



DeMi White Paper

ver 1.0

Cryptocurrency mining has become increasingly challenging in recent years due to various factors

The rising difficulty level of mining networks has made it more complex for individual miners to compete and generate profits. Moreover, the cost of mining equipment has risen significantly, making it financially prohibitive for many aspiring miners to enter the industry. Additionally, factors such as energy costs, regulatory uncertainties, and environmental concerns further compound the challenges faced by miners.

As a result of the growing complexity and cost associated with individual mining endeavors, an increasing number of people are turning to mining projects and platforms. These projects pool together resources and leverage economies of scale to make mining more accessible and profitable for participants. **Overall, mining projects play a crucial role in democratizing access to cryptocurrency mining and enabling broader participation in the decentralized economy.**



DeMi Token Ecosystem

Considering the current challenges and high entry barriers in crypto mining, the DEMI team decided to launch a project that simplifies the process for both newcomers and experienced miners.

With the DEMI platform, there's no need to invest in specialized mining equipment to start earning. Users can simply purchase DEMI tokens, stake them, and receive daily BTC rewards. The reward amount is determined based on the user's share of the total mining power of the pool, with the equipment already purchased, installed, and tokenized.

Early Metrics

October 11, 2023

DEMI smart contract was created

10,800

DEMI tokens were issued and backed by 1,080 terahash

9 pieces

of Whatsminer M50

Next token issues are based on the number and power of the connected equipment. The company reports all additional emissions and equipment purchases on its social networks.



Token was developed using the BEP-20 standard on the BNB Chain network

The smart contract address on BNB chain:

0x5C9ac6CBAdfb0900a17735C9FFaACD20c60cfc15

In order to get daily rewards user has to put tokens in staking

The minimum amount of payouts is 0.001 BTC. Therefore, the number of tokens yielding these rewards varies depending on the mining difficulty and the value of Bitcoin. Rewards are credited to the BTC address that holder specifies in a personal account on the platform.

Smart contract address for staking:

0xfebb58f69B9836d6A43C77E9eAF65f020e5386B9

There is also a BRC-20 based token called DEMX

BRC-20 is a token standard created for the Bitcoin blockchain, mirroring the ERC-20 standard on Ethereum. This standard enhances the Bitcoin blockchain's capabilities by incorporating smart contract functionality and tokenized assets. DEMX tokens are equivalent to DEMI but are issued on a different standard.

The smart contract address for DEMX is:

57061996

The Demi platform team oversees the administration of the primary Multisig address:

0xF0f39d83090b0acAD2ca9160970Be88b616dDc75,

a pivotal component within the Demi token contract.

The Transfer of Rights transaction involves granting authority to this multisig, empowering it to execute the functionalities embedded in the smart contract for Demi token issuance and distribution.

The token functionality is based on a hashrate-backed system, with each DEMI token representing 0.1 TH/s. Terahash per second is a metric for computing power required for cryptocurrency mining, indicating the number of computational operations a mining device can execute per second.

The higher the TH/s value of a DEMI mining pool, the more likely for it to find a solution to the next block in the blockchain and receive bitcoin rewards. DeMi manages all connected devices in the mining pool.

To calculate the cost of 1 TH/s, we need to obtain the average cost of equipment.

We find the cost of 100 TH/s, taking two values indicating the cost of equipment: minimum and maximum. We use data from equipment suppliers to form purchase and sale price levels over an annual period.

$$P_{\min} = \$2\,500$$

$$P_{\max} = \$3\,000$$

$$P_{\text{avg}} = \frac{P_{\min} + P_{\max}}{2}$$

$$P_{\text{avg}} = \frac{2\,500 + 3\,000}{2} = \frac{5\,500}{2} = \$2\,750$$

Thus, the average cost of equipment is **\$2,750 for 100 TH/s**.

The cost of 1 TH/s will be \$27.5.

Then we get the fundamental cost of 1 DEMI

$$1 \text{ DeMi} = 0.1 \text{ TH/s} \times \$27.5 = \$2.75$$

Energy efficiency

We determine effective equipment or the efficiency of 1 DEMI token from the following consideration: the lower the value of energy consumption J/TH to TH/s, the more efficient the equipment.

$$P_{\min} = 18 \text{ J/TH}$$

$$P_{\max} = 30 \text{ J/TH}$$

$$P_{\text{avg}} = \frac{P_{\min} + P_{\max}}{2}$$

$$P_{\text{avg}} = \frac{18 + 30}{2} = \frac{48}{2} = 24$$

Meaning, the average efficiency of 100 TH/s will be **24 J/TH**.

To calculate the cost of 1 TH/s, we need to obtain the average cost of equipment. For simplicity, let's find the cost of 100 TH/s. To do this, we take two values indicating the cost of equipment: minimum and maximum. We use data from equipment suppliers to form purchase and sale price levels over an annual period.

$$1 \text{ TH/s} = \frac{24 \text{ J/TH}}{100 \text{ J/TH}} = 0.24$$

We get the fundamental cost of 1 DEMI

$$1 \text{ DeMi} = 0.1 \text{ TH/s} \times 0.24 = 0.024 \text{ J/TH}$$

The average efficiency per 1 DEMI is dynamic and is recalculated depending on the equipment introduced into the mining pool.

