



AULT

BLOCKCHAIN

TOKEN ECONOMICS

CONTENTS

3	Abstract
4	Participating
5	Core Applications
7	Ault Blockchain and Gas Fees
9	Node Types and Roles
10	Node Rewards and Incentives
13	Rewards Emissions
14	Governance and Voting
15	Token Metrics



ABSTRACT

This document outlines the token economics of the Ault blockchain ecosystem, detailing the roles, mechanisms, and incentive structures that support its decentralized architecture. At the center of the network is the AULT token, the native, utility-based digital asset used for transaction fees, platform services, and reward distribution. AULT functions exclusively on the Ault Blockchain, a Cosmos-based distributed ledger.

The Ault ecosystem is composed of several interconnected applications, Ault Markets, OnlyBulls, and askROI, which rely on the Ault Blockchain as their underlying Layer 1 infrastructure.

The document provides a comprehensive overview of token utility, node participation, and protocol-level incentives. It describes the node structure involving Validators, Mining Nodes, and Dedicated Validators, each contributing distinct computational and governance functions to the network.

Through clearly defined token sinks and utility pathways, the Ault ecosystem is designed to align participant incentives with long-term protocol sustainability. This document serves as a foundational reference for stakeholders seeking to understand the economic underpinnings of the Ault network and its potential to scale decentralized infrastructure through structured, incentive-driven participation.

