

White Paper Aureum Token



AUREUM



Expressions of Gratitude and Project Philosophy

The existence of Aureum (AUR) is the result of the vision of a multidisciplinary team that rejects the traditional extractive model. We believe in a world where economic progress does not depend on soil degradation, water pollution, or damage to biodiversity. AUR was born from this team's commitment to changing the "wealth at any cost" paradigm. We thank the global community for allowing us to offer this alternative; the ball is now in their court to decide the future of human prosperity.

Marcelo Erlitz

CEO



Executive Summary: The Evolution of the Store of Value

The Source

AUR is an ecological project that converts certified deposits of unmined gold—which remains undisturbed at its mining location—into collateral for cryptocurrencies and stablecoins. By harnessing the economic potential of gold without the need to extract it, AUR transforms these reserves into a source of real value.

The AUR protocol is based on a stabilization algorithm that maintains parity with the spot price of gold, ensuring that each AUR token is unconditionally backed by at least 1 gram of certified gold. This guarantees not only value stability but also long-term sustainability.

The Situation

Currently, most crypto projects—including stablecoins and volatile tokens—face significant challenges in acquiring and maintaining assets to back their value. Initiatives backed by fiat currencies often run into conflict with governments and regulatory bodies that demand greater oversight.

Furthermore, projects that use cryptocurrencies as collateral face high levels of volatility and tax complications, which reduces their appeal for large-scale adoption.

The Solution

A logical question then arises: Why mine gold, damaging the planet, just to store it in vaults?

Before AUR, only a select group of mining companies had access to the global benefits of the gold they extracted. AUR breaks this paradigm by presenting an innovative model in which gold does not need to be physically extracted to act as an economic backer.

Thanks to blockchain technology, AUR creates a transparent system that tokenizes certificates of unmined gold reserves, in compliance with international standards such as NI 43-101, the Canadian benchmark instrument for technical disclosure in mining projects.

This certificate, widely accepted by banks and mining companies globally, represents the actual estimate of onshore reserves through comprehensive geophysical and geological studies. Thus, it can be used as a responsible, verifiable, and tradable store of value, without the need for extraction.



From these certified reserves, AUR tokenizes the amount of gold under the 1 gram = 1 token standard, allowing its direct integration into the decentralized finance (DeFi) ecosystem.

This approach allows for a more equitable redistribution of profits, without harming the environment, and opens a new path for responsible, sustainable, and transparent investments. The Value

Throughout history, gold has been a reliable safe haven in times of financial uncertainty. AUR combines that historical strength with blockchain technology, creating a new form of digital gold standard that is secure, understandable, and environmentally friendly.

A portion of the profits generated will be allocated to DeFi protocols, and the benefits will be shared with those who participate in AUR staking. Furthermore, sustainable projects in local economies will be supported, promoting development and well-being.

The Magnitude

The potential impact is immense. With our first mining project alone, the token's creation will be backed by reserves equivalent to 211,000 ounces.

This journey has already begun with the signing of a strategic agreement with a leading mining organization. We anticipate incorporating new projects as they successfully complete our reserve verification process, KYC validation, and compliance with all applicable legal requirements and certifications.

About Us

We are a company based in the province of Córdoba and Buenos Aires, Argentina, made up of a multidisciplinary team of professionals committed to expanding the DeFi ecosystem through the Aureum project.

We work with high ethical standards and a firm commitment to environmental sustainability, convinced that it is possible to generate global well-being through the responsible use of resources.

Our purpose is to contribute to improving people's economic conditions and caring for the Earth for future generations. 3. Market Analysis and the "New Digital Gold Standard"



Fiat System Crisis and Inflation

Governments have issued fiat money at a historic rate, causing a constant devaluation of purchasing power. In Argentina

In Argentina, this phenomenon is particularly acute, making the need for an asset that functions as a unit of account and a store of real value urgent.

Limitations of Current Alternatives

Physical Gold: Presents logistical challenges, storage costs, and divisibility difficulties.

