

GoNetwork

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Anticipated to be a highly scalable, low cost mobile first network infrastructure for Ethereum



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Abstract

According to Anderson Horwitz’s presentation cited by Forbes, “mobile is eating the world.”¹ Cryptocurrencies have served limited utility in the real world to date. By our estimation, the adoption of cryptocurrencies by consumer masses hinges on improving transaction latency and providing accessibility to blockchains via mobile platforms.

The GoNetwork platform (“**GoNetwork**”) is being designed and built by the Company (as defined in the definition section below). The generation and sale of GoTokens (as defined below) is being conducted by the Token Generator (as defined in the definition section below). The Company and the Token Generator are separate legal entities. For the purposes of this whitepaper (this “**Whitepaper**”), the term “**GoNetwork Parties**” includes both the Company and the Token Generator and is further defined in the definition section below.

There are many exceptional communities, such as Plasma or Raiden, developing tools to overcome scalability limits on blockchains for desktop platforms, however GoNetwork's contributions address problems related to scalability on mobile platforms through supporting state channel transfers to mobile platforms.

¹<https://www.forbes.com/forbes/welcome/?toURL=https://www.forbes.com/sites/louiscolombus/2014/11/09/mobile-is-eating-the-world/&refURL=https://www.google.ca/&referrer=https://www.google.ca/>

Market Assessment

The Ethereum Ecosystem

Ethereum has an estimated 35,000 developers worldwide in addition to more than an estimated 500 start-ups developing on its platform.² Some communities in the cryptosphere have estimated that the Ethereum network will overtake bitcoin in market capitalization in near future.³ Despite massive momentum, management believes that the Ethereum blockchain is struggling with scaling issues.⁴ The Company plans to solve this problem with GoNetwork. Upon the establishment of GoNetwork and the successful completion of the GoToken distribution, management believes that, GoNetwork has the potential to become an important part of the Ethereum infrastructure.

Global Ecommerce and the Retail Market

In 2016 the global e-commerce market size was an estimated \$1.9 trillion USD. By 2020, the global e-commerce market is expected to rise to \$4 trillion USD.⁵ The global retail payment industry that was worth an estimated \$16 trillion USD in 2015 is estimated to increase to \$21 trillion USD by 2020 - a staggering 31.25% increase in 5 years.⁶ The payment revenue globally, which was an estimated to be \$1.8 trillion USD in 2016, is also expected to rise by 22.22% to over \$2.2 trillion USD by 2020.⁷

In particular the Boston Consulting Group has noted that, the payment industry will experience a major shift towards mobile payments:

- The mobile share of total e-commerce is expected to increase to 48.5% of total e-commerce by 2020. It was an estimated 23.6% in 2015; and
- The merchant mobile payment acceptance network is expected to grow tenfold by 2020.

² <https://www.cnn.com/2017/06/23/ethereum-has-massive-potential-blockchain-expert-william-mougayar.html>

³ <https://beta.theglobeandmail.com/report-on-business/rob-commentary/poised-to-overtake-bitcoin-this-year-ethereum-is-changing-the-way-we-think-about-cryptocurrency/article35625190/?ref=http://www.theglobeandmail.com&>

⁴ <https://www.cryptocoinsnews.com/ethereum-struggling-scaling-despite-lack-actual-user-base/>

⁵ <https://retail.emarketer.com/article/brief-overview-of-global-ecommerce-market/59690010ebd40005284d5cc5>

⁶ https://www.google.ca/url?sa=t&rct=j&q=&esrc=s&source=web&cd=3&cad=rja&uact=8&ved=0ahUKEwj6zp2_k5nXAhXpilOKHWbBAKwQFggyMAI&url=http%3A%2F%2Fimage-src.bcg.com%2FBCG_COM%2FBCG-Google%2520Digital%2520Payments%25202020-July%25202016_tcm21-39245.pdf&usg=AOvVaw3nBKNA6eS43ISazLS5gCan

⁷ <https://www.mckinsey.com/~media/McKinsey/Industries/Financial%20Services/Our%20Insights/A%20mixed%202015%20for%20the%20global%20payments%20industry/Global-Payments-2016.ashx>

Global Mobile App Economy

The global app economy is on the precipice of rapid growth. According to AppAnnie by 2021, the app economy is estimated to be worth US\$6 trillion, advancing at an estimated annualized rate of 37% from US\$1.3 trillion in 2016⁸ (app economy is calculated based on the total spend in gross and includes mobile commerce (inclusive of mobile web), app store, and in-app advertising).

Global APP Economy
2016 – 2021
In Billions (USD)

