

# QDMINE | THE WHITE PAPER



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# Executive Summary

**O**ur Mission is simple. We believe all Bitcoin holders, investors, and businesses should have an opportunity to play a role in mining, helping to support a decentralized Bitcoin network. **QDMINE** allow us to realize this goal by removing the entry barriers to mining and allowing the public to actively participate in support of the Bitcoin network.

## About QD MINE INC

QD MINE INC. is a subsidiary of Quarry Dynamics Inc and QDI (USA) Inc., existing cryptocurrency mining operations, which are in the process of expansion. Setting up a Bitcoin mine is no easy task. Aspiring miners face many challenges, including gaining access to low-cost energy sources, building specialized facilities, procuring mining machines, and ongoing maintenance.

With the proceeds from the launch of our **QDMINE** Security Token Offering (STO), we can expand existing mining infrastructure and open participation to more investors. Through this STO, accredited investors who reside in Canada or the U.S., receive a range of advantages over standard self-mining models, without the magnitude of investment required to start their own independent mining operation.

Our **QDMINE** Token business model consists of building out the existing facilities, maximizing our power capacity, and deploying up to 500 (50,000 TH/s) mining machines to support the Bitcoin Blockchain.

Our **Head Office** is based in Canada, with our flagship location based in the State of Georgia, USA. Georgia is home to the only nuclear plant (Vogtle), under construction today in the United States, generating electricity without releasing climate-changing carbon emissions. Our team is also committed to furthering partnerships with local solar farms to expand our renewable energy use footprint.

Our **Operations** will be open for visitation upon request and every important step in our expansion will be documented and available via our social media channels, to provide awareness and monitoring of our progress throughout this journey.

**The Team** behind **QDMINE** has extensive experience building data rooms and managing large scale operations for multiple fortune 500 companies. With proven success at our flagship location, we are now we are ready to increase our operations footprint.

## THE QDMINE TOKEN

**QD MINE INC** is open for contributions exclusively during token offering sessions, which take place before pre-defined new mining hardware deployment stages. To fund the operation, **QDMINE** security tokens will be issued and available for purchase by Canadian and U.S. based accredited investors.

**QDMINE** Security Tokens are profit participation tokens, granting users access to eighty percent (75%) of the net profit of the operations of up to 500 (50,000 TH/s) ASIC mining machines. Profits of the net mining results get distributed on an annual basis. The remaining twenty percent (25%) of the net profit will remain, the sole and exclusive property of the **QD MINE INC**. Aside from generating Bitcoin, the underlying mining power will continue to be expanded and upgraded through reinvestment opportunities ensuring that computational performance remains relevant.

Launch of **QDMINE** Security Token is targeted to commence in Q4 2022. One of the largest benefits to our offering is the existence of an already operational mining facility, that will host **QD MINE INC**'s ASIC mining machines. This allows us to start initial mining stages, shortly after the minimum cap is reached, while we continue build out and increase deployment.

This White Paper is intended to concisely explain crypto mining, possible returns, and all factors related to running an efficient mining operation. Our appendices will include additional supporting detailed for elements of the white paper, such as financial statements, and ASIC mining specifications.

# Historical Roadmap



**November 2022**  
*QDMINE is launched!*





# Leadership

## Team

The Quarry Dynamics executive team boasts a multi-talented, cohesive group of proven business, technology, project management, finance, entrepreneur and investment experts.



**Dave Raymond**  
Executive Chairman

A successful entrepreneur with a keen knack for taking a vision and making it reality through strategically sound development, Dave is well respected as a credible voice in corporate decision making. Dave's ability to intuitively see an organization's segments of opportunity and bring them together, provide a solid foundation for corporate innovation. The President of Erinwood Ford and Direct Nissan in Mississauga, Ontario, Dave is also the winner of the Peel Region Volunteer of the Year Award.



**David Lee**  
President

A seasoned technical consultant with expertise in technology infrastructure design, implementation and operational services, David is a highly qualified Information Technology expert who thrives on innovation and execution and is driven to ensure the most effective solution for business environments. Co-Founder of IT Pro Canada, David is a Cisco Certified Internetworking Expert (CCIE), an Ontario Professional Engineer (PEng) and holds a Master's Degree in Engineering from Ryerson University.



**Michelle Demarest**  
Operations Advisor

Renowned for her ability to successfully manage complex projects, Michelle is a highly sought-after Project Management Consultant with 20+ years of experience. She is often requested to drive advanced change within organizations and lead aggressive timelines for large-scale technology startups, across the globe. Michelle has a certification in Cryptocurrency from MIT, along with Bitcoin Professional (CBP), Project Management (PMP), Six Sigma, and is one of only 6000 Certified Information Security Professionals (CISSP) in Canada.



**Captin Sabapathy**  
C. E. O.

An expert at translating any business requirement into technical solutions architecture, Captin is widely recognized for his innovative approach to design, implementation and management of I.T. products and services. He is an expert at modeling large-scale systems enabling the rapid adoption of new technology. Captin is a Cisco Certified Network Professional (CCNP), holds a Bachelor of Science degree from Western Governors University and is the Co-Founder of IT Pro Canada and IT Pro Singapore.

## Leveling The Playing Field

Generally, to participate in Bitcoin mining, a significant upfront investment would be required in order to purchase specialized hardware and secure facilities and infrastructure. By purchasing **QDMINE**, investors now have an opportunity to participate in Bitcoin mining at a significantly lower investment entry point without the burden of acquiring equipment and infrastructure.



Open to U.S. & Canadian Accredited Investors



\$25,000 Minimum Investment



68% Projected ROI (cumulative over 3yrs)



### Company Overview

**QD MINE INC**, is a subsidiary of Quarry Dynamics Inc and QDI (USA) Inc., founded in 2021. The Quarry Dynamics executive team boasts a multi-talented, cohesive group of proven business, technology, project management, finance, entrepreneurial, and investment experts.

**QD MINE INC** is a newly established business with the aim of delivering high-performance crypto-mining profit models and solutions to its Token holders, whilst completely taking care of the hardware maintenance and software infrastructure for mining cryptocurrencies, namely bitcoin.

**QD MINE INC** will deploy up to 500 next generation mining machines, to provide 50,000 TH worth of mining power. The **QDMINE** Token represents a profit distribution equal to 75% of the net annual profit generated by the acquired mining machines over a three-year period, as will be detailed further in this white paper. Token profit distribution will be distributed in BTC, directly to the token holder wallets.

### Equipment Considerations

To provide the best value to our token holders, **QD MINE INC** will use current market analysis to target newer model, high hash rate machines.

Factors considered include a preference for models with:

- Hashrates above 90 TH/s+
- Power consumptions below 3400 Watts
- Competitive pricing with bulk purchase incentives
  - Maintenance for minimum 6 months
- Ranking and proven ability to operate efficiently in high humid/high heat regions

Examples of ASIC mining machines that are ranked highest on our current analysis, dated July 2022, are show in Figure 1.0.

