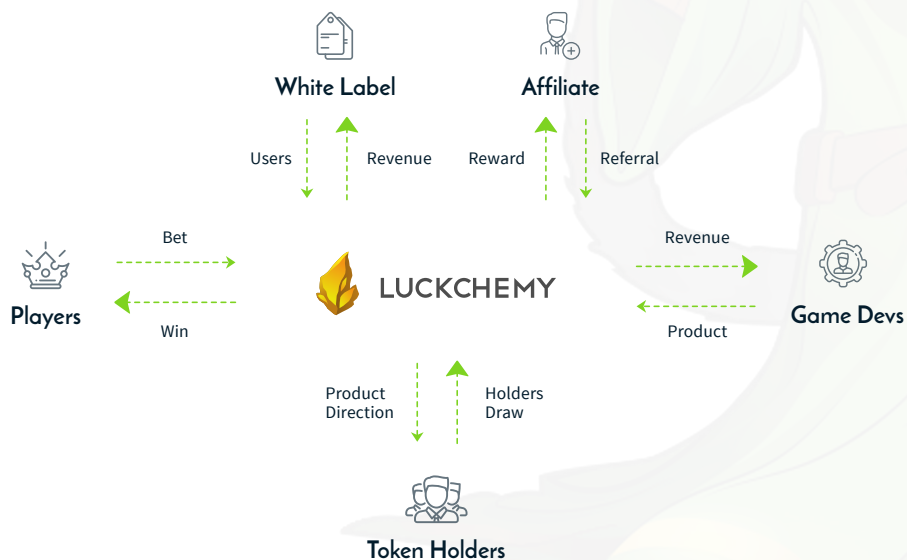# LUCKCHEMY

## WHITEPAPER

# Mission

Luckchemy is a scalable and provably fair online gambling platform driven by a unique combination of blockchain technology and offchain cryptography. Our platform will offer turnkey solutions for a full suite of casino products, with lottery as our initial product and the illustrative example used in this document. Luckchemy will develop and publish products on the platform but is designed to anticipate interactions with a number of entities, including the 3rd party content providers.

Luckchemy has maintained a strict discipline of using blockchain interactions only when absolutely necessary. We will maintain provable fairness through off-chain cryptography and other technologies with minimum usage of blockchain to maximize scalability and user experience. In the long term, we intend to move our platform to a decentralized model using local hosting and multiple data centers to minimize the effect of individual discontinuation on the overall platform.

Luckchemy Tokens (LUK) are used on our platform and grant their holders access to monthly draws, funded by a minimum of 0.5% of the platform transactions, as well as the opportunities to provide direction on our roadmap.

Alchemy is a philosophical principle that has been resonating in the human psyche for over four millennia. It is a rich tradition built on the concept of maturing, purifying and perfecting humans and objects. Alchemists had carefully protected their secrets with cyphers and cryptic symbolism. Luckchemy is our modern take on this notion, as we strive to transmute and purify the existing gaming and betting paradigm into a single decentralized, trustful and provably fair system by means of modern blockchain and cryptographic technology.

# Platform

## Luckchemy platform provides a wide range of functionality covering 3 essential directions:

1. **Own games:**

Classic Powerball-like lottery with a 99% payout to prize fund from ticket sales, which will attract larger audience to Luckchemy in the shortest term;
Real money Scratchers enabling users to instantly win prizes, as well as the jackpot;
Free-to-Play Sweepstakes giving the opportunity to win real prizes for free (based on ad monetization);
Holder's Draw as a unique benefit for Luckchemy investors - every month randomly chosen LUK holders will get additional wins;
More games will be created in the nearest future: slots, bets, dice, etc.

2. **3rd parties:**

We want to create a huge optionality for our users in the shortest term. With the backing of the industry leading partners, our users will get the opportunity to play the best gambles, all powered by LUK tokens. Also, indie developers will be entitled to place their games on the Luckchemy platform. They will be able to reach out our audience and compete with the industry leaders, as well.

3. **White Label:**

White Label products will allow famous brands to use our range of provably fair blockchain-based games under their brands' names. We'll handle all the steps, from development to licensing and payment processing. As a result, we'll spread a strong and wide network of our products around the globe and expand the audience of Luckchemy games.

Our advisors, far-famed within the gambling community, will introduce Luckchemy to lots of famous brands, so we're expecting a rapid unfolding of our White Label network.

All transactions with our clients will be carried out in LUK, which will make our tokens highly demanded.

LUCKCHEMY

Our Games
- Lotto
- Slots
- Scratchers
- Bets
- Dice
- Poker
- Other

Rev share

Access to fiat transactions + well known popular games

Third Party
- Netent
- Indie Devs
- TBD

White Label
- Lotto
- Slots
- Scratchers
- Bets
- Dice
- Poker
- Other

On Blockchain

Ads
Scratchers
Lottery

Mobile

# Luckchemy Token

## Token Rules

- 99% of funds collected from ticket sales will be allocated to the prize pool. The amount of the prize pool can grow up to dozens of millions of dollars.
- Neither winning numbers nor lottery tickets can be faked. Distribution and payout procedures are transparent and supported by smart contracts.
- The lottery is based on the ETH blockchain. All the parameters of the lottery are included in the program code. All transactions are secured and verified in order to avoid fraud practices.
- KYC screening are endeavored to prevent unintentional law violations.
- Such a lottery provides token holders with a nearly endless income source, depending on their own luck.

## Holders' Draw - "Luck-Elixir"

All LUK holders will be automatically involved in a monthly draw, funded by a minimum of 0.5% of wagers placed on the platform during the previous month. Holders will be entitled to 1 entry per token owned, meaning the more LUKs a holder has in their wallet, the higher their chances of winning are. LUK prize pool tokens and vesting tokens for partners and founders will not be eligible for this draw.

0,5% from daily lottery tickets sales

Third parties royalty %

White Label revenue %

Excluding 15% of Lottery Fund LUKs

**Holder's Draw Prize Fund**
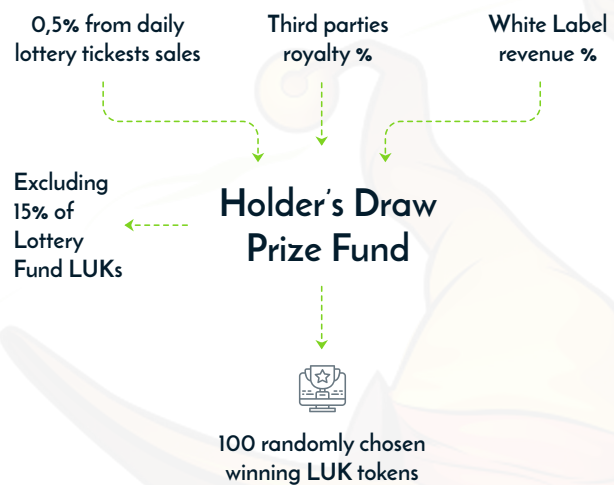
100 randomly chosen winning LUK tokens

Draw will take place on the first day of each month at 7 PM GMT and will award 100 winning tokens/addresses, who will split the prize evenly. 24 hours before the draw, the system will take a snapshot of all LUK holdings on the chain to be entered into the draw. Luckchemy will take the first block that fits the technical requirements and combine it with a server string to generate the prize, as described in the Provably Fair section.

Luckchemy Lottery Fund of 15% LUK tokens does not participate in the holder's draw. This mechanism is secured by the blacklist, where all tokens from the prize fund wallet are blocked from participating in this type of lottery.

