

Hypha: /Noun /'hife/ each of the branching filaments that make up the mycelium network that coordinates thriving ecosystems.

Hypha

Achieve more, together.

Hypha Tokenomics Paper

The Living Economy of Hypha

22 April 2025

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The Living Economy of Hypha

A Summary Podcast is available [here](#)

A Regenerative Tokenomics Model for Adaptable Organizations

Birthing the Living Economy

Hypha introduces a regenerative tokenomics model designed to cultivate, nurture, and evolve purpose-aligned, **adaptable organizations** within a thriving interconnected network. This living economic system is rooted in **reciprocity, collaboration and co-creation**, fueled by the growing **adoption of the Hypha platform** and its network-powered extensions (or plug-ins). Built with modularity at its core, Hypha empowers builders to expand the platform through regenerative, value-sharing plug-ins, tools that not only enrich the ecosystem but return energy back into the whole.

Grounding Hypha's economy

At the heart of Hypha's tokenomics lies a return to core, life-centered principles placing human engagement, shared purpose, and systemic impact above all. The vitality of the **token economy** is directly proportional to the **meaningful use of the Hypha platform**. As communities engage and contribute, they generate value, energize the network, and amplify impact. Each aspect of the tokenomic design is **intentionally aligned with the regenerative cycle** of give-and-receive, where **Adaptable Organizations** thrive by fulfilling their recurring network contributions and, in doing so, nourish the entire ecosystem.

Aligning Capital Flow with Purpose

In Hypha's regenerative model, **capital is not a static resource**, it is a dynamic current that flows where purpose calls. The tokenomics system is designed to direct financial energy toward the most alive, impactful, and purpose-aligned initiatives within the network. Rather than extracting value, **capital within Hypha acts as a nutrient**, circulating to regenerate communities, reward contribution, and nourish innovation. This intentional flow ensures that wealth creation is deeply tied to well-being, resilience, and **the flourishing of both people and the planet**.

Definitions

A **Space** in the Hypha Network is a **living structure**, inspired by the intelligence of nature and rooted in the principles of **regenerative biomimicry**. Much like ecosystems composed of interdependent elements working in harmony, each Hypha Space functions as a self-contained cell of coordination and value flow. It is made up of three essential features: **Governance**, **Membership**, and a **Treasury** that together form a whole system for contribution, governance, and decision-making.

Hypha's architecture follows the **fractal patterns found throughout nature**, where organizing principles **repeat across scales** from the mycelial web beneath forests to the branching forms of coral reefs. This design enables Spaces to emerge organically, grow adaptively, and regenerate continuously, from **the planetary to the hyperlocal**.

Spaces are **modular, autonomous and interconnected**, like cells in a living organism or nodes in a symbiotic network. As they grow and connect, **they form Adaptable Organizations**, dynamic and evolving systems capable of sensing, responding to and aligning with the changing needs of their environment. These **Adaptable Organizations** then interweave into **Ecosystems of Shared Purpose**, laying the foundation for Collective Intelligence and Regenerative Economy at scale throughout the **Hypha Network**. Through this living architecture, **Hypha scales with integrity**, nurturing both **global coherence** and **local prosperity**, and regenerating life and value at every level.

A Model driven by Platform Adoption

Hypha's **regenerative tokenomics model** is designed to grow and thrive through real, meaningful platform adoption. As more **Adaptable Organizations** (or **Spaces**) **join, engage, and contribute**, the system becomes stronger, more sustainable, and increasingly rewarding for everyone involved.

This model isn't powered by speculation or extraction. It's fueled by **participation, reciprocity, and purpose-aligned action**. Each Space's involvement nourishes the network through **Hypha network contributions**, while the network, in turn, **rewards** that involvement in ways that benefit both individual spaces and the Network as a whole.

Hypha Network Contribution Model

The Hypha Network contribution model is straightforward, transparent, and easy to understand. It ensures that every Space using the platform **contributes fairly while keeping costs predictable** and aligned with real platform value.

Topics	Description
Who Contributes	Any Space using the Hypha Platform.
Payment Frequency	Monthly (default). For convenience, option to pay for multiple months in advance.
Network Contribution Amount	Flat rate: \$11 per Space/Month.
Adaptable Organization	Adaptable organizations typically contain multiple Spaces. It's anticipated that an organization will have around 5 Spaces on average.
Price Evolution	The flat rate may be adjusted in the future as the network gains a clearer understanding of costs and usage patterns. Any change in price will be subject to a vote in the Hypha Platform Space.
Currency	Prices are denominated in USD to ensure predictability.
Price Display	Prices are primarily displayed in Hypha Tokens, with the equivalent value in USD shown for reference and convenience.
Payment Method	Network Contributions are paid with Hypha Tokens (through Space Proposals).
Conversion Rate	Internal Exchange (IEX) provides the USDC ↔ Hypha token conversion rate (acts as a Price Oracle for the Hypha Network).
Price Stability	Hypha token price fluctuations do not impact the \$11 monthly cost.

How the Adoption-Driven Model Works in Practice

Step 1: Spaces Purchase Hypha Tokens

Spaces acquire **Hypha tokens** through the **Internal Exchange (IEX)** by submitting a proposal within their Space. This process represents both **active participation and commitment** to the network.

Why Spaces Might Buy More Hypha Tokens Than They Need Right Now

There are a few good reasons why Spaces may choose to buy extra Hypha tokens beyond their monthly contribution to the Hypha Network:

- **Increasing Purchasing Power:** As the Hypha Network grows, the value of Hypha tokens may increase. By purchasing Hypha tokens early, contributors can potentially extend their purchasing power over time, meaning fewer tokens may be needed for each space as contributions are paid in Hypha tokens.
- **Participating in Tokenomics Governance:** Hypha Token Holders have a say in the Tokenomics governance. A larger stake in Hypha Tokens gives more ability to **take part in decisions that influence the token dynamics**, pace of the distribution of rewards and liquidity throughout the Network.

