

# Tokamak Token Litepaper

**Tokamak Team March 2022**

## **Abstract**

In this paper, we propose "Tokamak Token", a token with "buy & burn" mechanism built on the Solana blockchain which aims to have a solid utility and benefit it's community with it's "Treasury of Community" model, and sustain a considerable value for it's holders.

## **1. Introduction**

Tokenization on various blockchains is currently experiencing exponential growth in terms of its offerings and user adoption. A diverse suite of financial instruments has been introduced onto various blockchains in a decentralized, highly-accessible and trustless manner. While there is immense amount of tokens on different smart contract compatible blockchains there is an obvious lack of use case for these tokens and lack of sustainability of the value of these tokens. As a result while most of these speculative fungible or non-fungible tokens are doomed to be vanished over time, we aim to have a token with sustained value.

## **2. Current Bottlenecks**

As most popular fungible and non-fungible tokens exist on the Ethereum blockchain, there are multiple inherent issues that make decentralized trading inaccessible for most users.

1. High gas fees: At the time of writing, it costs over \$100 to provide liquidity to an AMM pool, farm the LP token and harvest the reward.
2. Speed: As the number of users grows rapidly, the underlying blockchain is increasingly congested. A user performing the above transaction would have spent on average 30 minutes waiting for it to complete.
3. Sustainable value: As most tokens created on smart contract compatible blockchains are speculative and has zero value because lack of use case/utility and they're not backed by any valuable entity there is a need of tokens with strong value protecting mechanics.

### **3. What is Tokamak?**

Tokamak is a token built on the Solana blockchain which aims to be easy accessible token with various use cases/utilities to enable easy trading, create shared liquidity via different smart contracts and features for earning yield. Solana was chosen as the underlying blockchain to allow for low-cost and high-speed transactions. It is a high-performance, permissionless blockchain based on Proof of History (PoH). [1] As of writing, it can handle 65,000 transactions per second with 400 millisecond block times. The protocol is designed to scale together hardware and bandwidth improvements, with capacity expected to double every 2 years.

### **4. TKMK Token**

#### **4.1 Utility**

The TKMK token is anticipated to hold the following utility:

1. Diversification: Considering the current smart contract token market it's hard to have a healthy diversification and it's hard to manage a portfolio with a wide diversification, tokamak token does all the job for it's holders
2. Exposure to high quality NFTs: While NFT market is exponentially growing every day, it's hard to spot a quality NFT Project in early stages and the projects that proved themselves are highly costly to invest. Tokamak token aims to buy quality proven NFTs with it's treasury and get exposure to their gains in value.
3. Sustainable value: Getting backed by a wide range of tokens, coins and NFTs is making Tokamak token a non speculative strong token with self value.
4. Farming: Liquidity providers will be able to generate additional rewards for contributing. Liquidity pools will be incentivized with TKMK tokens.

#### **4.2 Buy & Burn Mechanism**

Tokamak token aims to be deflationary for further benefit to it's holders by realizing some profits made with it's treasury, and buy back a sum of TKMK tokens back from the market with gains made and burn them. By decreasing it's supply we aim to have further mechanism to sustain and boost it's value.

### **5. Roadmap**

#### **2022 Q1**

- Launch of \$TKMK token
- Creating a Serum DEX market [2]

- Creating TKMK-USDC, TKMK-SOL liquidity pools
- Marketing for mass adoption

## 2022 Q2

- Launch of farming
- Allocating first investment with treasury money according to the market conditions
- Collaboration with reputable projects for further adoption and marketing
- Increasing accessibility of "Tokamak Token" via creating liquidity on well-known solana DEX platforms

## 2022 Q3-Q4

- Continue to allocate treasury money according to the market conditions
- Enable staking for \$TKMK token
- Launch of "Tokamak NFT" with use cases that benefits the community (\*Details TBA)

## 2023 Q1

- Releasing the first "Annual Investment Report" and "2023 Investment Agenda"
- First "Buy&Burn" of \$TKMK token according to the market conditions
- Much more exciting news as our community and investments expands...

## 2023 Q2-2024Q2

- Establishing \$TKMK DAO and make it self governed community token

## Final Goal

- Let the community decide for "Treasury Pool"s new investment allocations via DAO and make the \$TKMK token self governed decentralized independent entity

## 6. Distribution

The TKMK distribution is projected as follows:

- **Max Supply:** 500,000,000

## Treasury

- 75,000,000 (%15) freed for investment allocation at genesis
- 75,000,000 (%15) 6 months lock-up then release over 36 months linearly

## Early Investors

- 50,000,000 (%10) total amount to be distributed to community at launch event, no lock-up

### **Marketing**

- 50,000,000 (%10) total amount to be spent for marketing work, no lock-up

### **Team & Advisors**

- 75,000,000 (%15) lock-up for 6 months then release over 36 months linearly

### **Incentives & Liquidity**

- 75,000,000 (%15) to be distributed to community over 36 months linearly

### **Ecosystem & Devs**

- 50,000,000 (%10) 6 months lock-up then release over 36 months linearly

### **Private Investors**

- 50,000,000 (%10) 1 year lock-up then release over 12 months\*

## **6.Disclaimer**

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## **7.References**

- [1] Anatoly Y. Solana: A new architecture for a high performance blockchain  
[https:// solana.com/solana-whitepaper.pdf](https://solana.com/solana-whitepaper.pdf)
- [2] Serum Foundation. Jul 2020. Serum White Paper  
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