# XFUEL

# XFUEL: The Perpetual Yield Pumping Station

Whitepaper v1.0

December 18, 2025

# XFUEL: The Perpetual Yield Pumping Station

**Whitepaper v1.0 — December 18, 2025**

## Abstract

XFUEL is a decentralized yield rail that routes Theta EdgeCloud revenue—amplified by the TDROP 2.0 AI agent economy—into auto-compounding Cosmos liquid staked tokens (LSTs). Launched with a live product (v1.0.0), XFUEL delivers sub-4s swaps, institutional-grade tools, and a cyberpunk interface for Edge Node operators, creators, and yield seekers.

This whitepaper outlines XFUEL's architecture, groundbreaking tokenomics, and vision for a self-evolving ecosystem where protocol revenue drives perpetual innovation, deflation, and holder equity in spin-out projects.

## 1. Introduction & Vision

Theta Network's EdgeCloud, powered by thousands of decentralized nodes, now accelerates with TDROP 2.0 incentives for AI inference, rendering, and compute tasks. Node operators earn TFUEL pulses from real-world workloads, yet lack efficient, auto-compounding yield channels.

Cosmos LST providers (e.g., Stride, Quicksilver, MilkyWay) offer 30-38%+ APYs on stkTIA, stkATOM, and others, but remain isolated from Theta earners.

XFUEL bridges this gap: a one-tap rail converting Theta revenue into Cosmos yields, with creator tools, Tip Pools lottery, and institutional portals. Beyond a simple swap protocol, XFUEL evolves into a **perpetual yield pumping station**—a living economy where revenue funds innovation, governance rewards long-term alignment, and successful experiments spawn new tokens airdropped to holders.

# 2. The Opportunity: Theta's AI Agent Economy

TDROP 2.0 (released December 17, 2025) reorients incentives toward decentralized AI compute and agent payments. Edge Nodes running AI jobs generate increased TFUEL earnings, creating a growing revenue stream for operators.

XFUEL captures this flow:

- Direct integration with Theta Wallet and TPulse messages.

- Proof-of-earnings staking for governance boosts.

- Positioning as the default yield layer for Theta's expanding AI ecosystem.

# 3. Product & Architecture (Live v1.0.0)

## Core Features

- **Swap Rail** — Theta Wallet connect → swap TFUEL → top Cosmos LSTs (current leader: stkTIA at 38.2% APY). Simulation mode live; real execution pending testnet TFUEL unlock.

- **Farming Dashboard** — Track yields, auto-compounding positions.

- **Tip Pools Lottery** — Revenue-share lottery with creator entries.

- **Creator Tools** — Dashboard for content monetization and tips.

- **Institutional Portal** — Bulk operations, custom yields.

## Tech Stack

- Frontend: Next.js web + Expo React Native mobile (glassmorphism cyberpunk UI).

- Backend: Hardhat contracts, Theta EVM-compatible.

- Repo: https://github.com/XFuel-Lab/xfuel-protocol

- Live: https://xfuel.app

## Phase 2 Roadmap

- ZK-intents routing.

- AI-optimized yield prediction.

- Deeper Theta Pulse listeners.

# 4. Tokenomics 3.1 – The Perpetual Innovation Engine

**Total Supply**: 100,000,000 XF (fixed, no inflation).

| Allocation | Percentage | XF (Millions) | Vesting/Mechanics |
|-------------------------|------------|---------------|-------------------|

| Liquidity + Deflation Engine | 45% | 45 | 20% initial LP; 75% revenue → buy & burn |

| Community Flywheel & Real-Yield | 30% | 30 | TVL-gated emissions + rXF mints |

| Perpetual Innovation Treasury | 10% | 10 | Starting bag + 10% revenue accrual |

| Founder & Core Contributors | 10% | 10 | 4-year linear + TVL/revenue cliffs ($100M, $500M, $1B TVL; $20M+ annual revenue) |

| Early Strategic Believers | 5% | 5 | 24-month linear vest (OTC raise ~$600-750k at $15-18M FDV) |

## Revenue Flow

All protocol revenue (swaps, yield cuts, lottery rake):

- **90%** → veXF holders:

- 50% direct stablecoin yield.

- 25% buy & burn XF.

- 15% mint rXF (revenue-backed receipts).

- **10%** → Perpetual Innovation Treasury (self-funding growth).

## Groundbreaking Innovations

- **rXF Revenue-Backed Receipts** — Soulbound tokens minted from revenue; lock 365 days for 4× veXF voting power + priority spin-out airdrops.

- **Theta Pulse Proof Staking** — Submit cryptographic proof of Edge Node earnings → permanent veXF multiplier (up to 3×) for real compute contributors.

- **Innovation Treasury Vaults** (veXF-governed):

- **Builder Vault** → Micro-grants for open-source XFUEL tools.

- **Acquisition Vault** → Purchase revenue-generating mini-protocols.

- **Moonshot Vault** → Fund experiments (ZK/AI); successes spin out tokens (50% airdropped to veXF/rXF holders).

- **Cybernetic Fee Switch** → Governance toggles fees for growth vs. extraction modes.

## Revenue & Token Flow

[Diagram: Revenue & Token Flow — Run 'npm run whitepaper:diagrams' to generate]

## Innovation Flywheel

```
[Diagram: Innovation Flywheel - Run 'npm run whitepaper:diagrams' to
generate]
```

# 5. Governance & Sustainability

veXF holders control:

- Fee Switch.

- Treasury allocations.

- Emissions schedule.

Dynamic triggers maintain balance: TVL surges pause emissions and bonus rXF; dips temporarily boost from treasury.

# 6. Risks & Disclaimer

Market volatility, smart contract risks, regulatory changes. XFUEL is experimental software; use at own risk. No guarantees of value or returns.

# 7. Conclusion

XFUEL is more than a yield protocol—it's the perpetual yield pumping station powering Theta's AI future. Holders earn real yield today and equity in tomorrow's expansions.

Live now. The pumps are primed.

**Links**

- Web: https://xfuel.app

- Repo/Release: https://github.com/XFuel-Lab/xfuel-protocol/releases/tag/v1.0.0

- Community: X @XFUEL, Theta Discord channels

**Prepared by the XFUEL Core — December 18, 2025**

```
XFUEL Protocol - The Perpetual Yield Pumping Station

Whitepaper v1.0 | December 18, 2025
```