CAGAYAN DE ORO SILVER

SUMMARY
This project proposal is to prove the existence of inground and final recovery of a stockpile of at least 250 MT of silver ingots (c.US$350m), mined by American miners in the Philippines from early 1900 until WW II.

The stockpile is in a bunker built inward from the face of the mountain where the American miners opened the portal to mine, which has a very high-grade silver vein and was worked for a period of about 20 years. The bunker is at the foot of a mountain close to the shoreline, along the national highway connecting the different cities and provinces on the island of Mindanao.

The project is in three phases. Firstly, to carry out an initial exploration to ensure the bunker contains the expected silver ingots; secondly, to obtain a mining permit over the site and thirdly to carry out operations to extract the silver ingots.

The budgeted cost is expected to be US$5 million. Phase one lasting about 3 months will be US$250k. Phase 2 to obtain the licence is expected to last 9 months at a cost of US$750k. The final phase 3 to start mining operations and extract silver ingots from the bunker will last 1 year and cost US$4million. It is proposed to raise the US$5million by issuing tokens linked to the US$ value of a troy ounce of silver, amounting to c.188,000 tokens (see Token Pricing below)

BACKGROUND
The mining industry in the Philippines and the existence of gold and other precious metals can be traced back to the early centuries when the Chinese were trading in the Philippines for local commodities and precious metals. That was before Spain colonized the Philippines in 1521.

In the early 1900, after the signing of the Treaty of Paris granting sovereignty over the Philippines to the United States of America, several American miners came to the Philippines and started mining operation in different parts of the country. As early as 1903, three Americans established the Benguet Consolidated Mining in Cordillera Mountain ranges in Northern Luzon which was the first to operate the underground gold mining in the country. Other groups went South to Paracale, Camarines Norte, a known gold rush area; some went down to the known gold and mineralized areas in Mindanao in Butuan, Surigao Provinces, Davao and Cagayan de Oro. Cagayan de Oro is particularly known for gold even under the early Spanish occupation, which is where it derived its name Cagayan de Oro for Oro in Spanish means gold. The vicinity of Cagayan de Oro is more known for alluvial gold or free gold along the rivers that drains towards Macajalar Bay in the heart of Cagayan de Oro City.

The American miners that operated mines in different parts of the Philippines never anticipated the turn of events after the WW II. They thought all the while that the Philippines was owned by the US through the Treaty of Paris and that their mined precious metals can be safely stored in the bunkers in the Philippines. This was done because of President FD Roosvelt’s EO1602 issued on April 5, 1933, declaring it illegal for individuals to have possession of bullion. They were expecting, when EO 6102 will be lifted and/or repealed, that they could go back to the Philippines to pick up their product stored in the bunkers. However, two unexpected events occurred, firstly Japanese occupation during WW II, and then after the liberation of the Philippines on July 4, 1946, President Harry Truman issued Proclamation 2695 granting Philippine independence. At that time all the precious metals produced by the American miners stored in bunkers in the Philippines were subject to the jurisdiction of the Philippine law as a sovereign state.

1. Article XII Section 2 of the Philippine Constitution states that "All natural resources, including minerals, coal and petroleum are owned by the state."

2. RA 7942 or the Philippine Mining Act of 1995 declared all minerals underground are the property of the government.

3. Article 438 of the Philippine Civil Code states that hidden treasure belongs to the owner of the land, building or other property on which it is found. However, if the hidden treasure is found by chance on the property of another, the finder is entitled to one half of the treasure, provided it was not found through trespassing and is not of cultural interest of the state.

We attempted to negotiate the purchase of the property so we could in use Article 438 of the Philippine Civil Code, but the owner did not want to sell the property because of the commercial warehouses they had built on the front part of the property which are leased to institutional clients and some nationwide distributors.

However, we have the option to deal with the government, who has ownership of all minerals underground, by filing for a mining permit over the mineralized property, wherein we can conduct mining exploration and operation, even on titled property, subject to paying compensation for actual damages incurred on the surface. Under the Philippine Mining Act of 1995 (RA 7942), Section 76 allows a mining permit holder to operate on titled properties which allows the permit holder to enter private lands"

MINING PERMIT

Who are qualified to apply for a Mining Permit:

1. Filipino Citizens,
2. Philippine-Owned Entities: A corporation, partnership, association or cooperative organized in the Philippines with at least 60% of its capitalization owned by Filipino Citizens, with a maximum foreign equity participation of 40%,
3. Foreign-Owned Corporation for large scale exploration and development that require a much bigger capitalization and must undergo a tedious and long process to get a Mining Permit.

STEPS TO GET A MINING PERMIT

1. Register a Philippine domestic Corporation with a minimum capitalization of P100 Million with 25% subscribed share of stocks and 25% of the subscription is paid with a money in the bank duly certified by the bank manager.

