



Investment Memo: Eclipse (Eclipse Labs)

Executive Summary:

Eclipse presents a revolutionary approach to Layer 2 scalability, blending the strength of Ethereum's network effects with the high performance of the Solana Virtual Machine (SVM). By combining Ethereum settlement with Solana execution, Eclipse's Mainnet aims to tackle Ethereum's scalability challenges while offering enhanced security, scalability, and usability. With its innovative technology stack and robust ecosystem, Eclipse is poised to reshape the landscape of decentralized applications (dApps) and drive the next wave of blockchain innovation.

Market Opportunity:

The market opportunity for Eclipse's Mainnet is substantial, given the pressing scalability issues facing the Ethereum ecosystem. As the intellectual, social, and economic center of crypto, Ethereum's Achilles' heel has been its scalability limitations. With the demand for decentralized finance (DeFi) and non-fungible tokens (NFTs) skyrocketing, Ethereum's existing Layer 1 infrastructure struggles to keep pace with user demand, resulting in high fees and network congestion. Eclipse addresses this market opportunity by offering a scalable Layer 2 solution that leverages Solana's high-performance execution environment to enable a wide range of decentralized applications to thrive .

Eclipse Testnet Cluster Stats:

Eclipse Testnet boasts a 80+ millisecond improvement over current Solana Mainnet-Beta slot times.

Live Cluster Stats	
Slot	📦 17,300,590
Block height	17,300,561
Cluster time	Feb 21, 2024 at 22:37:23 Coordinated Universal Time
Slot time (1min average)	351ms
Slot time (1hr average)	351ms
Epoch	📦 2,118
Epoch progress	89.2%
Epoch time remaining (approx.)	~5m 10s



Technology and Differentiation:

Eclipse distinguishes itself through its innovative technology stack, which combines Ethereum settlement with Solana's SVM execution, Celestia's data availability, and RISC Zero's fraud-proof architecture. Unlike traditional Layer 2 solutions, Eclipse utilizes the Solana Virtual Machine (SVM) to achieve extreme scalability and parallelized transaction execution, while allowing existing Solana developers to easily bridge or fork existing decentralized applications onto Eclipse. Celestia serves as Eclipse's Mainnet data availability solution, offering high throughput and crypto-economic security properties. RISC Zero enables efficient zero-knowledge proofs of fraud without intermediate state serialization, enhancing security and trust in the network. This innovative technology stack positions Eclipse as a leader in the rapidly evolving landscape of Layer 2 scalability solutions. While there is no shortage of incumbent networks aimed at tackling EVM scalability issues, Eclipse's unique approach combining existing modular architectures to create a best-of-all-worlds tech stack stands out for its well-defined rationale and early adoption by ecosystem developers.

Business Model and Growth Strategy:

Eclipse's business model revolves around providing a scalable and user-friendly platform for decentralized applications to thrive. By offering Ethereum settlement and Solana execution, Eclipse caters to developers seeking to build scalable and secure dApps. The growth strategy for Eclipse's Mainnet involves fostering a vibrant developer community (currently running daily AMA sessions for interested developers), expanding its ecosystem of decentralized applications (variety of existing and new dApps confirmed to be live on day 1), and driving user adoption through seamless integration with existing Ethereum/Solana tooling and open-source wallet integration. Additionally, Eclipse aims to collaborate with industry partners and participate in ecosystem development initiatives to further enhance its market presence and drive growth.

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Investment Thesis:

Eclipse presents a compelling investment opportunity in the burgeoning field of Layer 2 scalability solutions. With its innovative technology stack, robust ecosystem, and strong market demand, Eclipse's Mainnet is well-positioned to capture a significant share of the rapidly growing decentralized applications market. As Ethereum continues to face scalability challenges, Eclipse offers a scalable and secure solution that leverages the best of both Ethereum and Solana ecosystems. With its unique value proposition and strong growth potential, Eclipse represents an attractive investment opportunity for investors seeking exposure to the future of decentralized finance and blockchain technology.