



PYR



Powering Vulcan Forged



| Note

Vulcan Forged is already an established non-fungible token (NFT) game studio, marketplace and dApp incubator with 10+ games, a 2,000+ community and top 5 NFT marketplace volume.

Thus, the PYR economy is designed to fill numerous use-cases in need of their own token. Some of our games, specifically the upcoming VulcanVerse, have specific terminologies and can be understood in more depth by visiting any of our social media channels:

<https://www.twitter.com/VulcanVerse>

<https://www.twitter.com/VulcanForged>

Or our websites:

<https://vulcanforged.com>

<https://vulcanverse.com>

Even if you do not wish to take part in the ILO event, there are multiple ways still to earn PYR, including:

- Converting LAVA from playing and engaging in the ecosystem
- Selling NFTs
- Winning Tournaments
- Allocating your land as a portal
- Airdrops/rewards

You are then able to use your collected PYR to participate in the platform, or buy other assets on the marketplace



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Vulcan Forged



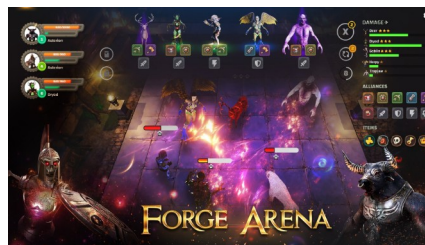
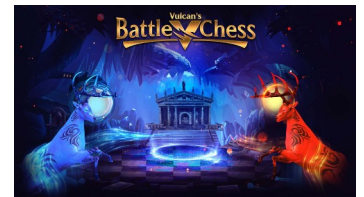
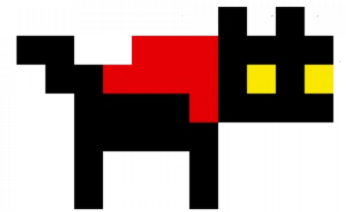
Vulcan Forged has grown from a small digital art NFT platform to a multi-dApp platform, game studio, launchpad and a top 5 volume NFT marketplace. Second only to Walmart, they are the busiest client on the VeChain Network, moving from a few users to thousands with just under \$3m in NFT trading volume. Their AAA fantasy decentralized universe VulcanVerse, backed by fighting-fantasy authors and award-winning studios, sold out in days and has already entered alpha gameplay.

Vulcan Forged prides itself on removing gas and crypto for game developers using their platform and offers support to any third-party with a simple idea wanting to turn it into reality. Community members have gone onto making their games with ground-up support, including Coddle Pets, Block Babies and GeoCats.



Games and Applications

Vulcan is already an established game studio, eco-system and top-tier NFT marketplace with 1,000s of users, 10+ dApps and \$3m in trading volume.



Vulcan Foundation



Vulcan's BVI Company (Vulcan Forged LTD) will be the token issuer to hold and thereafter sell the digital tokens for the ILO, while the Vulcan Foundation based in Singapore will be the governance and public-facing entity providing the platform for marketing, community development, overseeing game development and overall operations.



PYR Token

The native digital cryptographically-secured utility token of the Vulcan.Forged platform (PYR) is a transferable representation of attributed functions specified in the protocol/code of the Vulcan.Forged platform, and which is designed to be used solely as an interoperable utility token on the platform and across different game environments. PYR Token is an ERC-20 token to be ported to Matic.

As the native platform currency, PYR will play the role of the *settlement medium, staking (for privileges) and gaming utility token* within the entire Vulcan Forged ecosystem.

