

PREFACE

Ioud Castles creatively merges elements of role-playing games (RPGs) with real-time strategy (RTS) and tactics, where players collect and evolve fantasy creatures, deploy teams in breathtaking environments, and direct their magical beings in fast-paced battles.

Designed and produced by veteran game developers at Digital Insight Games (DIG) and led by the creator of *Heroes of Might and Magic*, *Cloud Castles* gameplay invites players to a truly next-level gaming experience. Deeply immersive and powerfully engaging, players encounter stunningly detailed renderings created by the most advanced technology available. Furthermore, by integrating blockchain technology, players have full ownership of everything that they acquire, collect, modify, build, and achieve.

Executive produced and directed by Jon Van Caneghem, the creator of Heroes of Might and Magic

AAA game experience developed by video game veterans at Digital Insight Games (DIG)

Dynamic role-playing game experience with real-time strategy and tactics in fast-paced battles

Fantasy creatures and artifacts to collect, evolve, customize, and own via blockchain technology

Lush battlegrounds rendered in stunning detail with advanced tech like Unreal Engine 5

Fellowships to create, join, and compete against

Tournaments and leaderboards which offer rare and unique prizes

An Auction House to buy and sell assets with other players

Next-gen in-game economy: own land and collect rewards

Extensive web3 features such as Decentralized Autonomous Organization (DAO) support, the ability to earn validator-staking and liquidity-providing rewards, and the buying, selling, trading, borrowing, lending, and staking of digital assets

Adopting the use of the \$DIG token and utilizing DIG blockchain (utilizing Avalanche subnet), which is 100% environmentally friendly, net carbon neutral, and utilizes proof-of-stake consensus mechanism

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Two civilizations, ravaged by ancient conflict, clash in a sky rife with powerful wizards. They breathe life into stone to animate fantastical creatures, inscribe them with runes to augment their strength and skills, and command them in epic battles. These statue creatures can be evolved, improved, and traded to assemble formidable rosters of fierce combatants to dominate opponents.



TORN APART

Elisus is a fractured realm. Eons ago, an apocalyptic war triggered a cataclysm that shattered the world. The descendants of the survivors now live on clusters of islands floating in an endless sky of clouds and castles.

Patriam was and is a peaceful community, and Debellator its ancient aggressor. The war between them, the Grieving, was devastating because both sides were so evenly matched. But still Debellator pressed on despite enormous losses, and Patriam refused to capitulate, for it knew that surrender would carry an even worse fate.

When both sides were near the brink of destruction, Debellator foolishly attempted to not just tap into the magic from the earth, but to rip it from the soil, to obtain unprecedented amounts for themselves and also to keep it from Patriam. They saw too late that this magic was the very glue which held the world together.

After the Shattering, as generations passed, Patriam rebuilt on its cluster of islands, seeing no sign of Debellator... but still, they maintained a defensive force of wizards, led by Command, along the periphery, just in case...

Then an Emissary arrived.

CHALLENGED

The Emissary assured the citizens of Patriam that Debellator was thriving, and issued a challenge...a friendly contest of sorts. Wizards of both sides would magically animate statues of fantastic creatures and pit them against each other in battles of might and magic, as a civilized expression of their chaotic and destructive rivalry of the distant past.

But Command knew the true motive and suspected that Debellator didn't even care whether their real goal was known. Debellator intended to invade Patriam again, and this "friendly" contest was to test Patriam's strength. To refuse would lead to war, sooner or later, so Command decided the only way to destroy any hope of victory for Debellator was to agree to the challenge and prevail.

And they did. But it was only the beginning...





CONTESTED

Debellator issued more challenges, to be executed simultaneously. They had seen that their best were not as skilled as Patriam's, but could they make up for lesser skill with greater numbers? For Patriam's Command, the situation remained unchanged; they needed to accept all challenges and win most – if not all – to show Debellator the futility of a real invasion. And so it went on, for a time...

More and more challenges were issued, everincreasing in number, until Patriam could no longer keep up and needed to recruit more wizards...but the new recruits weren't nearly as powerful or skilled, and Patriam began to lose contests...

Patriam accelerated recruitment, and as new recruits sparred against each other to hone their skill, Command stepped up the production of powerful artifacts to be used in battle. But soon, there were so many wizards with skills and artifacts in constant flux that Command could no longer organize every aspect of the effort directly anymore.

The wizards would have to do it themselves.

ORGANIZED

Patriam's wizards began to challenge each other, to practice and improve, but also to rank themselves. This way, when it came to actual challenges from Debellator, Command would know whom to send. They track all contests and rank the skill of Debellator wizards, too, so when a challenge is issued,

Command can match it up with a Patriam wizard of the same power and skill. There are so many challenges, sending a high-ranking wizard to a medium challenge might mean that wizard isn't available to battle a highranking challenge at the same time elsewhere.

Similarly, Command doesn't spend any focus on how to distribute resources. It simply dispenses them randomly as they become ready to winners of sparring matches. If wizards want different or particular items of power than what is issued, it is up to them to trade among themselves. To this end, a trade economy evolved, and the army of Patriam wizards selforganized. Since then, all that the wizards require from Command are resource drops and battle assignments.

ON THE BRINK

Today, the citizens of Patriam simply go about their lives, largely ignorant of the returning threat from Debellator, and the scattered lands between the two dominions host a desperate series of battles. The outcomes are all that stand in the way of a real invasion, devastating warfare, and possibly the end of all civilization scattered throughout Elisus.

DEFENDED BY FANTASTIC CREATURES

Wizards don't engage in direct combat themselves. They possess battalions of stone statues, carved in the likenesses of fantastic creatures. These statues, when animated by magic, possess the strength and powers of the beings they depict. Wizards can also augment them with artifacts to impart even more power and special abilities.

The magic to animate these statues comes from the land itself. This magical energy infuses the landscape in vast networks of veins running through the ground, which is why the world shattered when Debellator tried to rip it from the soil. These veins exude vibrant spirit sparks, a magical and powerful energy that only wizards can tap in discrete amounts and use in battle.

