



DACXI SILVER WHITEPAPER

Dacxi Silver Token (DXST)

– A Digital Token backed by
physical Silver.



Abstract

Silver has been regarded as a form of money and a store of value for more than 4,000 years. The British Pound refers to a pound of silver. It lost its role as legal tender (money) in modern economies when the use of the silver standard came to an end in 1935. The price of silver is driven by speculation like most commodities. The price of silver is more volatile compared to that of gold because of the smaller relative market, lower market liquidity, and demand fluctuations, between industrial uses and store of value uses.

As with gold, silver in its physical form suffers from five major issues: it is expensive and inconvenient for the average person to invest in it, as well as being expensive and a hassle to store, secure and transport. Thus, few take advantage of holding it in their portfolio.

The Dacxi Silver Token [DXST] solves the physical silver problems.

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

Each issued Dacxi Silver token in circulation is backed by one ounce of highest quality silver 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 silver holdings are separated from Dacxi operations..

History of silver:

The history of silver as money goes back thousands of years. Silver coins first appeared around 600BC in Turkey. Silver coins were used in every major empire, from the Spanish to Greeks & Romans. The popularity of silver grew during the Athenian Empire. The Silver 'Tetradrachm' was so popular that it achieved the 'International standard' as a coin throughout the Mediterranean.¹

The US operated on a bi-metallic system of gold and silver, however silver coins were the favoured currency, and domestic purchases made from gold were rare. Silver was used to mint every day currency coins in the US until 1964.

Silver has a number of industry applications other than just being a form of currency. Few noted products where silver is used are: making engines, water purification, photography equipment, automobile industry, solar panels, and many others. Compared to Gold, Silver has many more industrial applications.

Some countries still mint bullion and collector coins, however the main demand for silver is for industrial applications (40%), jewellery, bullion coins and exchange traded products. Indicative total reserves of silver globally are 570 thousand tons, with around 25 thousand tons mined annually.

Silver often follows the gold price due to store of value demands, but does vary in its alignment to the gold price periodically, and it is therefore well positioned to be held separately in a balanced portfolio.

Problem statement:

The problems associated with using physical silver as money or wealth-protection haven't changed in centuries. Investing in silver usually means buying silver bars which 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 silver.

New Innovation – DXST Token

New technology allows for a new form of digital silver.

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

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

¹<https://globalbullionsuppliers.com/blogs/blog/when-was-silver-first-used-as-currency>. Accessed on 15 Oct 2020

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

Buying silver will never be so simple and secure.

DXST coin details:

- 1 DXST coin = 1 troy ounce of Silver.
- **RIGHTS:** Anyone who owns the DXST token owns the underlying silver.
- **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:** 1,000,000 tokens. Only issued on silver 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 silver token (DXST)

- **UNDERLYING ASSET:** The physical silver is bought from reputed bullion dealers and is stored in secured vaults.
- **MINIMUM INVESTMENT:** There is a low minimum investment amount for buying DXST 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 silver.
- **TRADING:** DXST can be bought and sold on selected token exchanges.
- **REDEEMABLE:** DXST token are redeemable in a number of ways including the physical (conditions apply, read below)
- **AUDIT:** To verify the silver backing of tokens an independent third-party accounting firm will review on a monthly basis, tokens issued to customers corresponds to physical silver held in the vault.
- **BLOCKCHAIN:** DXST is an Ethereum based token made using the ERC-20 protocol. All transactions of DXST follow the Ethereum blockchain protocol.

Redeemability:

- DXST 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 silver 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 silver bars via the OTC process. Minimum redemption amounts are applicable for physical silver.
- DXST allows customers to buy investment grade silver in smaller amounts. Due to the fabrication and logistics charges, it is not possible for customers to claim the physical silver for small amounts. Redemption of the physical silver is only possible for customers wanting to convert 100 DXST tokens (i.e. 100 troy ounces of silver). There is also a maximum threshold amount set for delivery of the physical silver. Dacxi will advise customers via email on the minimum and maximum thresholds as and when a customer request for the physical silver.
- If the customers are not able to meet the minimum requirements, Dacxi also offers the option to convert their DXST tokens into FIAT currency. Customers can sell their DXST 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 Silver 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.
- DXST coins have an expiry date which is 31st December 2025. All DXST coin holders will need to transfer back the DXST tokens to Dacxi treasury in exchange for FIAT or BTC or request delivery of the physical silver (please refer to redeemability conditions). In absence of instruction on this date, the physical silver 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 DXST wallet before the due date for conversion. The coins will not be redeemable after 31st January 2026.

ERC-20 token:

DXST 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 Silver Tokens

The process of buying DXST 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 DXST 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 DXST 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 silver 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 silver 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 DGST token represents one ounce of silver. 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 silver always remains protected however ownership verification and transferability risks could occur.

To contact Dacxi please visit dacxi.com