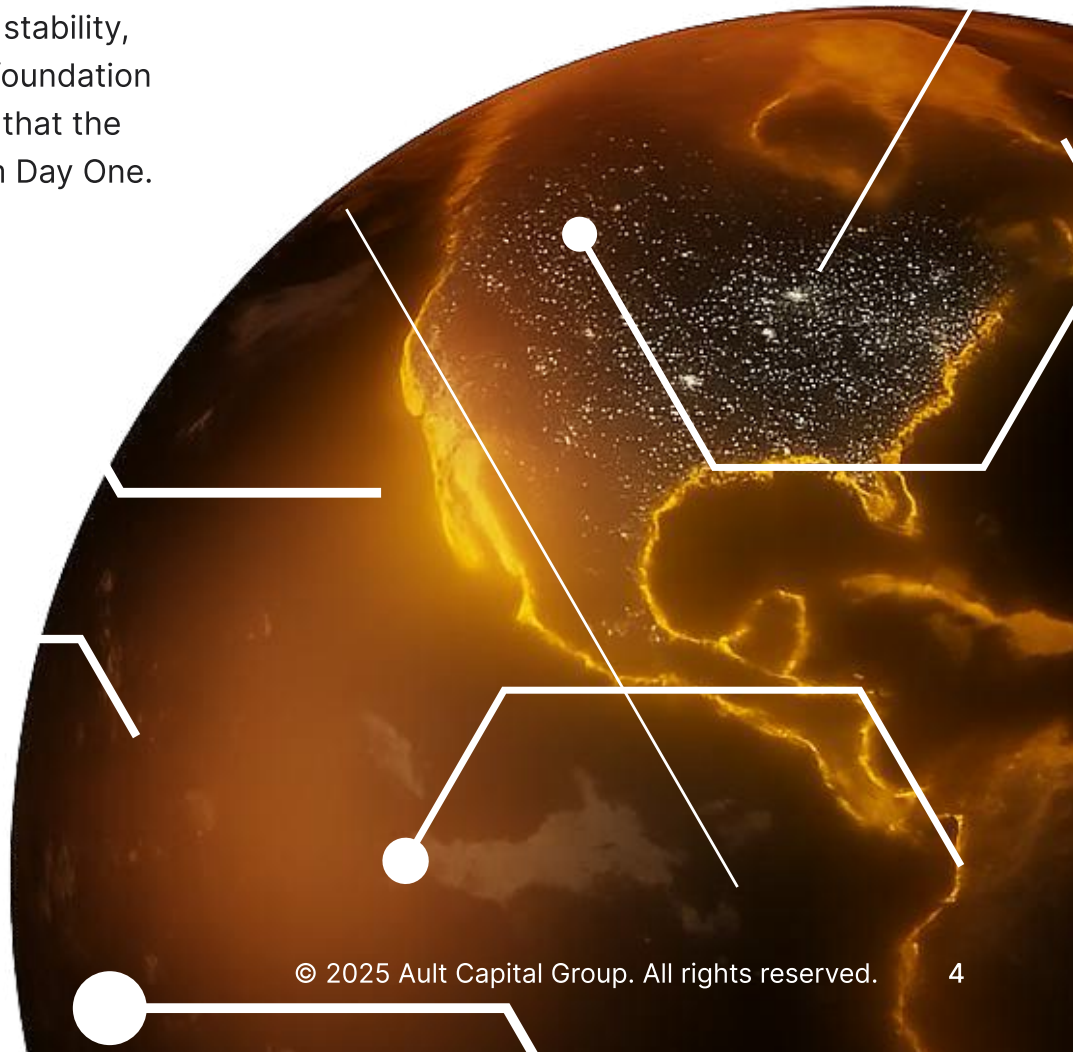
PARTICIPATING

Participants enter the ecosystem by purchasing a node license from Ault DAO LLC and/or Ault Capital Group which grants them access to the software necessary for operating within the network. Each license is priced at \$2,500.00 USD, and it enables the license holder to run a node and participate in the network's earning structure.