Volatile Cryptoassets: Their instability relegates them to speculative assets rather than means of exchange.

Stablecoins: Those backed by fiat currency suffer the same inflation as the dollar or the euro.

Algorithmic stablecoins have proven vulnerable to changes in market perception.

Aureum solves this by combining the historical strength of gold with the immutability of the blockchain.



The Underlying Asset: Certification and Geology

AUR's backing is not based on promises, but on auditable scientific data.

The Mining Process: We identify deposits with observable economic potential. After obtaining state exploration authorizations, international firms are contracted to certify the reserves.

NI 43-101 Standard: Each issued token corresponds to a report under this Canadian standard, recognized worldwide by banks and mining companies for validating measured and indicated resources.

In-Situ Reserves: By certifying the quality and quantity of gold without extracting it, we leverage its economic potential through the use of digital contracts, avoiding cyanide and mercury contamination.



Technical Implementation: Ethereum Network and ERC-3643 Standard

To comply with the regulatory requirements of a Security Token, AUR uses the Ethereum network under the ERC-3643 (T-REX) protocol.

On-Chain Compliance

The ERC-3643 standard allows compliance rules to be integrated directly into the smart contract. This ensures that only investors who have completed the KYC (Know Your Customer) and AML (Anti-Money Laundering) processes can own the token.

Digital Identity Management

By using decentralized identity credentials, the protocol validates that the token holder meets the legal requirements of their jurisdiction (such as the PSAV Registry in Argentina) without unnecessarily compromising privacy.

Institutional Interoperability

As a recognized standard, AUR can be integrated with hardware wallets, regulated exchanges, and institutional DeFi protocols, facilitating its use as collateral for loans or asset swaps.



Economic Mechanics and Stabilization

Price Discovery

The price of the AUR token will be set at a value equivalent to one gram of mined 24-karat gold (1X), less 15% of the market value. To determine the correct price, our protocol will aggregate price data from the LBMA (London Bullion Market Association) and three other primary sources. An average of these four sources will be calculated to determine the value of one gram of gold, thus establishing the AUR price at $1X-15\%$ (where X represents the value of one gram of gold at a specific time, averaged from the six primary market price sources).

Mathematical Model and Liquidity

The mathematical model for our constant-product market maker is based on the equation that establishes the product of the portfolio quantities:

$$G_e \times G_m = T$$

Where G_e represents the amount of unmined gold, G_m denotes the amount of AUR in wallets, and T is a constant.

From the above rule, it follows that the AUR price (P) is determined by:

$$P = G_e / G_m$$

Market stabilization algorithms, using expansion and contraction, will be implemented in the coming months. These will be validated through backtesting simulations to demonstrate their robustness.

Price Stabilization

AUR's stabilization approach is based on the analysis and implementation of key stability algorithms, inspired by the CELO (Mento) stability algorithm [3].

<https://docs.celo.org/celo-codebase/protocol/stability/doto>

Mento, in turn, was inspired by the Uniswap system and mitigates the risk of liquidity depletion. The AUR protocol will maintain two virtual "buckets": one of AUR and one of the liquidity pair token (such as USDT, USDC, etc.). The amount in each deposit will be recalibrated each time the value reported by the Oracle is updated, provided the difference between the current time and the Oracle's timestamp is less than the `oracle_staleness_threshold`.



Through this stabilization mechanism, AUR aims to achieve a stable price, in equilibrium with supply and demand. This will be achieved through the implementation of technical and economic instruments that will maintain the price value within the ranges of 1X–15% and 1X+5% (in a CEX - Centralized Exchange).

Users can lock their tokens (Staking) to increase the Total Value Locked (TVL), receiving in return a share of the profits generated by the network economy.

Token Flow and Minting Function

The amount of The number of tokens to be issued in the first stage of the project, all of which will be backed by gold, will be 105,000, equivalent to 50% of the mining reserves located in the following mines:

- La Higuera
- Cortadera
- La Suerte
- Bragada
- Don Gero
- Carmela
- San Ignacio
- La Barranca

The economic control tools for managing token flow and minting include:

Staking: Increasing the Total Value Locked (TVL), which is an indicator of trust in DeFi, and increasing the circulating token supply.

