$RESERVE Whitepaper

August 2025

Overview

Aptos Reserve introduces the first fully on-chain corporate treasury model, transforming decentralized exchange fees and network revenue into permanent, extractable value for token holders. By implementing a systematic accumulation strategy inspired by MicroStrategy's Bitcoin approach, $RESERVE creates a self-reinforcing value mechanism with built-in downside protection and unlimited upside potential.

Unlike traditional DeFi tokens that rely solely on speculation, $RESERVE establishes an intrinsic book value that grows with every transaction, providing token holders with a quantifiable floor price accessible through innovative lending mechanics.

Protocol Architecture

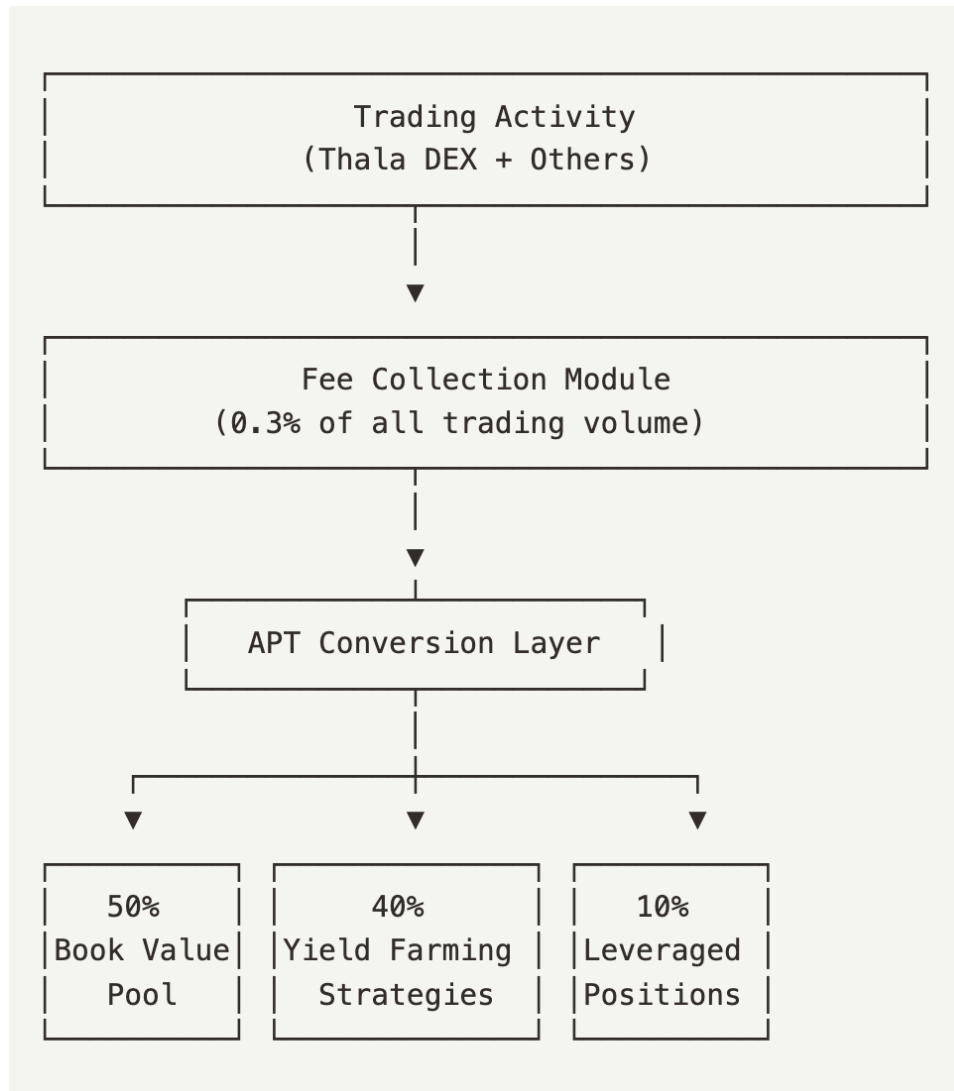The Aptos Reserve ecosystem consists of four interconnected modules:

Revenue Generation Engine: The protocol captures value through Thala DEX V3 concentrated liquidity positions, automated market making strategies. Future expansions will include validator infrastructure and MEV extraction to diversify revenue streams.

Treasury Management System: Autonomous smart contracts handle fee collection and conversion to APT, implementing multi-strategy yield optimization across DeFi protocols. The system manages risk-adjusted leverage positions while continuously compounding returns to maximize treasury growth.

