

Tokenomics

The Sharing Economy of The Telecommunications Minutes Market

MNT Tokenomics

- MNT is the proprietary product of Minutes Network Token LLC, a company incorporated and registered in St. Vincent and the Grenadines, company number 095LLC2022.
- Whilst ownership of tokens gives holders rewards-based access to products and services on favourable terms, it confers no rights as to equity, decision making or control of Minutes Network Ltd or Minutes Network Token LLC. As such, we characterise the token as an unregulated utility token. As a by-product of the token's commercial value, we expect that they will be readily tradeable on secondary markets.
- The total MNT supply is capped at 500 million and all will be released algorithmically over the course of the 60-months following the Token Generation Event closing.

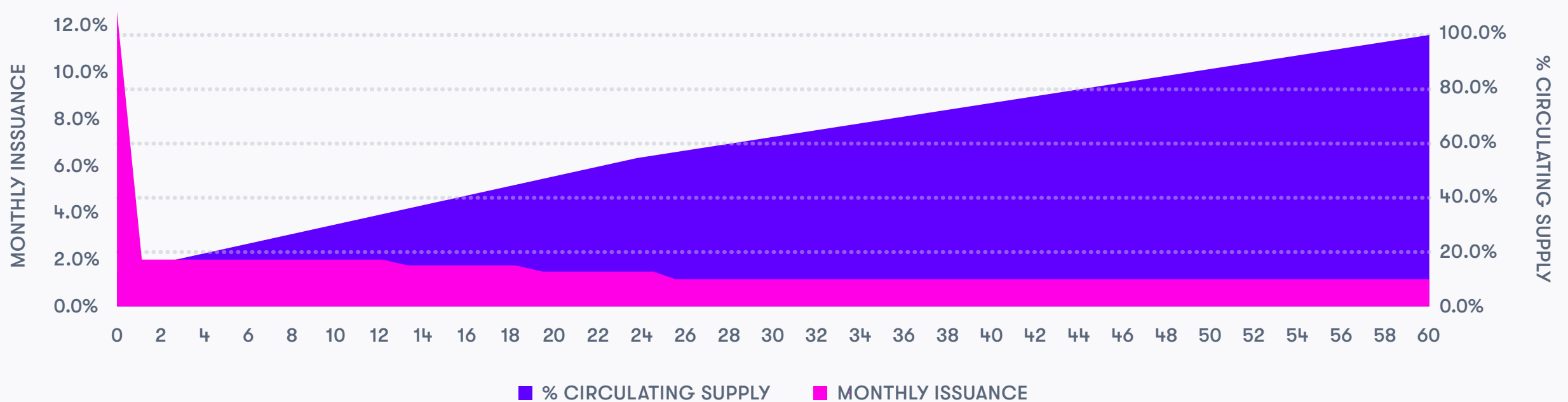


Figure 12: MNT Emissions over first 60 months of operation

- MNT will roll out on the Ethereum blockchain as an ERC20 token utilising:
 - Ethereum (L1) blockchain to decentralise and distribute telephony infrastructure and create the reward-based sharing economy.
 - World Mobile Chain's as a traceability layer for the cost-effective settlement of data.
 - WMC's multichain architecture to perform rollups on other public blockchains (L2) containing the hash of the data published on WMC serving as the trust layer.

- The initial MNT distribution is as follows:

CATEGORY	ALLOCATION (%)	MNT (Millions)
TEAM	23.5	117.5
ADVISORS	3.5	17.5
PRIVATE SALE	2.5	12.5
PUBLIC SALE	10.0	50.0
WMT HOLDERS AIRDROP	2.5	12.5
OPERATIONAL FUND	15.0	75.0
EARLY NODE STAKING REWARDS	7.5	37.5
NETWORK EXPANSION	35.5	177.5
TOTAL	100.0	500.0

Figure 13: MNT initial allocations

- 23.5% of the total supply is held by the Minutes Network team. These tokens are released algorithmically over the first 60 months of network operation post the Token Generation Event. This ensures team’s alignment with the long-term objectives of all token holders.
- 2.5% of the total supply has been allocated to World Mobile Token Holders and will be airdropped after the Node sale has concluded.
- 7.5% of the total supply has been allocated to fund Early Node Staking rewards which will be distributed over the first 24 months of full network operation. Each staked Switch Node will receive an extra 1,562.5MNT monthly for 24 months and each staked Validation Node will receive an extra 312.5 MNT over the same period. If any Nodes remain unstaked, the reward allocation they would have received will be burned.
- 35.5% of the Total MNT supply is held in a Network Expansion pool to facilitate strategic activities that significantly expand the Minutes Network in terms of carrier capacity, user growth alliances and secondary market coverage. Minutes Network Token LLC, retains the right to burn all or part of any portion of this pool that remains unallocated after the first 60 months of sharing economy operation, or on the passing of the two-billion user milestone.
- MNT utility is derived from two sources: Node Staking and a new Sharing Economy. All Minutes Network’s net revenue will be used to purchase MNTs for distribution to staking economy and sharing economy participants. All rewards will be trackable and accessible from within the MNT Portal.