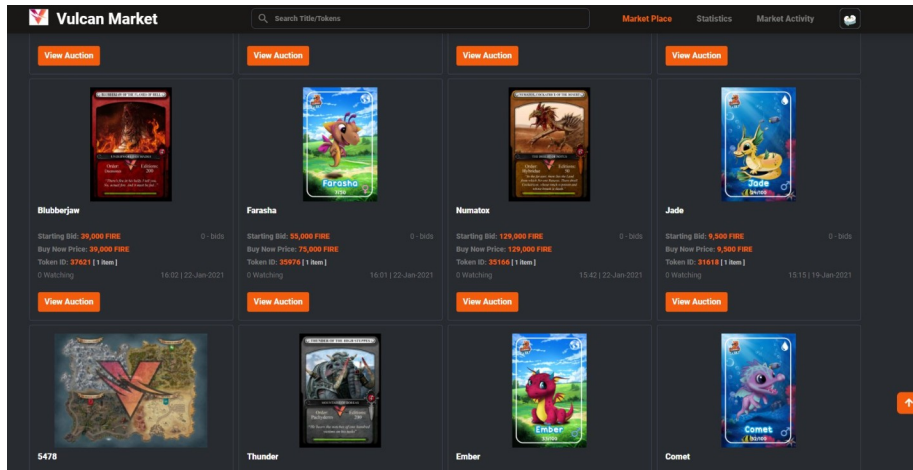
For example, a user could purchase assets of VulcanVerse from PYR token rewards earned by winning a game of Berserk, Block Babies or Coddle Pets.

For every PYR transaction, 10% will be sent to the reward pools for distribution to ecosystem contributors. There are innumerable use-cases for PYR, and will slowly replace VET as the marketplace token of choice. PYR allows the users of the platform to earn from their positive efforts, and thoroughly increase user engagement within the platform. It will be used for fee settlement, staking to obtain privileges, participation in Defi game launchpads, play-to-earn benefits, gaming platform pools, and discounted marketplace usage.

- Play-to-Earn
- Reward pools
- Staking
- Frenzy (Game Tournament Pools)
- Basic attention token
- Community incentives



Fee Settlement



Whenever players are operating in a specific game environment, there are assets that they might want to purchase directly from game creators.

The current Vulcan Forged marketplace will be transitioning away from its current token of VET for NFT purchases to PYR. This will be for both B2C and C2C.

Currently, the marketplace consistently places in the top 5 NFT marketplace volumes across the blockchain space. Thus due to traffic, the transition will take place in two stages:

- 1) Both PYR and VET will be used in parallel. However, a **10%** discount for buyers and **10%** discount for sellers will be granted if PYR is used.
- 2) Following the complete transition from VET to PYR, users will be required to adopt the Vulcan Forged wallet, powered by Arkane, that will allow them to store, interact and use both their PYR and NFTs.



Reward Pools



Vulcan Foundation will fund two PYR reward pools, **with 10M initial tokens**, released over a 24 month period. One pool is the 'LAVA Pool' (Play-to-earn) and the other a Staking Pool. Along with the foundation's contributions, the pools will be added to four ways (for now), each time equally divided between the two:

- 1) 10% of the fee taken from every Vulcan Marketplace transaction will go into the pools.
- 2) 10% of every fee taken from direct asset sales (Berserk cards, or Vulcanites for example) will go into both pools.
- 3) 50% of every upgrade fee for land, Titans and Olympians will go into both pools.
- 4) 10% of every prize pool and tournament fee setup in the Frenzy game platform will go into both pools.



LAVA and Play-to-Earn

Vulcan Forged has a plethora of games, and is expanding at a rapid rate. However, an ecosystem needs users, games need players, and play-to-earn models are proving successful across the gaming industry.

We reward users with LAVA CRYSTALS, an off-chain value linked to wallets, by simply playing and engaging with any Vulcan Forged made or hosted game.

We are allocating **10% of the entire PYR supply** into the LAVA (Play-to-earn) pool, **over a period of 24 months**.



Token Amount	% of total supply	Unlock schedule
5,000,000	10	24 Months

Each month, users will receive xPYR where x is the % of PYR in the play-to-earn pool, relative to the user's LAVA count earned versus the total amount of LAVA earned by all users. Some specific examples of how to earn LAVA:

- Win matches in any Vulcan Forged games e.g. Berserk, Block Babies, Forge Arena, Chess
- Explore our giant Virtual World VulcanVerse (measured in time played, or distance covered)
- Trade regularly in the Vulcan Market Place
- Upgrade your VulvanVerse land, Titans or Olympians
- Receive 'Appreciations' of your land in VulcanVerse
- Snapshot your land, or current rankings to blockchain

NB. LAVA is also required to upgrade assets across our ecosystem including VulcanVerse land as well as assigning powers to various cards. 'Hoarding' or spending your LAVA is your choice.