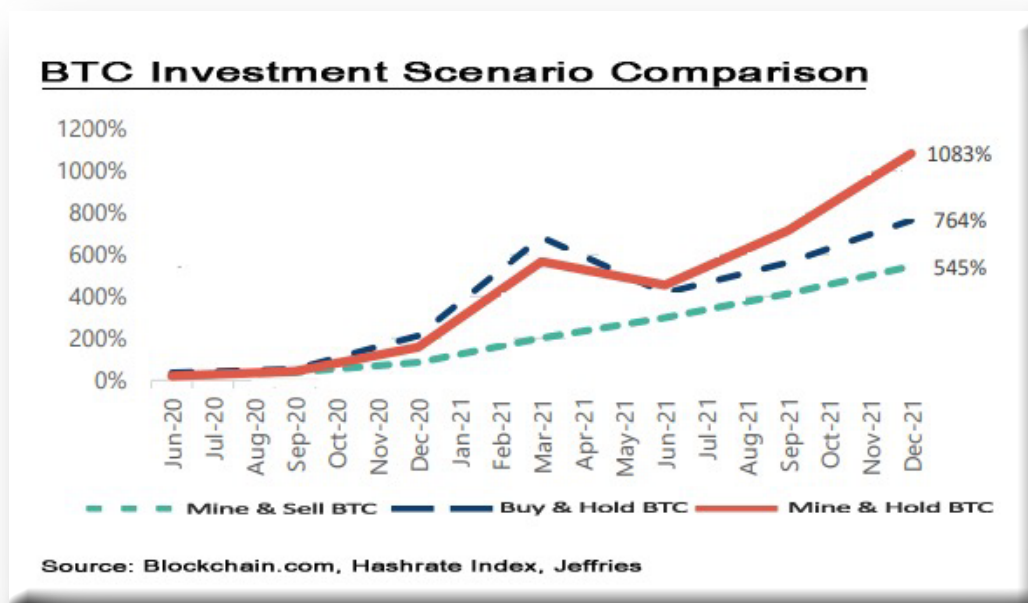
Note: **QD MINE INC** does not intend to differentiate the mining machine model based on soft versus hard cap funding, however price for the miners at the time of purchase, based on current market conditions, will play a role in the chosen model.

# Buying (Trading) Bitcoin vs. Mining Bitcoin

Crypto Mining has a different and lucrative pay-off model compared to traditional investments into crypto.

Overall, it is a complex strategy to time the market:

- Mining provides a stable stream of bitcoin in a portfolio. There is no day-trading necessary to make gains on market movements, the mining machines take care of this time-consuming and risk-related activity. This results in a relatively low-risk and steady high-yield income stream
- Mining is a dollar cost average with a hardware incentive (value is retained within equipment)
- Since 2010, Bitcoin mining has returned a profit; And with the increasing growth in green and sustainable energy, cost for power has also been going down, making mining even more profitable
- Mining has been historically less sensitive to market timing than a traditional buy-and-hold strategy, making it an excellent vehicle for Bitcoin exposure while minimizing the short-term price volatility
- Mined coins are private when using a non-KYC wallet and through mining, you can avoid the risk of losing your investment to government regulations or ill-equipped crypto exchanges
- Tradability; as a security token, ODMINE enables investors to mitigate risk beyond the scope of a traditional investment in physical mining infrastructure, allowing investors to easily adjust exposure to Bitcoin mining by trading tokens with other qualified investors



The age-old question has always been whether mining bitcoin is more profitable than simply buying bitcoin. A quick comparison of yields over the 18 months supports that mining and holding bitcoin generally results in higher returns than buying and holding bitcoin. Two notable take-aways:

- The cost to buy an ASIC miner is generally earned back within 12 months
- Mining has resulted in up to 5-6x higher returns over multi-year periods compared to buying and holding

# Bitcoin Mining



Cryptocurrencies like Bitcoin are created through a process called mining because in some ways, the process resembles traditional mineral mining. Just as gold is mined using powerful machinery, cryptocurrency is mined using powerful computers that validate, process, record, and secure blocks on the Blockchain, containing the latest bitcoin transaction data.

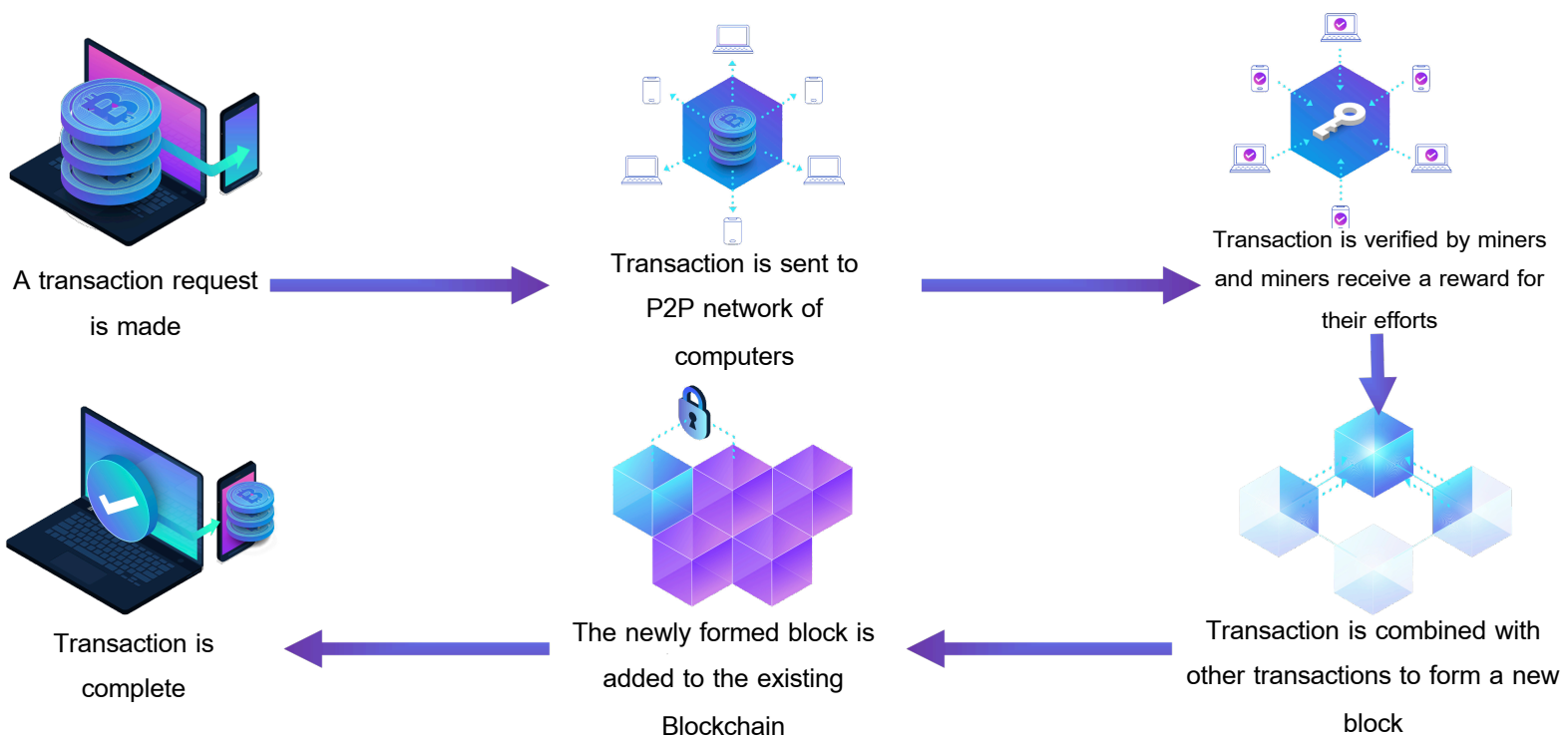
A Blockchain is public decentralized ledger, that utilizes mining nodes, also known as 'miners' (groups of powerful computers) to compile and verify all the transactions into what are called "blocks". These blocks are then stacked in a "chain", hence the name blockchain.

