ICO's, TOKENS & THE HYPE

- Why ICO as a fund-raising tool?
- Use-case methodology
- Security vs Utility Tokens – where the use-case fits the designation
- The hype: why this asset class has a very bright future.

WHY ICO AS A FUND-RAISING TOOL?
- Blockchain technology is fuelled by cryptocurrency as the transaction methodology…but it's not the only reason now are the 2 inextricably interlinked.
- Global access to capital @ the lowest entry level imaginable
- VC / Angel-funding = <u>ownership bear-squeeze trap</u>
    - Angels they are not…
- Equity: you don't have to give up any (unless you want)!

- Low-regulation environments are screaming for this opportunity

- Poor fundraising capabilities, due to geographies and historical imbalance are perfect playgrounds

Token Sale Fundraising by Country
Dollar amount raised via token sales, Jan '14 - Nov '17

Elementus.io
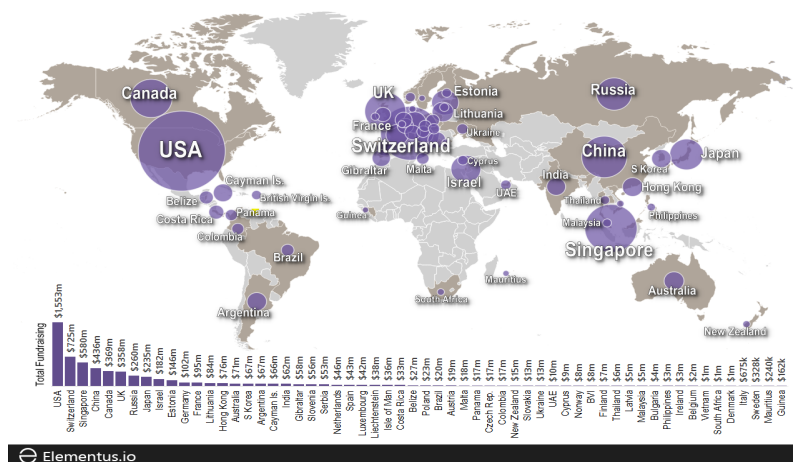
- 3 lonely token sales in Africa in the small red circle

- Large diverse economies, and small focussed economies lag as well

Top Countries for Token Sales
Number of token sales, Jan '14 - Nov '17 (min raise: $100k)
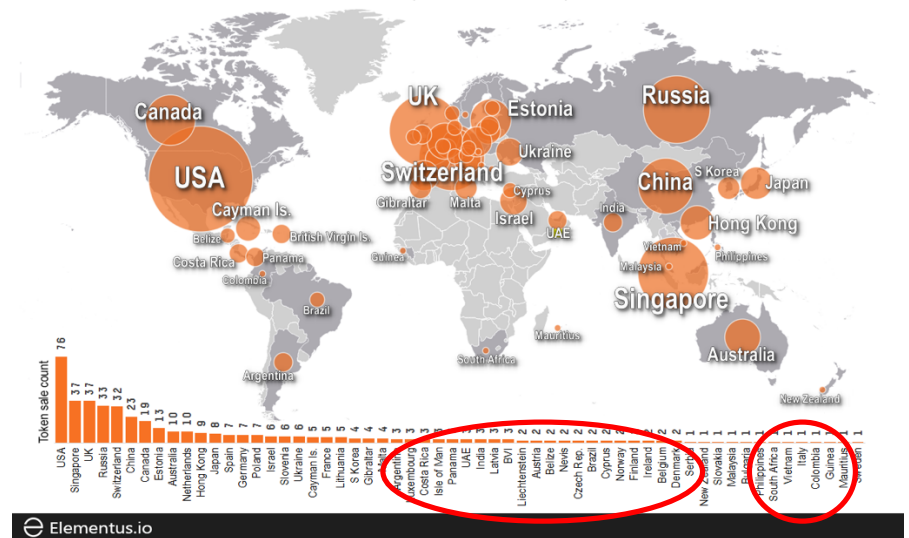
USE-CASE METHODOLOGY