## Feedback Polls

One full LUK equals one vote, and - obviously - it is free to participate. Holders sign a message containing their preference (e.g. Slots), hashed with their private key to prove custody of the LUK address and rights to the corresponding token votes. Verifiable feedback can be signed by a standardized method outlined here: https://github.com/ethereum/wiki/wiki/JSON-RPC#eth_sign.

All customers will be able to send their suggestions and feedbacks to the Luckchemy team via a form on the website, and all hashes will be publicly available and verifiable by such services as https://etherscan.io/verifySig.

## Token Uniqueness

The system assigns a unique identifier for each token. It allows us to ehnance their applicability for current features (such as the Holders' Draw and Feedback Polls) and for future products. All transactions within the platform are virtual, which means our players won't have to pay gas for transactions while playing games. As an investor, you will not lose anything when making small and frequent transactions.

## Token Utility

LUK will become available for trading on several cryptocurrency exchanges that we'll announce after the coin sale. LUK will use Ethereum ERC-20.

LUK tokens provide a number of significant benefits for all Luckchemy members.

- **LUK tokens for investors:**
You can keep tokens for Holders' Draw in order to increase your chance of winning. Tokens can be used for Feedback Polls.

- **LUK tokens for users:**
As a user, you can use LUK tokens to play games on our platform. By getting LUK tokens, you are automatically selected to participate in Holders' Draw lottery (as long as you have them). Tokens can be exchanged for ETH at any moment. Your reward will be paid out to your wallet right after the game round is finished.

- **LUK tokens for 3rd parties:**
Token grants you access to our API once it's released, allowing you to get more information and benefit from implementing our games on other platforms or websites. LUK tokens will be used for transactions between partners. We will provide functionality to exchange tokens. In addition to that, some extra services of our platform can be paid with LUK token.

- **LUK tokens and White Label:**
As part of White Label, token enables you to access the account and API in order to get all the necessary information on how to use the games under your own brand and customize solutions. Share of profits from White Label solutions will be added to Holders' fund.

## Liquidity of the LUK Token

Tokens are multifunctional; they can be used to play any game within the Luckchemy platform, or kept aside to participate in Holders' Draw and Feedback Polls.
Tokens are backed by assets; one of the essential assets is bankroll, which will be constantly replenished and - eventually - grow in size. By using LUK tokens, the 3rd parties get access to our technical solutions and benefit from them on their own platforms. White Label solutions will enlarge the Holders' fund, which will increase interest and turnover of the LUK token in general.

# Luckchemy Lottery Product Example

## Daily Lottery - Magnum Opus

Daily lottery is similar to a traditional lottery – players pick five numbers between 1-47 and one between 1-24. A public draw selects the winning combination of 6 numbered balls and rewards players according to the table below. Our lottery will offer the best returns in the industry at a 99% return to player, which is far higher than traditional lotteries and online blockchain alternatives can offer.

Luckchemy is positioned to drive large volumes at small margins through automated provable fairness. Luckchemy will utilize a combination of server seed hash and delegated Ethereum blockhash which will be combined to create a provably fair result. The process is described in details in the Provably Fair section.

Lottery tickets can be purchased with LUK/ETH and BTC/FIAT (these integrations are planned in the nearest future). Prize pool will be held in Ethereum, which maintains adequate liquidity for any winner to cash out and ensures price stability for LUK. In the long run, we will provide large lottery prizes in LUK given that the network has the liquidity to support large payouts.

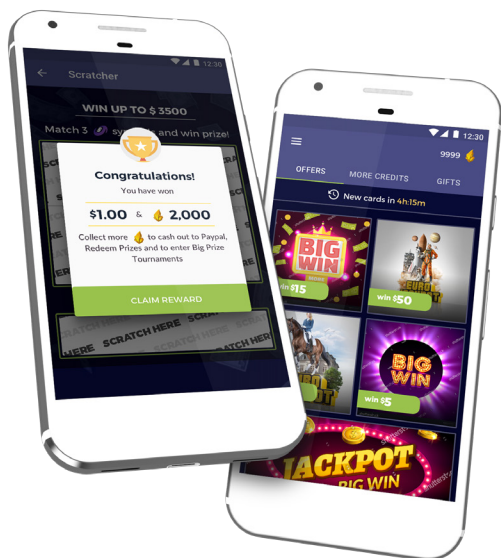| MATCH | PRIZE | PROBABILITY |
|---|---|---|
| ⬤⬤⬤⬤⬤ + 🔵 | Jackpot (X% Prize Pool) | 1 : 36,814,536 |
| ⬤⬤⬤⬤⬤ | 4 ETH | 1 : 1,600,632 |
| ⬤⬤⬤⬤ + 🔵 | 1 ETH | 1 : 175,307 |
| ⬤⬤⬤⬤ | 0.4 ETH | 1 : 7,622 |
| ⬤⬤⬤ + 🔵 | 0.1 ETH | 1 : 4,276 |
| ⬤⬤ + 🔵 | 0.04 ETH | 1 : 321 |
| ⬤⬤⬤ | 0.02 ETH | 1 : 186 |
| ⬤ + 🔵 | 0.01 ETH | 1 : 66 |
| 🔵 | 0.006 ETH | 1 : 43 |
| ⬤⬤ | 0.002 ETH | 1 : 14 |



## Scratch Cards

Scratch cards are a prevalent form of gambling because of instant wins, as opposed to waiting for a draw when playing many other lotteries. That's why we decided to include this type of games into MVP. In the modern world, no one has time to wait, and Fortuna Viatores allows trying your luck instantly by scratching a card. Instant lottery as well as similar instant games like slots, dice, etc., can't be reliable once built on blockchain due to the speed limitations of the technology, that's why our team came up with the real-time, scalable and off-chain logic, carefully outlined in the Provably Fair section.

## Real Money

Players will be able to purchase scratch cards with LUK and receive instant prizes, including a potential jackpot. Real-time, scalable and off-chain logic is described in details in the Provably Fair section.

## Sweepstakes (Free-to-Play)

Free-to-play scratch cards with the chance to win real prizes. Revenue will be generated via ad monetization in this version, with the potential to add in-app purchases in the future. Sweepstakes offerings allows us to publish and advertise in additional regions (including the US app stores), due to lower regulatory requirements than real money gambling.

## Mobile lottery - Amalgamus

This game was the backbone of Luckchemy concept back in 2017, when our team started working out the idea. Based on the concept of sweepstakes, this game was supposed to present Luckchemy in countries where gambling is forbidden. The Amalgamus Sweepstakes would embrace a series of overlapping, independent promotional giveaways, each with a fixed number of prizes to be awarded over a certain period of time, during which participants can win prizes. A prize may come in the form of money, third-party goods or services, LUK tokens or other cryptocurrency, goods, or services. Lottery would be backed by Magnum Opus backend to ensure provably fair process for the core gameplay. This product should not be considered as gambling because it will not request any money input in order to play; everything will be based on Sweepstakes, and revenue will be generated via ad monetization. This concept would allow our team to build strong presence and brand awareness even for regions where gambling is forbidden (including the US app stores), due to lower regulatory requirements than real money gambling.

## New games

To grow the audience and attract more users after the launch of initial games, we will develop more games based on the Feedback Polls feature and popularity proven by statistics of the gambling industry. We do plan to introduce sports betting games, online poker, online casino, slots, bingo, live dealer games, and other table games. As of now, we're planning to use LUK token for all of them, which will be an additional incentive for token liquidity. Game development speed depends on the initial fundraising, as it influences the priority of tasks and ability to expand development team. We aim to release at least 1-2 games per quarter.

