



ECR Intel

Report 2018

Crypto



- Bonkers
- CashBet
- CasinoCoin Foundation
- HERO
- Wagerr

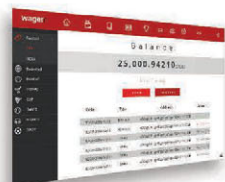
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Introduction

Continued innovation

The betting industry has always firmly embraced technological advancement, and the contributors to this *EGR Crypto Report* extoll the virtues of continued innovation.

Providers would be wise to implement blockchain technology into their systems sooner rather than later. By creating an immutable record of transaction, the technology mitigates risk, resulting in peace of mind for operators, players and regulators.

The other key tech innovation is the rise of cryptocurrencies. The virtual currency could help to further transform the industry by enticing a new generation of players – a matter of high importance in an age of immediacy and innumerable entertainment options.

We hope this report will inspire our readers, and give a flavour of where the industry is headed in 2018 and beyond.

By Ross Law | *Report editor*



BONKERS.IO

THE GAMING ICO



ICO STAGE 2

STARTING 1.6.2018

1 BNKR ~ 0.1000 EURO



VIDEO

TAKE OFF WITH BONKERS.IO

PLAY AT WWW.BONKERS.SPACE



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Featuring: *Wagerr*

A revolutionary network



Jason Tauriello

◆ Director of operations
◆ Wagerr

Jason Tauriello, more famously known as @MMAforMoney, has worked in the sports betting industry for over 18 years. He started working in the industry in 1999, for "TheRX", the first sports handicapping information website/forum on the internet. As the first MMA Handicapper on the sports handicapping forums – and the only one for some time – Tauriello was a pioneer in the field. Tauriello comes from a storied legacy through his apprenticeship to other legends in the industry.

Jason Tauriello, of Wagerr, discusses the factors that make Wagerr a revolutionary sports betting network

EGR Intel (EGR): What is Wagerr?

Jason Tauriello (JT): Wagerr is a revolutionary sports betting network which utilises blockchain technology. We originally started our planning phase in August of 2016. In June 2017, our record-breaking Initial Coin Offering (ICO), which is similar to a crowdfund, raised more money than any sports betting project to date. We then launched our custom-blockchain in February of 2018, and we are currently testing our first phase, H2H, before release in the coming months.

The Wagerr Sports Betting Network is comprised of multiple features in one ecosystem. Head to Head (H2H), our first phase, is comparable to a traditional P2P betting exchange. Multi-user, our second phase, is most similar to Betfair's cross-matching system. And finally, our third phase, on-chain betting, is similar to a traditional sportsbook with a full futures market.

EGR: How does Wagerr use blockchain technology?

JT: Blockchain, also known as digital ledger technology, is a digital ledger, or continually growing list, if you will, of records called 'blocks', which are linked and secured using cryptography. Each block contains a cryptographic hash of the previous block, a timestamp, and transaction data. By design, a blockchain is inherently resistant to modification of the data, which is what makes blockchain or DLT a preferred choice, and the future of the sports betting industry. Wagerr is on the forefront of this technology in our industry.

EGR: So, the network takes the place of the traditional bookmaker as the 'middle man'?

JT: Correct. In all three phases, the blockchain

is powered by 2,000 Oracle Masternodes that are run by 'the people'. Basically, anyone who reserves 25,000WGR coins, and has access to a virtual private server (VPS). The Oracle Component connects to an outside source, and brings data back to the blockchain. In our case, that would be a Live Sports Results Data Feed (API). That user then gets compensated for grading and processing betting tickets for the network. Depending on betting volume, an Oracle Masternode operator can make upwards of \$150,000+ per year.

EGR: Who are Wagerr's competitors?

JT: There are a few other blockchain-based sportsbooks, but we're the only company, at this point, that is crazy enough to try to pull off a fully decentralised betting network, run by Oracle Masternodes, that are owned by the people and run in 50+ different countries around the world.

Since we will have the lowest fees in the world, there's no better place to achieve this for sportsbook operators

EGR: What benefits does the blockchain bring to a sports betting platform, and what makes Wagerr different from its competitors?