Value Distribution Mechanism: Integration with Echelon's isolated lending market enables oracle-based book value calculation, allowing token holders to borrow up to 95% LTV against their intrinsic value. This creates a robust floor price with built-in liquidation protection.

Governance Framework: The community drives parameter adjustments, treasury strategy proposals, and protocol upgrades.

Technical Implementation

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│              Trading Activity                │
│            (Thala DEX + Others)              │
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                      ▼
┌─────────────────────────────────────────────┐
│             Fee Collection Module            │
│          (0.3% of all trading volume)        │
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                      ▼
        ┌─────────────────────────────┐
        │     APT Conversion Layer    │
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        ▼             ▼             ▼
  ┌───────────┐ ┌───────────┐ ┌───────────┐
  │    50%    │ │    40%    │ │    10%    │
  │Book Value │ │Yield Farming│ │Leveraged │
  │   Pool    │ │ Strategies │ │Positions │
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Value Accrual Mechanism

The $RESERVE token captures value through mechanisms:

Direct Fee Accumulation: Every trade executed on integrated DEXs generates fees that flow directly to the protocol treasury. With 50% of fees permanently allocated to the book value pool, each transaction increases the intrinsic value per token, creating a constantly rising floor price.

Yield Compounding: The 40% allocation to yield strategies generates additional returns through leveraged staking (10x sthAPT/APT recursive loops generating

25-30% APY), optimized stablecoin farming with sUSDe strategies yielding 15-20% APY, and concentrated liquidity positions earning trading fees

Asymmetric Upside Capture: The 10% allocation to leveraged APT positions maintains 1.5x-2x exposure, providing enhanced returns during strong markets while systematically accumulating during downturns. Risk-managed position sizing and automatic rebalancing mechanisms ensure sustainable growth and lowered liquidation risks.

Intrinsic Value:

The protocol maintains a transparent, verifiable book value calculated as:

> Book Value per Token = (Total APT in Reserve / Circulating Supply) × 0.95

This value updates in real-time with each fee collection, verified by on-chain oracles and accessible through lending markets. The fixed token supply ensures protection from dilution.

Token Distribution

Supply Allocation

Total Supply: 100,000,000 $RESERVE (fixed, no inflation)

Public Allocation (75,000,000 tokens - 75%): Available immediately at TGE with no vesting or lockups, ensuring full liquidity from day one.

Treasury & Operations (25,000,000 tokens - 25%): Reserved for protocol development (10M tokens), market making and liquidity provision (7.5M tokens), team compensation (5M tokens), and strategic partnerships (2.5M tokens).

Launch Mechanics

The protocol launches through ThalaLaunch, an ICO platform. The initial raise of $3M at $4M fully diluted valuation directs 100% of raised capital into APT collateral, establishing an immediate floor value. After conclusion of the ICO, a concentrated Thala V3 is created to provide liquidity post launch.

Echelon Lending Market Facility

Token holders can borrow at 95% LTV of book value in APT without liquidation risk below book value, maintaining full upside exposure while accessing liquidity. The borrowed APT can be deployed in additional strategies, creating recursive value generation opportunities. For the protocol, this integration creates a natural price floor at book value while reducing selling pressure during market downturns.

The book value oracle, built internally using Switchboard, operates through direct treasury APT onchain balance verification combined with circulating supply tracking.

Governance

Token holders can vote on:

- Treasury strategy allocation percentages

- Integration of new revenue sources

- Risk parameter adjustments

- Protocol fee modifications

- Strategic partnership decisions

Immutable aspects:

- Total token supply

- Core value accrual mechanism

- Book value lending functionality

- Minimum treasury allocation (50%)

Roadmap

Q2 2025 - Launch Phase

- Smart contract development

- Security audits

- Initial raise completion

- TGE and liquidity deployment

- Echelon market activation

Q4 2025 - Growth Phase

- Advanced yield strategies

- Community governance launch

- First treasury report

2026 - Expansion Phase

- Validator node operation

- MEV extraction strategies

Long-term Vision

- Become the primary value accumulation vehicle on Aptos

- Expand to other high-performance chains

- Issue convertible notes / debt offerings to purchase more APT

- Create derivative products based on book value

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Legal Disclaimer

This whitepaper is for informational purposes only and does not constitute financial advice, investment recommendation, or an offer to sell tokens. Potential participants should conduct their own due diligence and consult with financial advisors before making investment decisions. The protocol operates in a decentralized manner and participants assume all risks associated with DeFi interactions.