



Virtual on Physical Foundations

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Introduction

The purpose of this white paper is to present the “Aureus coin”, which will be issued by Pacific Rim Holdings Pty. Limited (“the Company”), to potential coin holders in connection with the proposed coin launch.

It is also important that we disclose potential risks to you. We have set out some of the key risks at the end of this paper under the heading ‘*Key risks: what are the potential risks involved with holding Aureus or participating in the coin offering?*’, together with some disclaimers.

Governments today issue currency that is not backed by a physical commodity, such as gold or silver, it is backed only by the government that issued it. Many cryptocurrencies have no physical backing or intrinsic value. Without the authority of a government or transparency about how the company issuing the cryptocurrency supports the cryptocurrency’s value, it can be difficult to trust in the company or value of the cryptocurrency.

The Company and the Aureus coin are different. The Company, together with its affiliates, holds and controls a portfolio of Real Assets, which it will continue to grow and manage. The Real Assets that the Company and or its affiliates currently control are predominantly Real Estate, with a total value of more than five million Australian Dollars (\$5,000,000). We will use this portfolio to support the issue of Aureus coins and will continue to grow the portfolio with funds raised in the sale of Aureus coins to ensure the issued Aureus coins are supported by tangible assets.

What does this mean? There will be trust in the value of the Company issuing the Aureus coin and more transparency about the tangible assets that underpin the Aureus coins on issue. The Aureus coin will initially be issued by the Company at the price listed on this website and on our Exchange. The market value of Aureus coins issued will then be supported by the portfolio of assets of at least the same value. For example, if there are \$4 million (Australian dollars) worth of Aureus coins in circulation, the Company’s portfolio of Real Assets will have a total value of at least \$4 million.

Aureus will be based on the Ethereum network and as such the stable and secure Ethereum blockchain will be used for ease of exchange and for transparency in transactions.

Introduction to Cryptocurrencies and the Blockchain

The creation of blockchain and Bitcoin was revolutionary for many reasons as it created many new concepts. Blockchain transactions are independently confirmed by several computers around the world and when the information is written to the blockchain ledger a mathematical code is inserted that confirms all previous written data. This results in what is called immutability i.e., un-editable written data, hence truth in data. Prior to this, digital transactions between strangers relied on a third-party intermediary (for example a bank), who could change data without parties to the transaction knowing that the data was changed.

Most critics of cryptocurrencies will raise the idea that there is no intrinsic value attached to them and that there is nothing backing the company or person issuing the currency.

However, like with fiat currency, such as AUD or USD (which also has no intrinsic value), cryptocurrencies and corresponding apps and exchanges have caught on and resulted in an increasingly large utilisation, including the ability to deposit and lend cryptocurrencies like you can with ordinary money. For example, Decentralised Finance (DeFi) enables coin staking and loans which allows people with cryptocurrency holdings to earn a return akin to “interest”.

This exponential growth in use is called the network effect and is one of the reasons that Facebook was able to become so valuable. Another recent use of the blockchain is the creation of Non-Fungible Tokens (NFTs), which give the ability to make something digital unique. Prior to blockchain, anything digital could be reproduced to create an indistinguishable copy of the original.

Bitcoin is the most known and used cryptocurrency in the world. Its main purpose is as a form of digital money, and it enables anonymous transactions between two parties without the need for an intermediary, just like cash but in a digital form. It is possible for these transactions to be finalised in 10 minutes anywhere in the world for any amount. Compare that to centralised banks SWIFT transactions that can take days to finalise.

Ether is another common cryptocurrency, which operates on the Ethereum blockchain. Like Bitcoin, Ether can be used as digital money. However, the Ethereum network has more features and is more akin to an open-ended decentralized software platform, which enables tokens with additional features to be created, including tokens that have code written into them (like programmable money). Ethereum upgrades which are currently being tested promise to bring Ethereum transaction processing from 30 transactions per second (tps) to 100,000 tps.