Our product team is currently working on design of the future games.
We believe that the constant launching of new products will allow us to attract and keep players on the platform, which will affect the turnover and token liquidity in a positive way.

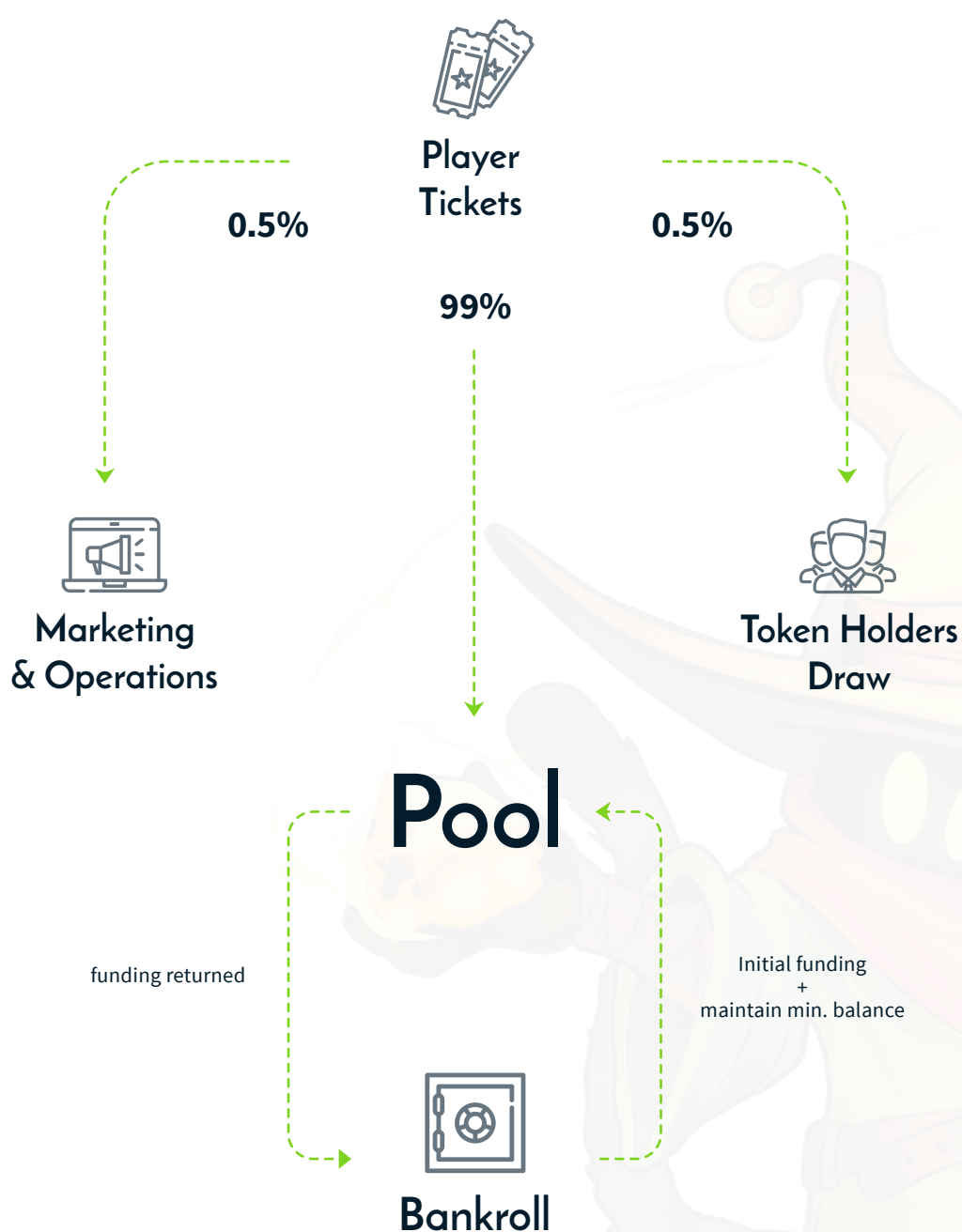Sport Betting   Online Poker   Live Dealer   Online Casino   Slots   Bingo

LUCKCHEMY

**Prize Funding**

All Luckchemy games are built around replenishing cycles of tickets funding prizes, while also driving comprehensive marketing campaigns and monthly holders' draw. The Prize Pool is initially funded from the ICO and will be constantly replenished through ongoing bets, wagered on the platform. This will ensure fund sustainability in the future, even when large jackpots are won.
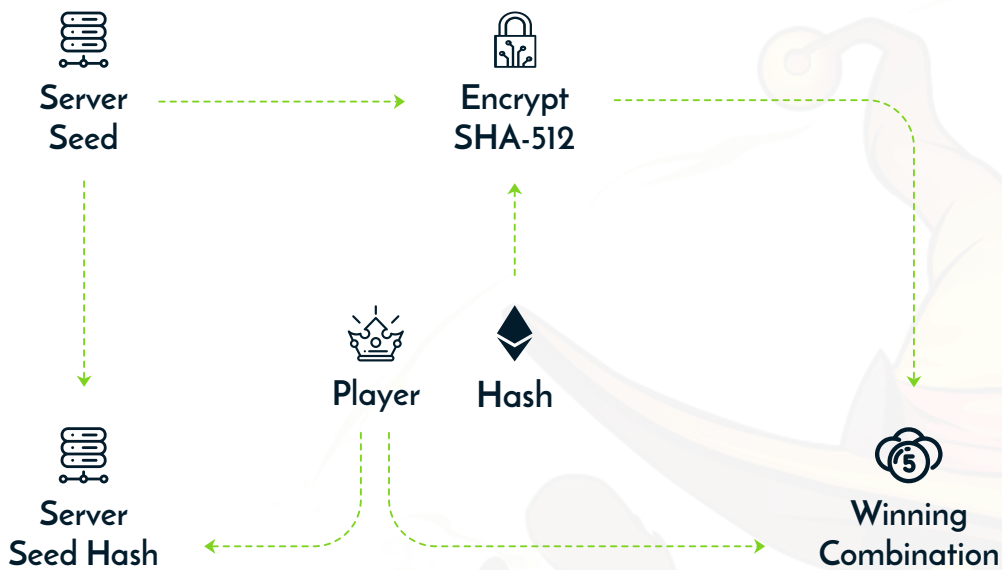
Player
Tickets

0.5%          99%          0.5%

Marketing
& Operations

Token Holders
Draw

Pool

funding returned

Initial funding
+
maintain min. balance

Bankroll

# Provably Fair Platform

## Daily Lottery - Magnum Opus

Luckchemy will generate a unique private server seed at the start of each daily lottery. We will publish a hash of this server seed in the information about the current draw. Tickets for the draw cannot be purchased after 9 PM GMT. Then, Luckchemy will take the first block that appears after 10 PM GMT and fits the technical requirements.

A hash of this block is combined with the server seed in an algorithm to generate the 6 winning numbers for the draw. Luckchemy will publish the 6 winning numbers and the original server seed that had generated the server seed hash in order to prove fairness.