The Bitcoin Blockchain uses a cryptographic hash function called SHA-256, to ensure that the blocks are kept secure. Mining machine's primary role is to complete the verification and ensure validity and legitimacy of the transaction. Once this becomes verified by the network of miners, the next sequence (transaction) in the chain is connected to it. This chain-linked sequential verification is one of reasons that once a block is verified and part of the Blockchain, it becomes immutable and cannot be deleted, modified or altered; even hacking becomes next to impossible.

As a reward for this encryption-based verification process, mining machine are then rewarded with the accrued transactions fees and Bitcoin, which is also how new coins are added to the ecosystem.



How do you get Bitcoins in your wallet? You can either purchase them online or mine them.



## What is Bitcoin?

Bitcoin is the world's most well-known cryptocurrency, regarded as "digital gold", with many believing it will continue to gain in popularity, eventually becoming the first truly global money. Bitcoin's extraordinarily high liquidity makes it an excellent vessel since you can readily trade it for cash or assets like gold. For these reasons Bitcoin continues to gain adoption as a sought-after long-term investment.

### There are three key factors to the appeal of Bitcoin:

#### Scarcity

There are only 18 to 19 million Bitcoins currently in circulation, and minting will stop at 21 million. Industry experts consistently point to this built-in scarcity as a big part of cryptocurrency's appeal.

#### Mainstream Adoption

Bitcoin adoption has been increasing at an annual rate of 113%, according to data from the digital asset management firm, CoinShares (in comparison, people adopted the internet at a slower rate of 63%). If people warm up to Bitcoin at a comparable rate to that of the internet's early days (or faster), the report makes the case that there will be 1 billion users by 2024 and 4 billion users by 2030.

#### Mining Cycles

Finally, another major influence on Bitcoin's price is a cycle known as halving. It's complicated and algorithmic in nature, but in essence, halving is a step in the Bitcoin mining process that results in the reward for mining Bitcoin transactions getting cut in half. Halving influences the rate at which new coins enter circulation, which can impact the value of existing Bitcoin holdings.

Historically, halvings have correlated with boom-and-bust cycles. The next halving will be in 2024.

### Annual Mining Profitability Formula

$$\left[ \left( \frac{\text{Quarry's Hashrate}}{\text{Network Hashrate}} \right) \times \left( \text{Price of BTC} \right) \times \left( 6.25 \text{ Block Reward} \right) \times \left( 512,560 \text{ Blocks/yr.} \right) \right] - \left[ \left( \text{Price of Miners} \right) + \left( \text{Cost of Electricity} \right) + \left( \text{Quarry Corp Expenses*} \right) \right]$$

\* rent, employees, depreciation, operational expenses etc.

## Why Now?

The Consumer Price Index (CPI), a key measure of inflation, has been rising in recent months at a rate it hasn't in decades. Record government stimulus meant to help people through the pandemic, coupled with struggling supply chains, has resulted in higher prices for everyday items.

Along with this, momentum has been building for Bitcoin, with money leaving altcoins and flowing into this world's most valuable cryptocurrency. Bitcoin is poised to be a future global currency, or at the very least a recognized store of value, with banks including it on their balance sheets.

In addition to this, crypto as much traction as it has garnered over the past decade, is now poised to make its biggest leap into the global economy. Once bitcoin and other currencies become increasingly adopted as a standard payment, we will see a boost, and transfer of wealth directly into the crypto sector – making it more profitable than ever.

This is the perfect time to enter the mining market and be a part of the revolution.

## Challenges

The key to a profitable mining operation is to understand the elements you can and cannot control.

### QD MINE INC Controls:

- Its own hash rate
- Cost of electricity
- Operational Expenses

### QD MINE INC Does NOT Control:

- Network hash rate
  - Price of BTC
  - Price of Miners
  - Block Reward

# An Innovative Approach

## To Investing In Bitcoin

Quarry Dynamics Inc. is pleased to offer an exciting new opportunity for Canadian and US Accredited Investors to participate in Bitcoin mining and directly contribute to this revolutionary technology, through Asset Tokenization.

### What is Bitcoin?

Bitcoin is the first decentralized digital currency that allows peer-to-peer transfers without any intermediaries such as banks, governments, agents, or brokers, using the underlying technology of blockchain. Anyone around the world on the network can transfer Bitcoin to someone else on the network regardless of geographic location; you just need to just open an account on the Bitcoin network (wallet), have some Bitcoins in your wallet, and then you can transfer that Bitcoin. Bitcoin can be used for online purchases and or as an investment instrument.

### QDMINE - Profit Participation Security Token Offering

**QDMINE INC.** will hold a Security Token Offering (STO) in Q4 2022, to launch the **QDMINE**-Profit Participation Token and commence the expansion of our mining farm in Q1-Q2 2023. **QDMINE** will be launched in accordance with the applicable securities laws of both the United States and Canada.

#### Description

- The **QDMINE** Token is not a registered security and is only offered and sold to "Accredited Investors" in the United States and Canada
- Each **QDMINE** represents an 75% profit participation distribution acquired by up to 500 ASIC mining rigs (50,000 TH/s), hosted in Sumter County, Georgia by our affiliate mining company, QDI (USA) Inc.
- A single up-front investment provides access to mined BTC annually, at a competitive flat rate over a 36-month term
- Over the 36 months, mined BTC is held in a special-purpose vehicle and delivered to the respective QDMINE token holders annually directly to their wallets.



A U.S. or Canadian Accredited Investor purchases the QDMINE token



QD MINE INC mines Bitcoin using the hash power of 500 ASIC miners



QD MINE INC distributes 75% of the net annual profit to the token holder pool



At the end of each fiscal year, QD MINE INC sends the annual profit distribution to each token holders wallet in BTC



# Tokenomics

## Meet QDMINE...

Quarry's newest subsidiary, **QD MINE INC**, is a targeted entity developed to deliver a high-performance crypto-mining investment solutions to **ACCREDITED INVESTORS** in the USA and Canada.

By purchasing our **QDMINE** Security Token, accredited investors can participate in a short-term crypto investment endeavor, regardless of what restrictions or hindrances your current situation or location may present – such as regulatory uncertainty, or high-power costs. You can simply mine directly with us, completely hands-off, and enjoy participating in the profits.