JT: The fact that our blockchain is powered by Oracle Masternodes, which are essentially run on 2,000 different servers located around the world, removes the risks associated with other centralised sportsbooks. A typical sportsbook is run on one, maybe even five, or at max, 10 different servers, which are usually all located in the same country, same city, and most of the time, same building. They are easy to attack. A government could even come in and decide they want to bring down said centralised sportsbook for whatever reason. Shutdown the server, shutdown the book. But in the case of Wagerr, once the network is up and running, the whole Wagerr team could die



in a fiery plane crash, the network would still run as usual, and you'd still be able to pull your winnings. That's the difference between being dependent on a centralised entity, and the power of a decentralised entity.

EGR: Wagerr also has its own cryptocurrency coin (WGR) – how is that connected to the blockchain and what is the coin used for?

JT: The Wagerr Coin is a very powerful piece of the Wagerr puzzle. We use a mechanism called “value coupling”. Wagerr charges a modest fee for betting services, just like traditional bookkeepers. But unlike mainstream bookkeepers, the Wagerr blockchain systematically destroys almost half of every fee. Since this reduces the coin supply, increased adoption of Wagerr as the sports betting blockchain of choice gradually drives up the market value of Wagerr. What's good for bettors is great for investors; it's a simple matter of supply and demand. In simple terms, you will make money just by keeping Wagerr in your wallet.

EGR: How does Wagerr handle users' privacy?

JT: Wagerr is the only sports betting coin in the

world to employ anonymous transactions through Zerocoin Technology. Zerocoin adds true cryptographic anonymity to transactions. No other sportsbook in the world has been able to employ this technology to date, besides Wagerr.

EGR: Who are Wagerr's targeted users?

JT: In simple terms? Everyone. To get a bit deeper? The people that I personally feel could use Wagerr the most, are those who live in countries with extreme regulation. Also, professional bettors who have been limited or banned from numerous sportsbooks for winning too much. Lastly, sportsbooks that are looking to limit liability. Since we will have the lowest fees in the world, there's no better place to achieve this for sportsbook operators.

EGR: Where do you see Wagerr in 10 years?

JT: I honestly see Wagerr as the number one preferred sports betting network in the world. I realise that there's a lot of work still left to be done in order to achieve this lofty goal, but when development is complete, you will need 4-5 different sportsbooks to do the same things you could do under one umbrella, in the Wagerr network. ♦



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- ✓ Simple onboarding
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- ✓ Your platform



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Featuring: *Bonkers*

A place for fun



Franz Gerhard

◆ CEO
◆ Bonkers

Aside from leading tech companies close to the remote gaming industry for the past seven years, Gerhard has been in the egaming business since the mid-2000s, bringing years of experience in managing, crafting and growing online gaming business.

Franz Gerhard, CEO of Bonkers, explains the firm's product offering and the value of the blockchain

EGR Intel (EGR): What is the Bonkers ICO?

Franz Gerhard (FG): The Bonkers ICO marks the next evolution of the online betting and casino experience. By leveraging in-house and blockchain technology, our gaming site will unite the benefits of the crypto world with traditional online gaming.

Our token is called Bonkers (BNKR) and is the exclusive token of the bonkers space project. The total supply is equal to 418,333,333 BNKR tokens, out of which 60% are distributed to the community. The soft cap is set at €2m and €1.5m has been reached at the time of writing. The hard cap is €20m.

EGR: What is your view on innovation in the egaming industry?

FG: I always take claims of innovation with a pinch of salt. This is not to say that innovation only ever exists inside the heads of marketing people, but I believe that innovation should be more about visible results than fantastic ideas, which often don't lead anywhere.

Upon closer inspection, the word 'innovation' usually just means that an existing process has been updated to meet the latest standards, or that a new workflow has been put in place to further simplify an existing process. I deliberately ignore new products/services since they are of course not introduced as innovations when it's opportunistic to market them as being 'revolutionary'.

