



Burnix Token

Litepaper

v 2.01

1. Introduction

Burnix is a community-driven, utility-focused token built on the Terra Classic Network, designed to accelerate the burn process of Luna Classic (LUNC) tokens while offering rewards to active participants. In the aftermath of the Terra Luna collapse, a large surplus of LUNA (now LUNC) tokens remains in circulation. Burnix provides a decentralized and incentivized solution to address this excess supply through an innovative burn mechanism, allowing users to both contribute to the burn and benefit from it.

After the collapse, the Terra Classic network became community-controlled, initiating efforts to reduce the LUNC supply. Burnix seeks to amplify these efforts while introducing a new opportunity for users to actively participate in the burn movement and be rewarded.

2. Vision and Mission

Vision

To establish a self-sustaining ecosystem within the Terra Classic network where LUNC tokens are burned efficiently through user participation, with Burnix as the central catalyst for this process.

Mission

To empower the Terra Classic community by providing a transparent and rewarding mechanism for burning LUNC tokens. Burnix aims to create an engaging, decentralized platform where users are incentivized for supporting the burn initiative.

3. Tokenomics

- Token Name: Burnix
 - Symbol (Ticker): BURNIX
 - Blockchain: Terra Classic Network
 - Initial Supply: Zero (Burnix tokens are minted through user participation)
 - Minting Mechanism: Burnix tokens are minted only through burning LUNC.
 - Transaction Tax: 4% per transaction
 - 1% Burned: Reduces Burnix supply
 - 1% Swapped to LUNC: Added to DEX liquidity pool
 - 2% Reward Distribution: Distributed to Burnix holders.
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4. Minting Process

The **Minting Process** of Burnix is designed to encourage active participation in the burn movement while ensuring that the token's supply grows in a controlled and organic manner.

How Minting Works

Burnix tokens are minted based on the amount of LUNC tokens burned. The process ensures that as more LUNC is burned, the Burnix supply expands proportionally, contributing to the reduction of the LUNC supply. Each burn event directly leads to the minting of a corresponding number of Burnix tokens based on the predetermined minting ratio.

- **Initial Mint Ratio:**

At the launch of Burnix, the minting ratio will be set to **1:1**, meaning that for every **1 LUNC** burned, **1 Burnix token** will be minted. This ratio is maintained until total supply reaches 5 Million.

This simple and fair minting ratio provides an initial balance in the supply and demand dynamics of Burnix.

- **Dynamic Mint Ratio:**

As the Burnix ecosystem grows and more LUNC is burned, the minting ratio will evolve to ensure the long-term sustainability of the token. After 5 Million Burnix tokens are minted, every time **5 million LUNC tokens** are burned, the minting ratio will gradually increase, meaning fewer Burnix tokens will be minted for the same amount of LUNC burned. This mechanism ensures that the Burnix supply grows at a controlled rate while incentivizing further burns.

- **5 million LUNC burned:** The mint ratio changes to **2:1** (for every 2 LUNC burned, 1 Burnix token is minted).
- **10 million LUNC burned:** The mint ratio changes to **3:1**. (for every 3 LUNC burned, 1 Burnix token is minted).
- **15 million LUNC burned:** The mint ratio changes to **4:1**. (for every 4 LUNC burned, 1 Burnix token is minted).
- **20 million LUNC burned:** The mint ratio changes to **5:1**. (for every 5 LUNC burned, 1 Burnix token is minted).
- **And so on..**

- The process continues with the mint ratio increasing by **1** for every **additional 5 million LUNC burned**.

This **dynamic minting ratio** ensures that Burnix tokens are minted at a diminishing rate as the network burns more LUNC, maintaining scarcity and encouraging more LUNC to be burned over time.

5. How It Works:

Transaction Process

Burnix token can be traded on decentralized exchanges (DEXs) on the Terra Classic network, allowing users to trade Burnix against LUNC or USTC. Each transaction is subject to a 4% tax, which is distributed as follows:

- 1%: Burned from the Burnix supply, reducing total supply.
- 1%: Swapped into LUNC and sent to a liquidity pool.
- 2%: Distributed to Burnix token holders as rewards.

