

# THE MINT AS

## GREENLAND RESERVE COIN (GNRC) CRYPTO-ASSET WHITE PAPER

Classification: Asset-Referenced COIN under Markets in Crypto-Assets Regulation (MiCA)

Date of Notification: August 25, 2025

Issuer: The Mint AS

Legal Form: Private limited company

Jurisdiction: Norway

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Competent Authority: Finanstilsynet (Norwegian Financial Supervisory Authority)

IMPORTANT NOTICE: This crypto-asset white paper has been prepared in accordance with the requirements of Regulation (EU) 2023/1114 of the European Parliament and of the Council on Markets in Crypto-assets (MiCA). The offering of this asset-referenced COIN is subject to Norwegian law and the laws of the European Union.

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### 3. MANAGEMENT STATEMENT

The management body of The Mint AS hereby confirms that this crypto-asset white paper complies with Title III of the Markets in Crypto-Assets Regulation (MiCA) and that, to the best knowledge of the management body, the information presented in this white paper is fair, clear, and not misleading.

### 4. EXECUTIVE SUMMARY

The Greenland Reserve COIN (GNRC) is an asset-referenced token issued by The Mint AS, a Norwegian company specializing in the development and issuance of asset-referenced Tokens backed by precious gemstones. GNRC is designed to provide a stable, secure, and compliant digital asset that combines the benefits of blockchain technology with the stability and intrinsic value of physical assets. GNRC offers a unique opportunity for portfolio diversification by providing exposure to a digital asset backed by physical gemstones. Unlike traditional cryptocurrencies such as Bitcoin or Ethereum, GNRC aims to derive its value from a tangible reserve of rubies and sapphires, offering a distinct risk-reward profile for investors looking to diversify their asset allocation.

Each GNRC COIN's value is determined by the total value of the ruby and sapphire inventory divided by the number of COIN's in circulation. This allows the COIN value to potentially appreciate over time as the value of the gemstone inventory changes. The reserve is maintained with a 5% safety buffer of additional inventory to ensure the COIN value doesn't fall below 1 EUR.

GNRC operates on the Cardano blockchain, leveraging its energy-efficient proof-of-stake consensus mechanism and robust smart contract capabilities. The COIN is designed to comply with all applicable regulations, particularly the European Union's Markets in Crypto-Assets Regulation (MiCA).

#### **Key features of a GNRC include:**

- Segregated reserve of Greenland rubies and sapphires, responsibly mined and securely custodied
- Gemstones from one of the world's oldest ruby deposits, permanently closed and never to be mined again
- Reserve valued at 50% of retail, with a 5% safety buffer
- Redemption rights at NAV, designed as a backstop while secondary trading provides primary liquidity
- Market liquidity supported by NBX Capital AS as market maker
- Oversight Committee with custodian, auditor, and external members acting by majority vote
- Independent audits and live transparency dashboard with reserves, NAV, and coverage ratio
- MiCA compliance, with preparations for scaling beyond the EUR 5m exemption threshold

#### **Unique Scarcity**

The Greenland Reserve Coin (GNRC) is backed by a gemstone inventory that is finite and irreplaceable. Following the closure of the Greenland Ruby mine in 2023, no further rubies or sapphires will be produced

from this source. During the final years of mining, The Mint AS acquired a substantial share of the polished gemstone output, representing the majority and best-quality portion of the total inventory.

The remaining gemstones reverted to the Greenlandic Authorities when the mining company ceased operations and have since been relocated to Nuuk, Greenland. As a result, they are effectively removed from the commercial market. This makes the gemstones held by The Mint AS the only actively available Greenland ruby and sapphire inventory worldwide, reinforcing GNRC's position as a uniquely scarce digital asset.

#### **4.1 Required Warnings**

In accordance with MiCA regulations, potential COIN holders should be aware of the following:

- Crypto-assets may lose value in part or in full
- Crypto-assets may not always be transferable
- Crypto-assets may not be liquid
- Crypto-assets are not covered by investor compensation schemes
- Crypto-assets are not covered by deposit guarantee schemes

#### **4.2 Redemption Rights**

GNRC COIN holders have the right to redeem their COIN's for physical rubies and sapphires from the reserve based on the current COIN value at the time of redemption. Redemption is subject to certain conditions and limitations as detailed in Section 8 of this white paper.

Holders of GNRC that are residents of the European Economic Area (EEA) and have completed all required customer due diligence procedures have a right of redemption at any time and at each coins relative of the reserve.

Redemption valuation basis: Redemptions are priced using the same Reserve Valuation Basis (RVB) that underpins GNRC's reserve and NAV (currently 50% of reference retail). No additional redemption discount is applied beyond the RVB. Thus, the euro value of redeemed GNRC equals the euro value of gemstones at RVB at the time of redemption.