Staking

PYR tokens are required to be locked-up and staked within the ecosystem in order to receive privileges and gain access to exclusive functions/levels/upgrades/areas within the gaming ecosystem. One example of this is within the VulcanVerse Virtual World, where each plot has 7 levels (in addition to payments of PYR to pay for the upgrades, tokens need to be locked-up and staked to access and retain each level up, which brings better in-game tools and benefits). As a reward for these positive actions, users are entitled to receive PYR tokens from the Staking (Reward) pool.

We are allocating **10% of the entire PYR supply** into the Staking (Reward) pool, **over a period of 24 months**.

Token Amount	% of total supply	Unlock schedule
5,000,000	10	24 Months

The earnings that you'll receive from staking will be proportional to the amount of spending/contribution of each user relative to the others. Unless a user continues to participate, its corresponding token rewards will gradually be diluted.

Rewards will be delivered each month, separate from the LAVA pool rewards.



Staking (cont.)

Since PYR users will be eligible to receive reward flows in the form of the fPYR tokens (fractional PYRs), we can estimate an approximate expectation for the value of said flows.

Discounted Cash Flow Analysis (DCA) has been long tested as an evaluation methodology of traditional staking. The purpose of DCF analysis is to estimate rewards one would receive, adjusted for time value. Since 2020, ILOs involving staking have used DCA as the de-facto standard for any token with periodic token flow payments on staking. The formula for calculating the net present value of a future cash flow goes as follows:

$$NPV = \frac{CF_1}{(1+r)^1} + \frac{CF_2}{(1+r)^2} + \dots + \frac{CF_n}{(1+r)^n} + TV$$

Where:

- I. NPV is the net present value of the investment
- II. CF_n is an expected future cash flow at period n
- III. r is the discount rate, also referred to as the cost of capital
- IV. TV is the terminal value (or exit value) of the investment

In turn TV is evaluated as: $TV = \frac{CF_n \times (1+g)}{r-g} + \frac{A}{(1+r)^n}$

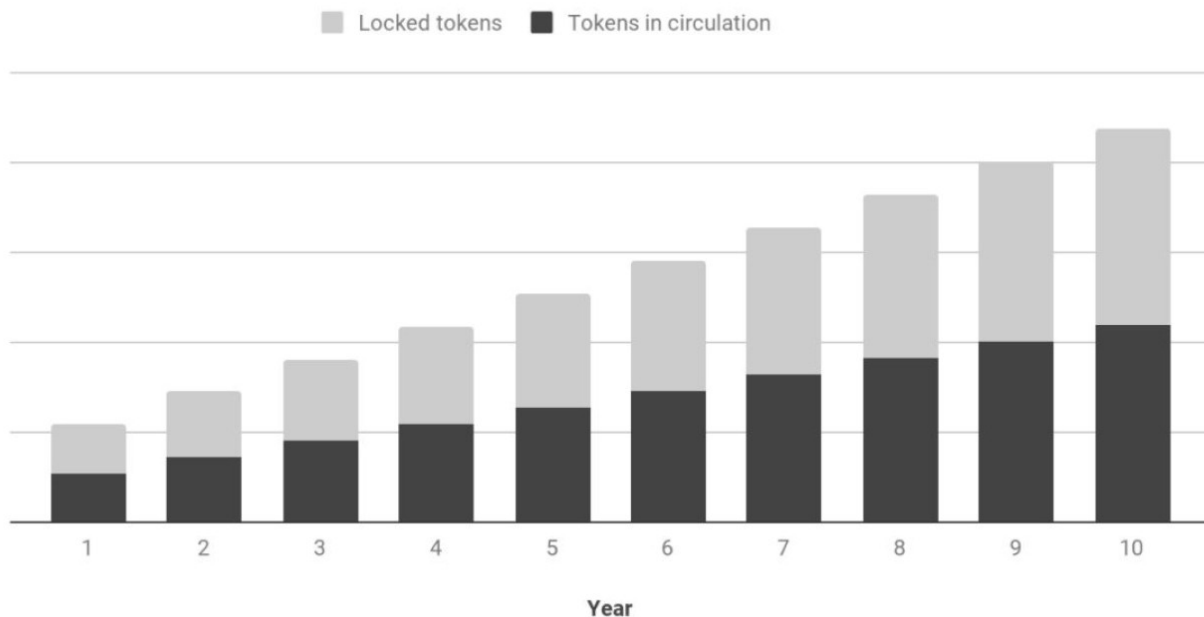
3 Investopedia, Discounted Cashflow Analysis –

<https://www.investopedia.com/terms/d/dcf.asp>



Staking (cont.)