The 6 winning numbers are generated by breaking the combined hash into sequences of 4 characters, starting from the tail, and transformed into a number using NHEX base 16.

c753/7498/ff60/4c6a/4b94/1bac/a9a9/db25/4228/3a26/5f51/48e8/e642/21fe/8612/b4b1

(b4b1) 16 = (46257) 10

This number is then divided by a module of 47 (or 24 in the last iteration), and the remainder generates the number of the ball.

46257 mod 47 = 984*47+9

first ball is 9

The system repeats this iteration for 5 times and discards the numbers, which are already in the set (for the golden ball, we simply use mod 24 instead of mod 47).

# Holders Draw - "Luck-Elixir"

Luckchemy will take a snapshot of the LUK chain at 7 PM GMT on the last day of each month and release a hash of our selected server seed. The winners will be drawn at 7 PM GMT on the first day of every month. Luckchemy will take the first block hash that appears after 7 PM GMT that fits the technical requirements.

Server seed and block hash will be further hashed together with a nonce. This will be repeated 100 times increasing the nonce by one each time from 0 - 99. These 100 hashes will then be converted into a randomized number between 0-999,999,999. This is done by breaking each of the 100 hashes into sequences of 4 characters, starting from the tail, and transformed into a number using NHEX base 16. These numbers are summed up and the resulting numbers are then divided by a module of 10. The system repeats this iteration 9 times to achieve 100 winning 9-digit numbers.

Snapshot of the blockchain will then be ordered, the 100 tokens affiliated with the winning numbers are identified and the prize pool is distributed accordingly among the winning addresses. If any of the winning numbers are associated with Luckchemy's prize pool or vesting tokens, then new numbers will be drawn via increasing nonce value until 100 valid winners are found.
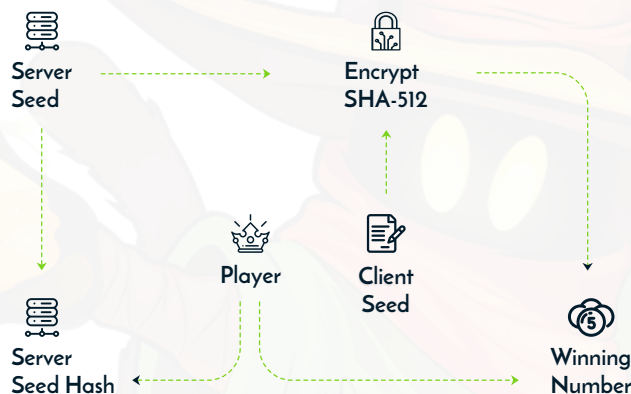
After the game is completed, the server will publish their server seed. Verifying the server seed corresponds to the server hash provided before the game proves that the server has not tampered with the result of the game.

## Scratch Cards

The server picks a random server seed and shows the user a hash of it. The player selects their own seed, called the client seed. The server uses the server seed and the client seed to generate the outcome. After the game is complete the server will publish their server seed. Verifying the server seed corresponds to the server hash provided before the game proves that the server has not tampered with the result of the game.



It's impossible for the client to know the server seed from the hash and it is impossible for the server to predict the client seed before it is provided, making it impossible for either party to predict what the result will be. Once the server seed has been revealed, the client is able to verify that the result has been generated fairly by the server seed and client seed.

For consecutive scratch cards, the server seed must be kept hidden until the session is over. The server can use the same client seed and their server seed corresponding to the published server seed hash with a unique public nonce for each scratch card. At the end of the session, the server seed can be published and all the scratch cards of that session can be verified provably fair as above.

Three variables are used to calculate the result: server seed, client seed and nonce. This provably fair methodology is flexible and can be adapted and utilized for other games, including slots on the Luckchemy platform.

## Calculation Example

Client seed = Scratchcardplayer
Server seed = ed8de479e723ab7b877e656064f6fb9cbadf3b49838b86cc47b71a578d9cacb3
Server seed SHA-512
Hash = A5222B1C09524AF95EE3884DCCFF5815CB4ED6C188912366133B1FD7AF3927C9
Nonce = 0 for the first bet

Luckchemy first calculates a HMAC hash with these variables;
HMAC-SHA512 (Server_seed, client_seed-nonce)

Our example therefore becomes;
HMAC-SHA512(ed8de479e723ab7b877e656064f6fb9cbadf3b49838b86cc47b71a578d9cacb3, Scratchcardplayer-0)

HMAC =
c13d5d03692b56647dfdc67f934427a209aa824e718482398211cafa1d87738adcdc47223a
09116b0c24c8ae2cb5d637e287455cb355292bd57262982fcae75b

This hash is then processed into a Scratch card result. The first 5 characters are used (c13d5) and converted from hexadecimal to a decimal.

c13d5 = 791509

We then apply a modulus of 10^4 and divide it by 100.
791509%(10000)/100 = 15.09%

Win/lose conditions will then be attributed to the resultant % outcomes.

# Partnerships and White Label

## What is White Label

In the typical white label gambling partnership, there are a marketing partner and a gambling partner. The gambling partner (also known as the white label provider) requires an operating license whereas the marketing partner generally does not.

The white label provider partners up with companies that can market the gambling product using their unique brand and in return, pays the marketing partner a profit share of the generated revenue.

This is similar to an affiliate deal. The marketing partner usually has such a well-known brand identity so that new customers are acquired through the brand's website. In return, the marketing partner is paid a higher amount than an affiliate.

The white label gambling provider is responsible for, amongst other things:
- registering the customer and conducting age verification and KYC (know your customer) checks
- providing the product for customers to gamble on
- managing customer funds
- security of confidential customer details
- providing customer support for the gambling product
- the white label provider must hold the appropriate license for the type of gambling product that is made available to customers.

It allows entrepreneurs to get into business way cheaper than when launching a full-scale development and operations for a new product.

## What are the main problems of the industry

Accessing the iGaming industry can be a daunting task, especially these days when we have a mature, better-prepared market where competition is strong and forces new gaming businesses to bring substantial quality. Additionally, we should note the increasing fragmented regulatory landscape that exists in the Western world, which will soon become the standard practice for the rest of Europe, as well as Asia and Latin America.

And yet, it is possible to provide better gaming experiences and deliver world-class products, and this should be the main goal for any new operator that is looking to join the iGaming industry using a white label solution.

## How we can solve that with our product

- Our team decided not only to create the iGame products but to help others find their way into the gambling industry. The mix of the blockchain tech and cryptography allows us to deliver simple, easy-to-run and scalable solutions at low costs.
- Luckchemy is going to obtain licenses for the main trusted jurisdictions in order to provide benefits of moving away from the increased licensing demands to an experienced team, which includes tax calculations and payments, reporting requirements, hosting and data integrations.
- Another important step in opening your own gaming website while using a white

label solution is to have an established payment system that offers a great number of Partnerships and White Label options to deposit and collect money in a secure manner. And this is when the crypto currency comes with its secure and fast transactions system.

- Securing a gambling license, especially in a profitable and respected jurisdiction, is not an easy task. The best thing to do is to simply use the license of your iGaming provider, the same partner that delivers the white label solution.
- A number of front-end templates to choose from.
- Creating a new website interface takes time and money, not to mention the risks of overlooking the important details for the players. We encourage our clients to take full ownership over the final user experience and strongly advise them to build their own front-end using our newly-developed Web Client API. Thus, when time is valuable and a cost-effective solution is needed, the white label is the answer.
- We are offering flexible, fully customizable solution that allows customers to control the entire process, from design to post-launch. Our team provides expertise in tech, design, marketing, as well as delivers the best experience and even shares the opinion of the industry-leading advisors.
- If to compare with usual White label solutions, you don't need to worry about the billing part. We already provide LUK tokens as the universal payment solution that does not involve fees for system operations (except for the gas required to supply token transactions).

