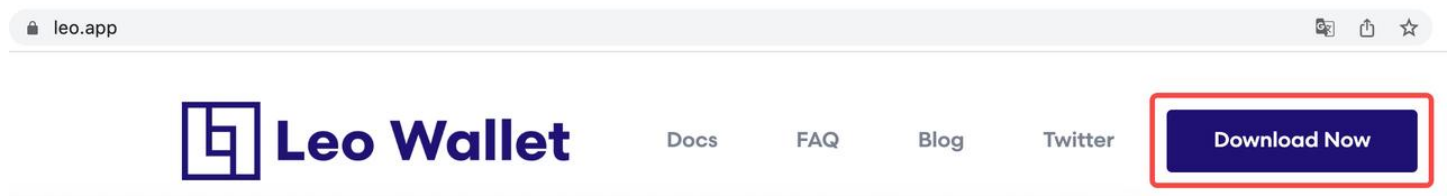


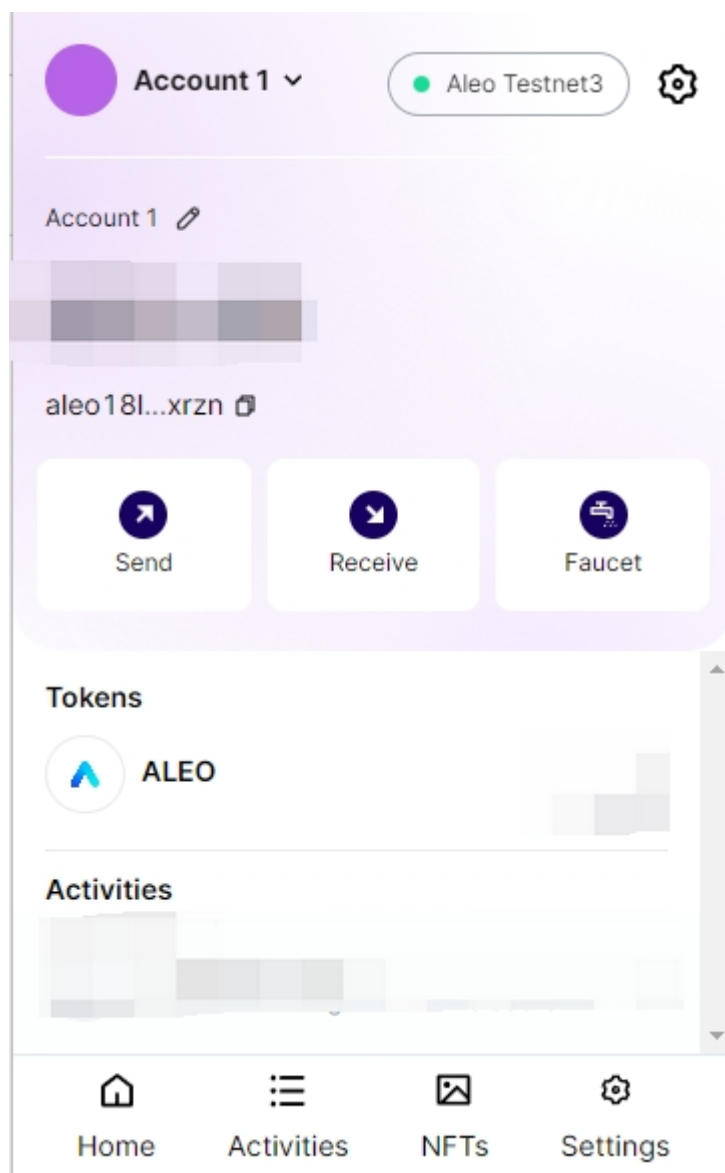
AleoSwap Tutorial

I. Get your wallet ready

Leo Wallet is a browser extension wallet for Aleo. Before using the Aleo testnet, download a Leo Wallet from <https://leo.app/>.



After installation, follow the guidance to create a wallet. Once your wallet is ready, it will look like the figure below:



II. Claim Aleo testnet token

New users can visit Aleo's official faucet website to claim Aleo testnet tokens, which are limited to once per person per day:

<https://faucet.aleo.org/>

Edit and send a text message to receive Aleo testnet tokens.