- **Earning Extra Rewards:** Purchasing Hypha tokens isn't just about meeting contributions, it also earns rewards. Spaces that hold or stake Hypha tokens in their treasury receive **Hypha tokens** as rewards.
- **Supporting the Network:** When spaces buy additional tokens early, they help improve the **network's liquidity**. This extra support makes the network stronger and healthier, like adding water and nutrients to the roots of a growing plant.

Step 2: Spaces Receive Token Rewards

In return for holding locked Hypha tokens during Tokenomics Roadmap Stage 1 (outlined later in this document), or staking liquid Hypha tokens in Stage 2, spaces earn Hypha token rewards. This reinforces Hypha's **give-and-receive cycle**, one of the system's core regenerative principles.

How Token Rewards Work

- **Holding locked token rewards** (Stage 1): Both **newly purchased locked tokens** and **existing locked tokens** will receive rewards. In short, every locked token you hold, whether it's brand new or has been there for a while, will earn a share of the rewards.
- **Staking liquid token rewards** (Stage 2) are received when liquid Hypha tokens are staked in the mycelium of the Network. They are paid back to the staker as a reciprocity for limiting the circulating supply.

Step 3: Spaces Contribute Monthly to the Network

Using the Hypha tokens in their treasury, spaces make **monthly token contributions** back to the network. This is a **regenerative act** that sustains platform access and helps nourish the broader economy. Contributions are made by submitting proposals within the space.

Paying Contributions for Multiple Spaces

- An adaptable organization made up of several spaces can simplify this process by **paying for all of its spaces through a single proposal**. This makes it easier to manage payments and stay organized.

Paying Contributions in Advance

- For convenience, spaces have the option to pay multiple months in advance rather than month by month. Paying ahead benefits the entire Network by **accelerating the distribution of rewards**, which is directly tied to spaces contributing to the Network. Choosing this option demonstrates a strong, positive commitment to the Hypha Network and supports its steady, sustainable growth over the medium to long term.

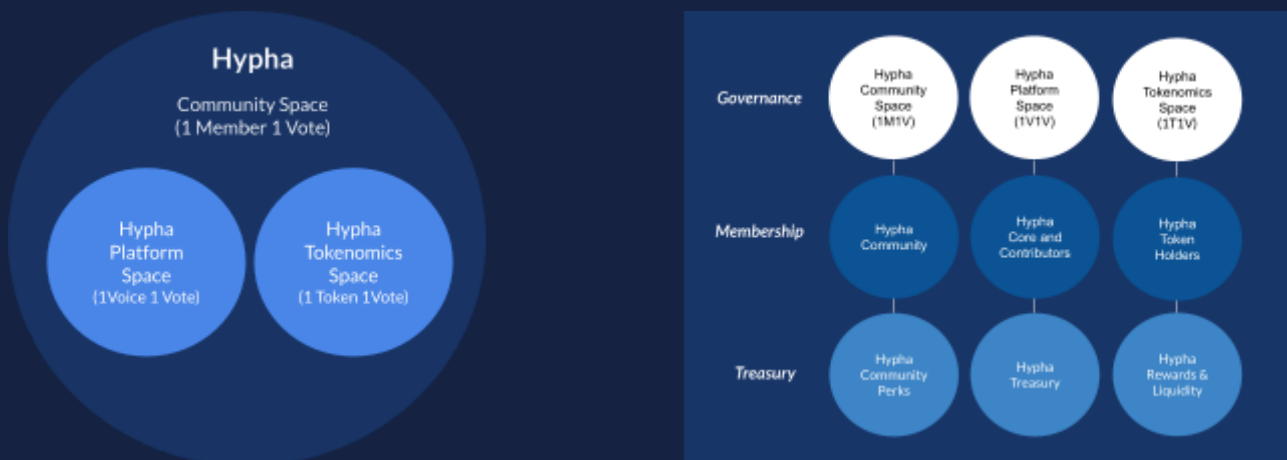
An Intentional Governance and Balanced Allocation

Intentional Governance Model

Hypha, as an **Adaptable Organization** follows the same patterns as any other Adaptable Organization in the Hypha Network. Like other organizations in the Hypha Network, Hypha remains flexible and responsive, ensuring that it can continuously align with the evolving demands of its members, contributors, and the broader Network.

Hypha operates through three **Spaces**: **Hypha (Community) Space**, **Hypha Platform Space** and **Hypha Tokenomics Space**. As the network expands and evolves, additional **embedded spaces** may be introduced in the future in the Hypha Adaptable Organization to respond to emerging needs and opportunities.

Hypha's Adaptable Organization Structure



Spaces	Governance	Membership	Treasury	Purpose
Hypha Community Space	1 Member 1 Vote (1M1V)	Open Hypha Community Members	Hypha Community Perks	Enables collective sensemaking, decentralized community building, coherence and collective intelligence across the Hypha Network.
Hypha Platform Space	1 Voice 1 Vote (1V1V)	Invite-Only Hypha Members, Contributors and Builders	Hypha Treasury	Drives Hypha's Platform evolution, contribution model and user adoption through feedback, use cases, improvements, extensions (plug-ins) and innovation orchestrated with a clear roadmap.
Hypha Tokenomics Space	1 Token 1 Vote (1T1V)	Token-based Hypha Token Holders (Liquid + Locked)	Hypha Rewards & Liquidity	Serves as the economic engine of the Network. Ensures healthy circulation of value, fair distribution of rewards, and alignment of incentives in regenerative cycles.

Hypha Community Space (Hypha Community Perks)

Hypha Community Space has the ability to provide perks to Community Members. Using the Hypha Community Mobile Application, members are engaged into community building activities providing visibility to the Hypha Network. Perks can be dispersed via direct contribution from members or airdrops.

