

Prize Protocol (Whitepaper)

Introduction (\$PRIZE)

Introducing Prize Protocol, a Web3 platform with a native Token that can be mined directly from a User's mobile device or desktop. This Token will have both Active and Passive Utility, as well as Intrinsic Value within the coin itself (backed by revenue generated by The Protocol). \$PRIZE Token will cover multiple aspects of a holder's desires, as they can simply hold the coin and still receive benefits, or actively engage with The Protocol and have a chance at winning Greater Prizes. The Protocol and Token itself will be centered around a Community Treasury that will be funded via multiple sources of revenue within The Protocol. This way, as The Protocol grows and accumulates Wealth, so does The Community and its Holders.

Prize Protocol is additionally structured to benefit its holders by providing not only a way to Mine a valuable Coin Risk-Free, but to also give them a chance to Risk-it-All in our Lotteries and Gaming Platform, if they so desire. Free Will, in the true spirit of Crypto, as intended in its original form. Thus, the creation of our in-house games where our Community can put their Tokens at risk for a chance at greater Rewards, and where Newcomers can also engage with The Protocol and generate a flow of funds right back into The Community Treasury. A True Community Coin. Welcome to Prize Protocol, The Perfect Protocol.



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First Layer - Mining Platform (Intrinsic Value)

Starting with the first component of the platform, as previously stated, Prize Protocol's Native Token will be one that you are able to mine directly on your mobile-device or desktop. The way the Mining system works is that we have integrated a content-generating feed via our relationships with ad mediation networks, where Advertisers pay our Protocol to show Ads on our platform, essentially the same way Advertisers pay Instagram to put Ads on a person's feed.

Now how a User mines a new \$PRIZE Coin is simple, once they have consumed an Ad, they must claim a "gemstone" aka a "gem". Then once the gem has been collected, it guarantees that the Ad has been seen, and thus revenue is generated and set aside into a Treasury Wallet that will back the value of the Coin. The User can then exchange these collected "gems" on our platform for an official \$PRIZE Token. This in turn will give the \$PRIZE Token intrinsic value.

Second Layer - Lotteries and Gaming (Active Utility)

The Second component of The Protocol is our Lotteries and Gaming platform, giving our Token Active Utility. This is where we will be awarding Major Cash Value Jackpots and Curated Prizes such as a CryptoPunks to our Users via direct-entry raffles and Degen giveaways. (We do not take any financial risk upfront on any funds, as the lotteries only run once the entries are filled).

This is a key component of The Protocol as we are now tapping into the 300\$ Billion Dollar Global Lotteries Market, all legally

possible with our acquired Official Gaming License from Anjouan. This will be a major source of revenue for The Protocol, and a key feature on our platform that will attract both Miners and Users that want to simply play to win prizes. Furthermore, since our coin can be mined risk free, it will also give Users a chance to win a major jackpot without having to actually spend a dollar. We will also provide in-house games where tokens can be risked for a greater reward.

Third Layer - Community Treasury (Passive Utility)

A third major component of The Protocol is our focus on The Community, thus the creation of a Community Treasury. The Treasury will be a Wallet holding funds that will only be used towards benefiting our holders and miners of the Token with rewards. This Treasury will fund our Passive Utility benefits, whereby simply holding one \$PRIZE token, a holder is now eligible to receive multiple perks included being entered into our randomized Community Giveaways where Grand Prizes such as over One Million Dollars will be given out, all funded by The Protocol (and separate from our Direct-Entry Lotteries).

Focusing on Passive Utility, essentially all holders of \$PRIZE Token are automatically entered into our Treasury Giveaways, which can happen at any time, any day, multiple days in a row, and for various amounts. These giveaways are never pre-announced, and are always randomized to incentivize HOLDING, so people can't simply accumulate before an announced giveaway and sell right after. This prevents dumping, protects The Community, keeps everyone on their toes, and maintains excitement for you never know when a giveaway might just hit your account.

Current Market Statistics

Gaming and Lottery Platforms

- The Global Crypto Gaming Market is currently being valued at \$100+

Billion as of 2025 with double-digit percentage growth projected.

- Global Lotteries Market valued at \$353 Billion
- Online lottery sub-segment valued at a wide ride of \$20 Billion to \$127 Billion due to the nature of how to count the statistics, such as whether to include "instant games" in the lottery's segments or only total sales of Lottery Drawings. Nonetheless, it still is a massive market to capture.