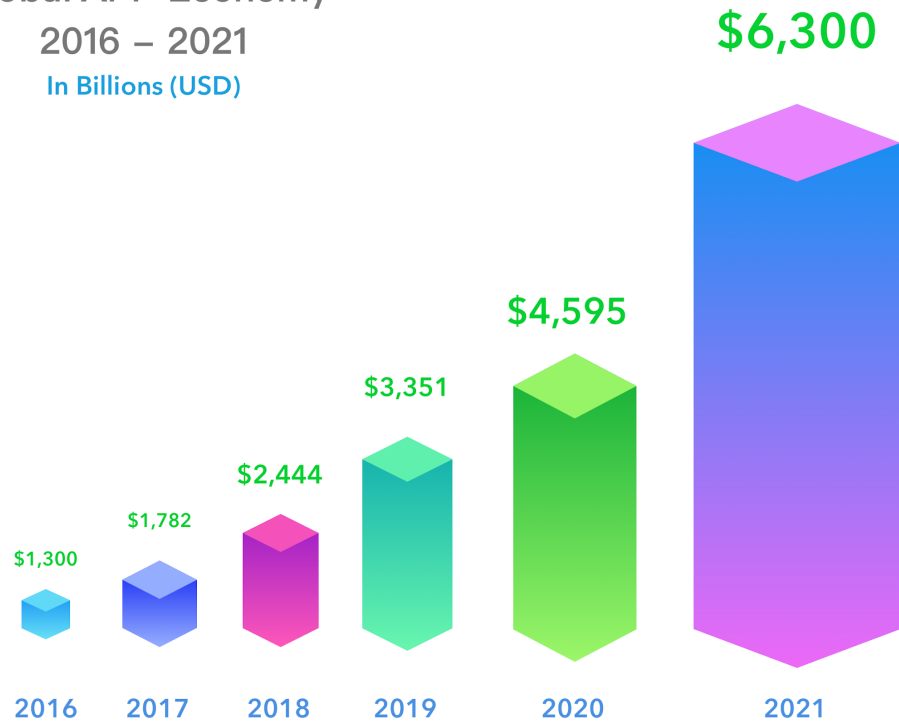


Figure 1: Global App Economy 2016 - 2021

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http://files.appannie.com.s3.amazonaws.com/reports/1706_Report_App_Economy_Forecast_EN.pdf?mkt_tok=eyJpIjoiTVRRd1ltUTJpVGRsTmpCaClzInQiOiJSMzMyRlRkQ1F0VTRZNVZb3RcL1AzT2xjSVhsN2R3Z3BHSGs4dE9DekN6TUt2cm1ibW5xWEw5SUJRdXEwRURWVHJiK1A3NStUNmpDYkRhc1ZLTU13NUFHTDhHVWpYZEFcL2QraTY3dnB2OEc0OExEYVVwQmFZSE82ZXBUEkdpRkN1In0%3D&utm_source=Triggermail&utm_medium=email&utm_campaign=Post%20Blast%20%28bii-apps-and-platforms%29%20The%20global%20app%20economy%20is%20poised%20to%20explode%20%E2%80%94%20How%20AI%20will%20transform%20health%20care%20%E2%80%94%20Salesforce%20expands%20Einstein%20AI&utm_term=BII%20List%20Mobile%20ALL

It is estimated by AppAnnie that by 2021, the average app user will spend more than US \$1,000 each year on app-related offerings⁹. Management believes that in-app purchases of virtual goods is among the leading driving forces in revenue.

Market Challenges

One of management's core observations is that mass adoption of blockchain technology may hinge on a cryptocurrency's interoperability with mobile computing platforms. Below we address the major challenges facing the Ethereum blockchain and its impact on mobile adoption.

Scalability for Mobile Computing

Ethereum transaction latency is measured in the order of minutes, and deviates wildly.¹⁰ Transaction latency means the time it takes for a transaction to successfully mined by the Ethereum network. There are many approaches and bodies of work related to overcoming transaction latency, ranging from core architecture updates including sharding, to overlay networks and off-chain transaction networks. These projects are expected to deliver value to the scalability of Ethereum on desktop platforms; however, at this point there is limited or no support indicated to bring said technologies to mobile platforms.

Variable Smart Contract Execution Costs

Any updates to the state of the Ethereum blockchain require gas, including Ether transfers and smart contract invocation. Opcodes within smart contracts have associated gas costs on the Ethereum Virtual Machine ("EVM"). Prior to contract invocation, one must consider the cost of execution. These mechanisms are put in place to ensure the network is Distributed Denial of Service ("DDoS") resistant. However, this inevitably means, depending on network utilization, the cost to execute a smart contract varies greatly.

Limited Mobile Adoption

Management believes there is the ability to compile full Ethereum nodes for mobile platforms.¹¹ Much of existing blockchain development is not particularly suited to the nature of mobile computing and

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http://files.appannie.com.s3.amazonaws.com/reports/1706_Report_App_Economy_Forecast_EN.pdf?mkt_tok=eyJpIjoiTVRRd1ltUTJpVGRsTmpCaCIsInQiOiJSMzMyRlRkQ1F0VTRZNVZb3RcL1AzT2xjSVhsN2R3Z3BHSGs4dE9DekN6TU2cm1ibW5xWEw5SUJRdXEWURURWVHJk1A3NStUNmpDYkRhc1ZLTU13NUFHTDhHVWpYZEFcL2QraTY3dnB2OEc0OEYVYVwQmFZSE82ZXBUekdpRkN1In0%3D&utm_source=Triggermail&utm_medium=email&utm_campaign=Post%20Blast%20%28bii-apps-and-platforms%29-%20The%20global%20app%20economy%20is%20poised%20to%20explode%20%E2%80%94%20How%20AI%20will%20transform%20health%20care%20%E2%80%94%20Salesforce%20expands%20Einstein%20AI&utm_term=BII%20List%20Mobile%20ALL

¹⁰ <https://bitinfocharts.com/comparison/ethereum-confirmationtime.html>

¹¹ <https://github.com/ethereum/go-ethereum/wiki/Mobile:-Introduction>

dealing with intermittent and threshold networking, limited local storage, and battery preserving computation. For example, running proof of work mining on mobile devices will rapidly deplete battery life. Management understands the limitations of mobile computing platforms and seeks to adopt technologies and incentives to make cryptocurrencies accessible to the masses.

GoNetwork Platform Overview

State Channels

A major limitation of blockchains is transaction throughput, which effectively leads to high latency. A method that is widely studied and the frontrunner to alleviate the scalability issues includes state channels.¹² State channels allows a minimal number of transactions on-chain to facilitate a series of balance transfers between parties “off-chain” effectively at no cost and with high throughput.