The Hypha Community Space is managed through a **“1 Member, 1 Vote” (1M1V) governance system**. In this model, **members as human-beings represent decision-making power**. Once a member joins the Hypha Space (Open Membership), they become member of the Hypha Community Space

Hypha Platform Space (Hypha Treasury)

The Hypha Platform Space gathers resources as Spaces gain access to the platform’s tools and features, and as investors support Hypha’s platform with funding. These funds are used to compensate contributors who are actively working to build and advance the Hypha platform; whether they are individuals or groups who actively contribute to improving, growing, and extending the Hypha platform or associated Network-powered extensions (or plug-ins).

The **Hypha Treasury** is embedded into the **Hypha Platform Space** which is using a **“1 Voice, 1 Vote” (1V1V) governance system**. In this model, **Voice** represents decision-making power, and it’s earned by contributing to Hypha whether through relationships, knowledge, or technology. The more you contribute, the more Voice you earn, giving you a greater say in how the platform evolves and allowing you to participate in the governance of this space, including decisions such as the future direction of the roadmap, the prioritization of upcoming extensions (or plug-ins), or the pricing of the monthly network contribution.

Hypha Tokenomics Space (Hypha Rewards & Liquidity)

The **Hypha Tokenomics Space** manages both **Rewards & Liquidity** as well as a **set of smart contracts** that operate the tokenomics logic for the entire system.

The space is managed through a **“1 Token, 1 Vote” (1T1V) governance system**. In this model, **Hypha Tokens represent decision-making power**. Hypha Tokens are acquired either by purchasing them through the Internal Exchange (IEX) to support liquidity, or by investing directly in Hypha’s Treasury to support the ongoing development of the Hypha platform.

The **Hypha Reward System** is a key element of the tokenomics Space. It organizes 1) the **progressive release of the locked Hypha tokens into liquid tokens** and 2) the distribution of **additional rewards to participants**, building up the circulating supply within the Hypha economy.

In addition, the Internal Exchange (IEX) is designed as a transparent and curated marketplace for **Hypha Token price discovery** and future liquidity building for the Hypha Network. It does this

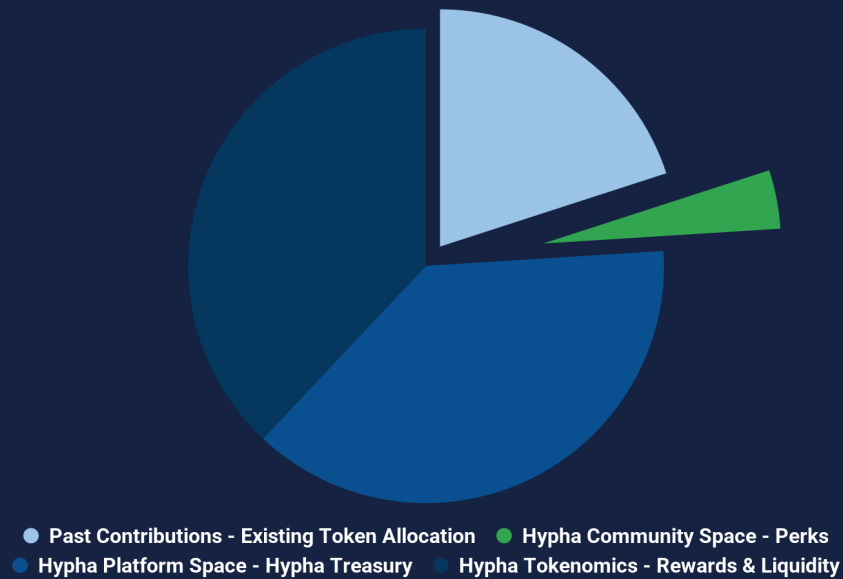
by accepting **flat-equivalent currencies like USDC** in exchange for **Hypha tokens**, creating the primary foundation of **Hypha Token price discovery (acting like a price oracle)** and **liquidity**.

A Balanced Token Supply Allocation

Hypha's total token supply is designed with intention, balancing early alignment, ecosystem growth, and long-term regenerative rewards. Over the past six years, **20%** of the total supply has been allocated to those who laid the groundwork for the Hypha platform, through deep relationship-building, shared knowledge, and co-creation of the core technology.

Now, as Hypha's Tokenomics model enters the world, the door is open for all to participate and become co-investors in the flourishing of the Hypha Network. The remaining supply is purposefully dedicated with **40%** for direct contributions that build and evolve the ecosystem, and **40%** for rewards that nourish continued participation and collective success.

Governing Space	Voting Method	Hypha Token Allocation	%	Purpose
Total Token Supply	Already Voted	555,555,555	100%	Full locked supply available that gets progressively converted from Locked to liquid Hypha Tokens
Past Contributions - Existing Token Allocation	Already Voted	111,111,111	20%	Distribution over six years (as of the start of Stage 1) to members, contributors, investors and other participants
The available 80% get allocated to the following:				
Hypha Community Space - Perks	1 Member 1 Vote	22,222,222	4%	Community Perks distribution for Initial Scaling and Community building
Hypha Platform Space - Hypha Treasury	1 Voice 1 Vote	211,111,111	38%	Managed for platform evolutions and extensions through contributions, internal exchange liquidity, and Hypha Network growth
Hypha Tokenomics - Rewards & Liquidity	1 Token 1 Vote	211,111,111	38%	Distributed as staking rewards to increase the circulating supply as the network expands and added for liquidity to the Internal exchange (IEX)



Hypha Token Migration

As Hypha evolves toward a blockchain agnostic future, the upcoming deployment of the Hypha V3 architecture will initially launch on the BASE blockchain (an L2 within the Ethereum ecosystem), with future expansion planned across multiple blockchain networks. The new open and modular architecture is purpose built for flexibility, enabling seamless integration with various blockchain ecosystems over time.

