AURUS

TOKENOMICS

Version 1.0 — 11 November 2024

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2. About AURUS

AURUS is redefining gold and silver's role in Web3. By leveraging tokenized precious metals—tGOLD and tSILVER— AURUS introduces groundbreaking use cases that bring unparalleled stability to decentralized finance (DeFi), secure digital collectibles and elevate gaming economies. We believe that these precious metals—renowned for their timeless value—can serve as the foundation for a more resilient and dependable Web3 ecosystem.

More than a platform, AURUS is an ecosystem. By merging real-world assets with cutting-edge technology, we empower businesses and individuals to unlock new opportunities in high-growth sectors. AURUS bridges the gap between digital potential and real-world value, making Web3 more stable, resilient, and accessible than ever.

3. Mission and Vision

Our Mission is to provide a secure, real-world asset layer backed by gold and silver that brings stability, intrinsic value, and trust to the Web3 ecosystem. In an environment where volatility and speculation can discourage mainstream adoption, AURUS enables businesses and individuals to anchor their digital activities with assets that have stood the test of time.

Our Vision is to become the foundation of a more resilient Web3. We see a digital economy where tokenized gold and silver empower DeFi applications, set reliable price floors for digital collectibles and enhance gaming experiences. By anchoring Web3 with real-world value, AURUS aims to foster a trusted, sustainable digital economy and unlock the full potential of decentralized applications.

4. Token Ecosystem

AURUS combines the timeless value of precious metals with the unlimited possibilities of blockchain technology. Our ecosystem is structured around four tokens—tGOLD, tSILVER, AurusX (AX), and $AURUS—each contributing uniquely to the stability, growth, and governance of the digital asset space.

Token Overview

tGOLD (tXAU)

- **Description**: tGOLD is a gold-backed token, with each token representing 1 gram of physical gold, stored in audited and insured vaults.
- **Value Proposition**: Provides a stable store of value, acting as a hedge against volatility.
- **Use Cases**: Ideal for DeFi lending, collateralization of digital collectibles, and secure digital transactions across platforms. The transaction velocity of tGOLD generates fees, which are funneled back into the AURUS ecosystem, supporting rewards and protocol sustainability.

tSILVER (tXAG)

- **Description**: tSILVER is a silver-backed token, with each token representing 1 gram of silver, stored in audited and insured vaults.
- **Value Proposition**: Blends stability and potential price fluctuation, making it an excellent asset to complement gold and diversify alongside crypto holdings.
- **Use Cases**: Suitable for stable DeFi applications, collateralization of digital collectibles, and broader Web3 integrations. Like tGOLD, the transaction velocity of tSILVER generates fees that contribute to rewards and sustainability within the AURUS ecosystem.

AurusX (AX)

- **Description**: The legacy native token within the AURUS ecosystem, designed to reward early adopters with a portion of rewards (protocol fees) claimable in tGOLD and tSILVER.
- **Total Supply**: 30 million AX tokens.
- **Value Proposition**: AX stakers claim rewards in tGOLD and tSILVER, fostering long-term engagement and loyalty.
- **Connection to $AURUS**: AX holders benefit from a structured transition plan (detailed below) with tiered rewards allocated in $AURUS. Additionally, AX undergoes a controlled burn process to align with the new ecosystem structure. With a minimum of 15 million AX (50% of supply) allocated to be burned (permanently removed from supply) as specific staking KPI's are met.
- **Ongoing Utility**: AX stakers will continue to claim rewards in tGOLD and tSILVER. These rewards come from protocol fees generated from the minting and burning of precious metal tokens (tGOLD and tSILVER) and transaction fees on these tokens. With 15% of total fees being allocated to AX stakers.

$AURUS

- **Description**: The main ecosystem token, driving growth, incentivising liquidity, and streamlining governance with advanced tokenomics.
- **Total Supply**: 1 billion $AURUS tokens.
- **Value Proposition**: Supports ecosystem expansion through governance, staking incentives, and a deflationary model. A large portion of the AURUS supply is issued programmatically over time as incentives, and this distribution autonomously recognises both of these utility functions, i.e. token staking and liquidity provision.
- **Use Cases**: Powers DeFi applications, minting of digital collectibles, RWA integrations, and community governance initiatives.
- **Enhanced Utility**: The $AURUS token serves two primary functions: it acts as a single-staking mechanism to support liquidity pools for commodity assets, and as a core liquidity asset for the $AURUS token pairs (e.g. $AURUS/$USDC). Holders can stake $AURUS as LP in the Core liquidity pool or single-sided stake $AURUS to direct incentives and fees to specific commodity liquidity pools, enhancing decentralized decision-making. An automated buy-and-burn mechanism regularly reduces circulating supply, using a portion of accumulated protocol fees, creating a deflationary effect that stabilizes and maintains equilibrium in the ecosystem.

5. $AURUS Tokenomics

As we evolve the AURUS ecosystem, the launch of the $AURUS token marks an exciting new phase. With advanced features to foster a stable, growth-oriented, and community-rewarding environment, $AURUS brings new utility, from staking and liquidity provision to streamlined governance. Built on the BASE network, $AURUS aligns with our goal to drive sustainable value and expand liquidity across our ecosystem.

In the next pages, we'll explore the mechanics of the $AURUS tokenomics model, highlighting its key components, design, and the ways it powers growth and engagement across the AURUS ecosystem.

6. Understanding $AURUS: The Core of the AURUS Ecosystem

The $AURUS token is central to the ecosystem, enabling governance, driving community engagement, and supporting liquidity growth across all our ecosystem assets.

The Key Roles of $AURUS:

1. **Staking**: $AURUS acts as a single-sided staking mechanism to select and incentivize liquidity pools for tGOLD and tSILVER.
2. **Liquidity**: It also serves as a primary liquidity asset for the Core Liquidity Pairing (e.g. $AURUS/$USDC).

Economic Stability: Together, these roles make $AURUS essential for maintaining the stability of liquidity and economic integrity of the AURUS ecosystem.

Key Concepts:

- **Incentives** = New $AURUS tokens issued for staking and liquidity.
- **Fees** = Protocol fees from minting, burning, and transacting in tGOLD & tSILVER.

7. Key Features of $AURUS Tokenomics

1. Algorithmic Token Issuance

A sophisticated algorithm governs the issuance of $AURUS, ensuring a balanced supply that supports economic stability. This model programmatically distributes tokens, recognizing both staking and liquidity functions, encouraging equilibrium and optimal price discovery by rewarding active participation in liquidity pools and staking.

2. Enhanced Governance

The upgraded tokenomics empower $AURUS holders with the ability to shape the ecosystem's future. By participating in governance, token holders can influence the allocation of incentives, ensuring resources are directed to the areas that need them most. This democratic approach encourages active community involvement and aligns incentives with the ecosystem's growth, creating a fair and dynamic system that benefits everyone.