State channels involve two participants, herein referred to as “actors”. Actors allocate funds to a smart contract which locks the total balance of transfers that can occur off-chain. The actors are now free to conduct any series of balance transfers with one another. Nobody other than the two actors have access to the deposited tokens in the state channel's smart contract, making the off-chain transactions equivalent to on-chain transactions.

Transactions are serialized and signed¹³ by the payer such that neither party is able to change the value transfer; as long as at least one of the actors decides to present it to the blockchain which enforces the final balance verification. As the transferred amounts are monotonically increasing, it is expected that a rational actor will present the latest signed balance message as this ensures them the highest possible value.

In the case of dispute, resolution occurs on-chain with a timed window for either actor to present counterparty signed transactions. Upon the window's expiration, the channel is closed and the funds are disbursed amongst the actors.

Alongside direct transfers, GoNetwork implements Hashed Time Lock Contracts (HTLC)¹⁴ which are state transfers that are locked with a cryptographic hash. Only upon the receipt of the secret can the transfer be completed. The development of HTLC mechanics allows future releases to include such functionality as; single-hop mediated transfers within the state channel network topology and atomic-swaps. HTLC allows mediators to safely forward value transfers amongst payer and payee. All

¹² <http://www.jeffcoleman.ca/state-channels/>

¹³ https://en.wikipedia.org/wiki/Elliptic_Curve_Digital_Signature_Algorithm

¹⁴ https://en.bitcoin.it/wiki/Hashed_Timelock_Contracts

outstanding locked states are tracked with a merkle tree root parameter. At any point a party can withdraw the resolved locks on chain by presenting merkle proofs of the locks. However, it is far more beneficial for rational actors to convert a resolved lock to a signed value transfer between parties to increase channel lifetime. Furthermore; HTLC enables atomic-swaps including between differing blockchain implementations that provide facility themselves for HTLC.

Lastly, in the case of channel exhaustion (i.e a payer no longer has funds to transfer to a payee), it is beneficial for parties to participate in channel rebalancing. This can be accomplished with atomic swap transfers on-chain.

Overall, GoNetwork presents bidirectional state channels with unlimited channel lifetime and mediated transfers which drastically reduce transaction fees and complete with sub-second response times.

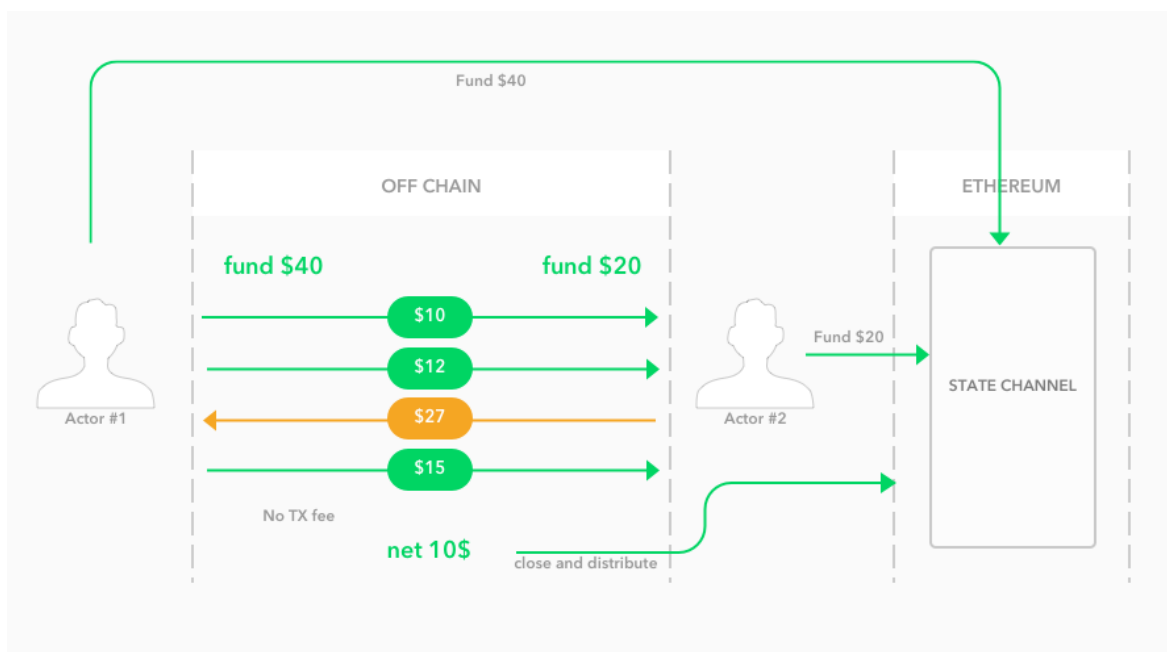


Figure 3: State channel overview diagram

Incentivized Channel Lifetime

Two major challenges face state channels. First, creating a channel suffers traditional on-chain transaction latency. Second, actors leveraging a state channel essentially lock their funds until the channel has been settled and/or closed. Reducing state channel creation is important. For example, Raiden has proposed to overcome this by having an overlay network with routing systems and online nodes.¹⁵ Mobile p2p Networks however, have limited network guarantees as individuals move from region to region, and implementing a routing scheme such as that proposed by Raiden is not feasible for the GoNetwork. Instead, GoNetwork implements an incentivization scheme rewarding actors based on the longevity of a state channel and dispute free resolution during channel closing. Additionally,

¹⁵ <https://raiden.network/faq.html>

incentivizing long lived channels allows GoNetwork to effectively redistribute the cost of creating a state channel repeatedly back to participants.

