Indonesian Digital Gold ($IDDG)

Whitepaper v1.0 Tokenized Digital Gold for a Borderless Economy

Abstract

Gold has played a central role in the global financial system for thousands of years, revered for its rarity, chemical stability, and universal recognition as a store of value. Despite its enduring relevance, the physical nature of gold makes it difficult to store securely, divide efficiently, and transfer globally in the modern digital economy. Indonesian Digital Gold ($IDDG) exists to bridge this gap. $IDDG is a strict full-reserve token representing direct ownership of vaulted physical gold, built specifically for Indonesia's retail and institutional markets. Each token represents ownership of real, investment-grade physical/digital gold, allowing holders to enjoy the benefits of gold ownership while leveraging the speed, portability, and composability of blockchain technology. The Indonesian Digital Gold ($IDDG) project is developed by a dedicated internal team under the supervision of **PT Mitra Utama Sedaya**, in close collaboration with strategic partners who are reliable, regulated, and experienced in their respective fields. This collaborative structure ensures that $IDDG is designed, implemented, and operated with strong governance, operational integrity, and adherence to applicable regulatory and industry standards.

By combining internal product and technology expertise with trusted external partners for gold sourcing, custody, and auditing, the project aims to deliver a secure, transparent, and compliant digital gold ecosystem for both retail and institutional participants.

1. Executive Summary and History

Indonesian Digital Gold ($IDDG) is designed to democratize access to investment-grade gold. It eliminates the traditional barriers of high custody costs, logistical burdens, and restricted trading hours associated with physical bullion. Each $IDDG token is 100% backed by one gram of underlying digital or physical gold and is subject to regular, independent audits. Distributed through the Nanovest platform, $IDDG offers instant liquidity, fractional ownership, and a highly competitive, locally compliant alternative to global tokens.

By leveraging a partnership model that eliminates self-custody risk, the project focuses on delivering a transparent user experience. $IDDG positions itself as the foundational gold asset for the Indonesian digital financial system, offering a stable, accessible, and legally compliant store of value that operates without borders or market-hour limitations.

1.1 Gold and the Role It Has Played Over Time

Gold has been used as a way to store value for thousands of years. People across different countries and cultures have trusted gold because it is rare, does not rust, and grows its value over time. Long before modern banking systems existed, gold was already used in trade and savings.

As economies grew, using physical gold directly became difficult. Gold is heavy, hard to store, and expensive to move. To solve this, paper money was created to represent gold held in storage. This made payments easier while keeping trust in gold as the underlying asset.

Over time, this connection between money and gold was removed.

1.2 Fiat Money and Its Limits

Today, most money is fiat money. Fiat money is not backed by physical assets like gold. Its value depends on government policy and central bank decisions. This system allows governments to manage the economy more flexibly, especially during crises.

However, fiat money can lose value over time. Inflation, currency weakening, and changes in monetary policy affect how much money is worth in the future. For many people, especially retail investors, this creates uncertainty when trying to protect long-term savings.

Because of this, gold continues to be used as a way to protect value. In Indonesia, gold has long been a popular savings tool. Many people buy gold to protect their money from inflation or economic uncertainty. However, owning physical gold still comes with problems such as storage costs, limited liquidity, and small purchase restrictions.

1.3 Digital Assets and Tokenized Gold

Blockchain technology makes it possible to represent real-world assets in digital form. This allows ownership to be recorded and transferred securely without moving the physical asset itself.

Gold-backed tokens combine the stability of gold with the convenience of digital assets. Instead of holding physical gold, users can hold a digital token that represents ownership of gold stored in custody. These tokens can be transferred instantly, held in small amounts, and accessed at any time.

Tokenization does not change the value of gold. It changes how gold is accessed, stored, and transferred.

2. The Opportunity: Problem and Solution

The Problem: Although gold remains one of the world's most valuable assets, its efficiency as a financial instrument is limited by structural constraints. Physical gold is costly to transport and secure, making it impractical for frequent transactions. Ownership often requires interaction with

custodians, brokers, or vault providers, introducing delays and administrative complexity incompatible with real-time digital finance. Additionally, access to investment-grade gold is restricted for many individuals due to high minimum purchase sizes and redemption restrictions. In Indonesia specifically, retail investors seeking small-denomination exposure often face high fees or lack access to transparent, regulated digital gold products.

The Solution $IDDG eliminates these barriers by offering tokenized physical gold ownership on the blockchain. The vision is to establish gold as a globally usable digital asset that operates without banking constraints or geographic limitations. The mission of $IDDG is to democratize access to gold through secure tokenization, fractional ownership, and real-time digital settlement. By abstracting storage, custody, and verification into a transparent digital system, $IDDG allows anyone to acquire and transfer physical and/or digital gold with the ease similar to sending a text message.

3. Business Model and Operational Mechanics

Revenue Model: Nanovest generates revenue from $IDDG purely through transparent transaction fees. Unlike many competitors, $IDDG operates on a zero-spread model. The buy and sell prices shown to users will always match the partner company's physical/digital gold price at a 1:1 ratio. This ensures that the token's valuation remains accurate and trustworthy, avoiding hidden markups and maintaining price integrity.

Inventory and Procurement Model: Nanovest operates on a passthrough model and does not hold gold inventory directly. Instead, the company leverages a partner as an upstream provider to eliminate the need for proprietary physical custody infrastructure. This reduces operational costs related to storage, insurance, and auditing.