Liquidity

The 1% tax allocated to liquidity helps enhance Burnix's trading depth. Every week, 50% of the liquidity funds will be used to mint new Burnix tokens, which also burns additional LUNC. The newly minted Burnix tokens and the remaining 50% of liquidity funds are then added back to the liquidity pool.

Arbitrage Opportunities

As Burnix's market price increases, arbitrage opportunities may emerge. Traders can mint Burnix and sell it for profit when the price of Burnix rises above their mint ratio, generating opportunities for arbitrage within the ecosystem.

6. Circular-Reward Mechanism

Burnix introduces a circular-reward mechanism, ensuring fairness and transparency in reward distribution among token holders.

- **Reward Distribution:**
On every buy/sell transaction, the contract checks the list of Burnix holders in ascending order of wallet addresses. Rewards are distributed sequentially, with the first holder in the list receiving the first reward, continuing until the last holder. This pattern repeats cyclically.
 - **Minimum Holding Requirement:**
To qualify for rewards, users must hold a minimum number of Burnix tokens, initially set at 1000 Burnix tokens. This threshold may be adjusted as the ecosystem grows.
 - **Increased Rewards for Higher Volumes:**
Higher transaction volumes result in more frequent rewards, further incentivizing active trading and participation.
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7. Incentives to Participate

Burnix Holders

By holding the minimum required number of Burnix tokens, users become eligible for periodic rewards. This fosters long-term holding and encourages ongoing participation.

Active Traders

Traders benefit from arbitrage opportunities by minting Burnix tokens with LUNC and capitalizing on the price fluctuations within the decentralized market.

Contributing to the Burn Movement

Each transaction in the Burnix ecosystem results in both Burnix and LUNC tokens being burned, directly contributing to the reduction of the overall LUNC supply and benefiting the Terra Classic ecosystem.

8. Burnix and LUNC Ecosystem Impact

The Burnix ecosystem accelerates the burning of LUNC by leveraging community involvement. Each time a user mints Burnix, LUNC is burned in the process, reducing the overall supply and contributing to the potential stabilization or growth of LUNC's value.

Positive Impact on LUNC

As the adoption of Burnix increases, more LUNC is burned through minting, transactions, and liquidity provision. This aligns with the community's goal to reduce the LUNC supply, helping to stabilize or increase its value over time.

9. Community and Decentralization

Burnix is a fully community-owned project, with all code made publicly available on GitHub for transparency. The success of Burnix is driven by continuous community engagement and feedback, ensuring it remains decentralized and accountable to its users.

Open Source

The Burnix codebase is open and accessible on GitHub for audits and contributions, fostering trust and collaboration within the community.

10. Roadmap

- Phase 1: Initial Token Launch and Minting Mechanism Setup
 - Launch Burnix Token
 - Mint the first set of Burnix tokens
 - List Burnix on Terra Classic-based DEXs
 - Phase 2: Community Engagement and Liquidity Growth
 - Begin circular-reward distribution
 - Expand liquidity pools on DEXs
 - Increase community participation and education on Burnix
 - Phase 3: Expanding Burnix Ecosystem
 - Explore partnerships with other DeFi projects
 - Engage in cross-chain initiatives
 - Implement innovative ways to reward users and increase participation
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11. Conclusion

Burnix is more than just a token; it is a movement to help the Terra Classic community burn LUNC in a sustainable and rewarding way. Through innovative tokenomics, community engagement, and incentivization, Burnix seeks to create long-term value for all participants and shape the future of the Terra Classic ecosystem.

Join the Burnix revolution, contribute to the burn process, and earn rewards along the way!

Disclaimer:

This litepaper is for informational purposes only and does not constitute an offer or solicitation to buy or invest in Burnix. Users should conduct their own research before participating in the Burnix ecosystem.
