

EMRL.D Whitepaper

I. Introduction

EMRL.D is a tokenized structure designed to provide exposure to emerald assets through a Special Purpose Vehicle (SPV) backed by certified emerald stockpiles and operational revenue from direct sourcing activities in Colombia.

At its core, EMRL.D establishes direct relationships with artisanal emerald miners in Muzo, Colombia, one of the world's most historically significant emerald mining regions. Rather than relying solely on intermediaries and traditional supply chains, the project integrates miners as stakeholders through its operational subsidiary, Emerald S.A.S.. Miners receive premium pricing above local market rates, partial payment in EMRL.D tokens, and soon access to collateralized working capital loans that enable them to expand their operations. This community-based approach creates a sustainable supply chain while improving livelihoods at the source.

The token operates under a dual-entity model:

- **SPV (Special Purpose Vehicle):** Holds Real-World Assets (RWAs) and manages token economics. Token holders receive exposure to both the \$90M SKR backing and the growth of EMRL.D S.A.S. operations.
- **EMRL.D S.A.S.(Colombian subsidiary):** Conducts emerald sourcing operations with artisanal miners in Muzo, Colombia. The SPV holds 25% equity in EMRL.D S.A.S., while artisanal miners collectively own 20% of EMRL.D S.A.S. , creating direct stakeholder alignment.

This structure aims to address liquidity constraints in the emerald trade while providing token holders with exposure to both asset backing and operational cash flows, all while maintaining a direct connection to the source of value creation: the mining communities themselves.



Key Facts:

- Total Token Supply: 100,000,000 tokens
- Initial Backing: \$90M SKR (Secured Key Register) emerald certificate
- Target Token Price (150 days): \$8.00
- Launch Price: \$2.00

Critical Disclaimers:

- Token value projections are subject to market conditions and operational execution
- Emerald valuations are estimates and may vary significantly based on appraisal methodology
- This is an experimental model with inherent execution risks

Key Definitions

Real-World Asset (RWA) Backing: EMRL.D is anchored by graded and institutionally certified emerald gemstone stockpiles, forming a tangible collateral base behind the token. This provides real-asset security, auditability, and downside protection.

SKR (Secured Key Register): An accredited asset certificate representing insured emerald stockpiles valued at \$90M. The SKR serves as collateral backing for the token structure. Ownership transfer to the SPV is conditional upon achieving specific performance milestones.

Net Asset Value (NAV): Calculated as total SPV assets (cash + emerald stockpile + EMRL.D S.A.S. equity stake) divided by circulating token supply. NAV provides a reference baseline for token valuation but does not guarantee market price.

Discounted Commercial Value (DCV): Conservative valuation methodology applying market-realistic discounts to stockpile appraisals to establish transaction and liquidation pricing.

II. Why EMRL.D S.A.S. and the SPV Must Coexist

The dual-entity structure is operationally and legally necessary, not a design choice.

EMRL.D S.A.S. is the operational entity that creates real value. It employs teams in Colombia, negotiates directly with mining cooperatives, manages physical emerald inventory, and handles daily execution risks. Its ownership (20% miners, 35% team, 20% treasury, 25% SPV) is designed for speed. Purchasing decisions, pricing adjustments to miners, and community initiatives require immediate action, not board approvals. EMRL.D S.A.S. must react to local market conditions in real time and adapt to geological discoveries or political shifts. As a Colombian entity, EMRL.D S.A.S. obtains local licenses, establishes banking relationships in-country, and accesses regulatory advantages unavailable to offshore structures.

The SPV protects token holders and enforces capital discipline. It ensures underlying assets (the \$90M SKR, 25% EMRL.D S.A.S. stake, treasury reserves) are governed under strict fiduciary principles with transparent quarterly reporting. The SPV cannot touch its 15% treasury without board approval and cannot accept emerald offers below NAV thresholds. This rigidity protects against impulsive decisions and value dilution. The SPV also creates legal separation between EMRL.D S.A.S. operational risks (miner disputes, security incidents, production variations) and token holder assets. If EMRL.D S.A.S. faces a local crisis, the other 75% of EMRL.D S.A.S. equity holders absorb the shock first.

The incentive alignment drives sustainability. EMRL.D S.A.S. needs the SPV's capital and institutional credibility to access premium international buyers (auction houses, luxury jewelers). The SPV needs EMRL.D S.A.S.'s execution to generate the cash flows that justify token valuation and fund stablecoin dividends. As EMRL.D S.A.S. performs, the SPV's 25% stake appreciates, increasing NAV per token and attracting more capital, part of which reinvests into EMRL.D S.A.S. to scale operations. Artisanal miners holding 20% of EMRL.D S.A.S. see their equity grow as EMRL.D S.A.S. scales, incentivizing consistent quality delivery.

IV. Ownership Structure and Token Allocation

a. SPV Token Allocation (100M tokens)

The Special Purpose Vehicle's 100 million tokens are allocated across strategic partners, operations, management, and market access:

- **40% Strategic Partner (40M tokens)** : Provides \$90M SKR backing under buy-call agreement at \$1.00/token, creating a \$40M obligation to the SPV upon exercise
- **20% EMRL.D S.A.S. (20M tokens)** : Colombian subsidiary for direct emerald sourcing from artisanal miners
- **15% Managers (15M tokens)** : Stock options and performance incentives, subject to board approval
- **15% Treasury (15M tokens)** : Reserved for liquidity operations, non-discretionary (cannot be touched)
- **10% Market Access & Development (10M tokens):**
 - **1.5% Seed Financing (1.5M tokens)** : \$0.20/token; 1.2M sold, 300K reserved for close associates
 - **3% BitMart (3M tokens)** : Secondary market listing and liquidity provision
 - **3% AI.X Portal (3M tokens)** : OTC deals with accredited investors
 - **2.5% Future Development (2.5M tokens)** : Reserved for operational needs and partnerships

b. EMRL.D S.A.S. Emerald Ownership Structure

EMRL.D S.A.S. Emerald, the Colombian operational subsidiary, has a distinct ownership structure designed to align incentives between capital providers, operators, and the artisanal mining community:

- **25% SPV** : Provides capital and strategic oversight; this equity stake means token holders indirectly benefit from EMRL.D S.A.S. operations
- **35% Team** : Management and operational team responsible for executing EMRL.D S.A.S. strategy
- **20% Treasury** : Operational reserves for EMRL.D S.A.S. working capital and growth initiatives
- **20% Artisanal Miners in Muzo, Colombia** : Performance-based equity distribution to mining cooperatives (e.g., 1,000 carats delivered = proportional shares)

Strategic Value: This ownership model creates direct stakeholder alignment. Miners benefit from EMRL.D S.A.S. growth, incentivizing consistent quality and volume. The SPV's 25% stake provides token holders with exposure to EMRL.D S.A.S. operational upside without the SPV needing to manage day-to-day mining operations.