Mobile-First Platforms

- Mobile Advertising Revenue reached approximately \$402 Billion in 2024, an 11% increase from \$362 Billion in 2023.
- For 2025 forecast projects reached roughly \$447 Billion; representing double-digit percentage growth, with approximately 56% of total digital advertising spend being from Mobile.
- Over 3 billion monthly active users globally
- Average user spends 90+ minutes per day on mobile
- Dominated by interstitial content and short-form video

Cross-Platform Social Networks

- 2-3 billion monthly active users per major platform
- Average 30-40 minutes daily engagement
- \$70-100 billion annual advertising revenue per platform
- Equal usage split between mobile and desktop
- Broader demographic reach: 18-65 age group

Desktop-First Platforms

- 1-2 billion monthly active users
- Average 45 minutes daily desktop usage
- \$50+ billion annual revenue
- Limited direct monetization options

- Professional content focus
- Core demographic: 25-45 age group

The Problem

The digital content ecosystem is fundamentally broken. Despite billions of users spending hours daily on social media platforms, generating massive revenues through their attention and data, the value distribution remains heavily skewed towards platform operators, leaving both users and creators undercompensated and disempowered.

How do we solve this? Provide a platform where Users can consume sponsored content and directly be rewarded for their attention. This is accomplished with our Mining Platform, where Users will be able to directly mine Tokens via our ad mediation system, and essentially accumulate coins that have intrinsic value backed by the revenue generated from our Advertisers.

Core Issues

1. Value Extraction

- Users receive zero compensation for their attention despite being the primary value creators

2. Data Control

- Users have no ownership of their data despite creating valuable digital footprints
- Arbitrary content moderation policies affect creator livelihoods with-out transparency
- Personal data is sold to advertisers without user compensation
- No standardization in content monetization across platforms

3. Economic Imbalance

- Centralized control of monetization mechanisms
- Limited options for user monetization
- No direct correlation between time spent and value earned

4. Trust and Transparency

- Opaque content distribution algorithms
- Unclear monetization policies
- Inconsistent application of community guidelines
- Hidden data collection practices
- Limited accountability for platform decisions

These systemic issues create an unsustainable ecosystem where: -
Users are treated as products rather than stakeholders. Platforms maintain monopolistic control over user data and monetization -
Innovation is stifled by centralized decision-making - True value of attention and engagement is not properly captured. The current model is not just inefficient—it's fundamentally unfair to the very users who generate the value that powers these platforms. This broken system calls for a revolutionary approach that realigns incentives and redistributes value to its rightful creators.

The Solution

Prize Protocol introduces a comprehensive solution to transform the digital content economy: By Directly rewarding the User for consuming content as they already do on Social Media Platforms. Furthermore, they can then use their earned rewards to take a chance at even greater prizes and be a part of a Community that benefits from the growth of its Platform.

Core Components

1. Watch-to-Earn System

- Direct reward for user attention
- Real-time point accumulation
- Transparent reward calculation
- Automated Token distribution
- Proven Tokenomics model based on successful Web3 projects

2. Content Verification Algorithm (CVA)

- ML-powered engagement analysis
- Real-time bot detection
- Behavioral pattern recognition
- Multi-factor authentication
- Advanced Sybil resistance inspired by successful protocols

3. Point Attribution System

- 1 Point = 1 Gem, 10 Gems = 1 \$PRIZE token
- Gems earned through Engagement Actions and Watch Time
- Dynamic reward scaling based on market conditions

Benefits

For Users

- Direct compensation for attention
- Transparent reward system
- Community participation incentives
- Real ownership of engagement value
- Potential for significant earnings

For Platform

- Higher quality engagement
- Reduced bot activity
- Sustainable economic model
- Network effect growth
- Proven revenue generation potential

Community Treasury

The Community Treasury operates as the cornerstone of Prize Protocol's value distribution system, ensuring sustainable rewards for our community while maintaining protocol growth.

Treasury Funding Mechanism

- **Trading Volume Allocation:** The Community Treasury is funded by taking a % of the Trading Volume of \$PRIZE Token.
- **Revenue Flow:** This will generate a flow of funds for The Protocol, where it will go directly into The Treasury Wallet, to be used only for The Community and The Treasury.
- **Community Focus:** This Treasury is what will allow us to fund our Community Giveaways, where we will be able to give out the attractive Prizes such as over One Million Dollars to our holders.

