D-core

ASSET REVIEW SUMMARY: STAR ATLAS

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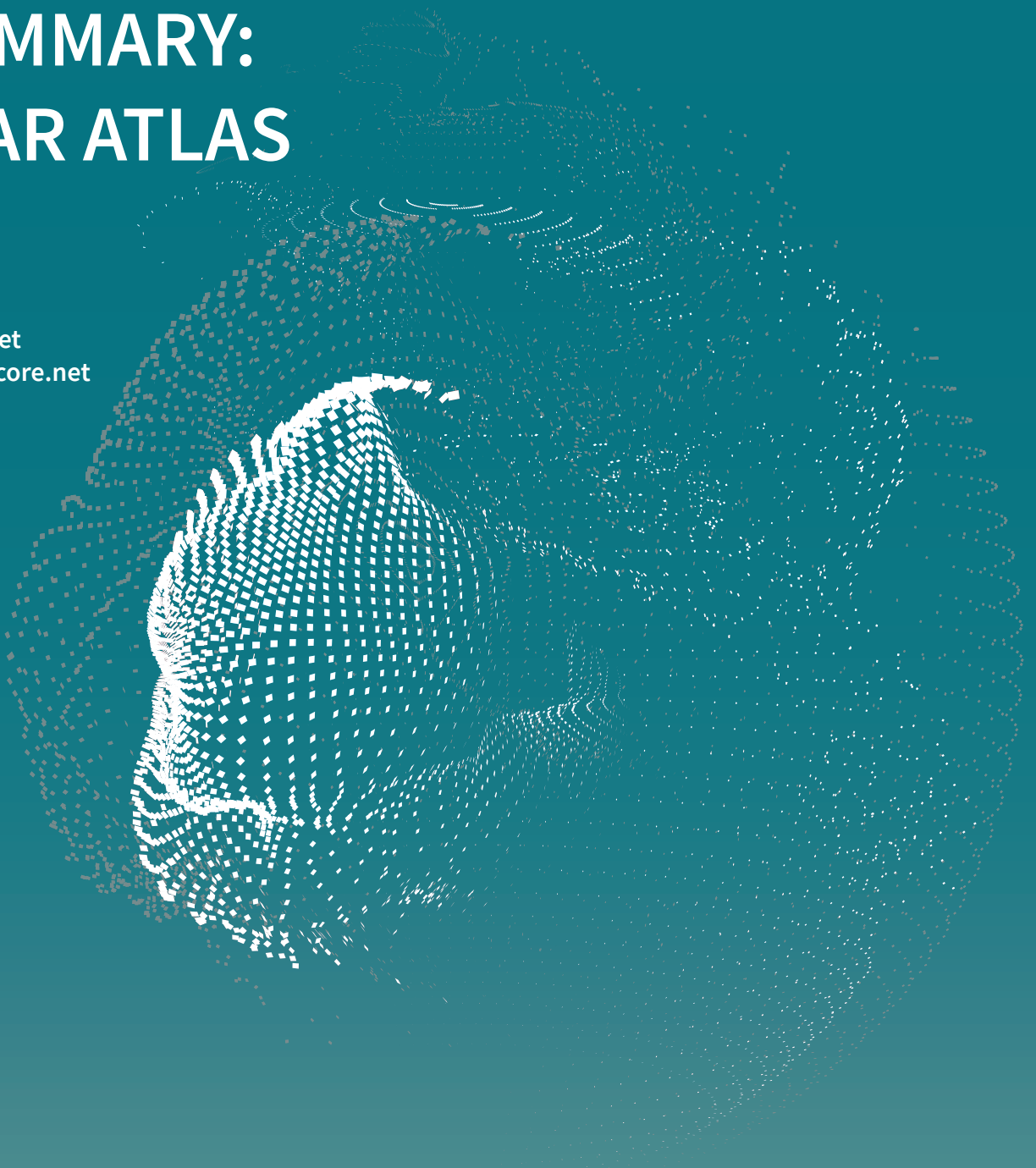
Asset Review Summary

Star Atlas

Executive Summary

Blockchain-based games have become a hot topic recently. Although blockchain games have existed for some time, the current growth trend was prompted by the early success shown by Axie Infinity and the popularity of the Web 3.0 concept. An early cohort of games made headlines along with Axie Infinity and capitalized on the hype. One such project is Star Atlas.

Star Atlas is a Play-to-Earn (P2E) gaming metaverse developed by ATMTA, Inc., a US-based gaming studio. Star Atlas is a space-themed massively-multiplayer online (MMO) virtual gaming metaverse. The blockchain of choice of its project team is the Solana blockchain. Serum, another Solana project, powers the in-game marketplace.

Star Atlas' game economy revolves around its payment token $ATLAS. The project also aims to progress toward a decentralized governance model facilitated by the $POLIS token. Both tokens are Solana-based SPL tokens. All Star Atlas' game assets are Solana-based NFTs.

Types of game assets of Star Atlas are:

- Land (NFTs)
- In-game currency ($ATLAS and $POLIS)
- In-game items (spaceships, crew, and resources as NFTs)
- In-game resources (assets produced and consumed in-game)

The game is currently under development. However, the team has released a minigame version with limited functionality to engage players until updates are introduced in the future. As the project currently stands, few gameplay and P2E opportunities are available for the players. As a P2E gaming project, maintaining an optimal balance between token economics and game development is a challenge.

Our researchers gave Star Atlas a final rating of B. The rating scale is available at the end of this report.

Product & Company Description

Introduction to Star Atlas

Star Atlas is a space-themed massively-multiplayer online (MMO) virtual gaming metaverse developed by ATMTA, Inc., a US-based gaming studio. The game offers a mix of the Grand Strategy, Exploration, Role-Playing, and Space Flight Simulation genres. The development team aims to offer the players an immersive and high-quality real-time 3-dimensional (3D) experience using the creation tool Unreal Engine 5 Nanite by Epic Games, Inc. The project's blockchain features run on the Solana blockchain.

Serum powers the Galactic Marketplace inside the game. This Decentralized Exchange (DEX) facilitates the trading of in-game assets.

Unique game assets of Star Atlas:

- Land (NFTs)[1]
- In-game currency (ATLAS and POLIS tokens)
- In-game items (spaceships, crew, and resources as NFTs)
- In-game resources (assets produced in-game and consumed)

Star Atlas: the Lore

Star Atlas is a space-themed game set in the year 2,620. In this space race, players are challenged to team up, organize themselves, and build and fight into unexplored territories. This process will cause the universe to expand into a colossal metaverse.

There are three main council factions in Star Atlas, MUD, ONI, and USTUR. Additionally, there are also four minor factions. There is an ongoing intergalactic conflict between the three factions. As a result, each faction is aggressively increasing its forces by attracting as many players as possible to enlist their spaceships. By enlisting ships with factions, players stand to earn rewards.