Spirit sparks don't bring statues to life directly. They are gathered by wizards and formed into souls, and it's these souls that animate the statues. It's possible, even necessary, to infuse each statue with many souls at once, and the more souls a statue holds, the more damage it can inflict and sustain. When enough damage is taken by a creature, one of its souls gets ejected. Once the last soul leaves, the creature reverts to stone and can no longer fight until recharged in a later battle.

A wizard's power and resources are primarily defined by the creatures they command in battle, the

augmentations given to them, and how much combat they have seen. However, brute force and ample resources are not enough. A successful wizard must also be an expert strategist and swift tactician.





OVERVIEW

With the world of Elisus in fragments, the days of vast armies clashing on a single battlefield are gone. Conflict has fractured into fighting on countless separate arenas of battle, a handful of warriors on each.

Key Elements

Strategic deployment and tactical control of fantastic creatures in real-time combat

AAA gameplay innovated and developed by video game industry veterans

Breathtaking environments and visual effects created with leading edge technology

Accessible yet deeply challenging player-versus-player gameplay, updated seasonally

Broadly supported and promoted social features, both cooperative and competitive

Seamlessly integrated blockchain features supporting ownership, control, and fairness

The fight to protect Patriam from another invasion is precarious. It requires a combination of skillfully collecting and evolving a battalion of fantastic creatures, quickly assembling teams at the start of each battle to suit local conditions, and executing tactical decisions in the heat of combat to dominate opponents.

It all comes down to creatures in epic battles.

CREATURES

Creatures are actually stone statues magically carved by Command, and these statues are vessels which players fill with magical energy to animate them for combat. When alive and within attack range of an enemy, creatures automatically fight for as long as the enemy is in reach. However, the strategic deployment and movement of creatures on the battlefield, and the tactical use of special abilities, is entirely directed by players.



Definition

Creatures are defined by many parameters, in three main categories.



Innate

These attributes never change. For example, whether a creature is a phoenix or an ogre, or if the creature's attack type is Melee or Ranged.



Intrinsic

These stats can be improved over time. For example, a creature's movement speed, or the amount of damage its attacks inflict.



Extrinsic

These elements take the form of Artifacts fitted to a creature to augment its strength or abilities. For example, a magic glyph that boosts a creature's strength or adds poison to its basic attack.

PARAMETER



Form
Movement
Affinity
Evolution
Level
Health Points
Attack Points
Attack Rate
Range
Special Abilities
Defense
Movement
Soul Sparks
Artifacts
And more

Shape, size, intrinsic abilities Grounded or airborne Elemental type Multiple stages Degree of advancement Amount of life magic Attack damage Attack damage Attack frequency Attack reach Unique per creature Ability to deflect damage Speed per terrain type Spirit Sparks per Soul Special boosts & abilities



Affinity

Creatures have one of six affinities: one of four basic types, or a connection to the Sun or the Moon. A creature's affinity affects how it interacts with terrain: one type might quickly and easily traverse across or through fire elements but can be blocked by water. It also changes how a Creature interacts with opponents: one type might be strong against certain types but weak against others.

Appearance

When not in battle, creatures are statues carved from stone. On the battlefield, infused with magical energy, they come to life as colorful and vibrant fantasy creatures, fully animated and bursting with rich audio and visual effects. When a creature is defeated in combat, it doesn't die, it merely reverts to its statue form until it gets reanimated in a subsequent battle.

Acquisition

When players first begin, they are given starter creatures – enough to battle with. But to be effective in combat, players must both improve their creatures and acquire more types. Players can obtain additional creatures directly from Command, or they can buy them from other players.

But Command is not a store with a wide selection – it's mainly a source of select new creature statues. At any given moment, Command is rapidly carving statues of a single or a few types, for example, a hydra. First, they make a fixed number of Limited Edition hydra statues, followed by a temporarily uncapped supply of Stock hydra statues, but even these are only sold until Command retools to carve the next type of creature statue. After this, the only way to ever obtain one of those hydras would be to buy one from another player.



Advancement



As players and creatures battle, this process leads to improving the strength, fortitude, power, and capability of creatures over time, increasing parameter values and unlocking new abilities. Players have discretion over which creatures they advance, when, and by how much.

Creatures also have major thresholds where they can be transitioned into even more powerful, evolved versions of themselves via Enlightenment, during which they can be specialized in ways that players can use strategically in combat.

Enlightenment Process

Enlightenment Potion

GAMEPLAY

NAGA

MOON NAGA

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Augmentation

Augmentation is the process of improving the stats or abilities of creatures, and Artifacts are what perform that augmentation. Some Artifacts can be effectively applied to any creature – like a health increase – while others are only useful to certain types – like a flight speed boost.

These Artifacts are distributed to players by Command based on battles fought and their performance in each, and – just like with creatures – Artifacts can be improved over time.

All creatures of the same type are carved the same and have identical parameters. It is by advancement and augmentation only that they become stronger and more capable. Creatures are more or less effective than each other in different ways, but they all have strengths and weaknesses and other factors that balance them out in actual combat.

EARN ESSENCE

USE STATUES IN COMBAT

BETTER PERFORMANCE INCREASES EFFICIENCY USE ESSENCE TO UPGRADE STATUES

BETTER STATS INCREASES PERFORMANCE UPGRADING STATUES INCREASES STATS

COMBAT

All battles start with players being matched with an opponent of similar power and skill. It's important to acquire more and better creatures, augment them, and gain experience, to succeed against stronger opponents and win greater rewards; but in the matches themselves, success comes down to strategy and tactics.





Select a Team

Only a handful of creatures fight in a battle, but players are motivated to own as many different creatures as possible to use the most appropriate ones in any given match. Choosing which creatures to use in a battle comes down to three considerations.

