large and often dramatic fluctuations. There can be no guarantee that values may remain stable, increase, or decrease in any particular time period. Market fluctuations cannot be predicted. There is no guarantee that the value of tokens may rise after purchase.

#### Price risk

The price of gold is subject to global factors that cause it to rise and fall in value. It is common for prices to increase or decrease in a single day. Although this could mean potential profits, this could also mean potential losses. Anyone looking to purchase gold backed crypto-tokens should consult a fully qualified independent professional financial adviser.

#### No investment advice

The information provided in this document does not constitute investment advice, financial advice, trading advice or any other sort of advice and you should not treat any of this documents content as such. Dacxi does not recommend that any token should be bought, sold, or held by you and nothing in this presentation should be taken as an offer to buy, sell or hold a token. Do conduct your own due diligence and consult your financial adviser before making any investment decision.

#### Accuracy of information

Dacxi has taken all reasonable steps to ensure the information listed in this presentation is accurate. It will not hold any responsibility for any missing or inaccurate information. You understand that you are using any and all information available here at your own risk.

#### Technology risk

The DGXT token represents one ounce of gold. The token and its characteristics are built using the latest Ethereum technology and housed on the Dacxi Exchange. As with all new technologies and blockchain protocols there are underlying risks to the technology that may not be apparent at this time. These include hacking risk, network risk and regulatory risk. The underlying gold always remains protected however ownership verification and transferability risks could occur.

To contact Dacxi please visit [dacxi.com](https://dacxi.com)