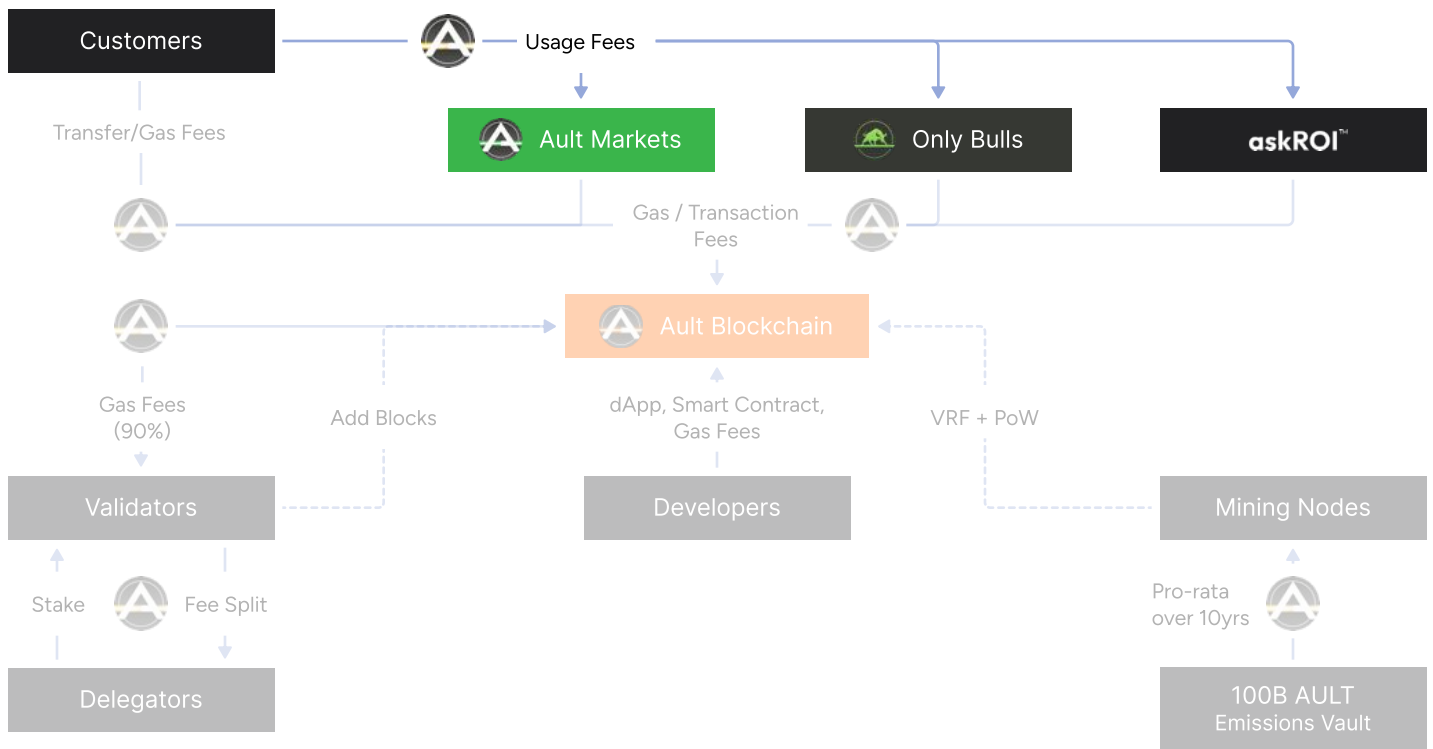
To ensure a smooth and reliable launch, Ault Capital Group, Inc. (ACG) will operate an initial base of company-owned nodes that provide the network with stability, security, and continuity. This foundation gives participants confidence that the system is fully supported from Day One.

