XARA CITY

WHITEPAPER

NARRATIVE

Xara sat in his drone on high-ground where the river flows into the sea – what an ideal place to build a city…. A City with an exciting and prosperous future, where like-minded people could live and play, where they can escape from real-world challenges and constraints. A City to create wealth. A City superior to any real-world city; Xara City.
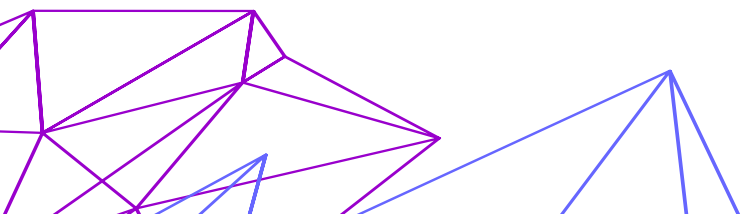
OVERVIEW

Xara City is a fully immersive digital, Blockchain Ecosystem; consisting of NFTs, a Staking Platform, In-Game Token, Play-To-Earn Game, Metaverse and NFT Market Place with an Exchange Tool.

Mission - To onboard real world, asset backed, Web2.0 companies and products into Web3.0 via our thriving Xara City Ecosystem.

DISCLAIMER

All participants in the Xara City Ecosystem should conduct their own due diligence and consult with their financial advisor before making any investment related decisions. By purchasing any Xara City product (linked or created), you agree that you are not purchasing a security or investment and that you agree to not hold Xara City liable for any losses or taxes that may occur. You also agree that the product is presented "as is" without any support or services. XARA is an in-game token aimed at the enhancement of the Ecosystem and should not be seen or valued as a real-world asset, security, or financial instrument. The developers of the Xara City Ecosystem are not responsible or cannot be liable for any financial gains or losses that could result from the Game. Although Xara City and XARA are part of a community driven Ecosystem, it is strongly recommended to citizens in areas with specific regulations against cryptocurrencies to not take part. Always make sure that you are in compliance with your Local Laws and Regulations before making purchases of any kind.

CONTENTS

GLOSSARY

Xara City	Digital Ecosystem consisting of NFTs, Staking, In-game Token, Play-To-Earn Game, Metaverse, Market Place with Exchange Tool.
Xarian	Participant in the Xara City Ecosystem
Land Site	NFTs representing a Title Deed used within the Play-To-Earn Game
Building	NFTs representing Buildings within the Play-To-Earn Game
Staking	Staking is a way of earning XARA In-game tokens as a reward for holding Xara City NFTs
Utility	NFT utility is the value or offering that's attached to an NFT and include things like digital assets, physical goods, a service, access to events, memberships, and any other perks the creator wants to supply to their consumers
XARA	Xara City In-game Token that is used within the Xara City Ecosystem as a gamified token
Fractionalization	A fractional NFT is a set of fungible tokens tied to a NFT or set of NFTs representing fractional or proportionally shared ownership of an NFT.
P2E (Play-To-Earn)	Concept of gaming in which a platform provides its players with a chance to earn any form of in - game assets through participation in the game. The Play-To-Earn business model supports the notion of an open economy and gives rewards to players who bring value to its Ecosystem.
Xaraverse (Metaverse)	A fully immersive 3D virtual-reality space in which users can interact with a computer-generated environment and other users.
Market Place	NFT Market Place where users can buy, sell or rent unique digital assets.
Exchange Tool	A tool in the Xara City Market Place that is used to purchase XARA tokens to spend in-game
Tokenization	The process by which any real-world asset, tangible, or intangible, is digitized and then divided into smaller pieces that take the form of tokens (NFTs)

1. BACKGROUND

Xara City is created by an established Property Development company and team of MBA Graduates, Economists, Actuaries, Architects, Artists, 3D VR Developers, Blockchain Developers and Marketers.