8. Staking and Liquidity Provision

The new $AURUS model introduces robust opportunities for staking and liquidity provision:

- **Staking Functionality:** $AURUS holders can stake their tokens and select liquidity pools of their choice, such as $TXAU/$USDC. By doing so, they direct incentives and fees towards the liquidity providers in those specific pools, allowing stakers to have a say

in where the incentives and fees flow, and value accrues. Stakers will also share incentives and fees, allocated based on the dynamic utilization model.

- **Core Liquidity Pairing:** $AURUS holders may also provide liquidity for stablecoin pairings (e.g., $AURUS/$USDC) to contribute to the core liquidity pool. In this pool, participants earn local liquidity fees (swap fees) as well as sharing incentives and fees, allocated based on the dynamic utilization model. This core liquidity pool generates fees and incentives without the need for an AURUS Stake selection.

  Moreover, LP token holders can increase their share of incentives and fees by locking their liquidity for extended periods across our new DeFi opportunities.

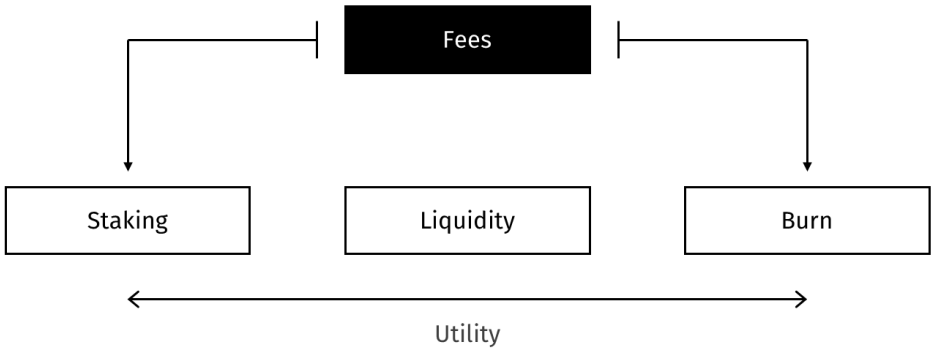
This dual approach enhances ecosystem stability while rewarding active participants for their commitment and strategic contributions.

9. Fee Generation and Distribution

The AURUS ecosystem generates fees from multiple sources, including the minting and burning of precious metal tokens ($tGOLD and $tSILVER) and transaction fees associated with these tokens. A substantial 75% of these fees are allocated to the protocol, ensuring sustained ecosystem growth. The remaining 25% of fees are shared as follows: 15% to legacy AX stakers and 10% to the AURUS Foundation.

These fees are distributed to active participants and are dynamically scaled based on real-time ecosystem activity and utilization. By directly linking these to contributions, AURUS ensures that value flows to those driving the ecosystem's growth and sustainability, fostering a thriving and equitable community. *For detailed formulas, please refer to Appendix 1.*

Figure 1. $AURUS Distribution of Fees



10. Automated Burn Mechanism

To support long-term value, the AURUS ecosystem features an automated burn mechanism. A portion of the fees are periodically swapped into $AURUS tokens and burned to permanently remove from circulation, reducing the total supply and maintaining equilibrium.

This burn mechanism is inversely related to $AURUS staking—when staking levels are high, the burn rate reduces accordingly, to prioritize stability and equilibrium, and vice versa when staking levels are low.

Thereafter, fees are allocated as follows: to staked $AURUS holders, to core liquidity pool LPs, and then to LPs in any other liquidity pools selected via $AURUS staking.

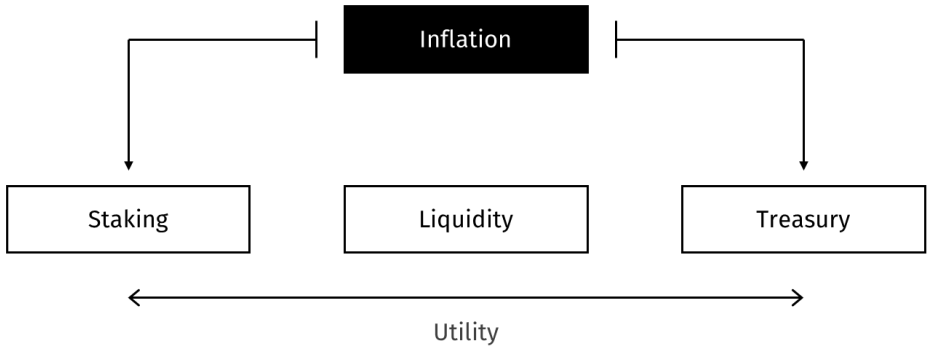
11. Inflation Incentives and Community Participation

Incentivizing community participation is a cornerstone of the $AURUS model. New token issuances are strategically designed to incentivize engagement across three critical areas:

1. **Single-Staking of $AURUS** – To guide incentives and fees toward liquidity pools.
2. **Core Liquidity Pool** – For stable liquidity pairing with $AURUS tokens.
3. **Commodity Liquidity Pools** – Supporting liquidity for assets like $tGOLD and $tSILVER.

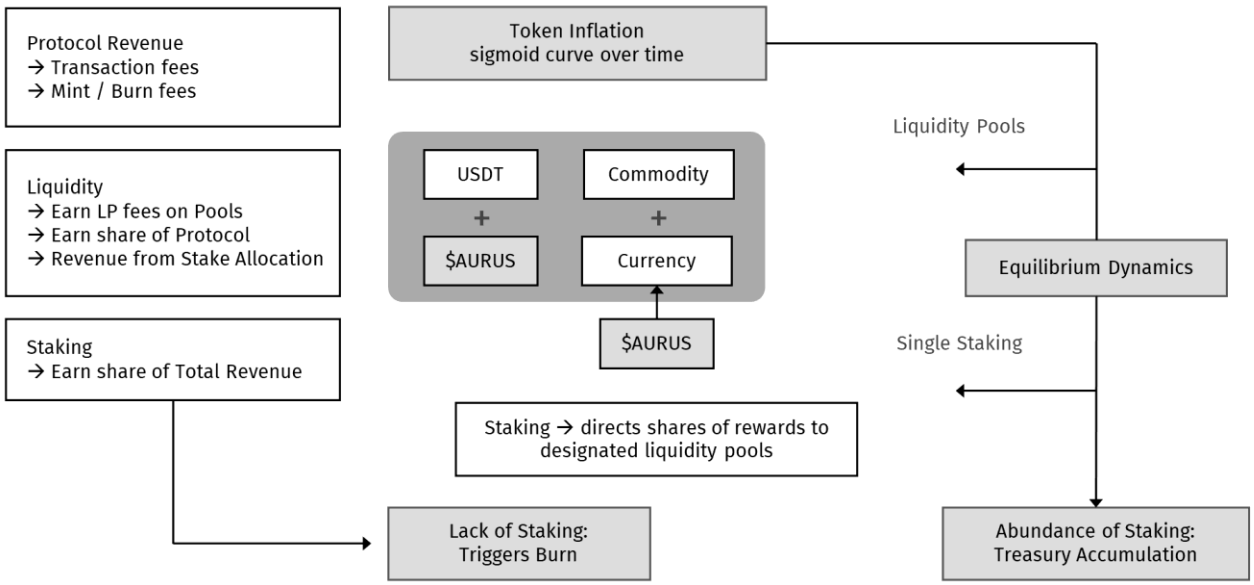
Inflation (incentives) is allocated similarly to fees, but with a utilization factor applied that sweeps $AURUS tokens to Treasury depending on the state of the system.
For detailed formulas, please refer to Appendix 1.

