

# PetroCoin®

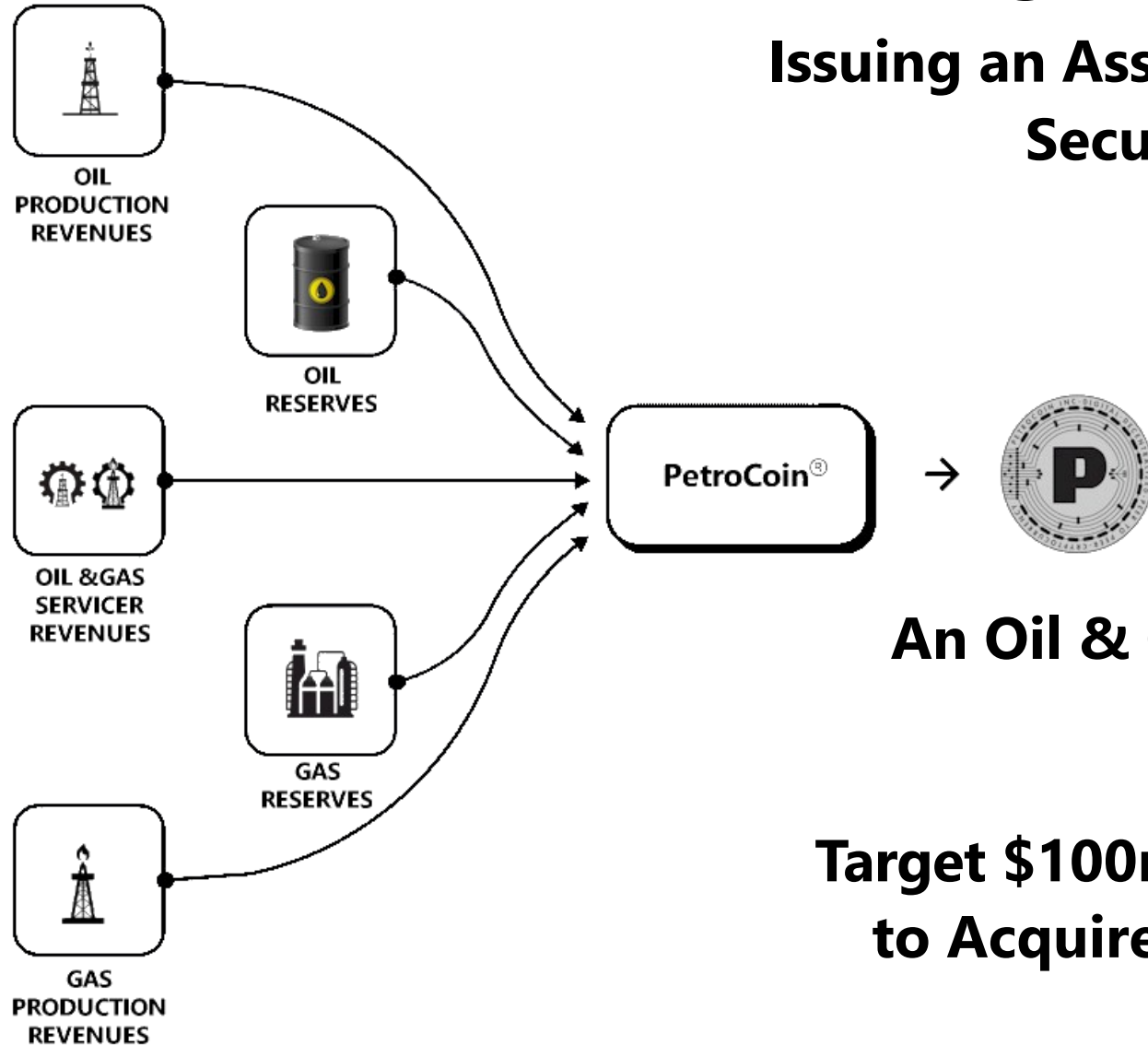
**The Tokenization of Oil and Gas  
Reserves and Oil Field Process  
Streams - Digital Gold**

VERSION DATE:  
SPRING 2024



# Understanding PetroCoin

## Issuing an Asset Backed Security Token



**Target \$100m Raise  
to Acquire Assets**



# **PetroCoin® – The Tokenization of Oil and Gas Reserves and Oil Field Process Streams - Digital Gold**

In the vast realm of commodities, few substances hold as much significance and economic value as oil. It's the lifeblood of the modern world, fueling industries, transportation, and economies. However, amidst this valuable resource lies an opportunity for innovation and efficient management – asset tokenization. The fusion of blockchain and the oil industry will ignite a new revolutionary era, changing investment methods in one of the world's most lucrative sectors, oil, gas and oil services. Welcome to the age of unlocking digital gold through tokenization.