It is a fully immersive, Play-To-Earn Ecosystem where Real Estate themed NFT's can be purchased, thereby rewarding the Xara City Real Estate Owner with XARA when their NFTs are staked and upgraded to virtual apartments which they can also later rent out to earn more XARA from potential tenants.
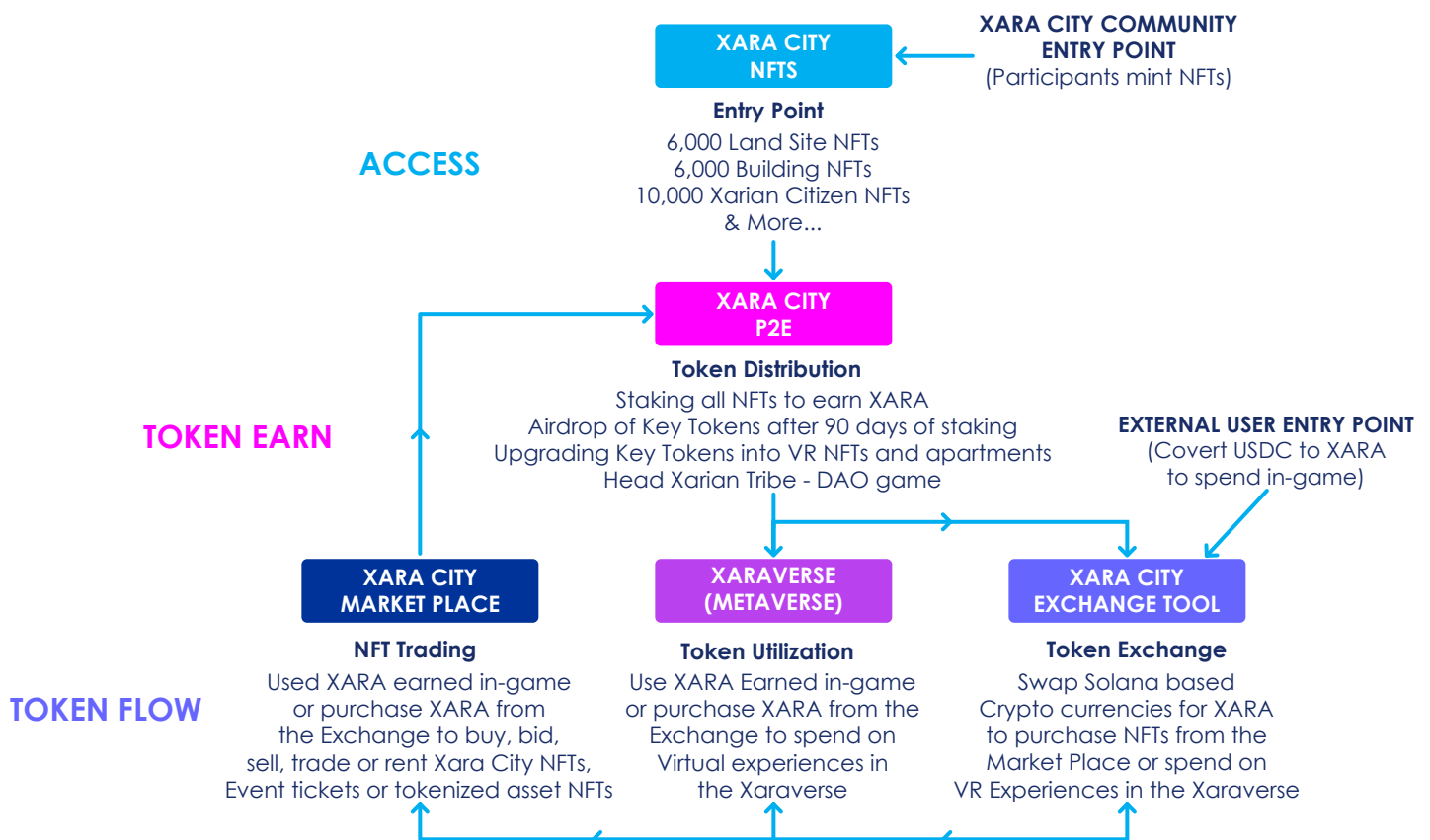
Whilst currently in a development phase (much like the growth profile of a real city), it allows for a platform that can grow substantially in future. As the Xara City Ecosystem develops, Xarians will benefit from increased staking rewards.

Participants can use their well-earned XARA to either increase their NFT portfolio and XARA income by acquiring additional Land Site and Building NFTs or upgrading Key Tokens earned through staking into Virtual Apartments to rent out or sell via the Xara City Market Place. XARA can also be spent on a variety of virtual reality experiences within the Xaraverse or swapped, via the Exchange tool.

Participation Process
Step 1   Mint Land Site and then Building NFTs
Step 2   Stake Land Site and Building NFTs to earn XARA
Step 3   Receive Key Tokens for staking a Land Site and Building NFT for 90 days consecutively
Step 4   Upgrade Key Tokens to VR NFTs with an associated VR Apartment
Step 5   Sell or Rent out your VR NFT through the Xara City Market Place
Step 6   Use XARA earned from staking on 3D Virtual Experiences within the Xaraverse
Step 7   Swap USDC to XARA via the Xara City Exchange tool to spend in-game

2. XARA CITY ECOSYSTEM OVERVIEW

XARA CITY NFTs

XARA CITY COMMUNITY ENTRY POINT
(Participants mint NFTs)

ACCESS

Entry Point
6,000 Land Site NFTs
6,000 Building NFTs
10,000 Xarian Citizen NFTs
& More...