The **QDMINE** Token will be based on the widely recognized and accepted ERC20 standard and will provide rewards in crypto currency (BTC) directly to your wallet, which you can then swap into any desired currencies. **QDMINE** can provide support for exchange of BTC as required. **QDMINE** holders will benefit from the added hash rates, overclocking and profit via our expansion model, of which 75% of the net profit is distribution annually to token holders.

Please note that the tokens are subject to the following conditions and particular attention should be made when reviewing the STPA documentation:

- Token holders will receive 75% profit distribution annually, paid out in BTC directly to the token holder's wallet
- This 75% is split among the whole token pool, i.e., 75% of 1,651,632 (Soft Cap) or 3,220,551 (Hard Cap) **QDMINE** Tokens
- The **QDMINE** Tokens will be burnt 3 years from the end of the offering period.
- The **QDMINE** Tokens will be subject to a one year lock up period which is in accordance with the strictest of regulations
- The **QDMINE** Token holders carries no rights, express or implied, other than those, set out herein. **QDMINE** Token holders shall have no influence in the development or governance of the **QDMINE** Token or **QD MINE INC**. The Token holder may only assign **QDMINE** Tokens (after the expiry of the lock up period described above) to parties whose accounts have been duly verified by **QD MINE INC** and/or their engaged KYC compliance manager

**Asset Tokenization** is the process by which any asset, tangible, or intangible, is divided into smaller pieces that take the form of tokens. Each token represents a proportional part of the asset, offering the owner of the token, the corresponding rights provided by the issuer.

Quarry's newest subsidiary, **QD MINE INC**, is a targeted entity developed to deliver a high-performance crypto-mining investment solutions to **ACCREDITED INVESTORS** in the USA and Canada.

## Mining Hardware

### Price, Hashrate & Efficiency

Bitcoin mining can be highly profitable, but it requires power-intensive hardware and a deep understanding of the principles that drive blockchain technology. To mine Bitcoin, it requires specialized Bitcoin mining hardware called application-specific integrated circuit devices, or ASICs.

There are many different ASICs on the market today. These devices have evolved through a highly competitive Bitcoin mining hardware arms race — the Bitcoin blockchain uses vast amounts of processing power to solve extremely complex math problems and secure its network, forcing hardware to become progressively more powerful. Bitcoin mining has changed dramatically since the launch of the Bitcoin network in 2009. During the first few years of Bitcoin network operation, Bitcoin mining could be performed on virtually any home computer with a relatively powerful CPU.

As the Bitcoin network grew, the computational processes required to secure the Bitcoin network became increasingly complex, forcing miners to shift to more powerful models in order to keep up with demand.

Eventually, the need for hardware with high hash power (the speed at which mining hardware operates), resulted in the creation of dedicated ASIC hardware. The highly specialized nature of ASIC hardware allows Bitcoin miners to mine faster, using less electricity. ASIC hardware is now essential to Bitcoin miners.

There are three primary factors to consider when choosing the best Bitcoin mining hardware:

#### Price

The price of Bitcoin mining hardware varies based on operational efficiency, durability, and computational power. Mining hardware pricing is often very closely associated to the price of bitcoin, where bear market pricing produces a more lucrative investment opportunity.

In any type of market however, access to direct and/or competitive resellers, with bulk purchase incentives, is a critical component to profitability.

#### Efficiency

For experienced miners, efficiency is measured based on 2 categories. Mining efficiency is the ratio between accepted and rejected shares. You can calculate it by formula  $\frac{\text{accepted}}{\text{accepted}+\text{rejected}}$ . It is important to strive towards 100% efficiency, as any lower number means lower stability and profitability. Configuration of the hardware largely contributes to the management of this metric

Power efficiency is the ratio between hashrate and the power consumption. It means how many units of hashrate can be mined with 1 watt. Bitcoin mining hardware is power intensive and the more efficiently you can run your hardware, the more cost savings you can realize for the monthly cost of power. Overall, the type of miner, location and facility also play a role to the efficiency of the hardware, including longevity.

#### Hashrate

Hash rate is the rate at which Bitcoin mining hardware can make intensive mathematical operations. In simple terms, the higher the hash rate of the hardware, the more likely it is that the miner (or the mining pool it is part of) will solve the next block in the Bitcoin blockchain. QDMINE targets machines with a minimum hashrate of 100 TH/s and higher.



Model	Hashrate	Power	Algorithm	Efficiency
Bitmain Antminer S19 XP (140Th)	140Th/s	3010W	SHA-256	0.022j/Gh
Bitmain Antminer S19j Pro (96Th)	96Th/s	2832W	SHA-256	0.03j/Gh
Bitmain Antminer S19j Pro (104Th)	104Th/s	3068W	SHA-256	0.03j/Gh
Bitmain Antminer S19 Pro (110Th)	110Th/s	3250W	SHA-256	0.03j/Gh
Bitmain Antminer S19j Pro (100Th)	100Th/s	3050W	SHA-256	0.031j/Gh
MicroBT Whatsminer M30S++	112Th/s	3472W	SHA-256	0.031j/Gh
MicroBT Whatsminer M30S+	100Th/s	3400W	SHA-256	0.034j/Gh
Bitmain Antminer S19 (95Th)	95Th/s	3250W	SHA-256	0.034j/Gh
Bitmain Antminer S19j (90Th)	90Th/s	3250W	SHA-256	0.036j/Gh
Bitmain Antminer T19 (84Th)	84Th/s	3150W	SHA-256	0.038j/Gh

Figure 1.o. ASIC Mining Machine Models. Ranked, Based on Efficiency

- A maximum cost below \$2900 per machine or \$29/TH is required for the current financial model.
- Any cost below this, will be allocated for operational expenses (to hold more bitcoin) and/or additional replacement machine funding.
- Mining machines will pooled based on the model and pool that best support the chosen model.
- We aim to deploy up to 500 machines to our existing facility in Georgia, with expansion of the locations power and facilities available starting in Q1 2023, with full operations running sometime in Q1-Q2 2023 (depending on the funding round and machine availability).