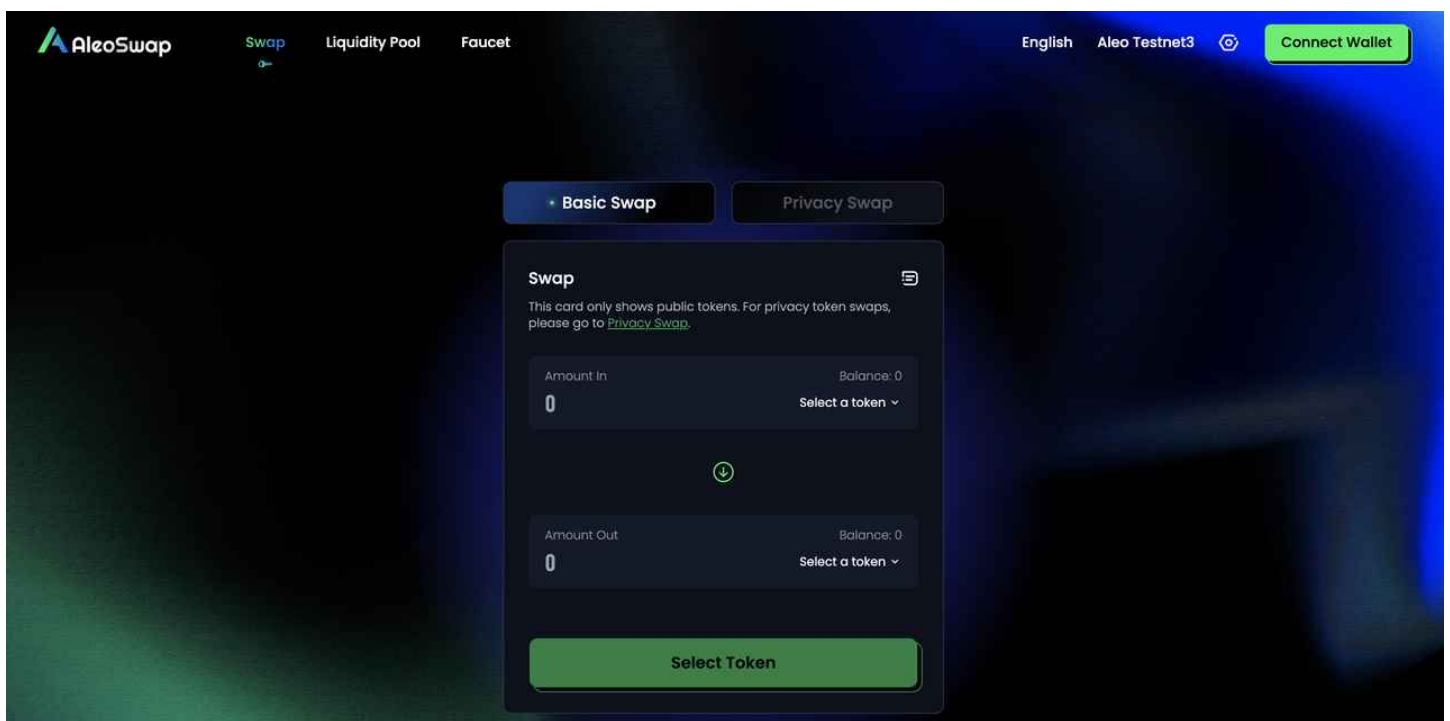
III. Explore AleoSwap features

1. Homepage

Visit app.aleoswap.org to see the product demo homepage.

The navigation bar provides three tabs: Swap, Liquidity Pool, and Faucet, which allows users to perform token swaps, market making, and test token claiming, respectively. The Swap function is displayed by default.

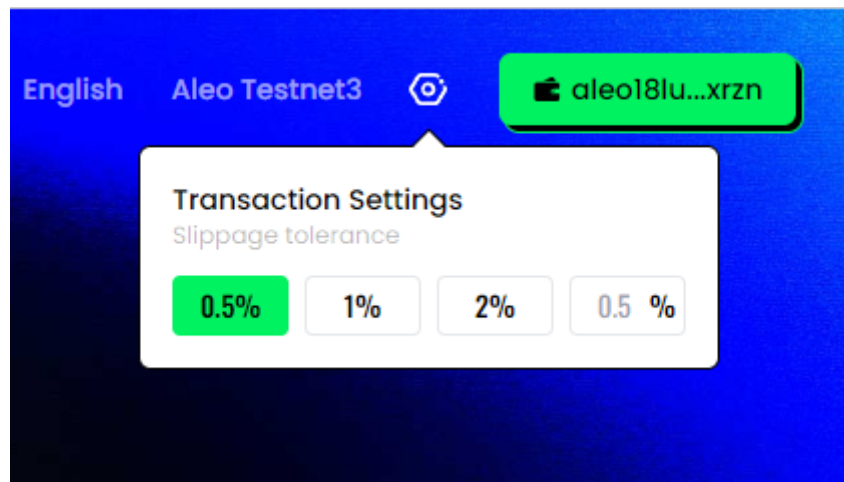
The **Setting** and **Connect Wallet** buttons are provided on the right-hand side.



2. Connect Wallet and Setting

Click **Connect Wallet** in the upper-right corner, sign in your wallet, and your wallet will be connected to AleoSwap. AleoSwap will read and display your wallet address.

Setting allows you to change the slippage allowed for the transaction. The default is 0.5%, and you can choose any value you are willing to accept.