XARA CITY P2E

Token Distribution
Staking all NFTs to earn XARA
Airdrop of Key Tokens after 90 days of staking
Upgrading Key Tokens into VR NFTs and apartments
Head Xarian Tribe - DAO game

TOKEN EARN

EXTERNAL USER ENTRY POINT
(Covert USDC to XARA to spend in-game)

XARA CITY MARKET PLACE

XARAVERSE (METAVERSE)

XARA CITY EXCHANGE TOOL

NFT Trading
Used XARA earned in-game or purchase XARA from the Exchange to buy, bid, sell, trade or rent Xara City NFTs, Event tickets or tokenized asset NFTs

Token Utilization
Use XARA Earned in-game or purchase XARA from the Exchange to spend on Virtual experiences in the Xaraverse

Token Exchange
Swap Solana based Crypto currencies for XARA to purchase NFTs from the Market Place or spend on VR Experiences in the Xaraverse

TOKEN FLOW

2.1 NFTs

All Xara City NFT and other assets generated in the Xara City Ecosystem will be stored on the Solana blockchain in the form of an NFT representing ownership. All NFTs will be tradable on either the Xara City Market Place in XARA or on secondary Markets in Solana.

As in a real world property development, participants will first mint Land Site NFTs (buy land) and then Building NFTs (architectural design / building plans). Participants can then earn Key Tokens from staking (construction) and then upgrade their Key Tokens into VR Apartment NFTs (sales and rentals of units).

2.1.1   Land Sites NFTs are pivotal to the Xara City Ecosystem. A collection of 6,000 unique Land Site (title deed) NFT's are made up of 30 unique traits. An additional 6,000 Land Site NFTs have been reserved for commercial sales and to develop in-game 3D VR Experiences in the Xaraverse.

2.1.2   Building NFTs are a collection of 6,000 unique architecturally designed buildings made up of 185 unique traits across 6 different zoning types i.e. Skyscrapers, High-Rise, Low-Rise, Costal Residential, High Density Residential and Ultra-Spacious Residential.

2.1.3   Key Tokens can be generated though staking Land Site and Building NFT together. These Key Tokens will unlock the next level in the game – VR Apartments.

2.1.4   Key Tokens can then be upgraded to Virtual Apartment NFTs. Holders of a VR NFT will have exclusive access into their own virtual apartment and can invite guests into the apartment through the Xara Staking Platform/App. Furthermore, VR NFTs and the associated apartments can be rented out via the Xara City Market Place to earn additional rental income in XARA

2.1.5   Xara Citizen NFTs (Xarians) - a collection of 10,000 avatar type NFTs with over 157 traits will be generated and sold at a lower price point to increase user participation and membership in the Xara City Ecosystem.

The Xarian NFTs will be split into 5 Factions (Tribes) of 2,000 NFTs. These Factions are essentially DAO's that pool resources to acquire Land Site, Building, Key tokens and VR NFTs from the Market Place.

The Faction with the most Xara City NFTs at the end of 3 months will be voted in as Head City Council and be the controlling DAO until they are knocked off the top spot by another Faction. Voting is done every three months.

Xarians will earn a set XARA staking reward per month, however the Head DAO (City Council) will earn an additional 10% XARA for the DAO while in the number one spot.

Throughout the life cycle of the Xara City Ecosystem, more NFTs will be created, such as tokenized real world asset NFTs.

2.2 NFT Staking

The Xara City staking platform allows NFT holders to lock-in their NFTs over a selected period of time (daily/weekly/monthly) to earn XARA as a reward. Staking is a key driving factor of the Xara City Ecosystem. Essentially the longer you stake your NFTs, the further the game evolves and the more XARA you get rewarded.

XARA Staking rewards are increased throughout the Play-To-Earn game (see 2.5) by using earned XARA or converting USD to XARA to then upgrade Key Tokens into VR Apartment NFTs to later rent out and earn additional XARA from potential tenants. Key Tokens are airdropped once off for each Land Site and Building combo that is staked for 90 Days consecutively. Key Tokens can be traded amongst participants via the Xara City Exchange tool.

175,000,000 XARA tokens have been reserved for distribution via the Play-To-Earn Staking Game and the Xarian Citizen DAO game. These XARA tokens are paid out in five staking tiers as follows:

1. Land Site NFT Staked (alone)   2   XARA   per day
2. Building NFT staked (alone)   2.66   XARA   per day
3. Combination of Land and Buildings staked together   6.16   XARA   per day
4. VR NFTs (Dependent on Zone type)   5.65 to 11.30   XARA   per day
5. Xarians NFT   3   XARA   per day

The main objective of the game is to upgrade NFTs to Virtual Apartment NFTs by the time all 175,000,000 tokens are in circulation and before the staking reward ends. This will ensure the NFT owner can still make an income by renting out virtual apartments to potential tenants and earn XARA through a Metaverse real estate portfolio.