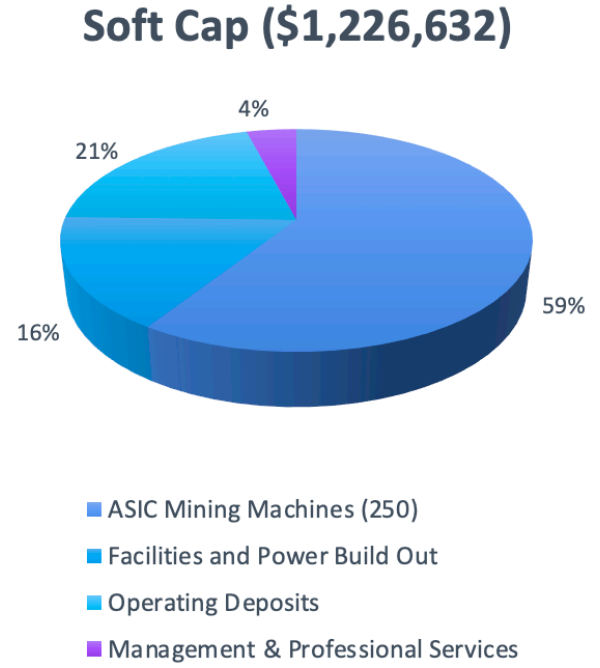


# Private Placement

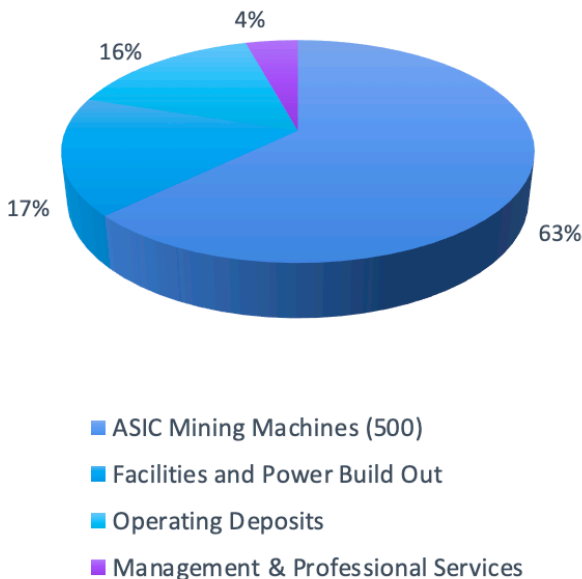
## Funding Distribution

Amounts for labour and management cost between the hard and soft caps, remain the same as required upfront cost to initiate operations will not change (including STO related cost such as company registration, legal counsel, AML/KYC, website, marketing, and project management). Ongoing costs for labour and management are built into the operating model financials.

SOFT CAP DISTRIBUTION	
ASIC Mining Machines (250)	\$ 725,000
Facility & Power Build Out	\$ 200,000
Operating Deposits	\$ 251,632
Management & Professional Services	\$ 50,000
<b>\$ 1,226,632</b>	



### Hard Cap (\$2,345,551)



HARD CAP DISTRIBUTION	
ASIC Mining Machines (250)	\$ 1,475,000
Facility & Power Build Out	\$ 400,000
Operating Deposits	\$ 370,551
Management & Professional Services	\$ 100,000
<b>\$ 2,345,551</b>	

For all QDMINE Tokens issued upon reaching the crowd sales soft cap, which starts Q4 2022 and lasts for approximately 4 months, the same rules apply to create it's intrinsic and fair value pricing for all token holders alike

# Operational Expenses & Net Profit Calculation

## Hosting Services Agreement

QD MINE INC will enter into a Hosting Services agreement with our parent company, QDI (USA) Inc, to manage and host the mining rigs allocated to the QDMINE offering. The hosting agreement provides the following services for the duration of the token lifespan:

- Coordinate and manage the installation of the QDMINE ASIC mining rigs, including set up, and configuration of the mining pool
- Assume 100% of the liability and responsibility for the hosting facility, including, guarantee and payment of utilities, rent, taxes, and common area maintenance
- Provide 24/7 monitored security for the facility and hosted mining rigs
- Procure and maintain business property insurance on the QDMINE ASIC mining rigs, with fair market value replacement cost coverage and with the QD MINE INC, identified as loss payee;
- Manage the operation of the QDMINE ASIC mining rigs 24 hours a day, seven days a week (except for any downtime for requisite maintenance and repairs), including daily routine inspections of the QDMINE ASIC mining rigs and provide required maintenance and repair
- Provide quarterly written reports to QD MINE INC on the status of the mining rigs and their mining proficiency and mined BTC revenue
- Ensure that BTC mined by the QDMINE ASIC mining rigs, are directly deposited into QD MINE INC's digital wallet
- Provide supplemental resources for executive and financial management of QD MINE INC's operations

## Monthly Hosting Fee

QD MINE INC will pay QDI (USA) Inc. an all-inclusive, fixed monthly Hosting Services Fee, estimated to be \$240.89 per mining rig deployed, on the first day of each month. The following guidelines apply:

- A hosting services down payment equal to two months hosting services fee per mining rig will be due when the QDMINE ASIC mining rigs are received at the hosting facility
- An increase in the kilowatt-hour charge for electrical energy, used to power the QD MINE INC. mining rigs over a 30-day period in excess of 15% could result in an increase in the following months monthly hosting fee for the duration of the increase.
- QD MINE INC will exchange mined BTC into Fiat monthly, only in an amount sufficient enough to cover the Hosting Services fee for each QDMINE ASIC mining rig deployed at that time.

## Annual Calculation of Net Profit

QD MINE INC will calculate Annual Net Profit by deducting the sum of hosting services fees paid in the fiscal year as well as any unforeseen costs, directly related to the operation of QD MINE INC outside of the hosting fee, from the market value of mined BTC during the same fiscal year.

QD MINE INC will proportionately distribute 75% of the net profit across its total token holder population in BTC sent directly to each token holders' wallet.



# Token Metrics

**Soft Cap Total Token Pool 1,651,632**

Main Sale Tokens 801,631 issued @ \$1.00 / token



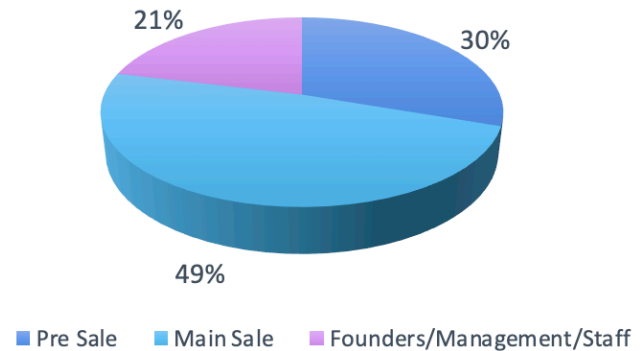
Pre-Sale Tokens (First 500,000) issued @ \$.85 / token



Founders/Management/Advisors/Staff 250,000 tokens

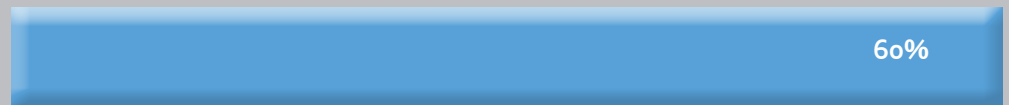


**Soft Cap Token Distribution (1,651,632)**

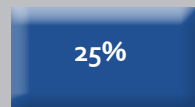


**Hard Cap Total Token Pool 2,345,551**

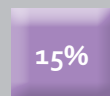
Main Sale Tokens 1,920,551 issued @ \$1.00 / token



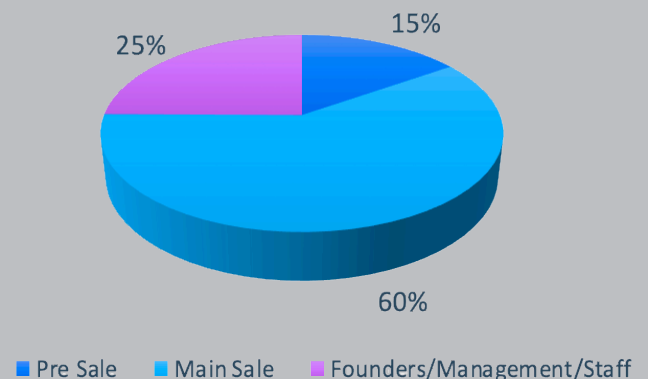
Pre-Sale Tokens (First 500,000) issued @ \$.85 / token



Founders/Management/Advisors/Staff 800,000 tokens



**Hard Cap Token Distribution (3,220,551)**



# Start Up Costs

It is difficult to determine the number of miners that will break down at any point of the operation; the expected longevity of the ASIC miners is 3 years. We intend to cover basic repairs within our operations and management budget.

