AUXR

Auxite Reserve Index

A NAV-Anchored, Paper-Hedged Multi-Metal Reserve Token

Issued by Aurum Ledger Ltd · Network: Base (chainId 8453) · Version 2.0 · July 2026

1. Executive Summary

AUXR (Auxite Reserve Index) is a NAV-anchored digital reserve token representing a diversified basket of four monetary and industrial precious metals — gold, silver, platinum and palladium. AUXR gives holders a single, liquid, exchange-tradable instrument whose value tracks the net asset value (NAV) of a professionally managed, transparently priced metal basket.

Unlike single-metal allocation tokens, AUXR is a **paper-hedged** reserve instrument. Its metal-price exposure is maintained through metal derivative and unallocated positions held with a regulated metals broker, hedged 1:1 to the basket. The token is **cash-settled at NAV** rather than redeemed for physical bars, allowing AUXR to scale on exchange liquidity without per-trade physical settlement cost, while remaining fully backed on a net-asset basis.

AUXR is the reserve-index member of the Auxite token family. The single-metal tokens — AUXG, AUXS, AUXPT and AUXPD — remain physically allocated, mint-on-allocation / burn-on-redemption instruments. AUXR sits above them as the diversified, market-traded reserve unit anchored to the same metal-price infrastructure.

Official disclosure: AUXR is a basket token whose NAV tracks a 55/30/10/5 Au/Ag/Pt/Pd basket at global spot. Its metal-price exposure is hedged 1:1 through metal derivative and unallocated positions with a regulated metals broker — it is not backed by allocated physical bullion. AUXR is cash-settled at NAV and is not individually redeemable for physical metal.

2. Token at a Glance

Token name	Auxite Reserve Index
Symbol	AUXR
Network	Base (Ethereum L2, chainId 8453)
Standard	ERC-20
Contract address	0xB145B8e9C02193d55454f534f917Cabe704FA042
Admin / owner	Gnosis Safe multisig 0xEdC9163c5f8A2a76BD1CdDa6BAA4Eb576B481070
Decimals	18
Underlying	Basket: 55% Gold · 30% Silver · 10% Platinum · 5% Palladium (USD-value weights)
Reference NAV	USD 100.00 per AUXR at launch

Valuation	NAV per token from live metal spot applied to fixed basket grams
Settlement	Cash-settled at NAV (paper-hedged 1:1 via broker); not physically redeemable
Spread	50 bps each side (1% round-trip)
Issuer	Aurum Ledger Ltd
Jurisdiction	Regulation S (offshore); United States persons geo-fenced / excluded

3. Design & Backing Model

3.1 The Basket

AUXR represents a fixed-composition basket of four precious metals, weighted by USD value at launch reference prices. Gold anchors the basket as the store-of-value core; silver adds liquidity and industrial-demand exposure; platinum contributes auto-catalyst beta; palladium is a small tail position. Weights are immutable in Phase 1A; any rebalance requires a separate governance event.

Basket composition (reference NAV of USD 100.00 per AUXR at launch):

Metal	USD Weight	Launch Price ($/g)	Grams per AUXR
Gold	55%	145.00	0.3793
Silver	30%	2.26	13.2743
Platinum	10%	60.00	0.1667
Palladium	5%	45.00	0.1111

Note: USD weights drift naturally with spot after launch; the gram quantities per AUXR are fixed. NAV floats with live metal spot applied to these fixed grams.

3.2 Paper-Hedged Backing

AUXR exposure is maintained on a net-asset basis via a layered hedging stack:

- Unallocated metal positions held with regulated bullion counterparties.
- Exchange-traded / OTC metal derivatives (futures / forwards) executed through a regulated brokerage partner to keep the basket delta-hedged 1:1 to target weights.
- Reserves are managed so aggregate hedged asset value continuously backs the circulating supply.

This construction means AUXR is not individually redeemable for physical bars; each token is economically backed by the aggregate hedged position and settled in value terms at NAV. This is disclosed transparently — AUXR is a reserve-index instrument, not a physical warehouse receipt.

4. Custody, Reserves & Attestation

AUXR metal-price exposure is maintained through metal derivative and unallocated positions held with a regulated precious-metals brokerage partner, hedged 1:1 to the basket. Reserve backing is published at auxite.io/proof-of-reserves and is subject to independent third-party attestation by The

Network Firm. The single-metal Auxite tokens (AUXG/AUXS/AUXPT/AUXPD) remain fully physically allocated and non-fractional; AUXR differs in that it is a paper-hedged, cash-settled reserve index.

5. Market Structure & Liquidity

AUXR is designed for centralized-exchange listing with professional market-making. A designated market maker provides continuous two-sided liquidity anchored to published NAV, ensuring tight spreads and orderly price discovery. Because AUXR is cash-settled at NAV rather than per-trade physically settled, secondary-market volume scales without proportional physical logistics cost — the core structural advantage of the reserve-index design over single-metal physical tokens. On-chain, AUXR is an ERC-20 on Base bridged from Auxite's off-chain ledger for self-custody, CEX deposits and DEX liquidity.

6. Compliance & Regulatory Posture

- Offering conducted under Regulation S (offshore). United States persons are geo-fenced and excluded from regulated features at the application layer.
- Full AML/KYC and sanctions screening on all onboarded users.
- Multi-jurisdiction application support (six languages) with jurisdiction-aware access controls.
- Issuer operates through Aurum Ledger Ltd with defined governance over treasury and reserve policy.

7. Governance & Contract Security

The AUXR contract is administered by a Gnosis Safe multisig (0xEdC9163c5f8A2a76BD1CdDa6BAA4Eb576B481070), requiring multiple authorized signatures for any privileged action. Minting is controlled by a KMS-secured backend signer (MINTER_ROLE) that brokers the off-chain ↔ on-chain bridge against the hedged reserve, with a hard MAX_SUPPLY backstop. The contract is deployed and verified on Base mainnet.

8. Risk Factors

- Market risk — AUXR value moves with precious-metal prices and basket weighting.
- Hedging / basis risk — derivative hedges may diverge from spot; backing is net-asset, not per-token physical.
- Counterparty risk — reliance on brokerage, custody and market-making partners.
- Liquidity risk — secondary-market depth depends on the designated market maker and exchange demand.
- Regulatory risk — changes in the treatment of tokenized RWAs across jurisdictions.
- Technical risk — smart-contract and infrastructure risk inherent to on-chain instruments.

9. Disclaimer