Tokenomics

Litepaper

Overview

Edge is pioneering the future of the Internet by introducing the world's first dedicated edge computing platform, breaking the grip of the mega corporations that have turned us all into digital serfs. By harnessing the untapped computing potential around us, Edge not only decentralises the cloud but also champions a more sustainable, faster, and democratic digital future. As the protocol of web3, Edge's versatile web services empower you to launch everything from dynamic websites to immersive games.

At the heart of the Edge platform is an innovative set of tokenomics. This paper outlines how they work to drive adoption and growth.

Edge tokenomics

$EDGE

$EDGE is the coin of the XE Blockchain, a layer 0 solution designed for fast transactions mapped to resource usage. It is bridged into the Ethereum network – and in future additional networks – on a 1:1 basis.

Transactions within the Edge Network are free. Bridging in/out of the network to $EDGE in the Ethereum network carries a variable gas fee and a 0.75% service fee.

For transactions out of Edge Network, this fee is collected in a vault wallet. Individuals can choose their target gas fees and the bridge will automatically transmit their transaction to meet the target set. This acts to help to keep transaction fees as low as possible.

Vault wallet: xe_4845075Ad790DD979Ab3f7834Ff507244e7a5449

For transactions into the Edge Network, the gas fee is taken in $ETH.

Service usage, staking, governance and fees all act to reduce the circulating supply of $EDGE by locking value in the network itself.

Contract Address on Ethereum:
0x4ec1b60b96193a64acae44778e51f7bff2007831

Service purchase

Services in the Edge Network can be purchased with $EDGE, fiat (Visa and MasterCard) or other cryptocurrencies. Support for enterprises wishing to be invoiced directly is also available.

Service purchases made in anything other than $EDGE are automatically moved on chain through an automatic swap.

Service payments are therefore always in $EDGE, and the majority of service payments (25%) are burned.

Node staking

Edge is a Proof of Stake network. Contributing a node to the network requires a POS in $EDGE. Stakes are locked in the network for a minimum period of time and for the duration of the node being online.

Nodes that are found to be bad actors will have their stake penalised or removed. Stakes reclaimed by the network in this manner are burned (sent to the zero address in the XE Blockchain).

Reward Issuance: Out of the maximum 60 million $EDGE tokens, 10 million are blocked in the network to be slow-released as rewards to node operators. This is released year on year at a rate of 10% of the remaining pot per year, creating a predictable supply mechanism and further incentivizing network participation.

List of active stakes: https://xe.network/stakes

Network governance

Participation in network governance requires a stake locked in the network in $EDGE. Governance stakes are the fourth stake type in the network (after Stargate, Gateway and Host node stakes), and are a unique, one-per-wallet stake.

Fees tied to the raising of proposals in the governance mechanism are burned (sent to the zero address on the XE Blockchain).

Open governance portal: https://governance.edge.network

Scheduled burn

75% of network revenues are burned. The coins are sent to the zero address of the network at the end of every month.

Zero/burn address: xe_0000000000000000000000000000000000000000

Liquidity mining

$EDGE liquidity pools are available on Ethereum in Uniswap (v2 and v3). This is part funded by the network treasury, part by individual contributors.

Uniswap applies a 0.30% fee for every trade that takes place on their platform and automatically sends this to a liquidity reserve. Whenever a liquidity provider decides they want to exit the $EDGE pool, they will receive a portion of the total fees from the reserve relative to their staked amount in $EDGE the pool.

Uniswap liquidity pool: https://ed.ge/liquidity

Wallet lists

Wallet lists are available for $EDGE on the XE and Ethereum Blockchains.

XE: https://xe.network/wallets

Ethereum:
https://etherscan.io/token/0x4ec1b60b96193a64acae44778e51f7bff2007831

Monitoring project tokenomics

The network explorer exposes all on-chain activity and can be used for the monitoring of network transactions.

Network explorer: https://xe.network

In addition to this, the explorer exposes a series of endpoints covering key tokenomic figures such as circulating supply:

Endpoint	**URL**
Maximum Supply	xe.network/api/supply/maximum
Total Supply	xe.network/api/supply/total
Circulating Supply	xe.network/api/supply/circulating
Staked Supply	xe.network/api/supply/staked
Burned Supply	xe.network/api/supply/burned

To see a raw numerical response for each endpoint, add `?raw=true` to the end of the URLs above.

