



PHIGOLD

24 March 2020

THE PHIGOLD COIN OFFER

FREQUENTLY ASKED QUESTIONS (FAQs)

The following FAQs summarise questions which may arise in the Phigold Initial Exchange Offering (“IEO”) (the “Phigold Coin” symbol “PGX”). The summaries below should be read in the context of the Private Placing Memorandum (“PPM”) and specifically with regard to the Risk Factors in Part 9 of the PPM and the Forward Looking Statements. The definitions used in this FAQ document are the same as shown in Part 1 of the PPM.

The symbol of the Phigold Coin is PGX and the Company’s web site is www.Phigold.com.

What is the Phigold Listing?

The Phigold Listing is the listing by Phigold UK PLC (“the Company”) of the Phigold PGX Coin on the AAX Exchange. The PGX Coin is based, initially on the Company’s gold resource and progressively expected to be based on gold bullion mined by the Company.

The Phigold Coin is expected to serve as a store of value and in due course as a medium of exchange. The Phigold Coin is also offered as an Exchange Token in the UK to Sophisticated and High Net Worth investors.

In addition, the Phigold Coin is offered as a Reg D Sec 206 Offer to Accredited Investors in the US and to qualified residents of other jurisdictions where it is lawful to offer and to buy the Phigold Coin.

What is an IEO (Initial Exchange Offering)?

The Phigold IEO is the offer of the PGX Coins through the AAX Platform. This is approximately the equivalent of an initial public offering in the mainstream financial world. The PGX Coins are based on the Company’s gold resource and expected to serve as store of value and in due course as a medium of exchange.

Who is the AAX Exchange?

Established in Hong Kong in 2018, AAX is authorised as a Virtual Financial Assets (VFA) Service Provider, Licensed under Virtual Financial Assets Act (VFSA) by the Malta Financial Services Authority (MFSA).

With operations in Hong Kong, Mainland China and London, AAX reinvents the digital assets trading experience, enabling all traders to access a protected market by leveraging an institutional-grade technology proven in 40+ regulated markets, powered by London Stock Exchange Technology. For further information www.aax.com.

What is an Accredited Investor and a High Net Worth / Sophisticated Investor?

An Accredited Investor is a US investor who meets the income and net worth qualification requirements as set out in the Definitions in the PPM. A High Net Worth or Sophisticated investor, as the terms are used in the UK, is an investor who meets the financial requirements set out in the PPM. In all other territories the Phigold Coin is offered where such offer may legally be made. US and UK investors may purchase Coins directly from the Company using the subscription documentation at the back of the Offering Documents.

ASSET-BASED COINS

What is the difference between a Phigold Coin and fiat money (traditional currency)?

Phigold Coins are a digital investment based on a gold resource and with trading to be established on the AAX Exchange. A digital currency is an asset that only exists electronically in a digital form. These currencies are supranational and not confined to a geographical location and can be denominated in any fiat currency. The Phigold Coins are based on a gold resource which will be progressively converted into Gold Bullion.

What is the difference between Phigold Coins and other cryptocurrencies?

The Phigold Coin combines the advantages of digital investments and is based on real world assets, intended to create a less volatile stable investment which also offers scope for price appreciation. The Phigold Coin is based on a defined gold resource. The Phigold Coin uses ERC20 Ethereum technology, which allows the coin to utilise the Ethereum Blockchain.

A new breed of coin

The Phigold Coin offers capital growth upside, as well as being based on a defined gold resource. The expected higher returns are possible as the Phigold Coins are based on gold in the ground and the Coins are priced at the equivalent of \$1,000 per oz. This represents an approximate discount of 33% to the current price of gold bullion, which stands at approximately \$1,500 per oz. As the Coins become progressively backed by Gold Bullion from mining operations, the value of the Coins should increase accordingly to reflect the full value relative to an ounce of gold. This represents a potential capital growth upside of up to 50% to investors and over 57% to early investors (based on a gold price of \$1500 per ounce).

ABOUT PHIGOLD UK PLC (“COMPANY”)

Who is Phigold?

Phigold UK Plc is a mining company whose business commenced in 2008. Phigold, through its affiliate, has an MPSA license in the Philippines where it has operated for over 10 years.

What will be established as a result of the Phigold Coin project?

The proceeds of the Phigold Coin offer will finance the commencement of commercial mining operations at Phigold’s mine site – the Barobo concession in the Philippines. A Competent Persons Report (CPR) estimates that 627 ounces of gold will be mined per month once we achieve stabilised operations. The mined gold will be sold to the Central Bank of the Philippines and 50% of net cash flow after operating costs will be used to purchase and deposit Gold Bullion in the Coinholder Gold Trust account in the UK.