I will leave it up to the observer to consider what it is that we at Bonkers are doing. Personally, I think of our venture as being more practical than anything else. There are other attributes, of course, but, really, there's no sense in losing ourselves in jargon. We are focused on simplifying all processes unrelated to what we actually supply to end users, which is entertainment.

EGR: How are you simplifying your users' experience online?

FG: Opening accounts, logging in, remembering passwords, depositing funds, reviewing content/promotions and following the account ledgers are just some of the everyday annoyances average users experience. The registration/login areas, though, are the biggest thorns in my side. In pursuit of losing them, we have worked out/are currently implementing a concept that would save users from the hassle of registering/logging in to our website. You may now think of a million reasons why this is either not feasible or cannot be done at all. I cannot address all of those concerns here but know that this certainly can be done and is very feasible.

There are already so many top Silicon Valley COOs busy understanding who you are that we don't think you need another unnecessary page where the intention is to to sell your data to the highest bidder. Remember, if a product is free, you are the service! Our product is not free, so we have all the more reason to protect our clients. Given the digital footprint you are leaving anyway, we believe this is best done if we don't know you in person!

Innovation should be more about visible results than fantastic ideas

I can hear you crying out for money laundering, risk management, marketing and other aspects you would no longer be able to suitably address without knowing who your client was. Of course, this is also entirely untrue, so keep checking www.bonkers.io over the coming weeks to learn more about this concept.

EGR: What is the value in blockchain?

FG: Online gaming is about entertainment, just like the cinema, amusement parks, cars, motorcycles and shopping sprees with your wife. Okay, forget about that last one. This is what the Bonkers' crew does: provide a crazy and fun place with a great atmosphere.

Given that past ICOs have always introduced blockchain use-cases, i.e. reasons why the pro-



Featuring: Bonkers

ject can't work without blockchain technology, we thought long and hard before implementing an ICO, since online gaming works perfectly fine without the blockchain or similar concepts like the tangle.

Would you consider it feasible to add results distributed by a random number generator into a public blockchain for transparency? Overall it sounds like a romantic, easy to achieve idea, and one that could easily be agreed upon in a meeting about high-level matters. In actual fact that idea would serve as an additional measure on top of the constant scrutiny regulators are putting operators under. Unfortunately, the technical options available today are far from ideal to get that job done due to transaction volume and associated costs. Solutions are underway and while we are waiting for the most feasible one to materialise, our use-cases reach far beyond the RNG.

We will be using blockchain technology to ensure compliance with the latest GDPR rules. As you may know, starting from May 2018, users will have the 'right to be forgotten'. We will mirror our knowledge about the properties identifying a user within a private industry backend blockchain.

Another thing we couldn't do without the use of blockchain is offer smart contracts to authorities, regardless of whether they were keen on consuming them or not. Applying for gaming licences is a cum-

bersome process all around Europe and the world. We will initially go for Malta, but it won't stop there. The truth, however, is that many markets are first tackled with a Malta licence for upgrading to a local jurisdiction's licence whenever a certain user-base gets built. This is a widely adopted and also tolerated process. Many operators are delivering a hypothetical amount of taxes generated through local revenues just to keep the authorities at bay. Offering smart contracts to them will put authorities in a position to use contract-based methods to query revenues generated in their jurisdiction at any time.

We believe that this unparalleled level of transparency will give us the edge to quickly achieve compliance and gain traction in any market we are entering.

Some of the blockchain use-cases may first appear as rather boring to read and/or understand. But mind you, technological advancements are about being productive and practical. While these use-cases are fundamental towards getting our job done in a much more sophisticated and streamlined way, there are even more benefits available through the blockchain such as community voting, secured affiliate deals and many promotional offers exclusively available to token holders. ♦

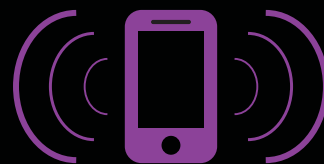
For more information about our USP's please visit <https://bonkers.io/#vision>

Online gaming industry intelligence and networking community, accessible wherever you are.