2.3 XARA In-game Token

250,000,000 In-game Tokens (XARA) have been be created on the Solana Blockchain for utilization in the Xara City Ecosystem. The token distribution strategy is as follows:

Reserved for the Play-To Earn   175m XARA   (70% of total supply. Unlock ± 8 years)
Reserved for Treasury   75m XARA   (30% of total supply. Unlock ± 4 years)

XARA Token pricing will be set in a Liquidity Pool using a portion of sales revenue from the NFTs and Seed capital as well as income generated in the Xaraverse.

The first Liquidity Pool will be created on a Launch pad such as Raydium or similar, shortly after all NFTs are sold out or sufficient Seed capital has been raised.

XARA will serve as the main In-game token and will be tradable for any assets and services in the Xara City Market Place and Xaraverse,

A small fee will apply to all In-game trading of XARA, and collected to further develop the Xara City Ecosystem.

See (3) below for details regarding XARA Tokenomics and distribution strategy.

2.4 Liquidity Pool

A Liquidity Pool will be created on a DEX (Decentralized Exchange) to purchase XARA tokens to spend in-game. Each swap through this pool will influence the XARA price according to the rules of Automated Market Makers.

A percentage of treasury funds generated from NFT sales, Seed capital raised for Ecosystem development and or income generated by the Xaraverse Virtual Experiences will be used to set up the Liquidity Pool

New NFTs generated by Xara City, VR Experiences in the Xaraverse as well as the Xara City Market Place will aim to potentially increase the demand for XARA in turn driving up the value of XARA .

Xara City may potentially secure strategic partnerships with a Liquidity Pool provider to further support the Liquidity Pool if required or permitted.

A percentage of trading fees generated by the Liquidity Pool are channeled back into the pool and game to further develop the Ecosystem.

2.5 Play-To-Earn (P2E)

The Xara City Ecosystem is underpinned by a Play-To-Earn game which follows a real-world property development cycle from fund raising (Staking), through to construction and development (Airdropping Key Tokens), and subsequent unit sales and rentals (VR Apartments).

Land Site and Building NFTs staked for 90 days consecutively receive Key Tokens via an Airdrop. These Key Tokens can then be upgraded to virtual apartments, which in turn can be rented out or sold. This will be achieved through the following process:

2.5.1   <u>NFT Staking</u>

XARA is earned as a staking reward when Land Site, Building and Xarian NFTs are staked.

The total staking reward increases throughout the Play-To-Earn game when staking Land and Building NFTs together and or when Key Tokens are upgraded to Virtual Realty NFTs (VR NFTs).

2.5.2   <u>Key Tokens</u>

Key Tokens are airdropped to holders once off for Land Site and Building NFTs which are staked together for 90 days. Each building type has an associated number of Key Tokens written into the initial metadata of the Building NFT which is carried over throughout the game.

The unit breakdown for each Zone/Building type is as follows:

BUILDING TYPE	KEY TOKENS PER BUILDING
Skyscrapers (SS)	100
High Rise (HR)	75
Low Rise (LR)	50
Costal Residential (CR)	75
High Density (HD)	100
Ultra-Spacious Residential Homes (RH)	1

* Any Land Site NFT can be staked with any Building NFT to earn Key tokens.

Example of Key Token Upgrade:

Land Site #1567 staked with Skyscraper #3426 for 90 days will receive 100 x Key Tokens airdropped to the Holders wallet. Land Site #1567 and Skyscraper #3426 can no longer receive any Key Tokens once the 90 days staking and Airdrop have been completed.

Each of the 100 keys Tokens received for Land Site #1567 and Skyscraper #3426 can be converted into a VR NFT by using a Key Token together with a defined amount of XARA. Key Tokens afford holders the opportunity to build a Metaverse real estate portfolio which can be rented out to potential tenants and earn additional XARA for the VR NFT owner.

Alternatively Key Tokens can be traded on the Xara City Exchange tool. This essentially increases the value of the original Land Site and Building NFTs.

Furthermore Key tokens used for upgrades get burned and removed from the market, essentially decreasing supply and increasing demand in turn increasing value.
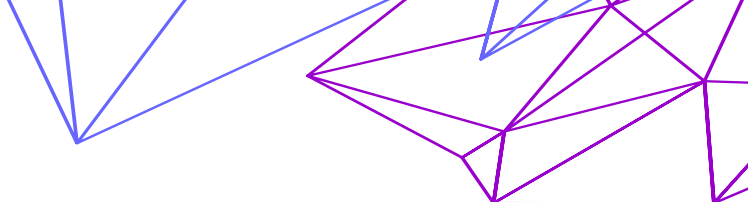
VR Apartment NFTs (Upgrades)

2.5.3

Next, your Key Tokens can be upgraded to VR NFTs with associated Virtual Reality Apartments. Each upgrade will attract a once-off cost.

20 upperclass virtual apartments and 2 home options are being designed by our Architects, together with our Virtual Reality Partners.