Treasury Benefits for Token Holders

- **Automatic Eligibility:** All it takes is having one \$PRIZE Token, and you are now a part of The Community, and eligible for these Passive Community Giveaways
- **Reserved Supply:** Furthermore, 3% of The Total Supply of \$PRIZE Token will be reserved for The Treasury, meaning as the Protocol grows and as the value of \$PRIZE grows, so does the value of our Treasury, which is dedicated to our Community.

Treasury Growth Incentives

- **Community Growth:** This will incentivize holders to want The Protocol to grow and invite others, for as it grows, so does their Community Treasury
- **Mining Revenue:** Furthermore, a % of our Mining Revenue will flow towards The Treasury

Passive Utility Features

Community Treasury Giveaways

All staked holders of \$PRIZE Token are automatically entered in our Community Treasury Giveaways, which can happen at any time, any day, multiple days in a row, and for various amounts. These giveaways are never pre-announced, and are always randomized to incentivize HODLING, so beings cannot simply accumulate before an announced giveaway and dump right after. This prevents dumping, protects The Community, keeps everyone on their toes, and maintains excitement for you never know when a giveaway might just hit your account. All funded by The Community Treasury.

Build Your Empire

Can recruit Miners under you, creating a massive inflow of Gems into your Account. Recruit more miners and build your Empire, earning a percentage of their Total Gemstone Output.

The Treasury system creates a self-reinforcing cycle where protocol growth directly benefits the community, encouraging long-term holding and active participation in the ecosystem.

Why We Will Win

Our Competition

- Other Community Coins are simply MemeCoins and have no Intrinsic Value nor any real Utility.
- Our Coveted \$PRIZE Token provides actual value to our holders, and has a strong focus on rewarding Community pleased and rewarded.
- No other Token rewards their holders in the various ways we do.

Focus on Community

- No Other Coin dedicates this many sources of revenue directly back to their Community.

- No Other coin plans on returning back millions if not hundreds of millions of value back to their Community.

Acquired a Valid Gaming License

- Prize Protocol has acquired a Gaming License from Anjouan, allowing us to provide Gaming Solutions on our platform. These range of games will allow us to generate more Utility for our Token, and more Revenue for The Protocol.

Implementation Strategy

1. Sustainable Tokenomics

- Balanced emission schedule
- Active and Passive Utility
- Anti-inflation measures
- Liquidity Reserves

2. Engagement Mechanics

- Progressive rewards
- Achievement systems
- Social features
- Competitive elements

3. Growth Mechanisms

- Viral referral systems
- Earn a % commission from referral earnings as a base rate
- Commission rates increase based on your rank within the protocol
- Higher ranks unlock enhanced referral earning potential
- Rank-based multipliers reward active community builders
- Community incentives
- Regular events
- Partnership programs

These components create a robust ecosystem that builds upon proven Web success stories while introducing innovative solutions for content engagement and monetization.

Market Opportunity

Attention Economy Meets Web3

- The \$500B+ attention economy rewards platforms, not people
- Prize Protocol flips the model: users earn \$PRIZE for watching content
- A true Proof-of-Attention system

Rising Crypto-Native Audience

- Over 11M+ active Solana wallets, weekly DeFi volume \$48B
- Gen Z & Millennials favor earn-play-rank models
- Prize Protocol aligns perfectly with these preferences

Revenue Streams

1. Platform Fees

- A % of all Reward Distributions
- A % of Trading Volume of Token
- A % of Gaming Revenue
- A % of Lotteries Revenue

2. Token Economics

- Treasury management
- Liquidity provision
- Staking rewards
- Governance participation

Value Distribution

1. Users

- Direct watch-to-earn rewards
- Engagement bonuses
- Prize pool participation
- Staking benefits

2. Platform

- Development fund
- Marketing operations
- Team allocation
- Strategic partnerships

3. Community

- Governance
- Community initiatives and Emergency fund

Flow of Funds Structure

The Prize Protocol ecosystem operates through a sophisticated revenue distribution system that ensures sustainable growth while maximizing community benefits:

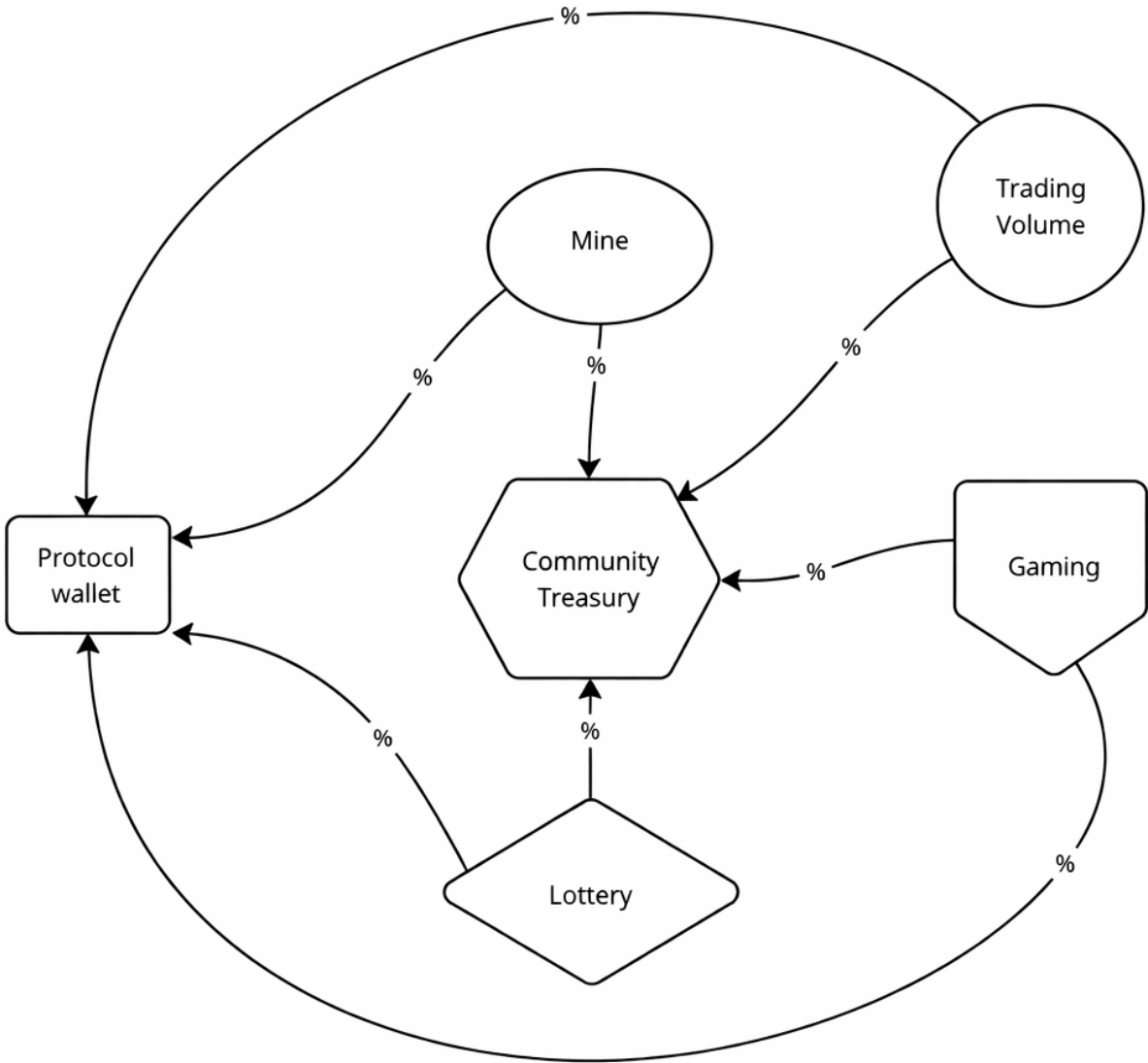


Figure 1: Prize Protocol Revenue Flow - Visual representation of how funds flow between Mine, Protocol Wallet, Community Treasury, Lottery, and Gaming components.