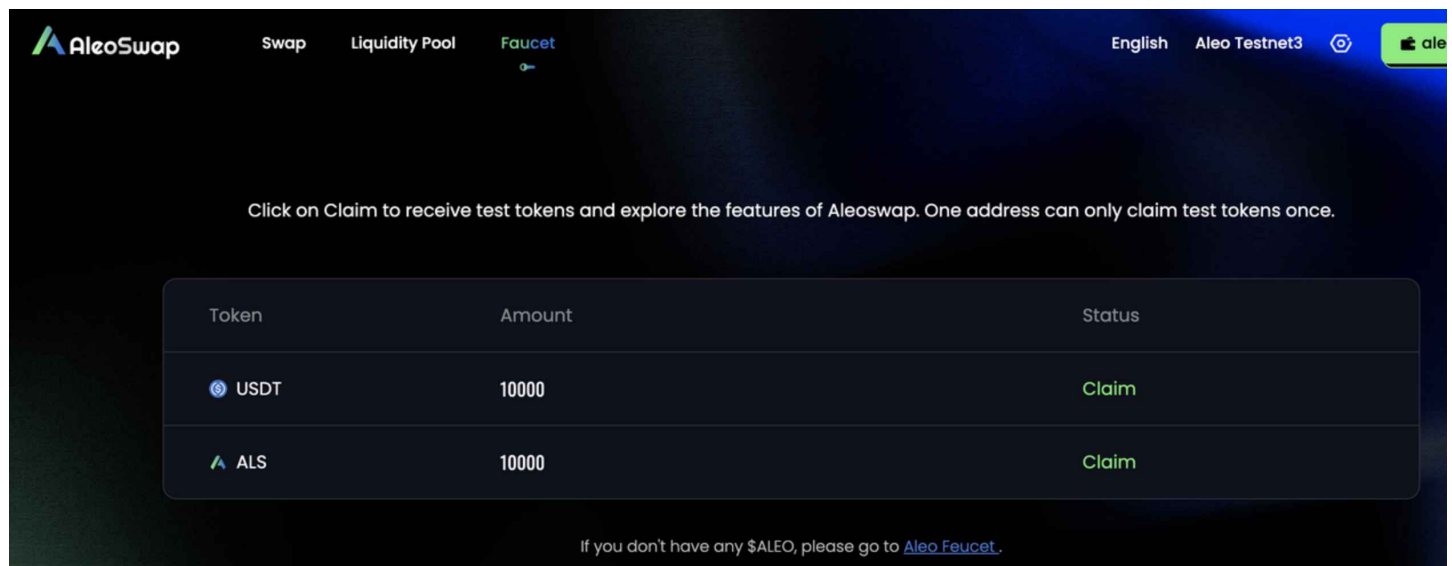


3. Faucet

As Aleo does not currently have a unified token standard, you need to claim the test tokens provided by us to use AleoSwap.

Open the **Faucet** page, click **Claim**, sign in your wallet to claim the test tokens. (As contract interaction is required, new wallets need to first go to <https://faucet.aleo.org/> to collect \$Aleo.)

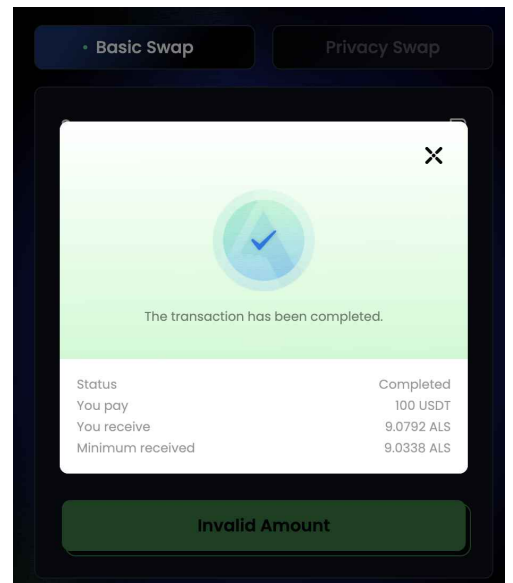
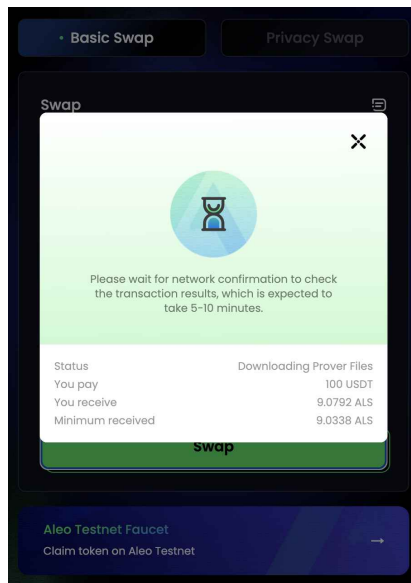
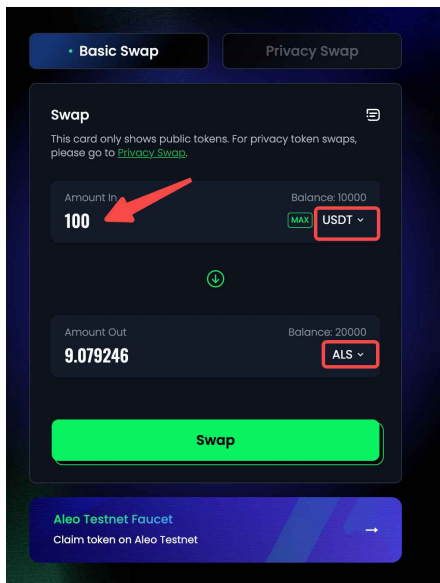
Due to the confirmation time of the Aleo network, it may take several minutes for the test tokens to be sent to your Aleo wallet.