The minimum redemption amount is 800 GNRC, and redemption requests are processed within 14 business days of successful verification. Redeemers are responsible for shipping, insurance, customs duties, and other applicable costs related to redemption, which must be paid in advance of redemption processing.

Full details of the redemption process, conditions, and associated fees are provided in Section 8 of this white paper.

## 5. ISSUER INFORMATION

### 5.1 About The Mint AS

The Mint AS is a Norwegian company specializing in the development and issuance of asset-referenced COINs backed by precious gemstones. The company was established with the vision of bridging traditional asset markets with blockchain technology, providing innovative financial solutions that combine the stability of physical assets with the efficiency and accessibility of digital COINs.

The company operates under Norwegian law and in compliance with European Union regulations, including the Markets in Crypto-Assets Regulation (MiCA).

### 5.2 Management Team

#### Chief Executive Officer: Dag Tore Aam

Dag Tore Aam serves as CEO of The Mint AS, bringing expertise in corporate finance and technology to the company's operations. He holds a 20% ownership stake in the firm. With over 20 years of executive experience, he combines leadership in technology with a strong background in corporate finance. He has a decade of experience in international M&A firms, where he serves as partner with a focus on transactions and growth strategies in the TMT sectors. Earlier, he spent 12 years as CEO in ICT and software security companies and co-founded several startups, building a solid record in scaling businesses and creating long-term value.

#### Senior Advisor and Project Manager: Erik A. Jens

Erik Jens serves as Senior Project Manager in The Mint AS, he is a seasoned banker and financier with extensive international experience in corporate and private banking, wealth and asset management, hedge funds, private equity, and digital assets including NFTs. He is the founder of LuxuryFintech, which develops financial solutions for the art and jewellery sectors with a focus on funding, corporate strategy, M&A, and sustainability. Erik has a strong track record in performance improvement and turnaround situations, and has advised globally on financing, corporate transitions, and strategic growth initiatives.

#### Chairman of the Board: Tord Eide

Tord Eide serves as Chairman of the Board for The Mint AS, providing strategic direction and governance oversight. He is the majority owner with an indirect 80% stake in the company. A seasoned legal practitioner and entrepreneur, he brings more than 30 years of international experience in M&A transactions, financing, and start-up assistance. He co-founded the Oslo office of DLA Piper and served as Partner for 24 years, having become Partner at the age of 29. In 2010, Legal 500 recognized him as "one of the top five lawyers in Norway when it comes to corporate transactions." His career also includes experience as Chief General Counsel at Alevo Group SA and 529 Technologies, as well as strategic advisor to green technology companies across the USA, Europe, and Asia.

### **5.3 Financial Position**

The Mint AS maintains a substantial asset base in the form of its gemstone inventory, with more than 500,000 rubies and sapphires from Greenland. This inventory is externally long term financed, and part of the proceeds from GNRC sales will be used to pay down this external financing.

The company's financial structure is designed to ensure the stability and security of the GNRC, with clear separation between operational funds and the gemstone reserve backing the COINs.

### **5.4 Issuer Financial Structure and Collateralization**

The Mint AS is a recently reactivated company and has limited operating history. The company was established in connection with the Greenland Ruby project, which ceased mining operations in 2023. In 2025, The Mint AS was reorganized to serve as the issuing vehicle for the Greenland Reserve Coin (GNRC), with the purpose of repurposing the existing gemstone inventory into a regulated financial instrument under MiCA.

#### **Financial Position**

The Mint AS is a newly active company with limited operating history. Its main asset is the gemstone inventory acquired during the final years of Greenland Ruby A/S's operations. This inventory was purchased at a substantial discount to prevailing retail values, providing a margin of safety to backers and tokenholders.

The inventory is financed through long-term loans provided by Norwegian industrial investors, fully collateralized by the gemstones themselves. While equity capital in The Mint AS is limited, GNRC tokenholder rights are independent of the company's balance sheet, as the reserve is legally and operationally segregated from the issuer.

#### **Collateralization and Ownership of Inventory**

The loans from these industrial investors are fully collateralized by the gemstone inventory held by The Mint AS. During the final years of Greenland Ruby A/S's operations, The Mint acquired a substantial part of the polished gemstone output, representing the majority and best-quality portion of the overall Greenland Ruby inventory.

The remaining gemstones did not stay in the bankruptcy estate of Greenland Ruby A/S. Under the terms of the mining license, they reverted to the Greenlandic Authorities upon the company's insolvency. The authorities have since collected this inventory and transported it to Nuuk, Greenland, where it is held outside the commercial market.

The Mint's inventory is independently held in custody in Bangkok and forms the sole basis of the GNRC reserve. Token holders are thus exposed only to the assets under The Mint's direct ownership and custody.