Obviously, there are lots of advantages of using a white label that help to solve many technical demands. But any operator knows that building a gaming website is only the first step of a long journey. Without a strong online presence and intelligent marketing campaigns, it is difficult to build awareness of your website on the market and attract important players. And this is when our partnership and our teams come into play with the marketing expertise that allows us to achieve the high KPI performance.

**What we provide with our white label solution:**

- Blockchain technology, which is used in RNG mechanism, confirming its provably fair solution in gambling games.
- Access to crypto currency exchange market with our own LUK token as a currency and optional payment method within Luckchemy platform.
- Solid advisors' review based on the opinion of the industry leading members for any operator working with us.
- Marketing solution from market leaders for those who want to mitigate risks.
- Exclusive partners for broader expansion on the market.

You can choose what you want us to cover for you (part of the options or all of them):

- Marketing
- Payment solution
- Gambling licensing
- Game development



Operator

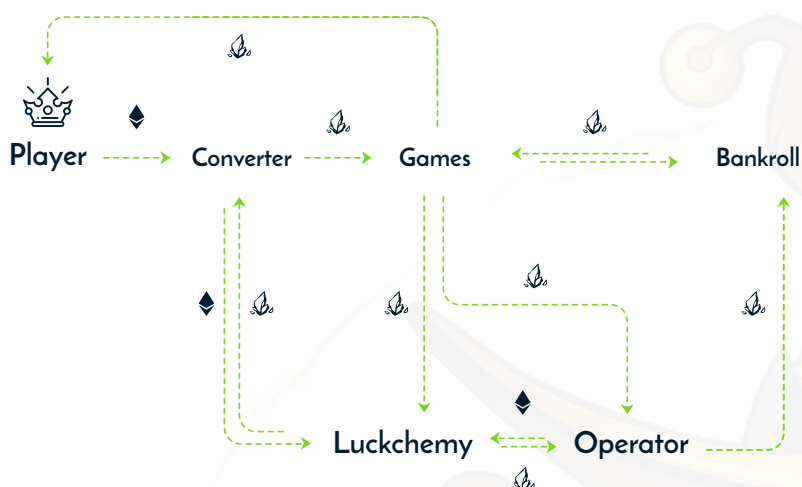| Selfservice | White Label | Luckchemy |
|---|---|---|
| ✓ Gambling license | NetEnt | ✓ Smart Contract |
| ✓ Game Development | Microgaming | ✓ Provably Fair |
| ✓ Marketing | NYX Interactive | ✓ Blockchain |
| ✓ Payment Solution | IGT | ✓ Cryptocurrency |
|  | Play N'Go | ✓ Advisor Review |
|  |  | ✓ Partners |

Player

## White label terms

Revenues are generated according to a licensing model based on revenue-sharing with customers. Customers, the gaming operators, pay a monthly license fee to Luckchemy, which is based on a certain percentage share of the gross game win that is generated in the customers' online casinos. Luckchemy takes responsibility for all technical operations such as monitoring gaming transactions for its customers, known as hosting, so that the operators can focus on their core operations. Luckchemy also plays an active part in the integration work for new customers.

Luckchemy will work with gaming operators via smart contract that will validate the agreed shares and instantly deliver them to a gaming operator. And provide assistance with cryptocurrency exchange if required.
White-label casinos will operate with LUK in order to pay licensing fees, receive revenues in LUK, and exchange it for the currency inside the platform when needed.



## White label platform vision

The Luckchemy team will develop API in order to provide provably fair games for gaming operators with one single API and CMS that allow the customization of games on-the-go.
This will be a turnkey solution that can be easily customized when running a legal casino and used by any game operator willing to work with cryptocurrency markets that are growing everyday.

## 3rd Parties terms

Our team understands that in this industry products have to provide a wide range of options to compete on the market. That's why we plan to integrate with such industry leaders as NetEnt, Microgaming, NYX Interactive, Evolution, IGT, Play N'Go to provide our users the opportunity to play well-known games and compare them to our own, and all that powered by LUK tokens.

Our team will also work on supporting developers of the games by integrating their games into the platform backed by our cryptographically based RNG and paying fees for running game on the platform with LUK. Allowing developers to receive access to our partners marketing advantages.

# Marketing Strategy

Advertising for online gambling is a significant portion of any operators cost base. Our team is experienced in the online acquisition and we will invest heavily in promoting our products, allocating a percentage of transactions to advertising depending on the vertical (e.g. slots, lottery) / brand / geo etc. While advertising is significant, content is king, we are focused on delighting users through engaging experiences.

Our platform will be also available as a white label solution to allow government, charities and other organizations to publish our products. These entities will be responsible for marketing and operations.

The following features are built into the platform and designed to improve the overall effectiveness of our marketing activities by attracting organic users, increasing viral effect and improving user retention.

- Faucet: free tokens to users with zero balances.
- Referral / Affiliate Program: % of deposits from invited users.
- Loyalty Program: tired levels with additional benefits.
- Achievements System: provide engaging challenges for users.
- Discounts / Incentives: particularly for initial deposit (welcome offer).

Sweepstake offerings allows us to publish and advertise in additional regions (including the US app stores) due to lower regulatory requirements than in real money gambling.

Large jackpots are one of the primary reasons for our ICO since they will attract more users to our platform.

The presence of experienced professionals in the team will allow us to implement an effective multi-channel marketing campaign to attract players with a low cost per first time deposit (FTD). When implementing the strategy, we will rely on the experience of team members and our advisors who have a solid background in performance-based marketing for iGaming industry.

**The main efforts for user acquisition strategy for the initial 6-12 months of the platform growth will be mainly concentrated on the following markets:**

- European countries (e.g. UK, Germany, Sweden).
- Southeast Asian countries (e.g. Thailand, Indonesia, Taiwan, Vietnam).
- Latin America (e.g. Brazil, Argentina, Mexico).
- Turkey, Australia, Japan.

**User acquisition will be mainly covered through the following channels:**

- **Display advertising.** Our competence allows us to build an internal media buying process for effective performance with Facebook, Google and other advertising networks. We plan to attract low-cost leads through media advertising, creating high-conversion funnels through separate thematic Landing pages.
- **Influencers.** We plan to closely cooperate with Influencers to acquire users via Youtube, Twitch, Reddit etc. Our team has a great experience. We established relationships with a number of Influencers and are ready to scale this channel at the shortest time. We recognize this source as the one with the most performing ROI and the closest one to organic in terms of quality.
- **Affiliate marketing.** Using the accumulated experience and connections of our partners and team members, we will build partnerships with Affiliate networks that will generate leads with the help of their webmasters network.
- **Referral campaign.** Anyone who attracts players via a referral link will receive a percentage of each ticket sold.
- **Email marketing.** The main purpose of using email mailings in our strategy is to increase the conversion rate of other marketing channels. We will collect email addresses of potential players using Display Advertising or Affiliate Marketing and build email communication with users whose ultimate goal is to receive the first time deposit (FTD).

# Compliance

Luckchemy is registered in Gibraltar. We are in the application process to secure a Curacao license. Our platform will be fully compliant in this market, including KYC / AML requirements. We plan to obtain additional licenses to offer our product in more regulated markets.

