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Unlocking access to high-value assets.

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## Introduction

The transition from diesel to plastic represents a pioneering leap towards a more sustainable and eco-conscious future. This innovative process harnesses cutting-edge technology to repurpose diesel waste into a versatile and environmentally friendly material. Discover the myriad advantages of this transformative shift, ranging from reduced environmental impact to enhanced resource efficiency. Join us in exploring how this sustainable approach poised to revolutionise industries worldwide, promoting a greener, more responsible tomorrow.

Similarly with the transformation of the diesel to plastic innovation comes the recent advancements in blockchain technology which have paved the way for transformative innovations across various industries, including recyclable energy. One of the most promising applications within the green energy sector is the concept of real asset tokenisation. This innovative approach holds the potential to reshape how green energy assets are owned, financed, and traded, offering a more accessible, efficient, and liquid investment landscape for potential investors.

Libex (hereinafter referred to as the “Company”) has recognised that real asset tokenisation will reshape the landscape of recyclable investment, making it more inclusive, efficient, and accessible. It has created the LibexQuota Platform to allow both investors and asset or project owners, to participate in new edge real world asset investment opportunities.

## Plastic Waste Pollution

Plastic waste pollution has been recognised as a major environmental concern internationally and in South Africa. South Africa has launched a host of initiatives to curb the effects that plastic waste is having on the environment and the health of the South African population. Despite these interventions, more than 50% of plastic waste continues to be transferred to landfill sites with plastic continuing to be one of the most offending and prolific waste streams found in illegal dumping sites, water courses and oceans.



## The Project Overview

Our existing project converts waste plastic into diesel, Naphtha and heavy fuel oil through an environmentally friendly process which is compliant with South African and USA Environmental Protection Agency requirements and standards. The project outputs are in high demand locally which are ordinarily acquired through importation making the project a valuable contributor to local energy security and presents the opportunity to reduce forex outflows for South Africa for products that can be produced competitively and consistently locally.

## Tokenization of Plastic to Fuel Assets

The purpose of the tokenization of a portion of our project's revenue is to raise additional capital for future expansion of the business.

Investors are able to reap the benefits of a going concern as a leader in a fast-growing industry. The global market for alternative fuel is booming and the demand for sustainable solutions is at an all-time high. Investors are now able to participate in this lucrative market through the sale of waste to fuel tokens. Investors share in the profits generated from fuel sales equivalent to approximately a 30% per annum return on their investment and which is paid quarterly in arrears commencing at the end of June 2024. The project itself has just been commissioned and has a minimum operating design life of 20 years.

## Global Trading

The Libex Quota Platform allows investors from around the world to participate in the tokenization of assets and projects that are listed on the platform. Libex Quota seeks to empower investors who otherwise would not have been able to participate in these assets. This is done by fractionalising assets into smaller affordable portions allowing liquidity options for the asset or project owner whilst rewarding the investor with attractive market returns.

## The Team

Our team of professionals have extensive combined experience in navigating the digital, legal, financial and trading worlds providing investors with an automated, compliant and risk- mitigated experience.

CEO- Asif Aziz

COO- Nyosi Tshabalala

CTO- Warren Schwartz

Platform engineer- Naeem Razak

Legal and Compliance- Schindler's Attorneys

Marketing Strategist- Megan-Kim Chinian

## What are the advantages of tokenising Real World Assets (“RWA”)?

Tokenising RWA offers a range of advantages that can revolutionise the way real assets are owned, traded, and accessed. Tokenising RWA includes but is not limited to the following:

**1. Fractional Ownership:** One of the main advantages of STOs (Securitized Token Offerings) for the RWA market is the ability to offer fractional ownership. This means that investors can purchase a fraction of an asset, which reduces the minimum investment required to participate. This can make investing more accessible to a wider range of investors, which can lead to increased demand for tokens and potentially higher valuations. In addition, investors can diversify their portfolios by holding tokens in multiple sectors across different jurisdictions.

