

PAYWARD LTD
CRYPTO ASSET RISK DISCLOSURE
BLZ

Bluzelle (BLZ)

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Disclaimer

Please note that this risk disclosure is not exhaustive of all risks associated with trading BLZ. Investors should perform their own assessment to determine the appropriate level of risk for their personal circumstances. Be sure to do your own research and due diligence while taking into account your own financial situation and risk tolerance. Please review the [Risk Summary](#) for additional discussion of general risks associated with the assets made available in the platform. These materials are for general information purposes only and are not investment advice or a recommendation or solicitation to buy, sell or hold any crypto asset or to engage in any specific trading strategy. The information contained in this risk disclosure is based on publicly available information that may be inaccurate, incomplete, or change at any time.

What is Bluzelle and how does it work?

Bluzelle is a project built specifically to support GameFi, which can be described as the intersection between online gaming, cryptocurrency, and finance, enabling sophisticated in-game economies and tradeable, player-owned digital assets.

Having identified scaling and storage issues with current blockchain gaming platforms, Bluzelle seeks to provide a high transaction-per-second (TPS) network and decentralized asset storage with its Cosmos-SDK chain. It claims these features provide the best performance for online games, where low latency is highly desirable.

The BLZ token is used to pay for storage, transaction fees, staking rewards, and to participate in governance. BLZ also integrates with tools like Bluzelle DB, oracles, R2 Storage, and the Capella NFT/IP marketplace to support decentralized science (DeSci) and GameFi functionality.

Who is behind the project?

Bluzelle was co-founded by Pavel Bains and Neeraj Murarka. Bains, Bluzelle's current CEO, previously co-founded media company StoryPanda. Murarka is Bluzelle's Chief Technology Officer and is currently a candidate for the Libertarian Party of Canada. He was previously the Chief Software Architect for Digital Infinity Systems, a B2B software consultancy.

Tokenomics of BLZ

The maximum token supply remains fixed at 500 million BLZ. The following table reflects the initial distribution of the total supply. Percentages refer to the initial allocation at the time of issuance.

Category	Percentage	Token Amount (BLZ)
Private and public sale (ICO)	33%	165,000,000
Retained by company (future use)	22%	110,000,000
Community & development pool	10%	50,000,000
Founders	15%	75,000,000
Advisors & bounties	10%	50,000,000
Seed investor (True Global Ventures)	5%	25,000,000
Company employees	5%	25,000,000
Total	100%	500,000,000

As of August 2025, the circulating supply is approximately 470.5 million BLZ.

General Risks

Like all other digital assets, there are some general risks to investing in BLZ. These include short history risk, volatility risk, liquidity risk, demand risk, forking risk, code defects, cryptography risk, regulatory risk, concentration risk, electronic trading risk and cyber security risk. For more information on general risks associated with smart contracts and digital assets, see Kraken's Risk Statement.

Risks specific to BLZ

Competition

With GameFi being the crowded sector that is, Bluzelle and BLZ face the risk of being outperformed by other gaming protocols such as Sandbox, Decentraland, Gala, Axie Infinity, Alien Worlds and many others.

Due Diligence

Prior to listing on the Kraken platform, Kraken performed due diligence on BLZ and determined that Kraken was permitted to make BLZ available for trading to UK users, in compliance with UK law. This process generally consists of reviewing publicly available information on the following:

- The creation, governance, usage and design of BLZ, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created BLZ;
- The supply, demand, maturity, utility and liquidity of BLZ;
- Material technical risks associated with BLZ, including any code defects, security breaches and other threats concerning BLZ and its supporting blockchain (such as the susceptibility to hacking and impact of forking), or the practices and protocols that apply to them; and

- Legal and regulatory risks associated with BLZ, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of BLZ, and (ii) consideration of statements made by any regulators or securities regulatory authorities in the UK, other regulators of the International Organization of Securities Commissions, or the regulator with the most significant connection to BLZ about whether BLZ, or generally about whether the type of crypto asset, is a security and/or derivative.

Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you should not expect to be protected if something goes wrong. [Take 2 mins to learn more.](#)

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