EGR is the leading intelligence and networking community dedicated to the online gaming industry. Whatever your role and its challenges, our specialist networks will give you the tools to improve customer acquisition and retention, benchmark against peers, comply with regulations and guide decision making.



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Market & Competitor Analysis

Featuring: *CasinoCoin*

The CasinoCoin solution



John Caldwell

◆ Director of
advocacy
◆ CasinoCoin

John Caldwell, director of advocacy, has over 15 years' experience in the gaming industry, including a stint as CEO and editor-in-chief of PokerNews.com, where he helped grow the company from a team of three to over 70 employees and contractors. Through to his time as a director at PokerStars, Caldwell has served on executive and marketing leadership teams.

The CasinoCoin Foundation detail the firm's blockchain-powered payment solution

EGR Intel (EGR): What is CasinoCoin?

CasinoCoin (CSC): CasinoCoin is a blockchain-powered payment solution, designed for regulated gaming markets. The CSC blockchain, while based on Ripple source code (which is widely used within the banking industry), is its own custom-made blockchain. It has been built with users, gaming operators and regulators in mind, making it unique in the crypto gaming world. Our soon-to-launch Bankroll Manager (BRM) app features built in KYC and AML capabilities and responsible gaming options, which provides an unparalleled payment option in this space.

CasinoCoin aims to complement the gaming industry by offering an intersection in the growing market of crypto players and gaming operators to ultimately provide a safe, secure and transparent solution for crypto gaming.

EGR: Who are your main competitors and how do you stand out?

CSC: While there are multiple crypto gaming projects in development, we see many developing content and/or platforms. CasinoCoin has taken a different route, developing a blockchain-powered, crypto-based payment solution, with the aim of providing a service to regulated gaming operators.

CasinoCoin has not raised money via an Initial Coin Offering (ICO), and we have no ambition to become an operator or a platform. Our approach has been to start by developing a product that has genuine utility before coming to market, because we believe the best application of blockchain technology in the online gaming space is to create an easy-to-use, safe, secure and lightning fast payment solution with extremely low fees.

Cryptocurrency and blockchain are very new to the online gaming world. So our view is that all projects should, at least partially, focus on helping the category grow and develop, by educating the gaming

industry on the benefits of cryptocurrency and blockchain technology.

EGR: How do you mitigate risks/costs for operators?

CSC: CasinoCoin helps to mitigate risk and cost, not just to operators, but players and regulators as well.

Financially

Integrating CasinoCoin will greatly reduce operational costs for operators and players. Specifically, transactions are irreversible, so there are no charge-back costs, and the current cost of a CSC transaction is 0.001 CSC (regardless of the transfer amount) which is less than \$0.01.

Accountability and regulation

Crypto is still somewhat held back by its early reputation of being 'dodgy' and only used on the black market. We at CasinoCoin know how important authenticity and accountability are, and we have therefore created multiple features in our BRM App with the gaming industry in mind. CasinoCoin will only work within regulated markets, and every player coming through the BRM App will go through stringent KYC verification, provided by CasinoCoin's industry-leading partner Jumio, thus removing the responsibility and cost of these checks to operators. These pre-vetted players will then deposit onto operator sites, with the funds clearing almost instantly. The transparent nature of blockchain allows a trace of every transaction back to the coin origin, so operators have complete visibility of the flow of funds coming in.

Experience

The CasinoCoin Foundation board of trustees come from varying backgrounds, each with deep expertise in online gaming, crypto, technology and/or finance. Anthony Page, fiduciary director, has decades of experience in the world of finance, having worked with financial firms and run the family offices of high-net-worth individuals. He has deep knowledge of how real world financial systems work; including multi-

jurisdictional organisations, banking compliance, FSA and FCA; as well as an indisputable ethical code of conduct.

Anthony, John and the rest of the board of trustees are supported by a board of advisors, made up of gaming industry veterans, as well as the core marketing and operations team. Between them they bring decades of experience within gaming, blockchain and technical development. This gives us huge credibility and, among other things, mitigates the risk of the product not being suitable or relevant for its intended market. CasinoCoin has been created with the gaming industry in mind, and designed to respond to its needs.