**2. Increased Liquidity:** RWA investments are traditionally illiquid, with investors often having to hold their investments for long periods before they can be sold. However, tokenisation increases liquidity by allowing investors to buy and sell tokens representing ownership in an asset or project on a secondary market. This can provide investors with more flexibility, reduce barriers to entry and potentially yield higher returns.

**3. Transparency and Security:** The use of blockchain technology, provides a secure and transparent record of ownership and transaction history. This reduces the risk of fraud and increases investor confidence and trust amongst stakeholders.

**4. More Efficient Fundraising:** Tokenisation provides an efficient and cost-effective way to raise capital for real estate projects compared to traditional fundraising methods. By offering tokens representing securities, companies can reach a wider pool of potential investors, including those who might not have been able to participate in traditional fundraising rounds.

**5. Access to Global Capital:** Tokenisation provides access to global capital markets, allowing real estate companies to reach investors from around the world. This can increase competition for investment opportunities and potentially lead to higher valuations.

**6. Accessibility:** Tokenisation breaks down investment minimums, allowing a wider range of investors to participate in real estate ventures, including retail investors who may not have had access before.

**7. 24/7 Trading:** Traditional real estate markets have trading hours and can be subject to delays. Tokenised assets can be traded 24/7, providing flexibility and reducing transaction times and costs.

**8. Reduced Intermediaries:** Tokenisation can streamline the investment process, potentially reducing the need for intermediaries such as brokers, agents, and custodians, leading to cost savings.

**9. Lower Costs:** Tokenisation can reduce administrative and operational costs associated with property management, record-keeping, and transaction processing.

**10. Fractional Returns:** Investors receive proportional returns based on their ownership, enabling them to benefit from rental income and property appreciation without the need to invest in an entire property.

**11. Enhanced Portfolio Diversification:** Tokenised real estate assets provide an alternative investment class that can enhance portfolio diversification beyond traditional asset classes.

12. **Potential for Secondary Markets:** As the tokenised real estate market matures, secondary markets for trading property tokens may develop, providing even greater liquidity and investment opportunities.

13. **Reduced Entry Barriers:** Tokenisation can enable smaller developers and property owners to access a wider pool of potential investors, facilitating project funding and reducing reliance on traditional financing.

### The Investment Opportunity Overview:

By participating in this project, investors will receive tokens that represent a share of value in the revenues that are generated by the project. These tokens give the investor a share of the profits generated from fuel sales which is anticipated to be the equivalent to approximately a 25%-30% pa return on investment. Surety is provided for the purchase of the asset backed token, subjected to secondary market.

The project has a minimum design life of 20 years but, will be communicated to clients every calendar year for the next year cycle. On the assumption that current variables are constant, the projected return on investment will therefore survive for the life of the project. However, ownership of the tokens will afford the holder to trade these at any time after purchase in the secondary market thereby offering the opportunity not only to get a return on income but for significant capital appreciation.

- **Total Target Raise:** the total amount sought to be raised is R80 000 000.00 (Eighty Million South African Rands) over a number of tranches (as set out in the Terms and Conditions);
- **Immovable Property:** the immovable property on which the project is located is situated at 101 Springbok Road, Walkerville, Randvaal;
- **Movable Property Value:** includes the proprietary process plant machinery with all ancillary equipment, vehicles etc;
- **Investment Type:** Investors will become limited partners in the "en commandite" Plastic to Diesel 1 Partnership, which PD1 Partnership consequently owns the shares in the Company which in turn owns shares in the SPV who owns the Immovable Property, the Movable Property and Project;
- **Minimum Buy In:** the minimum investment required to participate is R10 per token;
- **Number of Available Tickets:** A total of 8,000,000 (Eight Million) tokens are available for investors; and

- **Commercial viability;** the amount of after tax profits being set aside to service the investment for the token investors, is a quarter of what is generated annually based upon current operating conditions and inputs.

The investment opportunity involves the investor becoming a limited partner in the "en commandite" partnership structure. An "en commandite" partnership, also known as a limited partnership, is a legal structure that allows for the formation of a business partnership with two types of partners: a general partner and a limited partner. This arrangement offers a unique blend of active management and passive investment, making it a popular choice for ventures that require specialised expertise and funding.

