

XMAGNET COIN

BLOCKCHAIN SOLUTIONS FOR GAMING



Whitepaper v1.1

12th April 2021

WWW.XMAGNET.IO

WWW.BGCOIN.IO

Table of Contents

1. DISCLAIMER	1
2. ABSTRACT	2
3. INTRODUCTION	3 - 4
4. INDUSTRY OVERVIEW	5 - 11
5. Problems in Industry	12 - 15
6. Role of Crypto Currency	16 - 20
7. Why BSC Chain	21 - 22
8. HOW IT WORKS	23
9. TOKEN ECONOMY & UTILITY	24 - 25
10. PRESALE & AIRDROP	26
11. ROADMAP	27

DISCLAIMER

The purpose of this Whitepaper is to present Xmagnet– a digital currency based on blockchain technology – to potential community members who might want to join in on the proposed MAG Token Launch.

Nothing in Whitepaper shall be deemed to constitute a prospectus of any sort or a solicitation for investment, nor does it, in any way, pertain to an offering or a solicitation to buy any securities in any jurisdiction. The document is not composed according to and is not subject to laws or regulations of any jurisdiction designed to protect investors.

Certain statements, estimates, and financial information within this Whitepaper constitute forward-looking, or Pro-forma ideas and information. Such statements or information might involve known and unknown risks and uncertainties which may cause actual events or results to differ materially from the estimates or the results implied or expressed in such forward-looking statements.

ABSTRACT

Currently, gaming is one of the largest entertainment markets in the world. It is the 150 Billion dollar industry, which includes $\frac{1}{3}$ the world population, i.e., 2.3 billion people as of 2017. Sports competition, a thin line between play and sports, has emerged from there players throw their skills at each other online. It already has more than 1.4 billion users focused on the top 10 most competitive titles like Counter-Strike, League of Legends, Dota 2 and Overwatch, etc. Esports, as it is today, is emerging game competition - that is, when players compete alone on a computer relevant games.

Esports is one of the fastest growing digital markets with 33% annual growth measure. Its possibilities are endless: esports will have more than 1 billion fans and viewers in 2023, which is $\frac{1}{3}$ for all gamers, and will be the # 1 game of the future. The market has produced impressive infrastructure around the technical and prophetic space, especially competitions and exhibitions.

This is where XMAGNET comes in as the first technology network for gamers and esports lovers who, in fact, Social Hub for gamers & game developers. XMAGNET while providing gaming experience to users it also provides solutions for blockchain developers. This can be integrated into any gaming portal and make profits.

XMAGNET Provides a common wallet interface for every developer so that all transactions happen seamlessly and increase token utility among various platforms.

INTRODUCTION TO XMAGNET

Drawing comparisons to the meteoric rise of the modern web, blockchain technology has shown signs of tremendous growth potential and transformative power. Just as the internet needed Web 2.0 to engage users with more social, usable, and interoperable functionality, blockchain technology's path to mass adoption hinges upon creating a seamless user experience. While the industry is still young and the potential of decentralized applications remains largely untapped, the XMagnet is positioned to spark Web 3.0 on the Binance network with its revolutionary DApp experiences.

