MiloGold Litepaper

Gold, Unleashed for the On-Chain Economy

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MiloGold

Tokenized Gold Infrastructure with Always-On Proof-of-Reserve

"This is not just gold on the blockchain – it's gold unleashed."

Abstract

MiloGold is an on-chain infrastructure protocol designed to bring vaulted, insured gold into the programmable digital economy while preserving the trust, transparency, and discipline required for long-term capital participation.

The system introduces a dual-layer architecture:

- **MGOC (Milo Gold Ownership Certificate)** — a wallet-native digital vault receipt representing a specific claim on real, LBMA-compliant, insured gold and gold-backed stable reserves.
- **$MLGD** — a separate utility and rewards token used for protocol access, incentives, yield mechanisms, and exit routing.

At its core, MiloGold is built around an **Always-On Proof-of-Reserve (PoR)** framework, where at least **50% of all platform income is automatically routed into a ring-fenced reserve structure**, verifiable on-chain through cryptographic proofs.

Rather than transforming gold into a speculative instrument, MiloGold focuses on **infrastructure**: transparency, verifiability, controlled liquidity, and disciplined token design. The protocol is designed to scale across chains, jurisdictions, and financial use cases while maintaining a conservative reserve-first architecture.

Executive Summary

1. What MiloGold Is

MiloGold is a tokenized gold infrastructure protocol that enables users to:

- Acquire **discounted exposure to real, vaulted gold** through MGOC
- Verify gold backing **independently and on-chain**
- Access **optional yield mechanisms** funded by protocol activity rather than unchecked token emissions
- Exit transparently via a documented MGOC → $MLGD conversion path

MiloGold is not a synthetic gold derivative, a meme-driven commodity token, or a fractional IOU system. It is designed as a **programmable ownership and utility layer** on top of professionally custodied gold.

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2. Core Components

2.1 MGOC — Milo Gold Ownership Certificate

MGOC is a digital ownership receipt that:

- Represents a specific amount of vaulted, insured gold and gold-backed reserves
- Tracks the live spot price of gold (XAU)
- Is designed to be tradable through the OzGold marketplace
- Serves as the primary gold exposure instrument within the ecosystem

2.2 $MLGD — Utility & Rewards Token

$MLGD is the ecosystem's operational token:

- Used for staking, rewards, fees, liquidity, and exits
- References 1 / 1,000,000th of an ounce of gold as its internal accounting unit
- Powers protocol incentives without directly representing gold ownership

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2.3 Trust Architecture

- At least **50% of platform income is routed into a ring-fenced Proof-of-Reserve**
- Reserves are not used for operational spending
- Proof-of-Reserve data is published using Merkle trees, with a self-verification dashboard
- Zero-knowledge proofs are planned to enhance privacy-preserving verification

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3. Market Context: Why Now

3.1 Gold Is Massive. Tokenized Gold Is Not.

As of the end of 2024, global above-ground gold reserves exceeded **216,000 tonnes**, representing a total market value of approximately **$29 trillion** at prevailing gold prices.

Despite this scale, **tokenized gold represents only ~$3.9 billion**, or roughly **0.01% of the total gold market**.

This imbalance highlights a structural gap between:

- Gold's role as a trusted store of value
- The modern financial system's demand for programmable, liquid, and transparent assets

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3.2 The Rise of Real-World Asset (RWA) Tokenization

Independent industry research consistently projects significant growth in tokenized real-world assets:

- **McKinsey** estimates ~$2 trillion in tokenized assets by 2030
- **Roland Berger** projects potential growth exceeding $10 trillion
- **BCG / Ripple** forecast up to ~$18.9 trillion by 2033

While projections are not guarantees, the directional trend is clear:
capital markets are moving on-chain, and commodities are a natural fit.

3.3 Macro Environment

In the current macro landscape:

- **Bonds** face duration risk and constrained yields
- **Cash** steadily loses purchasing power
- **Equities** trade at elevated valuations
- **Bitcoin** remains volatile and risk-sensitive

Gold, by contrast, continues to serve as:

- A time-tested hedge
- A highly liquid global asset
- A low-correlation component in diversified portfolios

However, gold remains operationally slow, difficult to verify in real time, and largely non-yielding.