Figure 2. AURUS Inflation Distribution



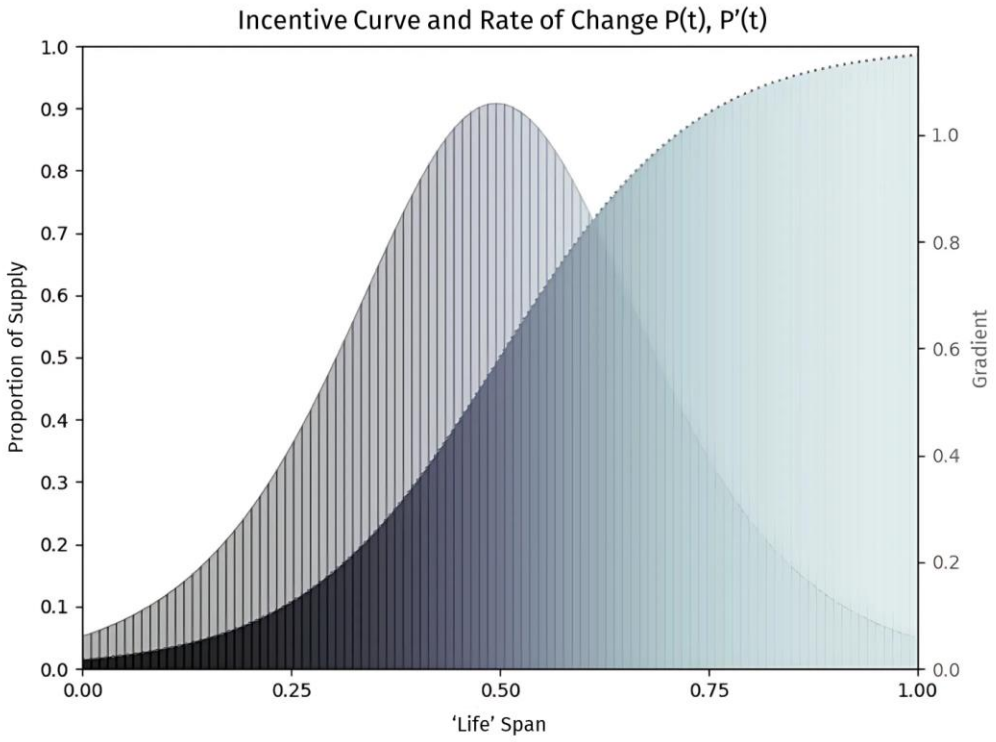
In addition, $AURUS incentives will be allocated to promote the minting of digital collectibles and integration opportunities in lending, borrowing, and GameFi.

Figure 3. $AURUS Utility Economics



- As part of its utility functions, $AURUS can be used to:
    - Add Liquidity to the *Core Liquidity Pool,* or
    - Single Stake, to *direct incentives to a specific commodity liquidity poo*l
- Both are mutually exclusive.

Figure 4. Incentive Issuance



12. $AURUS Token Allocation

The $AURUS token distribution ensures strategic alignment for growth, governance, and community incentives.

Table 1. $AURUS Allocation

Allocation	**Percentage**	**Purpose**
Team	20.00%	Incentivizes long-term support and development
Advisors	2.50%	Strategic advisory, with a vesting schedule
Private Investors	4.00%	Early supporters, with vesting to stabilize the market
AX Holders (Public 1)	4.80%	Rewards for long-standing AX holders

Launchpad (Public 2)	1.50%	Initial liquidity and community expansion
Liquidity Provision	4.50%	Dedicated to liquidity pools
Treasury	12.70%	Reserved for ecosystem development and partnerships
Incentives	50.00%	Community rewards, staking, and liquidity incentives

Token Generation Event (TGE): The TGE is the launch event for $AURUS, introducing the token to the market with allocated liquidity that will be locked for a prescribed period of time to facilitate initial trading. A significant portion of tokens at TGE will go toward liquidity provisioning for a smooth launch. Many categories are subject to a cliff period, followed by vesting schedules.

Initial Liquidity: Liquidity provided for trading pairs is matched 1:1 with ETH or USDC, ensuring stable liquidity on exchanges and managed on a case-by-case basis.

13. $AURUS Token Distribution, Cliff, and Unlock Schedule

The $AURUS token distribution is designed to support sustainable growth, with cliff periods and gradual unlock schedules ensuring a balanced and transparent release of tokens.

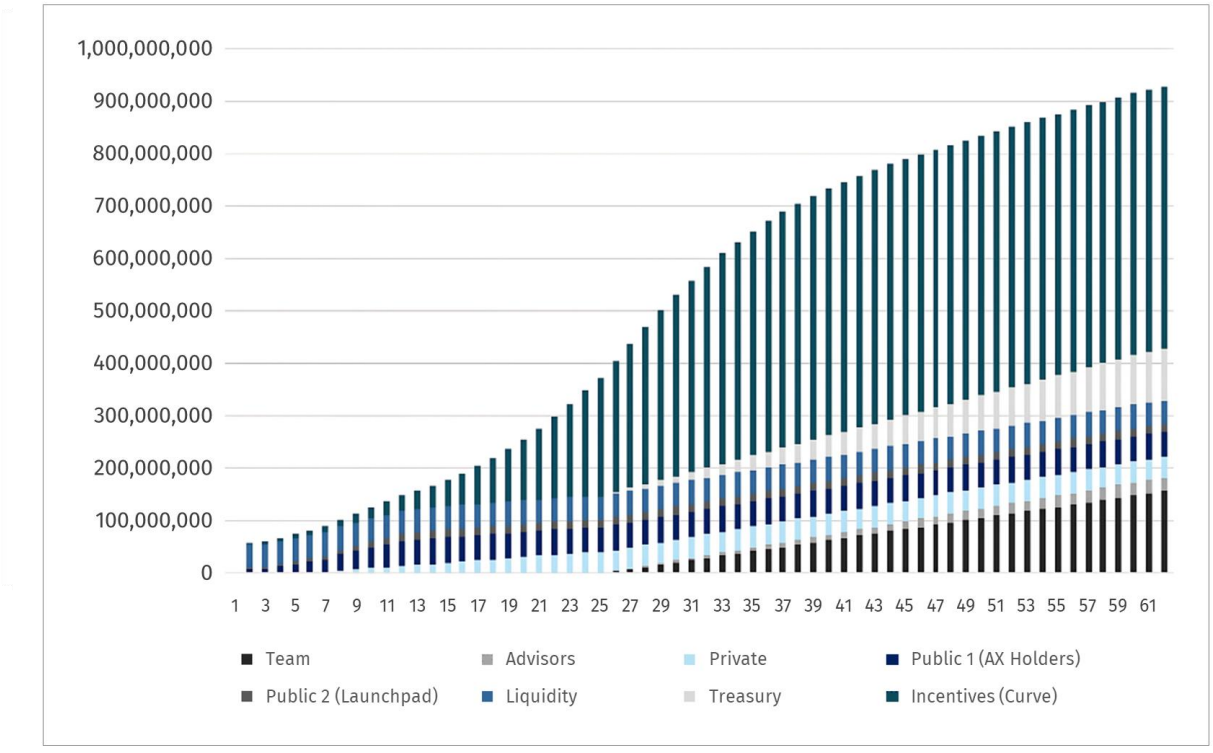
Table 2. $AURUS Cliffs and Unlock Periods