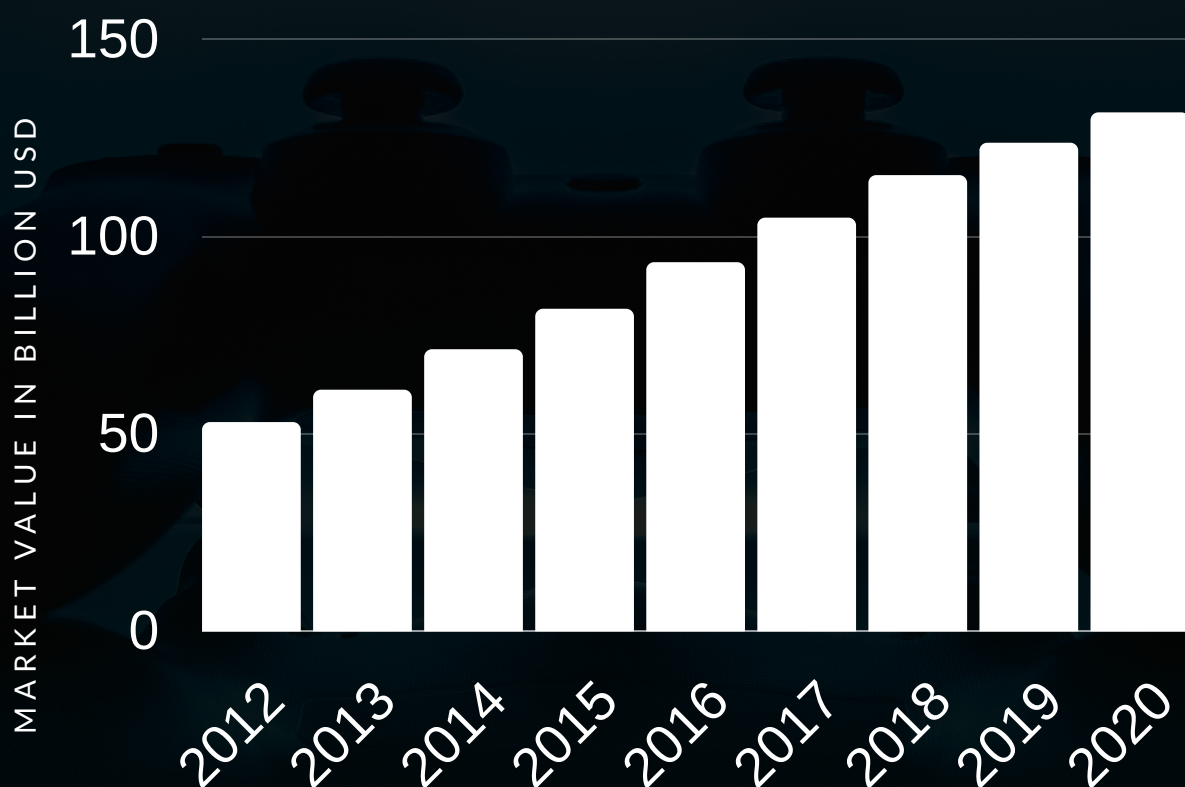
With its emphasis on high throughput and low transaction costs, the Binance protocol will allow XMagnet to facilitate widespread adoption of blockchain technology through consumer use cases. XMagnet was the first DApp ever launched on Binance and has become the leading application in terms of both user numbers and transaction volume across all major blockchains. Despite numerous competitors entering the market, XMagnet has remained on the cutting edge of blockchain gaming because of its superior product and commitment to the community.

The gaming platform started out with only one title, but now boasts the largest library of games on the blockchain. Social features, live operations, and events have only added to the user experience. The platform also aims to give back to the community through events such as the Binance Charity Poker Tournament. As XMagnet enters the next phase of its platform strategy, this commitment to excellence and community will remain the cornerstone of XMagnet's growth .

XMagnet will be blockchain's premier gaming platform for users to play, socialize, and stake across multiple blockchain ecosystems. The XMagnet token will be the centerpiece of this new platform. Through behavioural mining, innovative token economy design, and other incentive mechanisms, developers will be given the power to build the best DApps possible, and players will be enabled to become platform stakeholders as the platform continues on its path of providing best decentralized gaming experiences on the blockchain.

INDUSTRY OVERVIEW

The online gaming industry has seen unprecedented growth over the last years. Since its emergence approximately 50 years ago, the sector has been expanding every year. Forecasting a stunning 138.4 Billion USD revenue by 2021, the industry is quickly becoming one of the most prominent entertainment sectors.



Graph: The market value of the gaming industry in US dollars.

Source: Statista

In 2018, the market was expected to be worth about 115 billion USD, and the industry is expected to surpass 138 billion in revenue by 2021.

The gaming industry started with video arcade games in the USA, boomed during the 60s, and laid out the foundation of today's gaming. However, the '70s brought the personal computer hobby culture on a broader scale, and home video game consoles slowly started to take over the video game market.

COMPETITIVE GAMING

With competitive gaming gaining in popularity worldwide, especially over the last 10-15 years, the gaming industry's turnover has skyrocketed. The term eSports was born years ago; today, gaming is already officially considered a sport. Tournaments in popular online competitive games such as Counter-Strike, Dota 2, League of Legends, Starcraft 2, and many more have set huge prize pools of 25 Million USD and more.