Participants can chose 1 of 4 apartment types across each of the 6 zones or from 1 of 2 home types depending on the type of Key Token owned by the participant. For example, if the participant owns a Skyscraper Key Token, it can be upgraded to a Skyscraper - Junior, Deluxe, Executive or Presidential Suite

Options for upgrades across each zone include:

- Junior Suite
- Deluxe Suite
- Executive Suite
- Presidential Suite
- Deluxe Home
- Executive Home

Virtual Apartments are accessed via your VR NFT and allow owners or tenants the opportunity to meet with friends and family from anywhere in the world in a fully immersive setting tailored to their own personal preference and imagination.

Once a Key Token is upgraded to a VR Apartment NFT, the owner can then either sell or, rent out the apartment NFT via the Xara City Market Place and earn XARA as rent.

Rentals are paid upfront similar to an Airbnb and the tenant will have exclusive access to the apartment during the rental period.

Tenants renting apartments will also get additional benefits such as discounted fees on virtual experiences in the Xaraverse.

2.5.4 Xarian Citizen NFTs

The Xarian NFT is made up of 10,000 avatars each belonging to 1 of 5 Factions (DAO's).

Each Faction's objective is to collect other Xara City NFTs such as Land Sites, Buildings, Keys or VR Apartments.

The Faction with the most Xara NFTs after 3 months gets voted in as the Head Council (DAO) and remains in the Head Council role until another faction collects more NFTs in a 3 month period to claim the top spot on voting day.

The Xarian NFTs are sold at a lower price point to increase user participation and membership in the Xara City Ecosystem.

Xarians will earn a set XARA staking reward of 3 XARA per day, however the Head City Council (DAO) will earn an additional 10% XARA for the DAO while in the number one spot.

This relates to a maximum earn for Xarian NFTs of:

- 8,000 x 3 XARA = 24,000 XARA per day
- 2,000 x 3.3 XARA = 6,600 XARA per day

Landlords earn the most XARA from their staked NFTs → Xarians need Land Sites, Buildings, Keys and VR NFTs to earn more XARA → The Result = Supply and Demand, which increases the Ecosystem and XARA value
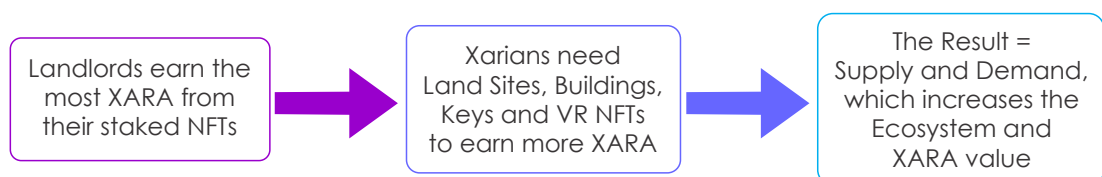
2.6 The Xaraverse

The Xaraverse is an always-on, hyper-realistic, digital world with fully Immersive 3D Virtual Experiences, coupled with a fully functioning shared economy, where visitors can shop, socialise, train for their jobs, play games, take classes, attend meetings, have cultural experiences and more…

The Xaraverse is poised to radically change how we work, play and connect.

We have partnered with a world class 3D VR/AR studio to develop the fully immersive Xaraverse (Metaverse) and all associated experiences and commercial applications.

2.6.1   VR Experiences (using 6,000 of the 12,000 Land Sites)

3,000 Land Sites have been reserved for Xara City Founders to develop virtual experiences and a further 3,000 reserved for commercial sales to develop in-game 3D virtual experiences where XARA can be spent, for example:

- Retail stores selling brands in VR with real-world fulfilment and deliveries of orders
- Event and sporting venues generating ticket sales in XARA
- Educational platforms such as seminars, schools and Universities
- 3D virtual games such as playing a round of golf, or driving a Formula 1 car, or
- Entertainment such as Theme Parks, Casinos, Night clubs, Social clubs and many more...

Holding Xara City NFTs will allow discounted access into certain virtual experiences.

2.7 Xara City Marketplace
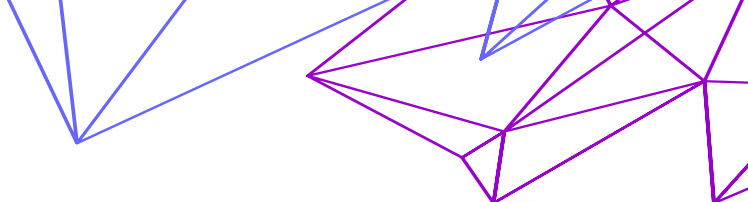
Initially, all trading of Xara City NFTs will happen on secondary NFT Market Places such as Magic Eden. Xara City is in the process of developing our own Xara City Market Place.

The Xara City Market Place will be implemented as an in-game platform that allows for trading NFTs, minting tickets for events in the Xaraverse, buying Tokenized Asset NFTs or renting out Virtual Apartments and collecting rent in XARA.