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[1] "Star Atlas In-Game Play: Adventures as a Landowner - Medium." 2 Oct. 2021, https://medium.com/star-atlas/star-atlas-in-game-land-landowner-63f9bd789027. Accessed 4 Jun. 2022.

Different [ship manufacturers](#) have set up business in these three factions. While some are proprietary ship manufacturers only operating in one faction, others may be dual-faction manufacturers. Moreover, minor factions could also have manufacturers aligning with them.[2] The ships need to be maintained with four types of resources required to keep them battle-ready, i.e., Fuel, Ammunition, Toolkit, and Food. Players will not receive $ATLAS rewards if they don't replenish these resources.
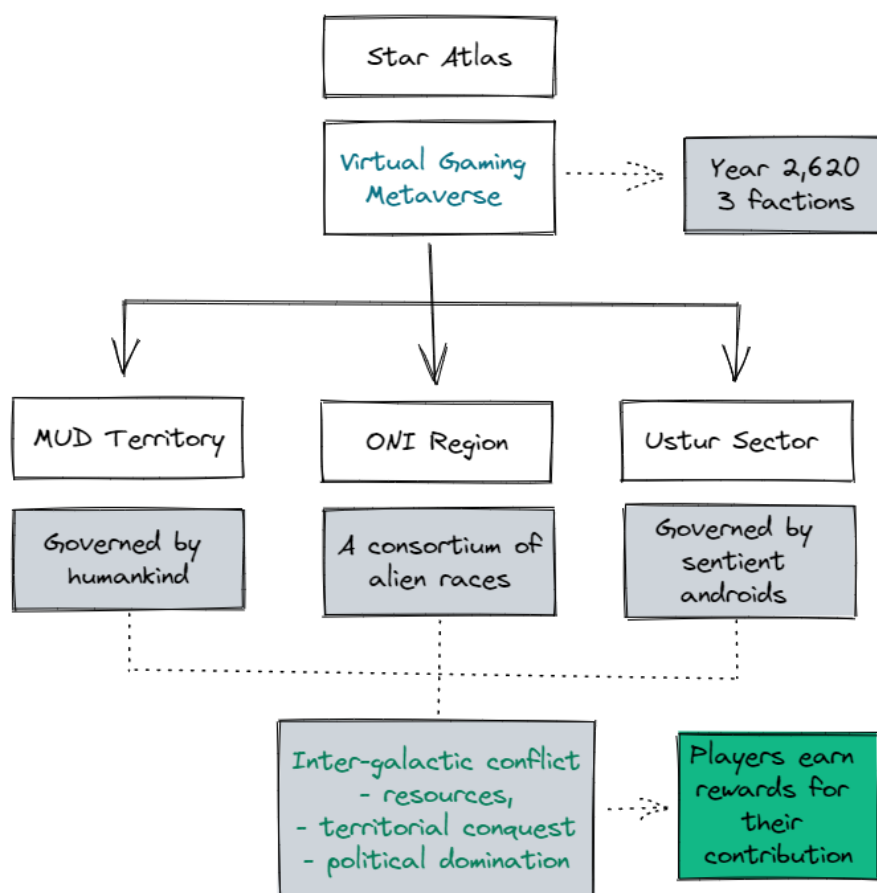
Star Atlas: Virtual Gaming Metaverse. (Illustration by D-Core). Source: Whitepaper

Star Atlas has not released any scientific/technical paper. It has released a project [whitepaper](#) targeted at general business readers and gamers. Lastly, the [economics paper](#) discusses game economics and tokenomics of the project.

Star Atlas is under heavy development, and the fully-pledged game is possibly two to three years away. The project has sold many different types of spaceships via Galactic Asset Offerings

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[2] "Star Atlas Feature Reveal: Faction Aligned Companies - The Club." 14 Jan. 2022, https://staratlas.club/t/star-atlas-feature-reveal-faction-aligned-companies/431. Accessed 4 Jun. 2022.

(GAOs) to potential players. **The GAOs have enabled the project to raise significant funding for game development work.** Besides, the project has launched its platform tokens (private and public sales completed) available for exchange across multiple trading venues. The development team has released the first gameplay functionality, the Ship Commissions on Remote Expeditions (SCORE – Tier 0, identified in the roadmap as Ship Missions), accessible via a web browser.[3] The SCORE provides gamers with a passive earning mechanism where players can earn $ATLAS by enlisting their spaceships with a faction.[4] However, there is still no Play-to-Earn (P2E) element since this version is very early.

Success Factors

Based on our understanding, the project has several success factors. These factors are listed below:

- The blockchain-based Play-to-Earn gaming market presents a large and growing market opportunity for Star Atlas to capitalize.
- Star Atlas is among the first cohort of projects to enter the blockchain-based gaming space.
- The project has raised funds via several means (primarily market sale of game assets and token sales) and is considered well-funded. The project could continue to raise funds via NFT drops — assuming the NFT market remains strong.
- The project has reached a significant mass community via social media: over 100k registered users.

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[3] "Join the Fleet: Star Atlas Launches its Inaugural On-chain Gameplay ...."
https://medium.com/star-atlas/join-the-fleet-star-atlas-launches-its-inaugural-on-chain-gameplay-experience-7661221574a1. Accessed 6 Jun. 2022.
[4] "Star Atlas: SCORE — The Complete Guide | by Ronald Treur - Medium." 16 Dec. 2021,
https://medium.com/aephia-industries/star-atlas-score-the-complete-guide-ff117f749058. Accessed 6 Jun. 2022.

Market Conditions and Competition

Market Conditions

The blockchain gaming market gained popularity with the rapid growth of non-fungible tokens, a critical primitive in blockchain games. Moreover, the broader gaming landscape expanded, presenting a conducive environment for flourishing blockchain games. The blockchain gaming landscape consists of game studios, Layer 1 and Layer 2 networks, development and other tooling, marketplaces, funding platforms (including venture funds), industry associations, and guilds.

There are over 1.3k games in the market now. However, only ~32% of them are live at present, while others are at different stages of development.