All existing Hypha tokens, originally issued on the Telos blockchain, will be migrated to the BASE blockchain.

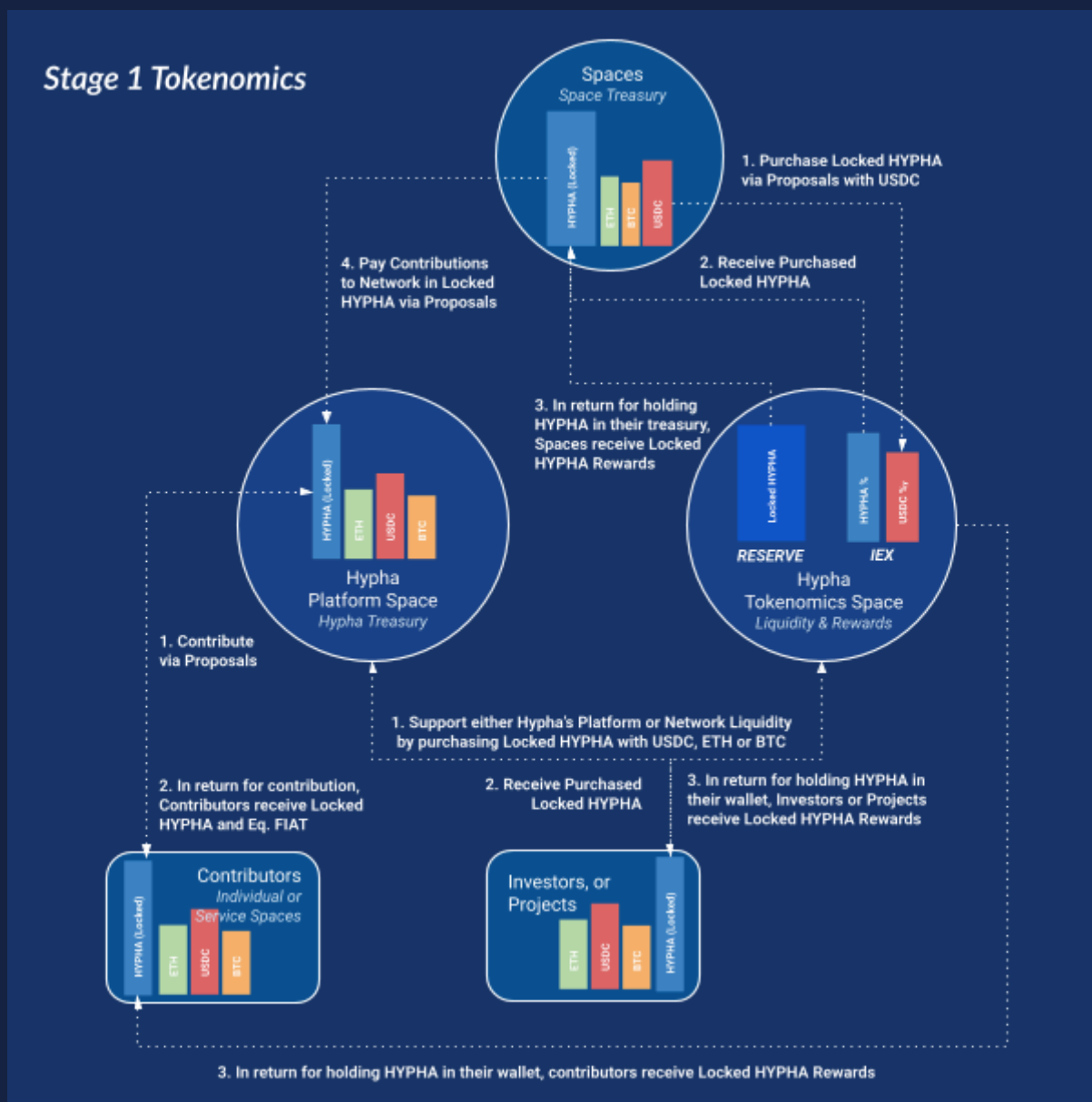
In alignment with Stage 1 requirements, which mandate that all tokens be locked (See next chapter for more details), any existing liquid Hypha tokens will be converted to locked tokens at the initial Stage 1 discounted token price. This ensures consistency and fairness across all token holders as the network transitions to its next evolutionary phase.

Three Stages Towards a Flourishing Network

Stage 1 - LaunchPad Seeding the Network (Locked Tokens)

The diagram below illustrates the **foundational Seed Stage (Stage 1)** of Hypha's regenerative economy, mapping the dynamic flow of capital, tokens, and contributions. It's a life-centered, circular economy, where every transaction not only exchanges value but regenerates collective purpose and capacity; a metabolic system rather than a linear one.

Important Note: In this first stage, **all Hypha tokens are and stay locked** and, therefore, cannot be traded in Stage 1.



Adaptable Organizations (a.k.a Spaces):

Spaces play a vital role as stewards of the Hypha network, sustaining it through a **monthly Hypha Network contribution** paid in Hypha locked tokens in Stage 1. These locked tokens, easily acquired via proposals in their space through the **IEX (Internal Exchange)**, grant continued access to the platform and deepen each space's co-evolutionary relationship with the network.

In providing this contribution, spaces feed the system with purpose-aligned energy. In return, their treasuries receive locked token rewards, a gesture of reciprocity that honors their commitment to holding and circulating regenerative value within the ecosystem.

Individual and Group Contributors

Contributors engage through **contribution proposals in the Hypha Platform Space**, earning Hypha locked tokens and fiat-equivalent (Eg: ETH, wBTC, USDC) for their contributions. These contributors are not just earning, they're regenerating the ecosystem by bringing forward purpose-aligned action.