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4. The Problem MiloGold Solves

4.1 Traditional Gold Limitations

While trusted, traditional gold ownership suffers from:

- Limited transparency for retail participants
- Slow settlement and restricted accessibility
- High minimums and frictional custody structures
- Minimal integration with digital financial systems

4.2 Shortcomings of Existing Tokenized Gold

Many existing tokenized gold offerings introduce new risks:

- Opaque reserve reporting
- Rehypothecation uncertainty
- Weak or unverifiable audits
- Day-one sell pressure from token unlocks
- Unclear exit mechanisms

In attempting to add liquidity or yield, trust is often compromised.

4.3 The Core Tradeoff

The gold market has historically forced investors to choose between:

- **Trust and stability**, or
- **Liquidity and yield**

MiloGold is designed to remove this tradeoff by enforcing:

- A reserve-first architecture
- Cryptographic transparency
- Disciplined token economics
- Explicit, documented exit paths

The goal is not to speculate on gold, but to **modernize how gold is owned, verified, and utilized** in an on-chain economy.

MiloGold System Overview

5. MiloGold: System-Level Design

MiloGold is designed as a **modular, reserve-first gold infrastructure**, rather than a single-purpose token or speculative product. The protocol separates **gold ownership**, **utility**, and **yield mechanics** into distinct layers to prevent conflicts of interest and reduce systemic risk.

At a high level, the MiloGold ecosystem consists of:

- A **gold ownership layer** (MGOC)
- A **utility and incentive layer** ($MLGD)
- A **Proof-of-Reserve enforcement layer**
- A **set of optional financial applications** built on top of these primitives

This separation ensures that:

- Gold backing remains verifiable and isolated
- Utility and rewards do not dilute ownership claims
- Yield mechanisms are optional and activity-funded
- Exit paths are explicit and documented

MiloGold is built to function as **infrastructure**, not as a closed investment product. Users interact with the protocol through wallets and dashboards, while the system enforces transparency through on-chain proofs and predefined allocation rules.

5.1 What MiloGold Is — and Is Not

MiloGold is:

- A tokenized gold ownership and utility framework
- Backed by vaulted, insured, LBMA-compliant gold and gold-backed reserves
- Designed for on-chain verification, not blind trust
- Built with long-term capital discipline in mind

MiloGold is not:

- A synthetic gold derivative
- A fractional IOU without verifiable reserves
- A yield promise or guaranteed return product
- A system that rehypothecates user-owned gold

By clearly separating ownership (MGOC) from utility and rewards ($MLGD), the protocol avoids the structural weaknesses present in many existing tokenized gold offerings.

5.2 High-Level Flow

At a system level, user interaction follows a transparent and auditable path:

1. Users acquire **MGOC**, representing discounted or spot-priced gold exposure.
2. Underlying reserves are allocated and tracked within the Proof-of-Reserve framework.
3. On-chain data allows users to independently verify reserve coverage.
4. Optional protocol applications (staking, lending, leasing) generate activity-based income.
5. A protocol-defined portion of this income is routed back into reserves.
6. When liquidity is desired, MGOC can be swapped to **$MLGD** through the OzGold marketplace and exited via supported venues.

This structure prioritizes **capital preservation first**, while enabling programmable financial use cases on top.

MGOC: Milo Gold Ownership Certificate

6. MGOC — Digital Gold Ownership

MGOC (Milo Gold Ownership Certificate) is the primary gold exposure instrument within the MiloGold ecosystem.

MGOC functions as a **wallet-native digital vault receipt**, representing a specific claim on real, vaulted, insured gold and gold-backed reserves held under professional custody arrangements.

Each MGOC:

- Represents a defined amount of gold exposure
- Tracks the live spot price of gold (XAU)
- Is recorded on-chain and linked to the Proof-of-Reserve system
- Is designed to be tradable through the OzGold marketplace

MGOC is not a speculative token; it is an **ownership representation** anchored to real assets.

6.1 What MGOC Represents

MGOC represents:

- Allocated physical gold held in LBMA-compliant, insured vaults
- Supplementary gold-backed stable reserves where applicable
- A verifiable ownership claim within the MiloGold system

The certificate structure ensures that:

- Gold backing is not abstract or pooled without accountability
- Ownership claims are independently verifiable
- Reserve ratios can be monitored in real time

6.2 Presale Logic: Buying Gold, Not Tokens

During the presale phase, participants do **not** purchase $MLGD tokens.

Instead, participants acquire **discounted gold exposure**, priced directly off live XAU/USD market data. The digital receipt for this exposure is the MGOC.