GOT Utility within GoNetwork’s State Channels

Incentivized State Channel

The true value of state-channel is their ability to batch off chain transactions into a single on chain transaction whilst maintaining consistency. However, this scalability for high throughput transactions come with the tradeoff between collateral lock up time.

One of the goals of the digital utility token GoToken (herein “GoToken” or “GOT”) is to incentivize long lived state channels. As such, when a state channel is opened, the participants must stake GOT. A start block number is instantiated within the contract. When the state channel is closed, the participants are refunded their staked GOT less the channel lifetime. GoNetwork uses a geometric decay function that determines the refund amount over time. The longer a channel remains open, the higher the return is to the participants in the state channel. The collected channel longevity fee is sent to the parent contract and its owner which maintains a map of all open payment channels and addresses initiated from itself.

This incentivization strategy also further increases stability of the payment channel network topology for mediated transfers.

Mediated Transfers

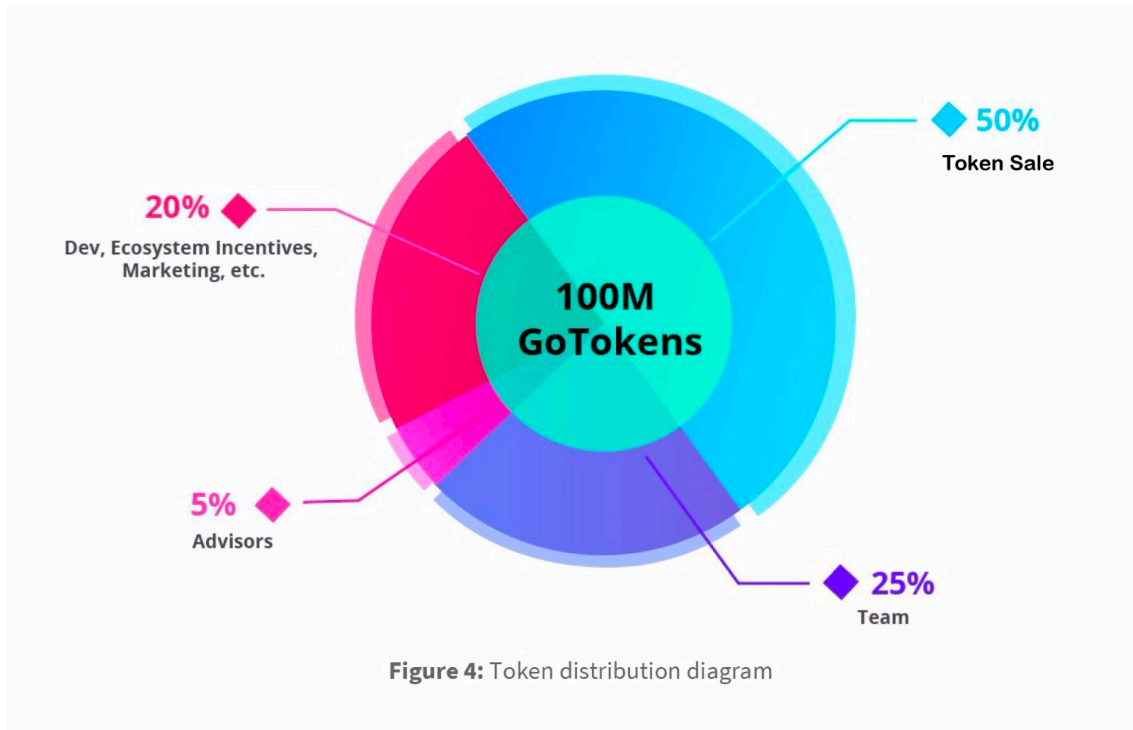
Along with the opening and closing of state channels, GOT is leveraged in facilitating mediated transfers. GoNetwork will support single hop mediated transfers in upcoming versions. When a locked state transfer is processed, mediators which accept and complete the transfer will be rewarded GOT. This will require further collateral lockup in the form of GOT when a state channel is initiated and funded. However, this will allow participants in GoNetwork’s state channel solution to limit the number of channels that require opening and maintaining. Lastly, off-chain channel rebalancing of state channels with mediators will further promote channel longevity.

Mediators will be able to set their own fee requirements. This will establish a competitive marketplace for mediators based on their availability and reliability to complete locked transfers and incentivizes mediators to create and maintain payment channel with various peers in the network; though the peers themselves will be able to select which mediator will complete the transaction.

Token Model

GoNetwork will use GoToken, an ERC20 cryptocurrency, to complete all transactions.

Token Distribution



Token Generator plans to sell 50 million units out of a 100 million unit total supply of GoTokens.

- Total token supply: 100,000,000 GOT
- Token sale: 50,000,000 GOT
- GOT Token type: ERC20
- Purchase methods accepted: ETH

Adoption Strategy

To achieve our vision of bringing cryptocurrency to the masses, the Token Generator will contract with the Company to first build an infrastructure that can scale Ethereum to be capable of performing a massive amount of transactions per second on a mobile platform.

The Token Generator will contract with the Company to also consider an adoption strategy where we will build experimental products.

An additional adoption strategy will be focused on business development and will include finding other projects and companies that are struggling with scalability and transactional costs and help them solve that problem by working with them and integrating GoNetwork in their technology stack.

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Please see the Legal Information section of this Whitepaper for further relevant information.

Team

Rashid Khan

CEO

Co-founder of Infinidy Corp, one of Canada's leading game development studios. Graduated from the University of Waterloo, Ontario, Canada. Created one of the biggest iOS theme park simulation game called Happy Park. Millions of people have downloaded Infinidy's games. Founded Dubsquad that became a large video social networks among teens worldwide. Selected by YCombinator for in-person interview at Mountain View, California.