At the heart is the **Hypha Treasury**, a living center of value circulation, where resources, both fiat-equivalent and **locked Hypha tokens**, anchoring initial attribution and enabling participation across the Network.

In addition, contributors can purchase locked tokens, easily acquired through the **Internal Exchange (IEX) located inside the Hypha Tokenomics Space**. In reciprocity, they receive Hypha locked token rewards as a thank you for purchasing and holding locked Hypha tokens in their wallets.

Investors (LP or Platform Supporters), Token Holders, and Projects

Investors, Individual token holders, and projects (Upcoming Spaces) contribute capital, which is converted into locked Hypha Tokens. There are two available investment pathways:

- **Option 1:** Contribute capital (USDC) through the **Internal Exchange (IEX)** within the **Hypha Tokenomics Space** to support liquidity development across the Hypha Network.
- **Option 2:** Make a **direct investment** into the **Hypha Platform Space** (wBTC, ETH or USDC) to support the evolutions of the Hypha Platform.

In reciprocity, they will receive **Hypha locked token rewards** as a thank you for purchasing and holding locked Hypha tokens in their wallet, reinforcing the give-and-receive cycle fundamental to Hypha's living system.

This funding acts as a conversion gateway, channeling outside financial energy (like USDC) into the regenerative economy via locked Hypha tokens. This is not a closed loop, it's a **living system**

where capital is transmuted into regenerative force, continuously circulating through contribution, alignment, and shared prosperity. Every transaction is more than an exchange, it's a moment of seeding deeper collaboration and nourishing the soil of the ecosystem.

Simulation Insights

Phase I simulations demonstrate transparent locked token distribution and liquidity building, ensuring that initial token allocations directly fuel mission-driven activities, significantly reducing speculative risks

Phase 1 [Simulation Tool](#)

Important Note: Any change to these simulation parameters will be voted on through a **Configuration Proposal in the Hypha Tokenomics Space** using a “1 Token 1 Vote” (1T1V) Voting Method.

Initial Parameters

Metrics	Values
Total Supply of HYPHA	555,555,555
Existing Locked Tokens Allocation	111,111,111
Initial HYPHA Token Price (USD)	Discounted to 25c
Sale Duration (Months)	12 Months ⁽¹⁾

⁽¹⁾ The transition from **Stage 1 to Stage 2** will be stewarded through the **governance layer of the Hypha Tokenomics Space**, where the Hypha token holders exercise their collective voice using a “**1 Token, 1 Vote**” decision-making model. While this shift is anticipated to occur after approximately **12 months**, the exact timing is fluid, rooted not in a rigid schedule, but in the readiness of the Network itself. This is not simply a question of time, but of **alignment and threshold fulfillment**. Before progressing to the next Stage, Network members must assess key indicators, such as the **amount of USDC available on the IEX** and the **number of actively contributing spaces**. Only once minimum thresholds are met can the network confidently evolve to its next phase, ensuring growth remains **grounded, participatory, and regenerative by design**.

Monthly Parameters

Metrics	Values
Initial Number of Spaces	50
Spaces Growth Rate	50% ⁽²⁾

Space contribution to Hypha Network (USDC)	\$11 per space
Distribution Multiplier (Reward Boost)	x30 ⁽³⁾
Hypha purchases from investors (USDC)	100,000 USDC

⁽²⁾ **During Stage 1, over 350 Organizations (Approximately 1750 Spaces) already using the Hypha platform** will begin migrating to the new version called Hypha V3. This marks an important step forward for the network as these organizations gain access to improved tools, a more user-friendly experience, and full integration with Hypha’s new tokenomics model.

(3) Token Distribution (Locked Token Reward) = Space Contributions to Hypha Network (HYPHA) multiplied by Distribution Multiplier (Reward Boost). Locked token rewards are distributed across the total amount of attributed locked tokens within the Network. This includes both newly purchased locked tokens and the existing locked tokens that were previously issued. The system ensures that early participants are recognized while continuing to reward new contributions that strengthen and expand the Hypha ecosystem.