Category	% of Total Supply	Quantity of $AURUS	At TGE	Cliff (Months)	Unlock Period (Months)
Team	20.00%	200,000,000	-	23	47
Advisors	2.50%	25,000,000	-	23	35
Private Investors	4.00%	40,000,000	4,000,000	5	17
AX Holders (Public 1)	4.80%	48,000,000	4,800,000	0	10
Launchpad (Public 2)	1.50%	15,000,000	1,500,000	0	12

Liquidity Provision	4.50%	45,000,000	45,000,000	0	1
Treasury	12.70%	127,000,000	-	23	47
Incentives (Curve issuance)	50.00%	500,000,000	-	0	Ongoing
Totals	**100.00%**	**1,000,000,000**			

Two forms of issuance are detailed above; the 'Curve Methodology' is applied to $AURUS Incentive tokens and follows a sigmoid curve, which is asymptotic, as detailed in the *Technical Paper (Appendix 1)*. Remaining tokens follow traditional linear vesting schedules.

Figure 5. $AURUS Issuance by Cohort



14. Building a Sustainable Ecosystem

Our commitment to sustainability is reflected in the design of the $AURUS tokenomics. From the adaptive issuance model and diverse staking options to the integration of burn mechanisms and enhanced governance, each component of the new tokenomics serves to build a resilient, community-driven ecosystem. Launching on BASE further amplifies these goals, allowing $AURUS to reach new heights in efficiency and accessibility.

15. $AURUS Tiered Rewards for AX Holders

AX holders can claim $AURUS rewards through a structured, tiered reward system based on the amount of AX they stake. This system incentivizes early and substantial participation and aligns AX holders with the future of $AURUS.

Table 3. $AURUS Reward Tiers per AX

AX Staked	Reward Multiplier	Reward per Staked AX in $AURUS
First 2,000,000 AX	15x	15 $AURUS per 1 AX staked
Second 2,000,000 AX	8x	8 $AURUS per 1 AX staked
Above 4,000,000 AX	4x	4 $AURUS per 1 AX staked

How it works:

- **First 2,000,000 AX**: The highest reward tier, offering 15 $AURUS per each AX staked. This tier encourages early participants to maximize their staking benefits.
- **Second 2,000,000 AX**: AX stakers in this bracket receive 8 $AURUS per AX, providing substantial rewards as more AX is staked.
- **Above 4,000,000 AX**: AX staked beyond 4 million is rewarded with 4 $AURUS per AX, maintaining ongoing rewards and supporting gradual token distribution.

16. AX Transition and Token Burn

The transition from AX to $AURUS is a pivotal step in the AURUS ecosystem, designed to support long-term growth.

- ➔ AX stakers can claim 10% of their $AURUS allocation at the Token Generation Event (TGE), with the remaining 90% distributed linearly over 10 months if they continue staking.
- ➔ If AX token holders unstake their AX at any moment within the period after TGE - they forego any claims of the rest of their allocation of $AURUS tokens.

This process rewards early participation and ensures a smooth, incentivized shift to $AURUS.

A planned burn mechanism will further reduce the AX supply over time (minimum of 15M AX burned), redirecting its value into $AURUS and strengthening its role as the core token. This deflationary approach stabilizes the token economy, concentrates value, and enhances sustainability, ensuring the ecosystem's long-term success.

17. General Conclusions

The AURUS Tokenomics model represents a transformative approach to bridging traditional assets with blockchain innovation. By leveraging a unique ecosystem of tokens and advanced economic mechanisms, AURUS sets the foundation for long-term growth, sustainability, and community engagement. Below are the key takeaways:

- **Diverse Token Ecosystem**: With tGOLD and tSILVER offering real-world asset stability, AurusX (AX) rewarding early adopters, and $AURUS driving governance and incentives, the AURUS ecosystem provides robust and interconnected functionality.
- **Generation and Distribution of Fees**: Transaction fees from tGOLD and tSILVER, combined with minting and burning fees, fuel the ecosystem, ensuring active participants are rewarded based on their contributions.
- **Staking and Liquidity Provision**: $AURUS incentivizes participation through dynamic staking models and liquidity pools, promoting economic stability and rewarding long-term commitment.
- **Deflationary Mechanisms**: Automated buy-back and burn processes ensure circulating supply is managed effectively, stabilizing the ecosystem and enhancing token value.
- **Governance and Community Engagement**: Empowering $AURUS holders with decision-making rights fosters a democratic and sustainable growth model aligned with the needs of the community.
- **Sustainability Through Innovation**: From adaptive token issuance and tiered rewards for AX holders to GameFi and DeFi integrations, AURUS is building a resilient ecosystem that thrives on innovation and community collaboration.

Together, these components form the backbone of AURUS's vision: to merge the timeless value of precious metals with cutting-edge blockchain technology, creating a sustainable and inclusive digital economy for the future.

Appendix 1.

AURUS

Token Economy

Core liquidity protocol for a precious metal backed ReWA token economy.

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Contents

1 Disclaimer

This document is prepared by 01X Consulting FZE (**01X**) and constitutes a proposal for the potential economic construct of a token economy and has been prepared solely for the benefit of Aurus Inc (**Aurus**). The proposal does not ascertain whether any tokens that are potentially contemplated constitute securities or utilities. Nothing herein constitutes legal, regulatory, financial, business or tax advice and Aurus must consult its own legal, regulatory, financial, tax or other professional advisor(s) before engaging in any activity herewith. 01X shall not be liable for any kind of direct or indirect damage or loss whatsoever in connection with this proposal.

2 Introduction

Aurus is a Web3 decentralised liquidity venue supporting the tokenisation of precious-metal Real World Assets (**ReWA**). The platform contains a primary creation and issuance function for these assets, such as gold and silver, as well as secondary market liquidity pools operating alongside.

The revenue generated by the protocol is shared as tokenised rewards with participating stakeholders. This distribution is determined from the dynamic system utilisation observed from the token system. The governance token AURUS is used in two ways; as a single-staking function to model liquidity pool contributions, and as a core liquidity instrument itself paired with the tokenised gold assets.

A large portion of the AURUS supply is issued programmatically over time as incentives, and this distribution autonomously recognises both of these utility functions, i.e. token staking and liquidity provision. It is an adaptive model, designed to find equilibrium and optimal price discovery, by virtue of its own utility capital positioning.