A more detail revenue breakdown is included later in this white paper.

## Soft Cap

Based on soft-cap goal of \$1,226,632 USD:

- Start-up costs estimated at \$501,632 USD,
- \$725,000 USD will remain for purchase of mining machines (see funds distribution for a more detailed breakdown)

## Hard Cap

Based on hard-cap goal of \$2,345,551 USD:

- Start-up costs and facility set up is approximately \$870,551 USD
- \$1,475,000 USD will remain for the purchase of mining machines. machines (see funds distribution for a more detailed breakdown)

# Buying & Selling QDMINE Tokens

To buy QDMINE Tokens, investors will need to sign-up on the QD MINE INC. website platform ([www.dashboard.quarrydynamics.com](http://www.dashboard.quarrydynamics.com)) and go through a standardized Know Your Customer (KYC) and Anti-Money Laundering (AML) identification process.

The process requires the following steps:

- Visit: <https://dashboard.quarrydynamics.com>
- Click the Register button to create an account with your email address and password
- We do NOT recommend you use a shared account
- A confirmation email will be sent to this address to confirm your registration
- After clicking the confirmation link sent via email, sign into the site
- Note: once you verify your identity, you will be asked to connect your wallet to your DS Dashboard account. This is a required additional verification step
- A detailed walkthrough of a wallet set-up is available via the **QDMINE** landing page located <https://www.quarrydynamics.com/qdmine>
- After you have registered, you can move to the next step and fill out the (Know Your Customer) form: Name, DOB, Passport #, Nationality, Address, Zip/Postal Code
- After submission of your KYC documents, and our KYC Compliance Officer verifies your data, you will receive an email indicating status. Once you have been verified, you'll be able to participate in the sale
- Post participation acceptance, you will have the option to purchase **QDMINE** tokens
- Accepted funds are in USD
- Subject to adherence to applicable resale restrictions, secondary trading of Tokens may be available using peer-to-peer transfer technology provided by the Token Dashboard (DS Swap).
- When selling **QDMINE** Tokens all rights and other benefits, obligations, responsibilities and liabilities and are transferred to the receiving party.

# Financial Breakdown

The projected ROI is based upon the revenue that the miners produce, and the capital gain aspect of the Token you, as an investor would hold; the Token value increases with each expansion and projected revenue in future years, i.e., it would be the same share in principle. The ROI's do not include the investor holding received currency for future capital gains, nor the fact that you would be able to stake said currency for interest payments, so-called APY's (Annual Percentage Yield).

We have taken an extremely conservative approach to projecting annual profit distributions. The projected breakdown for both soft and hard caps are as follows:

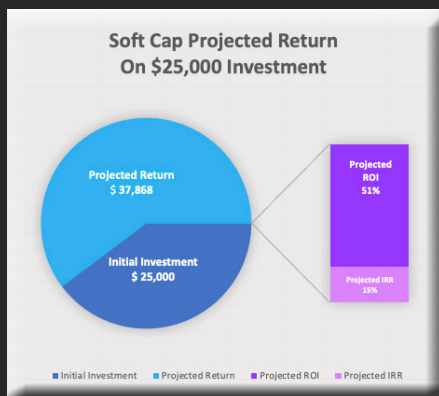
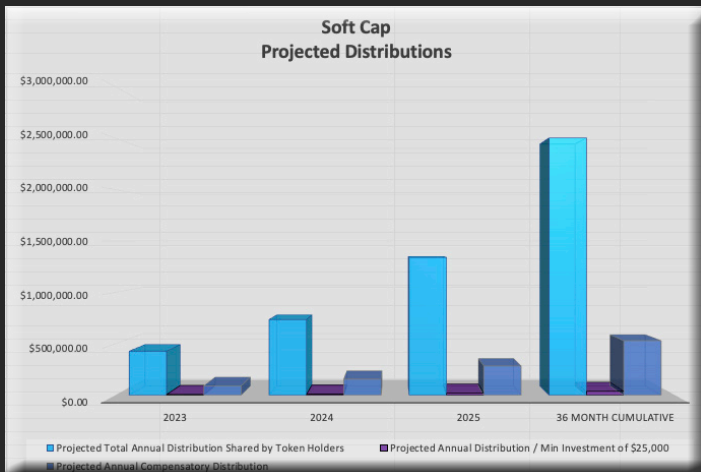
## Soft Cap Projected Distributions

### Projected Total Annual Distribution Shared By Token Holders:

- 2023 - \$ 427,920.71
- 2024 - \$ 734,734.70
- 2025 - \$ 1,339,088.33
- Total 36 Monthly Cumulative - \$ 2,501,743.74

### Projected Annual Distribution Per Min Investment of \$25,000

- 2023 - \$ 6,477.24
- 2024 - \$ 11,121.34
- 2025 - \$ 20,269.16
- Total 36 Monthly Cumulative - \$ 37,868
- Projected ROI - 51%
- Projected IRR - 15%



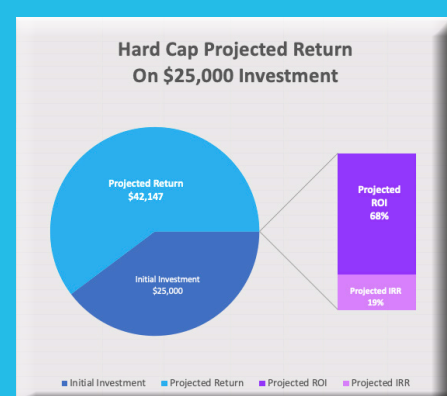
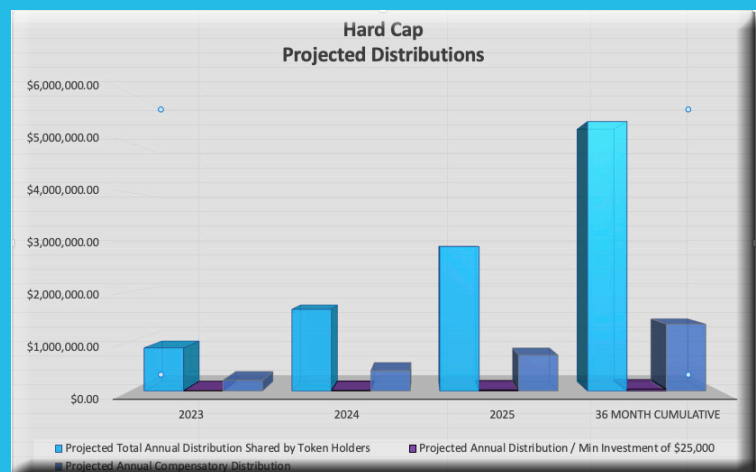
## Hard Cap Projected Distributions