Terrain Factors

Matches begin by assigning players to a Battle Arena. These can be actual arenas or natural environments, and each has unique terrain types, like desert or grassland, plus elements like rivers or lava flows, as well as navigation aids and obstacles, such as bridges and walls. Every creature is defined by its affinity, so one type of creature might move faster in a desert than other types, and also be able to traverse lava where others might be blocked.







Team Dynamics

Creatures have balanced strengths and weaknesses in their basic stats, like slow but strong, or fast but less robust. They also have attributes like whether they are ground-based or flying creatures, or whether they fight melee or with ranged attacks.

This opens up possibilities for a broad spectrum of strategies. When composing a battle team, one approach might be to choose creatures whose strengths compensate for each other's weaknesses, or another might be to double down on certain strengths. Ultimately, the best team selection is a gestalt where the individual creature contributions of your deployed team synergize with each other intelligently.



Threat Assessment

The process of opponents selecting their teams is done in tandem. When the Battle Arena is revealed, both sides pick their first creature – based on terrain and anticipated team composition – and each player's choice is revealed to their opponent simultaneously. Next, the two sides pick their second creature, now also in light of their opponent's first pick. This stepwise process continues until the teams are selected.

SKILL AND STRATEGY

COLLECTION OF STATUES AND VARIETY OF OPTIONS

VICTORY IN COMBAT

Deploy

Once the teams are settled, players position their creature statues according to how they want to strategically navigate the particular elements of the Battle Arena. Players do not see their opponents' statues until deployment is complete, then all the starting placements are revealed.

Vitalize

Animating creature statues with magical energy is more than just bringing them to life. It's a major strategic choice because players decide how much energy to put into each statue.

- Arenas are charged with spirit sparks, which are flecks of magical energy generated in the environment. Right before a battle, opposing wizards draw all the spirit sparks to them, with half going to each.
- To bring a creature statue to life, it needs a soul, made of spirit sparks, and each soul needs a different amount, e.g., a soul for a dragon might need six sparks, while a soul for a naga might need ten sparks. That means, to bring a dragon to life, the player uses six spirit sparks to make a dragon soul and drops it into the dragon statue.
- But the amount of spirit sparks a Battle Arena provides is much greater than what's needed to make one soul per creature, so a player makes many souls of each type and pours them into their statues.

Players quickly decide how to allocate all their spirit sparks among their creature statues, which determines the number of souls each statue contains at the start of the match. The number of souls per statue greatly affects their power and endurance in battle.







Direct

The match begins, and the creatures come to life with their infused souls, ready for battle. The action proceeds in realtime, and while there are basic attacks that creatures will execute on their own, they mostly act only as directed by players.



Movement

Creatures only move when and where players tell them to. Once a path order is given, a creature proceeds according to its movement speed, modified by terrain types and other factors, including special abilities.



Attacks

A creature automatically attacks an enemy if it is within reach, so players just need to maneuver their creatures close enough to fight. For melee attacks, this is close proximity, but creatures with ranged weapons can attack from a distance.



Specials

All creatures have special abilities – both offensive and defensive – but unlike basic attacks, they only use special abilities when ordered. These actions have a greater impact but can be used much less frequently.



Prevail

Winning a battle comes down to the souls animating the statues. As damage is done to a creature, souls get ejected. Once the final soul is pushed out, the creature doesn't die, it reverts to statue form and stays on the battlefield as an obstacle for the duration of the match. When all creatures of one player have become statues again, the other side wins.



GAMEPLAY

The Power of Souls

In *Cloud Castles*, combat is won by more than just inflicting enough damage until the opponent dies. First of all, creatures never die – they are animated statues. Second, they don't just have a number of health points; they have a number of souls, which determines both overall health and also the damage potential.

For example, if ogres have a basic attack which deals ten points of damage, but the ogre has five souls in it, then each attack dishes out fifty points of damage. Further, if ogres have fifteen health points, then a statue with five ogre souls has a total of seventy-five health points.

So, in prepping for battle, deciding how many souls to animate each statue with is a strategic decision of what multiplier the player wants to apply to how much damage it can endure and inflict.

And these two factors are linked. If an ogre loses fifteen health points from attacks, that's one soul's worth, so one of the souls gets ejected, and now it only has four. That translates to only sixty health points remaining, but it also means doing only forty points of damage per attack.

Red Titan 1 Soul Red Titan 20 Souls

Modes of Gameplay

There are different kinds of opponents to battle, as well as multiple potential types of game modes, from Deathmatch to Capture the Flag, Survival, Team Multiplayer, and more, offering various contexts and rewards.





Player-versus-Environment (PvE)

Campaign is where players battle challengers from Debellator. This is a single-player game, where players fight progressively harder foes in an ever-escalating struggle to keep Debellator from conquering Patriam.

Player-versus-Player (PvP)

Ranked PvP is where players of the same power and skill battle each other, as Patriam wizards sparring, to compete for the limited resources doled out by Command. The more you battle and the better you perform, the more resources you earn.

Unranked PvP is where players battle against friends or strangers of different skill and power levels to try out new creatures, team compositions, strategies, or just for fun.

There is also a mode where players can fight on behalf of their Fellowship, competing to be the best.



Future Game Modes & User Generated Content (UGC)

We also plan to build future game modes that are in demand by the community as well as include content created by the community itself.


FELLOWSHIPS

Fellowships are self-organized groups of players which offer a number of different features to members, facilitated by the *Cloud Castles* environment. Being connected to other players and pursuing collective goals and achievements is a big motivator for long-term engagement. *Cloud Castles* features ways to form Fellowships traditionally as well as in DAOs, enabling shared treasuries, governorship, among other traditional guild/clan features.

Community

Players can chat with members of their Fellowship to learn more about the game, discuss strategies, or anything else that's on their minds.





Practice

Fellowship members can stage mock battles with each other, for practice, to experiment with new creatures, augmentations, strategies and tactics, or just to have fun.