Node Staking Economy

- Switch & Validation Nodes provide the critical infrastructure that enables Minutes Network to terminate voice-call traffic and validate its core telephony network in a distributed and decentralised manner.
- MNTs are the only vehicle by which Switch and Validation Nodes can be staked and through which stakers are rewarded for provisioning network capacity and security.
- MNT Nodes receive rewards from a pool comprising 70% of all MNT epoch rewards. 10% is awarded solely to Node holders with each Switch Node receiving 0.01% and each Validation Node receiving 0.002% of the total reward pool. These awards are attributable to all 3,000 Nodes but are only executed for Nodes that have been staked by a singular owner during the entire Epoch. Any Nodes that are or become unstaked during the Epoch will have their rewards burned.

The remaining 60% is subject to an algorithmic MNT burn. Beyond the minimum threshold stakes required to secure Minutes Network Nodes, ongoing, staking will be dynamic with Node Holders determining their optimal staking positions.

- We provision a central Validation Node to allow MNT holders who are unable to acquire Nodes to participate in Node economy.

Minutes Network Sharing Economy

- Whilst Minutes Network provides the lowest termination charges to carriers, we have no means of ensuring these discounts benefit consumers.
- To remedy this, every caller and callee using Minutes Network shares in the MNT token reward programme with 15% of all rewards being allocated to network users.
- The MNT Portal also hosts its own international outbound web-caller allowing consumers to make the lowest cost international calls over Minutes Network with MNTs being the sole payment methodology.
- Minutes Network also receives 15% of all rewards to support continued network innovation and product enhancement.