Game Status

Only ~32% of the games in the market are Live

Cancelled, 20
Development, 360
Live, 412
Beta, 169
Pre-sale, 224
Alpha, 115
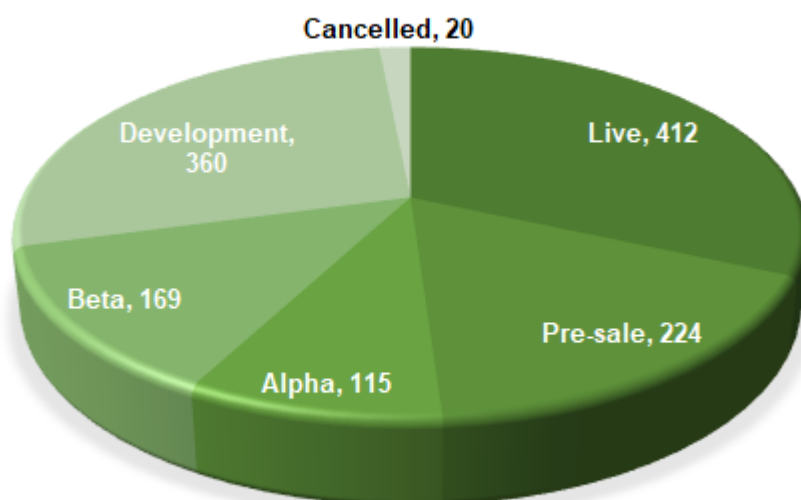
Source: Playtoearn.net
Data as of 06 June 2022

The total GameFi token market capitalization is currently at $8.44 billion. The GameFi market lost 81% (year-to-date), as reflected by Nansen Game-50 Index.
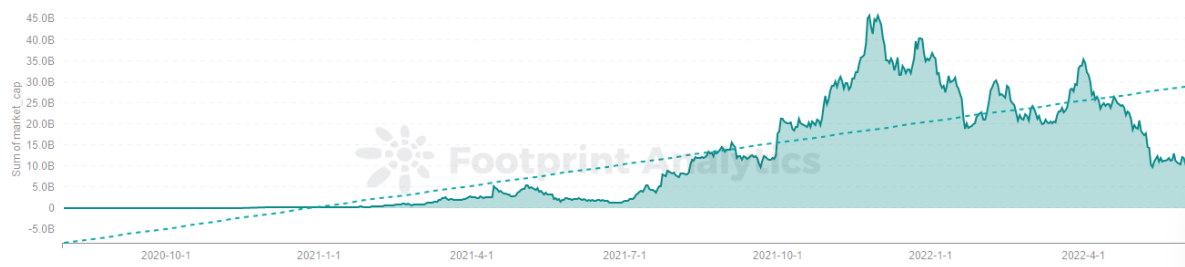
GameFi Market Capitalization. Source: Footprint Analytics (last updated 05 June 2022)

Blockchain gamer numbers are significantly lower than the global gaming user base. The daily number of blockchain gaming users has remained flat since late 2021. Most notably, the number of GameFi users has dropped sharply since the end of May 2022.
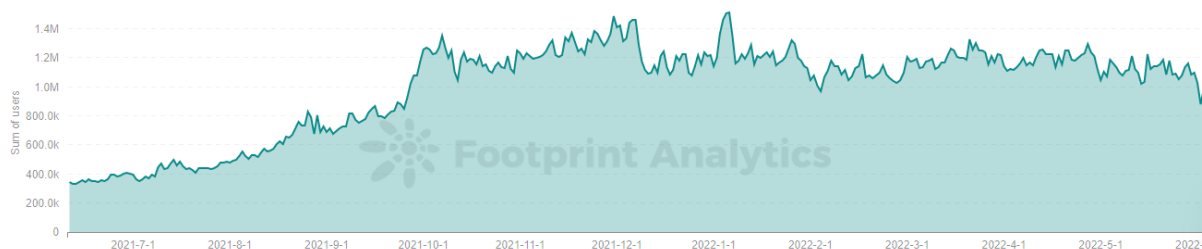
Daily No. of GameFi Users. Source: Footprint Analytics (last updated 05 June 2022)

Competition

Star Atlas faces competition from [traditional well-established titles](#) and about 50 space-themed blockchain-based games in the market.

Some Web 2.0 competitors for Star Atlas are Star Citizen, Elite Dangerous, No Man's Sky, Stellaris, and Starbound.

In the emerging P2E market, Star Atlas faces competition from Crypto Space Commanders, 0xUniverse, CryptoPlanet, Black Eye Galaxy, Cosmic Clash, Influence, Celestial, and Infinite Fleet.

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Games By Genre - Top 25
Space represent the 25th largest Genre by the # of games
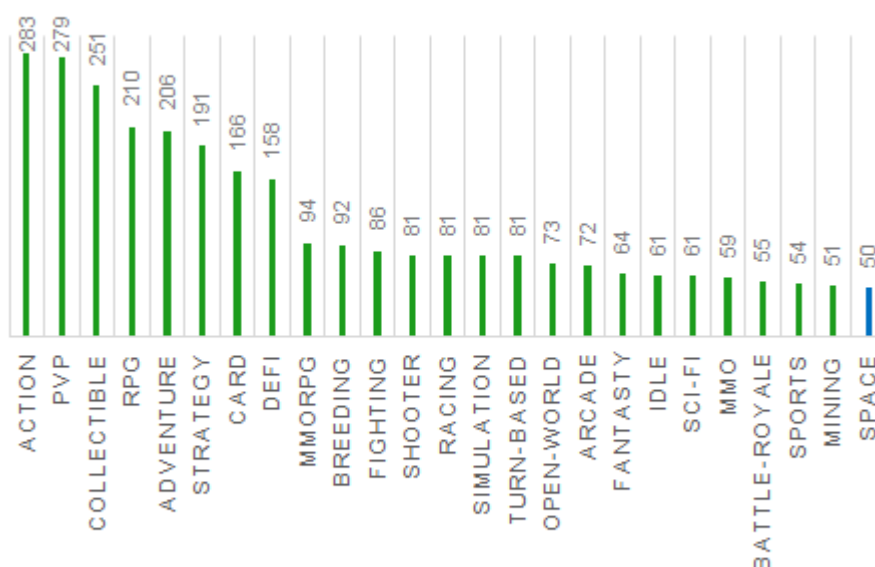
Source: Playtoearn.net
Data as of 06 June 2022

Technology Review

Product

Star Atlas is built on Unreal Engine 5, a real-time 3D engine designed to create cutting-edge games, real-time visualizations, and immersive interactive experiences.[5] Unreal Engine is a tool offered by Epic Games Inc. and therefore introduces a trusted third party to the project's development aspect. Epic Games charges a 5% royalty fee on games that reach a revenue threshold of $1 million.

Star Atlas has so far only released a mini-game version to the market. This version precedes a series of updates before releasing the main gameplay title. The main title is expected to take a multiple years development cycle. Galactic Marketplace, the in-game marketplace, is also live. There, players can trade their assets and experience the minigame functions.

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[5] "Foundational Knowledge - Unreal Engine 5 Documentation."
https://docs.unrealengine.com/5.0/en-US/foundational-knowledge-in--unreal-engine. Accessed 6 Jun. 2022.

The mini gameplay functionality, the Ship Commissions on Remote Expeditions (SCORE – Tier 0, identified in the roadmap as Ship Missions), accessible via a web browser, only offers a limited experience to the players. This version enables players to enlist their ships with a faction to earn rewards (fleet staking rewards). Interested persons could view the current Annual Percentage Rates (APR) of enlisting ships at this unofficial source.

The team plans to release the next module, CREAM Tier 0, in the middle of 2022.