Amit Shah

CTO

Software architect and Blockchain expert. Graduated from the University of Toronto, Ontario, Canada. Spearheaded research and development while working at BlueRover as Vice President of Software Architecture R&D. BlueRover is a leading Canadian Internet of Things (“IOT”) technology company. Worked at several Ethereum based open source projects. An Ethereum Investor.

Xun Cai

COO

Graduated with distinction and honors in Software Engineering from the University of Waterloo, Ontario, Canada. Xun is the co-founder and CTO of Infinidy. He is a serial entrepreneur who has created products that have been used by millions of people and have acquired a large active user base. Led Infinidy to become one of the first companies to join Communitech, Canada's top digital media incubator. Infinidy was also a part of Accelerator Center, a world-leading tech incubator of Canada - <http://acceleratorcentre.com/>, sharing the platform with top tech companies such as Kik Interactive.

Legal Information

PLEASE READ THIS SECTION CAREFULLY. YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX, AND OTHER PROFESSIONAL ADVISOR(S) BEFORE TAKING ANY ACTION IN CONNECTION WITH THIS WHITEPAPER.

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Important Notice

GoTokens are digital utility tokens that afford holders (each referred to as "**you**" or a "**purchaser**"), the right to access the GoNetwork platform and execute certain functions on the Ethereum blockchain. For greater certainty, a purchase of GoTokens does not provide a purchaser with any form of ownership right or other interest in or to Company or Token Generator or any of their present or future assets and revenues, including, but not limited to, any voting, distribution, redemption, liquidation, revenue sharing, proprietary (including all forms of intellectual property), or other similar financial or legal rights. The GoTokens are not and do not represent any form of money or legal tender in any jurisdiction or any representation of money (including electronic money).

You should carefully review this Whitepaper in its entirety. You should also consult your legal, tax and financial advisors in relation to the following: (i) the legal and regulatory requirements applicable

to you with respect to purchasing, holding and disposing of GoTokens; (ii) any foreign exchange restrictions which you may be subject to in relation to purchasing, holding or disposing of GoTokens; and (iii) the legal, tax, financial and other consequences to you of subscribing for, purchasing, holding or disposing of GoTokens.

This Whitepaper is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors. To the maximum amount permitted by applicable law, GoNetwork Parties expressly disclaim and shall not be liable for any and all responsibility for any direct or any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with (i) purchaser's acceptance of or reliance on any information contained in this Whitepaper, (ii) any error, omission or inaccuracy in any such information or (iii) any action resulting therefrom.

Restrictions

The distribution of this Whitepaper and the sale or purchase of GoTokens may be restricted in certain jurisdictions. Neither this Whitepaper nor GoTokens qualify for offer, sale or distribution under the laws of any jurisdiction governing the offer or sale of securities.

More particularly, this Whitepaper does not constitute an offer or solicitation:

- by anyone in a jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so; or
- to anyone to whom it is unlawful to make such offer or solicitation.

It is the responsibility of every person in possession of this Whitepaper and every person who wants to apply to purchase GoTokens to inform himself, herself or itself of, and to observe all applicable laws and regulations of, all relevant jurisdictions.

Restrictions on Distribution

By accessing and/or accepting possession of any information in this Whitepaper or such part thereof (as the case maybe) you:

(a) represent and warrant that you are at least 18 years old and are legally able to obtain and use the GoTokens, and that your purchase of GoTokens complies with applicable law and regulations in your jurisdiction, including but not limited to (i) legal capacity and any other threshold requirements in your jurisdiction for the purchase of the GoTokens and entering into contracts with us; (ii) any foreign exchange or regulatory restrictions applicable to such purchase; and (iii) any governmental or other consents that may need to be obtained; and

(b) agree to be bound by the limitations and restrictions defined herein.

NOTICE TO PROSPECTIVE PURCHASERS IN THE UNITED STATES OF AMERICA

THE GOTOKENS ARE NOT BEING OFFERED OR SOLD AND MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OF AMERICA OR ANY OF ITS STATES, TERRITORIES OR POSSESSIONS INCLUDING THE DISTRICT OF COLUMBIA (COLLECTIVELY, THE “U.S.”) AND IS NOT BEING OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, TO ANY RESIDENT (AS DEFINED BELOW) OF THE U.S. THE GOTOKENS HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES LAWS.

NOTICE TO PROSPECTIVE PURCHASERS IN CHINA

THE GOTOKENS ARE NOT BEING OFFERED OR SOLD AND MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE PEOPLE’S REPUBLIC OF CHINA OR ANY OF ITS TERRITORIES OR POSSESSIONS (WHICH, FOR THE PURPOSES OF THIS WHITEPAPER, DOES NOT INCLUDE HONG KONG, MACAU OR TAIWAN) (COLLECTIVELY, “CHINA”) AND IS NOT BEING OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, TO ANY RESIDENT OF CHINA.

NOTICE TO PROSPECTIVE PURCHASERS IN TAIWAN

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NOTICE TO PROSPECTIVE PURCHASERS IN CANADA

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NOTICE TO PROSPECTIVE PURCHASERS IN THE RUSSIAN FEDERATION

THE GOTOKENS ARE NOT BEING OFFERED OR SOLD AND MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE RUSSIAN FEDERATION.

GENERAL NOTICE

THE SALE OF GOTOKENS IS ONLY BEING MADE IN JURISDICTIONS WHERE THE OFFER AND SALE OF GOTOKENS IS PERMITTED UNDER APPLICABLE LAW.