The leading sports game in 2017 worldwide that attracted the most prize pool of \$38 million was DOTA 2 (Esports-betting.pro, 2018)

In 2015, Worldwide revenues generated in the eSports market amounted to 325 million USD. At the pace of 40 percent year-on-year growth, the market is expected to create close to 1.5 billion USD in revenue by 2020. It was calculated that nearly 80 percent of these revenues came from sponsorships and advertising in 2016, and the rest from eSports betting, prize pools, tournaments, merchandise, and ticket sales.

GAMING CONTENT

Today, gaming is one of the most popular sources of entertainment. Consecutively, gaming content is it's all-time highest demand. Live streaming video games have evolved into a profession, and platforms such as TwitchTV have over 900M unique monthly visits. Youtube has launched its streaming platform, and gaming-related videos are among the most searched topics on the platform. Gamers can become millionaires at a young age by playing one game (think of any of the top battle royale streamers), something that older generations are still finding hard to believe.

WHO LIKES TO PLAY GAMES

The initial generation of gamers, namely millennials, are now in their 30s, which means that they can spend more money than they used to 20 years ago. Fun and mental agility are among the main reasons older gamers cite as to why they choose this pastime. In fact, it was found that video gaming is gaining popularity among seniors in the United States. Not surprisingly, this is one reason for the rapid growth of the industry over the past years. In the U.S. alone, 64% of the general population are gamers (Nielsen, 2017), with the average age of male gamers around 33 years old (Entertainment Software Association, 2017).

Contrary to the popular belief that most gamers are teenagers, the statistics show otherwise - 35% of all gamers are between 21-35 years old, which also puts them in the driver seat because they have a significantly higher spending power than teenagers, who are trailing the race with 3rd place and 22%. Interestingly enough, people between 36-50 years old are just 6% behind teenagers, almost catching up. We have to consider the average time spent by each group, with teenagers having more free time than adults considerably, but the results are still impressive.

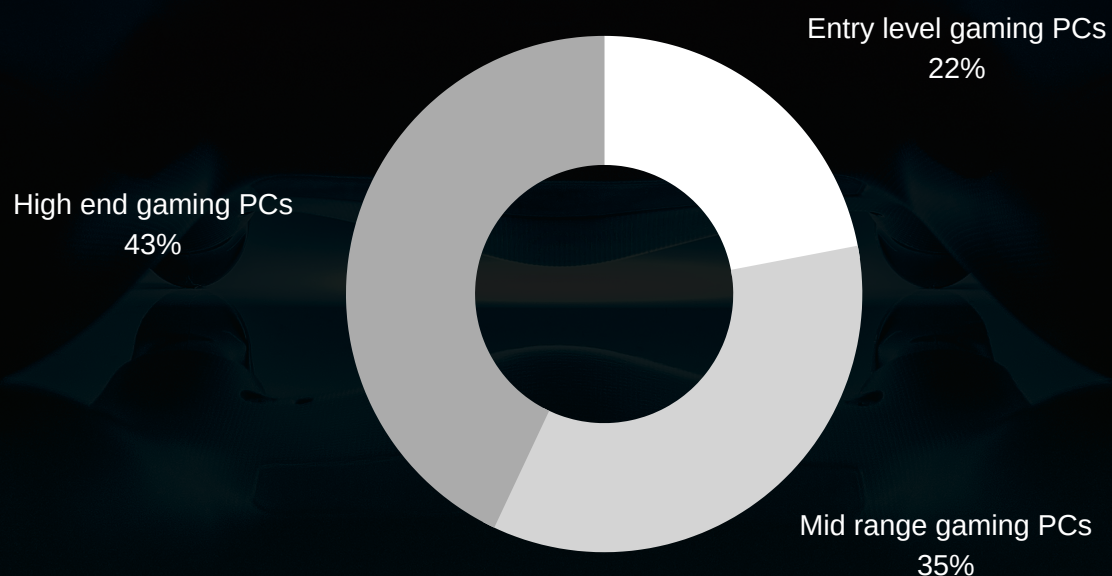
The younger target group of gamers is not falling behind. Although they do not possess any spending power, parents are willing to allow their kids to spend more time playing than before due to the broader acceptance of video games today. The premium children's games generated 30% of revenue for the mobile gaming industry (SuperData Research, 2015).

There are more than 2.5 billion video gamers from all over the world. (The European Mobile Game Market, 2016) Seven, this number is expected to grow to 2.73 billion by 2021 further.