#### **Independence of GNRC Reserve**

The gemstone inventory supporting GNRC is held in custody by Greenland Ruby (Thailand) Co. Ltd., an independent company established in 2021 with the approval of the Greenland Government. Greenland Ruby (Thailand) has no corporate or financial ties to the former mining operator in Greenland. Its role is limited to custody and management of gemstone inventory in Bangkok. The reserve is legally and operationally segregated from The Mint AS's other activities. In the event of issuer insolvency, GNRC

token holders' rights to redemption remain intact, as the reserve assets are not available to satisfy The Mint's creditors.

### **Use of Proceeds**

Proceeds from GNRC issuance are applied to strengthen the reserve structure and service the long-term financing connected to the gemstone inventory. No proceeds are used for speculative operations. Operational funding for The Mint AS (development, market launch, partnerships) is separately provided by the company's lenders and strategic backers, ensuring the integrity of the GNRC reserve.

### **Industrial Backing**

The long-term lenders behind The Mint AS are experienced Norwegian industrial investors with a history of supporting large-scale resource projects. Their continued support provides stability and ensures that The Mint AS has sufficient resources to operate the GNRC issuance, maintain custody and audit arrangements.

## **6. COIN DESCRIPTION**

### **6.1 Greenland Reserve COIN (GNRC)**

The Greenland Reserve COIN (GNRC) is a digital COIN that represents a claim on a reserve of physical rubies and sapphires held by The Mint AS. Each COIN's value is determined by the total value of the gemstone inventory divided by the number of COINs in circulation, with a minimum value guarantee of 1 EUR maintained by a 5% safety buffer.

### **6.2 Classification as an Asset-Referenced COIN**

The Greenland Reserve COIN (GNRC) is classified as an Asset-Referenced Token (ART) under the Markets in Crypto-Assets Regulation (MiCA). GNRC's value is determined by the total value of the ruby and sapphire inventory divided by the number of COINs in circulation, with a minimum value guarantee of 1 EUR maintained by a 5% safety buffer. Unlike unbacked cryptocurrencies such as Bitcoin or Ethereum, GNRC aims to derive its value from a tangible reserve of physical rubies and sapphires. This asset-backed structure provides a different value proposition compared to purely speculative digital assets. While gold has historically served as a store of value, GNRC offers a digital alternative with the potential for easier transferability and fractional ownership, subject to the terms outlined in the whitepaper. Investors should consider the unique characteristics and risks of each asset class before making investment decisions.

### **6.3 Regulatory Compliance and MiCA Framework**

#### **Compliance with MiCA Regulations:**

The Mint AS is committed to full compliance with the Markets in Crypto-Assets (MiCA) Regulation (EU) 2023/1114. Our operations are structured to align with the requirements applicable to issuers of asset-referenced Tokens (ARTs).



### **Small-Scale Issuance Exemption:**

Under Article 16, paragraph 2(a) of the MiCA Regulation, issuers of asset-referenced Tokens are exempt from the obligation to seek authorization as an issuer of ARTs and to draft a white paper when the average outstanding value of the asset-referenced COIN, calculated over a rolling 12-month period, does not exceed EUR 5,000,000, or the equivalent amount in another official currency.

Greenland Reserve Coin (GNRC) is designed to operate within this framework. At launch, the total value of GNRC COINs offered will remain within the EUR 5 million small-scale exemption threshold under MiCA Article 16. This approach allows The Mint AS to offer GNRC COINs while adhering to the MiCA framework for smaller-scale ART offerings.

### **Commitment to Transparency and Investor Protection:**

Despite the exemption from a full white paper requirement under Article 16, The Mint AS is dedicated to providing comprehensive information to our users and investors. This document serves as a detailed guide to the Greenland Reserve Coin, its underlying assets (quality Greenlandic rubies and sapphires), the minting and redemption processes, and the associated risks and benefits.

We are committed to maintaining transparency in our operations, including regular third-party audits of the ruby reserves and clear communication regulating the total value of GNRC in circulation. Our goal is to foster trust and ensure that all participants have access to the information needed to make informed decisions.

### **Future Scalability and Regulatory Adaptation:**

Should the demand for GNRC grow beyond the EUR 5 million average outstanding value threshold, The Mint AS is prepared to undertake the necessary steps to comply with the full authorization requirements under MiCA, including the preparation and publication of a comprehensive white paper as stipulated by the regulation. We will proactively monitor regulatory developments and adapt our operations and documentation as needed to ensure ongoing compliance.