Key characteristics of the MGOC presale:

- Pricing is pegged to live gold prices
- Discounts decrease predictably over time
- Round progression is time-based, not discretionary
- Early participation receives higher gold discounts

This structure aligns incentives by:

- Reducing speculative token pressure
- Anchoring value to a real-world reference
- Creating predictable and transparent access conditions

6.3 Tradability and Liquidity

MGOC is designed to be tradable through the **OzGold marketplace**, where holders may:

- Exchange MGOC positions
- Convert MGOC into $MLGD for exit or liquidity
- Access future protocol applications

The conversion of MGOC to $MLGD serves as the **primary exit and liquidity routing mechanism**, ensuring a documented and auditable path from gold ownership to market liquidity.

6.4 MGOC and Risk Discipline

MGOC holders are not required to participate in yield, lending, or leasing activities.

Ownership and utility remain **decoupled by design**, allowing users to:

- Hold gold exposure without engaging in additional risk
- Opt into protocol activities only if aligned with their risk profile

This opt-in structure is fundamental to MiloGold's reserve-first philosophy.

$MLGD: Utility & Rewards Token

7. $MLGD — Protocol Utility Layer

$MLGD (MiloGold Token) is the utility, rewards, and routing token of the MiloGold ecosystem. It is **not** a representation of gold ownership and does not itself confer a claim on physical reserves.

Instead, $MLGD functions as the **operational token** that enables:

- Protocol incentives
- Fee settlement
- Yield distribution
- Liquidity routing
- Governance participation (future phase)

This separation between **MGOC (ownership)** and **$MLGD (utility)** is intentional and central to MiloGold's architecture.

7.1 Supply & Reference Model

- **Total Supply:** 10,000,000,000 $MLGD (fixed at protocol level)
- **Reference Unit:**
  Each $MLGD references **1 / 1,000,000th of an ounce of gold** as the system's internal accounting unit.

This reference mechanism:

- Provides a consistent unit of measure across the ecosystem
- Aligns incentives with gold-denominated value logic
- Does **not** imply direct gold backing or redeemability

7.2 Core Roles of $MLGD

$MLGD is used throughout the MiloGold ecosystem for:

- **Staking & Rewards**
  Participants may stake $MLGD post-listing to earn variable or fixed-term rewards funded by protocol activity.

- **MGOC Staking Rewards**
  MGOC holders who opt into staking receive rewards denominated in $MLGD.
- **OzGold Marketplace**
  $MLGD functions as the designated swap, fee, and settlement token when trading or exiting MGOC positions.
- **Lending & Leasing Applications**
  Interest and lease fees generated through protocol applications contribute to $MLGD reward pools and reserve reinforcement.
- **Liquidity & Incentive Programs**
  $MLGD powers liquidity provisioning, promotional incentives, and ecosystem growth mechanisms.
- **Exchange Listings**
  $MLGD is the token listed on decentralized and centralized exchanges.
- **Future Governance**
  Governance rights are planned to be delegated to $MLGD holders as the protocol matures.

7.3 Exit Mechanics

A clearly documented exit path is a core design principle.

When liquidity is desired:

1. MGOC holders convert MGOC to $MLGD via the **OzGold marketplace**
2. $MLGD may then be traded on supported DEX or CEX venues

This two-step structure:

- Preserves reserve isolation
- Avoids direct pressure on gold holdings
- Ensures transparent liquidity routing

7.4 Smart Contract Transparency

Core $MLGD contracts are deployed and publicly verifiable on-chain.

- **Primary Contract Address:**
  `0xb6e3e998b772dc4987da85c0dcb46cd45f7771fc`

This enables independent inspection of:

- Contract bytecode
- Token supply mechanics
- Transaction history
- State variables

Additional contracts are deployed progressively as the ecosystem expands.

System Architecture & Capital Flow

8. Architectural Principles

MiloGold is built around four non-negotiable architectural principles:

1. **Reserve Isolation**
   Gold reserves are ring-fenced and not used for operational spending.
2. **Transparency by Default**
   Reserve status, coverage ratios, and inclusion proofs are verifiable on-chain.
3. **Optional Risk Participation**
   Users choose whether to engage in staking, lending, or leasing.
4. **Protocol-Enforced Discipline**
   Capital flows are governed by predefined smart-contract logic, not discretionary decisions.

8.1 Capital Flow Overview

At a system level, capital flows through clearly defined channels:

Entry

- Users acquire MGOC through presale or secondary markets.
- Contributions are priced off live XAU/USD data.

Reserve Allocation

- Underlying gold and gold-backed reserves are allocated to custody.
- Reserve data is incorporated into the Proof-of-Reserve framework.