Boosting

Fellowship members can pool resources and buy boosts that aid all its members in battles. For example, a Fellowship might build a Temple of Wisdom that subsequently increases its rewards by 10%.





Challenges

There will be challenges and rewards for Fellowships just as there are for individual players, where Fellowship members need to collaborate to meet group goals, or to accumulate battle victories together to compete against other Fellowships and climb the Leaderboard.

QUESTS

Players can participate in periodic quests, such as Dailies or Weeklies, etc., as individuals or in Fellowships. The more players who complete these challenges, the more they will earn at the end. This enables a steady means of growth for players while encouraging community growth and long-term goals.

ASSETS

BATTLE

Success comes from superior battle strategies and tactics every time. *Cloud Castles* is a game of skill – but ultimate victory requires savvy control of your creatures on top of having the most capable and diverse set of battle assets you can muster.

Statues



The foundation of every battle is the creatures you can deploy. Every conflict is different – the terrain types, the amount of energy you can tap into, plus the various creatures your opponent deploys – so it's beneficial to have as many different creatures as possible to choose from, and for them to be as powerful as you can make them.

Command's ability to produce statues is limited and must be carefully managed. It devotes all its energy and resources to carving one type of creature statue at a time, or sometimes a few. When a new type is invented, or stolen from Debellator, Command shifts to carving the new type.

But creatures and their basic attributes and abilities are just the foundation to build upon. Their true power comes from how they are modified after acquisition, leveled up, and augmented. Doing this requires Artifacts and Essence.

Artifacts

Creatures have innate abilities, strengths and weaknesses, but they can also be equipped with Artifacts to increase their power, and also grant new abilities. Some Artifacts can be applied to any creature, and others are only effective on certain types. Ultimately, the majority of a creature's power comes from the Artifacts it possesses, magnifying and adding to its innate and intrinsic skills and strengths.

Artifacts can be fused together, consuming lower-level Artifacts to produce one of a higher base level. At the very top end of this chain, an Artifact gets converted into a non-fungible token (NFT), greatly increasing its functional power and inherent worth.

There are, however, rarer Artifacts which only Command can produce, in very small quantities, and they are Legendary and Mythic. These powerful and rare objects are reserved as prizes for the most competitive events, although they can also be subsequently bought and sold between wizards.

Just like creatures, Artifacts themselves can be leveled up and improved, in many different ways. Doing this requires Essence.

Essence

Magic can be drawn from the environment and directed into animating statues, but it can also be distilled and applied to permanently enhance magically driven objects. This form of magic is called Essence. When you add Essence to a creature or an Artifact, it becomes stronger, but not always in predictable ways. The mechanisms by which Essence improves magical elements are complex and arcane, but never detrimental. Applying Essence might make a creature stronger when you wanted it to become faster, but it will never result in greater weakness.

DISTRIBUTION

Because there are so many Patriam wizards in the field, sparring with each other and battling against Debellator in structured duels, it's impossible for Command to outfit every wizard individually with resources tailored to their level, strengths, weaknesses, needs, and appetite for battle. Therefore, a system was established to handle distribution among the wizards, mediated by chests and keys given out by Command.

ASSETS



Chests

As Artifacts get produced, they are categorized by rarity. More powerful Artifacts are harder to make, hence they are less common. They are quickly locked into chests which reflect that degree of rarity: Common, Uncommon, Rare, Epic, Legendary, and Mythic. There are too many possible varieties to do anything more than drop them into the right kind of chest. At the same time, an amount of Essence is added, and then the chests are shipped off to wizards.



Keys

When wizards fight, they are given a number of keys by Command, based on the kind of battle and the wizard's performance. These keys open chests, and the rarer the chest, the more keys it takes to open it. In this way, wizards who battle the most, and perform the best, receive and open the most chests, and more rare chests, from Command.



LAND & INFRASTRUCTURE

The world of *Cloud Castles* is filled with opportunities for players to support each other and for investors to engage with the gamer community.



Castles

Each wizard gets their own castle as a personal sanctuary when they enlist. Castles will include custom expansion elements as a means of player expression, as well as marks of any achievements they've made.

Battle Arenas

These venues are on land drifting in the sky, and can take many forms and support different kinds of terrain. Some are barren wastes or natural spaces lush with vegetation, and others are architected structures, either old ruins of the past or recent construction, all grand and breathtaking.

When combat takes place in these arenas, the landowner receives a portion of rewards earned from the game. Further, owners can brand their Battle Arenas, so players and observers can see who owns and sponsors the land a match takes place in.





Skylands

Skyland ownership is a significant element of the system Command operates to support and supply wizards in the defense of Patriam. Everything players buy, from creatures to cosmetics, are produced on Skylands, and owners get paid for manufacturing these goods, after they build factories, and drive them as the market demands.

Skylands come in different sizes, which determines the number of factories they can hold. Owning a larger Skyland directly correlates with getting more rewards via more resources generated from the factories.





Isles & Fortresses



Fellowships need a place to meet when not out fighting on Battle Arenas. These meeting halls are called fortresses, and they are built on floating lands called Isles. Isles come in different sizes, which determines the maximum number of fortresses they can hold, one Fellowship per fortress.

Fortresses come in sizes as well, which determine the maximum number of players they can host.

All Fellowships must have a fortress, so establishing a new Fellowship means the members need to engage a vacant fortress with sufficient capacity, then they can officially form and operate as a Fellowship and enjoy all the benefits of Fellowship life, in exchange for rent to the landowner.

When purchased, Isles have no fortresses. Landowners make capital investments to build fortresses to rent out to Fellowships.

A Fellowship can upgrade the fortress they are renting, like purchasing an Obelisk of Blessing to increase the health of creatures in battle by 5%. But if the Fellowship ever leaves, like to move to a larger fortress, the upgrades stay at the fortress. If a Fellowship wants those benefits to continue, they must build those upgrades again at their new fortress. And their previous landlord can command higher rent from their next Fellowship tenant because their fortress has upgrades.





