

Forum:[Hack Forums](#)

Thread: [Oasis \(ROSE\) ecosystem about to take a potential \\$100m+ hit?](#)

SUI-3183372 - June 8, 2022, 7:59 am

(Jun 7, 2022 11:18 AM)BV1 Wrote: [\[CITE\]](#) Oasis is imploding. I can trade 1 USDC for 1.85 USDT on Oasis.

Allegedly, stables on Oasis are not properly backed off chain. Allegedly, EvoDeFi / ValleySwap are minting stables on Oasis without having the corresponding assets to back it.

This isn't a network issue, but this is going to cripple the ecosystem if there isn't a stash of funds sitting around that people haven't mentioned yet.

If you believe they're solvent there's a killing to be made on cheap USDT right now. If they aren't.... then it's more like buying UST and the entire network may suffer.

The Oasis Network (ROSE), like many other networks, has bridges allowing you to bridge assets from other chains to receive wrapped versions of those assets on Oasis. A popular bridge for doing so is the bridge offered by [EvoDeFi](#). Using this bridge, you could for example take 1000 USDT from Ethereum, and bridge it to Oasis, receiving wrapped USDT on Oasis.

When you bridge assets like this, the underlying asset (in the example's case, USDT) is supposed to become locked on the originating chain. If we bridged over \$1,000,000 worth of USDT to Oasis, then our wealth moves from Ethereum to Oasis, it doesn't exist on both chains. However EvoDeFi was not locking the underlying assets. They have \$100m USDT on Oasis now, and only a small percentage of that locked away on originating chains. Simply, the claim is they're massively insolvent.

Because of this, tons of armchair researchers have been digging through EvoDeFi and ValleySwap's financials, looking for proof of funds. This is what has been verified so far, with EvoDeFi offering no rebuttal to these claims.

Quote:As of June 7, 2022 @ 11am PST

Outstanding on Oasis \$ROSE:

9.9m USDC

96.8m USDT

1779 ETH

293 BTC

Confirmed Evodefi liquidity (may be more):

23.3m USDC ?

18.4m USDT

3823 ETH ?

108 WBTC

That massive amount of missing USDT has sent wrapped USDT prices on Oasis tumbling.

Oasis Network have put out a statement themselves:

So, while this is not an issue with Oasis its self, this has the potential to rock Oasis' ecosystem pretty heavily.

Edit:

diesel - June 8, 2022, 9:13 am

Does the fact that Oasis is a "privacy" network have anything to do with this? How was this not caught sooner, or was it caught as soon as it occurred?

SUI-3183372 - June 8, 2022, 11:00 am

Followed up with a reddit thread on the topic:

https://www.reddit.com/r/CryptoCurrency/comments/v7ulg2/potentially_insolvent_bridge_on_oasis_network/

The man took me down, man..

Got up to #5 on /r/cryptocurrency before they removed me

??? ? ??? ??? - June 8, 2022, 3:33 pm

Why was the post taken down?

(Jun 8, 2022 11:00 AM)BV1 Wrote: [\[CITE\]](#) Followed up with a reddit thread on the topic:

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SUI-3183372 - June 8, 2022, 8:10 pm

(Jun 8, 2022 03:33 PM)??? ? ??? ??? Wrote: [\[CITE\]](#) Why was the post taken down?

Never got a reason, assume because a lot of it was speculative.

nelz - June 9, 2022, 5:13 am

All I want to know is can this be exploited for our financial gain? Hahaha

SUI-3183372 - June 9, 2022, 6:46 am

(Jun 9, 2022 05:13 AM)nelz Wrote: [\[CITE\]](#) All I want to know is can this be exploited for our financial gain? Hahaha

Exploited? Not really, not in the sense that you're guaranteed to make money.

However, there is the potential for money to be made, IF AND ONLY IF you believe Valley Swap / EVO DeFi actually have the assets to back all the USDT that they have outstanding on Oasis Network. If that proves to be true, that they are indeed solvent, then you'd essentially have the opportunity to buy USDT at a 82% discount. If it isn't true, then you'd lose your money.

Looking at their Twitter: https://twitter.com/evolution_bsc

I wouldn't be betting on them. They're a mess.

SUI-3183372 - June 20, 2022, 3:17 pm

Tether has been completely killed off on Oasis now. 1 USDT is worth about \$0.05.
EVODeFi and ValleySwap are silent.

180m, 85% of the TVL on Oasis, has evaporated. Oasis network is completely wrecked. RIP