As third-party participants purchase and activate licenses, they enhance and expand the network, creating a healthy path toward greater decentralization while maintaining high standards of performance and reliability.

This strategy may be adapted at the discretion of ACG if circumstances arise that require a different approach to node issuance or network management.



CORE APPLICATIONS



AULT is the digital currency and a form of payment within the Ault blockchain ecosystem. Customers primarily engage with the ecosystem by interacting with one or more core applications. They pay to use these applications in AULT which functions as both a transactional currency and utility token embedded directly into the core business activity of the ecosystem.

Below are examples of these applications and how AULT is used within them:



AULT MARKETS

Professional Trading Platform

An institutional-grade trading platform, that supports fee settlement in AULT. Furthermore, AULT serves as the primary base currency used between many of tokenized pairs.



ONLYBULLS

Retail Investment App

A consumer trading app for retail traders that supports fee settlement in AULT. Similarly to Ault Markets, AULT serves as the primary base currency used between the same tokenized pairs available on this platform.

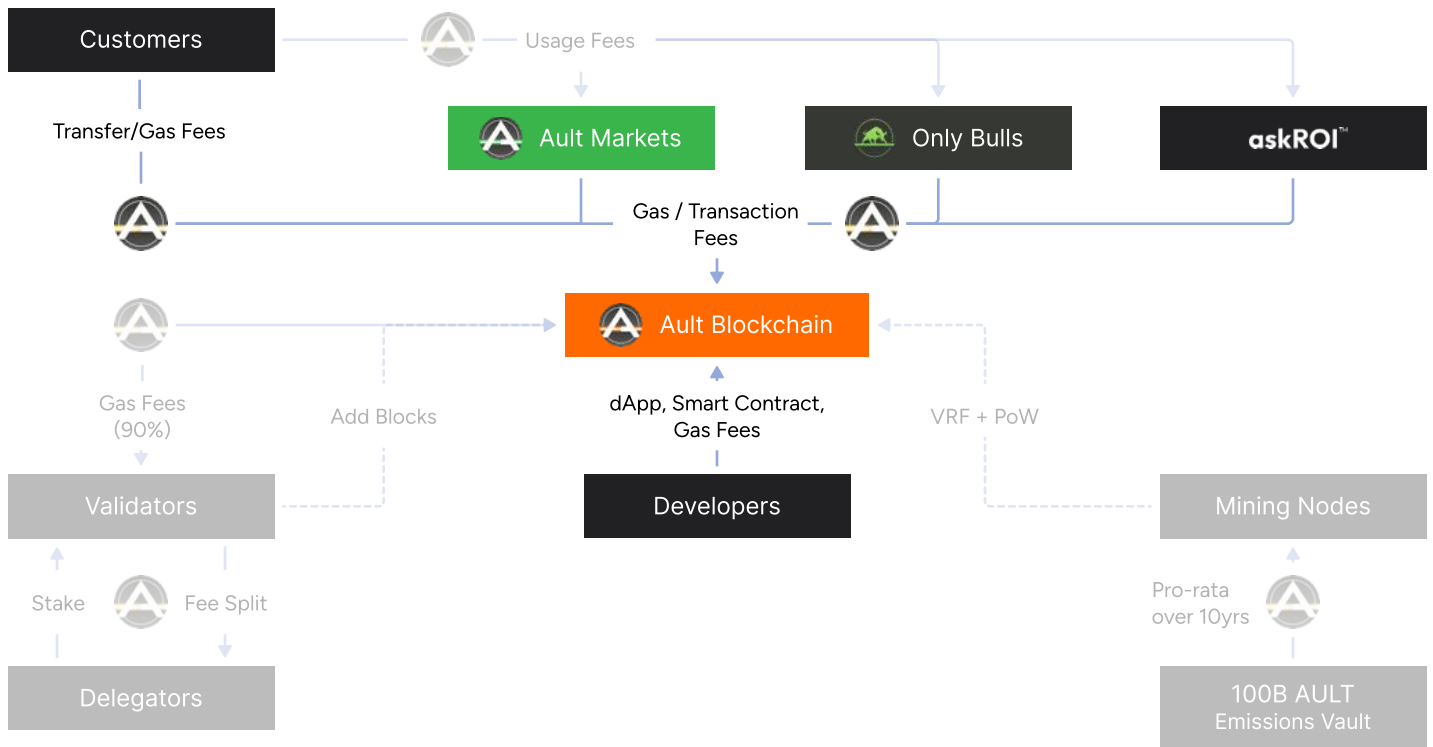


ASKROI

AI Oracle and Analytics Engine

Customers can use askROI's oracle service to stream meaningful data and insights for their business. To access this data, they can optionally pay all fees in AULT. askROI's service may also be used by Ault Markets and/or OnlyBulls, and these internal core applications may also pay to do so using AULT tokens.

AULT BLOCKCHAIN AND GAS FEES



At the heart of the Ault ecosystem lies the Ault Blockchain, a purpose-built, Cosmos-based, Layer 1 distributed ledger designed to provide the foundational infrastructure for all ecosystem activity. It functions as both the settlement layer and data integrity engine for applications such as Ault Markets, OnlyBulls, and askROI, securely recording all transactions initiated within the ecosystem. In addition to anchoring internal application activity, the Ault Blockchain is fully public and extensible, offering a platform for third-party developers to build and deploy decentralized applications (dApps), execute smart contracts, and perform token transfers.

The blockchain is engineered to accommodate a diverse range of users, from institutional trading desks to individual retail users. It supports everything from simple peer-to-peer token transfers to high-volume transactional throughput required by advanced financial tools and analytics applications. All participants, regardless of role or origin, are required to pay transaction and gas fees exclusively in AULT, thereby creating ongoing demand for the token each time the network is used.

GAS FEE BREAKDOWN

The Ault Blockchain employs an EIP-1559-style dynamic gas fee mechanism via the Cosmos EVM Feemarket module. All transactions performed on the network consume gas.

On the right is an estimate of the expected transaction costs for various types of actions on the network.

Transaction Type	Units Of Gas	AULT Per Transaction
Simple Transfer	80,000	0.01
Staking Operation	100,000 – 120,000	0.0125 – 0.015
DEX Swap	150,000 – 250,000	0.01875 – 0.03125
Smart Contract Call	200,000 – 500,000	0.025 – 0.0625