Independence

We are not, and never will be, a gaming operator or platform. We are not affiliated to operators, and all partners receive the same benefits from using CasinoCoin. We want to help all of our partners be more successful.

EGR: What challenges are you facing in 2018 and how will you deal with them?

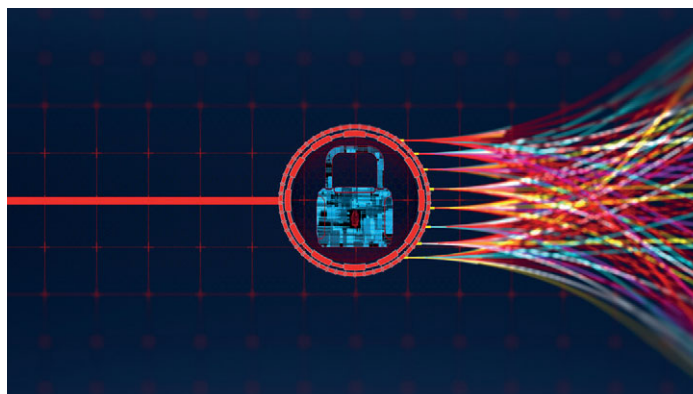
CSC: We see three main challenges over the coming months, perhaps years:

Regulation and compliance

Crypto, and the blockchain technology behind it, is still very new. We recognise that regulated gaming operators seek clear guidance on how to operate in this space, and for now there is no regulatory precedent. Many of the regulated jurisdictions we are speaking to have just started, or are in the process of starting, to develop a framework and we will happily assist in the process through consultation, sandbox trials, or however else the jurisdictions see fit.

Education for users

This is somewhat related to the compliance point, but there are separate educational challenges directly related to users. Although the crypto space boomed in 2017, only a tiny percentage of the world currently know how crypto really works. One of the core principles of cryptocurrency is the removal of third-party trust – “be your own bank”. Storing your crypto safely is more difficult than storing your cash, and it currently involves digital back-ups, long strings of letters and numbers, and mnemonic phrases. Those in the crypto community are familiar and comfortable with these processes, but educating your average online gaming customer will certainly be a challenge.



Education for operators

The volatility of cryptocurrencies is well known, and this brings a challenge for operators to hedge their risk against fiat. We're working with some top treasury consultants to advise on best practices relating to this, and will work hand in hand with all our operating partners to help mitigate any potential financial risk.

We believe the best application of blockchain technology in the online gaming space is to create an easy-to-use, safe, secure and lightning fast payment solution with extremely low fees

Building trust

It's no secret that there are people attempting to scam users out of their cryptocurrency. There are multiple examples of millions of dollars being stolen through hacks and identity theft. These occurrences have left a black mark on the crypto world, but there are still many legitimate projects in operation, each utilising this new technology to innovate and progress various industries. We hope that the merit of our board, our transparent strategy and general ethos of the CasinoCoin Foundation will lead towards building a strong level of trust within the online gaming industry.

CasinoCoin ultimately believes that blockchain technology is here to stay. The number of users of cryptocurrency will continue to grow exponentially, and the potential for blockchain technology use hasn't even begun; we see more prevalence across sectors, and usage going through the roof. We want to help operators and regulators to enter this market right at the beginning. ♦

Featuring: *CashBet*

Cryptocurrencies as a catalyst for egaming growth



Mike Reaves

◆ CEO
◆ CashBet

Mike Reaves is CEO and co-founder of CashBet. He has over 20 years of software development and IT experience, focused on gaming, search, and advertising. Reaves led the product development team at US Digital Gaming, and products and services at CyberArts, where he expanded the egaming company's product line from poker to casino games, bingo, and back-of-house systems. Reaves holds a Ph.D. in Physics from the University of Connecticut.

Mike Reaves, CEO at CashBet, explains how cryptocurrencies can power growth across the egaming sector by expanding its reach and engaging a new type of player

Anyone who attended ICE this February will have noticed that bitcoin, cryptocurrencies and blockchain technology were top of the agenda for many operators and suppliers.