GoTokens themselves are not securities or similar financial instruments. Additionally, GoTokens do not have any investment interests, are not designed for investment or speculative purposes, and should not be considered as a type of investment or security. The GoTokens should not be acquired for speculative or investment purposes with the expectation of making a profit on immediate or future resale.

Neither this Whitepaper nor any related documentation or communication by the Token Generator or the Company constitutes a prospectus or offering document, and is neither an offer to sell nor the solicitation of an offer to buy any investment or financial instrument in any jurisdiction. No regulatory authority or governmental agency of any country or jurisdiction has examined or approved any of the information set forth in this Whitepaper nor any related documentation or communication by the Token Generator or the Company, or the proposed sale of GoTokens. No such action has been or will be taken under the laws, regulatory requirements, or rules of any jurisdiction.

Although the GoNetwork Parties do not consider GoTokens to be “securities” under the laws of any jurisdiction, purchasers of GoTokens should take note of the laws of their respective jurisdictions when considering a purchase or transfer of GoTokens. It is the responsibility of any persons desiring to purchase GoTokens to satisfy themselves as to the full observance of the laws of any relevant jurisdiction in connection with any such purchase, including obtaining any required governmental or other consents, making any required filings, or observing any other applicable formalities.

In addition, as set forth above, the GoTokens will not be offered or sold, directly or indirectly, to any purchaser who (i) resides in; (ii) is located or domiciled in; (iii) has a place of business in; and/or (iv) is conducting business in (any of which makes the purchaser a “**Resident**”) the United States of America, Canada, the People’s Republic of China (which, for the purposes of this Whitepaper, does not include Hong Kong, Macau and Taiwan) or the Russian Federation or any of their respective states, provinces, territories and possessions. Furthermore, GoTokens will not be offered or sold, directly or indirectly, to any purchaser who (i) is a citizen or entity of; and/or (ii) was formed, created or organized in the United States of America, Canada or the People’s Republic of China (which, for the purposes of this Whitepaper, does not include Hong Kong, Macau and Taiwan) or any of their respective states, provinces, territories and possessions.

Use of Proceeds

Proceeds from the sale of the GoToken distribution will be revenue of the Token Generator and will be utilized by the Token Generator in its sole discretion. The Token Generator intends to use certain of the revenue for general working capital and administration purposes, to pay for operating expenses, as well as to hire the Company to develop the GoNetwork platform, help enterprises re-imagine or build their businesses on the blockchain, develop more open source software that may be helpful to the community and build decentralized applications using GoNetwork software.

Anti-Money Laundering & Anti-Terrorist Financing

Measures aimed at preventing money laundering and terrorist financing may require a participant in this proposed sale of GoTokens to verify their identity and/or the source of their funds to the GoNetwork as per the Know Your Customer (“**KYC**”) initiative by GoNetwork. By way of an example, KYC is similar to an individual producing the original passport or government issued identification card or a copy duly certified by a public authority such as a notary public, to the police or the ambassador in their country of residence, together with two original documents evidencing their residence, such as a utility bill or bank statement or duly certified copies. In the case of corporate or other entity applicants this

may require the production of a certified copy of the applicant's organizational documents, and of the names and residential and business addresses of all directors, officers and beneficial owners. The details given above are way of example only, and GoNetwork will request such information and documents as it considers is necessary to verify the identity or the source of funds of a potential purchaser at the time of the potential sale.

Each purchaser acknowledges that GoNetwork shall be held harmless by such purchaser against any loss as a result of failure to provide such information and documents as had been requested by the GoNetwork or, if such purchaser provides and information or documentation to GoNetwork, that is false or misleading in any respect. If a purchaser is identified as a citizen, resident or entity of one of the jurisdictions restricted from participating in the GoToken sale, such purchaser's purchase of GoTokens will be cancelled and any distributed GoTokens will be returned to GoNetwork.

No Representation and Warranties

Each of the GoNetwork Parties do not make or purport to make, and hereby disclaims any representations, warranty or undertakings in any form whatsoever to any entity or person, including any representation, warranty or undertaking in relation to the truth, accuracy and completeness of any of the information set out in the Whitepaper.

The information provided herein is not intended to replace or serve as a substitute for any legal, financial or other professional advice, consultation or service. A prospective purchaser should consult with an applicable legal, tax, accounting or other professional before making any decision to purchase the GoTokens described herein. GoTokens are provided on "as is" basis. The GoNetwork Parties make no representations or warranties of any kind, whether express, implied, statutory or otherwise regarding GoTokens, including any warranty of title, merchantability or fitness for a particular purpose or any warranty that GoTokens and GoNetwork will be uninterrupted, error-free or free of harmful components, secure or not otherwise lost or damaged. Except to the extent prohibited by applicable law, the GoNetwork Parties disclaim all warranties, including any implied warranties of merchantability, satisfactory quality, fitness for a particular purpose, non-infringement, or quiet enjoyment, and any warranties arising out of any course of dealings, usage or trade.

Risk Factors

The acquisition of GoTokens involves a high degree of risk. Before acquiring the GoTokens, it is recommended that you conduct your own careful examination of all relevant information and risks about the Company, Token Generator, GoNetwork and GoTokens and, specifically, the disclosures and risk factors set out below. If any of the following risks actually occurs, the GoNetwork and the purchaser's GoTokens may be materially and adversely affected, including the purchaser's GoTokens being rendered worthless or unusable.