Gas Fee Breakdown

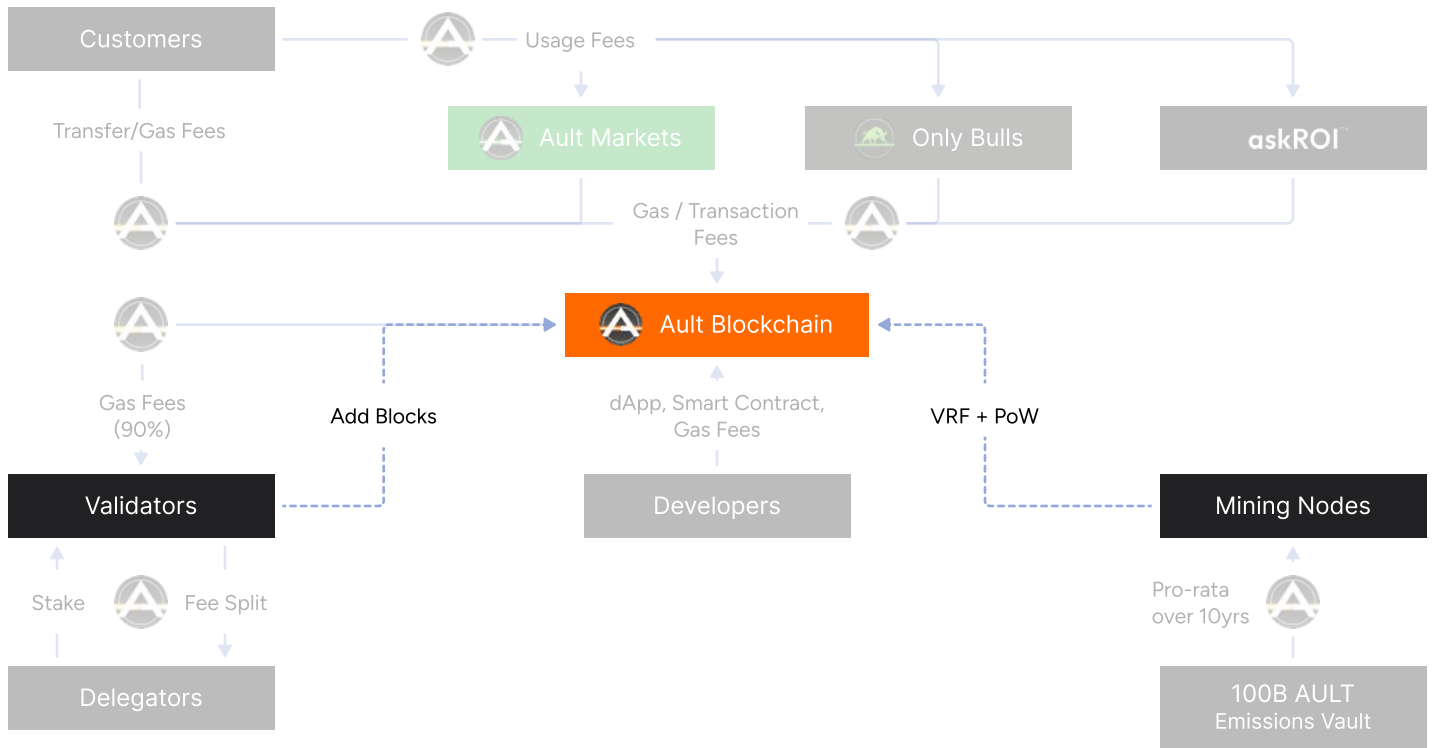
Validators
90%

DAO
Treasury
10%

Gas fees collected by the protocol are distributed based on chart.

Users may include a tip to the block proposer to incentivize prioritized inclusion into the next block – 100% of tips are awarded to the block producer.

NODE TYPES AND ROLES



The Ault network relies on two specialized classes of participants that provide critical computational and maintenance resources to sustain and secure the blockchain. These roles are essential for network performance, consensus integrity, and the integration of off-chain data into the on-chain environment.

