

LOTI - Playing with Purpose

A Web3 powered mini-lottery system

Abstract

A fully autonomous RNG algorithm based mini-lottery game that will connect online communities with relatable charitable causes. The LOTI game will appeal to a new generation of online players who will respond to and support community led charitable giving. Blockchain technology and DAO structure will provide transparent and automatic lottery mechanics, distributed autonomous governance, a native digital token (\$LOTI token) and the ability to offer near instantaneous digital payouts in stablecoin as part of a global digital gaming ecosystem.

Background

Charities recognize that since the COVID19 pandemic the fundraising landscape has changed forever¹ and most charitable organisations are now seeking new methods such as digital platforms, apps, websites or social media to meet the ever-present challenge of generating income. A study by social research firm McCrindle² has found donors are moving from predictable committed giving toward more spontaneous need-driven giving. The change is being led by Gen Z donors (aged 18–29), who are more likely to give when they hear about a need or issue in the community or are approached to donate or offer support.

Introduction

LOTI was developed as a simple mobile lottery app conceptualized as a digital version of small-scale ticket raffles. The system is characterized by relatively low value lottery pools benefiting charitable causes chosen by players with winners selected randomly and cash prizes paid immediately. A beta version of the app was tested on a small group of users in early 2024, nominating local charity Ocean Paddock³ as the beneficiary for its work to support ocean kelp farming in Australia.

The game was operated under *Draw Lottery* regulations* which allows fundraising for, or on behalf of, a not-for-profit or charitable organisation with the total value of all prizes not more than \$30,000. A minimum of 40% of the gross proceeds of the raffle must be paid to the benefiting charity or non-profit organisation.

¹ Charities Aid Foundation (CAF) - Charity Landscape Report 2022 - Polling undertaken by CAF has showed that half of charities believe that the pandemic has changed fundraising forever (48%), with 51% of charities stating that they plan to do more campaign activity via digital platforms such as apps, websites or social media.

https://www.cafonline.org/docs/default-source/about-us-research/charity_landscape_report_2022.pdf

² Empowering Impact: Understanding giving behaviour, volunteering, and advocacy in the not-for-profit landscape – <https://mccrindle.com.au/resource/report/empowering-impact/>

³ <https://oceanpaddock.com.au/>

Players average spend was \$5 - \$10 on pots up to \$1,000 per pot, filling up on average three times a week with 200% growth in the user base week on week, solely from players sharing organically to online communities.

Vision

The vision for LOTI is a widely accessible global digital platform for players to support community charitable fundraising through mini-raffle draws.

Web3 lottery system

LOTI proposes to adopt Web3 technology to make the game available globally as an EVM agnostic Dapp with bridges to other chains such as Solana in future. The benefits of using blockchain technology for this game include transparent and automatic lottery mechanics, distributed autonomous governance, the ability to use a native digital token \$LOTI token structure and the ability to offer near instantaneous digital payouts in stablecoin as part of a global digital gaming ecosystem.

How the game works

The LOTI lottery game will offer small lottery pots with players contributing stablecoins to enter the draw for cash prizes. The game focusses on supporting charitable causes with each pool identifying an eligible charity voted on by \$LOTI token holders or predetermined through outreach partnerships. The introduction of Web3 technology provides for transparent and auditable draw mechanics using random number generation (RNG) to determine winners and providing for instant payouts in stablecoins via smart contracts.

For example a pot may be \$45,000 with a designated attached charity called PAW CLAWS. The total amount to fill the PAW CLAWS Pot would be \$100,000 or 100,000 tickets and when it is filled a winner is chosen at random and they collect \$45,000, with another \$45,000 going to the charity PAW CLAWS and 10% or \$10,000 being retained by the app for servicing.

Onboarding charities

LOTI's partner acquisition strategy focuses on creating meaningful partnerships with charities by demonstrating the platform's ability to revolutionise fundraising. Using blockchain technology, LOTI ensures complete transparency and trust in financial transactions, allowing charities to raise funds through secure and auditable lottery mechanics. By integrating TradFi on/off ramps, LOTI simplifies participation for donors globally, including those in underbanked regions. This innovative approach enables charities to access a wider donor base while reducing operational complexities, empowering them to focus on their core missions.

The onboarding process is designed to be seamless and supportive, ensuring charities can quickly integrate and benefit from the platform. LOTI offers step-by-step guidance, technical support, and co-branded campaign opportunities to enhance visibility and impact. Educational resources provide charities with the knowledge to leverage blockchain technology effectively, while LOTI's gamified features, such as player-voted fundraising pools and NFT rewards, encourage donor engagement. This approach aligns charitable missions with cutting-edge technology, fostering a dynamic ecosystem where charities and donors can connect meaningfully and sustainably.