Protocol Activity

- Optional applications (staking, lending, leasing, marketplace activity) generate fees and spreads.

Reserve Reinforcement

- At least **50% of protocol-generated income** is automatically routed into the ring-fenced Proof-of-Reserve.

Utility Distribution

- Remaining protocol income supports $MLGD rewards, liquidity programs, and ecosystem incentives.

8.2 What Does *Not* Happen

By design:

- Gold reserves are **not** lent out by default
- Reserves are **not** pledged as collateral for protocol operations
- Yield is **not** generated by rehypothecating gold
- Token emissions are **not** the primary reward source

This structure avoids the common failure modes seen in prior commodity-token experiments.

8.3 Separation of Risk Domains

Layer	Risk Exposure
MGOC Holding	Gold price movement
$MLGD Holding	Utility & market dynamics
Staking / Lending	Protocol & counterparty risk

Users can engage with each layer independently, preserving flexibility and risk clarity.

8.4 Design Outcome

The result is a system where:

- Gold ownership remains conservative and verifiable
- Utility and yield are activity-based, not extractive
- Liquidity is explicit and documented
- Long-term capital is prioritized over short-term speculation

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Proof-of-Reserve Framework

9. Proof-of-Reserve: Enforced Transparency

MiloGold is built around an **Always-On Proof-of-Reserve (PoR)** framework designed to make reserve coverage **observable, verifiable, and structurally protected**.

Unlike periodic attestations or discretionary disclosures, MiloGold's PoR is a **protocol-enforced system** that publishes reserve data on-chain and enables independent verification by any participant.

At a minimum, **50% of all platform-generated income** is automatically allocated to a **ring-fenced reserve structure**. This allocation is governed by smart-contract logic and is not subject to manual override.

9.1 Ring-Fenced Reserve Design

The Proof-of-Reserve is designed to be **non-operational**:

- Reserve assets are segregated from protocol operating funds
- Reserves are not used for:
    - Operational expenses
    - Liquidity provisioning
    - Lending or collateralization
- Access to reserves is restricted by protocol rules

This ring-fencing ensures that reserve assets remain **structurally protected**, regardless of market conditions or protocol activity.

9.2 Reserve Composition

The PoR framework reflects the composition of backing assets, which may include:

- **Physical Gold**
  - Held in LBMA-compliant, fully insured professional vaults
  - Stored across multiple jurisdictions (including the EU and Dubai)
- **Gold-Backed Digital Reserves**
  - Used where applicable to enhance operational flexibility
  - Fully incorporated into reserve accounting

The reserve ratio is designed to remain **at or above 100%**, with protocol income reinforcing coverage over time.

9.3 Continuous Income Reinforcement

Unlike static reserve models, MiloGold's PoR is **dynamically reinforced**:

- Protocol applications (staking, lending, leasing, marketplace fees) generate income
- A predefined portion of this income flows automatically into reserves
- Over time, this mechanism is designed to strengthen reserve coverage rather than erode it

This approach aligns long-term protocol growth with **increasing reserve resilience**.

Verification, Cryptography & Audits

10. Verifiability by Design

MiloGold's PoR framework is built to be **self-verifiable**, reducing reliance on blind trust or opaque disclosures.

10.1 Merkle-Based Proofs

Reserve snapshots are published using **Merkle trees**, enabling:

- An immutable on-chain record of reserve states
- Efficient inclusion proofs for individual balances
- Independent verification without revealing sensitive data

Each snapshot generates a **Merkle root**, which is stored on-chain and serves as a cryptographic commitment to the full reserve dataset at that point in time.

10.2 Self-Verification Tools

Participants are able to verify reserve inclusion through a dedicated PoR dashboard, which provides:

- **Reserve Allocation Overview**
  Distribution between physical gold and digital reserves
- **Reserve Ratio Indicator**
  Visual confirmation that reserves exceed liabilities
- **Real-Time Metrics**
  Total reserves, total MGOCs, and timestamp of the last update
- **Individual Inclusion Verification**
  Wallet-based verification confirming participation in the PoR system

This tooling enables users to **verify, not assume**, reserve coverage.

10.3 Zero-Knowledge Proof Roadmap

To further enhance privacy-preserving transparency, MiloGold plans to integrate **zero-knowledge proofs (zk-SNARKs)** into the PoR framework.

ZK proofs allow participants to:

- Verify reserve adequacy
- Confirm inclusion
- Without exposing individual balances or sensitive operational data

This balances **institutional-grade transparency** with privacy requirements.