While our industry is very eager to learn about ways to leverage the blockchain, at the same time it is clear there is a great deal of educational work to be done on the issue.

Bitcoin casinos are nothing new and have been operating for several years now. What the new breed of crypto operator and providers – led by CashBet – will do is create a full casino gaming platform on the blockchain, accompanied by its own dedicated cryptocurrency.

The benefits of this are multiple and have the power to completely reinvent online gaming.

Engaging a different type of player

Operators in Europe's mature gaming markets will understand the challenge of maintaining growth against a series of headwinds well.

Consolidation in the sector has made scale even more important, competition has never been so intense, and regulatory and taxation burdens continue to grow.

Against this backdrop, reaching a broader audience of players has never been more important, yet the egaming sector has consistently struggled to engage certain demographics, particularly millennials.

In some senses, this is no surprise. The choice of entertainment options the average 18-30 holds in the palm of their hand is unprecedented. It is no longer enough to offer a product that is better than other egaming products; to succeed, you must stack

up against videogames, YouTube and Netflix.

At CashBet, we see cryptocurrency as an opportunity to reach a young, tech-savvy audience of potential customers who have not previously engaged with traditional online casinos or sportsbooks.

There are plenty of cross-overs between the audiences of egaming and cryptocurrency, too. Certainly, those who have ridden the highs and lows of bitcoin over the past months are already attuned to the idea of risk and reward.

Let's not forget that the rise of bitcoin and other cryptocurrencies over the past year or so has created a \$500bn global market. Many participants in this market regularly trade on exchanges and are familiar with the mechanisms of betting and gaming.

We see cryptocurrency as an opportunity to reach a young, tech-savvy audience of potential customers who have not previously engaged with traditional online casinos or sportsbooks

New markets

According to the World Bank's Global Financial Inclusion database, around two billion people worldwide are unbanked.

An increasing share of these people now have a growing disposable income and a mobile device – but not the ability to participate in the global economy.

The blockchain, and cryptocurrencies, offer a solution to this problem, enabling anyone with a mobile device to safely and securely store and transfer value.

The implications of this for the online entertainment industry cannot be underestimated. As internet connections improve, it could open up services such as Netflix and Spotify to audiences in regions which traditionally have not been able to participate.



And for gaming, it could also be a game-changer. We have already seen retail betting thrive across sub-Saharan Africa among a growing middle class. So far, online options have been limited. While some have made admirable attempts at utilising local payment methods, the blockchain offers a far more universal solution.

Building trust

Bitcoin, cryptocurrencies and the blockchain have not always received the best press, with many of the headlines focused on scams, hacks, bans and extreme volatility.

For the gaming sector, a big part of the challenge is educating operators and customers on the benefits of blockchain technology, and the ways it can deliver a secure, provably fair and transparent gaming experience.

Regulators are already beginning to take notice of the potential of blockchain technology, with the MGA among the first to develop a licensing framework.

The nature of the blockchain as a transparent public ledger in fact provides all manner of possibilities for regulators across everything from responsible gaming to tracking tax contributions.

From a player's perspective, being able to show, beyond doubt, that the games they are playing are fair is a particularly powerful tool, especially in emerging markets without sound legislation to protect players.

The future is here

It will be no surprise to see major operators enter the crypto space in the coming months. CashBet recently signed a landmark deal with Novomatic's Greentube subsidiary, which will see CashBet Coin added as a payment method across its GameTwist social gaming platform.

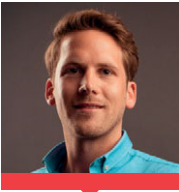
We expect to announce a series of deals in the coming months which will further expand the number of places where CashBet Coin can be used, once its ICO is complete.

At the same time, our strategic partnership with Arsenal Football Club, the first deal of its kind, is paying dividends as we continue to market CashBet Coin to a global audience.