## **6.4 COIN Specifications**

- COIN Name: Greenland Reserve COIN
- COIN Symbol: GNRC
- Blockchain: Cardano
- COIN Standard: Cardano Native COIN
- Total Supply: Variable, based on total inventory value
- Value Model:  $\text{COIN value} = \text{Total inventory value} \div \text{Number of COINs in circulation}$
- Minimum Value: 1 EUR (maintained by 5% safety buffer)

Formulas: \* NAV per token =  $\text{Reserve Value (at RVB)} \div \text{Tokens Outstanding}$  \* Reserve Coverage Ratio =  $\text{Reserve Value (at RVB)} \div \text{GNRC Market Cap}$

## 7. OFFER TO THE PUBLIC

### 7.1 Offering Details

The Greenland Reserve COIN (GNRC) will be offered to the public in compliance with all applicable regulations, including MiCA. The offering will be conducted through authorized crypto-asset service providers, with initial distribution exclusively through the Norwegian Block Exchange (NBX). The initial offer will be limited to 3MEURO.

GNRC is designed for long-term holders who recognize the potential for value appreciation tied to the underlying gemstone reserve. The Mint AS employs a conservative valuation methodology for its ruby and sapphire inventory, and the value of GNRC is directly influenced by the total value of this reserve. While past performance is not indicative of future results, this asset-backed structure offers a unique proposition for those seeking a long-term store of value in the digital asset space.

### 7.2 Distribution Methods

GNRC COINs will be distributed exclusively through regulated exchanges, with the following distribution approach:

1. Initial Distribution Through NBX: All initial sales of GNRC will be conducted exclusively through Norwegian Block Exchange (NBX), a regulated Norwegian crypto exchange. The Mint AS will not sell GNRC COINs directly from its own platform.
2. KYC/AML Procedures: All Know Your Customer (KYC) and Anti-Money Laundering (AML) procedures will be handled by NBX and any other exchanges where GNRC is subsequently listed. These exchanges have robust compliance frameworks in place to ensure all regulatory requirements are met.
3. Future Exchange Listings: The Mint AS may establish partnerships with additional authorized crypto-asset service providers to expand the distribution network for GNRC. All partner exchanges will be required to implement appropriate KYC/AML procedures.

### 7.3 Timeline

The offering of GNRC COINs will follow this timeline:

- White Paper Publication: August 25, 2025
- Initial Offering on NBX: September 19, 2025
- Secondary Exchange Listings: Q4 2025

### 7.4 Trading Platforms

GNRC COINs will initially be available for trading on the Norwegian Block Exchange (NBX). Additional trading platforms will be announced as partnerships are established.

### 7.5 About NBX

Norwegian Block Exchange (NBX) is a regulated cryptocurrency exchange based in Norway. NBX complies with all relevant regulations, including anti-money laundering and counter-terrorism financing requirements. The exchange provides a secure and compliant platform for trading digital assets.

- Name of Exchange: Norwegian Block Exchange AS (NBX)
- Legal Form: Limited Liability Company (Limited Liability Companies Act)
- Listing: Publicly listed on Euronext Growth, Oslo Børs
- Organization number: 920 245 676
- LEI: 5493004WNVZP9EMYI834
- Business address: Arnestein Arnebergs vei 30, 1366 Lysaker, Norway
- Contact number: +47 91 92 17 81
- Contact email address: notifications@nbx.com

## 7.6 Market Making

To ensure adequate liquidity and efficient price discovery for GNRC tokens, The Mint AS will establish arrangements with a professional market maker. NBX Capital AS has entered into a liquidity provision agreement with The Mint AS, committing to maintain continuous two-way quotes in GNRC with a maximum spread of 5% and a minimum daily trading volume, subject to normal market conditions. This agreement remains in effect for an initial period of 12 months from launch.

The Mint AS will publish quarterly liquidity reports disclosing spread performance and traded volumes.

# 8. RIGHTS AND OBLIGATIONS

## 8.1 COIN Holder Rights

GNRC COIN holders have the following rights:

- Right to redeem GNRC COIN's for physical rubies and sapphires based on the current COIN value
- Right to transfer GNRC COIN's to other users
- Right to trade GNRC COIN's on authorized exchanges
- Right to access transparent information about the reserve backing the GNRC COIN's

## 8.2 Redemption Process

GNRC COIN holders have the right to redeem their COINs for physical rubies and sapphires from the reserve based on the current COIN value at the time of redemption. As the COIN value is determined by the total inventory value divided by the number of COINs in circulation, redemption value may appreciate over time. The redemption process is designed to be transparent, secure, and compliant with all applicable regulations.