For our rewards estimate, we are taking a very conservative approach, by looking at the existing Vulcan Ecosystem games and assuming that we will be able to reach the projected volume (as highlighted in Token Valuation sheet) within a 5-year period and positive spending/participation by users will remain constant (while majority of other projects have reached their targets within 2-3 years). Also note, that only users who have participated and contributed in the platform will be eligible for receiving PYR token incentives. At this point the exact number of users who will be willing to perform these positive contributions is unknown, but for the purpose of this calculation, we will assume that 50% of all circulating tokens will be utilised by users for game participation and locked-up at any given point in time.





Game Dev Crowdfunding

PYR will allow users to fund the operations of third party game developers within the Vulcan ecosystem, via a liquidity pool for developer grants. Vulcan Foundation will retain a small margin of the interest rate on those loans (in PYR) and pass the remaining to the original liquidity providers. Interest in the trade financing protocol will be payable in PYR tokens, and the entire process will be automated by secondary smart contracts.

Attention Token Utility

While not the main function of the PYR token, it still can be used as a pure medium of promoting new users to any Vulcan dApp by rewarding them with loyalty points in the form of PYR tokens, and also bring financing to third party dApps. Advertisers are given options of paying in PYR tokens and/or locking up these tokens for the period of advertising.

FRENZY

Frenzy will be released by the end of Q1. This is Vulcan.Forged's gaming platform where users can create tournaments across any Vulcan Forged game and users pay an entry fee using PYR. The winners after said tournament will share the prize pool. The platform will have easy API routes to allow any game to activate 'Frenzy Mode' and enter a game using PYR to win.



Titans and Olympians

Titans and Olympians are **DYNAMIC** NFT companions. That means their look and level can change depending on the amount of PYR locked into them. They are your companions across the entire Vulcan Forged ecosystem and offer numerous benefits. In order to 'age' one of the 12 Titans or one of the 12 Olympians, you must nurture them with PYR along with a fee per upgrade. 50% of that fee will go to the reward pools.





Titans and Olympians (cont.)

Here are some of the benefits Titans and Olympians provide:

- 1) **10%-70%** off marketplace fees for any Titan/Olympian. These are non-stackable. For example, if you have nurtured your baby Hyperion to God mode (level 7), you will receive 70% discount on marketplace sales.
 - 2) **10% - 70%** extra LAVA when LAVA is earned by playing games. These are non-stackable. For example you have won a game of Berserk and are owed 10 LAVA, you will receive 17 LAVA if you have a Level 7 Zeus attached to your wallet.
 - 3) **10%-70%** extra rewards from any staked PYR. For example, you have one plot of level 7 land in VulcanVerse which contains 1000 PYR staked. If you assign a level 7 Titan to that land, you will receive rewards as if you are staking 1700 PYR.
- N.B.** You can assign only ONE Titan or Olympian to a plot of land. The exceptions are **Zeus and Cronus**, both of which can have their multipliers added to 3 plots.
- 4) **Access to Elysium** (Level 7 only). If you own a Titan or Olympian, you are allowed access to a heavenly island within VulcanVerse. Here, you can forage NFTs exclusive to the 'Vaults of Vulcan'. The land cannot be owned by users, but contains NFTs and PYR pits that can be only be foraged there. It's also the only place in VulcanVerse where you can enter even if you don't own land.