Game Economics

Star Atlas ties the in-game activity and the economics via three main mechanisms, i.e., Production (e.g., spaceships), Piloting, and the overarching mechanics, which involve land development, character development, and governance.

Production and Piloting are intertwined. The Production process helps Piloting, which in turn boosts the rewards. Such rewards flow into the market that supports the Production process.

The Production layer is not the only source of in-game items. There are items injected through sales (e.g., unique ships) and rare equipment and resource drops from piloting.
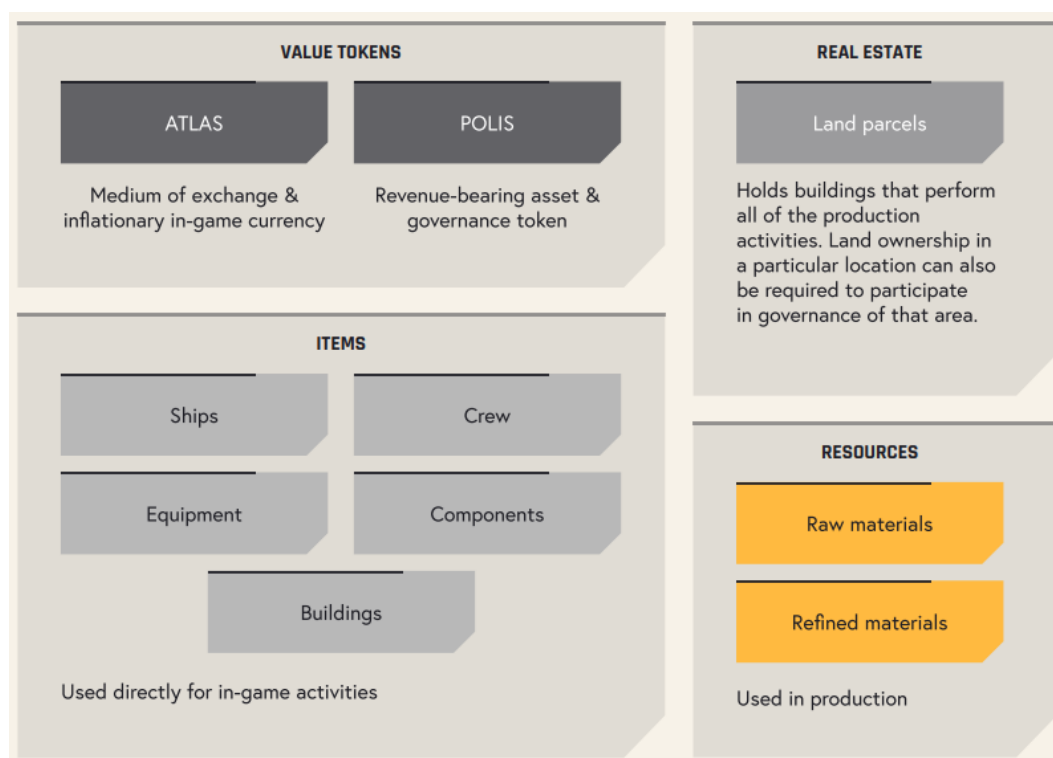
Components of the game economy. Source: Star Atlas Economics Paper

Blockchain

Star Atlas' blockchain features run on the Solana blockchain. Solana blockchain has recently gained popularity due to the favorable tradeoffs it offers over other Layer 1 blockchain networks. Solana's key benefits are significantly lower transaction fees and higher throughput (transactions per second of ~2.1k).

The project's in-game DEX marketplace is Serum-based. Serum provides an on-chain central limit order book and matching engine for DEXs.[6] It has also planned to implement Metaplex frameworks to let players, artists, and creators develop and launch NFT storefronts and auctions in the Star Atlas Metaverse.[7]

Star Atlas will be using the Stardust API service to integrate Solana-based NFTs in the game.[8] Stardust is a blockchain SaaS offering that enables game publishers to create and implement blockchain assets into their games.[9] **This step introduces a centralized trusted entity into the blockchain aspect of the game.**

On the flip side, it is worth mentioning that Solana is still on the Mainnet Beta version and has faced challenges recently. So far, the Solana network has been halted several times this year for the extent of hours.[10] These issues are problematic for gamers since the blockchain outages can, in turn, stop the gameplay. Most importantly, players could suffer financial loss if token prices react negatively to these incidents.

The game is not entirely on blockchain. It only utilizes blockchain to implement NFTs and associated native tokens. The rest of the game is centrally developed and managed. Therefore, the game could essentially exist without blockchain technology. **However, we can emphasize that blockchain can help deliver features that are not possible or could be offered better than within a typical Web 2.0 game design.**

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[6] "Overview - Serum Docs." https://docs.projectserum.com/introduction/overview. Accessed 6 Jun. 2022.
[7] "Building a Next-Gen Metaverse Economy with Solana, Serum and ...." 18 Aug. 2021, https://medium.com/star-atlas/next-gen-metaverse-economy-solana-serum-metaplex-c1e91dee533b. Accessed 6 Jun. 2022.
[8] "A Software Platform For Games In The Metaverse - Stardust Blog." 18 Nov. 2021, https://gameon.stardust.gg/a-software-platform-for-games-in-the-metaverse/. Accessed 6 Jun. 2022.
[9] "Stardust | Solana: Build crypto apps that scale." https://solana.com/ecosystem/stardust. Accessed 6 Jun. 2022.
[10] "06-01-22 Solana Mainnet Beta Outage Report." 5 Jun. 2022, https://solana.com/news/06-01-22-solana-mainnet-beta-outage-report-2. Accessed 6 Jun. 2022.

Security Audit

There are no third-party audits available for Star Atlas. However, there are reports that the project has signed up with Kudelski Security to ensure consumer protection and digital safety in the metaverse. It is mentioned that Kudelski will perform ongoing audits and analyses to help ensure the integrity of the Star Atlas metaverse.

Roadmap

The project's official roadmap consists of five phases. Although the roadmap is not time-bound, roadmap updates are provided on each activity under different stages. The project team also gives weekly development updates to the community.

Team

The Star Atlas development team consists of over 100 members. In contrast to most other gaming studios, the senior management team does not possess extensive game development experience. However, some management team members have worked in prominent gaming studios in the past (e.g., 1047 Games, 3G Studios, Electronic Arts (EA)). Notably, the project has signed up with Sperasoft to co-develop Star Atlas. Sperasoft has experience working with many studios and on some well-known game titles.

Michael Wagner is Co-founder and CEO of ATMTA, Inc, the core development studio for Star Atlas. Michael's other roles include Co-founder & CEO of Multichain Ventures, Member of Advisory Boards at BlockDrop, Inc. He graduated from the University of Nevada. LinkedIn

Daniel Floyd,[11] Chief Product Officer, is also the Chief Experience Officer of Multichain Ventures. He has also worked in gaming as the Art Director at 1047 Games, Computer Artist at 3G Studios, and Computer Artist at Electronic Arts (EA).