### Redemption Requirements:

- Minimum redemption amount: 800 GNRC
- Processing time: 14 business days from successful verification
- Eligibility: Residents of the European Economic Area (EEA) who have completed all required customer due diligence procedures

### **Redemption Costs:**

Redeemers are responsible for all costs associated with redemption, including but not limited to:

- A 2% fee based on the value of the COINs being redeemed, minimum Euro 250
- Shipping fees
- Insurance costs
- Customs duties
- Any applicable taxes

### **8.3 Restrictions and Limitations**

The right to redemption is subject to the following restrictions and limitations:

- Minimum Redemption Amount: The minimum redemption amount is 800 GNRC
- Redemption Fees: The Mint AS may charge a fee to cover the costs of processing redemption requests
- Suspension of Redemptions: The Mint AS may suspend redemptions in certain circumstances, such as when the market for the reserve of assets is disrupted or when it is not possible to determine the value of the reserve of assets

### **8.4 Oversight Committee**

To ensure proper governance and oversight of the GNRC reserve and operations, The Mint AS has established an Oversight Committee with the following structure and responsibilities:

#### **Committee Composition**

- Independent custodian representative
- External auditor representative
- Independent external member with relevant expertise
- The Mint AS representative (non-voting observer)

#### **Decision Making:**

- All decisions are made by majority vote
- The Mint AS representative does not have voting rights
- Committee meetings are held quarterly or as needed

#### **Key Responsibilities:**

- Oversight of reserve management and custody arrangements
- Review and approval of valuation methodologies
- Monitoring compliance with regulatory requirements
- Resolution of conflicts or disputes related to GNRC operations
- Decision-making in case of issuer insolvency or operational disruption

#### **Conflict Resolution:**

In case of conflicts between The Mint AS and GNRC holders, or in situations where The Mint AS faces insolvency, the Oversight Committee has the authority to make binding decisions regarding:

- Reserve asset management
- Redemption processes
- Emergency procedures
- Asset distribution in case of wind-down

This governance structure ensures that GNRC holder interests are protected independently of The Mint AS's operational status.

## 9. TECHNOLOGY AND INFRASTRUCTURE

### 9.1 Blockchain Implementation

GNRC operates on the Cardano blockchain, leveraging its energy-efficient proof-of-stake consensus mechanism and robust smart contract capabilities. The choice of Cardano provides several benefits, including:

- Energy efficiency compared to proof-of-work blockchains
- High security and reliability
- Formal verification of smart contracts
- Scalability for future growth

### 9.2 Smart Contract Functionality

The GNRC COIN utilizes smart contracts to manage COIN issuance, transfers, and redemptions. These smart contracts have been audited by independent security firms to ensure their security and functionality.

### 9.3 Security Measures and Audits

The GNRC COIN ecosystem is secured through a combination of measures implemented by The Mint AS and its exchange partners:

1. Smart Contract Audits: All smart contracts used for GNRC have been audited by independent blockchain security firms.
2. Exchange Security: As trading will take place on the NBX platform and other registered exchanges, many security measures including penetration testing and certain technical safeguards are handled by these regulated exchange platforms rather than directly by The Mint AS.
3. Reserve Physical Security: The ruby and sapphire reserve is protected by:
  - Inventory is in Bangkok, Thailand, under management of Greenland Ruby (Thailand) Co., Ltd.
  - The assets are secured within two distinct vaults. Each vault is safeguarded by a tri-level access control system that ensures only authorized personnel can gain entry. This robust physical security framework is complemented by round-the-clock live video surveillance, monitoring the interior of each vault. Furthermore, the entire premises benefits from continuous surveillance operations and a multi-layered security apparatus designed to provide a convincing level of asset protection.

- Multiple layers of alarms
- Storage in a separate safe from other inventory
- 24/7 camera surveillance
- Restricted access controls

## 9.4 Minting and Burning Processes

New GNRC COINs are minted when additional rubies and sapphires are added to the reserve or when the value of the existing reserve increases. COINs are burned when they are redeemed for physical gemstones or when the value of the reserve decreases.

# 10. RESERVE ASSETS

## 10.1 Ruby and Sapphire Reserves

The GNRC COIN is backed by a reserve of natural rubies and sapphires from Greenland. These gemstones are stored in secure facilities and are regularly audited to ensure their presence and condition.

## 10.2 Valuation Methodology

The Mint AS employs a conservative valuation methodology for the ruby and sapphire reserve:

1. Original Purchase Valuation: The gemstones have been purchased from Greenland Ruby, and the valuation used for GNRC backing is the same as was used when the purchase took place. This provides a consistent and transparent baseline for the COIN's backing.
2. Professional Valuation: The original valuation was conducted by professionals in the gemstone market in Bangkok, who assessed factors such as carat weight, color quality, clarity, cut quality, market demand, and historical price stability. Scarcity due to the mine closure was not a factor in the original valuation.
3. Conservative Valuation Principle: The assessed retail market value is discounted by 50% to establish the conservative value used for backing GNRC COINs. Reserve Valuation Basis (RVB): The RVB is the percentage of reference retail used to calculate the reserve and NAV (currently 50%). Any change to the RVB requires (i) an updated independent valuation report; (ii) publication on the transparency dashboard; and (iii) a minimum 30-day notice before effectiveness. Changes to RVB affect the reserve and NAV symmetrically and do not introduce a separate redemption discount.