2. As soon as the corporation is duly registered with the Securities and Exchange Commission, file a Mining Permit application (MPSA) with the Mines and Geo Science Bureau (MGB), pay for all the required fees and comply with all other requirements as to clearances, certifications, compliance, etc from different related government agencies in relation to the issuance of a Mining Permit. However, an Exploration Permit (EP) can be secured prior to the issuance of a Mining Permit (while in process of completion of all the requirements) wherein the applicant company can conduct initial surveys, testing, and other activities to determine the existence, extent and quality of the mineral resources to prove the viability of the project.

3. Once all permits and permissions have been granted then we are able to bring in the requisite mining equipment, set up mining operations and extract the silver from the bunker. The silver ingots will need to be subsequently refined to 99.5% purity at an internationally reputed refinery, currently identified as the Perth Mint in Australia. The portion of silver required to support the tokens will be deposited in a secure location subject to regular independent audit.

4. If the geology reports support continued mining operations, the mine will continue in operation funded by its own positive cash flow.

ESTIMATED INITIAL COST

1. In phase 1 including the money deposited in the bank duly certified, the required filing fee, legal research funds, representation and other miscellaneous expense are estimated to be US$250,000.

2. In phase 2, includes, the filing fee for a 5,000 hectares area, hiring of technical staff, surveyors, mining engineer, geologist and assistants, and representation with Indigenous community/ies that have claim over portion of the applied area. The estimated cost is US750,000.

3. In phase 3 will involve the purchase or leasing of appropriate mining equipment and employment of appropriate staff that will open the mine and extract the silver from the bunker. The estimated cost is US$4,000,000

AREA TO BE CLAIMED FOR THE MINING PERMIT

The area to be claimed for a Mining Permit shall be approximately 5,000 hectares. This area includes the location where the bunker of silver ingots is stored and just within the vicinity of identified massive silver lode underground. Towards the Southern end of the area to be claimed it is projected to contain, lodes of other precious metals such as gold, iridium, rhodium, platinum, palladium, ruthenium with semi-precious metals such as copper, cobalt, molybdenum, tungsten, chromium and lead. The presence of gems such as jadeite and diopside is also projected, subject to further core drilling for confirmation.

While working to accomplish all the requirements for a Mining Permit and the final issuance of the Mineral Production Sharing Agreement (MPSA), we will be able obtain an exploration permit (EP) to conduct initial exploratory works on the claimed area to determine the viability of the mining project. If the requirements of the Philippine Mining Act are met and proving to MGB that the applicant is a qualified person with the technical and financial capacity for exploration, then an EP can be granted.

As soon as we can secure the EP from the MGB, we can immediately start to conduct exploratory works duly supervised by a Qualified Person – a licensed geologist. We can start to get core drilling samples for which we already know the identified the locations. We will take the core samples to the accredited laboratory for analysis of the metal extracted from the core drilling to prove the existence of the expected mineral wherein a licensed geologist we can certify its existence. The quality base on the assay analysis report and the estimated volume base on the series of detailed drill holes on the specified area where drill samples are taken will also be needed. Then a comprehensive exploration report can be executed signed and certified by the Qualified Person for its authenticity.

We can synchronize the completion of the requirements for the issuance of the Mining Permit while doing the exploration so we can shorten the time for the MGB to issue the MPSA.

TOKEN PRICING

The tokens to fund the three phases will be issued by Eidolon TokenAg Ltd, a wholly owned subsidiary of Eidolon Mining Inc, with one token per a troy ounce (t oz) of silver at a fixed price of US$45 per t oz. Once the silver has been recovered the required silver will be held in a secure location subject to regular audits.

The tokens will be priced to reflect the different risk associated with each phase of the project's operation. Funds will be raised at the start of the project but assigned to each phase and released as each phase completes

Phase 1. Verifying the existence of the silver with a budget of US$250,000; each token for one troy ounce will be issued at discount of 90%. Thus, phase one will issue 55,556 tokens with a silver value of US$2.5million. A minimum investment will be required of 2,223 tokens which is equivalent to US$10,000.

In addition, for any investment tranche of over 11,111 tokens or US$50,000 then these investors will benefit to the value of 0.1% of recovered refined silver (to 99.5%) net of taxes payable in the Philippines, capped at 1,000 mt of fine silver recovered (c. $3.6m and 80k tokens for the total investment of phase 1). This will apply to each tranche of 11,111 tokens acquired.

Phase 2. Obtaining the mining licence with a budget of US$750,000; each token for one troy ounce will be issued at a discount of 50%. Thus, phase 2 will issue 33,334 tokens with a silver value of US$1.5million. A minimum investment will be required of 445 tokens which is equivalent to US$10,000.