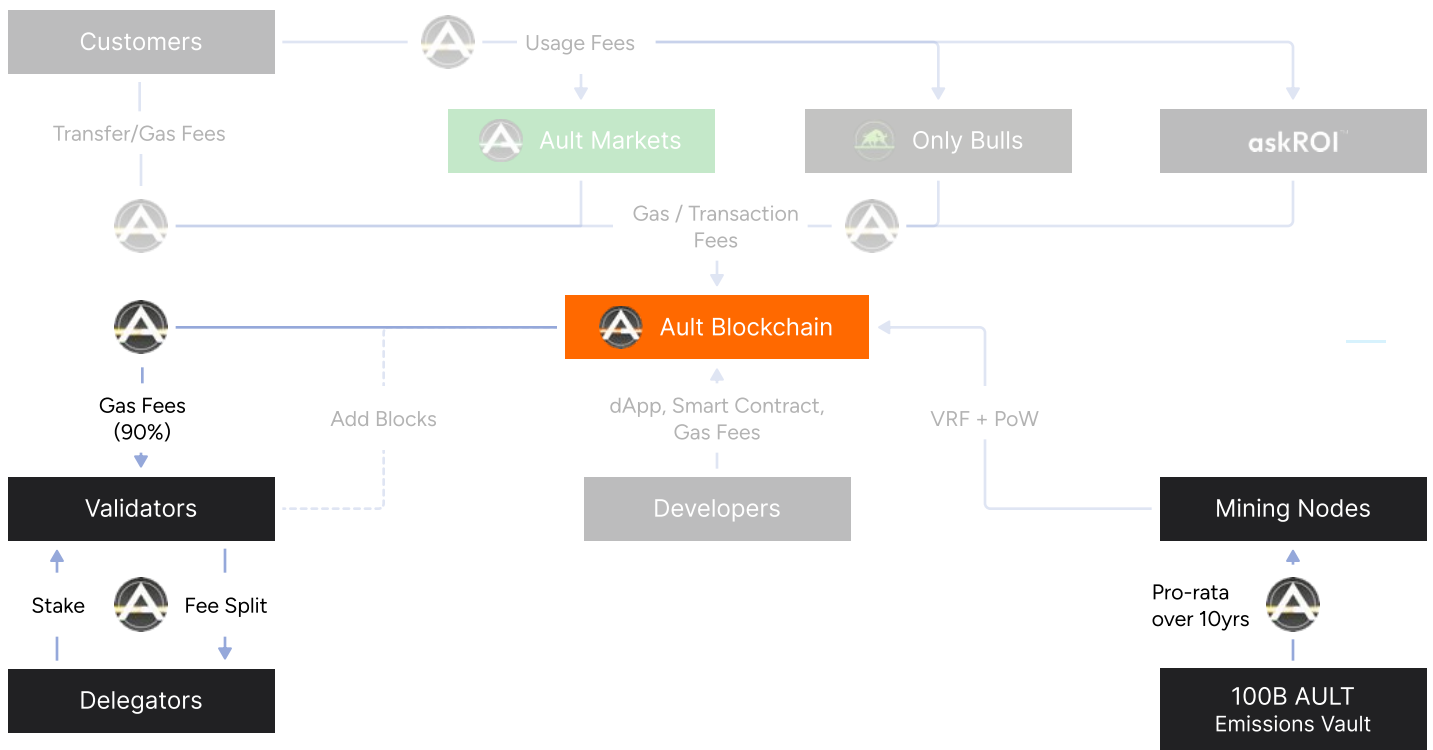
VALIDATORS

Validators play a central role in maintaining the integrity of the Ault Blockchain by appending new blocks, validating transactions and ensuring consensus security. Operating under a Proof-of-Stake (PoS) consensus mechanism, Validators work to establish consensus on transaction ordering and block finality. Validators are not required to hold a license.

MINING NODES

Mining Nodes act as a decentralized bridge between off-chain data environments and the on-chain ecosystem. Mining Nodes run verifiable random functions (VRF) to win rights to append their outputs into the chain's rolling randomness beacon.

NODE REWARDS AND INCENTIVES



The Ault ecosystem features a comprehensive incentive framework designed to reward the wide range of participants who contribute to the growth, security, and utility of the network. This reward topology is designed to foster long-term sustainability and decentralization of the protocol and is divided among three participant categories:

- ✓ VALIDATORS
- ✓ DELEGATORS
- ✓ MINING NODES



VALIDATORS

Validators are exclusively responsible for validating, performing consensus and appending blocks to the Ault Blockchain.

Initial Bond - to participate, each Validator must post an initial bond of 10,000 AULT, which serves as both a commitment to the network and a safeguard against malicious activity.

Gas Fees Incentives - Validators earn 90% of the collected gas fees, distributed pro-rata based on their stake size relative to other Validators.

Active Validator Set - to qualify for inclusion in the Active Validator Set—a group of up to 100 nodes selected daily—each validator must be among the top 100 AULT stakers on that day, based on the size of their staked holdings.