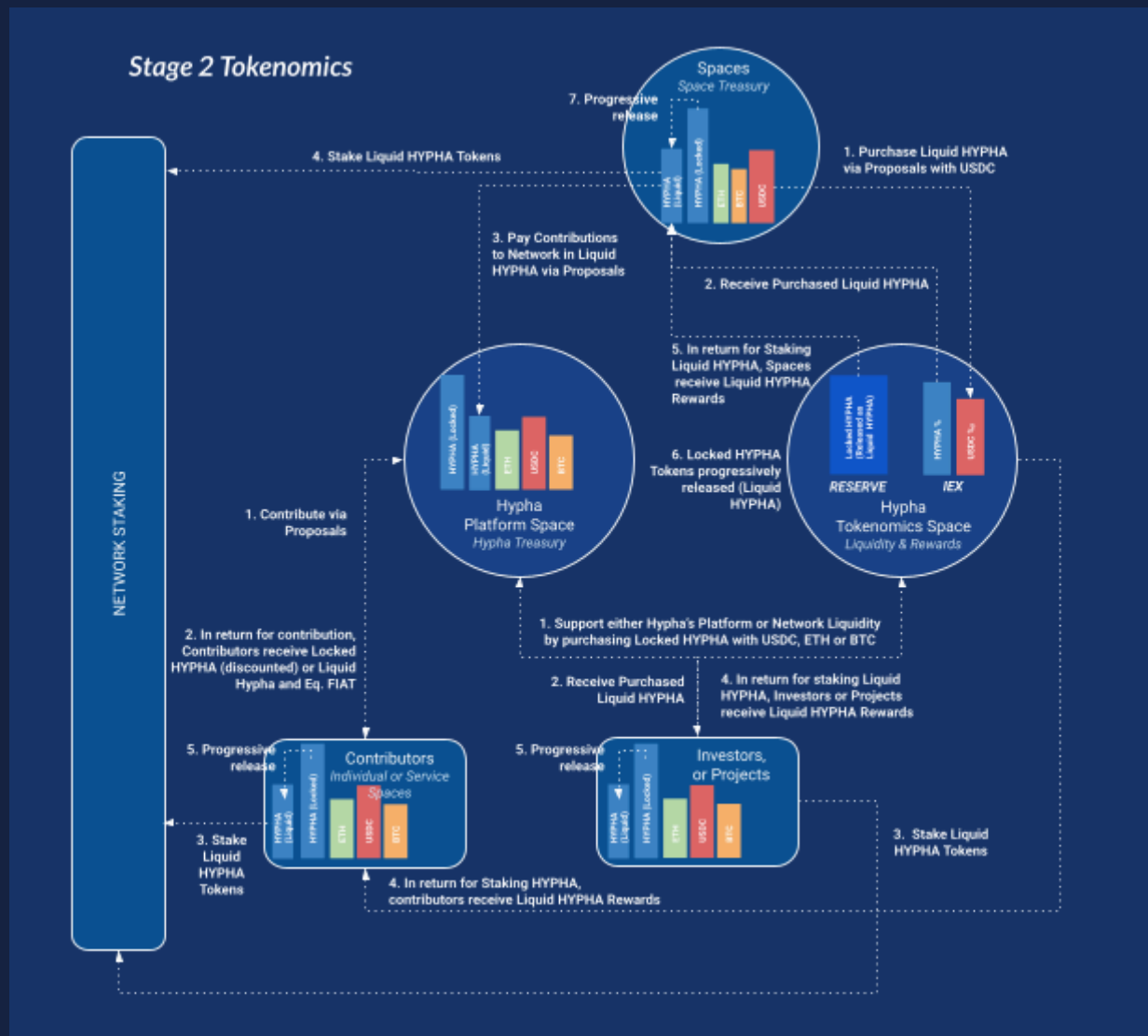
Stage 1 Expected Outcomes

Metrics	Values
Initial Valuation (Market Cap - Allocated Token)	\$27,777,778
Total Dollar Value Sold (USDC)	\$1,343,110
Total New Tokens Locked	5,372,440
Total Tokens Distributed (Rewards)	17,173,200
Reward per Locked Token	14.74% (Not including monthly compounding effects)
Fully Diluted Valuation (FDV)	\$138,888,889

Stage 1 marks a critical milestone in the development of the Hypha Network, demonstrating strong initial traction and alignment with our long-term vision. The foundational mechanisms for value creation, liquidity, and Network alignment are now firmly in place. A reward rate per locked token shows the early-stage opportunity and incentive structure, while the initial market cap and fully diluted valuation set the stage for future growth. These outcomes validate the model and lay the groundwork for the next phase of expansion and network activation.

Stage 2 - Growth and Adaptive Liquidity (Curated Exchange)

Stage 2 marks the emergence of a more fluid, responsive token ecosystem where value doesn't just move, it flows with intelligence, intention, and reciprocity.



Stage 2 Evolution (vs Stage 1)

In comparison of Stage 1, there are significant changes in Stage 2:

- The **Hypha Tokenomics Space** starts distributing Hypha **liquid tokens (instead of locked tokens)**. This Space plays a vital role, releasing liquid tokens as **rewards**, paced and activated in alignment with meaningful adoption.

- The **Internal Exchange (IEX)** within the **Hypha Tokenomics Space** starts playing its **price discovery (price oracle)** role as it becomes bi-directional, enabling both the buying and selling of **liquid Hypha tokens** (vs Hypha locked tokens in Stage 1). This adaptability introduces new layers of exchange, yet remains **grounded in care as buying and selling pressures are consciously modulated with maximum thresholds** to maintain balance, ensuring that liquidity serves the ecosystem's health rather than destabilizing it.
- **Adaptable Organizations (composed of several Spaces)** sustain their relationship to the Network by purchasing **liquid Hypha tokens** on the internal Exchange (IEX) in the Hypha Tokenomics Space making monthly contributions in **liquid Hypha tokens** (vs locked Hypha Tokens in Stage 1) to the Hypha Treasury Space, reinforcing the Network while benefiting from continued access.
- **Contributors** earn either **locked (discounted) or liquid Hypha tokens** as well as fiat-equivalent compensation for proposals and contributions in the **Hypha Platform Space**, which can be freely exchanged or staked, deepening their regenerative impact.
- The Hypha tokens are no longer static; they become dynamic assets, capable of being **staked for regenerative rewards**. Organizations, investors, contributors now actively participate in this flow, **staking their liquid tokens** through the **Network Staking Marketplace**, a mechanism that not only generates returns, but roots their capital deeper into the mycelium soil of shared value.
- Everything in this system orbits around participation and Hypha Platform adoption. The **more Adaptable Organizations contribute to the Hypha network, the more the system unlocks and rewards**. This stage is not just about movement, it's about transformation. **Tokens shift from potential to kinetic, from locked to liquid, but always in rhythm with the living pulse of the network.**

Simulation Insights

Phase II simulations illustrate a precise balance between liquidity growth and network engagement, confirming the effectiveness of incentive alignment mechanisms in maintaining stable, sustainable tokenomics without volatility.

Stage 2 Simulation Tools (Min, Medium, Max Estimations)

- Min = 250k Spaces in 2030: [Simulation Tool](#)
- Medium = 1M Spaces in 2030: [Simulation Tool](#)
- Max = 2M Space in 2030: [Simulation Tool](#)

Important Note: Any change to these simulation parameters will be voted on through a **Configuration Proposal in the Hypha Tokenomics Space** using a "1 Token 1 Vote" (1T1V) Voting Method.

