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#1 - ABOUT EL GUSANO



El Gusano is a collection of NFTs spread across 4 releases, in the first release we have 2500 NFTs which will ultimately help fund a new tequila cocktail-inspired RTD. The holders of this first release will get to share in the profits of the New Zealand sales of the new RTD cocktail, which is expected to be on shelves later this year.

El Gusano looks to integrate the Web 3 investor strategy into a Web 2 product, with real world utility being the foundation of its roadmap.

This is one of the first of its kind, and certainly is the first in New Zealand to tie NFT investment to RTD profit sharing. This is reflected in the 10% net profit share of the New Zealand RTD business being paidback to its members on a quarterly basis.





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#2 THE ROADMAP

PHASE ONE STAGE ONE

Generation of NFT's and release of first 2500. This project will run on the Ethereum network. There is no whitelist, moving straight to public sale at a price of 0.04ETH.

PHASE ONE STAGE TWO

Mint date is set at 2nd September 8pm NZT. What's important to note is 50% of the royalties (set at 10% of secondary sale price) will be going back to the community in monthly giveaways (5%), this will be community driven and delivered by our MOD team.





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#2 THE ROADMAP

PHASE ONE STAGE THREE

We have a soft target of 1000 NFT sales before we move forward with production of the first RTD flavour, Margarita. To begin with we will be running with one flavour, through research the current market trend is vodka lime soda, with this in mind we can jump in this trend with Margarita while also setting ourselves apart with a tangy twist. Important to note (as mentioned above) 10% of the net profit from the New Zealand RTD sales will go back to holders on a quarterly basis.

PHASE ONE STAGE FOUR

PARTY TIME! El Gusano will be throwing one hell of a party, along with a beer pong tournament to celebrate the release of the RTD and our first NFT holders. The prizes for the winning teams in the beer pong tournament will be announced at a later date.





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#2 THE ROADMAP

ADDITIONAL COMMUNITY BENEFITS

- For every 2 NFT's minted within the first 2 weeks, then held off the secondary market for 30 days following, NFT holders will receive one free mint in our second release
- We have 50 available spaces for an NFT holder to have their name immortalised on the box of our RTD. This is available to someone that mints 10 NFT's within the first 2 weeks, then held off the secondary market for 30 days following.
- Cut off dates for BOTH of the above; must Mint between 2nd September and 16th September (inclusive), then must hold and not place on secondary market between 17th September and 16th October (inclusive) to receive benefits.





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#4 - DISCOVERY

AS PER STATS.GOV.TZ IN 2021

VOLUME OF SPIRITS AND SPIRIT-BASED DRINKS UP 11.6 PERCENT

The total volume of spirits and spirit-based drinks available for consumption in 2021 rose 11.6 percent

From 2020, to 100 million litres, following rises of 5.2 percent in 2020, 5.6 percent in 2019, and 4.9 percent in 2018.

THE CHANGES BY VOLUME OF THE TWO CATEGORIES WERE:

- spirit-based drinks (containing up to 23 percent alcohol, such as ready-to-drink beverages (RTDs)), up 13.6 percent to 84 million litres
- spirits (containing more than 23 percent alcohol, such as vodka, gin, and whisky), up 2.3 percent to 16 million litres.

The volume of spirit-based drinks rose for the seventh year in a row; the volume of spirits rose for the sixth year in a row..





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#4 - DISCOVERY

WHILE BEER AND WINE VOLUME DECREASED.

Finding that RTD's are the fastest growing beverage in the alcohol industry in New Zealand.

Traditionally New Zealand is between one and two seasons behind the trends of the US and Europe. Currently Tequila based RTDs are booming in this region and have been for the past 2 seasons, steadily growing. New Zealand has a gap we intend to fill.





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#5 - FURTHER KEY INFORMATION

“RTD cocktails took 4% of overall alcohol sales on Drizly in 2021, up from less than 1% in 2019. At 43%, Tequila-based RTD cocktails ranked as the top new drink that Americans want to try most.”

<https://www.thespiritsbusiness.com/2022/05/drizly-us-consumers-to-buy-more-rtds-in-2022/>

“RTD Cocktails Market Worth USD 104.9 Bn By 2032 - Exclusive Report By FMI”

<https://www.scoop.co.nz/stories/BU2204/S00357/rtd-cocktails-marketworth-usd-1049-bn-by-2032-exclusive-report-by-fmi.htm>

“Similar independants in 2017, sold 30,000 bottles in the first two weeks of launching and a million in the first year”

<https://www.stuff.co.nz/business/127004537/better-for-you-rtd-businesses-booming-as-kiwis-reach-for-healthier-alcohol-beverage-options>

THE BLUE TEXT ARE LINKS, COPY AND PASTE LINK TO VIEW ARTICLE.





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#6 - Initial investment

As per our roadmap it stipulates we need 1000 NFT sales to begin production of our RTD. The equivalent value of 1000 NFT's is the investment the Founders are making towards this project.

THE FIRST PRODUCTION RUN WILL BE BETWEEN 30 - 100K UNITS.



