



imgnAI is currently in the midst of a development renaissance – with brand new product launches such as PumpNai (tied to our wider agentic platform), brand new models such as Nai+ and Ani+, along with consistent updates rolling out across all of our platforms to improve the user experience wherever possible.

This has led to imgnAI seeing increasing user activity day-on-day in a consistent fashion for almost 6 months now – but with our web2 side going from strength to strength, our web3 platform and token have continued to struggle for mindshare in an increasingly crowded marketplace.

In being faced with an increasingly turbulent and volatile crypto market, we are choosing to double-down when it comes to web3 – making our token more viable, our platform more attractive, and our presence in the web3 ecosystem far more defined. In reaching this point, we collectively have had to look back over the past two years, and scrutinize every decision – both good and bad – in order to lay out a game plan for how we can best add value to imgnAI, and to our wider community.

From here, we’re going to detail this game plan to you in full.

Introducing IMGN Labs

IMGN Labs will serve as the primary launching point for our web3 strategy in moving forward; a fully-fledged DAO which will house all of our products and services as made available under imgnAI.

This means that rather than your current \$imgnAI tokens simply serving as a utility token of the imgnAI product suite, your tokens will instead confer full ownership over what is in essence a decentralized “company” – making your tokens more akin to shares, rather than just being a speculative utility tool.

All products developed under imgnAI will be licensed to, and published by IMGN Labs – and in part, IMGN Labs will receive a standalone publishing fee (an agreed-upon percentage of all profits from any imgnAI products), which will be retained by the DAO Treasury; entirely owned and controlled by token holders.

This means that along with your tokens conferring true ownership of a registered DAO, you will also have access to a treasury which can be used to further propel the DAO, or reward its members in a more direct fashion. Your tokens will now confer full voting rights – allowing you to propose uses for the treasury’s funding, or vote on proposals put forward by other members.

In thanks to the DAO Framework provided under US Jurisdictions such as Wyoming, this DAO will be a fully registered legal entity, with the rights to interact with contracts as any standard registered company would – meaning for example, if the IMGN Labs DAO found itself holding a frothy treasury, it could elect to purchase a property and turn it into a cat-themed coffee shop – or put forward a vote to pay out what would in essence be a “dividend” to all token holders.

In a similar fashion, the DAO could elect to use its treasury to commission a graphic novel, or purchase another company outright, or even just reward community members who make substantial contributions to IMGN Labs, or the imgnAI platform.

For clarity, imgnAI will remain the entity which employs our current core team and develops on our products – while IMGN Labs will serve as our DAO entity which maintains the license and publishing rights for imgnAI products, owned fully by our token community. Services such as weekly creator rewards will continue to operate as normal, fully funded by imgnAI and without the expectation of any additional cover nor payment from IMGN Labs.

This move is being made to empower every token holder’s place within the IMGN/imgnAI community – and does not in any way remove imgnAI as a developer, nor any products from imgnAI community. imgnAI as an entity and company will continue on as normal – simply under a structure that allows us to assign far greater reward, and a far greater ability to expand to our token community.

Introducing \$IMGN

Before any panic sets in: no, we will not have nor support two tokens. There will not be a change to the supply. There will not be emissions/mintable tokens. You will not lose any tokens or have your supply adjusted. The tokenomics of \$imgnAI will remain entirely intact.

The \$imgnAI token has several legacy issues hanging to it – originally launched on mainnet, and designed for a much different product than what imgnAI would become. These legacy issues remain intact today; the name reading “Image Generation AI” on etherscan, “Imagine AI” on BaseScan, “imgnAI” on other platforms is a quick tell.

But more importantly, our move to Base had to be completed via the Optimism Superbridge, due to us natively launching on Ethereum’s mainnet. This led to several issues, most notable via decentralized charting tools such as dexscreener/dextools, and automated audit tools such as GoPlus.

\$imgnAI’s supply reads incorrectly on each platform, and is based solely off bridged tokens – and in being a bridged token, automated audits as carried out by parties such as GoPlus typically place our token under the “extreme risk” category, as a bridged token requires superuser/admin functionality to always remain available to the bridge contract. This has led to several red flags being displayed whenever a potential new user searches for imgnAI.

Small other legacy issues then fall under minor technicalities – such as in using 9 decimals as opposed to the standard 18 in ERC20 contracts, and not supporting more modern smart contract tooling such as gasless permits in place of approvals.

With a combination of the above, and in recognizing that our ecosystem is at home on the Base Chain, we are opting to re-deploy the \$imgnAI contract as \$IMGN – fixing these issues once and for all.

Coupled with this, the \$IMGN contract will be a standard decentralized ERC20, with zero admin privileges, and with zero ability to add any token tax/auto-lp or otherwise. We believe that the time for functions such as these within a token smart contract have long since passed – and that a decentralized organization should not maintain any centralized rights over a token contract.