Initial Parameters

Metrics	Values
Total Supply of HYPHA	555,555,555
Initial HYPHA on IEX	3,333,333
Initial USDC on IEX	\$1,000,000
Simulation (Months)	48 Months ⁽¹⁾

⁽¹⁾ Stage 2 is estimated to run for approximately 48 months leading to 2030 following the completion of Stage 1. However, this timeline is not fixed. The transition to Stage 3 will be determined through a collective governance process—a proposal initiated in the **Hypha Tokenomics Space**, utilizing a “1 Token, 1 Vote” (1T1V) mechanism. This is more than a question of time; it is a **pivotal decision that must be grounded** in data, discernment, and alignment with the health of the ecosystem. Key indicators such as **liquidity levels on the IEX, staking activity, token purchasing, selling and holding behavior, and the number and growth trajectory of contributing spaces** must all be carefully considered. These signals help determine whether the network has matured sufficiently to open itself to broader market dynamics. The shift to Stage 3 marks a profound threshold as it exposes the Hypha Economy to full external market forces. It is essential that this transition is made not just with caution, but with clarity, coherence, confidence and collective intelligence.

Issuance Distribution - Monthly Parameters

Metrics	Values
Staking Rate %	75% ⁽²⁾
Distribution Multiplier (Reward Boost)	x10 ⁽³⁾
Max. Staking Rewards (Yearly)	30% ⁽⁴⁾
Issuance Split (% to Staking)	50% ⁽⁵⁾

⁽²⁾ The **current percentage of total attributed liquid tokens** that are actively staked. This rate is capped at 90 percent to preserve network stability.

⁽³⁾ **Rewards** are amplified through this multiplier.

⁽⁴⁾ This sets the **highest annual return available** through staking liquid tokens.

⁽⁵⁾ New liquid token issuance is divided evenly. Half is allocated to **liquid staking rewards and the other half to unlock existing locked tokens into liquid state**, with overflow protection in place.

Understanding the Distribution Formula

Tokens distributed = Space monthly contributions (HYPHA) \times 1/(100%-staking rate%) \times Distribution Multiplier

This formula determines how many **liquid tokens** are distributed as rewards in Stage 2, whether they are **liquid staking rewards** or **existing locked tokens unlocked into liquid state** based on the **Issuance split parameter**:

- The **Space monthly contribution in HYPHA** represents the energy they bring into the network through their ongoing participation, platform adoption and commitment.
- The term **1 divided by (100% minus the staking rate)** adjusts the rewards based on the % of the circulating supply across the Network that is currently being staked. **The higher the staking rate, the higher the rewards**, encouraging greater staking across the network.
- The **Distribution Multiplier** boosts the rewards further, amplifying the impact of contributions during key growth phases of the network.

Buying Pressure on IEX - Monthly Parameters

Metrics	Values
Initial Number of Spaces (Start of Stage 2)	4373 ⁽⁶⁾
Spaces Growth Rate (%)	25% (Month 1) to 3% (Month 48) ⁽⁷⁾
USDC Contribution per Space (monthly)	\$11 ⁽⁸⁾
Max. Investor Purchases Allowed (% of USDC on IEX)	15% ⁽⁹⁾

⁽⁶⁾ At the start of Stage 2, **875 Adaptable Organizations (Approximately 4373 Spaces)** are expected to be active on the Hypha Platform and participating in the token economy.

⁽⁷⁾ The number of participating Spaces is expected to **grow rapidly in early months** and gradually stabilize over time, reflecting a maturing ecosystem.

⁽⁸⁾ **Each Space contributes 11 USDC per month** to access and use the platform, fueling demand for Hypha tokens on the Internal Exchange (IEX).

⁽⁹⁾ To maintain balance and protect against speculation and take over, investor token purchases are limited to **15 percent of the total USDC available on the IEX**.

Selling Pressure on IEX - Monthly Parameters

Metrics	Values
Max. Investor Sales Allowed (% of HYPHA on IEX)	25% ⁽¹⁰⁾

⁽¹⁰⁾ To maintain balance and protect against speculation and massive selling event that could destabilize the Network, investor token sales are limited to **25 percent of the total HYPHA available** on the IEX.

Stage 2 Projected Outcomes (Simulation in 2030)