Mining Revenue Distribution

Mining Revenue Output

- A % of Mining Revenue goes to Community Treasury

- A % of Mining Revenue goes to Protocol Wallet

Protocol Wallet Operations

Protocol Wallet - Wallet that will hold funds for Company

- Fueled by variable % of Lottery Revenue
- Fueled by variable % of Gaming Revenue
- Fueled by variable % of Mining Revenue

Community Treasury Funding

Community Treasury

- Fueled by variable % of Mining Revenue
- Fueled by variable % of Lottery Revenue
- Fueled by variable % of Gaming Revenue

Gaming Revenue Streams

Lottery

- A % of Lottery Revenue flows to Protocol Wallet
- A % of Lottery Revenue flows to Community Treasury

Gaming

- A % of Gaming Revenue flows to Protocol Wallet
- A % of Gaming Revenue flows to Community Treasury

This revenue flow structure ensures that the community receives plenty of benefits while maintaining sufficient funding for protocol development, operations, and sustainable growth. The dual-stream approach from both mining and gaming activities creates multiple revenue sources that strengthen the overall ecosystem.

Scaling Strategy

Technical Scaling

1. Infrastructure

- Our platform utilizes advanced Solana program optimization techniques to maximize throughput and minimize computational overhead. This includes efficient account management, optimized instruction processing, and smart data serialization.
- Parallel transaction processing > By leveraging Solana's parallel transaction processing capabilities, we can handle thousands of concurrent user rewards and point calculations simultaneously. This is achieved through careful transaction design that minimizes account locking and enables maximum parallelization.
- State compression > We implement sophisticated state compression techniques to reduce on-chain storage costs and improve transaction throughput. This includes using efficient data structures and compression algorithms specifically designed for blockchain state management.
- Layer 2 solutions > While Solana provides excellent Layer 1 performance, we're implementing Layer 2 solutions for specific operations to further enhance scalability and reduce costs.

2. Performance Targets

- 100,000+ concurrent users possible > Our infrastructure is designed to handle over 100,000 simultaneous active users without degradation in service quality or response times.
- Sub-400ms latency > All transactions, including reward distributions and point calculations, are processed with a target latency of less than 400 milliseconds.
- Very low max transaction cost > Through optimization and efficient program design, we maintain extremely low per-transaction costs, making the platform economically viable for frequent micro-rewards.
- 99.9% uptime guarantee > Our distributed infrastructure ensures high availability and reliability through redundancy and fault-tolerant design.

Business Scaling

1. Market Expansion

- Phase 1: Social media integration > Starting with popular social media platforms to tap into existing user bases and leverage network effects. This includes seamless integration with content sharing and viewing mechanisms.
- Phase 2: Entertainment networks > Integration with streaming platforms and entertainment networks to capture high-engagement content consumption.
- Phase 3: Enterprise solutions > Offering customized solutions for businesses to engage with their audiences through tokenized rewards.
- Strategic partnerships > Collaborating with key players in the content ecosystem to accelerate adoption and create mutual value. This includes content platforms, creator networks, and technology providers.
- Creator onboarding > Dedicated programs to attract and retain high-quality content creators, including specialized tools, analytics, and enhanced reward mechanisms.
- User acquisition > Multi-channel user acquisition strategy combining organic growth through word-of-mouth, strategic marketing campaigns, and incentivized referral programs.
- Market penetration > Targeted expansion into key markets with high social media usage and crypto adoption rates, supported by localized content and community building efforts.

Scalability Success Factors

1. Robust Technical Infrastructure > Our Solana-based infrastructure

is designed to handle sudden spikes in user activity.

2. Community-Driven Growth > We emphasize community building and organic user acquisition, especially with our Community Treasury through incentivized participation.

3. Efficient Onboarding > Simplified user experience and clear value proposition to enable rapid user adoption.

4. Scalable Reward Distribution > Our "Gems" attribution system is designed to handle millions of simultaneous users, ensuring reliable reward distribution even during peak usage periods.

Security Considerations

Attack Vectors

1. Sybil Attacks

- Multiple accounts creation
- Identity spoofing
- Reward farming
- Mitigation: - Device fingerprinting - Progressive rewards - Stake requirements

2. Views Botting

- Automated viewing
- Engagement manipulation
- Reward exploitation
 - Mitigation: - ML-based detection - CAPTCHA integration - Behavioral analysis

3. Economic Attacks

- Token price manipulation
- Liquidity attacks
- Flash loan exploitation
 - Mitigation: - Price impact limits - Vesting schedules - Treasury management

4. Smart Contract Risks

- Code vulnerabilities
- Logic exploitation
- State manipulation
 - Mitigation: - Multiple audits - Formal verification - Bug bounties > We maintain an active bug bounty program through Sherlock contests, ensuring continuous security assessment by top white-hat hackers. Our commitment to security includes regular contest rounds with competitive prize pools, incentivizing the discovery and responsible disclosure of potential vulnerabilities. This proactive approach has proven highly effective in protocols like Aave and UniSwap, which maintain robust security through similar continuous auditing processes.