Formulas: \* NAV per token = Reserve Value (at RVB) ÷ Tokens Outstanding \* Reserve Coverage Ratio = Reserve Value (at RVB) ÷ GNRC Market Cap

4. Regular Audits: The ruby and sapphire reserve will be audited every 12 months by independent auditors to verify the inventory and its condition. The Mint AS's service provider in Bangkok will provide a quarterly audit verifying the status of the reserve.

## 10.3 Custody Arrangements

The ruby and sapphire reserve is stored in secure facilities of a professional custodian with appropriate storage and insurance coverage. Access to the reserve is strictly controlled, monitored, and audited. The reserve is segregated from other inventory. The custodian is a professional service provider that has serviced The Mint AS, Greenland Ruby A/S, and Greenlandic authorities for a number of years.

### The Custodian

Greenland Ruby (Thailand) Co., Ltd. was established in 2021 with approval from the Greenland Government. Based in Bangkok, the world's leading hub for coloured gemstones, the company operates from a high-security facility alongside recognized international firms such as Swarovski and The Bonas Group. Its team of local and international industry experts has managed inventories exceeding one million cut and polished gems.

Since inception, Greenland Ruby (Thailand) has been audited annually by international firms including BDO and Deloitte on behalf of Greenland authorities and external stakeholders such as Nebari Holdings, and has cooperated with independent due diligence processes, most recently Alvarez & Marsal in 2024. The company is led by Managing Director Carl Leenaerts, who has held senior leadership roles across Southeast Asia since 2009.

### Transparency Dashboard

To ensure ongoing trust, The Mint provides a near real-time transparency dashboard on the gemstone reserve, including:

- Total number of gemstones in custody
- Total carat weight
- A breakdown of gemstone types (rubies vs. sapphires)
- The latest independent valuation of the reserve
- The number of GNRC tokens in circulation
- A live-updated coverage ratio (Reserve Value / Token Market Cap)

## 10.4 Audit Procedures

The Mint AS has appointed a reputable independent auditor, currently Revisorkonsult AS, as its auditor. The auditor is responsible both for the annual audit of The Mint AS's financial statements and for providing a separate GNRC Reserve Attestation, verifying the existence, custody, and valuation methodology of the gemstone reserve. The Reserve Attestation is published annually on the-mint.com and forms part of the transparency framework available to all tokenholders.

The reserve is audited annually by independent auditors. The audit process includes:

- Physical verification of the gemstone inventory
- Spot checks to ensure stones are identical to those originally placed in the GNRC vault
- Detailed comparison of stone characteristics with original purchase records
- Verification of individual stone identification numbers
- Photographic documentation for comparison with original intake records

Audit reports will be published on the-mint.com website.

## 11. RISK FACTORS

Investment in GNRC COINs involves certain risks. The following section outlines the principal risk categories and the measures taken to mitigate them. While The Mint AS implements robust safeguards, no structure can eliminate all risks. Investors should carefully consider the following before making an allocation.

### 11.1 Market Risks

**Risk:** Fluctuations in gemstone values, changes in demand for digital assets, and foreign exchange volatility may affect the net asset value (NAV) of GNRC. As gemstones are less liquid and standardized than precious metals, short-term market swings may occur.

**Mitigation:** GNRC applies a conservative Reserve Valuation Basis (RVB) of 50% of reference retail. This provides a built-in buffer against market volatility. NAV and reserve coverage are published transparently via a live dashboard, enabling investors to track exposure in real time.

### 11.2 Operational Risks

**Risk:** Operational failures could occur at the custodian, exchange partners, or within The Mint AS itself. Custody mismanagement, process failures, or inadequate business continuity planning could impair redemption or trading.

**Mitigation:** Custody is handled by Greenland Ruby (Thailand) Co. Ltd., an experienced independent provider audited by Deloitte and BDO. Trading is conducted exclusively via regulated exchanges (starting with NBX). The Mint AS maintains segregation of reserves from operational assets and is supported by long-term industrial backers, ensuring stability of operations.

### 11.3 Technical Risks

**Risk:** As a blockchain-based instrument, GNRC is exposed to smart contract vulnerabilities, blockchain network outages, and cybersecurity threats. These risks may affect trading, transfers, or redemption.

**Mitigation:** GNRC smart contracts are audited by independent blockchain security firms. Trading is hosted on regulated exchanges with robust cybersecurity frameworks. Reserve custody is entirely off-chain, ensuring that token integrity is not dependent on continuous blockchain availability.

### 11.4 Regulatory Risks

**Risk:** Regulatory changes in crypto-assets, gemstone import/export, or tax treatment could impact GNRC's operation or investor returns. In particular, GNRC is currently issued under the EUR 5 million small-scale exemption in MiCA. If issuance exceeds this threshold, full authorization requirements will apply.