ILO information & token generation event

Basics:

Ticker:	PYR
ILO start date:	February 25th
ILO end date:	March 19th
IEO Denomination currency:	USD
Accepted currencies:	USD, ETH, MATIC, VET
Jurisdiction:	BVI
Eligibility:	Subject to KYC and AML
Compliance:	None
Token purchase contract:	SAFT
ILO waves:	3



Token Generation Event Summary:

Sale type:	ILO
Softcap:	0 MM USD
Hardcap:	5.74 MM USD
ILO Tokens:	20 MM PYR *
Remaining tokens post ILO:	burned
ILO allocation:	40%
Initial Total Tokens:	50 MM PYR
Token type:	Fixed supply
*Important notice	Under SEC rules, this token is not a security but a utility

Stage 1 : 750,000 PYR sold @0.40 USD, with bonuses: 75.0% for all purchasers = 0.3 MM USD raised (1,312,500 max tokens allocated)

Stage 2 : 6,750,000 PYR sold @0.40 USD, with bonuses: 50.0% for all purchasers = 2.7 MM USD raised (10,125,000 max tokens allocated)

Stage 3 : 6,850,000 PYR sold @0.40 USD, with bonuses: 25.0% for all purchasers = 2.74 MM USD raised (8,562,500 max tokens allocated)



Stage 1 (Private):	Stage 1 (Private)
Token price:	0.40 USD
Bonuses:	75.0% for all purchasers
Wave number of tokens available:	1,312,500 PYR
Wave cap:	0.3 MM USD
Cumulative number of tokens available:	1,312,500 PYR
Cumulative cap:	0.3 MM USD
Minimum purchase:	1000 USD
Maximum purchase:	10000 USD
Wave start:	February 25 th
Wave end:	February 26 th



Wave 2:	Stage 2
Token price:	0.40 USD
Bonuses:	50.0% for all purchasers
Wave number of tokens available:	10,125,000 PYR
Wave cap:	2.7 MM USD
Cumulative number of tokens available:	11,437,500 PYR
Cumulative cap:	3 MM USD
Minimum purchase:	100 USD
Maximum purchase:	10000 USD
Wave start:	March 16 th
Wave end:	March 17 th



Wave 3:	Stage 3
Token price:	0.40 USD
Bonuses:	25.0% for all purchasers
Wave number of tokens available:	8,562,500 PYR
Wave cap:	2.74 MM USD
Cumulative number of tokens available:	20,000,000 PYR
Cumulative cap:	5.74 MM USD
Minimum purchase:	100 USD
Maximum purchase:	20000 USD
Wave start:	March 18 th
Wave end:	March 19 th

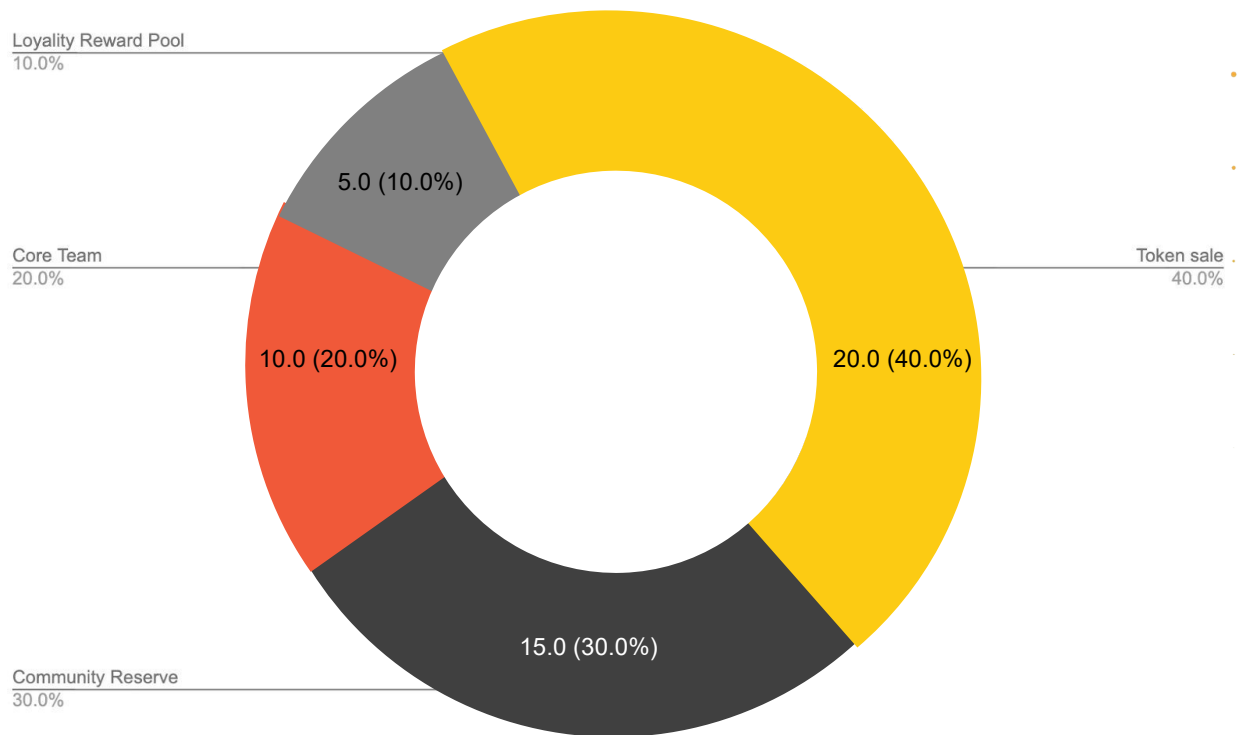
Stage 1 : 1,312,500 PYR sold @0.40 USD, with bonuses: 75.0% for all purchasers = 0.3 MM USD raised