**General Partners:** The general partner bears the responsibility for the managing day-to-day operations of the partnership. General partners have unlimited liability for the partnership's obligations.

**Limited Partners:** Investors who purchase the Project Tokens become limited partners. Limited partners contribute the capital required for the partnership and share in profits generated from the sale of Diesel (<50ppm sulphur content and SABS compliant), Naptha and Heavy Fuel Oil. Limited partners have limited liability, restricted to their investment amount and do not have any management rights or responsibilities.

#### **Investment and Benefits:**

- Investors contribute funds towards the re-financing of an existing plastic to fuel plant facility.
- Profits from sales revenues after a specified period are shared among limited partners based on their proportional partnership interest in the partnership.
- Limited partners receive automated allocation benefits through smart contracts, directed to their wallets.

#### **Liability and Lock-In Period:**

- Limited partners have limited liability, while general partners have unlimited liability.
- Subject to the Terms and Conditions, the investor interests are held by the Company for a period of [three months] in order to reach the first tranche of the Total Target Raise amount, ensuring limited liability protection for the investors.



- If the first tranche of the Total Target Raise is not reached, investors, through the automatic redemption of the Project Tokens shall be reimbursed their initial capital contribution which can then be converted into fiat Rands or invested into an alternative investment on the Libex platform at the election of the investor.
- If the Target Total Raise amount is achieved, the capital raised will be paid to Plastic To Diesel 1 Partnership where the token holders will become limited partners.
- The Project Tokens can be traded on the secondary market but cannot be redeemed other than in accordance with the terms of the investment set out below.

### **Distribution of Benefits:**

The Company reserves the option to redeem the Project Tokens after a period of three years from the close date of the first tranche of the Total Raise Target, at 100% of the original issue price through the sale of such tokens to the PTD 1 Partnership. The token owners may, at any time, trade the tokens in the secondary market to realise appreciation in the value thereof and the new buyer of such token shall become the replacement limited partner in the PTD1 partnership.

Payment of returns on investment calculated at approximately 30% pa shall commence on the 30th of June 2024 and then at the end of every quarter thereafter.

Full details are contained in the terms and conditions available on the website: <https://quota.libex.ai>

Please note that this is a general interpretation of the provided information, and any investment decision should be made after thorough due diligence and consultation with legal and financial experts.

### **Rights associated to the tokens**

Tokens represent the Investor's economic interest in the authorised investment, namely the right to receive an agreed share of the economic profits. Investors maintain their limited liability protection by not actively participating in the business of the partnership.

## Legal Disclaimers

The information contained in this white paper is for informational purposes only and does not constitute financial, legal, or investment advice. The material presented herein is not intended to be relied upon as the basis for making any investment decisions and is not to be construed as a solicitation or an offer to buy or sell any tokens, cryptocurrencies, securities, or financial instruments.

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Any investment in tokens or related projects involves a high degree of risk and as such potential investors should carefully consider their own financial situation and risk tolerance before making any investment decisions. It is important to conduct thorough research and seek legal, investment and financial advice from qualified professionals before engaging in any investment activity.

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Investors should be aware that regulatory environments and legal interpretations are subject to change, and they should seek legal advice to understand the implications of participating in token-related activities in their respective jurisdictions.

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It is important to understand that token-based projects, blockchain technologies, and related ecosystems are subject to various technological risks and uncertainties.

In light thereof, the technological risks associated with tokens, especially in the context of blockchain and cryptocurrency projects, can be significant due to the complex and rapidly evolving nature of the technology, these include but are not limited to security vulnerabilities, smart contract bugs, scalability issues, interoperability challenges, regulatory uncertainties, fork risks, user friendly interfaces, and data privacy concerns.

The information provided in this document provides no guidance on tax-related matters in relation to tokens and cryptocurrencies. It is not intended to constitute tax advice and should not be relied upon as such.

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It is the responsibility of users to remain informed about legal developments in their respective jurisdictions and to seek professional legal advice to understand the implications of participating in the project.

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