4. Swap

Currently, only the public trading function (Basic Swap) is available, and the trading experience is similar to Uniswap.

Select the input token and output token, enter the amount, click **Swap** and sign in your wallet. Wait for the confirmation to complete the transaction.

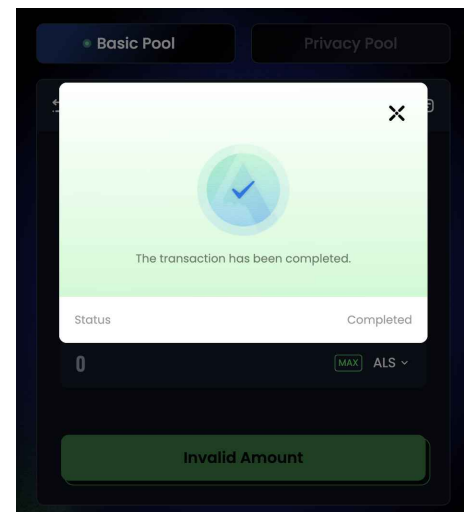
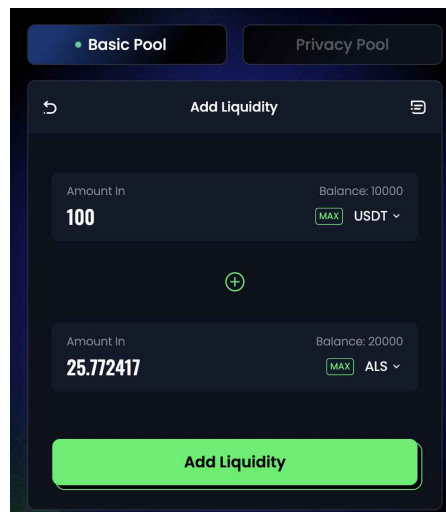
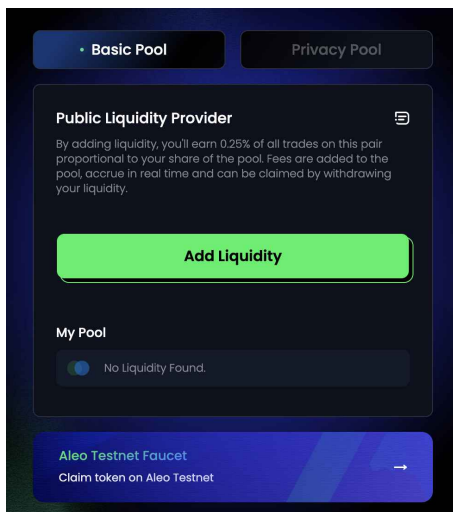


We will provide the private transaction function in the next iteration, allowing users to not disclose their information while trading to protect user privacy.