10.4 Audits & Oversight

MiloGold complements on-chain verification with external oversight:

- **Smart Contract Audits**
  - Conducted by independent firms (e.g., CyberScope)
  - Additional audits by CertiK and Hexens planned
- **Physical Gold Audits**
  - Periodic third-party verification of vaulted assets
  - Reports made accessible through the PoR dashboard

Audit results and methodologies are published to support informed evaluation.

10.5 Trust Model Summary

MiloGold's Proof-of-Reserve framework is designed to replace opaque assurances with enforceable mechanisms:

- Cryptography over promises
- Automation over discretion
- Verification over assumption

This trust architecture forms the **foundation** upon which all other protocol components operate.

Security & Custody Framework

11. Security by Design

MiloGold is engineered with a **defense-in-depth security philosophy**, combining on-chain controls, off-chain custody standards, and organizational safeguards.

Security is treated not as a single feature, but as a **system-wide property** spanning smart contracts, treasury management, custody, and operational processes.

11.1 Smart Contract Security

Core protocol components are implemented through publicly verifiable smart contracts.

Key measures include:

- Publicly deployed and inspectable contracts
- Immutable core logic governing token supply and allocation rules
- Restricted upgrade paths for critical components
- Continuous monitoring and responsible disclosure practices

Independent security audits form a central part of the development lifecycle.
The first audit has been completed by **CyberScope**, with additional audits by firms such as **CertiK** and **Hexens** planned as the ecosystem expands.

Audit reports are published to enable independent technical review.

11.2 Treasury & Key Management

To reduce single-point-of-failure risk, MiloGold employs:

- **Multi-signature treasury controls**
- Segregation of duties across operational roles
- Policy-based access restrictions for sensitive functions

This structure limits discretionary control and aligns treasury operations with institutional best practices.

11.3 Custody of Physical Gold

Physical gold backing the MGOC system is held under **professional custody arrangements** that meet institutional standards.

Custody characteristics include:

- **LBMA-compliant vaulting facilities**
- Fully insured storage
- Geographic diversification across **Dubai and the European Union**
- Independent third-party verification

Gold held under custody is not commingled with operational assets and is not accessible for protocol spending.

11.4 Jurisdictional Structure

MiloGold operates from **Dubai's DMCC Free Zone**, a globally recognized hub for both gold trading and digital asset innovation.

The DMCC jurisdiction provides:

- Proximity to established gold markets
- Regulatory clarity for commodity-backed structures
- A framework supportive of blockchain-based financial infrastructure

This jurisdictional positioning supports both operational efficiency and regulatory engagement.

Compliance, Oversight & Risk Controls

12. Regulatory Alignment

MiloGold is designed to operate in alignment with applicable regulatory standards while maintaining a clear distinction between infrastructure provision and financial advice.

Key compliance principles include:

- Alignment with **FATF AML/KYC standards**
- Mandatory identity verification for participation where required
- Ongoing engagement with relevant regulatory bodies, including Dubai's **VARA**

Regulatory alignment is treated as an evolving process, adapting as frameworks for tokenized real-world assets mature.

12.1 Audit & Oversight Model

MiloGold combines **on-chain transparency** with **off-chain oversight**:

- Cryptographic Proof-of-Reserve provides continuous visibility
- External audits validate smart contracts and physical reserves
- Audit methodologies and findings are disclosed publicly

This dual-layer approach reduces reliance on any single trust mechanism.

12.2 Operational Risk Controls

Operational risks are mitigated through:

- Predefined protocol rules governing capital flows
- Automated allocation of income to reserves
- Clear separation between ownership, utility, and operational layers

By minimizing discretionary intervention, MiloGold reduces exposure to human error and governance risk.

12.3 Risk Awareness

Participation in MiloGold involves inherent risks, including but not limited to:

- Market volatility
- Smart contract vulnerabilities
- Regulatory changes
- Liquidity conditions

These risks are addressed in detail in the Risk Disclosure section of this document and should be carefully considered by all participants.

12.4 Compliance Philosophy

MiloGold's compliance approach is based on three core principles:

1. **Transparency over opacity**
2. **Automation over discretion**
3. **Verification over assumption**

This philosophy is intended to support sustainable growth while maintaining trust across retail and institutional participants.

Presale Structure & Mechanics

13. Presale Design Principles

The MiloGold presale is structured to provide **predictable access to discounted gold exposure**, while minimizing speculative behavior and discretionary intervention.