Ultimately, the use-case for cryptocurrency in the online gaming space is simply too compelling to ignore. As operators, regulators and players become more educated on the matter, it will have the power to be a game-changer across our sector. ♦

Featuring: *HERO*

Embracing tech



Paul Polterauer
◆ CEO
◆ HERO

Paul Polterauer, CEO of HERO, founded herosphere.gg with a current user base of more than 250k registered users and successfully performed the first ICO of Austria in 2017 with HEROCOIN. During his career at PwC he worked on one of the largest deals in Austria at this time and projects like the asset quality review for the European Central Bank's stress tests.

Paul Polterauer, of HERO, describes the firm's vision and their goal of reintegrating the social character to betting by bringing the blockchain to the game

EGR Intel (EGR): How did you get started in the esports industry?

Paul Polterauer (PP): When I was in my mid-twenties, I was constantly betting with my friends on small challenges or events. We played soccer together and betting was part of our community back then. That was when I had the idea to digitise our challenges, which would have significant advantages: you wouldn't need to have the right amount of cash with you all the time, plus handling was easier and yet the social element of betting could still be retained. We started a platform that we called "the social bet".

With our project, we want to make betting transparent and risk-free for everyone

At the same, the esports market started to grow rapidly; we saw an opportunity and we took it. That was when we built www.herosphere.gg, which now counts over 250,000 registered users. During this time, however, esports has faced a number of challenges including fraudulent moves to trick users into trading their skins (2017's CS:GO Lotto scandal, for instance), and other scams to take money off of users.

That is why our ICO and the blockchain were the logical next step for us: we want to bring transparency to the game and drastically lower the risk of manipulation.

EGR: What have been the key developments for HERO in recent times?

PP: Last September, we launched the first ICO in Austria with HEROCOIN. Before HEROCOIN, we built an esports platform, herosphere.gg, which enabled peer-to-peer betting. Our goal was to cut out the middle man so that the community – and not

the house – would always win. The other aim was to offer a compelling and inclusive infrastructure, not only for our platform but for all gaming providers. So the blockchain and the ICO was the logical step in taking our vision to the next level.

EGR: You recently relaunched your platform herosphere.gg – what was that like?

PP: A few weeks ago we relaunched our platform. It is now built on state-of-the-art technology, has a completely new user experience and – due to a partnership with Abios Gaming – offers more games, contests and ways of winning (such as Top100, Winner Takes It All, and 50% doubling). Additionally, the relaunched platform features fully automated processes (fast handling of rankings for example) and has an added fantasy feature.

Our relaunch is a big step in the history of our company, and the last big step before we introduce HEROCOIN on herosphere.gg at the beginning of June. With its relaunch, herosphere.gg has become more attractive for everyone in the world of egaming, and it has never been a more compelling time to join Hero's network and roll out one's services through smart contracts and the blockchain.

EGR: Why does the gaming industry 'get' crypto?

PP: The gaming industry has been dealing with 'virtual money' for the last 10 years. Jared Psigoda, the CEO of BitGuild, recently said in a *Forbes* article by Rachel Wolfson: "Gamers in particular understand cryptocurrency because virtual money has been a part of gaming for the last 10 years. For example, dating back to World of Warcraft, there was a one-hundred million dollar market for buying digital gold. This was the main currency used in World of Warcraft to buy in-game assets, like dragons. However, it would take gamers a tremendous amount of time to acquire digital gold, so they would use real money instead to buy in-game assets."