\$LOTI Coin

The native \$LOTI token will have multiple functions, acting as a governance and reward token and offering holders special privileges through the governing DAO. Game entrants will receive \$LOTI tokens each time they play or by engaging in community activities such as referrals, [social sharing, and completing exclusive challenges]. Players will be able to stake \$LOTI tokens in their wallet to receive bonus entries each time they play a pool or qualifying for access to special VIP pools. \$LOTI token holders will hold voting privileges via the DAO to select which applicant charities are added to the available playing pools. Players then get to select the pools they wish to play in, providing a direct connection between the player's activity and a charitable purpose.

Tokenomics

A total finite supply of 99,322,500 \$LOTI tokens will be minted upon the Token Generation Event, with supply allocated amongst original investors, community rewards, liquidity pools and team and development funding.

Allocation	# of tokens	% ownership	Vesting
Pre-seed	3,000,000.00	3.02%	1 month cliff, linear over 8 months
Seed	15,920,000.00	16.03%	1 month cliff, linear over 8 months
Private	9,950,000.00	10.02%	20% @ TGE, then linear over following 5 months
Public listing	497,500.00	0.50%	50% @ TGE, then linear over following 2 months
Adviser	9,000,000.00	9.06%	6 month cliff, then linear over following 6 months
Liquidity	6,965,000.00	7.01%	50% at TGE, 50% month after
Community	15,000,000.00	15.10%	1 month cliff, then linear over following 8 months
Team	22,000,000.00	22.15%	12 month cliff, then linear over following 12 months
Developer	17,000,000.00	17.11%	1 month cliff, then linear over following 11 months
	99,322,500	100.0000%	

- Funding rounds - proceeds to be used for the establishment of the LOTI community, funding of liquidity pools to be provisioned on Decentralised Exchanges (DEXs), to enable secondary trading of the \$LOTI token
- Adviser - to remunerate the launch adviser for services rendered
- Liquidity - to provision \$LOTI tokens for the trading pair on DEX listing and provide reward tokens for staking of \$LOTI tokens, if a staking or liquidity mining promotion is pursued
- Community - tokens to be distributed to community members to encourage the growth of the LOTI web3-based communities and tokens to reward user acquisition promotions
- Team & Developer - tokens to remunerate the team for Intellectual Property contributed to date, management of the project, development of the platform, ongoing maintenance and promotion if the project

The \$LOTI token has various utilities, including staking to earn token rewards, staking to get access to VIP limited access raffle pools and staking to earn additional free raffle tickets in pools in which the player has purchased entries. The team intends to create deflationary pressure upon the \$LOTI token trading pair, by periodically utilising a portion of the fees accrued in each lottery pool, held by the developer, to buy \$LOTI tokens on market and commit them to a non-returnable burn contract, hence reducing circulating supply of the \$LOTI token. The amount of the developer fee to be committed to on-market buy of \$LOTI will vary from 0% to 50% of the fees earned by the developer.

The developer retains up to 10% of proceeds from each pool as a platform fee.

Technology Stack

LOTI leverages an automated blockchain technology to create a transparent, secure, and efficient mini-lottery system. Key components include:

- **Blockchain Layer:** LOTI utilizes an **EVM-agnostic approach** to make it easy to tap into various low-cost blockchain ecosystems and communities. The platform will also be designed to accommodate multi-chain integration for future scalability, with consideration on non-EVM chains like Solana.
- **Protocol Layer:** Smart contracts power the lottery mechanics, including ticket purchases, prize distributions, and charity allocations. These contracts ensure full automation and immutability.
- **dApp Layer:** The LOTI mobile app provides a user-friendly interface for players to join lottery pools, vote on charities, and manage \$LOTI tokens. Seamless wallet integration supports smooth onboarding for crypto-native and non-crypto users alike.

Random Number Generation (RNG)

To ensure fairness and eliminate bias in lottery draws, LOTI employs **Chainlink VRF (Verifiable Random Function)**. This decentralized oracle generates cryptographically secure and provably fair random numbers, ensuring that every draw is transparent and tamper-proof.

Tokenomics and Wallet Integration

- **\$LOTI Token:** The native \$LOTI token powers the ecosystem, enabling governance, rewards, and bonus features. Players earn \$LOTI tokens through gameplay, referrals, and community engagement.
- **Wallet Compatibility:** LOTI supports Web3 wallets such as MetaMask and Phantom, allowing users to securely manage tokens, participate in governance, and enter pools with stablecoins. Non-crypto players could be onboarded via integrated fiat-to-crypto gateways, bridging traditional and digital economies (pending regulatory clearance).

NFT Integration

- **Lottery Tickets:** Each ticket is represented as a unique NFT using **ERC-721/1155 standards**, ensuring traceability and enabling innovative features such as collectible rewards.
- **Gamified Engagement:** Players unlock special NFTs through milestones, VIP pool participation, or as rewards for staking \$LOTI tokens, enhancing engagement and long-term loyalty.