Participants can use XARA earned in-game or Swap USD and SOL for XARA on the Exchange tool to purchase NFTs from the Market Place.

2.8 Xara City Exchange tool

To facilitate participant trading activity throughout the Xara City Ecosystem, an Exchange tool will be created on the Market Place platform. The Exchange tool shall enable participants to purchase XARA tokens to spend in-game by swapping USDC for XARA, with the price determined by an algorithm based on the proportion of tokens in the Launch Pads Liquidity pool - example; Raydium. In the case of the AMM, the exchange rate is determined by a smart contract.

Users can get instant access to XARA, while liquidity providers (depositors into the AMM's liquidity pool) can earn potential income via trading fees. These rules are determined by the DEX - example Raydium.

The Xara City Exchange tool could eventually evolve into a fully-fledged DEX to not only deal with XARA, but also facilitate swaps of NFTs, tokenized real-world assets, carbon credits, and more.

Functionality of a DEX such as Raydium includes:

- Swap USDC/XARA & SOL/XARA to spend in-game
- Fund Liquidity Pools to earn yield on trading fees
- Stake XARA to earn an APR
- Borrow or Lend through DeFi protocol
- Trade XARA on their trading platform

*Subject to your countries regulation

2.9 DeFi Property Finance Opportunity

The Xara City team has vast experience in building large scale housing complexes and high-end residential estates. These skills can potentially be utilized in Xara City to enhance the value for participants. We will explore the potential of DeFi Protocols in this regard.

For example; a portion of profits from the Ecosystem could be utilized through DeFi lending protocols to finance and develop real world property at a lower cost, and in a shorter time, given that lending fees are inexpensive and accessibility to finance is easier to secure.

DeFi Property Finance potentially allows Xara City the opportunity to leverage digital assets as collateral during the property buying process without liquidating our positions. Interest can also be earned on down payments by putting the assets to work through staking or other yield-generating activities, whilst in turn, utilizing the interest earned to pay down the loan.

Profits generated from real world property developments could in turn be channelled back into the Xara City Ecosystem to ensure sustainable, long-term stability of the Ecosystem.

2.10 Asset Tokenization

As part of the Xara City Ecosystem, a platform where assets can be tokenized through smart contract protocols will be explored.

Asset tokenization is the process by which any real-world asset, tangible, or intangible, is digitized and then divided into smaller pieces that take the form of tokens. Each token represents a proportional part of the digitized asset, offering the owner of the token the corresponding economic rights.

The possibilities of asset tokenization are endless and can be applied to a wide variety of assets, such as - real estate, valuable art, collectables, precious metals, intangible assets and many more.
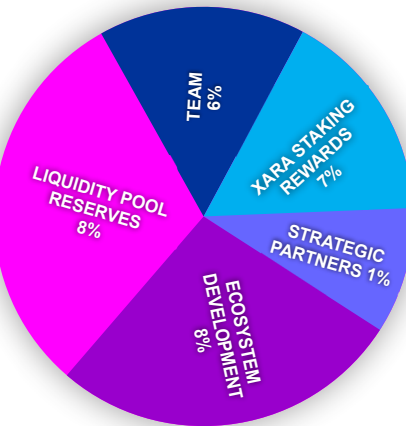
3. TOKENOMICS

The XARA In-game token has a total supply of 250m tokens - to be released into circulation over a minimum period of 8 years. This diagram walks you through how tokens have been created and how they can potentially be distributed.

TOKEN DISTRIBUTION

TREASURY 30%

P2E REWARDS 70%

TREASURY

TEAM 6%

XARA STAKING REWARDS 7%

STRATEGIC PARTNERS 1%

LIQUIDITY POOL RESERVES 8%

ECOSYSTEM DEVELOPMENT 8%

1

RESERVED FOR PLAY-TO-EARN:

Staking rewards	**175,000,000 XARA**
Max unlocked p/m	2,030,000 XARA
Unlock duration	± 8 years

2

TREASURY RESERVES:

Total	**75,000,000 XARA**	**Unlocked over 4 years from day 1**
Partnerships	3,000,000 XARA	Unlocked over 3 years from year 2
Team	15,000,000 XARA	Unlocked over 4 years from day 1
XARA Staking	17,000,000 XARA	Unlocked over 4 years from day 1
Ecosystem Dev	20,000,000 XARA	No lock up - utilized as required
LP reserves	20,000,000 XARA	No lock up - utilized as required

3

PLAY TO EARN DISTRIBUTION

STAGE 1 (6,000 NFTs)	
Land Site staking (alone)	2 XARA p/d
Building staking (alone)	2.66 XARA p/d
Land & Building combo staked	**6.16 XARA p/d**

STAGE 2	
Key Tokens upgraded to VR NFTs & Virtual Apartments + staked	**18.83 XARA p/d**