Rather than selling utility tokens upfront, the presale focuses on **MGOC issuance**, representing gold exposure priced directly against live market data.

The presale framework is governed by three core principles:

1. **Time-Based Progression**
   Sale phases advance automatically based on time, not sales volume or manual decisions.
2. **Gold-Pegged Pricing**
   Contributions are calculated using live XAU/USD pricing, anchoring value to an external reference.

3. **Transparency & Predictability**
   Discount schedules, durations, and mechanics are defined in advance and enforced by protocol logic.

13.1 Presale Parameters

- **Total Presale Duration:** 90 days
- **Number of Rounds:** 30
- **Round Length:** 3 days per round
- **Advancement Mechanism:** Automatic, time-based

Round progression does not depend on:

- Capital inflows
- Demand levels
- Manual intervention by the team

This design removes uncertainty and aligns access conditions across all participants.

13.2 Discount Curve

The presale begins with a higher discount on gold exposure and gradually converges toward spot pricing.

Parameter	Value
Initial Discount	20.00%
Final Discount	5.50%
Discount Step	−0.50% per round
Pricing Reference	Live XAU/USD

Earlier participation corresponds to higher gold discounts, while later participation reflects reduced discounts as the system approaches market parity.

13.3 What Participants Acquire

Presale participants do **not** purchase $MLGD tokens.

Instead, participants acquire:

- Discounted gold exposure
- Represented on-chain through MGOC
- Verifiable via the Proof-of-Reserve framework

This structure ensures that:

- Presale value is anchored to gold, not speculative token pricing
- Utility token dynamics are deferred to post-listing phases

- Early participation aligns with long-term system usage

Participation Flow & Staking

14. Participation Process

Participation in the MiloGold presale follows a defined sequence designed for clarity and auditability.

14.1 Participation Steps

1. **Registration & Verification**
   Participants register via the MiloGold platform and complete required identity verification.
2. **Asset Selection**
   Supported networks and assets include, ETH, BNB, SOL, USDT, and USDC.
3. **Amount Input & Price Display**
   The platform displays:
   - Live gold price (XAU/USD)
   - Applicable discount
   - Corresponding gold exposure
4. **Transaction Approval**
   Participants approve and execute the transaction via their wallet.
5. **MGOC Allocation**
   MGOC positions are reflected in the participant dashboard.
   On-chain wallet minting is scheduled for a subsequent phase.

14.2 Staking (Optional)

During the presale period, MGOC holders may opt to register their positions for staking.

Key characteristics:

- Staking is **optional**
- Rewards are denominated in $MLGD
- APY is **simple (non-compounded)** during presale
- Rewards are subject to vesting conditions

14.3 Supported Staking Durations

Staking Stage	Lock Duration
Stage 1	90 days
Stage 2	180 days
Stage 3	360 days

Staking duration is selected at the time of participation and cannot be modified retroactively.

14.4 Risk & Participation Considerations

Participation in the presale involves exposure to:

- Gold price fluctuations
- Protocol execution risk
- Market and liquidity conditions post-listing

Staking rewards are variable and not guaranteed.
Participants should review the Risk Disclosure section of this document before participating.

Tokenomics Overview

15. $MLGD Tokenomics

The $MLGD token supply and allocation are designed to support:

- Long-term ecosystem sustainability
- Controlled circulating supply at launch
- Alignment between users, builders, and strategic partners
- Reduced risk of early market dislocation

The total supply of **$MLGD is fixed at protocol level** and cannot be increased.

15.1 Total Supply

- **Maximum Supply:** 10,000,000,000 $MLGD
- **Inflation:** None (fixed supply)

There are no algorithmic emissions or discretionary minting mechanisms.

15.2 Allocation Breakdown

Allocation Category	Percentage	Tokens
Listing, Liquidity & PoR Support	25%	2,500,000,000
Public Investment Rounds	20%	2,000,000,000
Marketing	13%	1,300,000,000
Staking Rewards	12%	1,200,000,000
Development & Sustainability Fund	8%	800,000,000
Team & Founders	7%	700,000,000
Private Investment Rounds	5%	500,000,000
Community Rewards	5%	500,000,000
Venture Capital Allocation	5%	500,000,000
Total	**100%**	**10,000,000,000**

Allocations are designed to balance liquidity needs, ecosystem incentives, and long-term protocol development.

