

Mars Updates

# The Future of Mars

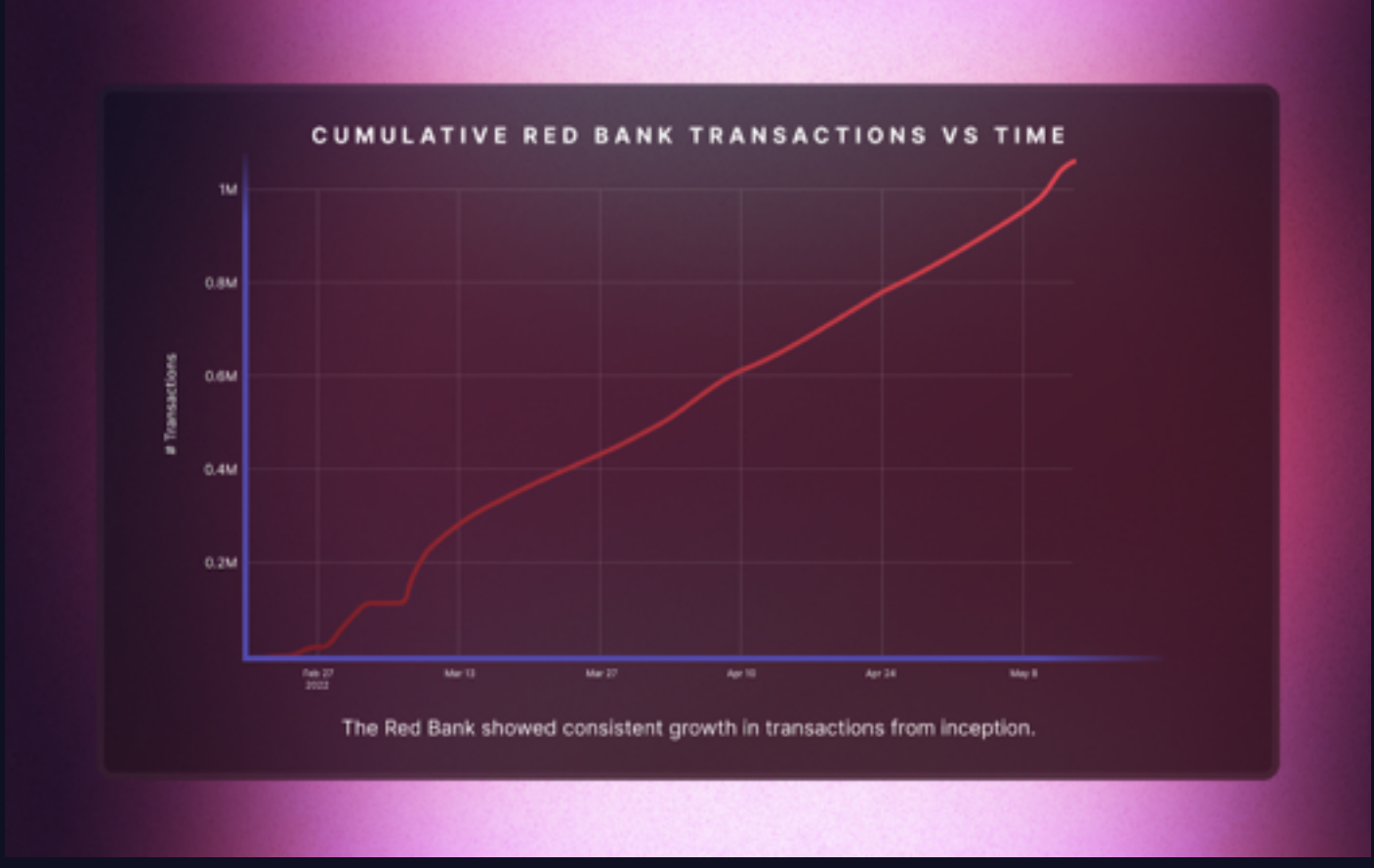
MAY 25, 2022



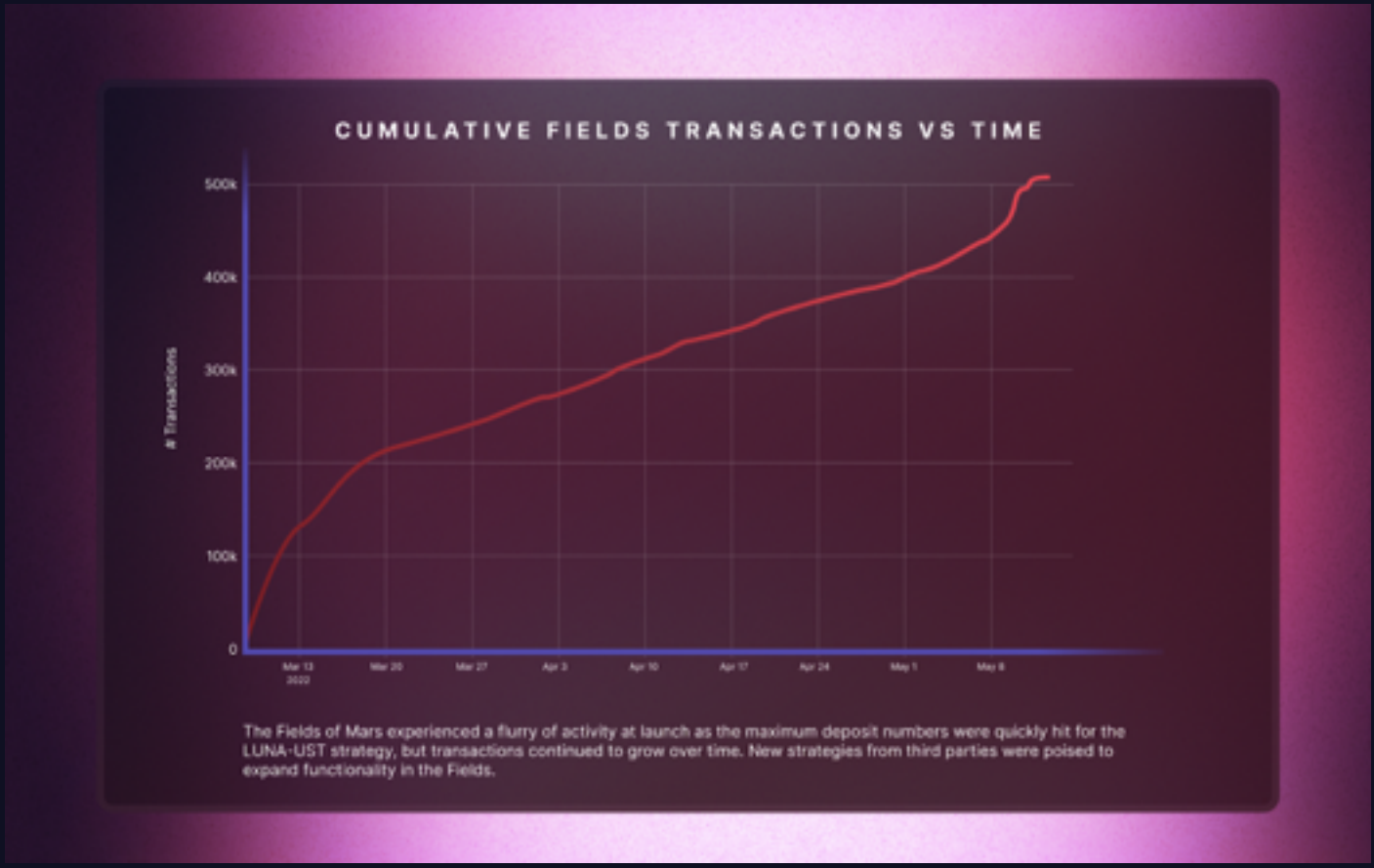
Less than three months ago, a small band of explorers journeyed millions of miles to reach Mars. There, they built out a credit protocol in the Red Bank. They coaxed life out of the dry Martian soil with leveraged yield farming in the Fields of Mars. And they enshrined the Martian Council — a governing body charged with deciding changes on the Martian planet.

A core new building block in the Terra ecosystem, Mars showed promising growth with more than 1.5 million transactions in the Red Bank and Fields of Mars.

## Cumulative Transactions in the Red Bank



## Cumulative Transactions in the Fields of Mars



On May 7, 2022, disturbances were detected within the Terra network. The price of UST dipped off peg, and activity spiked across the network. Despite the extreme volatility, Mars’ core functionalities worked as expected.

Unfortunately, UST was unable to regain its peg, and Terra’s future prospects are uncertain. A governance [proposal](#) to launch a new Terra blockchain dubbed “Terra 2.0” just passed. This new chain would remove decentralized stablecoins from the L1 and the existing Terra chain would be renamed Terra Classic.

With the uncertainties around the fate of Terra Classic, Delphi Labs pushed a new governance proposal to onchain voting: [MIP-9](#). This proposal aims to shut down Mars’ smart contracts, close all positions in the Red Bank and Fields of Mars and return deposits to users. From the initial [request for comment](#) in the Mars forums:

*Delphi Labs proposes that the protocol be upgraded to automatically close positions in the Red Bank and Fields of Mars for several reasons:*

- *There are competing governance proposals for future Terra hardforks. If one or more of them succeeds, it could lead to a scenario where Mars would need to be maintained on multiple chains (e.g. both Terra Classic and Terra 2).*
