DECEMBER 2023

Andromeda Tokenomics

Executive Summary

Andromeda

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The Andromeda Ecosystem (AE) is based on a Cosmos SDK (L1) blockchain, the Andromeda Operating System (aOS), the ANDR L1 token, and all integrated L1 chains, projects, and alliance members.

The Andromeda L1 blockchain is based on an unmodified version of the standard vanilla Cosmos SDK.

The Andromeda Operating System (aOS) is made up of two layers: a collection of smart contracts that make up the operating system with a suite of tools and utilities. It is designed to scale across thousands of blockchains.

Token. The native cryptographically-secure fungible protocol token of Andromeda (ticker symbol ANDR) is a transferable representation of attributed governance and utility functions specified in the protocol/code of Andromeda, and which is designed to be used solely as an interoperable utility token.

ANDR is a multi-utility token which will be used as the medium of exchange between participants on Andromeda OS in a decentralized manner. The token is used in two domains 1) it secures the Andromeda Blockchain; and 2) it powers the aOS. Most of the anticipated utility value of ANDR is a function of the wide deployment and usage of the aOS on many different blockchains. The Andromeda Blockchain is not essential to the deployment and use of the aOS across blockchains.

The multi-chain topology of aOS means tokenomics can be powered using multiple cryptocurrencies across many blockchains. The effect is that ANDR indexes value across ecosystems with a diversified portfolio of cryptocurrencies. The ANDR index effect is represented by the aggregate of Andromeda Ecosystem fees from multiple L1s, some in ANDR, some in Andromeda Ecosystem native tokens. Accumulated AE tokens may be used to remove ANDR from circulation.

Summary: The ANDR token, although technically representative of the basic CosmosSDK, is a breakthrough in integrative architecture that enables the capability to index utility functions across the Andromeda Ecosystem. Exchange and L-1 integration is recognized across the industry as a standard Cosmos SDK integration with minor adaptations with no risk of large amounts of technical debt.

Appendix

Primary	Primary %	Secondary	Secondary %	Amount	Lockup	Vesting	In Circulation	Circulation Amount (Dec '23)
Private Strategic Sale	12.5%	Pre-seed	8.3%	83,280,000	12	24	No	0
		Seed/SAFT	3.7%	37,114,494	6	24	No	0
		Validator SAFT	0.4%	4,336,365	6	24	No	0
DAO	50.8%	Ecosystem sDAO	5.0%	50,000,000	–	–	No	0
		Institute sDAO	5.0%	50,000,000	–	–	No	0
		Validator Bootstrap	0.4%	3,500,000	–	–	No	0
		Advisors	3.4%	34,294,885	12	24	Partial	10,000,000
		Validator Incentives	10.0%	100,000,000	3	60	No	0
		Community Pool	27.1%	270,611,757	–	–	No	0
Foundation	11.5%	Market Maker	7.0%	70,000,000	–	–	No	0
		Community Incentives	0.1%	1,000,000	0	0	Yes	1,000,000
		Liquidity Bootstrapping	2.4%	24,000,000	–	–	Partial	4,500,000
		Operations	2.0%	20,000,000	–	–	Partial	7,100,000
Labs	11.2%	Operations & Business Development	7.5%	75,000,000	–	–	No	0
		Contractors	3.7%	36,862,499	12	24	Partial	410,000
Team	14.0%	Founders	14.0%	140,000,000	12	24	No	0
	100%		100%	1,000,000,000				23,010,000

Pools

Token Distribution (Detail)

Founders 14.0%
Contractors 3.7%
Operations & Business Development 7.5%
Operations 2.0%
Liquidity Bootstrapping 2.4%
Community Incentives 0.1%
Market Maker 7.0%
Pre-seed 8.3%
Seed/SAFT 3.7%
Validator SAFT 0.4%
Ecosystem sDAO 5.0%
Institute sDAO 5.0%
Validator Bootstrap 0.4%
Advisors 3.4%
Validator Incentives 10.0%
Community Pool 27.1%