GAMING ACCESSORIES AND SPONSORING

Additionally, the demand for gaming-related products such as gaming PCs, keyboards, mice, graphics cards, monitors, gaming chairs, and many, many more are rapidly expanding, proportionally to the general public's interest in video games. eSports players and streamers are sponsored by famous brands in the industry such as Razer, AMD, and others to use their products and showcase them on stream.

- 43% of the worldwide gaming PC and accessory sales revenue are from high-end gaming PCs.
- 35% of the worldwide gaming PC and accessory sales revenue are from mid-range gaming PCs.
- 22% of the worldwide gaming PC and accessory sales revenue are from entry-level gaming PCs.



Graph: Sales revenue of gaming PCs.

The interest in high-end gaming PCs is a result of both the willingness of gamers to play the latest games and to have the competitive edge with a better performance, which is reflected in their high spending power.

However, sponsoring does not stop only at computer or gaming accessory manufacturers - other products such as clothing, food, and beverages are also capitalizing on the possibility. For instance, Red Bull, who are sponsors of one of the most famous video game streamers, Tyler Blevins (also known as Ninja). He has a small branded fridge full of red bulls insight of his webcam, and sometimes, he opens a can and takes a sip. We can only guess how much Red Bull is paying him to do that, but judging from the brand's marketing expenses, it can be reasonably assumed to be a significant amount.

MIKROTRANSAKTIONEN UND IN-GAME PURCHASES

As we touched upon briefly before, video game monetization is highly fractured at the moment. In addition to the traditional model of merely asking an upfront price for the purchase of a game, the meteoric ascent of mobile gaming and "live service" games has given rise to new monetization forms. The post-launch sale of additional content, levels, cosmetic items, gameplay advantages, and so forth is abundant in today's gaming world. It is generating revenue streams that rival and often surpass traditional game sales revenue. As an example, AAA games publisher Electronic Arts is now developing the vast majority of its revenue through post-launch microtransactions (Live Services), rather than upfront unit sales

NEW TECHNOLOGIES

New technologies such as V.R., AR, A.I., and smart technology are becoming more and more popular. Even though they are arguably still not refined to the point where they can propose an equally enjoyable gaming experience as P.C.s and consoles, especially in terms of gameplay and competitiveness, it is just a matter of time until they catch up. We would not be surprised if, in a few years, V.R. and A.R. games are the market leaders, at least in casual gaming. As we already pointed out earlier, 24% of game developers were developing V.R. headsets in 2018. The global VR gaming market size in 2016 will be worth 3.6 billion U.S. dollars. This number is expected to grow to 22.9 billion by the end of 2020. Europe and North America are the two biggest markets for virtual reality video gaming. Between 2016 and 2020, mobile VR gaming sales are expected to show the highest growth in sales revenue, followed by the PC and console segments.

Gamers are generally tech-savvy and thus correlate with the profile of the average crypto investor. Gamers are much more likely to invest in cryptocurrencies than non-gamers. The same fact applies to gamblers, who have many things in common with gamers, mostly the thrill-seeking spirit.

Problems of the Industry

As we can see, the gaming industry is growing extremely fast in all of its aspects. As with any other industry facing such unprecedented growth, the need for innovations is rising proportionally to its development. Some problems remain, while others are just starting to take shape due to the increased interest in video games and the commercialization of the sector.

PROBLEMS OF THE GAMING INDUSTRY

- No cross-platform system for monetization

However, as much as the gaming industry has come to rely on these alternative sources of revenue, there has never been a directed effort to establish a coherent, cross-platform system for games monetization that not only allows developers and publishers to open up additional revenue streams but also benefits the players themselves in a tangible, real-world manner.

- The issues with microtransactions

The trend for pushing microtransactions in every game is not always received well, especially in games that are not free to play. Consumer reactions to the inclusion of microtransactions in games of popular franchises such as *Dead Space 3* and *Grand Theft Auto Online*, which cost \$60 each, haven't been overly optimistic.¹⁴ Even freemium games that make gamers feel pressured to pay (pay to win) have to deal with a certain degree of dissatisfaction. If a mechanism that somehow eases microtransactions' adverse effects is introduced, that will positively influence this monetization model.

One of the core issues of microtransactions is that the in-game rewards, which can be unlocked by paying additional real-world cash or grinding a particular currency in-game, are not transferable from game to game. Many gamers complain of low drop rates, which forces them to spend more money in-game, which inevitably discourages them from spending or even playing anymore. Furthermore, there is virtually no in-game currency that can be exchanged for real money outside shady marketplaces for trading (Counter Strike Global Offensive in-game content, for example, can be traded through 3rd party marketplaces and the Steam Community Market; however, 3rd party marketplaces offer no protection while the Steam Community Market is exclusively used only for games playable on Steam).