One of the greatest features of the Ethereum blockchain is the ability to create other coins. Coins issued on the Ethereum blockchain, which are often referred to as ERC20 tokens, can interact with any other coins on the Ethereum network. This has led to the creation of many coins with different purposes. One category of Ethereum coins is that of Stablecoins.

The value of fiat money (which is government-issued currency) is derived from the relationship between supply and demand and the stability of the issuing government, rather than the worth of a commodity backing it as is the case for commodity money.

Most modern paper currencies are fiat currencies including the Australian Dollar, US Dollar, the Euro, and other major global currencies as they detached themselves from gold backing in the early 1970s. Hence it risks losing value due to inflation, as it has done in the past and will continue to do so in the future. The Covid-19 pandemic has seen widespread abuse of all world governments printing additional money, which increases the money supply and decreases the value of the money already in circulation. In fact, approximately 30% of all US money circulating in 2020 was created in 2020.¹

Stablecoins were initially created to protect against the high market value volatility of cryptocurrencies, by ‘pegging’ or backing the Stablecoins market value to a real-world asset as an

¹https://www.federalreserve.gov/monetarypolicy/bst_recenttrends.htm.

external reference to minimise fluctuations in value. For example, a Stablecoins value could be pegged to a currency like the US or Australian dollar or to a commodity's price such as gold or silver. This is done by buying that currency or commodity and then releasing the equivalent value in Stablecoin, or otherwise having a mechanism in place to ensure the value of the Stablecoin tracks the value of the currency or commodity it is pegged to. For example, a computer algorithm may be in place to 'burn and mint' the amount of the Stablecoin in circulation to manage supply and demand in order to stabilise the market value.

Tether is one of the biggest Stablecoins and is based on the US dollar. It generally maintains its value within -2% to +2% of the US dollar and does this using an auditable 1:1 exchange with physical US dollars and gold. At the date of preparing this white paper, it has a market capitalisation of approximately \$37 billion USD.

Introduction to Aureus Coin

Our coin, Aureus (symbol AUS) is named after the ancient Roman gold coin. The Romans provided us with a foundation for our society, having given us various architectures, roads, clean water, sewer systems, and of course taxes.

We call Aureus a "Foundation Stablecoin" because at its foundation is the backing of a portfolio of Real Assets that are controlled by the Company and or its affiliates. However, it allows for growth beyond the value of the Portfolio because the market price of AUS will ultimately be based on market demand.

Aureus will be open to market forces and as such will be subject to market pricing to the upside and the downside. Aureus holders have free control of their holdings like any other crypto coin. However, Aureus will be backed by Real Assets which means the Company has real value to support the Aureus on issue. In the event that the Aureus open market value falls below the price it was issued to participants, the Company may buyback Aureus from a holder upon request at 90% of its initial issue price (for example: initially the buyer paid \$1 AUS to the Company so on buyback Company will pay 0.90 cents AUS). We anticipate that this buyback option will help to stabilise the market value of the Aureus.

Holders of the Aureus coin can relax in the knowledge that there is a portfolio of real-world assets controlled by the Company that backs the issued price of Aureus.

For more information on the potential risks, see the Key Risks section at the end of this white paper.

The issue and purchase of Aureus coins

The Company will initially issue Aureus coins at the price listed on this website and on our exchange. By virtue of this ICO the Company seeks to raise an initial amount of \$4,000,000 (Australian), however the Company will issue the Aureus coin at the time of purchase, regardless of the total amount raised. The Company can do this due to its existing portfolio of Real Assets.

All buyers of Aureus coins will need to fill in Know You Customer (KYC) information so that the Company can satisfy the Australian Government Anti Money Laundering and Counter Terrorism Financing (AML/CTF) laws. Documents to verify your identity such as a driver's license and/or passport and a utility bill may need to be provided.

