

# Crowd Bootstrap® – Entrepreneur Empowerment

## Crowd Bootstrap is Disrupting the Gold Mining Industry

	Traditional Deal with Multinational	Crowd Bootstrap
Value of Gold Reserves	US\$100 Million	US\$100 Million
Operating Costs	US\$50 Million	US\$50 Million
Multinational's Equity Stake	80%	None
Impact Investor's Equity Stake	None	None
Impact Investor's Investment	None	US\$2 Million (in operating costs)
Multinational's Investment	Included in Operating Costs	None
Multinational's Profits	US\$40 Million (80%)	None
Repayment to Impact Investor	None	US\$2 Million
Investment in Social Impact Project	None	US\$2 Million
Crowd Bootstrap's Stake	None	US\$10 Million
Mine Ownership	Mine owned by Multinational	Mine owned by Entrepreneur
Entrepreneur's Profits	US\$10 Million	US\$36 Million

## Mature Industry Estimation Accuracy for Gold Reserves

Report	Category	Degree of Certainty
Feasibility Analysis	Proven & Probable Reserves	90%
Pre-Feasibility Study	Measured & Indicated Resources	60%
Preliminary Economic Assessment	Inferred Resources	30%

Reference: <http://www.mining.com/web/heres-how-you-value-any-gold-project/>

## Crowd Bootstrap's benefit to Entrepreneur Miners

- An individual, or family, may own rights to a \$100M gold concession.
- They give 80% equity to a multinational before their concession rights expire.
- However, Crowd Bootstrap empowers them to tokenize their gold reserves.
- They can raise US\$2M from an Impact Investor to fund startup expenses.
- After 1 year, they can repay the Impact Investor's US\$2M.
- In the 2nd year, recycle US\$2M into the Investor's social impact project.
- Pay Crowd Bootstrap US\$10M to arrange the mining expertise and funding.
- Entrepreneur gives up 14% instead of 80% in a multinational partnership.
- Entrepreneur miner will retain US\$36M in profits rather than US\$10M.
- Entrepreneur retains ownership of her mine.

# Crowd Bootstrap<sup>®</sup> – Risk Mitigation

**Country Risk**

More than 25 years of peaceful elections

**Authentication**

Government licensing and mine inspection

**Value of Reserves**

Feasibility Study has 90% Accuracy

**Investment Funds**

Drip funding from escrow to entrepreneur

**Startup/Capital Spend**

Volume discounts & pay vendors from escrow

**Operations**

Success Team will enforce value assurance

**Progress Reports**

Variance analysis and mitigation plans

**Agreed Budget**

Monthly progress payments from escrow

**Revenue Plan**

Pre-orders from large gold customer in Texas

**Distribution**

Insurance coverage for shipping & receiving