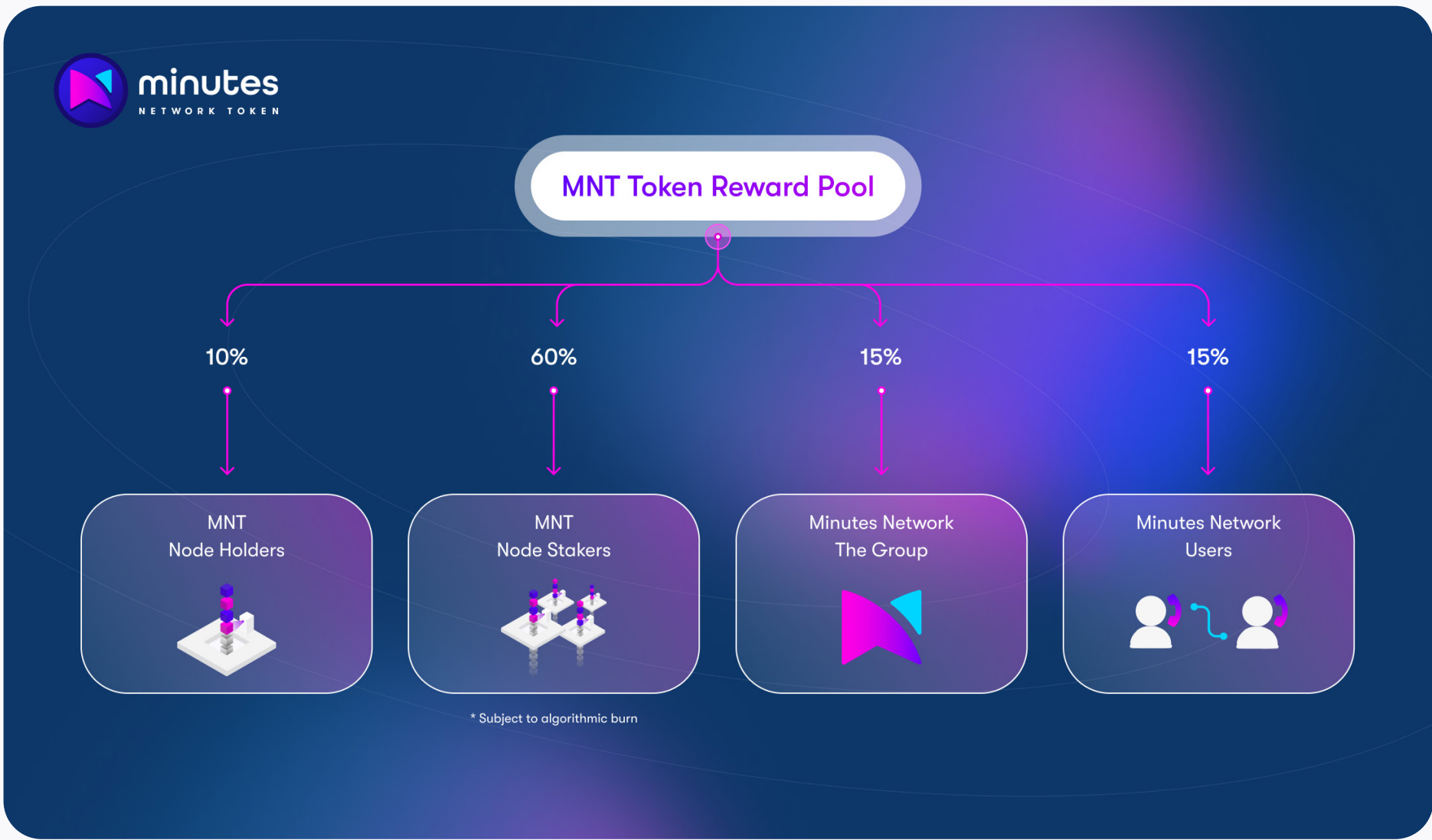


Figure 14: MNT Reward Distribution Model.

Staking Economics

- Staking is the primary utility function of the Minutes Network Token.
- Each Node is eligible for rewards based on this stake provided the minimum staking requirement is maintained.
- Those Staking, but who fail to perform, are removed from any distributions, in proportion to their time offline.
- Staking and reward distributions are dynamic and are affected by the total MNT circulating supply, total, cohort and individual staking decisions.

Staking Minima

- There is a minimum staking requirement to secure Minutes Network Infrastructure Nodes:

TYPE	MINIMUM MNT	#NODES	TOTAL STAKE MNT	% SUPPLY
SWITCH	50 000	500	25 MILLION	5%
VALIDATOR	10 000	2 500	25 MILLION	5%
TOTAL			50 MILLION	10%

Figure 15: Infrastructure Operator staking minimum Stake per Node

- 70% of all rewards are allocated to Node holders and stakers. 10% is awarded solely to Node holders with each Switch Node receiving 0.01% and each Validation Node receiving 0.002% of the total reward pool. These awards are attributable to all 3,000 Nodes but are only executed for Nodes that have been staked by a singular owner during the entire Epoch. Any Nodes that are or become unstaked during the Epoch will have their rewards burned. The remaining 60% is subject to an algorithmic MNT burn, with the final balance of MNT rewards being distributed between Node stakers on a pro-rata basis. Beyond the minimum threshold stakes required to secure Minutes Network Nodes, ongoing, Node staking will be dynamic with Node holders and stakers determining their optimal staking positions.

Delegated Staking

- People who wish to participate in staking without owning a whole node may delegate their tokens to the public Validation Node. This node operates and is accorded rewards as all other Validation Nodes in the network. However, 50% of all rewards are burned and the remaining 50% shared between the delegated stakers.

Algorithmic Burn

- An algorithmic burn is applied to the 60% pool of Node Staking rewards. There are no manual or orchestrated buy-backs of MNT, and the burn rate is dynamically determined relative to the relationship between the total circulating supply and the proportionate level of staking. The calculation establishes the proportion of tokens that are unstaked and halving it to determine the % by which the 60% pool will be reduced. Tokens delegated to the public Validation Node are included in the calculation of the total MNT staked. Tokens released from the Network Expansion Pool are excluded from the Total Circulating Supply unless and until they are allocated for a specified purpose. User rewards are also excluded until they are claimed and any unclaimed User rewards will expire and be burned after 60months from issuance. The burn is executed algorithmically via smart contracts.

Reward Cycle

- Minutes Network uses 100% of its net revenues to purchase Minutes Network Tokens on the open market every month. These are allocated to be distributed as rewards to Node Holders (10%) Stakers (60%), Network Users (15%) and Minutes Network (15%).