The Company will use the funds raised by selling Aureus coins to add to its existing portfolio of Real Assets to further stabilize Aureus. The Company will also continue to work to expand the use and acceptance of Aureus coins in the market.

Exchanging Aureus

Aureus Coin holders at any time, can exchange the Aureus coin between themselves, provided they have a crypto wallet, at whatever market price they are willing to buy or sell for. They can also exchange Aureus with any other cryptocurrency, depending on the platform. A trading platform for Aureus coin holders will initially be provided on the Aureus website. Requests for conversion to and from Aureus to AUD is available on our website via our buyback offer, subject to certain conditions being met.

Aureus coins will also be listed on popular exchanges which will allow natural market pricing. The first public exchange will most likely be Uniswap. We aim to offer exchange pairs with other popular cryptocurrencies such as AUS-ETH, AUS-BTC, AUS-NANO etc.

Buyback Offer

One of the most important factors of Aureus Coin is that it is backed by the Company's and/or its affiliates existing holdings of Real Assets. However, of all the funds raised, approximately 90% will be allocated to the purchase of additional Real Assets to enable the Company to expand its services and portfolio. Approximately 5 % of Aureus funds raised from the issue of Aureus coins will be made available to provide liquidity for buybacks so that the Company is in a position to facilitate any buybacks requested at its discretion.

In addition to the backing of the portfolio of Real Assets, the Company has also implemented the buyback offer to support the value of the Aureus Coin. To avoid market manipulation and abuse, if the market determines that the Aureus coin is more than 10% below its released price the Company may, in its discretion, offer buyback at 90% of the price paid by a holder for the Aureus coins to the Company within the limits of the liquidity holding.

Our aim is to maintain approximately 90% of allocated physical funds received by the Company to increase the Company's and or its affiliates Real Assets holdings and approximately 5% cash reserved for buybacks.

In addition, approximately 5% of any income received by the Company and or its affiliates from profits in dealings from the Real Assets will also go towards the buyback reserve.

For more information about the risks, see the Key Risks sections at the end of this white paper.

ICO and Beyond

Most coin or token ICOs have a declared target. Ethereum contracts are written which ensure that if that target is not met, then all investor contributions will be returned.

However, for those types of ICOs, if the target is reached then the following disadvantages may occur:

- (i) The funds are available to be spent at the founder's discretion without accountability on how the money is spent.
- (ii) Generally, as an example, the accumulated target funds are distributed as follows:
 - (a) Founders (say 10%)
 - (b) Development (say 20%)
 - (c) Early Investor (say 10%)
 - (d) Marketing (say 5%)
 - (e) Bounties to find bug in the software (say 3%)
 - (f) The remainder towards the financial aspects of the coin or token such as Administration.

The resulting disadvantages are twofold:

1. Often the investment funds are quickly consumed with no product in sight for sometimes years.

2. On many serious projects the allocated development amount may run out before completion of the project.

With the Aureus coin project, rather than waiting for a target to be reached, you will be issued with Aureus coins as soon as you purchase them. The advantages of this are:

- (i) The money will be allocated as follows:
 - (a) approximately 90% to purchasing additional Real Assets
 - (b) approximately 5% to buyback funds
 - (c) approximately 5% to emission reduction projects.
- (ii) With the Aureus coin project, the initial costs of development, marketing and administration will be borne by the Founders.
- (iii) The Company and or its affiliates income is through its existing Real Assets Holdings, and it is anticipated that this income will be increased through the purchase of additional Real Assets from the ICO. That income will go to:
 - (a) Taxation obligations
 - (b) Purchase of additional real assets to provide further backing to Aureus coins
 - (c) Upkeep of existing and additional Real Assets
 - (d) Aureus continuous coin development and marketing
 - (e) Administration
 - (f) To the buyback fund
 - (g) Approximately 5% to emission reduction projects
 - (h) The remainder will go to the founders.
- (iv) It is in the founders' interest to grow its portfolio of Real Assets as this will benefit the founders and will be beneficial to all holders of Aureus coins as it provides a broader backing for Aureus and will allow the Company to expand the concepts.
- (v) This model provides a scalable and sustainable solution to ensure the administration and development of Aureus is secured into the future.
- (vi) The accountability for Aureus will be through the public openness of the blockchain ledger.
- (vii) Accountability of funds is via a yearly valuation of all the real estate holdings, which will be published yearly on our website.