Equipment energy requirements

The maximum and minimum values of W are defined as the required amount for generating effective 100 TH/s.

$$P_{\min} = 1\,800\text{ W}$$

$$P_{\max} = 3\,000\text{ W}$$

$$P_{\text{avg}} = \frac{P_{\min} + P_{\max}}{2}$$

$$P_{\text{avg}} = \frac{1\,800 + 3\,000}{2} = \frac{4\,800}{2} = 2\,400$$

Meaning, the average efficiency per 100 TH/s will be **2400 W**.

Next, we calculate the number of watts required for 1 TH/s:

$$1\text{ TH/s} = \frac{2\,400\text{ W}}{100\text{ TH/s}} = 24\text{ W}$$

$$1\text{ DeMi} = 0.1\text{ TH/s} \times 24 = 2.4\text{ W}$$

Meaning, the average energy consumption per 1 token is **3 W**.

This indicator is dynamic and is recalculated depending on the equipment entered into the mining pool.

1 DEMI TOKEN =

08

0.1 TH/s

Supply power

3 W

Energy consumption

0.0224 J/TH

Energy efficiency



How rewards are calculated

User rewards are calculated according to the following principle. The equipment is connected to the mining pool. The mining pool participates in the process of bitcoin mining in real time. This allows the company to track every payout on the blockchain.

Once the mined amount arrives at the distribution address, we exclude the costs of electricity, maintenance and developer fees and send bitcoin rewards to DEMI holders (to their bitcoin wallets).

Payments are made according to the accumulation of a minimum balance (0.001 BTC). This allows to save on network transaction costs and maximize mining profits.

We determine the total reward of the mining pool the following way:

Total Mining Pool Reward = (mining pool reward - mining pool reward × dev fee) – (electricity costs + equipment repair costs)



Here is a brief explanation of what the total mining reward consists of:

- **Fixed cost of electricity** = 0.05 USD/kwh
- **Mining pool reward** = bitcoin mined by miners connected to the DEMI mining pool
- **Dev Fee** (developer fee) = 1%
- **Equipment repair costs** = variable, depending on the amount of equipment that needs repair

We determine the share of each user in the pool:

$$\text{User Share} = \frac{\text{User's DeMi tokens}}{\text{Total DeMi tokens in a pool}}$$

$$\text{User Reward} = \text{Total Mining Pool Reward} \times \text{User Share}$$

Reward calculation to each user:

$$\text{User Reward} = \text{Total Mining Pool Reward} \times \text{User Share}$$

For DeMi BEP20 holders

- 1 The user connects his EVM wallet with a Bitcoin address through a staking smart contract.
- 2 The smart contract registers the connection between the EVM address and the Bitcoin address.
- 3 Rewards are calculated based on the share of DEMI tokens that the user owns and are distributed to the linked Bitcoin address.

For DeMi BRC20 holders

- 1 By purchasing DEMI (ticker DEMX), the user automatically links his Bitcoin wallet to the system.
- 2 The system automatically determines the user's Bitcoin wallet address as a share of ownership in the mining pool.
- 3 Rewards are calculated based on the share of DEMI tokens and are automatically distributed to the corresponding Bitcoin address.

DEMI is more profitable than traditional mining

no need to:

- search for equipment
- think about logistics
- repair equipment
- search for a data center with low electricity costs

+ easy to sell the token at any time due to high liquidity



One of the advantages of the project is the **low cost of electricity in the amount of \$0.05 per kWh**

For example, the average price in the USA is \$0.075. This model allows us to survive any changes in the world of cryptocurrencies: from a long crypto winter to halving.

With its accumulated experience and understanding of the challenges investors face in the crypto world, the launch of the new DEMI aims to be a one-stop solution, solving major problems and making it easy for anyone to get into digital assets.

DEMI's main goal is to make mining simple and accessible to everyone, whether they're beginners or experts. By using DEMI, people can earn BTC rewards, encouraging more people to join and creating a diverse and welcoming community.



Trading cryptocurrencies and engaging in blockchain projects involve significant risks, and the user assumes all risks when using the platform's services. Token prices can be highly volatile due to a variety of factors, including supply and demand dynamics, market news, technological developments, and changes in national regulations. These fluctuations can lead to substantial financial losses, sometimes within a very short period.

The value of the DeMi token can rise and fall unpredictably, as can the mining rewards, which can have a direct impact on the staked amounts and potential returns.

The Company does not offer any investment advice or recommendations regarding the potential profitability of such activities. Users must acknowledge that speculative trading in tokens is inherently risky and that any investment decisions made are solely their own responsibility.

Understanding the volatile nature of the crypto market and the specific risks related to both trading and staking is essential for anyone looking to participate in these activities. Users are advised to conduct thorough research and consider their risk tolerance before engaging in cryptocurrency transactions on the platform.

REFERENCES

15

Satoshi Nakamoto

Bitcoin: A Peer-to-Peer Electronic Cash System →

ChainLink

Real world assets →

Ordinals

Inscriptions →

ERC20

Crypto currency on the Ethereum Blockchain Network →