Math and calculations will be checked by Gaming Laboratories International (GLI) or similar entity. 3rd party security audits will be engaged for our code base, smart contracts and cryptography. Whitehat bounties will be offered to the community for various levels of bug discovery based on the severity of the bug. We'll provide a detailed description of bounty programs upon the platform launch.

# Road Map

Lottery and scratch cards will be our first published product on the platform. We plan to release a new game on the platform every quarter based on the LUK holder feedback polls.

2017

### ✓ August-October

Project start
Research and concept development
Team formation
Technical infrastructure creation
Platform logic development

### ✓ November-December

Product development
Design
Client-side and server-side logic development

### ✓ January

RNG algorithm development
Smart contracts development

### ✓ February

Utility token integration
Smart contract and platform tests

2018

### ✓ March

MVP ready
PR and marketing campaign
Token presale
Scratch cards release
Private round of investments closing

### April

Token sale and investments attraction
Product development and improvement
Daily Lottery, Holders Draw release
Bounty program launch

### May-June

Company registration in Gibraltar
Token listing on cryptoecxhanges
Acquiring Curacao license
Referal program launch
Feedback polls release

### Q3

Public version of a platform launch
Sweepstakes release
Players attraction
Affiliate marketing program
White Label API development

### Q4

White label solution
Acquiring partnerships
Multilingual interface
Secure smart contract for payment processing
Acquiring Malta license
Feedback polls
New games release
Annual report

2019

### Q1

Mobile app release
Product Growth & Support
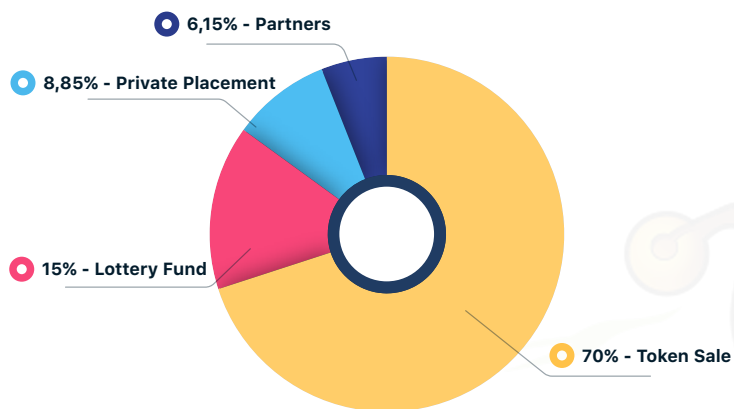Feedback polls
New game release
Multiplayer games

### Q2

Launch first 3rd party content providers
Feedback polls
Billing system development
New game release
Charity incentives
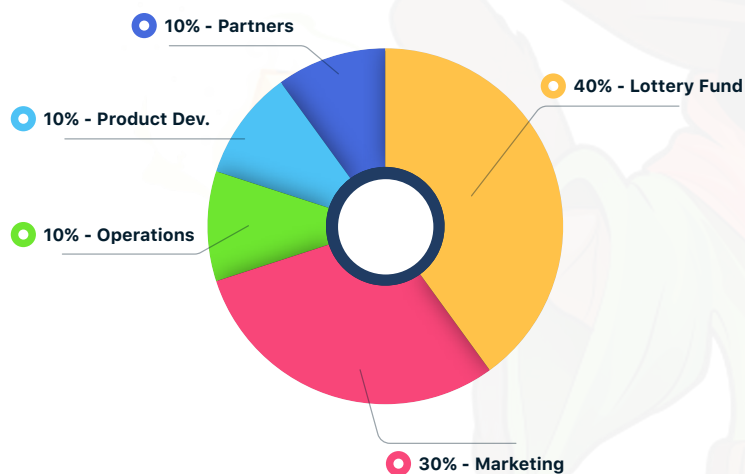
LUCKCHEMY

# LUK Distribution

## Token Distribution

LUK tokens are designed to provide long-term utility and value for holders (and players). The distribution of LUK is designed to be equitable and scalable. Maximum of 1,000,000,000 LUK will be issued and distributed as follows. All unsold tokens will be burned.

- 6,15% - Partners
- 8,85% - Private Placement
- 15% - Lottery Fund
- 70% - Token Sale

## Fund Distribution

Sale of LUK will be used primarily to fund the lottery and marketing to drive players to the platform.

- 10% - Partners
- 10% - Product Dev.
- 10% - Operations
- 40% - Lottery Fund
- 30% - Marketing

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# Token Sale

**Token Symbol**
LUK

**The number of tokens to be issued**
1,000,000,000

**Tokens for Sale (70%)**
700,000,000

**Soft Cap**
2,000 ETH

**Hard Cap**
45,360 ETH

**Conversion Rate**
1 ETH - 12,500 LUK

**Private Sale: April 2 - April 24, 2018**
7% of LUK Tokens (up to 70,000,000 LUK)

**Pre Sale: April 30 - May 21, 2018**
10.5% of LUK Tokens (up to 105,000,000 LUK)
20,833 LUK per 1 ETH

**Public Sale: May 22 - Jul 20, 2018**
17.5% of LUK Tokens (up to 175,000,000 LUK)
15,625 LUK per 1 ETH

35% of LUK Tokens (up to 350,000,000 LUK)
12,500 LUK per 1 ETH

40% discount | 20% discount | w/o discount

| Round | Pre-Sale | Crowdsale - Stage 1 | Crowdsale - Stage 2 |
|---|---|---|---|
| Discount | 40% | 20% | w/o discount |
| Start date | 30 April 2018 | 22 May 2018 | |
| End date | 21 May 2018 | 20 July 2018 | |
| Tokens for sale | 105,000,000 LUK | 175,000,000 LUK | 350,000,000 LUK |
| % from Tokens issued | 10,5% | 17,5% | 35% |
| Tokens per 1 ETH | 20,833 LUK | 15,625 LUK | 12,500 LUK |
| Cost per 1 LUK | 0,000048 ETH | 0,000064 ETH | 0,00008 ETH |

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# Smart Contract Details

| | |
|---|---|
| Token Name | Luckchemy |
| Token Symbol | **LUK** |
| Token Standard | ERC20 Compliant |
| Token ENS Address | - |
| Token Explorer | etherscan.io |
| Contribution Cryptocurrencies | **Ether(ETH)** |
| Minimum Amount | 0.1 **ETH** |
| Tranche | First Tranche |
| Minimum Tranche | 2000 **ETH** |
| Conversion Rate | 1 **ETH** - 12500 **LUK** |
| ETH Contribution Address | [TBA] 0x address will be announced in the Sale Website and social media channels |
| Start Time (Timestamp) | 30.04.2018 00:00 GMT |
| End Time (Timestamp) | 20.07.2018 23:59 GMT |
| Early Closing | If all tokens are sold before End Time, the **LUK** ICO will be closed |
| Total Supply | 1.000.000.000 |
| LUK Pool for Contribution | 700.000.000   70% of the Total Supply |
| Sale Website | http://ico.luckchemy.com |

# Our team

Our experienced team is passionate about revolutionizing the gambling industry by effectively creating engaging and memorable experiences for players.