Declining game quality

Another issue of the industry lies ironically in its unprecedented growth. With game studios rushing game development to satisfy an ever-hungry public, quality is being sacrificed for quantity. Just take the following famous example of Activision buying the majority of Blizzard shares and taking over the renowned franchise World of Warcraft. The results became immediately noticeable - trying to capitalize on the popularity of the game, and by focusing only on the financial KPIs, Activision started rushing Blizzard to release expansions almost every year, leading to an outrage in the World of Warcraft community who felt that the quality of the game is being sacrificed for the means of profit. As a result, the long-term subscriptions started dropping, and the image of the franchise was hurt.

Very few new games of popular franchises today manage to live up to the expectations built by their predecessors. Suppose we take a closer look at the charts and the reviews on Popular websites such as IGN and Gamespot. In that case, we can see how many franchises like Assassins Creed, Call of Duty, and others, previously praised for their fantastic story or gameplay, fail to achieve good ratings and are deemed by gamers as disappointments.

It seems that overall, originality and new gameplay are becoming a rarity. At the core of the issue lie the compromises that are made by big game studios in terms of quality as well as the state of the market, where trends are defined by the big game development studios, making the work of many game developers who cannot compete with them much more challenging.

High competition for game developers

Further issues concerning game developers derive from the high state of competition coupled with the motives of big game studios to rush games as soon as possible with the sole purpose of getting the next cash grab out on the market. Creativity and quality are being sacrificed for speed, and deadlines are pushed more and more aggressively. Many game developers in big studios are under a lot of pressure and are supposed to work overtime without being compensated well enough for their efforts. The infamous case of the EA spouse blog, which gave a sneak-peak of how pressured game developers in big game studios are and what effects this pressure has on their personal lives, is one of the many proofs for this reality.

Furthermore, independent game developers or those working for smaller game studios find it extremely difficult to compete with the giants. Their talent might go unnoticed, and there is virtually nothing they can do to combat the robust competition.

Biased reviews

Biased game reviews from influencers and journalists in the sector are another issue that the gaming industry has to bear. It is not a secret that many game development studios are trying to buy positive ratings and press releases to increase their games' interest. It is another natural consequence of its radical growth and is relatively standard across many industries that are commercialized.

Blockchain games are still unplayable. Another problem that is explicitly associated with blockchain-based games is how slow they are. The problem lies in the internal processes that rely on mining blocks on the go, while the players wait for a specific outcome. Unfortunately, at their current state, almost all blockchain-based games are unplayable due to this issue. All these issues are pressing for both gamers and game developers and need quick resolution.

ROLE OF CRYPTOCURRENCY IN GAMING

Nowadays, a whole new and impressive world of value has been portrayed in real life by gamers. Whereas it may be a far cry from almost all the ideals, modern technologies such as blockchain, Cryptocurrency, artificial intelligence, and many more are taking down the global banking system. And also has geared up the gaming industry to be a massive and advanced force in the crypto space.

Addictively and advanced games will attract a whole new base of players or gamers into the crypto economy. Gamers will be the first to adopt the latest technological trends like Cryptocurrency or any other as they are an excellent target market. They are even considered as more touch tech-savvy than any other internet user or any other users who are adopting the latest technology. Gamers are considered to be a bit more open to new technology and ideas.

Our vision for video games is a big one. We're looking to fundamentally change how people perceive video games and how they play them. We see the blockchain as a transformational technology where games transcend the virtual and take on their own life in the real world with no walled gardens, free markets and natural price discovery are underpinned by censorship resistance, trustless trading, and cryptographic security.

EXPLORE HOW?

Most gamers worldwide have adopted advanced cryptocurrency technology by switching to it; they have adopted it because it offers them compared to PayPal or any other bank transaction. Cryptocurrencies have infiltrated in almost every aspect of people's lives these days, and the gaming industry is not an exceptional one.

It has saturation in gaming that could very well be around all the corners of the gaming sector. One of the vital sectors where Cryptocurrency is the gaming industry is that most gamers are ready to accept the latest technology. Some of the online UK platforms have started using and taking digital currency such as Litecoin and Bitcoin as a payment method. Many gamers are switching to cryptocurrency technology as it provides a much faster and safer transaction to them compared to other payment platforms. This is because of the rising use of "blockchain" and cryptography for making secure and valid transactions.