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[11] "Daniel Floyd - Chief Product Officer - Star Atlas | LinkedIn." https://www.linkedin.com/in/dannyfloyd. Accessed 3 Jun. 2022.

Jacob Floyd[12] is the CTO for both Star Atlas and Multichain Ventures. He has previous experience as a Developer at Tokes Platform.

Pablo Quiroga[13] is a Co-founder and CRO of Star Atlas. He is also a Board Member and co-founder of ATMTA, Inc. Pablo also founded a wellness venture, Fuelixir Labs.

Advisors

The project has not appointed Advisors.

General Comments on the Team & Advisors

ATMTA, Inc. currently has various role openings in the Revenue Operations (RevOps) department.

During our review period, we did not find evidence that the team members have taken part in any previous or current illegal or controversial projects.

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[12] "Jacob Floyd - CTO - Star Atlas | LinkedIn." https://www.linkedin.com/in/jacob-floyd-22b3896b. Accessed 3 Jun. 2022.
[13] "Pablo Quiroga - United States | Professional Profile | LinkedIn."
https://www.linkedin.com/in/pabloiquiroga. Accessed 4 Jun. 2022.

Legal and Compliance Specifics

Jurisdiction

The development company of Star Atlas is ATMTA, Inc., at 10845 Griffith Peak Dr. Ste. 2, Las Vegas, NV 89135, United States.

In the United States, the regulatory framework for cryptocurrencies is evolving despite existing differences in viewpoints and overlap between agencies. For example, the U.S. Securities and Exchange Commission (SEC) often views many cryptocurrencies as securities, while the Commodity Futures Trading Commission (CFTC) calls Bitcoin a commodity, and the Treasury calls it a currency. On a positive note, the United States is home to the most significant number of crypto investors, trading platforms, exchanges, investment funds, and crypto mining firms. The President's Working Group and the Financial Stability Oversight Council will have essential roles in developing a future regulatory framework to straighten out the regulatory differences and clarify confusion about definitions and jurisdiction.

POLIS DAO
The POLIS DAO will govern Star Atlas in the future. Once the DAO is established, the governors will decide the game's development and treasury management. The short-term focus is to grant decision-making rights on economic revisions, feature releases, asset release schedules, and incorporating player-created content.

The long-term vision is to permit the DAO governors to determine the Star Atlas metaverse development direction. **At the extreme level, DAO would be able to vote out the development team as the primary vendor for game assets and game design.**
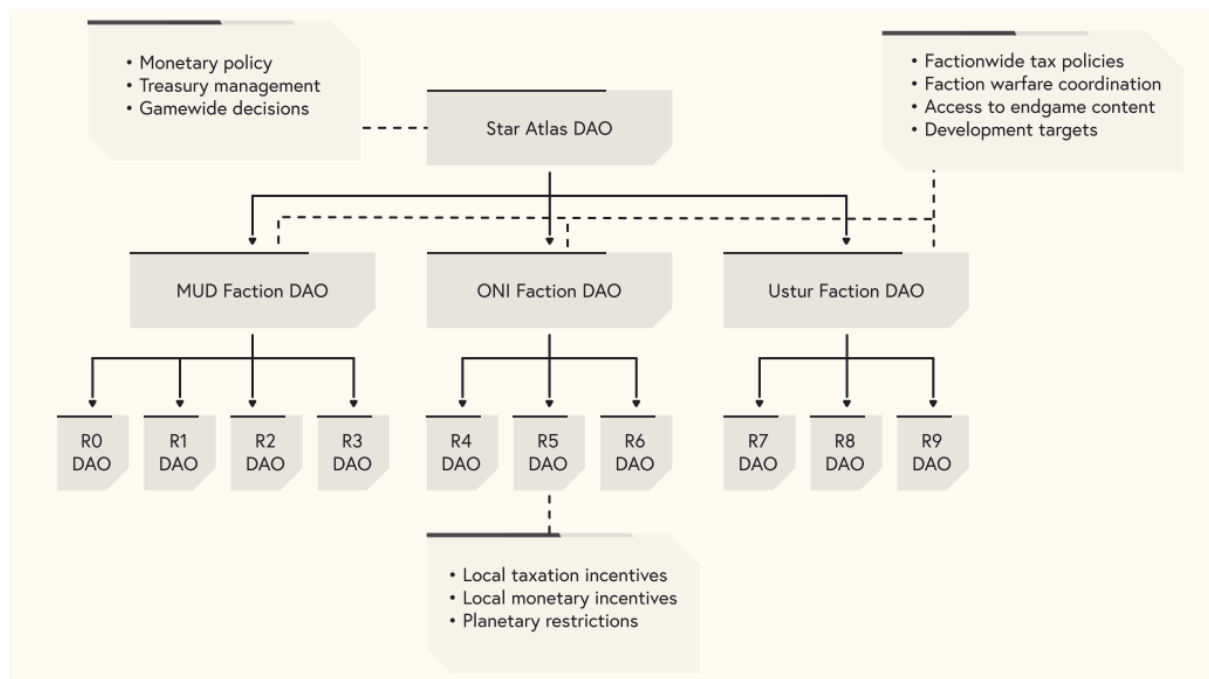
Star Atlas DAO goals and structure. Source: [Economics Paper](#)

However, there will be a 2-3 year game development period and a balance period of centralization.

Partnerships

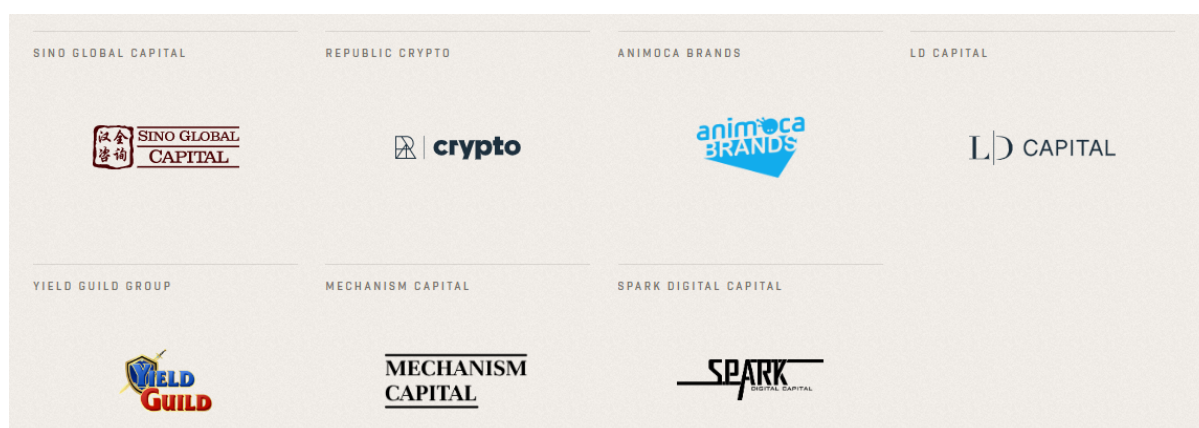Star Atlas has announced several partnerships so far.