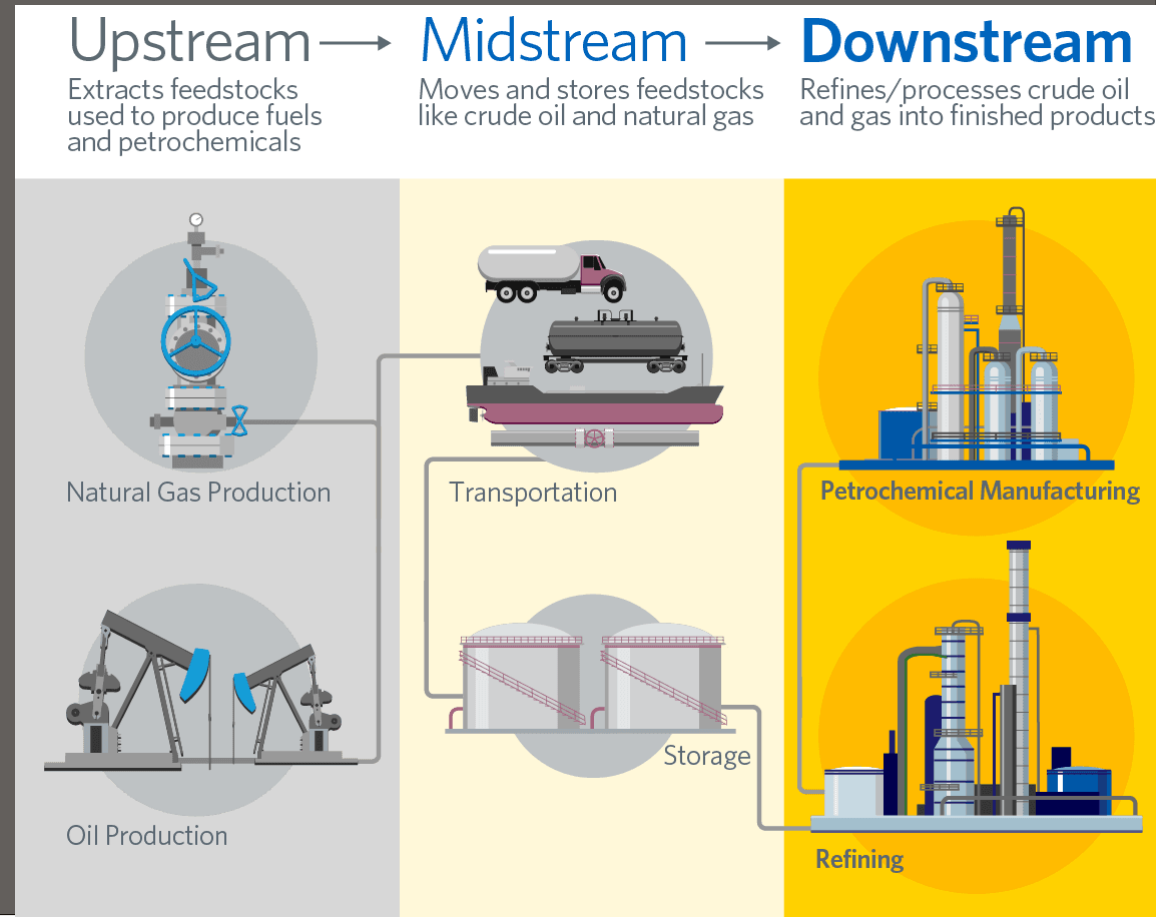
## What are Proven Reserves and Process Streams?