Command's system of chests and keys gets resources to wizards with no accommodation based on what individual wizards need, want, or would benefit from the most, so the subsequent redistribution of resources is done in the Auction House and the Commodities/ Resources Store (all prominently featured in-game).

Command Store

Where new assets are for sale, like creatures, cosmetics, and other offerings.

Auction House

Where Players can buy and sell to each other, like creatures and Artifacts; this function includes the usual features of time limits, minimum bids, instant buy price, and more.

Commodities/Resources Store Where resources like keys and chests can be bought and sold.



COMMAND STORE – CREATURES

As new creatures are invented or their designs are stolen from Debellator, Command shifts to producing and selling the new creatures and stops producing the old ones. When a creature goes out of production, the only way players can later acquire one of that type is by purchasing it from another player.

This time-boxed sale dynamic creates an increasing demand for creatures, from new players joining later after earlier creatures are no longer offered by Command. This motivates some players to purchase multiple creatures per type for the express purpose of selling them later to other players.

During the time a creature type is being sold in the Command Store, they are offered in two ways: Limited Edition and Stock.

Stock

An uncapped number of Stock creatures of a given type will be offered, so as many players who want to buy them are able to. Players can buy more than one, to an upper limit per player, until the availability window ends.

Limited Edition

Limited Edition creatures are very rare by definition, and also confer non-combat benefits, like increased rewards, for example, and a set number are minted and sold at the start of each selling cycle.





COMMAND STORE - AVATARS

Players can represent themselves in the game using avatars, from a sampling of common avatars for players to use at no cost, and a greater selection of rarer avatars which players can purchase to distinguish themselves, with the Legendary and Mythic avatars being the most sought.

A limited number of Legendary and Mythic avatars will be sold or earned via tournaments, and they won't just serve as proof of being one of the original believers in *Cloud Castles*. Having one also potentially means earning greater rewards, so players can progress faster in the game.

MARKETPLACE



Players can buy and sell creatures directly between each other in the Auction House. A lot of the transactions, however, will be for Artifacts. This is because there are so many possible Artifact types. The odds that an awarded Artifact is exactly what a player wants is low, but the odds are high that some other player wants it. Chests distribute Artifacts blindly, and the Auction House is the mechanism by which players redistribute them among themselves to get the particular ones they want.

COMMODITIES/RESOURCES STORE

AUCTION HOUSE

Some assets are not unique, like keys, so they can be handled through the Commodities/Resources Store rather than sellers and buyers having to connect one-to-one directly. Buyers and sellers deal with the Store, where supply and demand set the going rates.







Command is constantly striving to produce and sell new and varied assets to distribute among the wizards, whether it be creatures, Artifacts, fortress upgrades, and more.

Additionally, Command will often host special events and contests where the bravest wizards can display their talents. Wizards will pay an entrance fee to join these events, but the rewards will be well worth the price of admission for those who do well. TOKENOMICS



Historically, players have never had the opportunity to own their in-game digital items after spending their time, energy, and money. As a direct result, gamers have never been able to sell off assets in one game to fuel their expenditure in another. In addition, players have never been able to lend out and/or borrow in-game items via a method officially condoned by the game developer/ publisher. In the past, this has always caused the incentives of the developers and the players to be misaligned, where developers were motivated to care more about the in-game purchases than the health of the game.

Through blockchain technology, we can now ensure every player has the opportunity to freely buy, sell, trade, borrow, and lend their digital assets. NFTs are amazing in how they bring true ownership to gamers, and this aligns Digital Insight Games (DIG) with our player base and reinforces our focus on the game itself and a healthy in-game economy.



ΤΟΚΕΝΟΜΙCS

WHITEPAPERS

For \$DIG and DIG Protocol Info:



DIGITAL INSIGHT FOUNDATION PAPER

https://files.digitalinsightfoundation.org/DIF_Whitepaper.pdf

For \$DIG Tokenomics:



DIF TRANSPARENCY REPORT

https://files.digitalinsightfoundation.org/DIF_Transparency_Report.pdf

GOVERNANCE DEEP DIVE

To effectively govern *Cloud Castles* and future DIG titles, we will create separate governing bodies: the *Cloud Castles Council (CCC)* and Future Title Council(s). Each governing body handles a separate chain of proposals targeted at each title's future gameplay. This is to ensure that all DIG games are transparent, communicated, and governed by the community. DIG is pioneering the future of decentralized governance, freedom of choice, and democratizing voting procedures to provide the ultimate power shift to our gamers.

The CCC will consist of members voted in by \$DIG holders/stakers. It is in charge of *Cloud Castles* Improvement Protocols (CCIPs) and exists to ensure the continual improvement and health of *Cloud Castles*. CCIPs will be community driven, and proposals can be submitted by anyone. Each member of the CCC has the voting power to advance CCIPs. The CCC will also have a direct communication channel to DIG, facilitating dialogue between the community and developers. After *Cloud Castles* launches, community members can be nominated for a CCC seat, and then highest voted delegates will begin their tenure.

More specifically, CCIPs are documents outlining change proposals that are to innovate *Cloud Castles*. These can be technical and/or nontechnical changes to enable the community to communicate their game opinions to DIG developers. CCIPs can be proposed by token holders and will be passed with a supermajority. Proposal authors are responsible for building consensus within the community and documenting dissenting opinions.

Proposal Examples:

- New features
- Types of expansions
- System improvements
- Additional content & assets
- Cosmetics
- Other innovative features

ΤΟΚΕΝΟΜΙΟS



NFTS

Which assets should actually become NFTs is a key economic consideration. At DIG, we believe that NFTs derive a large part of their value from both utility and rarity. In other economies where all assets live on-chain, and supply greatly overcomes the demand, this drives the value of assets to essentially zero. We can see this in many GameFi projects with inflationary economies.