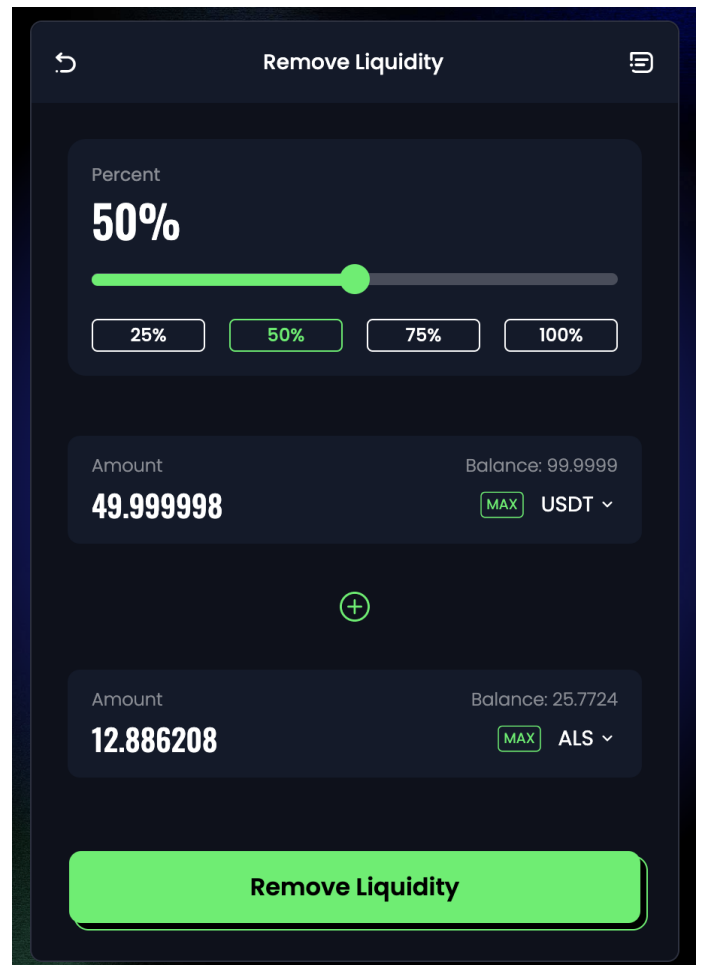
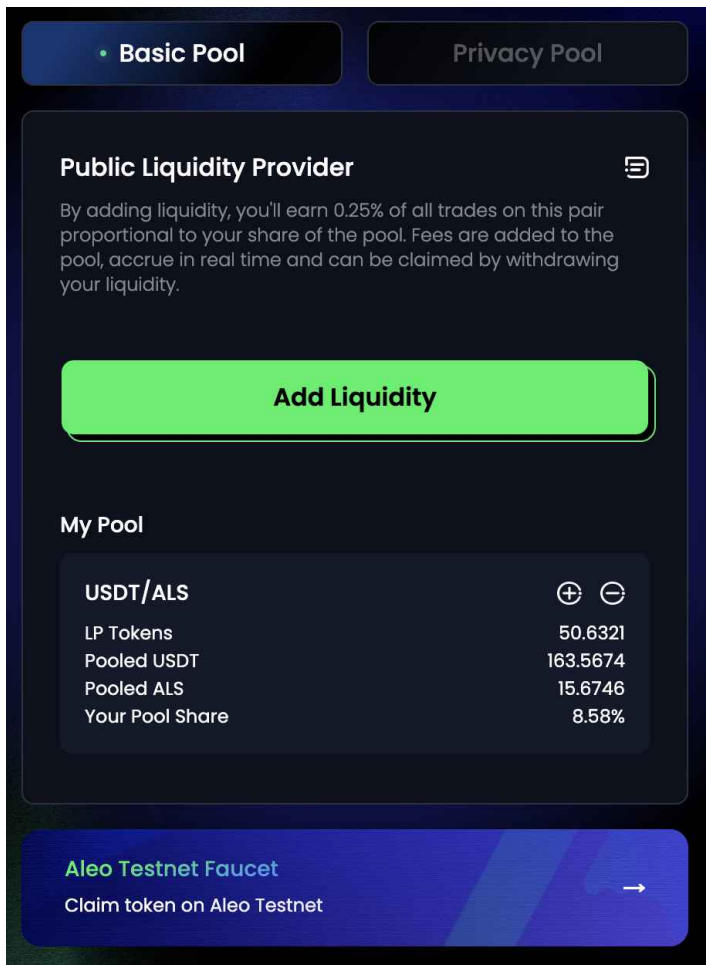
5. Liquidity pool

Currently, only the public liquidity-adding function is available. Users can choose two tokens to form a liquidity pool and earn liquidity fees from traders.

Click **Add Liquidity**, select the tokens you want to add, and enter the amount. Sign in your wallet to finish the liquidity adding.



After adding liquidity, you can manage your liquid assets (LP Token) in **My Pool**. You can remove liquidity at any time to obtain the original tokens.