Our team has carried out several token re-deployments and migrations within the wider space to date, and we will be making a point of carrying out this change as quickly and efficiently as possible. All \$imgnAI holders will be airdropped \$IMGN in a 1:1 ratio, regardless of if their tokens are on Ethereum mainnet, or on Base. While we will be scanning over all emissions from our staking contracts to ensure that staked users are airdropped their supply, we would ask that you unstake from these contracts if possible.

Equally, we would ask that anyone who is currently providing LP on either Base or or Ethereum mainnet to break these LP pairs now and await their airdrop over the coming 1-2 weeks.

As noted, this airdrop will be fully automated – if you are holding your \$imgnAI tokens in your wallet, no action is required on your part. We will be in touch with our CEX partners to ensure their supply is also swapped over to \$IMGN. Note that any users holding a dust-level balance (below \$1) will not be airdropped.

All imgnAI products will be updated to accept the \$IMGN token – such as for tipping, or for purchasing premium subscriptions. PumpNai tokens will be redeployed with their \$IMGN token pairs, and all holders will be airdropped their respective token holdings.

The \$IMGN token represents not only our intention to create a more decentralized and user-owned ecosystem, but it also represents a fresh start for IMGN Labs; a refresh that’s more than needed after over two years of building in the trenches.

ImgnAI <> Nova Merger

Nova DAO has been a source of some of our earliest community members, along with one of our core team developers at imgnAI – noted by them still holding over 1% of the \$imgnAI token supply (split across Base and Ethereum mainnet).

While no official collaborations took place between us, imgnAI made use of several of Nova DAO’s products – most notably Meridian, which handled both our automated arbitrage protocols while moving from Ethereum mainnet to Base, and our CEX pair provisioning and liquidity management.

The DAO Structure upheld by Nova (inherited from the LeXpunk DAO Defence Protocol) has laid the foundations for what will become IMGN Labs; while the software and IP developed under Nova will provide an additional boon to the offerings of IMGN Labs.

Nova has specialized in on-chain development, namely in the DeFi and GameFi sectors; with innovative releases such as fully on-chain games, and the world’s first hyper-collateralized stablecoin for use in low liquidity environments. Nova’s early development foray within the Farcaster community additionally served in spreading one of the first viral frames on the protocol – and showcased the power that generative AI tooling can have in the right hands.

The IMGN <> Nova Merger will see all of Nova’s products, staff, and DAO Council come under the new IMGN Labs banner, joining our existing core team at imgnAI. Holders of the \$NOVA token will be air-dropped a 1:1 equivalent in the USD value of their \$NOVA tokens in \$IMGN, as per a holder snapshot taken on 25/02/2025.

Note that these token airdrops will be covered from the imgnAI Treasury, and will not be deducted from any user balances, or from the IMGN Labs Treasury. The balance of the Nova DAO LP and Treasury (inclusive of their 1%+ \$imgnAI supply) will in turn be transferred to the ownership of imgnAI.

In combining our communities and our collective builders-first approach to Web3, we believe this merger under IMGN Labs will ensure that our expanded userbase can look forward to even more product updates and brand new releases, inclusive of us delving far deeper into the DeFi and GameFi sphere.

Agents For All

Our PumpNai platform showcased how advanced the engine powering Naifu has become, featuring character-driven agents which are far more than just “uncensored GPTs” – showcasing full image generation capabilities (inclusive of their “sense of self-image”), vision capabilities, live data retrieval from sources such as coingecko, and fully automated Twitter/X integrations with a single click.

However, in an increasingly crowded market where the most popular agentic solutions are only reaching a few launches per week, PumpNai was unfortunate in its timing coinciding with a general downturn in interest from the Web3 space.

The PumpNai platform itself and its underlying tech though, continues to garner interest both in the Web3 and Web2 spaces – particularly as an uncensored/image-ready competitor to platforms such as Character AI, and in powering agents for already well-established tokens which aren’t seeking to relaunch on a bonding curve (or are looking to target platforms other than Base, with more standard ETH or ERC20 backing such as USDC or WBTC).

While we’re certainly not considering sunseting the PumpNai platform, we can absolutely respect needing to provide additional offerings that’ll best serve the needs of the market – such as in making it possible to launch or manage an agent without a token tied directly to it, or in launching for already established tokens, and supporting additional networks to boot.

We’re currently working on two offerings that don’t fall directly under the \$imgnAI (or \$IMGN) token. The first being an agent deployed on the Polygon network (as part of gitcoin’s AI Memecoin Battle Royale), competing for a share of the remaining \$250,000+ prize pool. This will be a standard PumpNai agent featuring an unseen in-production image model, and a custom token pairing.

Secondly, we’re collaborating with a small team seeking to use imgnAI’s image generation tooling to power what would essentially be a test-run product that’s completely disconnected from imgnAI or IMGN.

These launches will be to demonstrate that PumpNai and our wider tooling can provide value back to imgnAI/IMGN in having up-front or recurring costs payable only with the \$IMGN token, or a share of fees which would be contributed directly to the imgnAI and/or IMGN treasuries. In short, this allows teams and projects to access our product suite in a more direct fashion, while still ensuring that value is returned to the IMGN ecosystem.