**Mitigation:** The Mint AS already foresees that demand may surpass the EUR 5 million exemption limit. Preparations are underway to comply fully with MiCA authorization requirements, including capitalization, governance, and reporting obligations. By aligning early with supervisory expectations, The Mint AS reduces transition risk and ensures continuity of GNRC operations as a regulated issuer.



## 11.5 Liquidity Risks

**Risk:** Secondary market liquidity cannot be guaranteed. Limited trading demand or withdrawal of the market maker may result in wider spreads or reduced ability to exit positions.

**Mitigation:** The Mint AS has entered into a liquidity provision agreement with NBX Capital AS, committing to continuous two-way quotes within a 5% spread and minimum daily trading volumes. The Mint AS publishes quarterly liquidity reports disclosing actual spreads and volumes. Token holders also retain redemption rights as a backstop mechanism.

## 11.6 Residual Greenland Ruby Inventory

**Risk:** A portion of polished gemstones from Greenland Ruby A/S reverted to the Greenlandic Authorities when the company ceased operations. These gemstones have been removed from the market and are now held in Nuuk, Greenland.

**Mitigation:** This eliminates the risk of a distressed or uncontrolled sale. The gemstones are no longer part of any commercial bankruptcy estate. The Mint AS holds the majority and best-quality portion of the Greenland ruby inventory, and this reserve — held in independent custody in Bangkok — forms the exclusive basis of GNRC.

## 11.7 Auditor Capacity and Independence

**Risk:** The Mint AS has appointed Revisorkonsult AS as independent auditor for both its corporate accounts and GNRC reserve attestation. As a mid-sized firm, investor concerns may arise regarding capacity or independence.

**Mitigation:** The auditor applies internationally recognized standards (ISA/ISAE). Specialist reports (Bangkok gemstone valuers, custodial confirmations) are integrated into the audit process. The Mint AS reserves the right to engage a Tier-1 international audit firm if issuance scales beyond current levels or investor demand requires.

## 11.8 Valuation Risks

**Risk:** Gemstone valuation methodologies can vary, and scarcity premiums are difficult to quantify. Divergence between GNRC's RVB and realized market prices could occur.

**Mitigation:** GNRC's reserve is valued at 50% of retail, providing a conservative cushion. Independent professional valuers in Bangkok assessed carat weight, color, clarity, and cut. Any RVB change requires an updated valuation report, publication on the transparency dashboard, and 30 days' notice. No additional redemption discount applies.

## 11.9 Issuer Financial Risks

**Risk:** The Mint AS is a newly active company with limited operating history and only modest equity capital. Its gemstone inventory is financed through long-term loans, which may raise concerns about issuer solvency.

**Mitigation:** All loans are fully collateralized by the gemstone inventory. GNRC reserves are legally and operationally segregated from The Mint AS's corporate balance sheet, meaning tokenholder rights are protected even in the event of issuer insolvency. An independent Oversight Committee and annual

reserve audits further ensure that GNRC reserves remain intact and accessible to tokenholders regardless of the company's financial position.

### **11.10 Environmental Risks**

**Risk:** While the GNRC blockchain footprint is minimal, investors may raise concerns about historical mining impacts. Negative perception could affect adoption by ESG-conscious stakeholders.

**Mitigation:** The Greenland mine is permanently closed, making the reserve finite and non-replicable. Mining operations historically adhered to strict environmental standards compared to global gemstone practices. Current reserves in Bangkok have negligible environmental impact, requiring no energy-intensive maintenance.

### **11.11 Summary of Mitigation Measures**

The Mint AS applies a range of safeguards to reduce risks associated with GNRC. While no mitigation can fully eliminate exposure, the following core measures strengthen tokenholder protection:

- **Conservative Valuation:** Reserve Valuation Basis (RVB) fixed at 50% of reference retail, updated only with new independent valuation and 30 days' notice.
- **Independent Custody:** Gemstone reserves held by Greenland Ruby (Thailand) Co. Ltd., with segregation from The Mint AS's own assets.
- **Audits:** Annual corporate and reserve audits by Revisorkonsult AS, supported by specialist third-party reports.
- **Liquidity Provision:** NBX Capital AS engaged as market maker, maintaining two-way quotes with maximum 5% spread.
- **Redemption Rights:** Tokenholders can redeem GNRC for gemstones at NAV (RVB), subject to terms, providing a backstop exit mechanism.
- **Oversight Committee:** Independent governance body to oversee audits, redemption, and reserve segregation, including insolvency scenarios.
- **Transparency Dashboard:** Live public data on reserves, carats, GNRC circulation, and coverage ratios.
- **Regulatory Roadmap:** Early preparation for full MiCA authorization once issuance exceeds the EUR 5m exemption threshold.
- **Insurance Coverage:** Custodial vaults are insured and secured with multi-layered physical and digital security measures.
- **Industrial Backing:** Long-term Norwegian industrial lenders provide operational funding separate from GNRC reserves.