Players highly value difficult-to-obtain and expensive assets in traditional gaming, such as limited edition and extremely rare drop items. Following this theory, *Cloud Castles* only has scarce resources as NFTs, consisting of:

Land

Three types of land can be purchased: Battle Arenas, Skylands for factories, and Isles for Fellowship fortresses, purchasable prior to *Cloud Castles* launch in limited supplies

Avatars

Player avatars that symbolically represent the player in the game

Creatures and Cosmetics

Can be purchased in the Command Store or the Auction House

Legendary/Mythic Artifacts

Can only be won or opened in high-scarcity chests or earned in tournaments

High-Scarcity Chests

Obtained only as rewards for top performing players



NFTs will be difficult or expensive – in terms of time, resources, or currency – to attain, which limits supply to ensure value is retained. Additionally, the Command Store will offer periodic collections that are only available for a limited period of time and never again. This ensures these assets stay scarce, so rare and previous collections will remain highly valued.

Ways to get an NFT

Command Store

Where the item was bought as an NFT in the first place, such as from an initial asset sale via DIG

Auction House

Where the item is purchased as an NFT from another player who had procured the NFT from minting, won it in a tournament, or purchased it themselves

Leveling Up

Where a player levels up the asset in gameplay and later decides to mint the item, i.e., transfer the in-game digital item into an NFT



BENEFITS OF OWNING LAND

There are three types of land within *Cloud Castles*: **Battle Arenas, Skylands,** and **Isles**.

In this richly featured in-game economy, all land can be bought, sold, borrowed, and lent in the open market, with pricing dynamics fully decided by the community.

Battle Arenas

Battle Arenas are the most coveted venues where matches, tournaments, and e-sports competitions are held. Matches will be held in branded venues – think "Your Company Name Stadium" – and players have the ability to view match sessions to watch who's playing at that very moment, while the benefit of the Battle Arena owner is to display advertising for all to see. As a reward for hosting some of the most intense *Cloud Castles* battles, \$DIG rewards will be distributed to Battle Arena owners. Additionally, motivated Battle Arena owners have the ability to compete for increased \$DIG rewards by acquiring and smartly spending Diamonds. Battle Arenas are perfect for corporates, strategics, and other web3 investors.

BENEFITS

- BRANDING
- ADVERTISING
- 🥪 \$DIG
 - GUARANTEED PERCENTAGE OF COMMUNITY TREASURY
 - GREATER REWARDS VIA DIAMOND SPENDING

TARGET MARKET

CORPORATIONS
STRATEGICS
OTHER CRYPTO INVESTORS

ΤΟΚΕΝΟΜΙΟS

Diamond production will be scarce, and gamification ensures that not all Skyland holders will receive more \$DIG tokens. Diamond expenditure is a system for competing with other landowners for a greater reward, and every player's actions dictate the \$DIG rewards of other owners.

Skylands

Skylands are where Command's asset production takes place. Owning and operating Skyland factories will reward holders with \$DIG from the Community Treasury. Like with Battle Arenas, Skyland owners can acquire Diamonds – through gameplay or at the <u>Commodities/</u> <u>Resources Store</u> – and spend them to compete for greater \$DIG rewards from the Community Treasury. This system is designed to reward Skyland owners who are proactive, while eliminating the innate inflation that other P2E/stake-to-earn games carry, which ultimately drives token and NFT prices to zero. Skylands are best suited for a hybrid crypto investor and gamer.

BENEFITS

🧼 \$DIG

- GUARANTEED PERCENTAGE OF COMMUNITY TREASURY
- GREATER REWARDS VIA DIAMOND SPENDING

COLLECTIBLE

TARGET MARKET

CRYPTO INVESTORSPLAYERS

Isles



Isles host Fellowship fortresses, in exchange for Essence as rental payments. Fortresses can be upgraded to provide Fellowships with special in-game bonuses – called buffs – which can also increase their rental value. This system allows Isle owners to receive greater amounts of Essence to be utilized for in-game progression. It is important to note there is no direct exchange between Essence and \$DIG, so Isle owners are incentivized to spend the Essence they earn from rent on in-game progression. Given that Essence is limited by the number of chests opened, Isle owners are best suited for the hardcore gamers who want to progress through *Cloud Castles* and climb the leaderboards to potentially achieve greater amounts of \$DIG.



ΤΟΚΕΝΟΜΙΟS
Diamonds



Diamonds support a mechanism by which landowners can compete for greater periodic rewards. A portion of the Community Treasury is designated as competitive, where those landowners who spend the most Diamonds during the reward interval will receive a greater proportion of the reward pool. Diamonds only come from chests, as a source. Players who receive them after battles, but don't own land, can sell their Diamonds to the Commodities/ Resources Store. Landowners who don't battle can buy Diamonds at the Store to spend on to compete for more rewards.





Cloud Castles has a fully closed economy that aims to flourish in the long run. Concurrently, the DIG Platform will continue to onboard additional games that are made both internally and also contracted via project financing or work-for-hire. DIG's self-determining reward structure ensures that our economy functions with a fixed number of \$DIG tokens. The total economic flow of \$DIG, Essence, and Diamonds is modeled as follows:



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ECONOMIC FLOW

Legend

- Command Store: Where players buy assets, such as creatures, Artifacts, fortresses, cosmetics, Fellowship fortress upgrades, PvP & PvE event tickets, purchased for \$DIG from DIG directly
- Auction House: Where assets are traded between community members
- Upgrades: Where players pay for upgrades to their creatures and Artifacts, for \$DIG or Essence
- Commodities/Resources Store: Where players sell resources, e.g., Diamonds they earn from chests, which landowners can purchase for \$DIG to compete for more rewards from the Community Treasury
- Reward Priming: \$DIG injected into the Community Treasury to kickstart the economy
- \$DIG Stakers: Stakers receive rewards for validating the \$DIG blockchain via a proof-of-stake consensus mechanism
- DIG Community Treasury: The main vault where all rewards for the various parties come from
- In-Game Player Rewards: Player rewards injected back into the economy as determined by player accomplishments
- Land & Infrastructure Rewards: Landowner Rewards injected back into the economy as determined by land owned and Diamond rewards
 - Baseline Rewards: Skyland & Battle Arena owners receive a baseline amount of \$DIG for holding land
 - Diamond Rewards: An additional reward (variable) from the Community Treasury where landowners exchange their Diamonds for proportionate rewards from the relevant pool