FOUNDERS



INVESTORS

PRODUCT



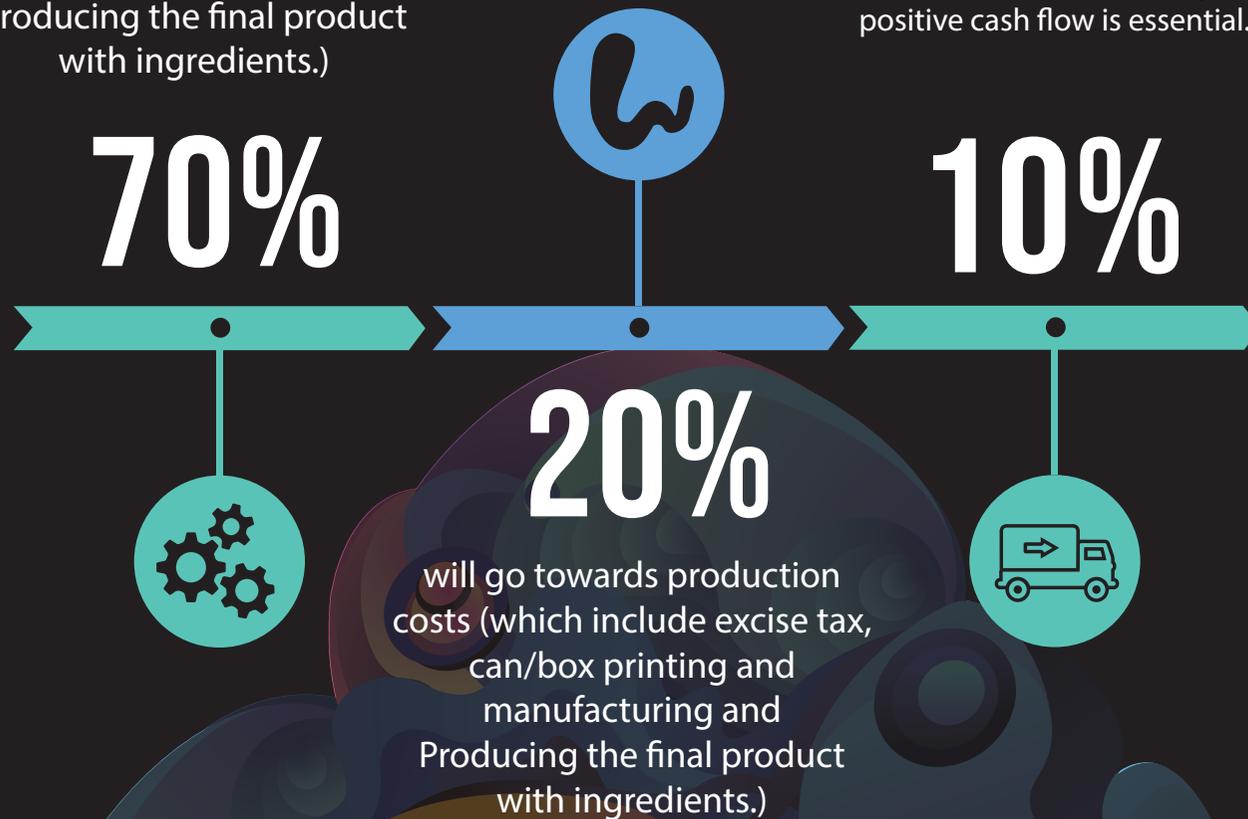


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#7 - Investment percentage breakdown (based on 1000 NFT sales)

will go towards production costs (which include excise tax, can/box printing and manufacturing and Producing the final product with ingredients.)

will go towards logistics (we plan to do the majority of this ourselves as an independent to begin with) and we need a buffer for any incidentals and unknowns. Maintaining positive cash flow is essential.





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#8 - First year projections

We project the ability to move 50k units within 4 weeks.

First year we forecast to sell 1m+ units.

On average the profit on a box of RTD's is 25-35%, however in our case we plan to take net profit as wholesale price minus cost of production (exclusive of marketing, logistics, etc), then take the 10% that goes back to our NFT holders from this figure as an initial "expense", therefore increasing potential returns for our NFT holders.

WE ARE LOOKING AT ROUGHLY A 45-60% ROI IN THE FIRST 12 MONTHS.

The first 12 months of growth will see 90% of the remaining profit go back into development and growth, until which point we reach 1m units, going forward after that we will





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#9 - THE FUTURE

As we develop brand awareness over the first 12 months we will be very focused on the growth of the NZ RTD sales. However with strong Brand awareness we can further develop and move into foreign markets and diversify into other areas of the entertainment industry. This will be supported with our 3 future releases of NFT collections.

**FOR MORE INFORMATION ON ELG
JOIN THE DISCORD**

A large, colorful, stylized illustration of a worm character with a grey body, blue and purple accents, and a rainbow-colored mouth. The worm is positioned behind the El Gusano Party Worms logo.

EL GUSANO
PARTY WORMS



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#3 The burn

EL GUSANO BURNING MECHANISM

Our community is the most important thing to us. Because of this we will look to burn any unminted NFT's at the time production goes ahead (between 4-6 weeks). This will ensure our initial NFT holders will maximise earning potential resulting in a higher return. This is because the 10% profit share will be equally dispersed amongst initial holders, putting more money into your pockets. Additionally, it will also dramatically increase the capital value of the NFT's on the secondary market, by reducing the supply (for example, 2500 to 1000). The reasoning behind this is to ensure that initial holders who enabled the project to come to fruition will be rewarded immensely. An additional benefit to the burn is that people who did not believe in the project in its infancy will not dilute the profit share after the brand is established.

Why not just reduce the supply to begin with? Because the more NFT's sold initially will dramatically increase the size of the first run on production. So we need to stay open to the opportunity to do this. If we have new people come in over the next month, or we have discord members come back after being absent, they need the opportunity to be a part of the project before production is underway. Once we have a product, offering 10% of its profits to someone that hasn't taken any risk to help bring this project to life, only to dilute the profit share of the ones that did, is not in the best interests of our community.

What about new people that never knew about us and didn't have a chance? We have 3 more releases of NFT's. They will have the opportunity to be a part of the brand and wider ecosystem of this project through these. We will continue to build our discord for this purpose, as each release of NFT relates to anew piece of the ecosystem puzzle.