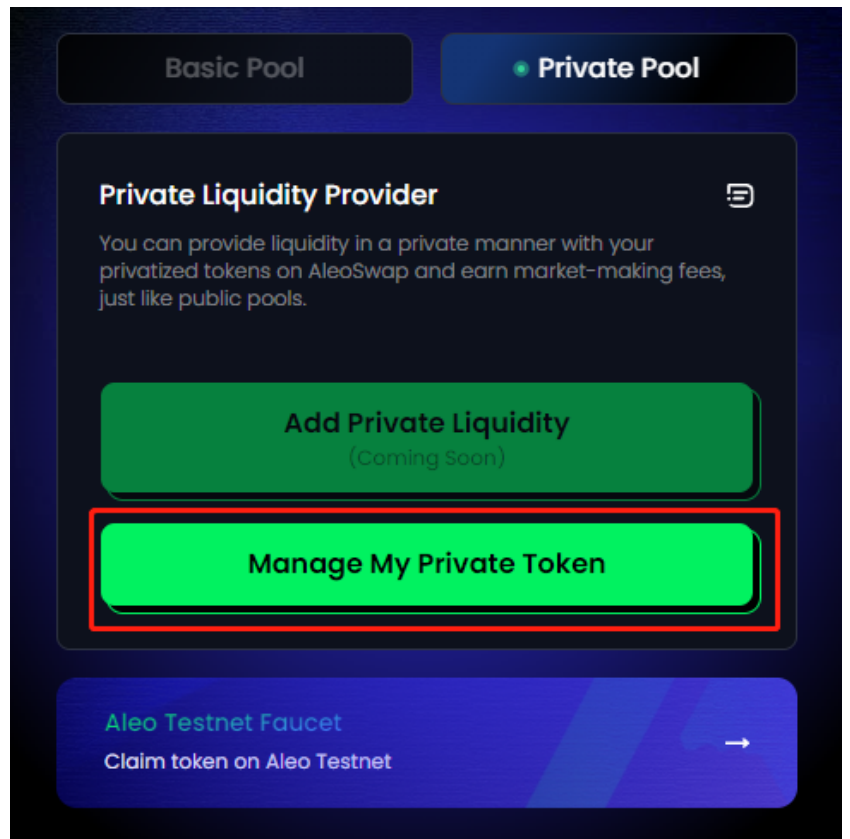
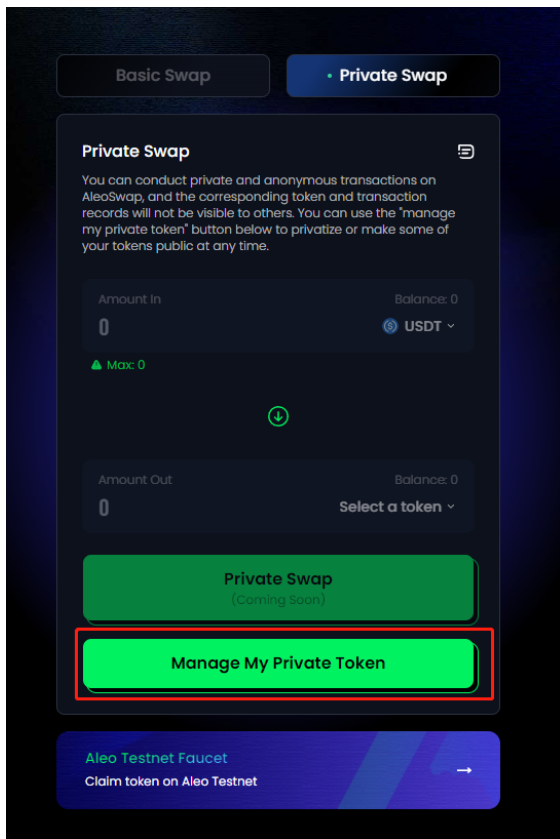


We will also provide the private liquidity pool function, allowing users to make use of their privatized tokens to make markets without revealing their addresses, improving capital efficiency. Stay tuned!

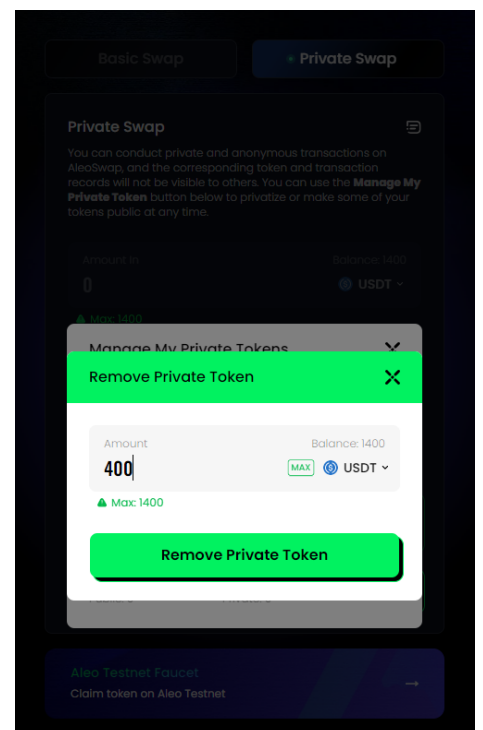
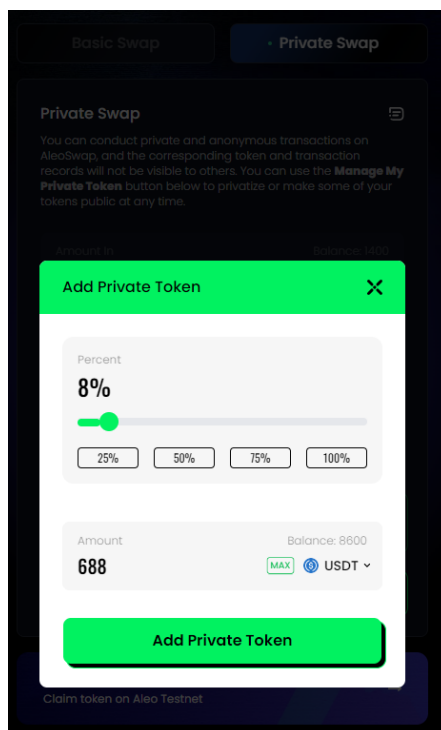
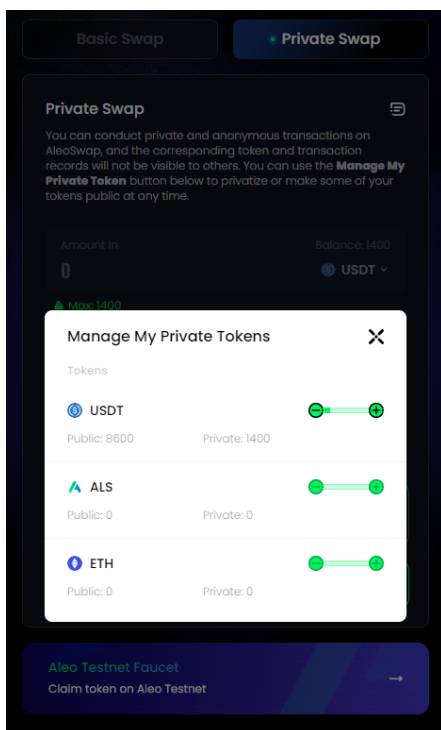
6. Public/Private token conversion