You acknowledge the following risks:

Risks associated with a purchase of the GoTokens

The Company may have to make changes to the specifications of the GoNetwork platform or GoTokens for any number of legitimate reasons or the Company may be unable to develop the GoNetwork platform in a way that realizes those specifications or any form of a continuous functioning network. The GoNetwork platform or GoTokens may not meet purchasers' expectations at the time of purchase. Furthermore, despite good faith efforts to develop and launch GoNetwork and subsequently to develop and maintain the GoNetwork platform, it is still possible that the GoNetwork platform will experience malfunctions or otherwise fail to be adequately developed or maintained, which may negatively impact the GoNetwork platform and GoTokens.

The Token Generator will use some of the proceeds of the sale of GoTokens to fund the Company in order to permit it to develop and launch a viable GoNetwork platform. The Company may not have or may not be able to obtain the technical skills and expertise needed to successfully develop GoNetwork. While the Company has sought to retain and continue to competitively recruit experts, there is a general scarcity of management, technical, scientific, research and marketing personnel with appropriate training to develop and maintain GoNetwork.

Investments in startups including the Token Generator and the Company involve a high degree of risk.

Financial and operating risks confronting startups are significant: the Token Generator and the Company are not immune to these. The startup market in which the Token Generator and the Company competes is highly competitive and the percentage of companies that survive and prosper is small. Startups often experience unexpected problems in the areas of product development, marketing, financing, and general management, among others, which frequently cannot be solved. In addition, startups may require substantial amounts of financing, which may not be available through institutional private placements, the public markets or otherwise.

Other Risk Factors

- a) You acknowledge that you are aware of the risks of the loss of your private key(s), such as by your forgetting where your private keys are stored, accidental deletion, or other error, which will cause the loss of your GoTokens.
- b) You acknowledge that hackers or other malicious groups may attempt to interfere either with the Company, Token Generator or with you, in an attempt to obtain GoTokens, such as by obtaining your private key from your computer, by deceiving you into telling them your private key, or by some other method. Hackers may also attack the GoNetwork blockchain itself, such as by denial of service attacks, consensus attacks, or other hacks, creating a risk of harm arising from cyber-attacks on the network. GoNetwork is not responsible for lost or stolen private keys, or for private keys you give to hackers, whether by cyber-attack, deception, or some other means.
- c) You acknowledge that the principal purpose of GoTokens is to be used to obtain computation or other network resources from the GoNetwork blockchain so GoTokens may have no secondary market value, or may be extremely illiquid. The Token Generator is not aware of any marketplace for GoTokens and does not support a marketplace for GoTokens. Even if secondary trading of GoTokens

is facilitated by third-party exchanges, such value may be extremely volatile or near-zero. In the event that a GoToken's value decreases, there is no public insurer or private insurance arranged by the Company or the Token Generator to offer recourse to you.

d) As a consequence of this early stage of development, errors or unexpected behavior in smart contracts or other unexpected bugs or problems, may cause unexpected behavior, including but not limited to loss of GoTokens, or the consumption of a greater quantity of GoTokens than estimated to perform a particular task.

e) You acknowledge that, if you intend to operate a node on the GoNetwork blockchain, you may incur costs including but not limited to purchasing or setting up computers and software, and that your fees collected may be small or nonexistent. You set up your node at your own risk, and the GoNetwork Parties are not responsible in the event your node does not collect fees, or for any costs you incur in configuring or operating your node, in any respect.

f) You acknowledge that, if you intend to contribute any code or software development work, any code you write or execute may not function correctly. The GoNetwork Parties are not responsible for any harm that may result from your code or software functioning improperly, as errors are to be expected so they may be identified and corrected. GoNetwork is not responsible for any business losses or loss of revenue resulting from either excessive or incorrect use of the network.

g) You acknowledge that you are responsible for your actions using the network, including any transactions, code, or other contributions or commands given to the network. The GoNetwork Parties are not responsible for the actions of others using the network, which could result in harm to you or others.

h) You acknowledge that GoTokens confer no governance rights of any kind, and that decisions involving the Company and the Token Generator's products or services will be made by the Company and the Token Generator in their sole discretion. The membership and/or the directors of the Company may make decisions which affect the GoNetwork blockchain and its associated tokens (including but not limited to decisions to discontinue its products or services or to sell or liquidate the Company). These decisions may adversely affect the utility of any tokens you own.

i) You acknowledge that the regulatory status of cryptographic tokens is an area of great uncertainty, and that tokens may face significant regulatory change in the future. It is difficult to predict how or whether legislatures or regulatory agencies around the world will treat blockchains and tokens. It is possible regulatory actions will negatively impact the GoNetwork blockchain and its tokens in a number of different ways, including but not limited to potentially being prohibited or requiring registration or licensing. The Company may cease operations in areas where regulatory or legislative changes make it unviable or commercially undesirable to continue to operate in that jurisdiction.

j) You acknowledge that GoTokens face uncertain tax treatment. You must seek your own tax advice concerning tokens, and purchase or use of tokens may result in adverse tax consequences.

k) You acknowledge that the Company and Token Generator may, due to any number of reasons in the future, including but not limited to poor demand for their services, failure of commercial relationships, intellectual property challenges, etc., no longer be viable to operate and may dissolve.

l) You acknowledge that cryptographic GoTokens are a new and untested technology, and that there may be additional risks associated with your purchase and usage of the tokens, potentially including unanticipated risks.

m) You acknowledge that any wallet or wallet service provider you use for the acquisition and storage of GoTokens has to be technically compatible with GoTokens. The failure to assure this may result in you not being able to gain access to your GoTokens.

n) The GoNetwork Parties shall not be responsible for any failure of hardware, software, and internet connection failures, disruptions, errors, distortions, delays you may experience when using the GoNetwork and GoTokens,

o) You acknowledge that the GoNetwork may give rise to other, alternative projects, promoted by parties that are affiliated or unaffiliated with the GoNetwork Parties, and such projects may provide no benefit to the GoNetwork.