EMERGE MAJOR USE CASE

Most gaming companies and players were comfortable and satisfied with non-standard digital currencies in the past years. But with the evolving world, blockchain and Cryptocurrency have represented a natural evolution for the gaming industry and have defined a new concept for it.

With the rising popularity and legitimacy of esports, the gaming industry has led to the adaptation of Cryptocurrency. The gaming sector is owing to people who are more tech-savvy compared to the general population who are not playing games. Hence the gaming sector can be considered as one of the perfect testing grounds for all the cryptocurrency functionalities. Multiplayer systems, game assets, payment structures, and much more can leverage the benefits of Cryptocurrency and can leverage its capabilities by considering involving it in the gaming sector.

PROVIDES NEW WAY TO ENHANCE GAMERS EXPERIENCE

The end number of gaming industries has already tasted the fruit of success by considering using Cryptocurrency with the gaming platform. Very well known in the business industry, "Sony" is planning to release a blockchain and cryptocurrency-based video game on the advance and well-known gaming platform "PlayStation 4" this year. Epic Games, the new studio behind Fortnite, has researched and has found a new way to integrate blockchain technology into the gaming platform to avail players with excellent gaming experience, which they never had before. Cryptocurrency and blockchain are undoubtedly future technologies for the future and will affect the end of this industry.

TOKENIZATION OF GAME ASSETS

Most gaming sectors facilitate gamers with in-game currency, which they can buy, earn, and spend while playing the game of their choice. These digital currencies are typically availed to the gamers within the gaming environment in the form of gift cards or fiat cash. Usually, such kind of monetized games is open source games. In contrast, game currencies and related item purchases are available within the gaming platform to encourage gamers to spend a penny to buy a particular item such as attire, weapons, or any other thing.

Rewarding Gamers with CryptoOne of the gaming startups has started rewarding gamers; for instance, if the gamer is involved with a game like Clash Royale or any other gaming platforms, reward them for their in-game actions with a cryptocurrency called “Good Game.” Players can earn and spend the token only within the gaming environment. Still, unlike other familiar virtual tokens or currencies, Good Game can easily be traded on exchanges and also provide players with digital wallets for managing their Cryptocurrency outside of the games.

Online Gaming Experience Increasing in Use of Cryptocurrency

The time will come where the gamers can earn virtual currency that can be considered as tradeable crypto asset that can offer excellent experience within the immediate real-world.

Development of new digital micro-economies and Monetization within the gaming environment can reward the gamers for encouraging them for their involvement with the gaming platform. It is one of the best ways to motivate players to involve themselves with the gaming platform and provide them with the chance to play more and win more!

As more and more players will involve themselves with the gaming platform, digital currency or Cryptocurrency will also increase to a great extent. Gamers who have never heard and owned cryptocurrencies before can hold a balance of tokens, which helps them leverage their favorite game levels.

They can also be interested in transferring this digital balance to a cryptocurrency wallet or can exchange the same into Bitcoin currency. Therefore, it wouldn't be wrong if it is said that Cryptocurrency is the future of the gaming industry and helps the gaming industry to provide an enhanced experience to end the number of gamers at first glance.

WHY ON BINANCE SMART CHAIN ?

BEP-20 is a token standard on Binance Smart Chain that extends ERC-20, the most common Ethereum token standard. You can think of it as a blueprint for tokens that defines how they can be spent, who can spend them, and other rules for their usage. Due to its similarity to Binance Chain's BEP-2 and Ethereum's ERC-20, it's compatible with both.

BEP-20 was conceived as a technical specification for Binance Smart Chain, with the goal of providing a flexible format for developers to launch a range of different tokens. These could represent anything from shares in a business to dollars stored in a bank vault (i.e., a stablecoin).

Of course, one could equally create a native asset as a BEP-20 token, or even peg tokens from other blockchains to make them usable on Binance Smart Chain. This is what's done with "Peggy" coins, which are essentially BEP-20 versions of other crypto assets (such as LINK or XRP).

Like BEP-2 tokens on Binance Chain, BEP-20 token transfers are fuelled with BNB. This provides an incentive for validators to include the transactions in the blockchain, as they'll collect the BNB as a fee for their troubles.