For more information about the risks, see the Key Risks sections at the end of this white paper.

Buying the Aureus Coin

The first step to buy the Aureus coin is to sign up on our website <https://aureus.net.au> and provide the requested information to create an account.

Using our website, you can then purchase Aureus directly:

1. by using Ether (using an Ethereum contract)
2. by using a debit card or credit card (noting that we may implement restrictions or conditions in relation to using a credit card due to the fact that these types of transactions can be reversed at the buyer's initiation),
3. via a bank transfer, by following the relevant prompts on the website.

Our website will also have links to direct you to trusted Australian digital currency exchanges which enable you to exchange other cryptocurrencies for Australian dollars or Ethereum.

How the Company will use funds raised from issuing Aureus coins

Selective additional Real Assets will be purchased to back the expansion and growth of the Company's concept with the funds raised from issuing the Aureus coins. At any time, the Purchaser can purchase Aureus instantly using the methods outlined above which are available on our website.

Where will the Real Assets be purchased?

Initially we will purchase additional Real Assets in Australia. Australia has a stable economy and government. It is a wealthy country, mineral rich and a major world trader.

Australian government policies such as a year-on-year increase in migration and an international student population equivalent to 3.2% of the population means that there is an increasing demand for Real Assets. For example, other government incentives such as the First Home Buyers Scheme, Home Builders grant, and negative gearing combined with 2% interest rates, have seen a recent real estate market increase. In addition, the market price for classic and vintage motor cars and motor bikes has also seen a steady growth.

The Company's advantage is also that we have extensive knowledge of the Australian market in relation to real estate, contacts in the building industry and experience spanning over 40 years. Some previous real estate and businesses owned and managed include The Village Grand Prix at Prospect NSW, The Picton Hotel in Picton NSW, Fairfield Franklins Shopping Arcade, Commercial/Residential property in John St Cabramatta, and construction of Apartments in Fairfield.

Although Aureus coin holders do not have any right to the underlying assets and do not directly benefit from the Company's success developing its portfolio, it is our hope that the value of the Company's real assets which back the Aureus coins on issue will foster trust in the Company and in Aureus.

For more information about the risks, see the Key Risks sections at the end of this white paper.

Our Team

The Aureus team is a group of passionate professionals with years of experience spanning the Legal, Real Estate, Construction, and IT industries.

Lawyers, Barristers, Real Estate Agents, and Property Developers will be working on all aspect of finding the right Real Assets at the right price with great potential to grow. Our IT Experts, Consultants and Computer Programmers ensure that an easy and friendly website user interface can be created to provide the user with functional and informative experience. Crypto based programming will be utilised to ensure credibility.

Key risks: what are the potential risks involved with holding Aureus or participating in the coin offering?

Key risks include:

- Aureus coin holders are not acquiring any rights or interest in the tangible assets, or in the Company. This means that an Aureus coin holder cannot convert their Aureus coins into the value of the underlying assets and has no claim in assets of the Company or its associates.
- Regardless of the performance of the tangible assets, there is no guarantee that the portfolio of real assets 'backing' Aureus will stabilise the value of Aureus coin. The value of Aureus coin will ultimately be dictated by, and fluctuate in accordance with, supply and demand.
- The Company does not guarantee that it will grant a request for a buyback. If the value of the portfolio of tangible assets falls, it may impact on the Company's ability to grant requests for buybacks.
- New laws and regulations may change the way in which digital tokens are treated, including for taxation purposes.
- Aureus coins will be issued through an open-source IT protocol called ERC20. The Company does not control the operational network of ERC20, including the way in which a feature might affect Aureus coin ownership.