### Projected Total Annual Distribution Shared By Token Holders:

- 2023 - \$ 871,612.17
- 2024 - \$ 1,646,636.41
- 2025 - \$ 2,911,211.35
- Total 36 Monthly Cumulative - \$ 5,429,459.93

### Projected Annual Distribution Per Min Investment of \$25,000

- 2023 - \$ 6,766.02
- 2024 - \$ 12,782.26
- 2025 - \$ 22,598.70
- Total 36 Monthly Cumulative - \$ 42,147
- Projected ROI - 68%
- Projected IRR - 19%





# QD MINE INC 36 Month Financial Projections

	2023	2024	2025
Revenue from BTC Mining	\$3,170,103.87	\$4,586,842.22	\$6,502,743.53
Cost of Goods	\$943,026.19	\$1,043,648.70	\$1,073,315.44
Expenses	\$835,788.91	\$881,962.95	\$994,765.98
Taxes	\$229,139.21	\$465,715.35	\$553,046.98
<b>Net Profit</b>	<b>\$1,162,149.56</b>	<b>\$2,195,515.22</b>	<b>\$3,881,615.13</b>
Projected Distribution Per Token	0.1571	\$ 0.4174	\$ 0.7844
Projected Distribution Per \$25,000 (min) Investment	\$ 3,926.65	\$ 10,433.79	\$ 19,610.03
<b>Projected Net ROI over 3 years = 68% (Hard Cap)</b>			

	2023	2024	2025
Compute Difficulty Change over the period	24.00%	24.00%	24.00%
Coin Selling \$ Value as End of Period	\$88,529.98	\$145,045.08	\$237,637.86
Annual rent Rate (%) received on Inventory	0.00%	0.00%	0.00%
Base Line Compute Difficulty as at end of period	0.00869	0.00682	0.00535
Coins Produced in Period	159.79	132.12	104.18
Coins Sold in Period	106.79	101.42	96.63
Closing Inventory (Coins) as at end of Period	57.01	87.71	95.26
Value of BTC held in Inventory	\$5,046,974.65	\$12,722,402.48	\$22,637,802.68

- ASIC equipment pricing is based on market prices - all hardware will be subject to fluctuation and availability
- kWh rates are assumed to be 0.0495 USD
- Mining Pool Fees (2%) / Hosting Services Fees (\$180 USD per month for each mining rig deployed)
- Soft cap forecasts are based upon a mix of up to 250 (25,000 TH/s) ASIC hardware units
- The hard cap forecasts are based upon a mix of up to 500 (50,000 TH/s) ASIC hardware units
- We have assumed that \$1,226,632 (Soft Cap) and \$ 2,345,551 (Hard Cap) will be sufficient for the purposes of the buildout, professional fees and equipment etc.
- All savings in relation to projected running costs will be utilized to pay for operational expenses (allowing ability to hold additional BTC), and/or to purchase additional equipment
- Figures are projections and estimates only and are subject to fluctuations
- The average lifecycle of the hardware is 3 years
- Assumed a 2% downtime is sufficient for equipment to perform regular maintenance

# Marketing Strategy

Under Rule 506(b) of Regulation D, we will solicit and advertise the security token offering using the following guidelines:

- Investors will be accredited investors.
- QD MINE INC will take all possible steps to confirm that the investors are verified which may include reviewing documents, like tax returns, credit reports, W-2s and bank and brokerage statements.

We have classified our marketing strategy into the following 4 stages:

## Initial

- Whitepaper  
A whitepaper is the most crucial marketing prerequisite for our STO. It is a proposal for investors that details everything about [QDMINE](#)
- Investor Deck  
Our investor deck offers a high-level overview of our [QDMINE](#) Security Token designed to educate accredited investors about the offering.
- Landing Page  
We have designed an engaging landing page that contains an overview of the offering, links to FAQ's , The QDMINE White Paper, Investor Dashboard, privacy policy, AML/KYC Policy as well as our Terms of Use policy.

## Pre-Launch

- PR & Media Outreach  
We intend to write and release content in the following manner: ree press release sites , press releases, engagement with crypto media platforms
- Social Media  
Social media post can help drive a massive amount of traffic to our landing page and improve branding and credibility of our STO. We will focus on the posting to the following Social Media Platforms: Twitter, LinkedIn, Instagram, Facebook
- Video Campaigns  
We plan to run video ads on different video streaming channels like YouTube, Vimeo and other channels

## During STO Offering

- Marketing Company Engagement  
We are currently meeting with marketing professionals and any marketing expense will align with budget allowable for marketing and advertising.
- Blogs, Articles, Networking  
The executive team will create blog posts, knowledge base articles and use their extensive professional network community to raise awareness of our STO
- STO Listing  
We will engage STO Listing Sites including but not limited to: STOMarket, CoinIntellegience, InitialCoinList



It is essential we market QDMINE effectively in order to successfully reach our hard cap and provide the greatest opportunity for significant returns for our token holders.



STO

# Jurisdiction

Our aim was to select a jurisdiction that had a balance between ease of setting up the company, and launching a STO, both in terms of time required, restrictions and/or local requirements, and investor protections.

## Our goals in this regard were:

- Reasonable setup costs for company and bank accounts
- Reasonable costs in terms of 3rd party representatives, such as tax advisors and lawyers
- Easy to launch a STO within a reasonable timeframe
- Lack of legal barriers for a token offering
- Traction in token offerings conducted from the country



Based on the criteria noted above, Wyoming was selected as the jurisdiction for the Offering given the legislated advancement and legitimization of cryptocurrencies and blockchain business in that State.

The **QDMINE** Company was incorporated under the Wyoming Business Corporations Act on June 19, 2022 under the name "**QD MINE INC.**"

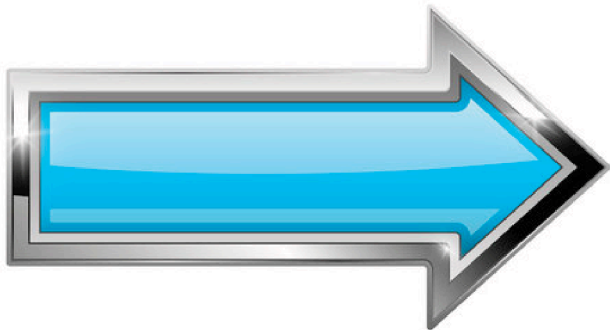
The name and physical address of the Company's registered agent is Registered Agents of Wyoming, LLC, 400 E 20th Street, Cheyenne, WY 82001.

The Company's mailing and United States principal office address is 17940 N. Tamiami Trail Ste 110 #184, N. Fort Myers, FL 33903.

The principal executive offices of the Company are located at 251 Consumers Road, Suite 1200, Toronto, Ontario, Canada.

**QD MINE INC** is a wholly-owned subsidiary of QDI (USA) Inc., a corporation incorporated under the Delaware General Corporation Law on October 29, 2021.

QDI (USA) Inc. is a wholly-owned subsidiary of Quarry Dynamics Inc., a corporation incorporated under the Canada Business Corporations Act on March 26, 2021.