Disclaimer & Full Disclosure

This Whitepaper is not composed in accordance with, and is not subject to, laws or regulations of any jurisdiction which are designed to protect investors. To the maximum amount permitted by applicable law, each of the GoNetwork Parties expressly disclaims and shall not be liable for any and all responsibility for any direct or any indirect, special, incidental, consequential or other losses of any kind, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with (i) purchaser's acceptance of or reliance on any information contained in this Whitepaper; (ii) any error, omission or inaccuracy in any such information; (iii) the sale or use of the GoTokens and/or (iv) any action resulting therefrom.

The GoNetwork and Token Generator's website, roadmap and this Whitepaper contain forward-looking statements that involve risks, uncertainties and assumptions. If such risks or uncertainties materialize or such assumptions prove incorrect, the results of this Company and its projections may differ materially from those expressed or implied by such forward-looking statements and assumptions. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including but not limited to statements of the plans, projected timelines, strategies and objectives of management for future operations; any statements concerning expected development, performance and services; anticipated operational and financial results; any statements of expectation or belief; project timelines and any statements of assumptions underlying any of the foregoing. Risks, uncertainties and assumptions include the achievement of expected results and meeting projected timelines described from time to time in quarterly timeline. The Company, without assuming any liability or responsibility, may, at any time in its complete discretion, decide to alter or modify the Company's objectives and/or strategies, projected timelines, or cease its operation altogether. The Company assumes no obligation and may update these forward-looking statements and projected timelines as and when required.

The website, roadmap and Whitepaper are intended solely for information purposes and are not to be construed, under any circumstances, by implication or otherwise, as an offer to sell or a solicitation to buy or sell or trade in any digital tokens, commodities, securities, or currencies. Information is obtained

from sources believed to be reliable, but is in no way guaranteed. No guarantee of any kind is implied or possible where projections of future are attempted.

Purchaser acknowledges, understands and agrees that purchaser should not expect and there is no guarantee or representation or warranty that: (a) the GoNetwork will ever be completed or adopted; (b) the GoNetwork will be adopted as developed by the Company and not in a different or modified form; and (c) a blockchain or final Ethereum token smart contract will ever be launched with or without changes to the GoNetwork.

Industry and Market Data

Certain information contained in this Whitepaper is based on management's good faith estimates, which are derived from management's knowledge of the industry and independent sources that management believes to be reliable. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable. The GoNetwork Parties have not independently verified any of the information from third-party sources nor have they ascertained the validity or accuracy of the underlying economic assumptions relied upon therein. Statements as to our market position are based on market data currently available to us. While the GoNetwork Parties are not aware of any misstatements regarding the industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors. Similarly, we believe our internal research is reliable, even though such research has not been verified by any independent sources.

Other disclosures

Save for the Company, the Token Generator and their respective directors, executive officers and employees, no person has provided his or her consent to the inclusion of his or her name and/or other information attributed or perceived to be attributed to such person in connection therewith in this Whitepaper and no representation, warranty or undertaking is or purported to be provided as to the accuracy or completeness of such information by such person and such persons shall not be obliged to provide any updates on the same.

To facilitate a better understanding of GoTokens being offered for purchase by the Token Generator, and the businesses and operations of the Token Generator, certain technical terms and abbreviations, as well as, in certain instances, their descriptions, have been used in this Whitepaper. These descriptions and assigned meanings should not be treated as being definitive of their meanings and may not correspond to standard industry meanings or usage. The generation and sale of GoTokens and the performance of the Token Generator's activities set out in Whitepaper development roadmap may be interrupted, suspended or delayed due to force majeure events. For the purposes of this Whitepaper, a force majeure event shall mean any extraordinary event or circumstances which could not be prevented by Token Generator and shall include: hardware, software or other utility failures, changes in market forces or technology, software or smart contract bugs, changes in blockchain-related protocols, acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies or other circumstances beyond Token Generator's control, which

were not in existence at the time of generation and sale of GoTokens. Purchaser understands and agrees that Token Generator shall not be liable and disclaims all liability to purchaser in connection with a force majeure event.

Unlike certain bank accounts or accounts at financial institutions, GoTokens are uninsured unless you specifically obtain private insurance to insure them. Thus, in the event of loss or loss of utility value, there is no public insurer or private insurance arranged by the Company or the Token Generator to offer recourse to purchaser in relation to the GoTokens.

This Whitepaper may have been prepared in multiple languages without the consent of the Company or the Token Generator. In all cases, this English language version of the Whitepaper shall prevail.

Definitions

Company: Refers to GoNetwork SEZC Ltd, an exempted company incorporated in the Cayman Islands and registered as a special economic zone company pursuant to Part VIII A of the Companies Law (Revised) of the Cayman Islands, with the address of c/o Britannia Corporate Management Ltd., Plantation House, P.O. Box, 196 Raleigh Quay, Grand Cayman KY1-1104, Cayman Islands.

GoNetwork Parties: Refers to the Company, the Token Generator and their respective shareholders, subsidiaries, officers, directors, employees, agents, affiliates, licensors, licenses, successors and assigns.

Token Generator: Refers to GoNetwork Ltd, an exempt company incorporated in the Cayman Islands pursuant to the Companies Law (Revised) of the Cayman Islands, with the address of c/o Britannia Corporate Management Ltd., Plantation House, P.O. Box, 196 Raleigh Quay, Grand Cayman KY1-1104, Cayman Islands.

We: Refers to the directors of the Token Generator and "our" has a corresponding meaning.