Security and Compliance

- **Compliance Framework:** LOTI adheres to relevant regulatory requirements on the application level, including KYC/AML processes and geo-restrictions to prevent unlawful participation.
- **Smart Contract Audits:** All smart contracts will be audited by third-party firms to ensure security and reliability.

System Architecture Overview

- **Blockchain Layer:** Handles transaction validation, RNG, and on-chain governance.
- **Protocol Layer:** Automates core functionalities such as ticket sales, prize distribution, and charity allocations.
- **Application Layer:** A responsive mobile app provides an intuitive interface for players, integrating wallet management, real-time lottery updates, and charity information.

Marketing and Growth Strategy

LOTI's marketing approach is designed to unlock exponential growth by leveraging the unique characteristics of the crypto ecosystem and the cultural power of memecoins. The strategy focuses on engaging large, active communities, creating a viral presence, and building trust through transparency and partnerships.

LOTI aims to tap into large, active online communities that thrive on collaboration and shared experiences. By integrating gamified incentives such as NFT rewards, exclusive access to VIP lottery pools, and community-driven charity voting, the platform fosters deep user involvement and loyalty. Viral marketing will play a pivotal role, with strategic partnerships with influencers, social media campaigns, and the inherent shareability of engaging game mechanics driving organic growth. The memecoin-inspired cultural positioning will further enhance LOTI's appeal, encouraging playful and relatable interactions that naturally spread across platforms.

Transparency is a cornerstone of LOTI's marketing plan, with blockchain technology providing verifiable proof of fairness in every lottery draw. This focus on trust will be reinforced through strategic partnerships with well-known charities, reputable crypto influencers, and thought leaders within the Web3 space. These collaborations will not only increase visibility but also validate LOTI's mission, drawing in a broader audience of players and donors. Additionally, partnerships with crypto wallets, blockchain platforms, and payment gateways will streamline onboarding and accessibility, further expanding LOTI's reach.

RNG

The proposed lottery game will employ random number generation (RNG) method, which adds security and fairness to the draw mechanism and protects the system against manipulation.

LOTI intends to use [*describe and consider setting out code*] sean@actually-good.org

LOTI DAO

At the centre of the LOTI ecosystem is the LOTI DAO. Incorporated as an ownerless foundation under The Foundation Companies Act 2017 in the Cayman Islands, the foundation has no shareholders and acts in accordance with the governance mechanisms and objectives of the DAO. By staking \$LOTI tokens with the DAO, members have the right to create proposals and vote for them providing for fully decentralised and autonomous governance.

Governance (Dave with some openAI help)

The \$LOTI token lies at the heart of LOTI's decentralised ecosystem, allowing token holders to shape the platform's future. Staking \$LOTI tokens grants members voting rights within the LOTI DAO (Decentralised Autonomous Organisation), enabling them to participate in key decisions such as onboarding new charities, setting platform priorities, and refining lottery mechanics. This model ensures the community has a direct voice in the platform's governance, fostering a transparent and collaborative environment.

Governance proposals are submitted by DAO members, and voting outcomes are recorded immutably on-chain, ensuring all decisions are both transparent and traceable. Beyond voting, token holders who stake \$LOTI gain access to additional benefits, including enhanced lottery rewards and eligibility for exclusive NFT entitlements. These mechanisms incentivise meaningful participation and long-term engagement, ensuring that the platform remains aligned with the interests of its community.

LOTI has been designed with a focus on decentralisation, ensuring key functions operate independently of centralised control. The platform utilises smart contracts to manage critical processes such as ticket sales, prize distributions, and allocation of funds to partnered charities. This automated system eliminates reliance on intermediaries, reducing inefficiencies and safeguarding the integrity of all transactions.

While LOTI achieves a high degree of decentralisation, it acknowledges the importance of maintaining certain centralised elements during its growth phase. These include managing compliance with Australian and international regulations, platform development, and technical support. Over time, as the platform evolves, the community-driven DAO will assume greater responsibility, enhancing decentralisation while preserving operational stability.

Regulatory Compliance

The platform operator will be an entity incorporated in Curacao and licensed by the Gaming Control Board of Curacao to operate under the National Ordinance on Offshore Games of Hazard. The licensed entity will comply with all applicable regulations including AML & CTF laws and use geo-blocking to ensure the LOTI platform is not accessible in any jurisdiction where it would be unlawful to do so.

Roadmap

Phase	Milestone	Timeline
Phase 1	Platform Development & Test Launch (Australia)	Q1 2024
Phase 2	Charity and Memecoin Onboarding	Q2 2024
Phase 3	Launch "Memes on a Mission" Campaign	Q4 2024
Phase 4	Token Generation Event & Public Listing	Q1 2025
Phase 5	Global Expansion (Asia, Africa, Americas)	Q2 2025

FAQ's

TBA

Risks and Disclaimers

TBA

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