# Terminology & Abbreviations



## **Bitcoin (BTC)**

A type of digital currency in which a record of transactions is maintained, and new units of currency are generated by the computational solution of mathematical problems. Bitcoin operates independently of a central bank. Bitcoin can also refer to a single unit of bitcoin.



## **Block Reward**

The amount of BTC awarded or earned for successfully mining or verifying a block



## **Currency/Coin/Crypto**

When talking about cryptocurrencies



## **Hashrate**

Means the computational power that is being used to mine and process transactions on a Proof-of-Work blockchain, such as Bitcoin and Ethereum



## **Mining**

A system that adds transactions and provides security to the Bitcoin blockchain; how new bitcoins enter the market.



## **Smart Contract**

Refers to a self-executing Blockchain contract with the legally relevant events and actions in respect of the Tokens, directly written into lines of code



## **STO**

Security Token Offering

## **Blockchain**

Refers to the Technology behind Bitcoin and most other prominent cryptocurrencies. A system in which a record of transactions made in cryptocurrency are maintained across several computers that are linked in a peer-to-peer network



## **Block**

A file that contains a "permanent" record of transactions



## **Digital Wallets**

Refers to a cryptocurrency wallet, which is a device, program or a service to store the public and/or private keys to facilitate the transactions (send and receipt) of cryptocurrency.



## **Hard Cap**

The amount we need to raise to launch this project at its full capacity



## **Miners**

People or companies that "mine" bitcoin. Miners use cryptographic hash functions to solve a block containing the latest bitcoin transaction data. The miner that solves the block first is rewarded with bitcoin. Miners can add the solved block to the blockchain, enabling the Bitcoin ecosystem to continue functioning.



## **Offering Period**

Means the period beginning on the token launch date and ending either when a) all tokens have been sold, b) 12 months from the date of initial launch or c) the date upon which QD MINE INC elects to end the Offering.



## **Soft Cap**

The minimum amount we need to raise to launch this project



# Risks & Uncertainties

OD MINE INC. structure is not yet developed and is subject to further changes, updates, and adjustments prior to its launch. Such changes may result in unexpected and unforeseen effects on its projected appeal to users, possibly due to the failure to meet users' preconceived expectations based on this White paper, and hence, influence its success. For the foregoing or any other reason, the development of the ODMINE token and launch of OD MINE INC. future business ventures may not be completed and there is no assurance that it will be launched at all.

In the case of unforeseen circumstances, the objectives stated in this document may be changed. Despite the fact that we intend to reach all goals described in this document, all parties involved in the purchase of ODMINE token do so at their own risk. The funds raised in the STO are exposed to risks of theft. The Company will make every effort to ensure that the funds will be securely held in blockchain wallets and escrow accounts. Notwithstanding such security measures, there is no assurance that there will be no theft of the cryptocurrencies as a result of hacks, sophisticated cyber-attacks, distributed denials of service or errors, or otherwise.

## Cautionary Note Regarding Forward-Looking Statements

This white paper contains "forward-looking statements". Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements made regarding expected operating results; anticipated levels of capital expenditures; management's belief that the Company has or will have sufficient liquidity to fund business operations; strategies for customer retention, growth, product development, market position, financial results, and reserves; and strategies for risk management. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the Company's current beliefs, expectations, and assumptions regarding the future of its business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict and many of which are outside of the Company's control. The Company's actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, no reliance should be placed on any of these forward-looking statements. Important factors that could cause the Company's actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: economic and financial conditions; the adequacy of our cash flow and earnings; the level of demand and financial performance of targeted customer businesses; strategic actions, including acquisitions and dispositions; changes in customer demand; the extent to which we are successful in gaining new long-term relationships with customers or retaining existing ones and the level of service failures that could lead customers to use competitors' services; developments and changes in laws and regulations, including increased regulation through legislative action and revised rules and standards; and, disruptions to the Company's technology network including computer systems and software. Any forward-looking statement made in this White paper is based only on information currently available to the Company and speaks only as of the date on which it is made. The Company undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments, or otherwise.

# Disclaimer

This White paper is made available on a confidential basis for information purposes only and is not to be disseminated by any recipient without the prior written consent of Quarry Dynamics Inc., together with its subsidiaries (The Company). This white paper does not constitute either an offer, or the solicitation of an offer, to enter into a transaction for the purchase and sale of any securities or any other type of transaction.

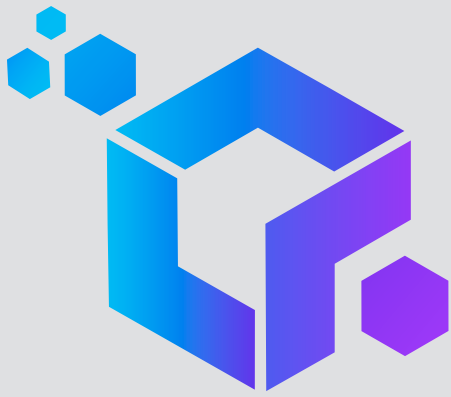
By way of background, in the U.S., pursuant to the JOBS Act and SEC Rule 506(c), issuers can offer securities through means of general solicitation provided (a) all purchasers in the offering are accredited investors, and (b) the issuer takes reasonable steps to verify their accredited investor status. In Canada, Companion Policy 45-106CP – Prospectus Exemptions confirms that NI 45-106 – Prospectus Exemptions does not prohibit the use of registrants, finders, or advertising in any form to solicit purchasers provided that the category of investor being sought (i.e., accredited investors) is identified.

The Company is not a “distributing corporation” (as that term is defined in the Canada Business Corporations Act, R.S.C. 1985, c. C-44, as amended, and the Canada Business Corporations Regulations, 2001, SOR/2001-512, as amended) nor is it a “reporting issuer” (as that term is defined in the Securities Act, R.S.O. 1990, c. S.5, as amended (the “OSA”). Company securities are not listed or posted for trading, nor quoted on, any securities exchange or securities market. This White paper is not intended to constitute an “offering memorandum” (as that term is defined in the OSA) and it has not been, and will not be, filed with or reviewed by any securities commission, stock exchange, governmental agency, regulatory body, or similar authority. No securities commission, stock exchange, governmental agency, regulatory body, or similar authority has made any finding or determination or expressed any opinion with respect to the merits of an investment in Company securities. No such investment should be made in reliance upon this White paper. Any such investment, which is subject to significant risks not disclosed in this White paper, should only be made (i) pursuant to a formal subscription agreement executed and delivered by the Company, and (ii) by sophisticated and fully informed investors able to bear the economic risk of an investment in the Company’s securities and to afford a complete loss of any such investment.

The information in this White paper is effective as of June 2022. The Company does not undertake, and disclaims, any obligation to update this document to reflect any changes in any information included herein or any future developments.

## **No Cancellation and No Refund**

All **ODMINE** token orders are deemed firm and final. The Client acknowledges that they are fully aware that they will not be entitled to claim any full or partial reimbursement under any circumstances whatsoever, except in the case that we do not meet the Soft Cap amount; in this scenario the funds will be returned to respective general issuance investors.



# Quarry Dynamics

## Contact Us

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