How does Phigold plan to monetize its Coins?

Phigold is selling 15,400 ounces of its gold resource to create 1,540,000 Phigold Coins, each based on 1/100 of an ounce of gold, which in total represent approximately 5% of its gold resource in the Barobo concession. Phigold will allocate 50% of net gold produced after operating costs to the Cash Custodian Account until the Gold Bullion held is equal to the Coins sold. The other 50% will be applied to mining and operating expenditures.

Who are the executives of Phigold?

The Phigold executive team consist of 6 professionals. Three of whom are senior management and the other three are Filipino nationals engaged in local operations. The majority of the Phigold team have been working together for over 10 years. The team has over 100 years of investment, finance and operating experience and over 60 years of mining experience. More information regarding the team can be found on the Phigold web site and in the Private Placement Memorandum.

What are the future plans for the Barobo project?

Phigold’s plan is to use the proceeds of the Offer to conduct mining operations and to mine sufficient gold to match the Phigold Coins sold. Phigold will continue to scale up its mining operations and this may present further opportunities for the sale in the future of additional Coins to finance new mining operations. Phigold will seek additional gold mining opportunities which offer scope for expanding the use of the Phigold Coin. The Phigold Coin will initially be a digital investment but the Company will seek ways to expand it to convert it into a digital currency for broader offering the functions of transferability and store of value.

ABOUT THE COIN

What will happen to unsold Phigold Coins?

Phigold will mint 1,540,000 PGX coins. A first tranche of 400,000 coins (worth approximately \$4million) will be sold at \$9.50 per Coin and the sale will then continue at \$10 per Coin. The sale of Coins will be maintained on a continuous basis on the AAX Exchange until the Offer is completed, unless otherwise decided by the Directors.

How is the Phigold Coin different from other gold-backed coins?

First, it will be based on the gold resources in our Barobo mine. Secondly, the Coin will be sold at a discount to the current price of gold offering 50% potential capital growth upside to investors. Thirdly, the Coin will be backed progressively by Gold Bullion to be stored in UK vaults by the Company to support the Coins sold.

Will the Phigold Coin be subject to volatility or price fluctuation like all cryptocurrencies?

Like any other cryptocurrency including asset backed coins and fiat currencies, we expect the Phigold coin price to fluctuate. However, we expect to see price appreciation and stability develop over time to reflect:

- the progress of mining operations and the transfer of Gold Bullion to the Coinholder Gold Trust account.
- the movements of the price of gold. Market commentators generally expect this to be upwards.

The Phigold Coin is asset based

Phigold will issue 1,540,000 Phigold Coins which will represent approximately 5% of the estimated gold resource in the Barobo concession. This mining concession has been independently reviewed by a Competent Person and Competent Persons Report (CPR) has been prepared. This report is also known as a JORC (Australia) or Instrument 43-101 (Canada) report. The CPR can be found in Part 6 of the Private Placement Memorandum. A CPR report (or equivalent JORC / 43-101) is the industry standard to provide a reliable estimate of gold resources that can be used for benchmark valuations of the resource. Initially the Coins will be backed by the gold resource within the Barobo license and this will progressively become Gold Bullion as the gold is mined.

What are the future plans for the Phigold Coins?

Phigold Coins will be listed on the AAX Exchange from the time of the Initial Exchange Offer and on a continuous basis. This will allow token holders to trade their Coins, exit their holdings or to purchase more Coins in the market.

INVESTING

Can I receive a refund after investing in the Phigold Coin project?

Once you have completed the client on-boarding process at the AAX Exchange and confirm you agree to the Phigold Terms and Conditions you will be able to purchase the Phigold Coin. Once the Coins are deposited in your wallet you will not be able to receive a refund. However, you will have the opportunity to sell your Coins on the AAX Exchange.

What will my financial returns be as an investor in the Phigold Coin?

Phigold coins will be sold at an approximate 33% discount to the price of Gold. The expectation is that the Phigold Coins will progressively rise in value by 50% to approach the market price of gold, as the gold is mined and the Gold Trust account is built up. As set out in the Risk Factors in the PPM there is no guarantee that this will be achieved.

PURCHASING THE PHIGOLD COINS

Where can I see my Phigold Coins once I purchase them?

Phigold coins are based on the Ethereum ERC20 protocol and will be distributed into the Ethereum wallets held by Phigold. Once your investment has been confirmed you will receive your Phigold Coins in your designated wallet at the AAX Exchange promptly upon the Company's receipt of your payment.