Terminology

Core Concepts

- **Watch-to-Earn (W2E)** A mechanism where users earn tokens for watching and engaging with content
- **Content Verification Algorithm (CVA)** Proprietary system for validating authentic user engagement
- **Point Attribution System (PAS)** System for calculating and distributing points based on user activity

Technical Terms

- **SPL Token** Solana Program Library token standard used for The \$PRIZE Token
- **State Compression** Technique for optimizing on-chain data storage
- **Proof of Engagement** Verification mechanism for validating authentic user interaction.

Economic Terms

- **Point** Basic unit of platform activity. 1 Point is 1 (GEM). (10 GEMS = 1 \$PRIZE Token)
- **Stake** Tokens locked for participation in prize pools or governance
- **Treasury** Platform-controlled funds for development and operations
- **Community Wallet** DAO-controlled funds for community initiatives

Branding

Prize Protocol's visual identity is built around engaging and memorable characters that bring life to our platform and create a strong connection with our community.

Golden Monkeys

The Golden Monkeys serve as the face of Prize Protocol, appearing throughout our platform interface, social media presence, and community communications. These characters help create an immersive and playful experience that distinguishes Prize Protocol from traditional financial platforms.

- These Golden Monkeys give our product life, creating ultimately our own Universe.
- Important to have a Mascot behind our branding that can be used all over social media and shared amongst our Token Holders.
- Studying past successful coins, most of them have a Mascot such as Dogecoin and Shiba Inu.
- Gamifies our product, making it much more appealing for our Users to get on our Platform.

Gemstones

Gemstones are the core collectible elements within our mining system, representing the tangible rewards users earn through content engagement. The gemstone aesthetic reinforces the value proposition of our platform while creating an engaging collection mechanic that encourages continued participation.

These branding elements work together to create a cohesive visual language that makes Prize Protocol approachable, fun, and memorable while maintaining the professional credibility necessary for a serious Web3 financial platform.

Tokenomics

Token Specification

- Name: Prize Protocol Token
- Symbol: PRIZE
- Total Supply: 100,000,000,000 (100B)
- Blockchain: Solana
- Standard: SPL Token

Allocation Breakdown:

- **Mining Rewards & Liquidity: 33%** - Dedicated to rewarding users for content engagement and providing platform liquidity
- **Partnerships & Ecosystem Growth: 25%** - Strategic partnerships and ecosystem development initiatives
- **Team: 22%** - Team allocation with appropriate vesting schedules
- **Liquidity Reserve: 9%** - Reserve funds for market stability and liquidity provision
- **Marketing & Operations: 6%** - Dedicated to sustaining Protocol Operations and Marketing Strategies
- **Community Treasury: 3%** - Community-controlled funds for governance

and community initiatives

- **Advisors: 2%** - Advisory allocation

Unlock schedule:

- **Mining/Distribution (33%):** 35% instant unlock, Lock Period = 2-Year with Linear Release Monthly
- **Partnerships & Ecosystem (25%):** 15% instant unlock, Lock Period = 2-Year Linear Vesting Schedule, Released Monthly
- **Team (22%):** 15% instant unlock, Lock Period = 2-Year Linear Vesting Schedule, Released Monthly
- **Liquidity Reserve (9%):** full instant unlock, Lock Period = None
- **Marketing & Operations (6%):** full instant unlock, Lock Period = None
- **Community Treasury (3%):** 10% instant unlock, Lock Period = 2-Year with Linear Release Monthly
- **Advisors (2%):** 10% instant unlock, Lock Period = 2-Year Linear Vesting Schedule, Released Monthly

Transaction Fees

- **A** variable % sent to the Community Treasury
- **A** variable % of all trading volume sent to the Protocol Wallet

Token "Recycle" Component

A Final Component of Prize Protocol is our in-house "Recycle" Function. This component allows Users to seamlessly convert their "failed" Tokens into our \$PRIZE Tokens, after having passed certain requirements in our algorithm (including vesting smart-contracts).

This service provides utility to our Users since many have a percentage of their wallets filled with Tokens that have dramatically lost value and are now sitting inactive in their wallets. With this component they can now re-capture lost value and turn what was

worthless into desired \$PRIZE Tokens and other bonus multipliers.