XARIAN NFT (10,000 NFTs)	
Xarian Citizen NFTs staked	**3.06 XARA p/d**
Max XARA staking reward p/d	**143,580 XARA p/d**
Total Supply reserved for P2E	**175,000,000 XARA**

TOTAL SUPPLY OF TOKENS:
250,000,000

4

INITIAL LIQUIDITY POOL

PLATFORM
Raydium or similar

LIQUIDITY POOL EXAMPLE

Liquidity XARA	100,000 XARA
Liquidity USDC	100,000 USDC
Starting price example	1 XARA = 1 USDC

5

USE CASE FOR XARA

P2E (IN-GAME UTILIZATION)
- Key Token Airdrops
- Key Token upgrades to VR NFTs

FUTURE NFTS
- Xarian Citizens NFTs (10K collection)
- Tokenized Asset NFTs & More...

XARAVERSE (METAVERSE)
3D Virtual Reality Experiences such as VR Games Arcade, Casino, Theme Park Seminars, Educational Courses, Live Events & More...

XARA CITY MARKET PLACE
- Secondary Market NFTs sold in XARA.
- VR NFTs & Virtual Apartments rented out in XARA
- Tokenized Assets NFTs sold in XARA

XARA CITY EXCHANGE TOOL
- Trading Fees on Token Swaps
- XARA LP funding & Yield Farming income on listed DEX's
- Staking and Platform fees

(chart: token release 2022–2028, values from 30,000,000 to 175,000,000)
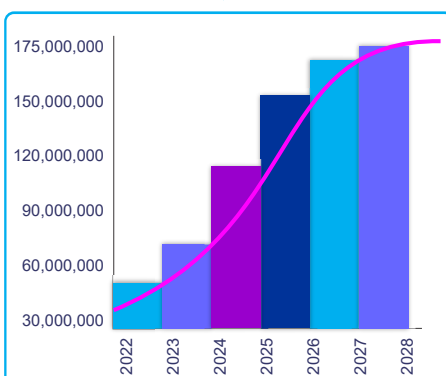
4. FINANCIAL MODEL

The financial model is an assumption driven tool that allows the Xara team to estimate the potential growth in game participants, NFT minting, token distribution and longer term initiative outcomes. Actual future events and real time participation when experienced may differ from the forecasts herein and thus these forecasts should not be construed as targets, or commitments of the Xara team.
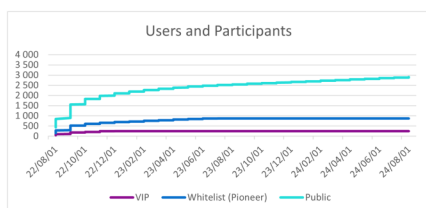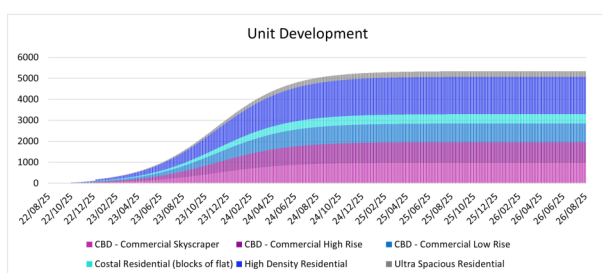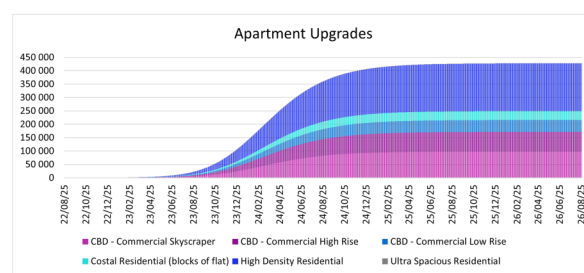

Estimated participants through NFT ownership in Xara City over time.

Estimated NFT minting and combination over time.
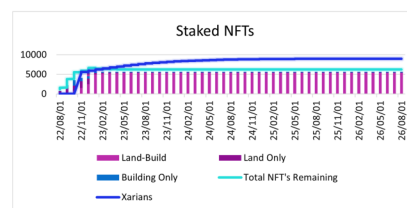
Estimate number of Staked NFTs out of all minted Xara City NFTs.