Liquidity Management

NB: We’ll be talking liquidity here – if that goes over your head, we’ve got a short summary at the bottom! And as always, feel free to ask any questions over on our [community telegram](#)!

Throughout imgnAI’s startup phase, a 3% tax was applied on each token transfer – 2% of which went towards initial hardware and scaling costs, and 1% which went directly into automatic LP provisioning.

This automatic LP provisioning was performed on a v2 unranked pair – which is the only liquidity type possible when utilizing auto-LP functionality from a token smart contract (without excessive difficulty and very gassy/failure-prone contract calls). In short, every bit of LP added across tens of millions of dollars of volume all went into the most capital-inefficient liquidity possible.

This effect became most notable during our previous run-up following our Naifu and PumpNai launches; the \$imgnAI token price remained completely anchored even with significant purchases being made, but began losing this grounding as the token price eventually increased. As this anchoring was lost, it resulted in volatile price action; unable to hold higher prices, with smaller sells having increasingly heavy effects on the market cap. As the token price deflated, it re-gained its anchoring – tying it back down heavily in place.

While lightening the current over-liquid levels (approximately a 36% backing against the market cap as of the time of writing) assists in alleviating the largest anchor effect, doing this by itself would only lead to an even more volatile price reaction in the event of any high volume moves – highlighting the inefficiency problem with infinite range pairs.

The key to solving these problems is multi-faceted; as liquidity providers, we accept that impermanent loss is just a part of “efficient” markets; if liquidity providers aren’t willing to accept impermanent loss, then liquidity will never exist to begin with. Infinite range pools are seeing as the “most friendly” to avoid impermanent loss, while the advent of ranged liquidity pairs with Uniswap’s v3 tooling is seen as being more “aggressive” or unfair to liquidity providers, as they can result in considerably higher impermanent losses for them.

Along with managing the total amount of liquidity available to a pool and de-anchoring lower levels, the creation of ranged liquidity pairs as managed by imgnAI can greatly assist in these areas – however, the most optimal and efficient markets make use of a combination of both, while additionally making use of auto-rebalancing liquidity pairs (and 3,3 reward systems) as offered through providers such as Aerodrome.

With this, for the \$IMGN token we will seek to much more optimally manage our liquidity provisioning; working against wasted capital sitting at the bottom of a pool when it could be funding development or marketing, while providing incentives for our holders to join in in providing ranged liquidity through easy-to-use systems such as Aerodrome.

Short summary:

Liquidity refers to how easily a token can be bought or sold without causing big price swings. By changing our approach—reducing excess liquidity in “infinite range” pools and instead focusing on more efficient, “ranged” liquidity provisioning—we aim to provide steadier price support while still allowing flexible trading. This strategy helps reduce wasted capital at lower price levels and encourages community members to join in, all while making it easier for us to fund development and marketing from resources that would otherwise be locked up.

Greater Creator Incentives

Creators are as always, at the heart of imgnAI – and we want to further empower that under IMGN Labs. Not only will creators and token holders now have the added benefit of a DAO Treasury to fund any top talent with, but we’re also going to make it easier than ever to earn rewards through our existing product stack.

Currently, the only way to earn \$imgnAI tokens outside of direct tips is from our weekly rewards system; where 10 winners are chosen weekly to receive \$100 in \$imgnAI tokens.

While this system has worked well for us, it’s often led to new users feeling it’s impossible to break into this lineup; and even with good artwork, everything outside of the top 10 selected won’t receive any prizes.

While we’re hoping to keep prizes funded for top creators with featured artwork, we’re also pivoting towards more automated reward systems, allowing everyone to earn from their creations based on community engagement, and traffic generated from their content.

This automated reward system ensures that brand new creators can instantly begin earning on imgnAI – and users can more easily reward their favourite creators through simply upvoting or spreading their content, without having to spend a single cent.

We aim to permeate this mantra of automatic user rewards throughout all relevant products released under IMGN Labs – and hope to see it serve as our spearhead in the next wave of products released under the IMGN Labs banner.

Timelines

We aim to begin this process immediately following the completion of Nova DAO’s merger vote, if successful. We would then estimate a full transition into IMGN Labs to occur within 4 weeks, inclusive of the DAO Charter ratification via community vote.

A Sustainable, Future-First Vision

Adaptability is critical to the success of any on-chain project, especially in a nascent market defined by its volatility.

The outlined changes have been carefully considered to offer maximal value and utility for imgnAI’s vibrant community. By merging with Nova, we’re cultivating a symbiotic relationship that allows us to tap rich, diverse IP while also expanding our next-gen product suite to new audiences.

By placing governance in the hands of holders, we’re empowering users to claim a real stake in IMGN Labs’ continued success. This structure aligns closely with our unflinching commitment to blockchain’s core values, allowing us to remain transparent and decentralized on our quest to create crypto’s most innovative generative community.

The next few weeks will be incredibly busy as we gear up for the new deployment, merger, and airdrop. Make sure to [follow us on X](#) and [join us on Telegram](#) to keep up to date with the latest IMGN updates.