### Proved Reserves of Crude Oil & Gas

Proved reserves are operator estimates of the volumes of oil and natural gas that geological and engineering data demonstrate, with reasonable certainty, to be recoverable in future years from known reservoirs under existing economic and operating conditions.

### Process Streams

Oil and gas process streams include UPSTREAM oil and gas production includes identifying, extracting, or producing materials, DOWNSTREAM oil and gas production includes the post-production of crude oil and natural gas activities and MIDSTREAM operations link upstream and downstream and include transportation and storage services. Service process streams are defined in more detail in the following paragraphs.



# What is Tokenization?

Tokenization is the process of converting rights to an asset into digital tokens on a blockchain. These tokens represent ownership, a share, or the value of the underlying asset. Essentially, tokenization enables the division of a single asset into smaller, tradable units, providing liquidity and accessibility to a broader range of investors.

## Why Tokenize Oil and Gas Proven Reserves & Process streams?

Let's explore the compelling reasons why tokenizing oil and gas proven reserves is a game changer in the global market not to mention the tokenization of oil and gas service company's revenue streams. While the oil and gas production industry represent a multi-trillion-dollar annual business, the oil and gas service industry produce in excess of a hundred billion dollars annually also.

## Global Access:

Tokenization opens up the oil and gas production and service markets to a global audience, enabling investments from anywhere around the world. Digital tokens can be traded 24/7 on online platforms, transcending geographical limitations.

## Enhanced Liquidity:

Traditional investment in oil and gas often involves high entry costs and liquidity constraints. Tokenization divides oil assets into smaller, tradable units, providing investors with enhanced liquidity and the ability to buy and sell fractions of proven reserves easily.

## Portfolio Diversification:

Fractional ownership of oil and gas reserves allows investors to diversify their portfolios without having to commit to entire field projects. This diversification helps in risk mitigation and aligning with different investment strategies.





# The Impact of Tokenization

## **Market Dynamics:**

Tokenization introduces transparency and efficiency to the oil and gas markets by leveraging blockchain technology. The immutable and auditable nature of the blockchain ensures a clear record of transactions and ownership, reducing fraud and enhancing market integrity.

## **Breaking Barriers:**

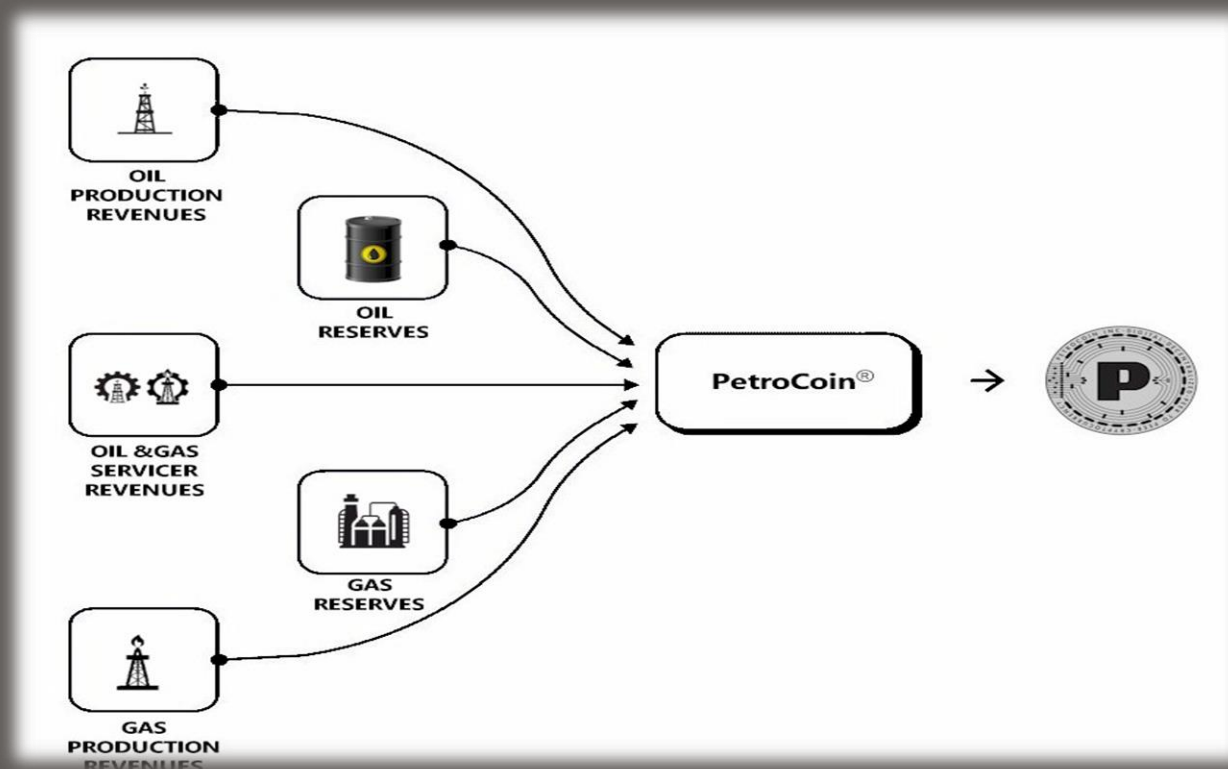
Traditional barriers to entry, like minimum investment amounts and regulatory restrictions, are significantly reduced. Tokenization promotes inclusivity, allowing a broader range of investors to participate in the oil market.