- **Sandbox:**[14] The two projects partnered and launched Star Atlas VoxEdit Contest.
- **Audio Up:**[15] Aims to create an original, scripted, sci-fi adventure podcast.
- **Kudelski Security:**[16] The firm signed up as the Security partner. It will conduct ongoing audits and analyses.

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[14] "A Metaverse Collision: Star Atlas and The SandBox Collaborate for ...." 27 Apr. 2022, https://medium.com/star-atlas/a-metaverse-collision-star-atlas-and-the-sandbox-collaborate-for-the-first-time-cbb7dfe74c89. Accessed 5 Jun. 2022.

[15] "Star Atlas Teams Up with Award-winning Studio Audio Up to Create ...." 21 Apr. 2022, https://medium.com/star-atlas/star-atlas-audio-up-sci-adventure-podcast-6ccf496f99c0. Accessed 5 Jun. 2022.

[16] "Star Atlas Launches Initiative to Establish Web3 Security Framework." 24 May. 2022, https://www.prnewswire.com/news-releases/star-atlas-launches-initiative-to-establish-web3-security-framework-301553458.html. Accessed 5 Jun. 2022.

- **Faction Aligned Companies:** Decentralized Autonomous Corporation/Guilds operating in the Star Atlas Metaverse as shipbuilders or otherwise. E.g., Aephia Industries. A list of guilds on Star Atlas can be found here.
- **Sperasoft:**[17] Partnership with game co-development company.
- **Animoca Brands:** Animoca made a $3 million investment in NFT spaceships.[18] It will also collaborate on the growth of Star Atlas.[19]
- **Yield Guild Games:**[20] YGG committed to $1 million purchases of NFT gaming assets.
- **Blockchain Game Alliance:**[21] Start Atlas joined BGA, an industry association.

| SINO GLOBAL CAPITAL | REPUBLIC CRYPTO | ANIMOCA BRANDS | LD CAPITAL |
| YIELD GUILD GROUP | MECHANISM CAPITAL | SPARK DIGITAL CAPITAL | |

Leading Partners of Star Atlas. Source: Star Atlas

Legal Advisors

The project has not appointed legal advisors. But, the project has appointed a General Counsel.

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[17] "Star Atlas Partnership with Sperasoft to Develop the Most Immersive ...." 30 Nov. 2021, https://medium.com/star-atlas/star-atlas-partners-with-sperasoft-immersive-metaverse-exploration-game-2037ae0d6666. Accessed 5 Jun. 2022.

[18] "Star Atlas Completes over $3 Million NFT Sale to Animoca Brands." 22 Dec. 2021, https://medium.com/star-atlas/star-atlas-animoca-brands-3-million-investment-cf86a8057f8d. Accessed 5 Jun. 2022.

[19] "Animoca Brands Joins Star Atlas in a Partnership to Revolutionize ...." https://medium.com/star-atlas/animoca-brands-joins-star-atlas-partnership-revolutionize-future-entertainment-b0fc33e9e8a5. Accessed 5 Jun. 2022.

[20] "Yield Guild Games Commits to $1M Purchase of Star Atlas ... - Medium." 4 Oct. 2021, https://medium.com/star-atlas/yield-guild-games-commits-1-million-for-star-atlas-game-assets-441076da533e. Accessed 5 Jun. 2022.

[21] "Star Atlas Joins Blockchain Game Alliance - Medium." https://medium.com/star-atlas/star-atlas-joins-blockchain-game-alliance-3cbd81910c71. Accessed 5 Jun. 2022.

Dan Park, General Counsel, was Counsel at Akin Gump Strauss Hauer & Feld LLP before joining the Star Atlas project. Dan worked for Gibson, Dunn & Crutcher LLP. early in his career. Dan graduated from the University of California, Berkeley - School of Law, and Harvard University. LinkedIn

KYC & AML

Star Atlas released the two token ($ATLAS and $POLIS) types in two Initial DEX Offerings (IDOs on Appolo-x and Raydium) and an Initial Exchange Offering (IEO) on FTX. Participants who fulfilled the KYC requirements and were whitelisted by the platforms could participate in the public sale. Both types of tokens were not offered in the United States or to any US Persons.[22]

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[22] "Star Atlas Token Sale Details Revealed - Medium." https://medium.com/star-atlas/star-atlas-token-sale-details-revealed-857bf7505fdd. Accessed 4 Jun. 2022.

Token Classification

As discussed already, there are two monetary assets in the Star Atlas ecosystem. $ATLAS and $POLIS are implemented as SPL ([Solana Program Library](#)) tokens on the Solana blockchain.

ATLAS Token	POLIS Token
A fungible token used as the game's payment token. $ATLAS fuels the in-game economic activity and provides a basis for on-ramps for anyone to enter the game. $ATLAS is also the dominant currency in the NFT Marketplace.	A fungible governance token. $POLIS gives the holder the voting rights in the DAO and treasury control (minting, distribution, and redistribution of $ATLAS). $POLIS also represents the in-game political influence (via Decentralized Autonomous Corporations (DACs)), i.e., $POLIS holders will be in a position to enjoy jurisdictional ownership over regions (via voting rights). These players can impose taxes, charge tolls, and restrict some activity over other players.

In-game items or assets in Star Atlas are Solana-based NFTs.

Token Offering

The public sales of ATLAS and POLIS tokens were completed in 2021.

	$ATLAS	$POLIS
Total Supply	36 billion	360 million
Future Supply	Inflationary	Finite
Circulating supply	2.16 billion[23]	21.6 million[24]
Public Sale Price ($)[25]	0.00138	0.138
Public Raise ($, million)	~1	~1

ATLAS Token

The project has allocated 65% of the tokens for rewards/emissions to be vested over ~8 years. It is a similar model adopted by Axie Infinity that is in the process of re-designing. The whitepaper also states that following the subsidy period, a standard inflation rate of 4% per annum into perpetuity will be implemented as necessary for the long-term viability of gameplay incentives unless otherwise decided by governance.

The monetary policy of $ATLAS flows through a three-phase process.

- **Discretionary (central bank):** The development team directly adjusts emission rates by modifying the rewards multipliers.
- **Discretionary (decentralized governance):** The Star Atlas DAO will replace the development team and modifies the rewards multipliers to change the emission rates.