You may know that Binance Smart Chain was envisioned as something of an extension to Binance Chain. With dual chain architecture, both chains are complementary – Binance Smart Chain caters to decentralized applications without congesting the original chain, which is optimized for ultra-fast trading.

Because of this architecture, heavy emphasis was placed on cross-chain compatibility. For that reason, BEP-2 tokens can be swapped for their BEP-20 equivalent. The easiest way to do so is perhaps via the Binance Chain Wallet extension, though more methods will undoubtedly emerge over time.

How to Access Wallet?

Arguably, the easiest way to access the BSC ecosystem is using the Trust Wallet DApp Browser . The market-leading mobile DApp Browser allows anyone with a smartphone to securely access DApps and DeFi protocols on Binance Smart Chain with just a few clicks.

HOW IT WORKS ?

FOR DEVELOPERS

XMAGNET Provides lot of options for developers to integrate our games into any platform or create a new game and publish to all the users. It also common interface wallet through which all the game contracts only happens through a single channel.

FOR COMMUNITY

The community of DApp players will benefit as a whole as they join the platform on its odyssey towards becoming the world's leading blockchain gaming platform. Earning opportunity while having a wonderful gaming experience.

IN ACTION

As already mentioned all the games will be having a single contract. All the user deposits will be in that contract only. User can withdraw his/her balance at anytime. It should be noted that all the deposits & withdraws will be only in "XMAG" tokens. When a user takes his/her profits or winnings there will be small platform fees deducted in "XMAG" token as well. This will remain as the platform revenue. Out of this 25% will be shared to game providers or developers, 25% retained in the pool for operational. 50% will be burnt forever.

TOKEN ECONOMY

XMAG Token

XMAG token, a BEP20-based utility token, is Xmagnet's platform token. MAG holders are the platform's core user base and will receive numerous benefits for their loyal support of the token. Much like the VIP guests of Vegas gaming establishments, XMAG token holders will be treated like blockchain royalty. XMAG tokens will only be earned through the Presale, secondary markets, airdrops, and promotional events. The following is a non-exhaustive list of XMAG token's use cases.

TOKEN ALLOCATION:

- AIRDROP: 0.5%
- PRE-SALE : 30%
- LEGAL & MARKETING: 4.5%
- TEAM: 15%
- GAMING CONTRACT: 30%
- FUTURE RESERVE : 20%

The Gaming Contract will initially funded by the contract developer. The initial funded amount equals to around 30% of the total supply (1.5 Million Tokens).

Game Developers or Game Providers will rewarded every time their game is played. Based Gross Gaming Revenue. The share of 25% of the platform fees will be distributed proportionately to all developers.

- **Voting & Governance rights:** XMAG will actively encourage its user base to participate as both players and community members. Users will be able to use their XMAG tokens and Win Power to participate in the governance of the Xmagnet platform. Elections will be held on changing of platform fees, burning of tokens etc., . Holders of XMAG can exhibit their voting power. Voting power is directly proportional to the number of tokens holding at the given snapshot. Voting power cannot be transferred from member to member.
- **Alleviating resource burn:** We have already mentioned that there will be token upon every withdraw. Apart from those there will periodic burning of XMAG tokens based on community decision.
- **Exclusive opportunities and experiences:** The Xmagnet and Binance team are veterans within the gaming industry and understand how to build hype and create unforgettable game experiences. The recent Binance Charity Poker Cup that was hosted on the platform gave users a once-in-a-lifetime opportunity to play alongside celebrities like Spencer Dinwiddie, CZ, Justin Sun, and more. In the future, the Xmagnet token will provide access to similar opportunities that can't be accessed on any other platform.

PRE-SALE

- **HARD CAP: 300 BNB**
- **Total Tokens for Sale: 1,500,000 (30% Supply)**
- **Total Supply: 5,000,000 (5 Million)**
- **Price : 1 BNB = 5000 XMAG Tokens.**
- **All the tokens that are unsold will be burned permanently.**

AIRDROP

- **Total Airdrop Allocation: 25000 XMAG (0.5% Supply)**
- **Airdrop Program is only for first 5,000 Members.**

FUNDS UTILIZATION

All the funds raised from Presale will be utilized for the development of the project detailed will be released after the presale. Briefly it will be utilized for Legal & Licenses & Development of high quality games. It will be used for token development also like listing on exchanges, partnerships & advertisements.

XMAGNET



ROADMAP