## **Financial Inclusion:**

Tokenization modifies or changes access to oil investments, making it feasible for smaller investors to venture into the oil and gas markets. Fractional ownership ensures that even those with limited capital can have a stake in this valuable commodity.

# Understanding PetroCoin®

PetroCoin® represents a groundbreaking integration of blockchain technology with the oil and gas industry. It involves converting physical proven reserves of oil and gas and service revenue streams into digital tokens, each token denoting a specific fraction of the actual oil and gas values.



# Key Features of PetroCoin®

- 1. Fractional Ownership:** Each token literally represents a fraction of an oil barrel or gas cubic foot value, making it feasible for a broader range of investors to participate in the energy markets.
- 2. Redefined Liquidity:** Tokenization enhances liquidity in the oil and gas markets by facilitating the seamless trading of these digital tokens, empowering investors to react swiftly to market dynamics.
- 3. Security and Transparency:** Built on a blockchain, the PetroCoin® ensures secure and transparent transactions, allowing for an immutable record of ownership and trades.
- 4. Intrinsic Value Backing:** PetroCoin® token assets are supported by independently certified proven recoverable oil and gas reserves. Each PetroCoin® token represents the net recovered value of a minimum of one reserve barrel of crude oil or its natural gas equivalent.
- 5. Basket of Oil and Gas Assets:** PetroCoin® tokens are backed by a diversified basket of oil and gas assets, including physical oil and natural gas proven reserves and interests in oil and gas producing fields and process stream revenues and energy processes.
- 6. Reliable Store of Value:** PetroCoin® is designed to be a safe haven tokenized store of value, offering stability and security amidst market fluctuations and economic uncertainties.
- 7. Transparent and Compliant:** The PetroCoin® team is fully transparent and committed to legal compliance. They adhere to applicable tax laws, and financial reporting standards, and work with regulators to foster trust and compliance.

# Implied Volatility and Liquidity for PetroCoin®

Implied volatility and liquidity are essential aspects that define the behavior and trading dynamics of any asset, including the PetroCoin® ("PTCN"). It's important for investors to grasp how these factors can influence the PTCN market and their investment decisions.

## Implied Volatility:

Implied volatility measures the expected fluctuations in the price of an asset over a specific time period. For PTCN, it represents the expected variations in its market price based on options pricing models and market sentiment.

PTCN is expected to have lower implied volatility compared to many other cryptocurrencies due to its backing by proven hydrocarbon reserves. However, significant dislocations between the PTCN market price and the market prices of hydrocarbons could lead to higher implied volatility.

For instance, if the price of PTCN significantly deviates from the price of crude oil or its natural gas equivalent, it could trigger a dislocation event, potentially causing increased volatility.





# Liquidity Challenges and Solutions:

Liquidity, or the ease of buying and selling assets at stable prices, is a critical factor in any market. Higher liquidity ensures a less volatile market, while lower liquidity can lead to more significant price fluctuations, especially with large trades.

The cryptocurrency market, including PTCN, faces liquidity challenges compared to traditional financial markets. Transactions involving cryptocurrencies often experience slippage, resulting in higher transaction costs.

