PredictNet Whitepaper

Abstract

PredictNet is a GPU-mined Proof-of-Work (PoW) Layer-1 blockchain designed specifically for prediction markets. By combining EVM compatibility, fair GPU-only mining via the Predix algorithm, an EIP-1559 fee-burn mechanism, and a utility-driven native asset (PNT), PredictNet aims to become a long-term, sustainable foundation for decentralized prediction markets. This whitepaper outlines the vision, architecture, economics, and roadmap of the PredictNet ecosystem.

---

1. Introduction

Prediction markets represent one of the most promising applications of blockchain technology. They enable participants to express expectations about future events by committing economic value to outcomes, transforming dispersed information into market-driven forecasts. Historically, prediction markets have demonstrated an ability to outperform polls, analysts, and centralized forecasting institutions.

Despite this potential, most existing prediction platforms rely on general-purpose blockchains that were not designed for high-frequency market activity, predictable fees, or long-term economic sustainability. PredictNet addresses this gap by introducing a purpose-built Layer-1 blockchain optimized specifically for prediction market workloads.

---

2. Prediction Markets: The Next Big Thing in Crypto

Prediction markets aggregate collective intelligence. Participants are financially incentivized to reveal information and beliefs, resulting in dynamic prices that reflect probabilistic expectations of future outcomes.

As global uncertainty increases across politics, finance, sports, and major world events, demand for transparent, censorship-resistant prediction platforms continues to grow. PredictNet is built on the belief that prediction markets will become a core primitive of Web3, supporting:

- Decentralized forecasting
- Risk hedging and information discovery
- Market-based signaling for real-world events

---

3. About PredictNet

PredictNet is a full-stack prediction market ecosystem consisting of:

1. A dedicated Layer-1 blockchain
2. A native prediction market platform running directly on that chain

Rather than deploying on congested general-purpose networks, PredictNet operates its own blockchain optimized for prediction market activity. This approach enables predictable fees, fast settlement, and long-term economic stability.

By combining GPU-mined Proof-of-Work security, EVM compatibility, and real utility-driven token demand, PredictNet aims to create a fair, transparent, and sustainable environment for miners, users, and developers.

---

4. PredictNet Layer-1 Blockchain

4.1 Architecture Overview

PredictNet is an EVM-compatible blockchain, allowing developers to deploy Solidity smart contracts and leverage existing Ethereum tooling while benefiting from a purpose-built execution environment.

Key characteristics:

- Proof-of-Work consensus
- GPU-only mining
- 5-second block time
- EIP-1559 fee market

4.2 Fast Finality

A 5-second block time provides fast confirmation and settlement, which is critical for prediction markets where pricing and liquidity depend on rapid updates.

---

5. Mining & Predix

Predix is a GPU-focused mining algorithm based on CryptoNight-GPU, designed to remain ASIC/FPGA resistant and accessible to GPU miners.

5.1 Design Goals

- Maintain fair access for GPU miners
- Prevent ASIC and FPGA domination
- Enable broad, decentralized participation

- Provide long-term mining incentives

5.2 GPU-Only Mining

By focusing on GPU-friendly mining, PredictNet lowers entry barriers and avoids excessive centralization often caused by ASIC and FPGA dominated networks.

---

6. EIP-1559 Fee Mechanism

PredictNet implements an EIP-1559-style fee market.

6.1 Base Fee Burning

- Each transaction includes a base fee
- The base fee is permanently burned
- Only optional priority fees go to miners

6.2 Benefits

- Predictable transaction fees
- Reduced fee volatility
- Continuous supply reduction aligned with network usage

This mechanism ensures that higher network activity directly contributes to long-term scarcity of PNT.

---

7. Tokenomics

7.1 PNT Overview

- **Coin Name:** PredictNet
- **Ticker:** PNT
- **Maximum Supply:** 10,000,000 PNT

7.2 Distribution

- **Public Mining:** 9,500,000 PNT (95%)
- **Premine:** 500,000 PNT (5%)

The premine is fixed and does not increase over time.

7.3 Utility

PNT is used for:

- Participating in prediction markets
- Paying transaction fees

- Market creation and settlement
- Mining rewards

---

8. Emission Schedule

Block rewards decrease over time to control inflation and protect long-term value.

Block Range	Reward	Total Emission
1 – 1,000,000	1.0 PNT	1,000,000
1,000,001 – 3,000,000	0.5 PNT	1,000,000
3,000,001 – 8,000,000	0.2 PNT	1,000,000
8,000,001 – 18,000,000	0.1 PNT	1,000,000
18,000,001 – 568,000,000	0.01 PNT	5,500,000

Total minable supply: **9,500,000 PNT**

---

9. Supply Reduction Model

PredictNet employs two complementary supply-control mechanisms:

1. **Emission reduction** through declining block rewards
2. **Fee burning** via EIP-1559 and platform-level fee burns

Together, these mechanisms aim to balance miner incentives with long-term value preservation.

---

10. Community & Governance

PredictNet is community-driven from inception. Miners, users, and developers are encouraged to participate in discussions, testing, and ecosystem growth.

While governance mechanisms will evolve over time, transparency and community feedback remain core principles.

---

11. Conclusion

PredictNet introduces a dedicated blockchain designed for the unique requirements of prediction markets. Through GPU-only mining, Predix, EIP-1559 fee burning, and a carefully structured emission schedule, PredictNet aims to support a fair, sustainable, and utility-driven ecosystem.

As prediction markets continue to grow as a core Web3 primitive, PredictNet positions itself as a foundational Layer-1 built to support them for decades to come.