DIG Community Treasury

The source of all \$DIG Rewards for participating in the game as calculated from the total expenditure of players in the \$DIG economy:

- PvE entrance fees
- PvP tournament fees
- Assets (e.g., creatures, Skyland factories, Fellowship fortresses, upgrades, cosmetics, etc.)
- Advancing creatures
- Leveling and fusing Artifacts
- Land upgrades
- Auction House fees
- Command Store sales
- Future 3rd party marketplaces royalties
- Other ways that will evolve in conjunction with the future of *Cloud Castles*

ECONOMIC FLOW

While Battle Arena owners will be bidding for rewards from a single prize pool, Skyland owners will have options to bid on more specific pools. Within the world of Cloud Castles, players can spend \$DIG for various assets like creatures, Artifacts, cosmetics, PvP/PvE, etc. Consequently, spending Diamonds is a way for Skyland owners to receive a portion of the spending by players in each of those categories. By spending Diamonds on each pool, a Skyland owner can increase the percentage of \$DIG they receive per asset type.

Resource Cheat Sheet

	RESOURCE		INFLOW		OUTFLOW
•	CHESTS	•	BASIC - DAILY PVP/PVE REWARDS AUCTION HOUSE \$DIG	•	CHEST OPENING (COMBINED WITH KEYS)
۲	KEYS	8 8	PVP CONTENT PVE CONTENT AUCTION HOUSE \$DIG	۲	CHEST OPENING (COMBINED WITH KEYS)
۲	ESSENCE	۲	CHEST OPENING	* * *	BUY CREATURES LEVEL UP CREATURES LEVEL UP ARTIFACTS FUSE ARTIFACTS
٢	DIAMONDS	۲	CHEST OPENING	٨	SPEND TO GAIN IN-GAME REWARDS
	CREATURES (NFTS)	۲	AUCTION HOUSE ESSENCE \$DIG	-	OPTIONAL IN-GAME CREATURE BURN METHODS
۲	ARTIFACTS	•	CHEST OPENING FUSING LOWER TIER ARTIFACTS AUCTION HOUSE • \$DIG LEGENDARY/MYTHIC (NFTS))	FUSING WILL CONSUME LOWER TIERS
۲	COSMETICS (NFTS)		\$DIG		NO NFT BURN



Monitoring the Cloud Castles Economy

Within *Cloud Castles*, DIG will consistently monitor the supply and demand for \$DIG within the ingame economy via its proprietary DIG Eagle Eye system. DIG will dynamically adjust pricing based on machine learning to balance the supply and demand of in-game resources, taking into consideration \$DIG token pricing dynamics.

The DIG Platform will have real-time analytics to monitor the health of the broader in-game economies across various titles, beginning with *Cloud Castles*, and will dynamically adjust variables accordingly based on player and spending volume. This will dictate the Community Treasury and player rewards per epoch to ensure a healthy growth rate. Our priority is to retain as much value as possible within the game economy by providing a flow that incentivizes gameplay rather than farming. As a result, we can introduce systems that other P2E games cannot with their pure inflationary mechanics. We will be reinjecting outflows directly back into the hands of players, stakers, and landowners in the form of rewards to bootstrap the economy. Upon reaching a sufficient user base and player demand levels, algorithms will adjust in-game player and community rewards for optimal results.

In the future, DIG will look to maintain supply and demand balance of the token and/or in-game economies at all times, for healthy longer-term economic growth. Furthermore, DIG will also support the long-term fundamental value of \$DIG. Intrinsic value will be supported by additional games that are fulfilling and gamer-focused.

- \$DIG Supply: Dictated by the token unlock schedule
- **\$DIG Demand:** Initially driven by the Cloud Castles game, but in the future will be predominantly driven by:
 - Number of titles on the DIG Platform (1st/2nd/3rd party)
 - Total number of players
 - Frequency and size of transactions
 - Percentage of players who spend (payer conversion)
 - Average Revenue Per User (ARPU)
 - Average Revenue Per Paying User (ARPPU)

The in-game economy of *Cloud Castles* will mirror how real-life GDP functions, as described by the following equation:

Y = C + I + G + (X - M)

- Y = National Income (GDP)
 G = Goverment Spending
- C = Consumer Spending
 X = Exports

A PROVINCE INCOME

I = Investment

- M = Import
- Consumer Spending: In-game spending/usage
- Investments: Initial purchase by gamers/investors or external parties such as DAOs/guilds
- Government: DIG and governing body community spending to prop up the economy during recession/depression/stagflation
- Net Export (Export-Import): Net capital flow from items used in other games via interoperability/composability

We believe controlling the economy via a closed system with capped resources is crucial for a successful and stable long-term in-game web3 economy. Unlike a traditional web2 economy, sinks and consumables are mission-critical levers in web3 gaming to control inflation and the overall in-game economy, e.g. burning mechanisms.

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TECHNOLOGY

The DIG Platform brings together AAA game development tools, stateof-the-art distributed client-server architecture, and scalable, superior blockchain technology, to deliver next generation web3 gaming experiences.

The platform is designed to scale horizontally to support existing and future DIG titles. Additionally, 3rd party titles that are attracted to the platform can also be seamlessly integrated to deliver the same high production quality entertainment with blockchain technology and digital asset ownership.





TECHNOLOGY

DIG BLOCKCHAIN TECHNOLOGY

DIG has selected Avalanche as its blockchain provider as it is an incredibly fast solution (> 4500/TPS) that finalizes transactions in a couple of seconds or less, and it is 100% environmentally friendly by being net carbon neutral. Avalanche is an already well-established network with many successful DeFi, NFT, and GameFi projects.