To enhance liquidity and encourage mainstream adoption, various approaches can be taken:

- **Decentralized Trading Platforms:** These platforms promise greater security and transparency by enabling peer-to-peer transactions without relying on third-party services to hold funds.
- **Reducing Transaction Costs:** Efforts to reduce transaction costs and simplify transactions will make cryptocurrencies more appealing and increase demand.
- **Token-to-Token Convertibility:** Allowing seamless conversion between different tokens directly within wallets can improve accessibility and liquidity.

PTCN will address liquidity challenges by promoting widespread adoption, supporting trading on multiple exchanges, and ensuring ease of conversion to other currencies. As adoption grows, PTCN's liquidity is expected to increase substantially.

# Market Performance and Liquidity:

PTCN's liquidity will initially be minimal, but efforts will be made to expand its availability on various cryptocurrency exchanges. As PTCN gains wider recognition and adoption, its utility as a medium of exchange and payments will grow, subsequently improving its liquidity.

Fractional trading of PTCN, similar to Bitcoin and other cryptocurrencies, will make it more accessible and further contribute to its liquidity. The goal is to enable PTCN trading on numerous cryptocurrency exchanges globally with fast transaction times and minimal costs.

## Final Words

Tokenizing oil and gas reserves and associated production and field service revenue transforms the oil market, making it more accessible, transparent, and inclusive. It's a technological leap that brings liquidity and investment opportunities to a commodity that drives the global economy.

To learn more about our tokenization opportunity, visit

**[https://petrocoin.io/!](https://petrocoin.io/)**



### Kürt Neübauer

Kürt E. Neübauer, age 72 is Co-Founder, President/Chief Executive Officer Co-founded the Company in 2023 along with Cody Kemp. has an extensive entrepreneurial and executive management background. Since embarking on his professional career in 1971, Mr. Neubauer has founded numerous companies and directed their growth as CEO or President. These companies have included sales organizations, multiple construction companies, a mortgage company, an Investor Relations firm, oil and gas technology companies and a music, television and film entertainment company. As a result of his professional experience over the last 50 plus years, Mr. Neubauer has acquired significant knowledge and expertise in business development, marketing, corporate structure, financial structure and the public markets. He is a versatile, action-oriented, executive producer with over fifty years of increasingly responsible management positions. Mr. Neübauer has been involved in all phases of high corporate business including research and development, acquisitions, packaging, financing, budgeting forecasting and taking companies public.

Working primarily behind the scenes, he has developed and implemented financing facilities, designed and implemented domestic and international sales and marketing campaigns. Over a career that spans 50 plus years, Mr. Neübauer has identified and developed many unique ideas and products and converted them to successful businesses, on both a domestic and an international scale. These enterprises include successful efforts in the oil and gas industries.

Mr. Neübauer has significant knowledge and expertise in all aspects of business development, marketing, and corporate structure, include decades of successful leadership in taking companies public. Since 1998, his responsibilities have included all areas of operations, working and reporting to the SEC, managing shareholder expectations, securing financing, populating, communicating and cooperating with boards and affiliated governances. This broad experience in the multi-disciplinary sectors of taking companies public will be key to the current market opportunities being sought for PetroCoin Limited Liability Company. Mr. Neübauer overall brings discipline and structure to an industry which often times is somewhat anemic in these areas.