Scope

This paper deals with the distribution and incentivisation model for the governance token AURUS, its core utility function of Staking, the complementary function of Liquidity Provision, and the overall economic flow across the protocol.

3 Economic Model

3.1 Token Utility

The AURUS token is used in 2 ways:

Staking:

- Token holders select Liquidity Pools by staking their AURUS tokens for their pool of choice.
- By doing so they direct incentives and revenue towards the liquidity providers of the selected pools.

Liquidity:

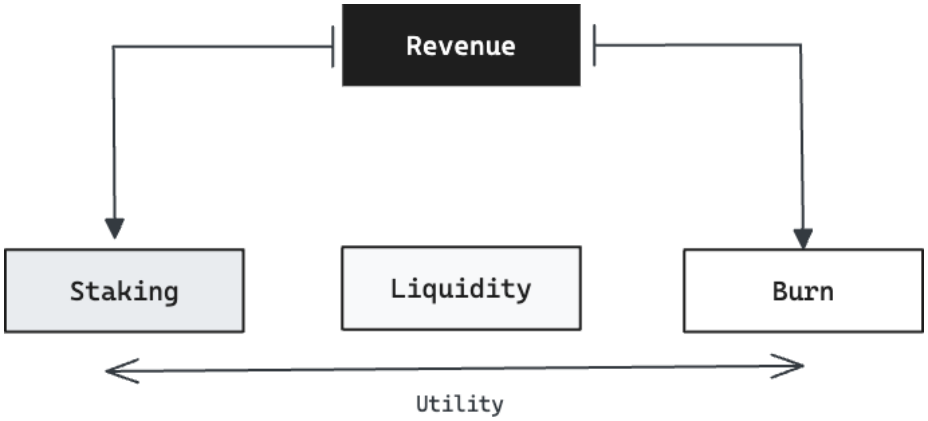
- Token holders can pair their AURUS with USDT to create the Core Liquidity pairing.
- Here, they earn local liquidity fees in the normal way as well as sharing in incentives and revenue.
- This core pool generates rewards and incentives without the need for an AURUS Stake selection.
- LP token holders can boost their share of rewards by locking liquidity for longer periods of time.

3.2 Protocol Revenue

Revenue is generated from minting (and burning) primary ReWA assets on the platform, together with asset transfer fees. 75% of Revenue is payable to the protocol (15% is allocated for staked AX tokens with 10% for the developer).

Revenue is distributed using utility dynamics to determine allocations:

Figure 1: AURUS Revenue Share



A portion of revenue is swapped into AURUS tokens and burned to permanently remove from circulation, noting that burning is inversely related to AURUS staking. Thereafter revenue is shared between staked AURUS, the Core Liquidity Pool, and any other pools selected by AURUS staking.

3.3 Inflation Incentives

Inflation is allocated similarly, but with a utilisiation factor applied that sweeps tokens to Treasury depending on the system state.

Figure 2: AURUS Inflation Share

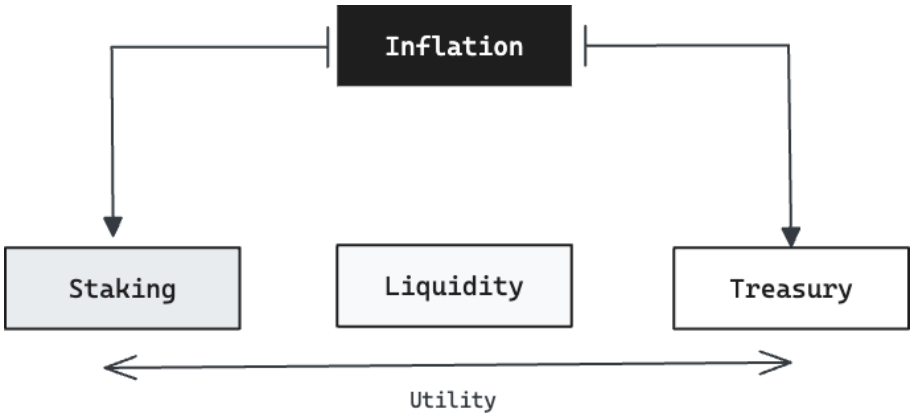
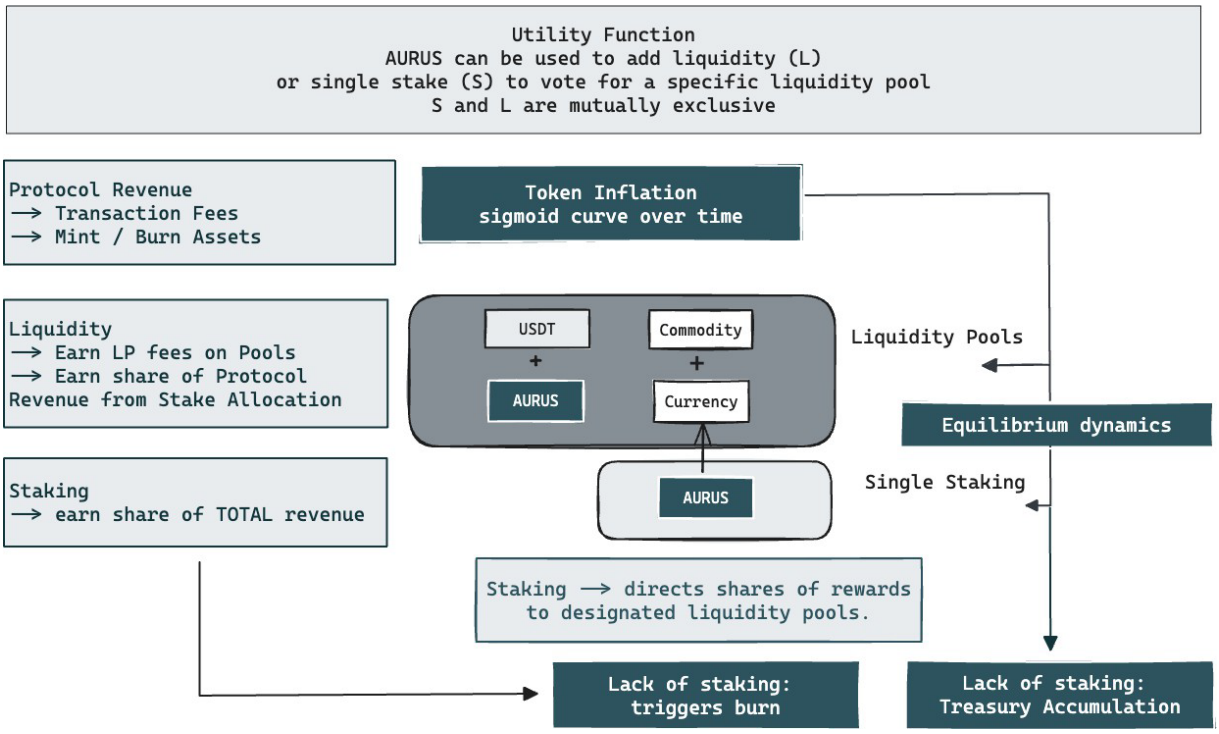