- *Without a robust network of validators and infrastructure, Terra hard forks may have questionable economic security as they may be operating on a low number of validators with small economic stakes.*
- *With the launch of new Terra chains and/or an upcoming snapshot for a potential hard fork of Terra, airdrops will be sent to LUNA and UST holders. It is preferable that end users — and not the Mars smart contracts — hold those funds.*

MIP-9 is passing and has hit quorum, so Mars shutdown procedures have been initiated. All positions will be closed including Phase 2 lockdrop deposits and user funds will be returned upon final implementation, which is expected within the next 48 hours.

This action will close only the first chapter in Mars’ story. Contributors are exploring options for future deployments on other blockchains. Any future deployment could be expected to take up to several months or more of development time.

Although the token economics (distribution, supply, etc.) of any future Mars deployment have yet to be determined, we currently anticipate that MARS holders on ‘Terra Classic’ will be credited with an airdrop of governance tokens for the new system. **Please do not buy MARS tokens or make any other financial decision based on this announcement, as there are many risks and uncertainties, our plans could change or suffer unanticipated obstacles at any time, and we are not promising or guaranteeing any future deployment or airdrop, only describing our current non-binding intentions following two weeks of preliminary analysis and discussion on the potential future of Mars.**

Thank you to everyone who ventured to Mars, participated in governance decisions and joined community conversations. Please vote on [MIP-9](#), and keep your comms channels open on [Twitter](#) and [Medium](#) for key transmissions.

The future awaits.

- Mission Control



### DISCLAIMER

This article does not constitute investment advice. Review the project disclaimers [here](#).



Previous post

The rise of Mars Hub and an outpost on Osmosis

Next post

Apollo DAO breaks ground as first third-party protocol to apply for Mars credit line