Private trading is the core feature of AleoSwap, which is built on the privacy-oriented chain Aleo. Before you conduct any private trading, you need to manage your private token.

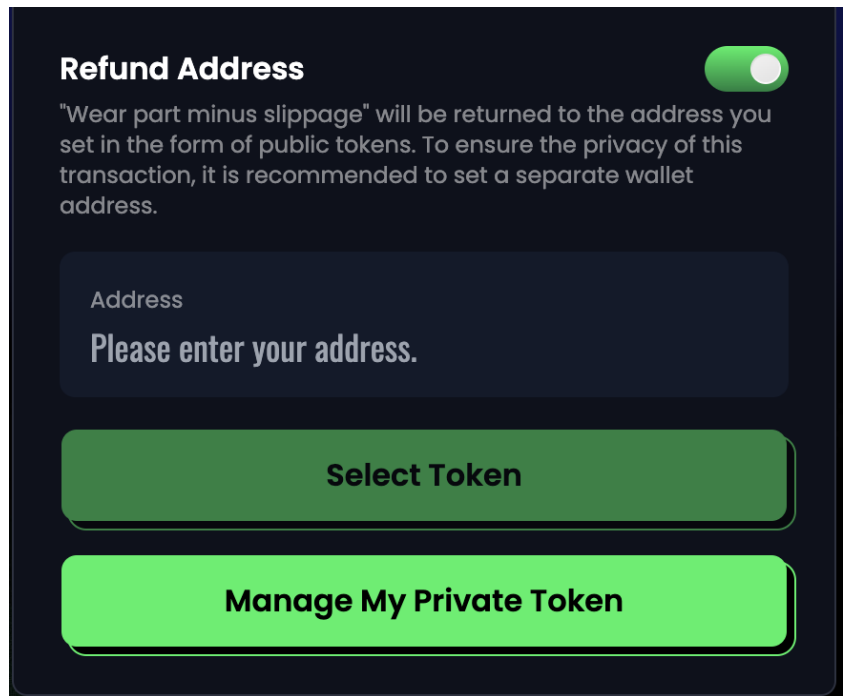
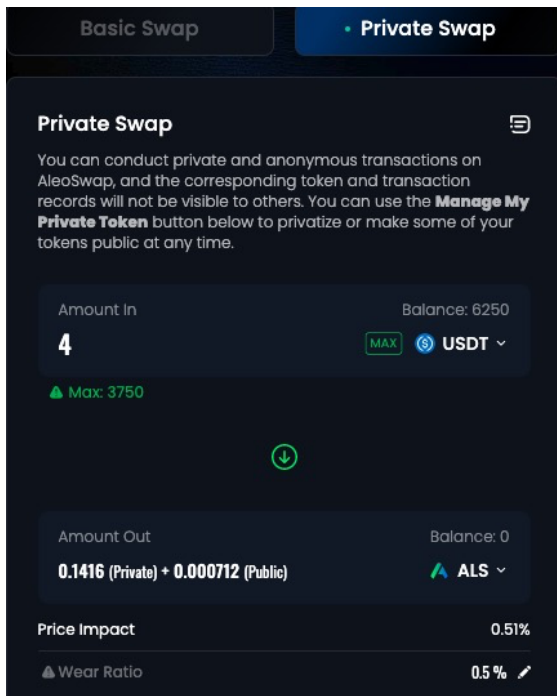
This function allows you to privatize any amount of tokens. The privatized tokens won't be associated with your address. You can also publicize them at any time.



Note that each time you change your token status, you need to sign in your wallet for it to read your private token balance. Following the instructions on the page to privatize/publicize any amount of your tokens.