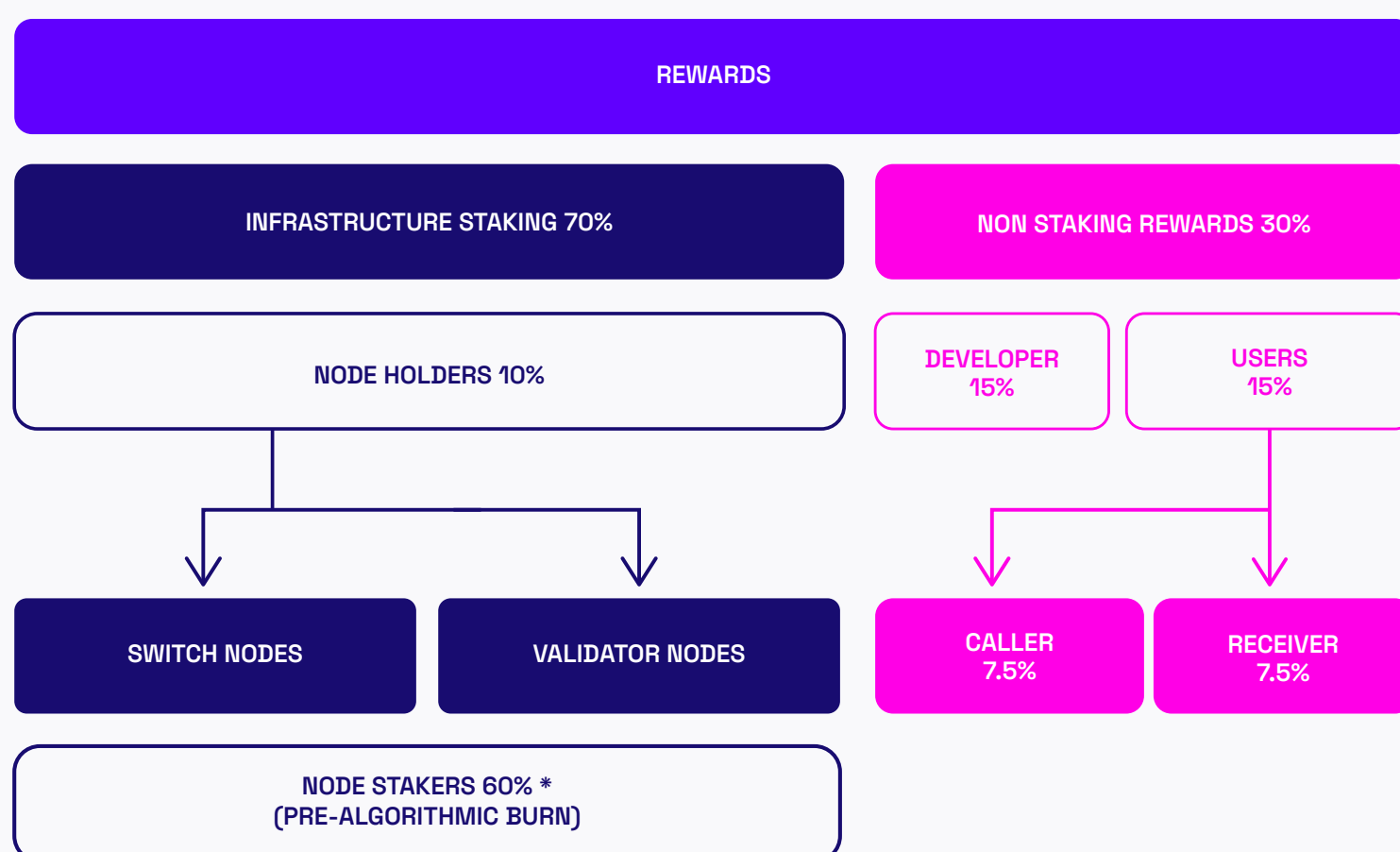


Figure 16: MNT Full reward cycle

- MNT tokens acquired via the buy-back activity are then distributed as rewards to participants in the network, who are either providing infrastructure services, developing network capability or to those using the network for calls who are rewarded for their usage.
- Once the algorithmic MNT burn has been applied, the tokens for distribution are then allocated between stakers in proportion to their contribution to overall staking.
- MNT User rewards are shared equally between call originators and receivers. Each phone number appearing in either group is weighted according to the total call revenue and accorded that proportion of the total rewards allocated to the user cohort. A user can feature within and benefit from distributions in both elements.
- 37.5 million MNTs have been allocated to provide early staking rewards over the first twenty-four months of network operation which will be awarded incrementally to the monthly reward pool distributions.
- This means that over the first twenty-four months an additional 1,562,500 MNTs will be distributed to stakers on a pro rata basis.