**Alex Tatarchuk**
Co-Founder
& CEO

**Alex Topchienko**
Co-Founder
& COO

**Alex Evseev**
Chief Legal Officer

**Sergey Shkut**
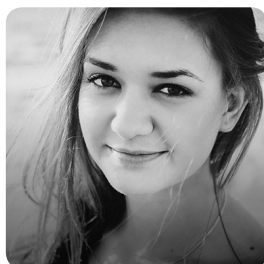Head of Product

**Mark Beck**
Chief Marketing
Officer

**Sergey Riva**
Chief Technical
Officer

**Mikhail Krishtop**
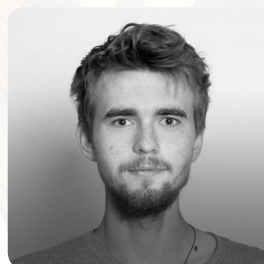Mobile
Developers TL

**Sergey Kolesnik**
Sr. Back-end
Developer

**Nataliia Nikitiuk**
SMM & Product
Manager

**Denis Onopenko**
Data Analyst

**Anthony Stepovyi**
UI/UX Expert
TL

**Denis Koronets**
Senior Web
Developer

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# Our Advisors

**Patrick Roberts**
Believer in the revolutionary power of blockchain technology and cryptocurrencies

- 5 years of experience in cryptocurrency & blockchain technology.
- Consultant with 5+ blockchain based projects.
- 10 years of experience in Intellectual Property & innovation.
- Co-founder of ABA technology Pty Ltd.

Patrick has a deep knowledge and experience in crypto and blockchain technologies, markets and communities, so he will assist our team in development and growth of Luckchemy platform.

**Adam Krejcik**
Digital and gambling industries expert

- Principal at Eilers & Krejcik Gaming, LLC.
- 10+ years of experience in the market and equity research in the global interactive entertainment industry.
- Serves as a trustee of the International Association of Gaming Advisors (IAGA).
- One of the top "40 under 40" by Global Gaming Business Magazine in 2015.
- One of the "25 People to Watch" by GGB in 2016.
- Recipient of the Financial Times / StarMine earnings accuracy award for 3 consecutive years.

Adam is a highly experienced professional in defining the vector of development for digital & interactive gaming industry. He is one of a very few persons who is widely recognized by the whole gambling community. So, he helps our team in developing and improving the Luckchemy platform logic.

## Chris Grove
Digital and gambling industries expert

- Chris Grove has over a decade of experience in the iGaming industry.
- The owner of iGaming consultancy GroveIG.
- Publisher of two trade publications: OnlinePokerReport.com (regulated U.S. iGaming) and LegalSportsReport.com (legal online sports wagering).

His research and analysis is regularly cited by mainstream media, financial institutions and policymakers.

## Todd Eilers
Digital and gambling industries expert

- Mr. Eilers has over 15 years of market and equity research experience primarily covering equipment and technology providers within the casino gaming industry.
- In 2011, he was ranked the #1 stock picker for the Hotel & Leisure sector according to the 2012 Financial Times / StarMine Awards.
- Mr. Eilers also created and developed the gaming industry's largest slot survey in partnership with Fantini Research, which serves as a highly valuable and actionable tool for both gaming investors and industry professionals.

Eilers & Krejcik Gaming, LLC, was created in December 2012 by Todd Eilers, who is the firm's majority owner.

## More advisors will be announced soon...

# Company Advisors

**EILERS & KREJCIK** GAMING

**NEW ALCHEMY**

**GDM**group
GLOBAL DIGITAL MARKETING

# Company

We are a team of product development and gamification enthusiasts who decided to make a difference in the lottery space by building the first combined platform, a platform where users can play on the web or mobile, pay for a ticket or play for free, hold tokens, and have the chance to win a monthly holder lottery - all powered by Blockchain tech. We all met through collaboration on a variety of products that gained fame in the ad and gaming space and quickly came to the conclusion that we could combine our talents to build something really unique. We started shaping the Luckchemy product in February 2017.

We believe that with the proper start our product will grow into a global platform that offers a variety of games to players all over the world who are united by a passion for winning prizes. Powerball is just the first step to test the platform and the market; once we roll out we'll start developing new and unique experiences for our users.
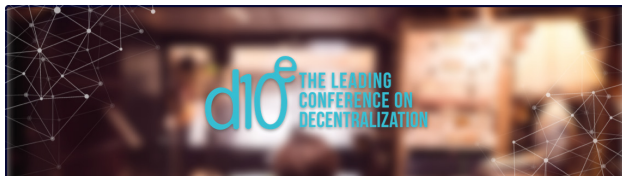
Connect with Luckchemy
Telegram - https://t.me/luckchemy
Facebook - https://www.facebook.com/luckchemy/
Twitter - https://twitter.com/LuckchemyLtd/
Medium - https://medium.com/@luckchemy
Instagram - https://www.instagram.com/luckchemy/
Linkedin - https://www.linkedin.com/company/luckchemy-ltd/
Bitcointalk.org - https://bitcointalk.org/index.php?action=profile;u=1843011

# Meet us at



San Juan, Puerto Rico 14.03



San Juan, Puerto Rico 16.03-19.03



San Juan, Puerto Rico 17.03-19.03



Berlin, Germany 21.03-22.03



Zurich, Switzerland  28.03



Kyiv, Ukraine 29.03



Tokio, Japan 28.04-7.05



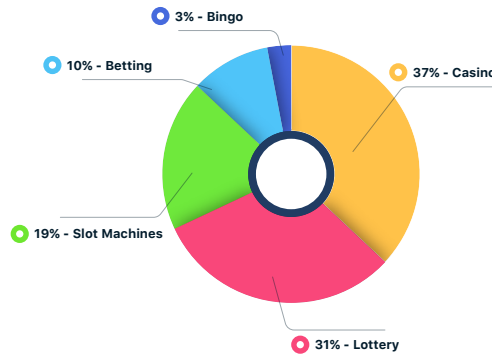New York, USA 14-16.05



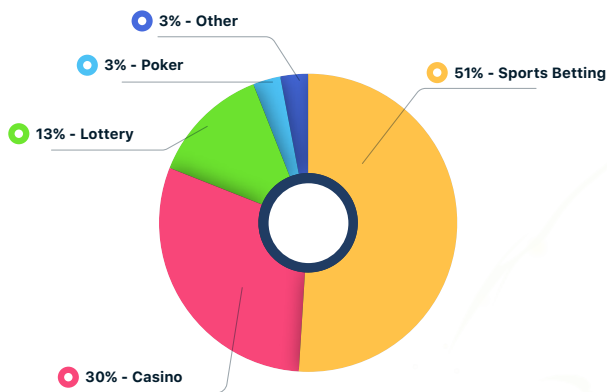San Francisco, USA 14-15.05



Kyiv, Ukraine 11.05

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# Appendix

## Lottery

Offline lotteries and scratch tickets make up one of the largest formats of social entertainment in the world today. The share of offline lotteries in the global gambling market is over 31%, and scratch tickets make up another 15%. The combined annual turnover reaches $111 billion.
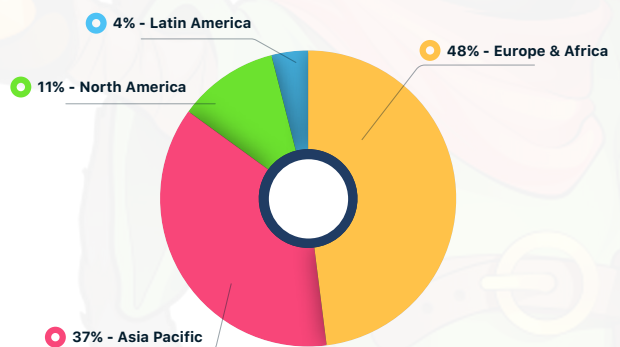