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[23] "Star Atlas price, ATLAS chart, and market cap - Coins - CoinGecko." https://www.coingecko.com/en/coins/star-atlas. Accessed 5 Jun. 2022.
[24] "Star Atlas DAO price, POLIS chart, and market cap | CoinGecko." https://www.coingecko.com/en/coins/star-atlas-dao. Accessed 5 Jun. 2022.
[25] "Star Atlas Token Sale Details Revealed - Medium." 16 Aug. 2021, https://medium.com/star-atlas/star-atlas-token-sale-details-revealed-857bf7505fdd. Accessed 5 Jun. 2022.

- **Parametric (decentralized governance):** the system migrates to an algorithmic stabilization model. Star Atlas DAO has to vote for this with a supermajority.

GROUP	ALLOCATION (%)	ALLOCATION (ATLAS)	TGE UNLOCK (%)	VESTING PERIOD (WEEKS)
PRIVATE TOKEN SALES	22.5%	8,100,000,000	5%	104
PUBLIC PRE-SALE	1.5%	540,000,000	5%	104
PUBLIC TOKEN SALES[1]	2%	720,000,000	100%	0
LISTINGS/ LIQUIDITY POOLS[2]	4%	1,440,000,000	100%	0
REWARDS/ EMISSION	65%	23,400,000,000	0%	416
TEAM[3]	5%	1,800,000,000	100%	104

ATLAS tokens allocation. Source: _Economics Paper_

The project has been less transparent regarding the private funding rounds.

Team tokens are not locked and are vested over ~2 years.

Current on-chain statistics

As per the current on-chain statistics, ATLAS tokens are held by 106.4k wallet addresses. However, the active holders' count has gradually decreased over time (currently, 420 holders). The total token holding is also concentrated, with the top 10 accounts holding ~90% of the tokens.

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Total Supply: 35,999,999,849.6   Total Token Holders: 106,405
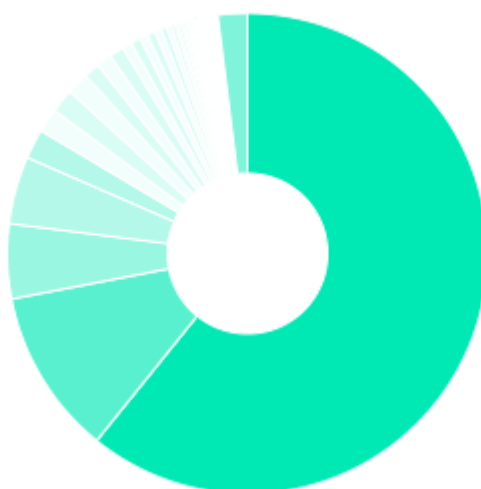
Current Token Distribution (on-chain, as of 5 June 2022). Source: solscan.io

ATLAS is currently trading significantly higher than the public sale price. However, the current price is 97% lower than the all-time-high price. A significant drop in trading volumes is also noticed.

$ATLAS Price/Volume chart (as of 5 June 2022). Source: coingecko.

POLIS Token

With a 30% allocation of POLIS tokens to the team, the project has retained significant voting rights with the insiders. It will be interesting to see how voting rights evolve.

GROUP	ALLOCATION (%)	ALLOCATION (POLIS)	TGE UNLOCK (%)	VESTING PERIOD (WEEKS)
PRIVATE TOKEN SALES	22.5%	81,000,000	5%	104
PUBLIC PRE-SALE	1.5%	5,400,000	5%	104
PUBLIC TOKEN SALES[1]	2%	7,200,000	100%	0
LISTINGS/ LIQUIDITY POOLS[2]	4%	14,400,000	100%	0
REWARDS/ EMISSION	40%	144,000,000	0%	416
TEAM[3]	30%	108,000,000	100%	104

POLIS tokens allocation. Source: Economics Paper

The project has been less transparent regarding the private funding rounds.

Team tokens are not locked and are vested over ~2 years.

Current on-chain statistics

As per the current on-chain statistics, POLIS tokens are held by 39.7k wallet addresses. However, the count of active holders has gradually decreased over time (currently, 25 holders). The total token holding is also concentrated, with the top 10 accounts holding ~93% of the tokens.

Total Supply: 359,999,998.74   Total Token Holders: 39,697
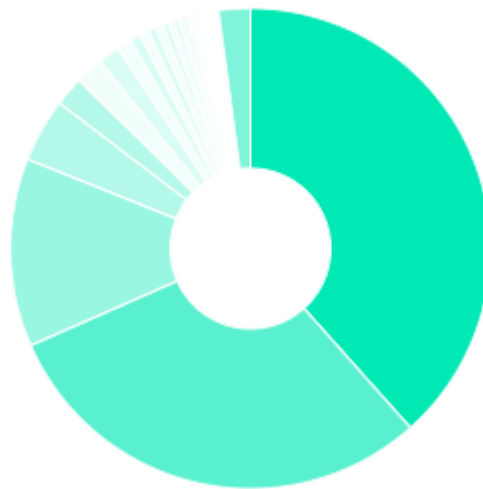
Current Token Distribution (on-chain, as of 5 June 2022). Source: solscan.io

POLIS is currently trading significantly higher than the public sale price. However, the current price is 97% lower than the all-time-high price. A significant drop in trading volumes is also noticed.

POLIS Price/Volume chart (as of 5 June 2022). Source: coingecko.

Tokenomics

The total supply of ATLAS tokens is not finite and could be changed based on future governance decisions. $ATLAS will have a perpetual inflation target, and new tokens will be issued based on that. Since the game is currently in development and the mini-game version (SCORE) offers limited options to utilize $ATLAS in gameplay, attracting interest will be a challenging task. The $POLIS supply is hard-capped at 360 million tokens.

However, based on the $ATLAS monetary mass target, tokens will also be burned in the future. The development team will participate in a mechanism of buying and burning $ATLAS. The repurchased tokens will come from the company's gross revenue and create deflation in the circulating supply.

There are two mechanisms for repurchase: standard revenues and in-game revenues. The former consists of income paid for the initial acquisition of assets to the developer. In-game revenues consist of those expenses paid in $ATLAS by players engaged in gameplay.

- Developer contribution (standard revenue): 7.5% (years 1-2); 5.0% (years 3-4); 2.5% (year 5).
- Developer contribution (in-game revenue): 25% (years 1-5); 10% (perpetuity).