Manual Liquidity Injection: Manually adding liquidity to pairs such as AUR/USDT, AUR/DAI, AUR/UST, and others.

Price Oracles: The oracle used by AUR will obtain the gold price from six sources in the real asset market. This information will be taken simultaneously from the six major stock exchanges in the world, comparing prices to reach a consensus. Since stock markets worldwide have specific opening and closing times, the oracle will also integrate three additional sources from reputable websites and non-profit organizations that display the gold price 24/7. Updates between reports will occur within seconds, providing an accurate price at all times.

During weekends, specifically in the period between the last stock market close and the opening of the first Asian stock market on Monday, the gold price will remain fixed.



Legal Framework in Argentina

- Aureum operates under high ethical and legal standards at its headquarters in Buenos Aires.
- Capital Markets Law (Law 26,831): AUR is classified as a Negotiable Security, recognizing the authority of the National Securities Commission (CNV) to protect investors. PSAV Registration: The protocol aligns with current regulations for Virtual Asset Service Providers, ensuring transparency with the Financial Information Unit (UIF).
- Fractional Ownership: The token allows small investors to own a fraction of a real mining asset, redefining the concept of collective ownership.



Value Distribution and Social Commitment

AUR's revenue stream is designed to be an engine of change:

- 65% Investment and Returns Fund: Ensures returns are paid to staking users.
- 10% Management and Leadership: Allocated to the management and leadership team with a 12-month vesting period from the issuance of each series.
- 11% Preservation Fund: Allocated to the ongoing certification of new mining projects (NI 43-101) to expand collateral.
- 8% Operating Expenses: Covers operational infrastructure, salaries, and professional services in Argentina.
- 4% Social Programs: Funding for smart agriculture (aquaponics), DeFi training for local producers, and the creation of sustainable employment. 2% Eco Projects: Support for technologies dedicated to protecting the planet and achieving carbon neutrality.



Security, Custody, and Governance

AUR implements a "verifiable trust" policy:

- Multi-Signature Scheme: Operational fund transfers require approval from multiple responsible signatories.
- Stability Vesting: Tokens held by the founding team and advisors are subject to a 1-year vesting period to ensure long-term commitment to the project.



Risk Factors

Acquiring Aureum tokens (AUR) involves a high degree of risk. By participating in this ecosystem, the investor acknowledges and accepts the following:

Market Risks and Volatility

The value of AUR is linked to the international price of gold. While gold is historically stable, its price can fluctuate due to macroeconomic factors, changes in interest rates, or variations in global demand. There is no guarantee that the token price will not fall below the purchase price.

Geological and Certification Risk

Although the backing is based on NI 43-101 reports prepared by professionals, mineral resource estimates are statistical projections. There is a risk that the quantity or quality of the ore underground may differ from initial estimates due to errors in geological models or changes in the technical feasibility of the projects.

Technological and Cybersecurity Risks

AUR operates on the Ethereum network. The investor assumes the risks inherent in blockchain technology, including smart contract failures, 51% attacks, network forks, or loss of access to private keys by the user. Despite using the ERC-3643 standard, no computer system is 100% invulnerable to hacking.

Regulatory and Legal Risk

The legal framework for crypto assets and security tokens is constantly evolving in Argentina and around the world. Changes in regulations from the CNV (National Securities Commission), the UIF (Financial Information Unit), or the BCRA (Central Bank of Argentina) could affect the token's liquidity and its capacity.

Liquidity Risk

There is no guarantee that an active secondary market for AUR will exist at all times. The ability to convert AUR into fiat currency or other digital assets will depend on supply and demand on authorized exchanges and general crypto market conditions.

Issuer Execution Risk

The success of the project depends on management's ability to manage mining certifications and maintain the technological infrastructure. Force majeure events, political instability, or economic changes in mining regions could affect the protocol's operation.



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