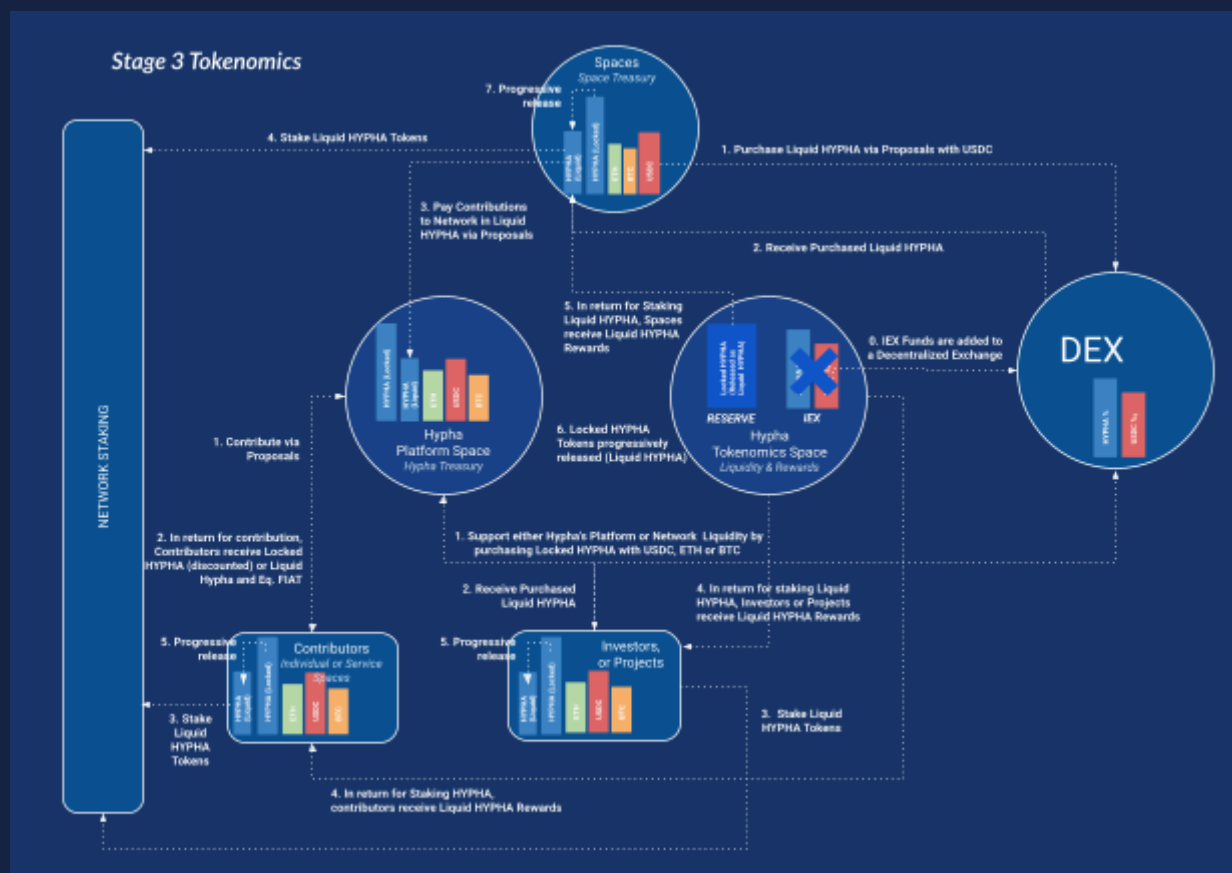
Important Note: These figures are based on simulations and should not be interpreted as promises of returns or future valuation.

Key Metrics	Min Simulation	Medium Simulation	Max Simulation
Spaces #	251,218 Last Month Change: +8,377	1,007,904 Last Month Change: +42,850	2,003,204 Last Month Change: +86,818
Cumulated Space Contributions	\$2,763,398	\$11,086,944	\$22,035,244
Tokens Purchased by Spaces	4,156,659	11,454,048	9,229,684
Tokens Purchased by Investors	13,970,311	13,333,614	9,394,665
Total Issuance	166,266,395 29.9% of Max Supply	368,959,290 66.4% of Max Supply	293,525,806 52.8% of Max Supply
Token Price	\$1.380128 Last Month Change: 4.27%	\$4.778289 Last Month Change: 6.36%	\$19.460445 Last Month Change: 6.46%
Circulating Supply	166,464,196	369,059,216	293,575,321
Token Staked	124,699,796 (74.9%)	276,719,468 (75.0%)	220,144,355 (75.0%)
IEX HYPHA Balance	1,554,103	835,224	413,869
IEX USDC Balance	\$2,144,860	\$3,990,943	\$8,054,076
Average Rewards	23.28%	23.05%	19.59%
FDV (Full Diluted Value)	\$766,737,550	\$2,654,604,914	\$10,811,358,525

Stage 3 - Open and Regenerative Exchange

Stage 3 – Regenerative Exchange ushers in the full flowering of Hypha's economic ecosystem, where value exchange transcends transactions and becomes an act of co-evolution. This phase opens up to the broader world through a **Decentralized Exchange (DEX)**, enabling liquid Hypha tokens to move beyond internal borders and into a truly open economy.

This diagram highlights Hypha's regenerative liquidity ecosystem on a global stage where every outward movement is still anchored in purpose, and where decentralized value flows amplify mutual benefit rather than speculation. It's an economic ecology where liquidity itself nourishes life.



Stage 3 Evolution (vs Stage 2)

This is the new world we're building, where utility is simple, shared, and transparent. The HYPHA token is the single layer of value. No hidden equity, no investors taking more. Everyone holds the same token, earned through alignment and participation. It's a regenerative movement built on unity.

Now, contributors, investors, and organizations alike can engage with **liquid Hypha** through permissionless access, swapping USDC for Liquid Hypha token, and vice versa without restriction in the buying and selling pressures as the system is now robust and mature, it can open up to market forces. Yet even as the system globalizes, it remains deeply regenerative at its core. Every outward flow is still tethered to inward purpose: tokens must be earned through participation, through contribution, through alignment.

The **Hypha Treasury** continues as the center of metabolic exchange—transforming inflows into opportunity. Contributors still offer proposals and energy, and are rewarded with a mix of liquid and fiat-eq tokens.

Organizations, now operating with even more autonomy, sustain the network through monthly contributions in liquid Hypha, paid for the use of the living Hypha platform. These contributions ripple through the system, strengthening the **Hypha Tokenomics**, which in turn cycles back rewards and unlocks to those who sustain the whole. These tokens, when staked through the **Network Staking Marketplace and until the full supply is converted into liquid Hypha token**, still yield rewards not as passive gains, but as a regenerative reflection of shared success.

Even as liquidity reaches full expression, the essence remains intact: capital is a current of care. The **DEX** does not dilute purpose, it expands the terrain for regeneration. Every token that moves outward carries the imprint of the ecosystem that birthed it. This is not just economic evolution, it's economic ecology. A system where liquidity nourishes, contributions matter, and every exchange deepens the roots of a living, thriving future.

Joining the Living Economy

Hypha's regenerative tokenomics offer an innovative framework for adaptive, purpose-driven economic systems. By combining smart contract governance with deeply embedded regenerative incentives, Hypha is pioneering the next wave of human-first tokenized regenerative economies.

Join us in co-creating this living economy, where purpose, people, and planet align to redefine economic prosperity! Together, we cultivate an economy that heals and regenerates, building resilient communities and thriving ecosystems.