7. Private Swap



Open the Private Swap card. To begin a private swap, make sure you have private tokens in your wallet for the transaction. If not, please refer to Step 6 above.

Select the input and output tokens, and enter the input amount to view the estimated output amount.

As the mechanism of private swap is more complicated, there are a few notes that should be kept in mind:

- 1) The input amount may not be able to be traded all at once. The page will show the maximum input amount allowed by the current transaction. This is due to the UTXO mechanism that requires multiple transactions to complete.
- 2) The output token may not entirely consist of private tokens. A small amount of tokens will be sent to the address set by users in the form of public tokens. This follows the rules below.
- 3) Price Impact: Price impact is the impact of the transaction on token price. In cases where the pool is small while the trading amount is large, the price impact may be significant and should be noted by the traders.
- 4) Wear Ratio: Wear ratio represents the acceptable wear ratio of private swap. In a public swap, a certain degree of slippage is usually allowed to ensure the success of the transaction. Similarly, private swap may encounter slippage issues, but it can only be offset in the form of public tokens. Therefore, a certain portion of public tokens needs to be set apart in advance to ensure the success of the transaction, which is the worn part of a private swap.

On AleoSwap, we return the undeducted public tokens to the trader, and the trader needs to set up an address to receive these tokens. The recommended default value on the platform is 0.5%, which is low and can cover most trading scenarios.

5) Refund Address: Refund address is the solution for handling the above-mentioned worn tokens of private swap. By turning on the switch, users can specify an address to receive the refund of public token. It is recommended that this address be separate from the current transaction address, otherwise the privacy of the transaction will be affected. If the switch is turned off, it means that the user voluntarily gives up this part of worn tokens, and the platform will not return these tokens. Please choose carefully.

Refund Address

☒

"Wear part minus slippage" will be returned to the address you set in the form of public tokens. To ensure the privacy of this transaction, it is recommended to set a separate wallet address.

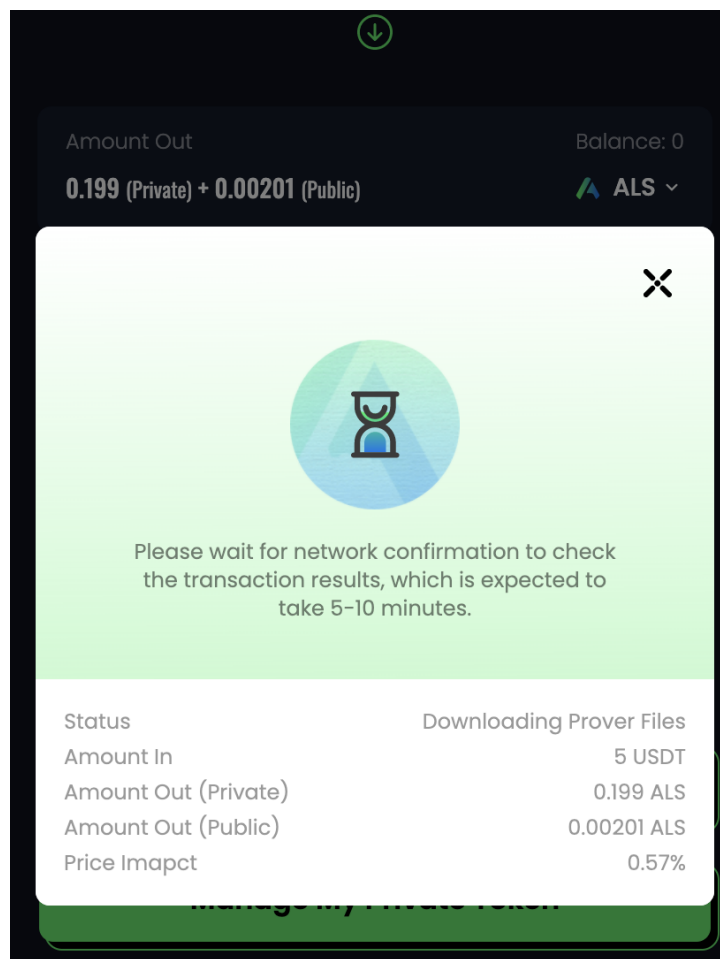
Address

aleo1kcdasleu0nzy57dwj6hnmytqwdrmt5xm4mreu7u3

Private Swap

Manage My Private Token

After confirming all input information, click Private Swap to submit the transaction. You'll be able to view your balance after the transaction is completed.



IV. Summary

AleoSwap is the first DEX on Aleo. While retaining the basic Uniswap functions (Swap, Liquidity Pool), it combines with the privacy characteristic of Aleo to propose an innovative solution for private token trading and liquidity market making. This solution protects user privacy and provides higher capital efficiency at the same time.

Our team will continue to cultivate the field of Aleo DEX to provide users with more innovative and convenient functions.