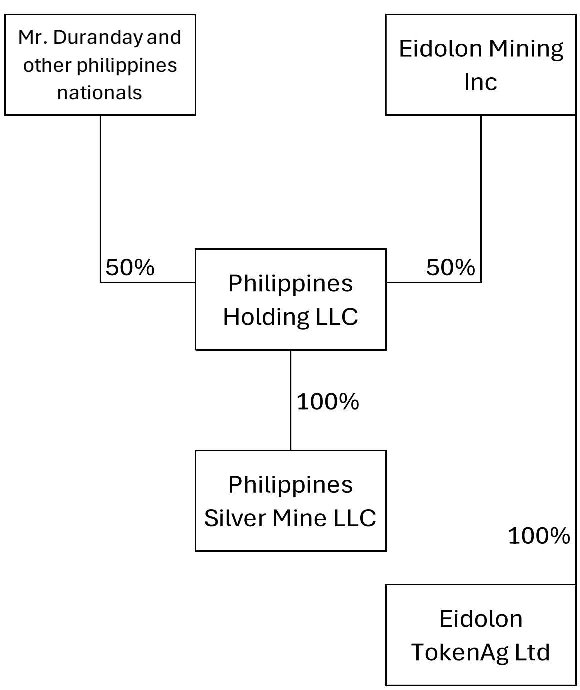
Phase 3. Establishing mining operations and extracting the silver ingots with a budget of US$4million, each token for one troy ounce will be issued at a discount of 10%. Thus, phase 3 will issue 98,766 tokens with a silver value of US$4.4million.

Each Phase will represent a separate funding round and the number of tokens to be sold will be capped at the amounts listed above. Funds received will be converted to US$ and held in an escrow account until the total tokens for that Phase have been sold, at which time the funds will be released. If sufficient tokens are not sold, then the funds will be returned and the tokens cancelled.

Warning Trading in the tokens will be blocked until we have successfully completed phase 1 and 2. If Phase 1 or 2 is not successfully completed then the tokens will have no underlying silver asset and will be cancelled.

Subsequently, we may continue to operate the mine if there is sufficient ore to warrant continued operations. This would be self-funded through the mines on-going positive cash flow

LEGAL STRUCTURES



PRINCIPALS

Joeknox Reed, President Eidolon Mining Inc

Mr. Reed is a US national and has had a successful career in finance over the last 37 years. He started working for Ford Motor Credit subsequently moving to work with various investment banks and securities firms on Wall Street. He worked on various commercial and government project fundings in the Americas, Europe, Asia, and Africa. In 2003 he created Paragon Capital Trust to provide financial services to various markets. He has been involved in evaluating portfolio assets for Oil and Gas, Real Estates, and Industrial Defence Industries. Mr. Reed has consulted with Fortune 500 companies, developing corporate structures for international business, and analysing and implementing investment strategies.

Keith Bigsby, Chief Financial Officer Eidolon Mining Inc.

Mr. Bigsby is a UK national, who qualified as a Chartered Accountant in the UK, since when he has had a successful and varied career in Finance around the world. As Chief Financial Officer he has worked for Technology Companies such as Sun Microsystems, public quoted companies such as Tadpole Plc, IPO listing with pesticide company TyraTech Inc. and restructuring such as Wang/Olivetti. He has worked in various countries around the world in the UK, Belgium, France, and USA with responsibility for Finance and IT on four continents. With all the organizations he has worked for he has been responsible for Corporate Finance, M&A activity, and Strategic Planning. For the last fifteen years he has been working for Paragon Capital Trust.

Rodrigo D Darunday, Chief Executive Officer Philippine Mining Operations

Mr. Darunday is joint Philippine and US national, an accountant by profession, who previously worked in banking and finance for seven years with Citibank and is currently a Radionics practitioner in the field of mining, gas and oil location and exploration. In 1983 on the onset of the global economic crisis he diverted into mining exploration in the Philippines working with mining engineers and geologists in mineral prospecting, location and exploration for a period of more than 5 years. In 1986 he joined a team of American miners who came to the Philippine lead by Mr. Frank Montgomery, a metallurgist and earth scientist to do mineral, gas and oil reconnaissance and exploration in the Philippines. In 1991 to 1992 he came to the US with Mr. Montgomery and trained in mineral, gas and oil detection and location using the Radionics Technology in the Science of Radiesthesia. In 1993 back in the Philippines work with Ferrochrome Philippines, Inc. (FPI), a mining and chrome smelting company for the supply of chromite and clay requirements for the plant. At the closure of FPI in 1998, he started his mining consultancy job with different foreign mining investors group investing in the Philippines, in setting up their mining permits and location of minerals in different parts of the country with the endorsement of the Director of Mines and Geoscience Bureau since he is already known in the industry. During the "covid era" he was doing mineral mapping and oil locations in different parts of the US, Africa, Australia, other Asian countries and the Philippines until the present.