DELEGATORS

Participants that do not qualify as Validators may delegate their stake to eligible Validators, thereby supporting their election into the Active Validator Set. In return, these delegators earn a pro-rata share of the Validator's protocol rewards and gas fees. Each Validator can define a custom commission fee, determining what percentage of earned rewards they retain for operating the pool.

MINING NODES

Mining Nodes represent the largest category of Node Licensees and are rewarded for contributing computational resources and integrating off-chain data into the blockchain. A total of 99.9995 billion AULT has been allocated to Mining Nodes as a reward for services performed for the blockchain. This allocation is distributed per epoch over the course of 10 years, with each distribution split fairly and equally among Mining Nodes. This model ensures predictable, long-term compensation for operating a Mining Node and reinforces the value proposition of purchasing a Node License.

LENDING INCENTIVES

Node holders may benefit from lending incentives paid for by Ault Lending, a protocol-integration financial platform. Ault Capital Group plans to invest node sale revenue into Ault Lending to use as capital for its lending business. Ault Lending plans to engage with the platform through a number of proposed mechanisms.

At its sole discretion, Ault Lending may choose to use revenues from its lending activities to support the broader Ault ecosystem including supporting liquidity or ecosystem development initiatives. Ault Lending may also engage directly with the blockchain - subject to DAO approval - as another application alongside OnlyBulls and askROI. Ault Lending would pay gas fees.

These rewards and benefits are distributed in parallel with other incentive mechanisms and reflect the broader financial synergy within the ecosystem.

Ault Lending LLC is a separate and independent business entity from the Ault Blockchain and DAO governance framework. The DAO does not control, direct, or obligate Ault Lending in any way.

SUMMARY CHART

A summary of the reward earnings is described in the table below:

Role	Node License	Runs Validator	VRF + PoW Mining	Emissions	Gas Fees	Governance Rights
Mining Nodes	✓	✗	✓	✓	✗	✓ (KYC required)
Validator	✗	✓	✗	✗	✓	✗
Delegator	✗	✗	✗	✗	Split with Validators	✗

Note: Validators and Delegators can also concurrently participate as Mining Nodes and therefore receive both benefits

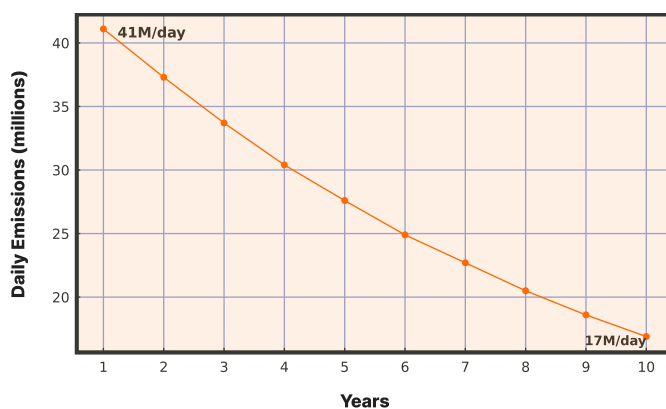
REWARDS EMISSIONS

Protocol rewards allocated to Miners are distributed from the token supply though an exponential decay schedule spanning ten (10) years.

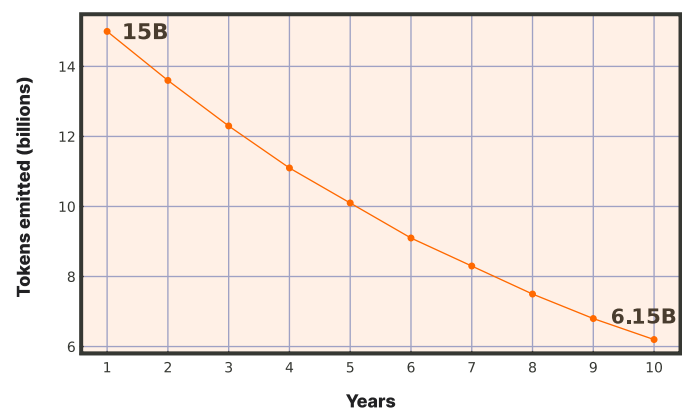
As the ecosystem matures, the total number of participating nodes is expected to grow steadily. This growth dynamic implies that early adopters, who participate when there are fewer nodes sharing rewards, will have the opportunity to earn a larger portion of the daily emissions. Over time, as additional Miner Licenses are sold and more operators join the network, the same fixed daily reward will be divided among a larger pool of participants, naturally reducing the share available to each node.