Figure 3: AURUS Utility Economics



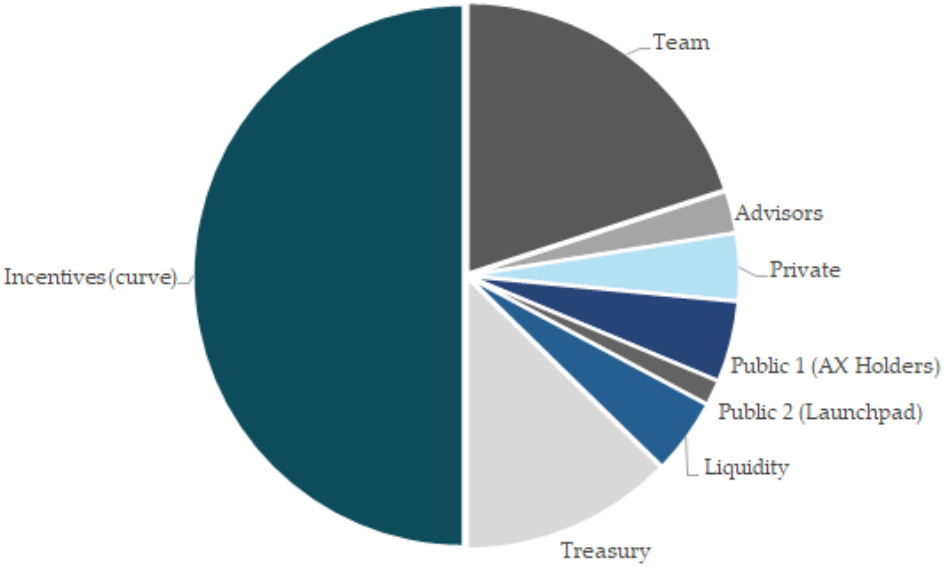
4 Distribution: AURUS

The two forms of issuance method are detailed in Table 1 below. The 'Curve' methodology is applied to AURUS incentive tokens and follows a sigmoid curve as detailed in Section 4.1 which is asymptotic. Remaining tokens follow traditional linear vesting schedules.

Table 1: Allocations

Cohorts	% Allocation	Tokens	At TGE	Cliff	Unlocking
Team	20.0%	200,000,000	-	23	47
Advisors	2.5%	25,000,000	-	23	35
Private	4.0%	40,000,000	4,000,000	5	17
Public 1 (AX Holders)	4.8%	48,000,000	4,800,000	0	10
Public 2 (Launchpad)	1.5%	15,000,000	1,500,000	0	12
Liquidity	4.5%	45,000,000	45,000,000	0	1
Treasury	12.7%	127,000,000	-	23	47
Incentives (curve)	50.0%	500,000,000			
Totals	100.0%	1,000,000,000			

Figure 4: Gross Allocations



4.1 Incentive Curve

The incentive issuance is built on a sigmoid curve, **P** to generate total proportion of supply in issue. It is calibrated from the initial issuance at TGE, P_0 and the inflection point time T where 50% of AURUS tokens have been released.

Initiating $\mathbf{x_0}$ from the initial issuance parameter:

(1)

$$x_0 = \ln\left[\frac{P_0}{1 - P_0}\right]$$

with $\mathbf{x_t}$ at time point t, $(t \in (0, \infty))$:

(2)

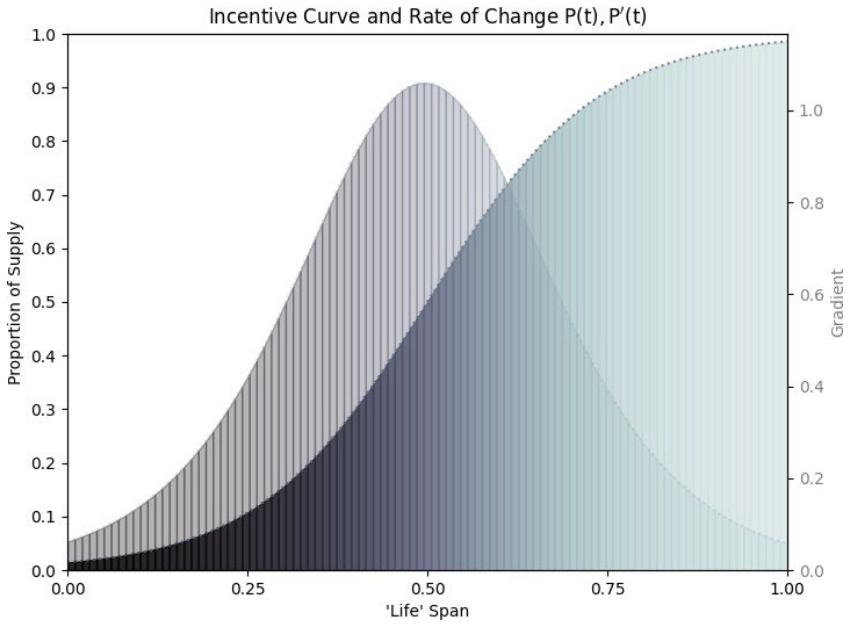
$$x_t = x_0 \cdot \left[1 - \frac{t}{T}\right]$$

Giving supply function P_t as:

$$P_t = \frac{e^{x_t}}{e^{x_t} + 1} \tag{3}$$

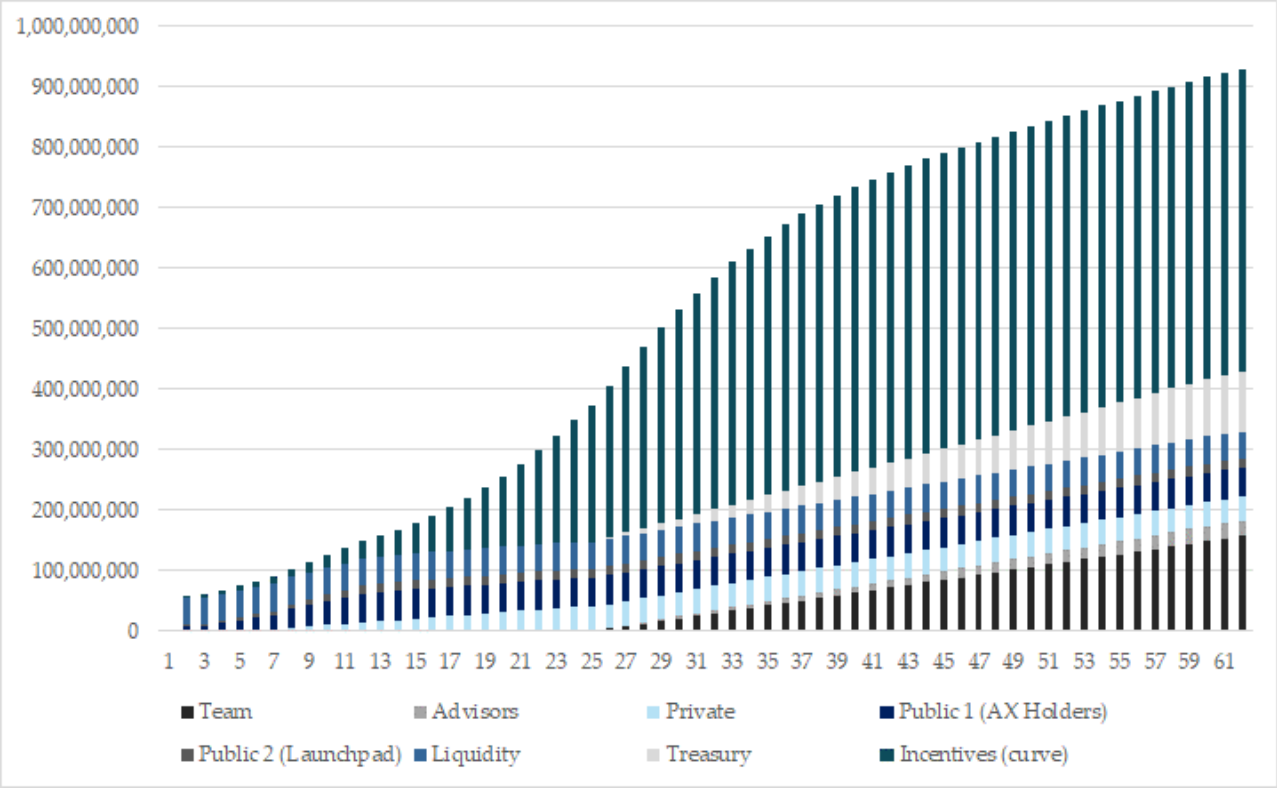
Please see excel model for calibration based on TGE issuance.

Figure 5: Incentive Issuance



4.2 Supply Outputs

Figure 6: Issuance by Cohort



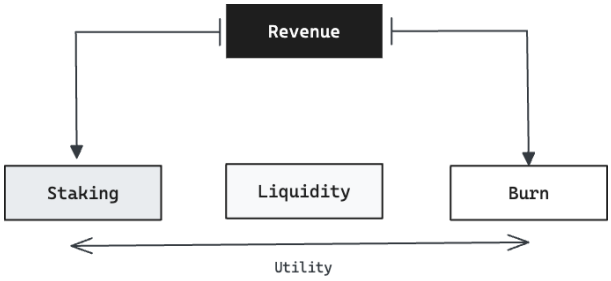
5 Calculations & Distributions

Defining initially:

S: tokens staked expressed as a proportion of circulating supply, $S \in [0, 1]$.
L: tokens held in the Core LP pool with a hard currency pair, expressed as a proportion of circulating supply, $L \in (0, 1]$.

5.1 Fee Revenue

The share of Fee revenue **F** is allocated as follows:



Burn proportion, $\mathbf{F_B}$:

$$F_B = 1 - \frac{S}{1 - L} \tag{4}$$

The residual, $1 - F_B$ is treated accordingly:

Core Liquidity Pool [AURUS - USDT], $\mathbf{F_L}$:

$$F_L = L \cdot (1 + S) \tag{5}$$

Other Liquidity (selected by staking), $\mathbf{F_O}$:

$$F_O = S \cdot (1 - F_B - F_L) \tag{6}$$

Staked AURUS, $\mathbf{F_S}$:

$$F_S = (1 - S) \cdot (1 - F_B - F_L) \tag{7}$$

The range of Fee Revenue Shares:

Figure 8: Burn F_B, Core Liquidity F_L, Other Liquidity F_O, Staking F_S

		Staking (S)										
	F_{-B}	0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1
Liquidity (L)	0	1.00	0.90	0.80	0.70	0.60	0.50	0.40	0.30	0.20	0.10	0.00
	0.1	1.00	0.89	0.78	0.67	0.56	0.44	0.33	0.22	0.11	0.00	
	0.2	1.00	0.88	0.75	0.63	0.50	0.38	0.25	0.13	0.00		
	0.3	1.00	0.86	0.71	0.57	0.43	0.29	0.14	0.00			
	0.4	1.00	0.83	0.67	0.50	0.33	0.17	0.00				
	0.5	1.00	0.80	0.60	0.40	0.20	0.00					
	0.6	1.00	0.75	0.50	0.25	0.00						
	0.7	1.00	0.67	0.33	0.00							
	0.8	1.00	0.50	0.00								
	0.9	1.00	0.00									
	1	1.00										

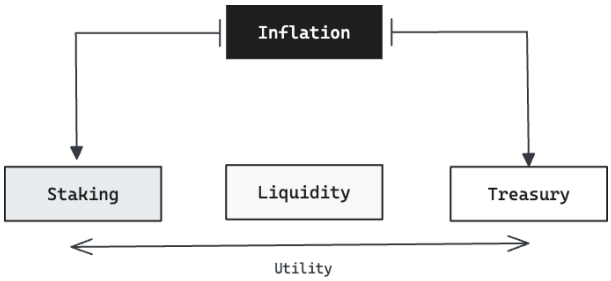
		Staking (S)										
	F_{-L}	0.0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0
Liquidity (L)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.1	0.00	0.01	0.03	0.04	0.06	0.08	0.11	0.13	0.16	0.19	
	0.2	0.00	0.03	0.06	0.10	0.14	0.19	0.24	0.30	0.36		
	0.3	0.00	0.05	0.10	0.17	0.24	0.32	0.41	0.51			
	0.4	0.00	0.07	0.16	0.26	0.37	0.50	0.64				
	0.5	0.00	0.11	0.24	0.39	0.56	0.75					
	0.6	0.00	0.17	0.36	0.59	0.84						
	0.7	0.00	0.26	0.56	0.91							
	0.8	0.00	0.44	0.96								
	0.9	0.00	0.99									
	1	0.00										

		Staking (S)										
	F_{-B}	0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1
Liquidity (L)	0	1.00	0.90	0.80	0.70	0.60	0.50	0.40	0.30	0.20	0.10	0.00
	0.1	1.00	0.89	0.78	0.67	0.56	0.44	0.33	0.22	0.11	0.00	
	0.2	1.00	0.88	0.75	0.63	0.50	0.38	0.25	0.13	0.00		
	0.3	1.00	0.86	0.71	0.57	0.43	0.29	0.14	0.00			
	0.4	1.00	0.83	0.67	0.50	0.33	0.17	0.00				
	0.5	1.00	0.80	0.60	0.40	0.20	0.00					
	0.6	1.00	0.75	0.50	0.25	0.00						
	0.7	1.00	0.67	0.33	0.00							
	0.8	1.00	0.50	0.00								
	0.9	1.00	0.00									
	1	1.00										