The User Journey: The process begins when a user tops up IDR in the Nanovest app and selects the gold token. The quoting engine provides a buy price based on the spot gold price. Once the user confirms the purchase, the system passes the order to liquidity provider partners. If inventory is available, tokens are minted and transferred instantly. In the event that the partner is unable to supply the gold instantly, the user's funds are reserved while Nanovest waits to procure the underlying gold. Pricing is locked at the user's purchase quote, and Nanovest handles the procurement risk. If procurement cannot be completed within 24 hours, the user receives a full refund. This ensures 100% that every token is backed by an existing underlying digital or physical gold asset.

4. Tokenomics

Token Structure The $IDDG token acts as a digital receipt for physical gold. The backing ratio is set at 1 $IDDG = 1 gram of Digital Gold. The token is built on the Binance Smart Chain (BSC) to ensure low transaction fees and high throughput, making it suitable for high-volume retail transactions.

Supply Mechanism The supply of $IDDG is non-inflationary and fully asset-backed. There is no maximum or minimum supply cap; instead, the supply is dynamic. New tokens are minted and circulated only when additional physical gold enters custody, ensuring that the circulating supply always reflects real-world reserves. Conversely, tokens are burned when a customer redeems the underlying asset or sells for fiat. This strictly controlled mint-and-burn mechanism ensures continuous one-to-one backing and eliminates leverage or credit exposure.

Token Utility The primary utility of $IDDG is as a digital store of value and a hedging instrument against inflation. Because it is pegged to gold, it inherits gold's historically stable price behavior. Additionally, the token allows for fractional ownership, enabling users to hold small amounts (e.g., 0.1g) without dealing with storage logistics. The token is also designed to be a globally transferable commodity token, bridging the gap between institutional gold markets and retail access.

- **Name:** Indonesian Digital Gold
- **Ticker:** $IDDG
- **BlockChain:** BNB
- **Supply:** There is no maximum or minimum amount of $IDDG tokens. More tokens will be minted as purchases increase from customers. Tokens can also be burned when a customer redeems the underlying asset or sells for fiat.

5. Market Analysis and Target Audience

Target Users: The primary target audience consists of Indonesian retail investors who desire simple, transferable assets and low-minimum access to gold. These users typically transact in small amounts (Rp 5.000 – Rp 100.000) and value the convenience of instant liquidity and easy IDR pricing. Secondary users include local traders and institutions who may list the token on their own platforms, benefiting from the accessible printing of underlying gold. A third category includes companies looking for alternative assets for internal employee benefit programs.

Competitive Advantage: Compared to international competitors like $PAXG and $XAUT, $IDDG offers local regulatory clarity, customer protection via a local office presence, and a more accessible mechanism for creating underlying gold. When compared to local competitors like $GIDR, $IDDG offers significantly lower costs. $IDDG applies zero spread on both buy and sell prices and does not impose any redemption fees, whereas competitors often charge redemption fees as high as 6%. This no-spread model maintains price integrity and gives users a fairer, more transparent asset.

6. Technical Architecture and Governance

Involved Parties The ecosystem is managed by three key entities. PT. FAB acts as the Token Issuer. The Gold Source is managed by third-party partners who handle the sourcing of digital or physical gold. Nanovest serves as the distributor and manages inventory and the user interface.

Custody and Auditing We source all underlying gold from digital or physical gold products managed by upstream partners. Instead of handling custody ourselves, we purchase already-allocated digital gold that is fully audited and stored in regulated vaults. This structure allows the project to focus on tokenization and user experience while leveraging the partner's strengths to handle operational processes at scale. Regular proof-of-reserve reports and periodic audits ensure that every $IDDG token is fully backed by physical gold in custody, with records stored on the blockchain for transparency.

7. Development Roadmap

The development of $IDDG follows a phased approach to ensure security, compliance, and scalability.

Phase 1: Foundation and Compliance - The initial phase focuses on securing all necessary regulatory approvals within Indonesia and establishing the legal framework for the token. This includes the development and auditing of the smart contracts on the Binance Smart Chain and the integration of the token into the Nanovest mobile application.

Phase 2: Market Expansion - Following a successful launch, the focus will shift to increasing liquidity and utility. This involves listing $IDDG on major domestic crypto exchanges and establishing partnerships with corporate entities for employee benefit programs. We will also explore the integration of $IDDG into local decentralized finance (DeFi) protocols to allow for lending and borrowing against gold collateral.

Phase 3: Global Interoperability The long-term goal is to bridge $IDDG to other major blockchains, such as Ethereum, to enhance global transferability. This phase will also see the exploration of international exchange listings and the operationalization of physical redemption features, subject to logistics and minimum quantity requirements.

8. Risk Factors and Disclaimers

Risk Management: While $IDDG offers a secure way to own gold, users should be aware of inherent risks. Regulatory risks exist as the legal framework for digital assets evolves. However, we actively engage with regulators to ensure continued compliance. Counterparty risk is mitigated by partnering only with regulated, audited vault operators. Technical risks associated with smart contracts are managed through rigorous external audits. Finally, market risk remains, as the value of the token is directly pegged to the fluctuating global price of gold.

Disclaimer - This whitepaper is for informational purposes only and does not constitute an offer, solicitation, or recommendation to purchase any crypto asset. The information provided is based on the status of the project at the time of writing and is subject to change. Readers are advised to consult with financial and legal professionals before making investment decisions. $IDDG operates under strict adherence to Indonesian regulations regarding digital assets and commodities.