To help illustrate the implications of this model, below are charts showing the reward emission schedule defined by the protocol, including the Annual Emissions Curve and the Daily Emissions Taper over ten years. While the schedule itself is deterministic, actual emissions received per node will vary depending on a range of factors, including total node participation, user activity on the network, token price, and evolving protocol governance.

DAILY EMISSIONS TAPER



ANNUAL EMISSIONS CURVE



Expected emissions is not indicative of any return on investment.
There is no guarantee that AULT will have any value.

GOVERNANCE AND VOTING

Governance in the Ault DAO is limited to licensed Mining Nodes who meet specific qualifications. To be eligible, a participant must hold a valid licensed Ault Node, complete and pass KYC verification, and formally acknowledge the DAO Constitution. Only those who satisfy all these requirements are granted voting rights within the DAO.

In addition, Ault DAO LLC retains limited veto authority over governance proposals that would result in regulatory non-compliance or that are deemed malicious to the integrity of the network. This safeguard ensures that DAO decisions remain consistent with applicable legal frameworks while preserving decentralized governance for all other matters.

GOVERNANCE PARAMETERS

Proposal Stake	Minimum of 500,000 AULT
Voting Window	10 days
Quorum	20% of votes
Participation Cap	Maximum of 200,000 votes per member



TOKEN METRICS

<p>Total supply</p> <p>100B</p> <p>AULT</p>	<p>Emissions allocation</p> <p>100%</p> <p>to Mining Nodes</p>	<p>Validators rewards</p> <p>90%</p> <p>of total gas fees</p>	<p>DAO Treasury funding</p> <p>10%</p> <p>of total gas fees</p>
<p>Emissions timeframe</p> <p>10</p> <p>years, exponential decay</p>	<p>Total licenses</p> <p>1M</p> <p>protocol max</p>	<p>License transferability</p> <p>2</p> <p>years, Min. holding requirement</p>	<p>Genesis allocation</p> <p>530K</p> <p>AULT startup expenses</p>

The maximum supply of 100,000,000,000 (100 billion) AULT tokens will be minted at the token generation event. This will be distributed based on the following:

	Distribution	Token Allocation (AULT)
Emissions Vault	99.9995%	99,999,470,000
Feegrant Module	0.0005%	500,000
Validator Seeding	0.00003%	30,000

GENESIS DISTRIBUTIONS

FEEGRANT MODULE

Pays for initial miner deployment and gas costs such as minting a license, on-chain registering, initial gas allowances, etc.

These tokens will not be issued for sale and instead must be earned exclusively by Mining Nodes as work credits.

VALIDATOR SEEDING

Initial allocation seeded to the first three mining nodes created to deploy and bring the network online.

The entirety of the token supply shall be allocated to the Emissions Vault to be earned exclusively by Licensed Miners over the course of 10 years.



EMISSIONS SCHEDULE

Tokens distributed by the platform occur over a 10-year period ensuring long-term support of the network. They are emitted over an exponential decay schedule that adjusts once per year, reducing each year's emitted supply and increasing scarcity based on the schedule below:

Timeframe	Rewards Distribution (AULT, Billions)		
	Annual	Monthly	Cumulative
Year 1	15.000	1.250000	15.000
Year 2	13.586	1.132158	28.586
Year 3	12.305	1.025426	40.891
Year 4	11.145	0.928755	52.036
Year 5	10.094	0.841198	62.130
Year 6	9.143	0.761896	71.273
Year 7	8.281	0.690069	79.554
Year 8	7.500	0.625014	87.054
Year 9	6.793	0.566092	93.847
Year 10	6.153	0.512724	99.999