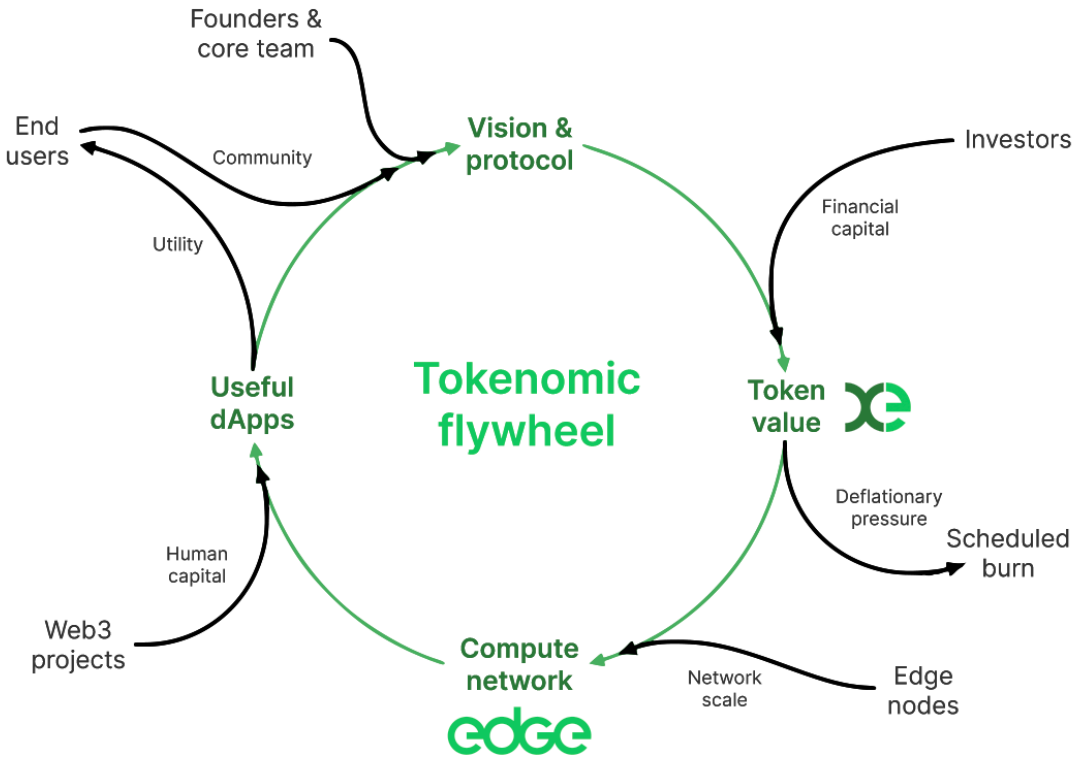
For example: https://xe.network/api/supply/maximum?raw=true

Token divisibility

Each native $EDGE can be broken into 1 million micro EDGE (mXE or µxe). The maximum supply of mXE is 60 trillion (60 with 12 zeros).

Summary

Edge’s tokenomic flywheel:



1. Service Purchase: Customers purchase services using fiat or cryptocurrencies. This money directly goes into Edge's ecosystem, stimulating demand for EDGE;
2. EDGE Acquisition: Fiat currency received is used to market buy EDGE (after subtracting operational costs), thus, increasing the demand for EDGE;
3. Token Burning: Each month, the project treasury burns 25% of the value of service fees in EDGE. This process of "burning" decreases the total supply of EDGE tokens, creating a deflationary pressure on the token;
4. Token Distribution: the remaining 75% of retained tokens are distributed to the dev fund (25%) and to the growth fund (50%);
5. Staking & Governance: Nodes added to the network are staked, which removes tokens from the active supply. Project governance requires staking, and votes also cost tokens, which are then burned, further reducing supply and increasing the value of remaining tokens;
6. Transaction Fees: Every transaction on the network carries a small fee, which is also burned. This process once again reduces supply and helps appreciate the value of remaining tokens;

7. Reward Issuance: Out of the maximum 60 million EDGE, 10 million are blocked in the network to be slow-released as rewards to node operators. This is released year on year at a rate of 10% of the remaining pot per year, creating a predictable supply mechanism and further incentivizing network participation.

The entire mechanism creates a cycle where token demand is consistently stimulated through service usage and token purchases, while the supply is systematically reduced through burning mechanisms and staking. The model is designed to continually drive up the value of EDGE, providing long-term value for stakeholders and incentives for network participants.