How can I buy Phigold Coins?

Phigold coins will be available to be bought and traded on the AAX Exchange.

How do I pay for my purchase of Phigold Coins?

Subscribers can buy Phigold Coins using various crypto currencies including; BTC, ETH, USDT.

Can I buy Phigold Coins multiple occasions during the Offering period?

Phigold coins can be purchased on multiple occasions by one investor.

How do I obtain a wallet to receive Phigold coins?

When you purchase the Phigold PGX coins through the AAX Exchange, the Coins will be distributed to the crypto wallet address on AAX from which you may transfer them to any wallet of your choosing. The symbol of the Phigold Coin is PGX and the Company's web site is www.Phigold.com.

SELLING THE PHIGOLD COINS

How can I sell my Phigold Coins?

Immediately after the Exchange Offering the PGX Coins will be available for trading on the AAX Exchange.

Can the owner of the Phigold coins exchange it for physical gold?

Phigold Coins are based on the Company's gold resource initially and progressively by Gold Bullion. Phigold Coins will be traded on the AAX exchange, and additional exchanges in the future, and may be sold for other cryptocurrencies but may not be redeemed for physical gold.

SECURITY

Which Blockchain platform will the Phigold Coin utilise?

Phigold will use the Ethereum platform. Most exchanges and crypto wallets accept ERC20 token standard on the Ethereum platform. Phigold is compliant with this and meets these standards.

What happens if I lose my Phigold Coins?

If a subscriber loses their Phigold Coins, as with every other cryptocurrency, they will be unrecoverable. We encourage all crypto holders to safeguard their coins. The Company will not be responsible for the loss of any Coins.

DUE DILIGENCE

How can I check the quantity of gold extracted from the Phigold Barobo mine and placed in vaults?

Phigold will release quarterly reports conducted by independent auditors who will confirm the value of Gold Bullion held in the collateral account. Phigold will not use futures/derivatives/paper contracts/ETFs to support the Phigold Coins sold.

How safe is the gold stored which will back the Phigold Coin?

The Phigold Barobo goldmine is based in the Philippines. In prior years we have mined, refined and sold this gold to the Philippines Central Bank. For the Phigold PGX project, we will sell the mined gold in the Philippines, and we will purchase gold in London, United Kingdom for deposit in the Coinholder Gold Trust account. When the Coinholder Gold matches the Coins sold the Phigold Coins will become a fully gold based digital currency.

THE PHIGOLD COIN OFFER

Will there be a discount during the Pre-Sale period?

Yes, for the Phigold pre-sale, Coins will be sold at \$9.50 per Coin, which represents a US\$ 0.50 discount on the first 400,000 (approximately \$4 million) of Phigold Coins sold as long as this occurs within 60 days of the commencement of the Offer. At the current gold price, the discount increases the potential capital growth upside to over 50% for early investors.

Will there be a minimum purchase requirement?

There are no minimum purchases on the AAX Exchange.

When does the Offer open?

The official launch of the Phigold Offer on the AAX Exchange will be in March 2020.

Can I refer my potential investor contacts to Phigold?

Most definitely, we will be rewarding investors who refer their contacts to us where these result in an investment. Contact us here if you wish to provide introductions admin@Phigold.com.

How do I know if the Initial Exchange Offering was successful?

We will notify all members on our mailing list of the progress of the Initial Exchange Offering. Website visitors will also be alerted via our landing page and blog.

How long will the Phigold Initial Exchange Offer last?

The Phigold Coin Initial Exchange Offering will remain open until all the minted coins are sold or until such time as the Directors decide to close the offer. After the Initial offering, the coins will be available to trade continuously on the AAX Exchange.

PHIGOLD COIN

Where will the Phigold Coin be able to be used?

The Phigold Coin will be able to be traded on the AAX Exchange for other cryptocurrencies.

Is there an agreement between Phigold UK Plc (the issuer of the PGX Coins) and the purchasers of the Phigold Coins?

The Terms and Conditions of the Phigold Coin, shown on the Phigold web site and in Part 2 of the PPM set out the agreement and the obligations of the Company and the rights of buyers of the Coins.

What due diligence has taken place to verify the ownership?

The Phigold Private Placement Memorandum is a substantial and significant legal work and verification work has been conducted in the preparation of the PPM to confirm the ownership and good standing of the companies by UK and Philippines lawyers.

Are there any third party claims to the Phigold company or Barobo gold mine?

Phigold as a ten year old business has ongoing operations in the UK and in the Philippines. Documentation confirming our rights to the resource and the audited accounts of the Company can be found in the PPM.