This is not an exhaustive list of considerations and risks. If you are unsure of the risks involved in participating in the Aureus coin offering, you should consult your own business, legal, financial, tax or other professional advisor.

Disclaimers

The information set forth in this white paper may not be exhaustive and does not imply any element of a contractual relationship. Its sole purpose is to provide relevant and reasonable information to potential coin holders for them to determine whether to undertake a thorough analysis of the Company with the intent of acquiring Aureus coins. Nothing in this white paper shall be deemed to constitute a prospectus of any kind or a solicitation for investment. Nor does it in any way pertain to an offering or solicitation of an offer to buy any securities in any jurisdiction.

There may be taxation consequences related to any gains you experience from purchasing and holding Aureus coins. If you do not understand the taxation consequences or risks, we suggest you seek independent professional financial and taxation advice.

The Aureus coin is not a derivative, an interest in a managed investment scheme or other miscellaneous financial product as defined under chapter 7 of the *Corporations Act 2001* (Cth).

The Company and/or its representatives do not, and do not intend to, run a financial services business and are not authorised by an Australian Financial Services Licence. The Company and or its representatives:

1. Do not provide financial product advice to any person, company, or client.
2. Do not deal in a financial product for example, buying or selling shares on behalf of any person, company or client or issuing interest in a managed investment scheme.
3. Do not make a market for a financial product for any person, company, or client.
4. Do not operate a registered managed investment scheme.
5. Do not provide a custodial or depository service for example, holding a financial product, or a beneficial interest in a financial product on trust for any person, company, or client.
6. Do not provide traditional trustee company services, for example, preparing estate management functions, for any person, company or client.
7. Do not provide a crowd funding service.
8. Do not provide a superannuation trustee service.
9. Do not provide claims handling and settling services.

Certain statements, estimates, and financial information contained in this white paper constitute forward-looking statements or information. Such forward-looking statements or information involve known and unknown risks and uncertainties which may cause actual events or results to differ materially from the estimates, or the results implied or expressed in such forward-looking statements.

The provisions of this English language original document shall prevail.

The Company does not guarantee the accuracy of or the conclusions reached in this white paper, and this white paper is provided “as is”.

The Company does not make and expressly disclaims all representations and warranties, express, implied, statutory, or otherwise, whatsoever, including, but not limited to:

- (i) warranties of merchantability, fitness for a particular purpose, suitability, usage, title of non-infringement;
- (ii) that the contents of this white paper are free from error; and
- (iii) that such contents will not infringe third-party rights.

The Company and its affiliates shall have no liability for damages of any kind arising out of the use, reference to, or reliance on this white paper or any of the content contained herein, even if advised of the possibility of such damages.

In no event will the Company or its affiliates be liable to any person or entity for any damages, losses, liabilities, costs, or expenses of any kind, whether direct or indirect, consequential, compensatory, incidental, actual, exemplary, punitive, or special for the use of, reference to, or reliance on this white paper or any of the content herein, including, without limitation, any loss of business, revenues, profits, data, use, goodwill, or other intangibles losses.

It is your sole responsibility to ensure that your participation in the Aureus ICO is not prohibited under the applicable legal restrictions in your country of residence or domicile.

The Company is at liberty to change, as it deems fit, any of the matters contained herein at any time.

Although the Aureus coin is backed by the Company's portfolio of real assets, the assets of the Company do not dictate the value of Aureus determined by the open markets.

The holders of Aureus coins have no rights whatsoever, express, or implied, to any of the assets of the Company.

The purpose of the assets of the Company and or its affiliates is:

1. to back the Aureus Coin from loss of value of the price per Aureus offered by the Company to holders and paid by holders directly to the Company, and
2. to facilitate the Buy Back offer described in this white paper.