If game adoption does not pick up, the burn mechanism will not facilitate a deflationary effect.
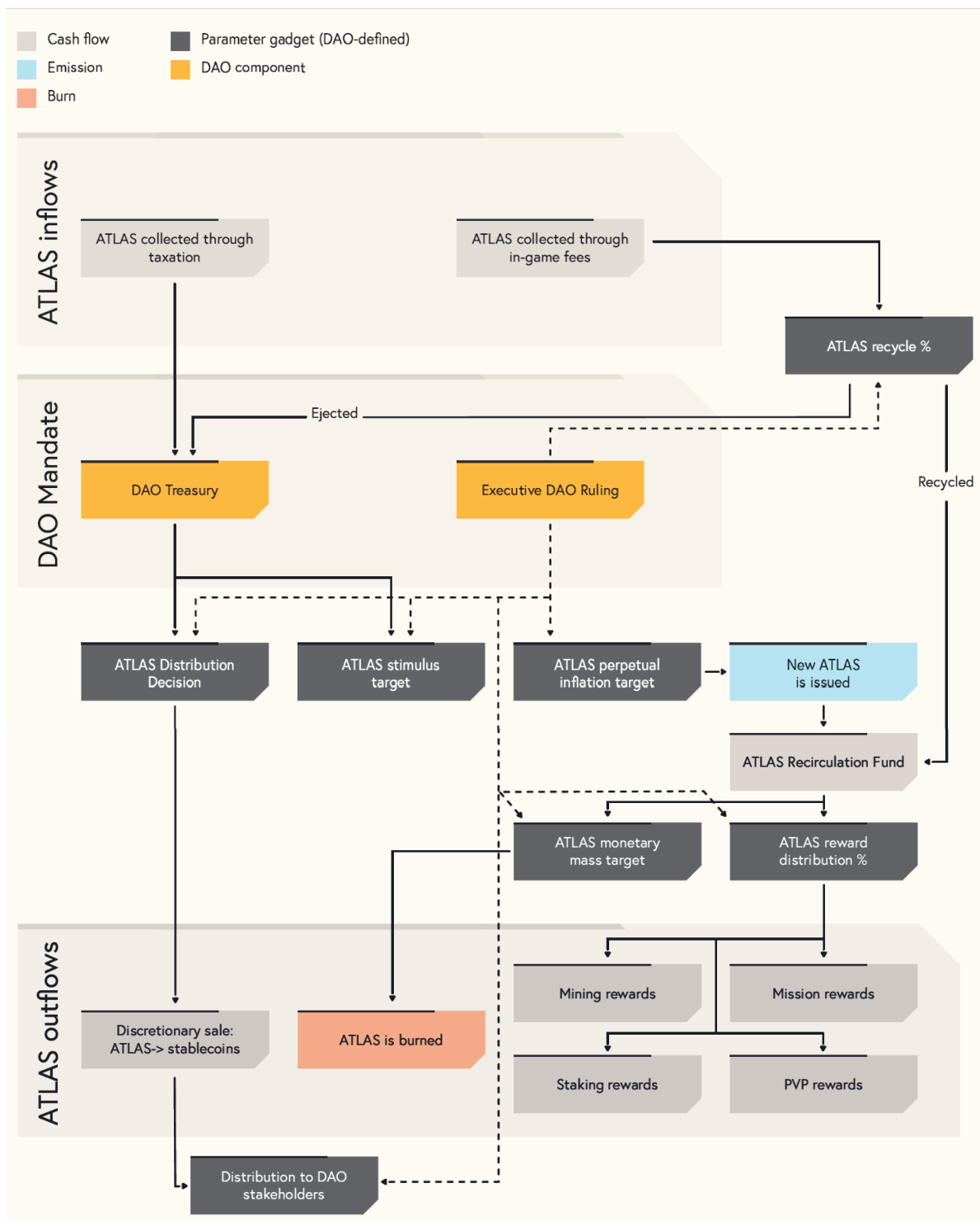
ATLAS tokenomics. Source: [Economics Paper](#) (page. 24)

Social Media and Virality

Star Atlas is very active on Twitter, and its verified account boasts 315.8k followers. The account achieved a ~54% increase in the number of followers from November 2021 to the first week of June 2022.

Its Telegram group is busy with very high community engagement in discussions. The project runs a Telegram Discussion group (37.7k followers) and an announcements channel (9k subscribers). Star Atlas has many followers on its Discord server, the most active and comprehensive channel for community updates. Its Discord has 175.3k follwers.

Star Atlas accumulated 4.9k followers on LinkedIn, and 7.8k people followed its Facebook profile. The page is actively updated with frequent posts. The project is also active on other popular channels, i.e., Reddit (9.3k members), Instagram (21.1k followers), and Medium (8k followers).

Star Atlas gained over a million views for its Trailer video on YouTube. At present, there are 30.3k subscribers to the channel. There are also many third-party channels discussing Star Atlas. These channels also include skeptics about its future success.

The project also has a presence on Twitch with 1.1k followers.

There is no ongoing bug bounty program at present.

The team members of Star Atlas do not have a significant following on social media or activity regarding the project. However, **the project has a very notable presence on social media compared to other blockchain-based games currently in the market.**

Risks to the Project

The following list of risks is not an exhaustive one. Some of these risks are internal, and others are external to the organization. Some risks may be minor/not materialized.

- **Industry Risks:** The crypto industry is very volatile. Any extended periods of negative or lackluster industry performance could negatively affect the project's progress. Similarly, uncertainties around dominant players could be detrimental to most GameFi projects (e.g., recent negativity around Axie Infinity's performance and events).
- **Regulatory/Legal Risks:** The occurrence of regulatory inquiries or regulatory actions could restrict or limit the project's progress. Moreover, evolving or new laws and regulations in the United States or elsewhere may become relevant for Star Atlas. The project's ability to comply or not comply with these new laws or regulations could have financial or reputational risks involved.
- **Technological risks:** Star Atlas uses the Solana blockchain for its blockchain integrations. It also leverages other third-party tools to deliver the project features, e.g., Metaplex (recent botting incident) and Stardust. However, any issues at the level of these third parties could affect Star Atlas negatively. Overall, blockchain technologies are still in an experimental phase, and therefore projects built on them face more significant risks than those built on a traditional tech stack.
- **Operating risks:** The project is developed and managed by ATMTA, Inc. Any future unfavorable developments at the company level could slow down or cause the discontinuation of Star Atlas. It is assumed that with full decentralization, this risk can be mitigated.
- **Retaining player excitement:** if the project fails to balance a fun game and P2E-driven elements, it will fail to maintain player excitement. Moreover, the development time frame is also critical in this context.
- P2E games or Web 3.0 games are also plagued with the complexities derived from their blockchain integrations and the market situation (for cryptocurrencies and NFTs). Due to this vertical (blockchain-based economic incentive and ownership structure), the games attract different player types, particularly P2E-oriented players. In most cases, this segment of players is susceptible to crypto and NFT market trends and thereby to the game.

Ratings

Everything you see in this report is the aggregate result of an extensive research process carried out by a distributed team of researchers and crypto enthusiasts around the world. The process consists of 60 questions divided into three phases. Researchers are called to answer these questions about a project, while providing links or screenshots as evidence to support their answers. For every answer, they also provide a rating from zero to ten. The average of their ratings is detailed below.

Our researchers gave Star Atlas a final rating of B.

SCORE BRACKET	PROJECT RATING
86 - 100	AAA
81 - 85	AA+
76 - 80	AA
71 - 75	A+
66 - 70	A
61 - 65	B+
56 - 60	**B**
50 - 55	C
31 - 49	D

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