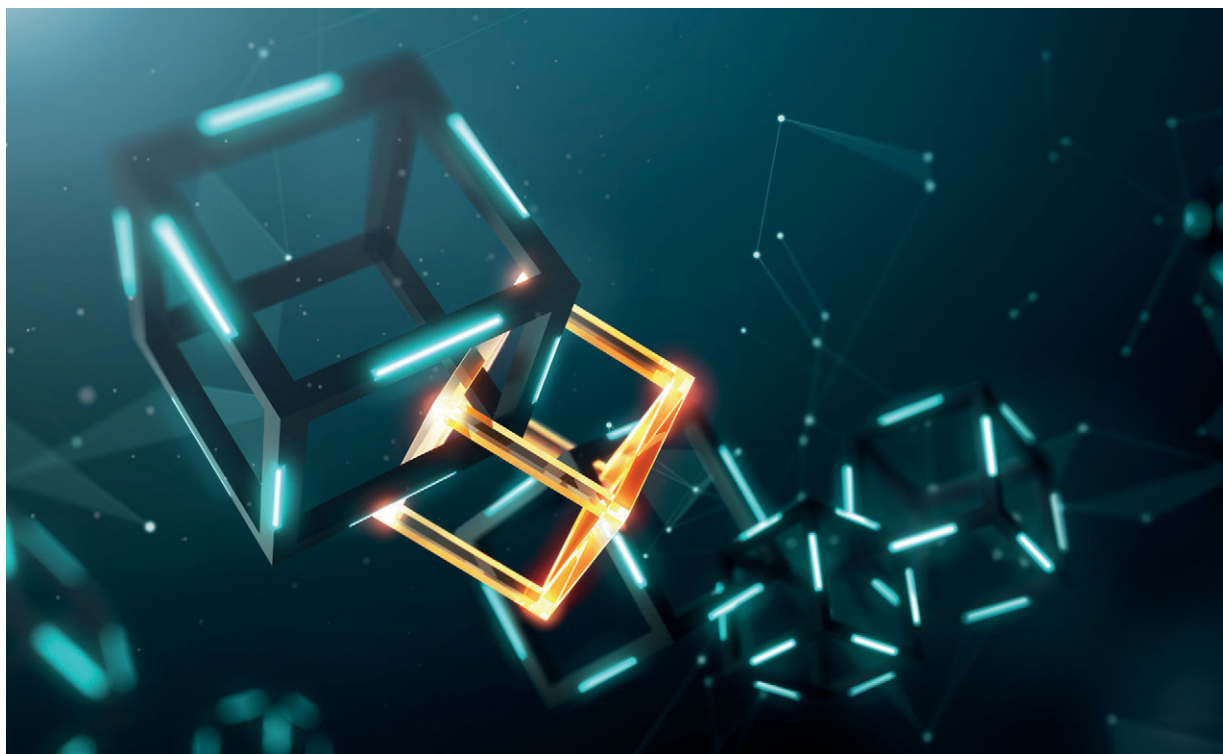
I completely agree with Jared Psigoda. The gaming industry has been dealing with virtual currency for as long as it has existed. This currency wasn't necessarily linked to real money, but it could be. This fact

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has undoubtedly given gamers a head-start in their comprehension of the crypto world.

EGR: What are the other key benefits of HEROcoin?

PP: We have made it our number one goal to change today's centralised way of egaming. Centralised systems create excessive risks for users like exploitation of user data, prohibitive legal regulations, vulnerability to manipulation and denial of withdrawals. With our ICO, we want to make betting transparent and risk-free for everyone.

In order to fight against the issues the egaming industry faces today, we started to explore how the blockchain could help us reach these goals. HEROcoin was born last September. Our advantages? 1% of all pots played are given back to all token holders. Additionally, anyone who creates contests for the community or a closed group is rewarded. This means great profit possibilities for every single user.

There is no bookmaker involved but the system runs the bets. HERO, at the same time, creates a transparent network, allowing for natural expansion by its own community. It is designed so that not only our own platform, but existing providers can implement HERO and emerging ones can build their systems on our HERO network and commu-

nity. In addition this system creates new revenue streams for everyone in the community.

Together with a known legal agency, we have successfully managed to set up our ICO under a clear legal framework, resulting in Austria's first ever ICO. In our home country we have been pioneering legal changes, which is also why we were recently called in as an advisor for the Malta Gaming Authority, who is exploring how to extend their gaming licence to include cryptocurrencies. We have just given feedback on their second draft and the final licence will be available within the next few months.

EGR: You have a rapidly growing fan base – what has impressed you the most?

PP: We have a very active community that has been amazingly supportive during the past few years. One of our biggest fans recently tattooed our HEROcoin symbol on his leg! This was very impressive to me, as a tattoo lasts forever. To see that our work has such an impact on our fans is what keeps me going every day.

We have the true intention of bringing the whole industry to a new level and work together with leading experts as well as traditional providers with a long history of knowledge. ♦



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