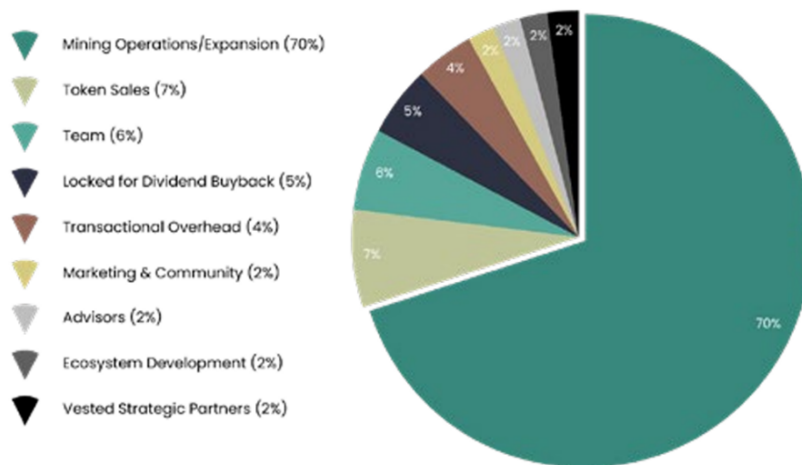


The Economics of the REE Dividend Token, Token Allocation

Like most token projects REE has a distribution of tokens, the allocation of which can be seen in the graph below, detailing the purpose and utility for each stakeholder or category. First we will focus on the elephant in the room, with a 70% share of tokens, the reserve pool, categorized as Mining Operations and Expansion.

Token Allocation



Mining Operations and Expansion (reserve)

Of the 750 million tokens initially minted, 525 million falls into this allotment / pool. The purpose of this share of tokens is to allow REE to raise funds for the underlying mining enterprise to expand and increase the value of both the underlying enterprise and the REE token project. In order to raise funds and sell tokens from this pool, the mining enterprise must be able to show that the investment made (into a new mine, new project, or even to purchase another company)

must increase the value of the enterprise over time to justify the use of the reserve pool tokens.

Along with strict guidelines for the release of tokens, this operational expansion / reserve pool will have a burn mechanism which will reduce (burn) tokens in relation to the value of the pool. The reason for this is straightforward, we want to both reserve the possibility of raising funds for significant expansion while doing so at a realistic level.

In an extreme example, if REE were to rocket to \$1000 soon after its ITO launch it would be unrealistic, unnecessary, and counterproductive to the value of REE to maintain 525 million tokens in the reserve pool.

As of this writing the value of REE is approximately \$0.50, if for example, REE reaches \$5 and holds that value for a predetermined period a significant percentage of the pool would then be burned.

The mechanism is circular, as the price of REE rises the value of the pool exceeds what is necessary and tokens will be burnt. As tokens are burnt, the supply is decreased and quite possibly the value of REE rises further. Rinse and repeat.

Token Sales

This pool contains the tokens we have sold and will sell to investors for the seed rounds and our ITO launch.

Team

Team, or founder, tokens are the tokens distributed to the founding team of the REE project. These tokens, like most of the pool categories, are released according to a vesting schedule to ensure that no single token holder can sell a significant block all at once.

Locked for Dividend Buyback

This pool of tokens is locked and staked (and will never be released to the market), the purpose of this pool is to create income for the REE project through the receipt of dividends from the underlying enterprise.

Transactional Overhead Pool

These tokens remain in the possession of the REE project and are REE's safety net in the event of any operation shortfalls.

Marketing and Community Tokens

These tokens are available, where needed for marketing and community partners, employees, and freelancers as needed. Each contract is individualized; however, everyone is subject to a two year lockup (tokens can't be sold for two years).

Advisors Tokens

Similar to the Team Tokens, Advisor tokens are available to advisors and non-founder employees and freelancers. These are also released according to a vesting schedule to ensure that no single token holder can sell a significant block all at once.

Ecosystem development pool

This pool is reserved for technology development.

Vested Strategic Partner

The majority of this pool is owned and controlled by the underlying mining enterprise.