Q: Do you even need Blockchain?
A: Definitely
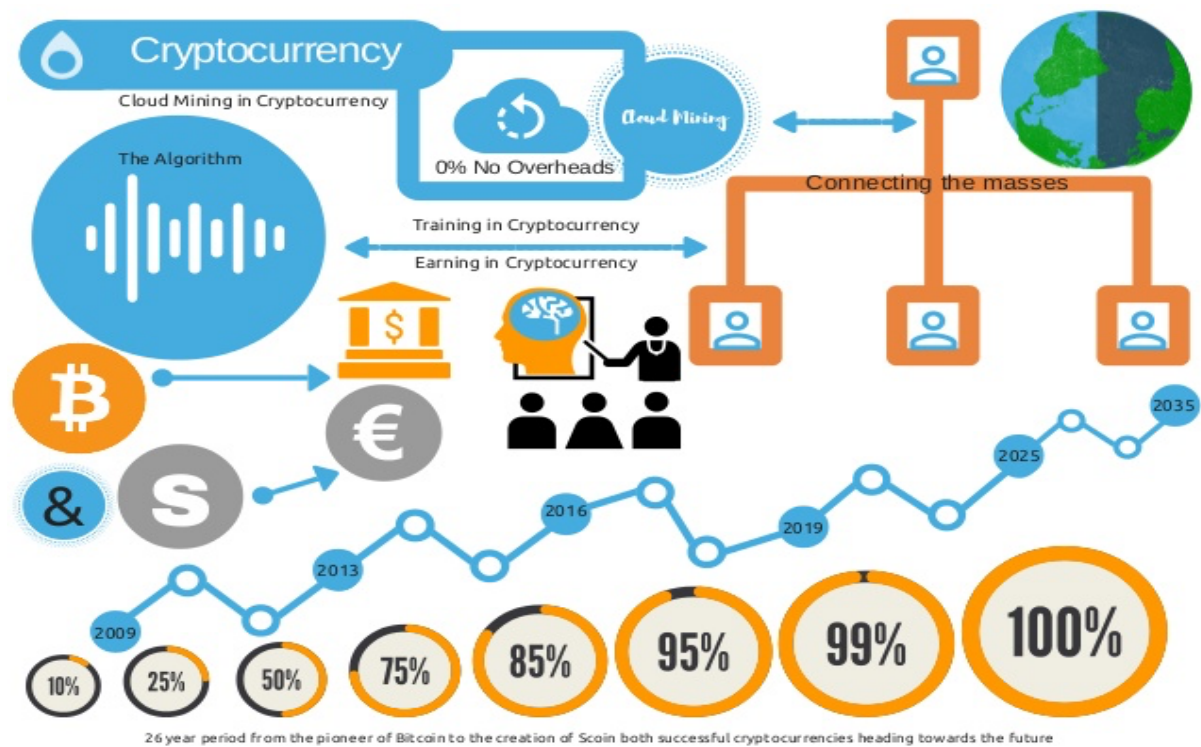
Some of my favourites:
1. Government - a quote: "The (tax collection) system as you define it is controlled by a centralised entity whose motives are suspicious. Undoubtedly a country would be spared ANY plundering if the flow of funds was transparent to everyone in the ecosystem and not controlled by a centralised entity such as National Treasury or an SOE's corrupt board." P.S., in a LinkedIn debate

2. Financial Services: Did you know there are 13 intermediaries in the chain when you buy 1 share on the Johannesburg Stock Exchange? Rent-seeking behaviour? Overregulation? **YES AND YES!!**

3. Energy Management: Imagine a world where peer-to-peer energy trading with a superficial connection to the grid is possible…or even when there is no grid? And you can track every last kWh you utilise in real time, it's cost, and own your own data…

UTILITY vs SECURITY TOKENS
Where the use-case fits the designation…
- Utility Token: your token is used directly in the acquisition of your product or service, within your own ecosystem
- Security Token: simply, your token is backed by a security of some type, ranging from coins redeemable for precious metals to tokens backed by real estate (by far the most popular).
- Why is the distinction important? Use-case is key…

THE HYPE

Cryptocurrency

Cloud Mining in Cryptocurrency

The Algorithm

0% No Overheads

Cloud Mining

Connecting the masses

Training in Cryptocurrency

Earning in Cryptocurrency

2035
2025
2019
2016
2013
2009

10%   25%   50%   75%   85%   95%   99%   100%

26 year period from the pioneer of Bitcoin to the creation of Scoin both successful cryptocurrencies heading towards the future

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