## **12. ENVIRONMENTAL IMPACT**

### **12.1 Consensus Mechanism**

GNRC operates on the Cardano blockchain. Cardano operates on a proof-of-stake (PoS) consensus mechanism, which is significantly more energy-efficient than proof-of-work blockchains. Independent third-party assessments (e.g., University of Cambridge / Cardano Foundation data) estimate that

Cardano's annualized energy consumption is in the range of 0.002–0.005 TWh, which is less than 0.01% of Bitcoin's annual energy use.

On a per-transaction basis, Cardano consumes approximately 0.5–1.0 Wh per transaction, which is comparable to sending a standard email and far below the levels associated with proof-of-work blockchains.

This efficiency ensures that the GNRC token has a negligible blockchain-related environmental footprint compared to traditional financial settlement systems.

## **12.2 Environmental Impact of Ruby Mining and Storage**

The rubies and sapphires in the reserve are sourced from Greenland Ruby, which operated under strict environmental standards. The now closed down mining operation followed responsible mining practices and had minimal environmental impact compared to many other mining operations.

The storage of the gemstones has a negligible environmental impact, as they do not require special environmental conditions that would consume significant energy resources.

# **13. LEGAL FRAMEWORK**

## **13.1 Regulatory Compliance**

The Greenland Reserve COIN (GNRC) is designed to comply with all applicable regulations, including:

- Markets in Crypto-Assets Regulation (MiCA)
- Norwegian financial regulations
- Anti-money laundering and counter-terrorism financing regulations

## **13.2 Governing Law**

The issuance and offering of GNRC COINs are governed by Norwegian law and the laws of the European Union.

## **13.3 Dispute Resolution**

Any disputes arising from the issuance, purchase, or redemption of GNRC COINs will be resolved through the Norwegian court system, with Oslo District Court as the agreed venue for any legal proceedings.

## **13.4 Complaint Handling**

The Mint AS has established procedures for handling complaints from token holders and other stakeholders:

- Submission Process: Complaints should be submitted via email to [hello@the-mint.com](mailto:hello@the-mint.com)
- Processing: All complaints will be handled by the administration of The Mint AS
- Timeline: Complaints will typically be processed within 14 days of receipt

- Resolution: When necessary, the administration will establish direct dialogue with the complainant to find a practical solution

The Mint AS is committed to addressing all complaints in a fair, transparent, and timely manner.

## 14. APPENDICES

### 14.1 Technical Details

Detailed technical specifications of the GNRC COIN and its underlying smart contracts are available upon request.

### 14.2 Glossary of Terms

- Asset-Referenced Token (ART): A crypto-asset regulated under MiCA that maintains value by referencing one or several assets such as commodities, fiat currencies, or other crypto-assets. GNRC is structured as an ART.
- GNRC (Greenland Reserve Coin): A digital token backed by a segregated reserve of Greenland rubies and sapphires, issued by The Mint AS.
- Net Asset Value (NAV): The total value of the reserve divided by the number of GNRC tokens in circulation. NAV represents the baseline value of each token.
- Reserve Valuation Basis (RVB): The methodology for valuing the reserve. GNRC applies a conservative RVB of 50% of reference retail value. Any change requires an updated valuation report, dashboard publication, and 30 days' notice.
- Reserve Coverage Ratio (RCR): The ratio of the reserve value (at RVB) to the total market capitalization of GNRC. This figure is published on the transparency dashboard.
- Redemption Rights: The contractual right of GNRC holders to redeem tokens for physical gemstones at NAV (RVB), subject to minimum amounts, fees, and processing times.
- Custodian: The independent entity responsible for holding and safeguarding the gemstone reserves. For GNRC, this is Greenland Ruby (Thailand) Co. Ltd.
- Oversight Committee: An independent governance body reviewing reserve audits, redemption procedures, and segregation of assets, including in insolvency scenarios.
- Market Maker: A financial institution providing continuous two-way liquidity in GNRC, ensuring investors can trade with tighter spreads. NBX Capital AS acts as GNRC's initial market maker.
- MiCA (Markets in Crypto-Assets Regulation): The European Union's regulatory framework for crypto-assets and their service providers, including rules for ARTs.
- Proof-of-Stake: A blockchain consensus mechanism where validators are selected to create new blocks based on the number of tokens they hold and "stake" as collateral.

### 14.3 References

- Regulation (EU) 2023/1114 of the European Parliament and of the Council on Markets in Crypto-assets (MiCA)
- Cardano Documentation: <https://docs.cardano.org/>
- Greenland Ruby: <https://www.greenlandruby.gl/>