Stage 2 : 10,125,000 PYR sold @0.40 USD, with bonuses: 50.0% for all purchasers = 2.7 MM USD raised

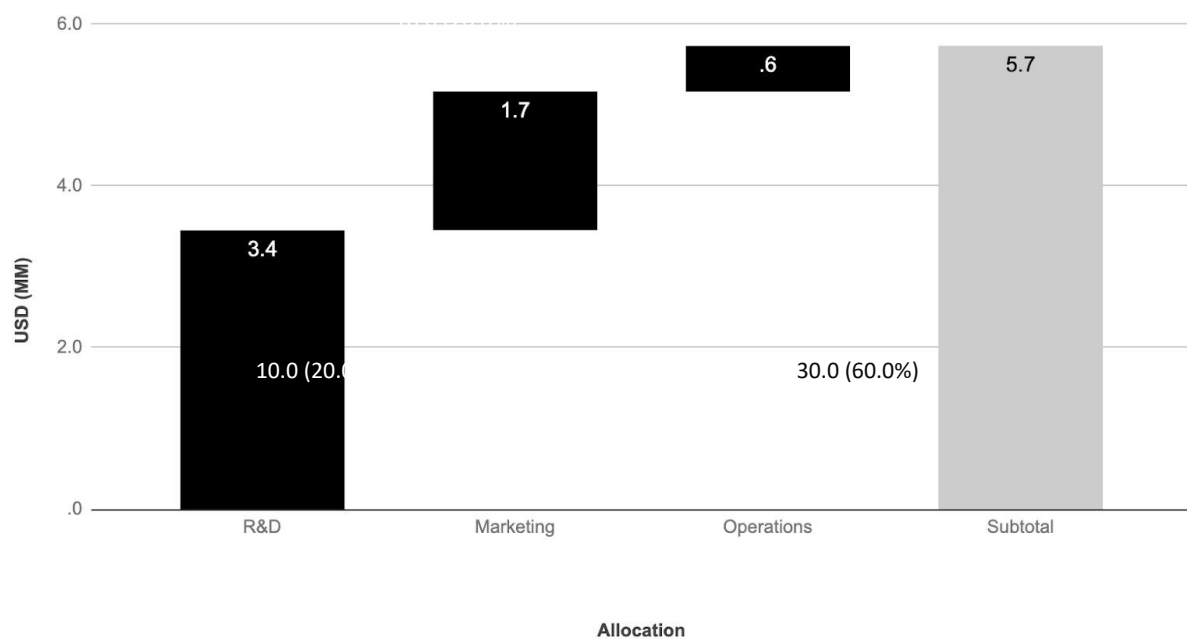
Stage 3 : 8,562,500 PYR sold @0.40 USD, with bonuses: 25.0% for all purchasers = 2.74 MM USD raised

Bonus tokens for each stage.

Figures are shown as % bonus versus the minimum ILO bonus.



Total tokens allocation. Assumes reached Hardcap.



Breakdown of the funds' utilisation between the Softcap and the Hardcap.



PYR