

Solidus Network

A pre-TGE identity-focused Layer 1 with public code and a live v1 testnet - but no audit, thin external adoption evidence, and unresolved token-supply contradictions.

BOTTOM LINE	Technically inspectable and unusually candid about what is not finished. The strongest evidence is a public Rust codebase, a live testnet, and a registered DID method. The investability case is not yet established: no market price or defensible FDV exists, the v2 network is not public, and the token page simultaneously says "fixed supply / no further minting" and "3% annual inflation." Treat this as a watchlist candidate, not a conviction call.
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1. What the project is building

Solidus is building a purpose-built blockchain for decentralized identifiers (DIDs), verifiable credentials, identity-bound staking, and reusable KYC. Its public v1 testnet uses HotStuff-style BFT consensus and exposes DID and credential operations over JSON-RPC. A ground-up v2 codebase adds a two-lane execution model, but the project explicitly states that v2 has no public network and remains unaudited. [1][2]

The economic thesis is usage-driven: credential issuance, verification queries, and DID writes create protocol fees; the designed split is 70% to validators, 20% to treasury, and 10% burned. The product claim is that reusable credentials can lower repeated identity-verification cost while selective disclosure reduces unnecessary data exposure. [2][3]

2. Evidence map: verified signals vs. project claims

Signal	What primary sources show	Diligence read
Public code	Rust protocol repo, SDKs, DID spec, test vectors; v1 and v2 are distinguished in the README. [1]	Positive inspectability, but only 18 commits and minimal visible community traction in the main protocol repo.
Live network	v1 testnet RPC/explorer are public; docs say the testnet is live. [1][2]	Evidence of operation, not production readiness. Repo warns the network is currently mostly idle.
Standards	did:solidus is listed through W3C DID-method registry work; the repo stresses registration is not endorsement. [1][4]	Useful interoperability signal, not a security review or adoption proof.
Security	No independent audit has occurred; mainnet is explicitly audit-gated. [1]	Critical blocker. Cryptography and consensus claims remain project-authored until externally reviewed.

3. Pre-TGE status

As of 28 September 2026, official materials describe the project as pre-launch, with mainnet targeted for Q4 2026 and token transfer/TGE targeted for Q1 2027. No current token contract, circulating supply, market price, or active sale is presented on the official surfaces reviewed. This is an inference from the project's own status pages, not an independent legal or fundraising attestation. [1][3]

Token economics and dilution map

Metric	Published design	Diligence implication
Genesis / TGE	1.0B SLDS. Token page calls this fixed supply and says no further minting. [3]	Current circulating supply is 0. No current market price; therefore current FDV is not calculable.
Inflation	The same page and whitepaper describe 3% annual staking inflation. [3][5]	Material contradiction with "fixed supply." Governance and contract-level resolution are required before valuation.
Allocation	40% community; 20% team/advisors; 20% investors; 20% operations. [3]	40% insider/investor allocation creates a meaningful medium-term unlock overhang.
Vesting	Core team: 1y cliff + 3y linear. Advisors/private/seed: 6m cliff + 2y linear. Funds unlock over 3-5y; some buckets are event/deal based. [3]	First large cliffs begin around month 6; team supply starts at month 12. Event-based and deal-based buckets make circulating forecasts incomplete.
Public sale	5% allocation; 25% at TGE and 75% over 6 months. Terms and final ratification are not published. [3]	Only 12.5M SLDS (1.25% of supply) is a disclosed minimum day-one public-sale unlock; actual TGE float could be higher.

FDV CHECK

There is no defensible current FDV. The project's fee table uses an illustrative \$1/SLDS assumption; that would imply a \$1.0B fully diluted value on 1.0B genesis tokens, but it is not a sale price or market valuation. Any pitch that presents \$1B as an official FDV would be misleading. [3]

4. Unlock and dilution risk

The likely pressure sequence is: public-sale float at TGE; additional airdrop, rewards, partnership, and liquidity programs on schedules not yet quantified; investor and advisor cliffs from month 6; and team unlocks from month 12. A 3% staking-emission policy would further expand supply unless the fixed-cap statement prevails. The burn model does not offset inflation until extremely high verification demand - the project cites roughly 82M daily verifications - which is far beyond demonstrated public-testnet usage. [3][5]

Risk	Why it matters / verification gate
Audit & cryptography	No external audit. Require published scopes and reports for consensus, BBS+, wallet, and token contracts before mainnet/TGE.
Supply contradiction	Resolve 1B fixed supply vs. 3% annual inflation in ratified token contracts and final legal disclosures.
Execution & decentralization	v2 is local/testnet-grade; committee membership is static and state sync is unfinished. Require a public multi-operator v2 network.
Adoption concentration	Most evidence is project-owned. Require named third-party issuers, verifier volume, and independent node operators.
Legal/data handling	Identity and KYC create jurisdictional and privacy exposure. Require final legal review, controller/processor mapping, and incident procedures.

5. Conclusion and disclosure

Decision: monitor, do not underwrite yet. The project has credible build evidence for an early-stage team, but the audit, network-decentralization, token-contract, supply-policy, and customer-adoption gates are all open. **Disclosure:** the author holds no SLDS, received no compensation from Solidus Network, and has no known financial relationship with the project.

Primary sources

[1] github.com/solidusnetwork/protocol [2] docs.solidus.network/en and [/en/concepts/architecture](https://docs.solidus.network/en/concepts/architecture) [3] solidus.network/tokenomics [4] github.com/solidusnetwork/did-solidus-spec [5] solidus.network/whitepaper.pdf [6] solidus.network/protocol