DIG will utilize an ERC-20 (Ethereum) compatible token, which through the Avalanche Bridge will allow access to the liquidity on the Ethereum network. A recent announcement expands the Avalanche Bridge with Bitcoin support, further expanding the liquidity that can be brought into the DIG Platform. The Avalanche Bridge utilizes Intel SGX Enclave technology, a breakthrough in secure computing that facilitates all operations in a closed environment, ensuring it is tamperproof. The DIG Platform inherits this high level of security.

Blockchain technology will be seamlessly integrated into DIG titles, allowing regular gamers who are unfamiliar with traditional blockchain concepts like wallets, tokens, and governance to start playing on the DIG Platform. Crypto concepts are optional and progressively introduced as players advance and grow more familiar with the game.

Smooth Onboarding into a Secured Community



The DIG Platform is designed to smoothly onboard players from a gaming community that may be unsure or unaware of the web3 space along with the steep learning curve that is present in current offerings.

Playing DIG titles will seem very familiar to those who have utilized platform store fronts such as Steam, Epic Game Store, and the iOS App Store. Players acquire the game from the store front and run it, simply providing an email address or authenticating via a major service such as Google or Apple ID to begin playing.

Through play, players accrue real-world value and open up the significant opportunity that the world of blockchain provides, including the vaunted security of the Avalanche Bridge. Should they choose, players are able to move, on demand, NFTs and \$DIG out of the DIG Platform to a non-custodial wallet that they own.

TECHNOLOGY

DIG Eagle Eye

DIG Eagle Eye is a system designed to make sure the in-game economies of *Cloud Castles* can run efficiently, with ample liquidity, supply/demand balance, and security. The system is backed by an evolving machine learning algorithm that dynamically adjusts various key in-game variables using the latest AI technology.

DIG Eagle Eye covers all bases, allowing for 24/7 monitoring of distinct aspects of a given DIG title — the marketplace, the code itself, individual transactions, and game hand-outs. Other variables the system dynamically adjusts include all sources and sinks, pricing of any in-game item, and rates in which items appear.

Longer term, the DIG Eagle Eye system could onboard additional web3 games to its ecosystem and monitor 3rd party web3 game economies.



TECHNOLOGY

Sales & Trading Marketplace Driven By Machine Learning



The showcase of the DIG Platform is the DIG Marketplace – a sales and trading venue that players will return to again and again to enhance their gameplay experience in a multitude of ways. Here, players can acquire \$DIG in exchange for fiat currency, and these tokens can be used to buy in-game items. Furthermore, \$DIG tokens can also be used to participate in the Auction House.

The DIG Marketplace will be open for buying and selling as well as borrowing and lending of digital assets, both off-chain (in-game items) and on-chain (NFTs). Pro features will be available for investors and other business-minded gamers who want to focus on the economic side of DIG titles.

Crucially, the DIG Marketplace will be presented in a curated fashion for players. A machine learning recommendation system will constantly be evaluating players' needs in terms of their ingame progress, presenting items that will best help them from their current progress point. This curation ensures a healthy and vibrant marketplace for all players.

CLIENT TECHNOLOGY & OTHER KEY INFRASTRUCTURE PARTNERS

Game Engine



The DIG Platform utilizes the superior client technology of Unreal Engine 5. Unreal Engine is the best-in-class commercial game engine from Epic Games and can be used to build games for a myriad of platforms, including PCs, consoles, and mobile devices. The engine powers many of the most popular AAA titles in the entertainment industry, including *Fortnite, Star Wars Jedi: Fallen Order, Borderlands 3*, and *PlayerUnknown's Battlegrounds*.

Cloud Computing



For a modern day server deployment with minimal downtime and responsive scalability, DIG has selected Amazon Web Services (AWS) for its long track record of success and ease of use in terms of provisioning servers of various capacities. The DIG services are fully configured Linux deployments, which can be rapidly spun up and down as demand changes.

ΤΕСΗΝΟΙΟΟΥ

Anti-Cheating Software



Easy Anti-Cheat from Epic Games is the industry-leading anti-cheat service, countering hacking and cheating in multiplayer PC games through the use of hybrid anti-cheat mechanisms. It protects some of the biggest games in the industry, including *Fortnite*, *Apex Legends*, *Battlefield* 2042, Halo, Lost Ark, Star Wars: Squadrons, and Paladins.

Payment Processing

stripe

DIG will rely on a partnership with Stripe to ensure full compliance related to payment processing. Stripe, a Level 1 Service Provider in PCI qualified security assessment, uses unique payment processing software equipped with anti-fraud tools, credit card support, and machine learning models to meet all KYC and AML obligations. With continual PCI assessment, Stripe not only meets compliance standards, but will help ensure DIG's effective protection of sensitive data and efficient transaction time.

For auditing the blockchain smart contracts and systems penetration testing, DIG has selected two of the leaders in the space as auditors: CertiK and Quantstamp.



CertiK is a pioneer in blockchain security, utilizing best-in-class Formal Verification and AI technology to secure and monitor blockchains, smart contracts, and web3 apps, with over \$350 billion secured in 2000+ audits. CertiK provides Skynet, which actively monitors and displays on-chain insights for smart contracts using industry-leading technologies built by CertiK's team of security researchers. Its penetration testing services uncover even the smallest weaknesses by leveraging proprietary tooling.



Quantstamp is a leader in blockchain security, having performed over 250 audits and secured over \$200 billion in value. Quantstamp services include securing Layer 1 blockchains such as Ethereum 2.0 and Solana, securing smart contract powered NFT and DeFi applications such as Maker and OpenSea, and developing financial primitives for Layer 1 blockchain ecosystems. Enterprise companies and NGOs such as Visa, Toyota, and Siemens also trust Quantstamp to secure their blockchain implementations.

ΤΕСΗΝΟΙΟΟΥ



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