Estimated number of Building NFTs that are factored into Key Tokens

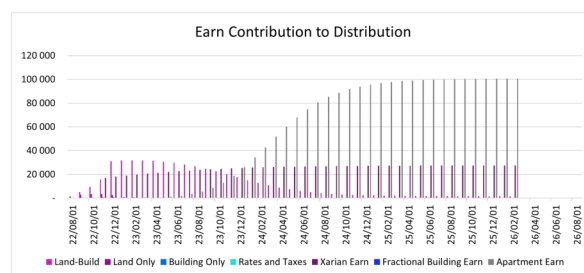Estimated quantity of Key Tokens upgraded to Virtual Apartments.
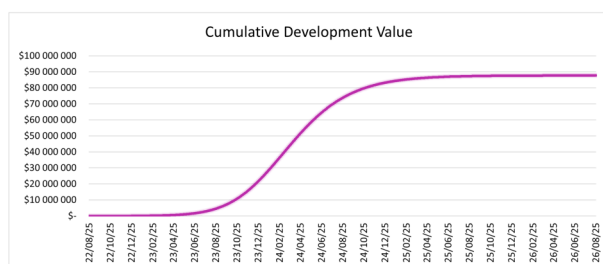
Estimated value of Dollar upgrade spend on buildings->Keys->VR apartments.
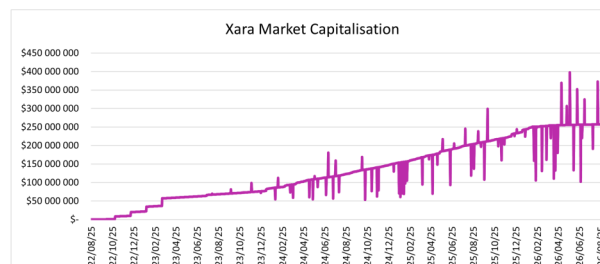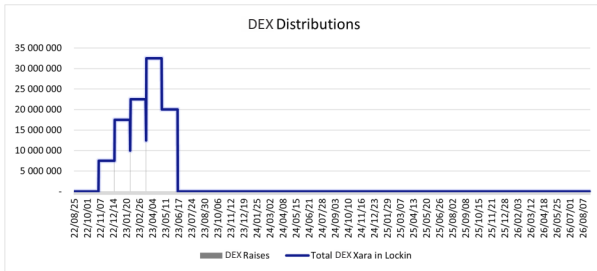

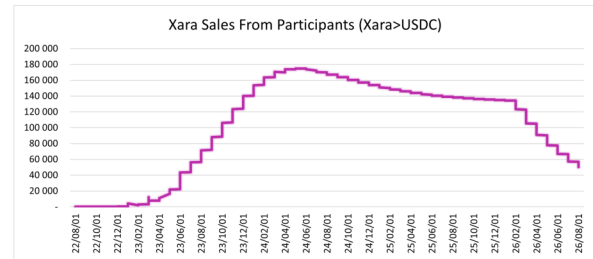Estimated Dollar Market Capitalisation of Xara City.
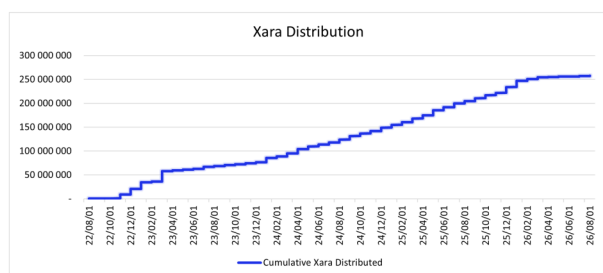
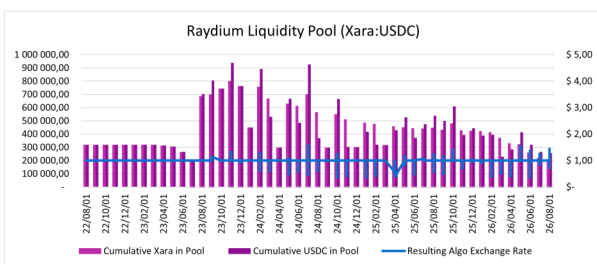Estimated cumulative quantity of XARA Token distributed to participants.

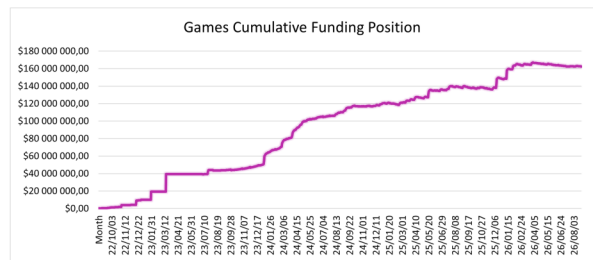Estimated staking earn per type of NFTs staked .

Example of XARA distributed through a
DEX and quantity locked up.

Estimated number of XARA
transactions per day over time.

Estimated Liquidity of the
XARA:USDC Pool.

Estimated capital of Xara city to
fulfill the game development.

5. SUMMARY

Xara City is a distributed ecosystem in a fully immersive, play to earn virtual world which allows participants to acquire virtual property through NFTs and in turn generate XARA rewards to spend in-game with like-minded individuals and friends.

6. CONCLUSION

We are advised by highly motivated and experienced next-level Solana NFT players and collectively our highly skilled and motivated team are creating an extraordinary opportunity with all the indications of a successful game.

Risks are mitigated whilst optimizing the underlying value proposition.

Our Competitive Advantage lies in providing real utility in the Metaverse.