15.3 Allocation Rationale

- **Liquidity & PoR Support** ensures orderly market formation and reserve reinforcement
- **Public & Private Rounds** align early capital with protocol growth
- **Staking & Community Rewards** incentivize participation without excessive emissions
- **Development & Sustainability** funds ongoing infrastructure and compliance
- **Team & VC allocations** are subject to extended vesting to reduce misalignment

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TGE, Vesting & Supply Discipline

16. Token Generation Event (TGE)

The Token Generation Event is structured to limit initial circulating supply while ensuring sufficient liquidity for market function.

16.1 Initial Float

- **Initial TGE Allocation:** ~2.13 billion $MLGD
- **Tokens Unlocked at TGE:** ~564 million $MLGD

This represents:

- ~26.48% of the TGE allocation

- ~5.64% of the total maximum supply

Approximately **300 million tokens** are allocated to DEX/CEX liquidity and MGOC-related routing, with the remainder distributed across other categories according to vesting schedules.

16.2 Listing-Day Discipline

To reduce day-one volatility and opportunistic selling:

- **No investor unlocks for the first 14 days** following listing
- After the 14-day cliff:
    - ~20% of eligible investor rewards unlock
    - Remaining rewards unlock in ~20% tranches approximately every 60 days
- Total investor vesting duration: ~254 days

16.3 Team & VC Vesting

- **Cliff:** 6 months post-TGE
- **Release Schedule:** 10% every 3 months thereafter

This structure aligns long-term contributors with protocol longevity rather than short-term price movements.

16.4 Project Sale Policy

Beyond the initial ~300 million tokens used for liquidity provisioning:

- The protocol will **not sell additional tokens for approximately 2 months** post-listing
- This pause is intended to support orderly price discovery and market stabilization

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16.5 Supply Discipline Summary

The tokenomics framework is designed to:

- Minimize abrupt supply shocks
- Encourage long-term holding and usage
- Align incentives across ecosystem participants
- Support sustainable protocol economics.

Reward Design & Yield Logic

17. Reward Architecture Principles

MiloGold's reward framework is designed to support **protocol participation without compromising reserve integrity**. Yield is treated as an optional outcome of system usage, not as a guaranteed feature or primary value proposition.

The reward architecture follows four core principles:

1. **Utility-Funded, Not Emission-Driven**
   Rewards are primarily funded by protocol activity such as fees, spreads, and service usage.
2. **Optional Participation**
   Users are not required to engage in staking, lending, or leasing to hold gold exposure.
3. **Risk Segmentation**
   Yield-bearing activities are separated from reserve-backed ownership.
4. **Variable Outcomes**
   All reward rates are variable and subject to market and protocol conditions.

17.1 Staking Framework

Post-listing, the MiloGold ecosystem supports multiple staking configurations:

- **$MLGD Staking (available post-listing; terms to be announced)**
  - Flexible or fixed-duration participation
  - Rewards funded by protocol revenue streams
  - Rates vary based on utilization and system performance
- **MGOC Staking**
  - Optional participation by gold ownership certificate holders
  - Rewards distributed in $MLGD
  - Designed to align long-term holders with protocol growth

Staking does not grant access to reserve assets and does not affect underlying gold ownership claims.

17.2 Lending & Leasing Contributions

Additional protocol applications contribute to reward pools:

- **Gold Lending**
  - MGOC positions may be used as collateral
  - Borrowers pay interest, contributing to protocol income
  - A portion of generated income is routed into reserves
- **Gold Leasing**
  - MGOC positions may be leased to third parties
  - Lease fees support reward pools and reserve reinforcement

Participation in lending and leasing introduces additional risk and is entirely optional.

17.3 Yield Characteristics

Yield outcomes within the MiloGold ecosystem are characterized by:

- Variable rates dependent on protocol usage
- No fixed or guaranteed returns
- Funding derived from economic activity rather than unchecked token issuance

This approach is intended to avoid unsustainable reward models and align incentives with long-term protocol health.

Product Ecosystem & Functional Modules

18. MiloGold Product Suite

The MiloGold ecosystem is composed of modular applications built on top of the core ownership and utility layers. These modules are designed to be interoperable, optional, and extensible.

18.1 Core Applications

Gold Trade Interface

- Enables acquisition and exchange of gold-referenced units
- Displays live XAU pricing and applicable discounts
- Integrates directly with MGOC issuance

Public Token Staking (available post-listing; terms to be announced)

- Allows $MLGD holders to participate in reward programs
- Supports flexible and fixed-term options

  (Public token staking will be introduced following listing, with parameters and terms announced at a later stage).