		Staking (S)										
	F_{-L}	0.0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0
Liquidity (L)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.1	0.00	0.01	0.03	0.04	0.06	0.08	0.11	0.13	0.16	0.19	
	0.2	0.00	0.03	0.06	0.10	0.14	0.19	0.24	0.30	0.36		
	0.3	0.00	0.05	0.10	0.17	0.24	0.32	0.41	0.51			
	0.4	0.00	0.07	0.16	0.26	0.37	0.50	0.64				
	0.5	0.00	0.11	0.24	0.39	0.56	0.75					
	0.6	0.00	0.17	0.36	0.59	0.84						
	0.7	0.00	0.26	0.56	0.91							
	0.8	0.00	0.44	0.96								
	0.9	0.00	0.99									
	1	0.00										

5.2 Inflation

The share of Inflation **I** is allocated as follows:



A utilisation measurement factor υ is derived as follows:

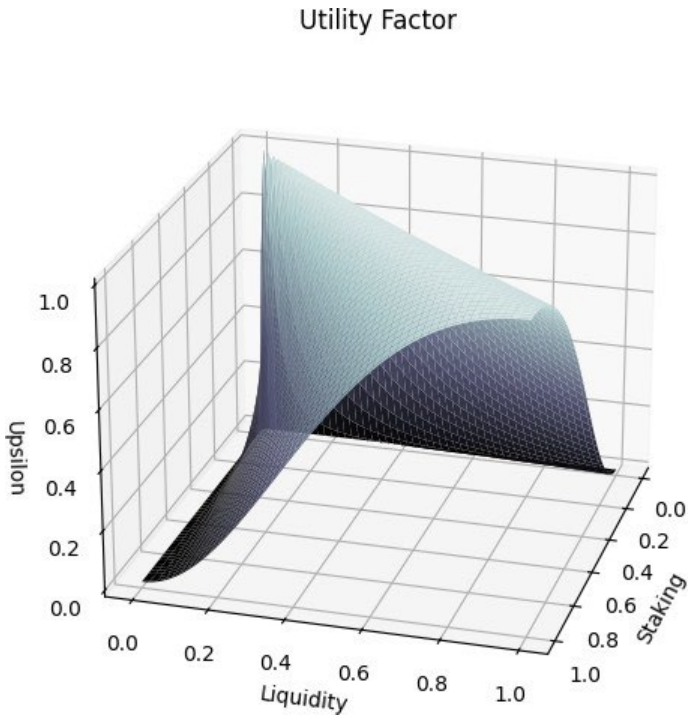
Where $\upsilon = 0$ if $S + L = 0$ otherwise:

(8)

$$\upsilon = \left[\frac{2LS}{S^2 + L^2}\right]^2$$

The range of Upsilon:

Figure 9: Upsilon υ range of values



Inflation **I** is allocated as follows:

Treasury, $\mathbf{I_T}$:

$$I_T = 1 - \upsilon \tag{9}$$

The residual is shared accordingly:

Core Liquidity, $\mathbf{I_L}$:

$$I_L = \frac{S^2}{S^2 + L^2} \tag{10}$$

Other Liquidity (Selected by Staking), $\mathbf{I_O}$:

$$I_O = S \cdot (1 - I_L) \tag{11}$$

Staked AURUS, $\mathbf{I_S}$:

$$I_S = (1 - S) \cdot (1 - I_L) \tag{12}$$

5.3 Locked Liquidity

The share of both sets of rewards that are due to Core Liquidity LPs is weighted by both AURUS tokens in their LP *and* the maturity of their locked stake *t*. The weight **W** of each LP, having staked for time *t*, is determined for completeness as:

(13)

$$W_j = \frac{L \cdot t}{\sum L \cdot t}$$

With $t \in [1, \infty)$[1] and rewards for locked LPs are fully liquid in the normal way.

[1]Unlocked LPs should have a minimum cooldown of 24 hours hence $\boldsymbol{t} = 1$

The range of Inflation allocations:

Figure 10: Inflation Treasury I_T, Core Liquidity I_L Other Liquidity I_O, Staking $I_T = S$

		Staking (S)										
	$I_{\_T}$	0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1
Liquidity (L)	0	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
	0.1	1.00	0.00	0.36	0.64	0.78	0.85	0.89	0.92	0.94	0.95	
	0.2	1.00	0.36	0.00	0.15	0.36	0.52	0.64	0.72	0.78		
	0.3	1.00	0.64	0.15	0.00	0.08	0.22	0.36	0.48			
	0.4	1.00	0.78	0.36	0.08	0.00	0.05	0.15				
	0.5	1.00	0.85	0.52	0.22	0.05	0.00					
	0.6	1.00	0.89	0.64	0.36	0.15						
	0.7	1.00	0.92	0.72	0.48							
	0.8	1.00	0.94	0.78								
	0.9	1.00	0.95									
	1	1.00										

		Staking (S)										
	$I_{\_L}$	0.0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0
Liquidity (L)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.1	0.00	0.50	0.51	0.32	0.21	0.14	0.10	0.08	0.06	0.05	
	0.2	0.00	0.13	0.50	0.59	0.51	0.41	0.32	0.26	0.21		
	0.3	0.00	0.04	0.26	0.50	0.59	0.57	0.51	0.44			
	0.4	0.00	0.01	0.13	0.33	0.50	0.58	0.59				
	0.5	0.00	0.01	0.07	0.21	0.37	0.50					
	0.6	0.00	0.00	0.04	0.13	0.26						
	0.7	0.00	0.00	0.02	0.08							
	0.8	0.00	0.00	0.01								
	0.9	0.00	0.00									
	1	0.00										

		Staking (S)										
	$F_{\_O}$	0.0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0
Liquidity (L)	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.1	0.00	0.05	0.03	0.01	0.01	0.00	0.00	0.00	0.00	0.00	
	0.2	0.00	0.05	0.10	0.08	0.05	0.03	0.02	0.01	0.01		
	0.3	0.00	0.03	0.12	0.15	0.13	0.10	0.08	0.06			
	0.4	0.00	0.02	0.10	0.18	0.20	0.19	0.16				
	0.5	0.00	0.01	0.08	0.17	0.23	0.25					
	0.6	0.00	0.01	0.06	0.15	0.24						
	0.7	0.00	0.01	0.05	0.13							
	0.8	0.00	0.01	0.04								
	0.9	0.00	0.00									
	1.0	0.00										

		Staking (S)										
	$F_{\_B}$	0.0	0.1	0.2	0.3	0.4	0.5	0.6	0.7	0.8	0.9	1.0
Liquidity (L)	0.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	0.1	0.00	0.45	0.10	0.03	0.01	0.00	0.00	0.00	0.00	0.00	
	0.2	0.00	0.46	0.40	0.18	0.08	0.03	0.01	0.01	0.00		
	0.3	0.00	0.29	0.47	0.35	0.20	0.10	0.05	0.02			
	0.4	0.00	0.19	0.41	0.41	0.30	0.19	0.10				
	0.5	0.00	0.13	0.33	0.40	0.35	0.25					
	0.6	0.00	0.09	0.26	0.36	0.35						
	0.7	0.00	0.07	0.21	0.31							
	0.8	0.00	0.05	0.17								
	0.9	0.00	0.04									
	1.0	0.00										