## Cody Kemp

## Key Officers

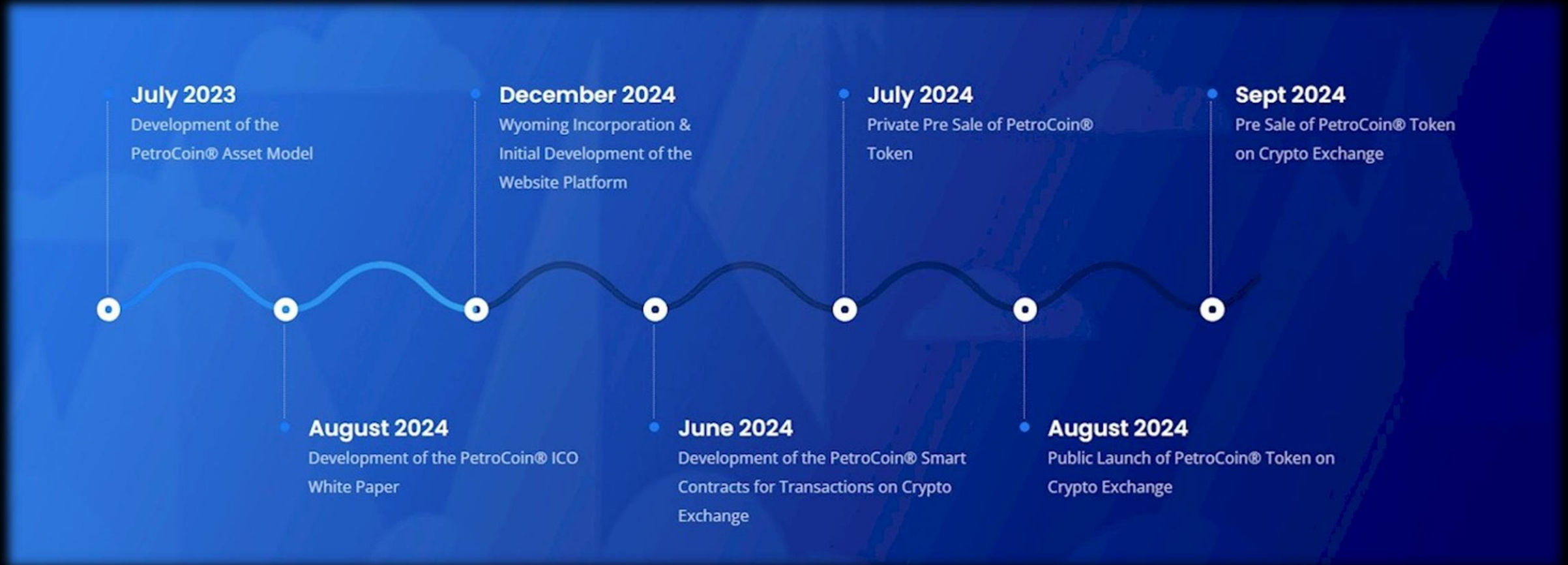
Cody Kemp, Co-Chairman, Chief Business Operations and Development Officer of PetroCoin Limited Liability Company and Co-founded the Company in 2023 along with Kurt Neubauer. He is a versatile, action-oriented executive with over twenty five years of increasingly responsible management in developing markets, restructuring, reorganizing, acquisitions and mergers of companies. Mr. Kemp has been involved in all phases of corporate business including program management, research and development, finance structuring, budgeting, forecasting and managing regulatory compliance.

Provides leadership and manages predominantly in a discreet manor, he has developed and implemented mezzanine financing and facilities, designed and implemented domestic and international sales and marketing campaigns. Over a career that spans over 25 years, Mr. Kemp has identified and developed many unique ideas, products, technologies, process applications and converted them to successful businesses, on both a domestic and an international scale, in energy generation, up-stream, mid-stream and downstream oil and gas industries. The relationships created over the past 25 years have proven themselves instrumental in developing and establishing the initial asset base for the Petrocoin® token.

Mr. Kemp's significant knowledge and expertise in all aspects of business development, marketing, and corporate structure, include decades of successful leadership in restructuring, increasing market share and maintaining growth. Since 1995, his responsibilities have included all areas of business operations, managing stakeholder expectations, securing financing, communicating and cooperating with boards and affiliated governances. This broad experience in the multi-disciplinary sectors will be key to the current market opportunities being sought for PetroCoin Limited Liability Company. Mr. Kemp's energy, oil and gas experience combined with corporate and financial structuring brings a sound foundational approach to energy asset backed security token.



# Timeline



# PetroCoin® Tokenomics

**Initial Cost of 1 token PETROCOIN®: \$100**

**Term of token sale: July 2024 through Dec**

**2024 Total Authorized Coins: 100,000,000**

**Secured ways to purchase tokens:**

**Bitcoin (BTC), Ethereum (ETH), FIAT Payments**

**Softcap - Tokens: 10,000,000**

# PETROCOIN.IO





To find out more please contact:

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281-206-2668

or visit [www.petrocoin.io](http://www.petrocoin.io)

