

At a glance: 10B fixed supply · 18% float at launch · FDV/circulating 5.6x · insiders 40.3%, locked ≥ 1 year, vesting to year 4 · 0.5% airdrop · private funding only · **Verdict:** Watchlist — month-12 cliff shape is the swing factor.

A — Research Question

With only 18% of supply circulating at launch and about 40% held by insiders behind a one-year lock, does \$RITUAL face a month-12 supply shock? And can the team and code be verified well enough to build conviction before TGE?

Eligibility check: The token is not live, and TGE is tied to mainnet launch (date not announced). Funding has been private only: a \$25M Series A led by Archetype (Nov 2023) and a Polychain top-up (Apr 2024). The tokenomics include a 1% *Foundation Private Sale*, which is private rather than public. No public sale, ICO or launchpad had been announced as of 26 Sep 2026. *Because TGE appears close, this should be re-checked before review.*

B — What Ritual Is Building

Ritual is building an **AI-native Layer 1** in which smart contracts can call AI inference and other heavy compute natively. The earlier product, **Infernet**, is an open-source middleware network that lets smart contracts request off-chain AI compute from node operators. The **Ritual Chain** is in testnet (chain ID 1979). The RITUAL token is intended to pay for on-chain inference, secure the chain through PoS staking, and govern the network. It is stewarded by the independent Ritual Foundation (launched Nov 2024).

C — Evidence Base (Primary Sources)

#	Source	Link
1	Official RITUAL tokenomics announcement (17 Sep 2026), Ritual Foundation	ritualfoundation.org / x.com/ritualfnd
2	Developer documentation (chain ID, RPC, testnet contracts)	docs.ritualfoundation.org
3	GitHub organisation (Infernet SDK, node, deploy tools)	github.com/ritual-net
4	Testnet block explorer (on-chain evidence)	explorer.ritualfoundation.org
5	Foundation launch post (Nov 2024)	ritualfoundation.org/blog/introducing-ritual-foundation
6	Series A investor announcement (Archetype)	archetype.fund/media/announcing-our-investment-in-ritual
7	Polychain top-up report (secondary corroboration)	coindesk.com/business/2024/04/04/crypto-vc-firm-polychain-tops-up-ai-platfor-m-rituals-25m-funding-round-with-multimillion-dollar-investment

Contract addresses: no mainnet RITUAL token contract exists yet (pre-TGE), and only testnet contracts are visible via Sources 2 and 4. **Warning:** an unrelated "RITUAL AI" token already trades on Solana. Only trust a contract address published by Ritual's official channels.

D — Token Supply & Allocation (17 Sep 2026 announcement)

Bucket	Share	Bucket	Share
Core Contributors	29%	Ritual Foundation	10%
Ecosystem Growth + R&D	25%	Labs Treasury	5%
Network Participation & Future Incentives	14%	Frontier AI Grants	4.7%
Labs Investors	11.3%	Foundation Private Sale	1%

- **Total supply:** 10,000,000,000 RITUAL. **Circulating at launch:** 18% (1.8B). **Community airdrop:** 50M (0.5% of supply), fully unlocked at mainnet.
- **Vesting:** every insider allocation is locked for at least one year, with final tokens vesting out by year four. The per-bucket schedule for the non-insider buckets (ecosystem, foundation, incentives) was not detailed in the reviewed sources.
- **FDV:** no TGE price exists yet, so FDV is formula-only ($\text{FDV} = \text{price} \times 10\text{B}$). $\text{FDV} / \text{circulating} = 5.6\text{x}$ ($100 / 18$). This is a moderate float, but most of the supply is still unrealized dilution. **Emissions:** whether PoS staking rewards come only from the 14% incentives bucket or add inflation beyond 10B has not been confirmed. This is an open question.

E — Unlock Scenarios: Lump Cliff vs Linear

Insiders are modelled as Core Contributors plus Labs Investors (40.3%). As an assumption, the remaining non-insider supply (41.7%) is released linearly over 48 months. The key unknown is whether the one-year lock ends in a **lump cliff release** (standard startup vesting: 25% at month 12) or a **pure linear stream**.

Month after TGE	0	6	11	12	13	24	36	48
A: 1-yr cliff with 25% lump, then linear to yr 4	18%	23.2%	27.6%	38.5%	40.2%	59.0%	79.5%	100%
B: 1-yr lock, then pure linear to yr 4	18%	23.2%	27.6%	28.4%	30.4%	52.3%	76.1%	100%

- **Scenario A is a mega-cliff:** about 10.1% of total supply unlocks on a single day at month 12, which is **+40% of circulating supply overnight**. This is the "big unlocks with weak vesting" pattern that drives sharp selling.
- **Scenario B is gradual:** the first insider month adds about **+7%** to circulating supply, then about 1.1% of total supply per month.
- **Launch float:** 18% is below the 30-40% early-unlock threshold, so day-one dilution risk is lower. The small airdrop (0.5%) also limits farmer selling.

F — Team & Code Verification

- **Doxxed co-founders:** Niraj Pant (formerly at Polychain Capital, crypto investing and research) and Akilesh Potti (applied AI/ML research background). Ritual Labs was founded in 2023 in New York and emerged from stealth in Nov 2023 alongside Infernet.
- **Backers:** the Series A was led by Archetype (Source 6), with Polychain adding capital in Apr 2024 (Source 7). The raises were private.
- **Code:** the public GitHub has Infernet repos (SDK, node, deploy tools). However, the main public repos show **little activity since late 2024**, and the Ritual Chain client itself is **not in the public org**, so current development can't be verified from GitHub alone.

G — Risk Register

- **Month-12 cliff shape unconfirmed:** if Scenario A applies, a roughly 40% circulating-supply shock is the single biggest risk.
- **No public audit report** for Ritual Chain was located, and the chain is still in testnet. There is execution risk in shipping a novel AI-native L1 at mainnet quality.
- **Concentration:** insiders hold at least 40.3%, and foundation/ecosystem/treasury buckets (about 40%) are released at the team's discretion. The staking inflation policy has not been confirmed.
- **Scam and imposter tokens** (for example an unrelated "RITUAL AI" on Solana). There is also competition from other AI-compute and AI-agent chains.

H — Interpretation & Verdict

The positives are strong: a doxxed team, tier-1 private backers, a fixed 10B supply, a **modest 18% launch float** and a minimum one-year insider lock. The weak points are verification gaps (no audit, limited public code for the chain) and the **unconfirmed shape of the month-12 unlock**, which decides whether dilution is gradual or a shock. **Conclusion: a watchlist candidate with a clear trigger.** Conviction improves if Ritual publishes a per-bucket vesting schedule showing no lump cliff, a Ritual Chain audit, and its staking-emission policy.

Rating (optional): Team 4/5 | Product/tech 3.5/5 | Tokenomics transparency 3/5 | Dilution structure 3/5 | Overall: **Watchlist, medium-high risk.**

I — Disclosure

Position: No position. I hold no RITUAL (the token has not been issued) and have no affiliation with or compensation from Ritual Labs or the Ritual Foundation. This is educational research, not financial advice. Figures are as announced by the project as of 26 Sep 2026, and unlock models use stated assumptions.