Gold Staking (MGOC)

- Enables MGOC holders to opt into staking programs
- Rewards distributed in $MLGD

18.2 Advanced Financial Modules

Gold Lending Application

- Enables borrowing against MGOC positions
- Interest contributes to reward pools and reserve reinforcement

Gold Leasing Protocol

- Facilitates temporary transfer of usage rights
- Lease fees support ecosystem sustainability

OzGold Marketplace

- Dedicated marketplace for MGOC trading and conversion
- $MLGD serves as the designated settlement and fee token
- Provides the primary MGOC → $MLGD exit mechanism

18.3 Governance & Future Extensions

As the protocol matures, governance functionality is planned to be introduced:

- $MLGD holders may participate in protocol governance
- Governance scope is expected to expand gradually
- Critical reserve parameters remain protected by protocol rules

Future extensions include:

- Multi-chain expansion
- Institutional integrations
- Additional asset classes under Proof-of-Reserve frameworks

18.4 Ecosystem Design Summary

The MiloGold product ecosystem is designed to:

- Preserve gold ownership integrity
- Offer optional, activity-based participation
- Scale modularly across chains and use cases
- Maintain transparency and reserve discipline

Roadmap & Delivery Outlook

19. Roadmap Overview

MiloGold's roadmap is structured around **incremental delivery**, regulatory alignment, and progressive expansion of functionality. Milestones emphasize **what ships**, rather than aspirational timelines.

19.1 Near-Term (2025 Q4)

- Publication of finalized Whitepaper and technical documentation
- Completion of core smart contract deployments
- Initial external security audits
- Public platform reveal and early access rounds
- Investor dashboard deployment (KYC, PoR view, allocations)
- Solana-based MGOC minting infrastructure

19.2 Medium-Term (2026 Q1–Q2)

- Token Generation Event (TGE)
- Initial Proof-of-Reserve partners in Dubai and the EU

- Token distribution and vesting execution
- Gold (MGOC) staking application
- Launch of OzGold marketplace
- DEX listings and Tier-2 CEX integrations
- Integration of on-chain Proof-of-Reserve for gold-backed digital reserves
- Off-chain physical gold audit publication
- Introduction of gold-backed lending and borrowing modules
- Cross-chain bridges (BNB Chain, Solana, Ethereum, Base)

19.3 Expansion Phase (2026 Q3–Q4)

- Governance module rollout (scoped and permissioned)
- Institutional DeFi integrations
- Payment gateway and fintech partner pilots
- Expansion of reserve custody jurisdictions
- Scaling of Proof-of-Reserve infrastructure

19.4 Long-Term Outlook (2027–2030)

- Multi-asset Proof-of-Reserve frameworks (additional metals, real assets)
- Gold-indexed stable instruments
- Institutional reporting and compliance tooling
- Advanced portfolio and wealth infrastructure layers
- Positioning MiloGold as a core Proof-of-Reserve and RWA tokenization infrastructure layer for third-party platforms, institutions, and financial applications.

Risk Disclosure & Conclusion

20. Risk Disclosure

Participation in the MiloGold ecosystem involves inherent risks. This document does not constitute financial advice, and participation should be undertaken only after independent evaluation.

Key risk considerations include, but are not limited to:

- **Market Risk**
  Fluctuations in gold prices, crypto asset markets, and liquidity conditions.
- **Smart Contract Risk**
  Potential vulnerabilities in deployed or future smart contracts despite audits and monitoring.
- **Custody & Operational Risk**
  Risks associated with third-party custodians, insurance frameworks, and operational execution.
- **Regulatory Risk**
  Changes in laws, regulations, or enforcement actions across jurisdictions.
- **Liquidity Risk**
  Variability in secondary market liquidity for $MLGD and MGOC conversions.

- **Execution Risk**
  Risks related to roadmap delivery, technical dependencies, and partner integrations.

No guarantees are made regarding performance, yield, or asset appreciation.

Conclusion

MiloGold is designed to modernize how gold is **owned, verified, and utilized** in a digital economy without compromising the principles that have made gold a trusted asset for centuries.

By separating ownership from utility, enforcing an always-on Proof-of-Reserve, and embedding capital discipline at the protocol level, MiloGold aims to provide **infrastructure rather than speculation**.

The protocol's focus is not on transforming gold into a high-risk instrument, but on making gold:

- Verifiable
- Programmable
- Accessible
- Compatible with modern financial systems

As capital markets continue their shift toward on-chain infrastructure, MiloGold positions itself as a **foundational layer** for transparent, reserve-backed asset participation.