*Income structures of global offline gambling business in 2016*

- 3% - Bingo
- 10% - Betting
- 37% - Casino
- 19% - Slot Machines
- 31% - Lottery



- 3% - Other
- 3% - Poker
- 51% - Sports Betting
- 13% - Lottery
- 30% - Casino
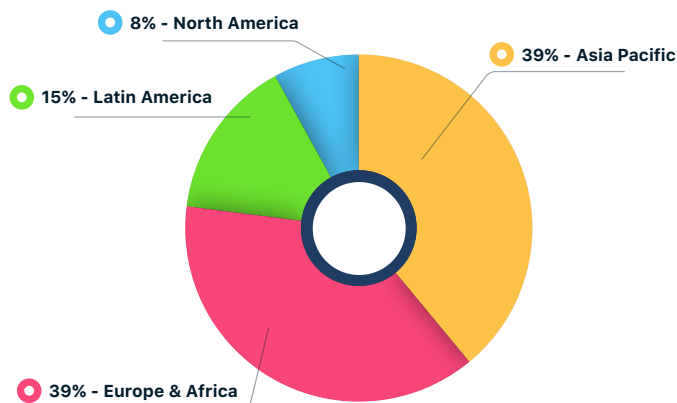
*Online Gambling income structure by types in 2017*

The global online gambling market shows a different picture. The dominant share of 51% ($23.7 billion) belongs to betting, the casino business coming up next with 30% ($13.7 billion), followed by lotteries with 13% ($5.9 billion).

Geographically, incomes are distributed unevenly - Europe & Africa and Asia generate 85% ($22.4 and $16.9 bln accordingly) of online Gambling revenue.
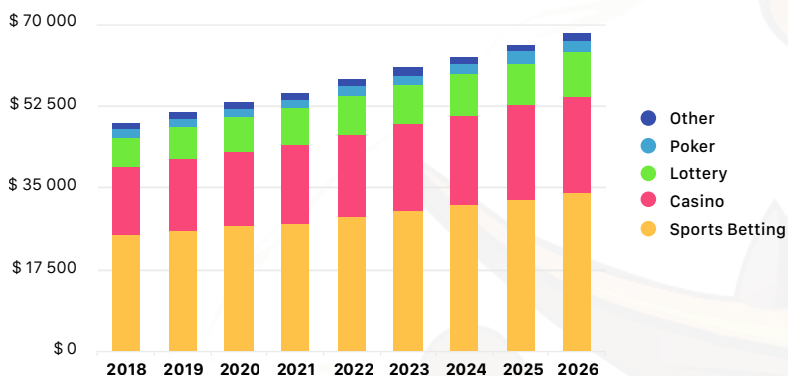


- 4% - Latin America
- 11% - North America
- 48% - Europe & Africa
- 37% - Asia Pacific

*Online Gambling income structure by geos in 2017*

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Similar picture applies specifically to online lotteries market. The only difference is that Latin America brings larger share.



8% - North America
15% - Latin America
8% - North America
39% - Asia Pacific
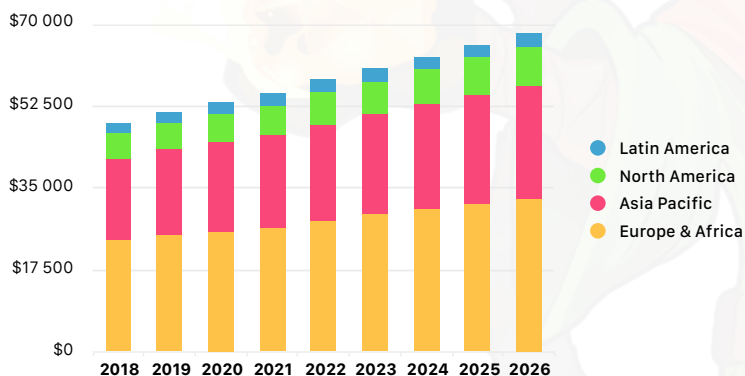39% - Europe & Africa

*Online Lotteries income structure by geos in 2017*

Eilers & Krejcik Gaming kindly provided us the previously mentioned stats. Also, they expect this market to continue growing:



Other
Poker
Lottery
Casino
Sports Betting

*Expected Online Gambling Market Growth by type in 2018-2026*



Latin America
North America
Asia Pacific
Europe & Africa

*Expected Online Gambling Market Growth by geo in 2018-2026*

# Blockchain technology in online gambling

Cryptocurrencies are rapidly seizing the online social gambling market, moving into place as the primary means of payment among gambling platforms. Ethereum is a cryptocurrency that emerged in 2015 and in less than 2 years has become integrated into the majority of online payment systems.

Online social gaming market players in particular believe that cryptocurrencies' industry takeover is inevitable. The main factor perpetuating that is the lower amount of regulations concerning all parties in the transaction. Other advantages include:

- User anonymity
- Unrestricted amounts of transactions
- Accelerated payments

All the aforementioned points suggest that cryptocurrencies are the most reliable, transparent and portable medium of exchange in online gambling at the moment. The advent of this technology makes it possible to create a straightforward international lottery, capitalizing on the medium's clarity and utility on a global scale. Moreover, thanks to the latest trend of smart contracts for Ethereum, the lottery can be regulated by the community instead of several stakeholders.
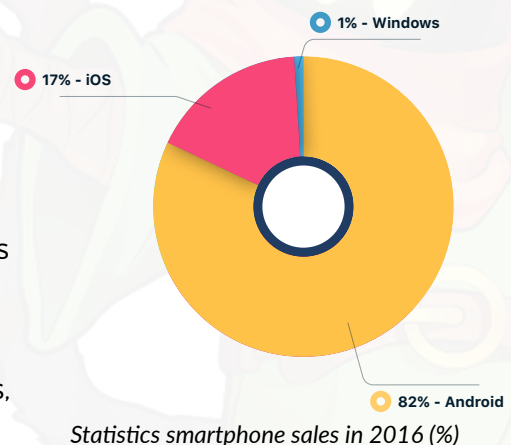
## Smartphone market overview

Global sales of smartphones to end users totaled 432 million units in the fourth quarter of 2016 – a 7 percent increase over the fourth quarter of 2015, according to Gartner, Inc. The number of users adopting mobile online gaming is growing steadily along with production of smartphones, which is sure to grant our segment significantly more exposure over the years. This makes the mobile scratch ticket market a promising area today.

A lottery based on blockchain technology links the massive existing audience in the social gambling market to the rapid and stable growth of Ethereum's share in the global financial market.

The above trends in conjunction suggest lots of opportunities for online social lotteries, considering the increasing numbers of interconnected devices and users looking for an anonymous online gaming experience.

The current system presents a large number of issues concerning prize distribution and process integrity, further complicated by shipping difficulties as well as fees and taxes involved. Blockchain technology provides an opportunity to eliminate those obstacles, introducing full transparency of all operations with the Luckchemy app serving as the facilitator.



*Statistics smartphone sales in 2016 (%)*

1% - Windows
17% - iOS
82% - Android

In Luckchemy, all lottery processes such as ticket purchases, RNG for betting and draws, prize fund composition, prize ticket verification, prize distribution etc. are implemented using blockchain technology and open source code that is available on GitHub. Luckchemy Token holders are entitled to enforce any changes suggested for the platform.

You are an alchemist; make gold of that.
© William Shakespeare