

The Crypto Project Due Diligence Checklist

4 filters to run before you invest

Fit. Red flags. Fundamentals. Final decision.

FILTER 1

Does it fit?

Before you analyse an opportunity, ask whether it belongs in the portfolio you're actually trying to build. Even a legitimate opportunity can be the wrong fit for you.

WEALTH BUILDERS FILTER FOR FIT FIRST.

1. Does it match the level of involvement you want?

Some opportunities need daily interaction, active trading, recruiting or constant monitoring. Others are designed to be more passive.

My rule: If I have to log in daily, press buttons, complete tasks or constantly manage it just to earn, it doesn't fit what I want.

2. Does it match your risk comfort?

Does the potential reward justify the risk for you? Are you comfortable with the possible volatility or capital exposure?

3. Does it match your available time?

Does it require complex systems, managing people or ongoing effort? Does that match the time you realistically want to commit?

4. Does it match your income strategy?

What job do you need this opportunity to do?

CAPITAL GROWTH

CASHFLOW

LONG-TERM HOLDS

DIVERSIFIED INCOME

5. Does it support your main wealth focus?

A good opportunity can still be a poor decision if it pulls your attention away from higher-priority goals.

FILTER 2

Can I verify the basics?

Before going deeper, look for warning signs that should make you slow down and investigate further.

☐ Leadership you can't easily verify

☐ Founders who stay hidden

☐ Company registered in a high-risk offshore jurisdiction

☐ No real product, or a product that feels secondary to recruitment

☐ Partnerships you can't independently confirm

☐ Fixed daily, weekly or monthly return promises

☐ Leadership connected to previous failed or fraudulent projects

☐ No clear transparency around where funds are deployed

☐ Withdrawal delays or liquidity concerns

RULE: The more red flags you need to justify, the more cautious you should become.

FILTER 3

Is it a good investment?

Just because it isn't a scam doesn't mean it's a good investment. Passing the red-flag checks is only the starting point. Now look at the business fundamentals.

1. Does the business solve a real-world problem?

Is there genuine demand? Would people use it without the income opportunity? Can it realistically win in its category?

2. Is the token structure fair and sustainable?

Look at supply, distribution, timing, pre-mining and insider allocations that could create future selling pressure.

3. Is there a believable adoption strategy?

What will drive usage, demand and value? Is the roadmap realistic? Is there a clear path to real utilisation?

4. Can the founders execute the plan?

Do they have the technical, business or industry experience? Have they built anything successful before?

5. Does the business model make practical sense?

Can you explain how value moves through the system? Is there a logical link between activity and revenue?

6. Do they deliver on what they promise?

Check the history. Are milestones completed? Are updates consistent?

7. How transparent are the financials and operations?

Look for visibility around funding, treasury, token allocation or revenue. Are reports provided? Is communication factual rather than promotional?

FILTER 3 RULE

A project can pass the basic red-flag checks and still have weak fundamentals. Look at the business, not just the story.

Educational resource. This checklist is a starting point for your own research and due diligence. It doesn't guarantee that a project is safe or legitimate.

The final investment decision

The 5 questions I ask before I position anywhere.

Before I commit to an opportunity, I want clear answers to these five questions. If I can't answer them, I usually wait and watch or walk away.

1. Do I clearly understand how this makes money?

If you can't explain how value is created in simple language, you're relying on trust instead of understanding.

2. What could go wrong here?

Every opportunity has risk. Are the risks visible and manageable, or unknown and ignored?

3. Does this fit the role I need it to play in my portfolio?

Not every investment is for growth. Not every investment is for cashflow. Be clear on the purpose before committing capital.

4. Am I investing based on structure or excitement?

Excitement fades. Structure remains. Good decisions usually feel calm, not urgent.

5. Would I still be comfortable if this disappeared tomorrow?

Position sizing matters. No single opportunity should have the power to damage your financial stability.

QUICK-FIRE SUMMARY

Run this list before you put money in.

☐ It fits the role I want in my portfolio.
☐ I'm comfortable with the level of risk and involvement.
☐ I can verify who is behind it and where the company is based.
☐ There's a real product or business with genuine demand.
☐ The token structure and incentives make sense.
☐ The adoption strategy is believable.
☐ The team has the experience to execute.
☐ I can explain how the business creates value and makes money.
☐ The financials, operations and money flow are transparent enough to assess.
☐ There are no obvious withdrawal or liquidity concerns.
☐ I've checked the track record against what they promise.
☐ I know what could go wrong.
☐ I know exactly what role this investment plays in my portfolio.
☐ I'm making the decision based on structure, not urgency or excitement.
☐ If this disappeared tomorrow, my financial stability would still be intact.

MY DECISION ☐ **INVEST** ☐ **WAIT & WATCH** ☐ **WALK AWAY**

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