RADIX DLT · THE COMMUNITY CHAT, DISTILLED

Radix Weekly

What the room was really talking about

WEEK #17
31 Aug – 6 Sept 2026
t.me/radix_dlt

COMMUNITY MOOD 3/10 · -1 vs last week · lowest in 12 weeks



Previously: the Weft Finance oracle exploit drained ~27M XRD, the RAC announced Charter ratification had arrived, and the community debated whether adoption work could proceed alongside the DAO transition.

This was the hardest week in Radix's recent memory. A critical bug in the Radix Engine itself allowed an attacker to withdraw bridged hAssets from users' wallets without permission, forcing validators to halt the entire network. The mainnet stayed frozen all week while the RAC coordinated a patch, community members reverse-engineered the attack, and the community wrestled with questions of compensation, trust, and survival.

1,185	226	Monday	0
MESSAGES	PEOPLE TALKING	BUSIEST DAY	NEW MEMBERS

MESSAGES / DAY  peak 383/day · most active: Yeahmad, Daniel Offchain Lo…

WHAT THE ROOM TALKED ABOUT

Radix Engine exploit forces network halt

A critical Radix Engine bug allowed an attacker to withdraw Hyperlane-bridged hAssets from users' wallets without permission. Validators halted the network to contain the damage. projectShift confirmed rolling back the chain is not an option; Timan noted any asset type could have been targeted, though only hAssets were bridged out.

driven by Timan | Astrolescent, projectShift, L

Root cause found in vault reference validation

Community member L reverse-engineered the attack and identified the root cause: the engine's vault reference validation in system_callback.rs gives direct-access references to any vault named in a manifest without verifying ownership, allowing anyone to call take() on other people's vaults. projectShift coordinated with L to share findings with those…

driven by L, projectShift, 0xOmarA

DAO governance step one declared complete

projectShift announced that step one of the DAO is done — covering incorporation, charter, and governance framework ratification. The community is already running Stokenet and assembling a team. This marks the formal transition from Foundation to community governance, even as the network remains halted.

driven by projectShift

THE BOTTOM LINE

REMEMBER THIS

A critical Radix Engine bug forced a full network halt for the first time, but the community found the root cause and is patching it while declaring DAO governance step one complete.

NEXT WEEK

Watch for: the testnet fix rollout in coming days, the mainnet restart timeline, and whether the compensation debate produces a formal proposal.

Written by AI from the public community Telegram chat — may contain mistakes. Never financial advice.

More from the room

The week had more conversations than one page could hold.

THE CONVERSATIONS, CONTINUED

Compensating hack victims divides the room

Sebööol and David proposed redirecting burned XRD fees into a compensation fund for victims, arguing the DAO must take responsibility to retain trust. talifern, btw, and Yeahmad pushed back hard, saying Radix can't afford a bailout, redirecting fees hurts validators, and promising anything before the network is live is premature. No resolution.

driven by Sebööol, David, talifern

Hyperscale developer declines Radix grants

Radoshi Lazymoto announced he will no longer pursue proposals, grants, or ongoing engagements with Radix. foxylady explained flightofthefox wants to build Hyperscale freely without official ties, still intends to deliver and help migrate Babylon's ledger state, and may have testnet ready this year.

driven by Radoshi Lazymoto, foxylady, Yeahmad

Failed transaction fees debated

flightofthefox and projectShift argued all transaction costs must be charged to prevent griefing and denial-of-service, since Radix cannot reliably distinguish malicious from innocent failures. Dezza countered that Algorand's model of not charging for failed transactions proves it's possible, and that at scale the cost is negligible.

driven by flightofthefox (hyperscale.rs), projectShift, Dezza

ALSO THIS WEEK

- GENKIPOOL proposed replacing token-weighted voting with an address-based system for 2+ year old staking addresses, drawing strong pushback from flightofthefox and projectShift who argued token-weighte
- L announced OTER has pivoted to complement the Radix DAO app rather than compete, serving as an independent vote-counting system with bond functionality.
- Vlad B suggested running code through GPT Astra for review, while Punk recommended designing attack simulations and using TLA+ to distinguish algorithmic from implementation bugs.
- Yeahmad and Radix Superfan criticized the old mod team for using 'FUD' accusations to silence legitimate questions about Xi'an progress, calling it 'cheap gaslighting.'
- Blind5ight argued that scaling alone won't matter unless someone builds a dApp that creates real value, with foxylady suggesting NFT-based ticketing as a practical use case.
- @Andy.XRD reported that police have acknowledged the exploit reports and forensics are underway, with no further details shared to protect the investigation.

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From the council & the crowd

What the tracked voices said, and the week's best exchanges.

COUNCIL & INSIDER WATCH

The RAC spent the week coordinating the network halt response, with projectShift and avaunt providing daily updates. projectShift confirmed a patch is in progress with no timetable yet, announced DAO step one is complete (incorporation, charter, and governance framework ratification), and promised full disclosure of exploit details after the network is patched.

projectShift RAC MEMBER

Coordinated the network halt response all week, sharing daily updates and confirming the fix is in progress but not yet implemented. Announced DAO step one is complete and urged the community to stop speculating while the patch is prepared, warning that copycat attackers are…

"Our adversaries are not in here speculating, they're silently looking for the next way in. They don't care how loud we are, just how exploitable the network is."

avaunt > Debix | Atomix | Bullring RAC MEMBER

Confirmed the network fix will take at least a few more days and that the bug may not have existed since launch. Helped members experiencing wallet errors directly.

flightofthefox (hyperscale.rs) HYPERSCALE DEVELOPER

Argued strongly for token-weighted governance over identity-based voting, defended charging for all transactions to prevent griefing, and suggested the engine bug was likely introduced after Hacken's original audit. Confirmed he will no longer pursue Radix grants but still…

"a mere morass of human bodies is worth nothing. i would much rather listen to those who have staked their fortunes on the outcomes, rather than some shapeless crowd who have no stake beyond 'existing'"

QUESTION OF THE WEEK

"Are staked XRD rewards still accruing while the network is halted?"

No — the network progresses in epochs and stake rewards are given per epoch, so no epoch progress means no rewards given.

ASKED BY XRD82 · ANSWERED BY NICOLAI | SENTURA

DEBATE OF THE WEEK — COMPENSATING EXPLOIT VICTIMS FROM FEES

ONE SIDE

Redirect burned XRD fees or treasury funds into a compensation fund for hack victims, because the DAO must take responsibility to retain supporters and rebuild trust.

THE OTHER

Radix cannot afford a bailout; redirecting fees hurts validators, and promising compensation before the network is live is premature and could deter new investors.

Still open — expect a rematch.

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Around the ecosystem

What shipped and launched, and the week's best lines.

FROM THE NEWS ROOM

Hyperlane drain incident wiki page

A community-maintained wiki page documenting the Hyperlane asset drain exploit was updated with halt details and network recovery timeline.

radix.wiki/contents/history/hyperlane-asset-drain-2026

Scanana beta opens to all

The Scanana analytics beta is now open to everyone — no special access needed anymore.

FROM THE DEV ROOM

The developer room was consumed by the engine exploit. Community member L identified the root cause in system_callback.rs where vault references are validated without ownership checks, and 0x0marA's forensic analysis of the attacker's hand-written WAT code revealed a sophisticated, careful…

HEARD IN THE ROOM

> *"Perhaps this was the closing chapter for Radix, or maybe it's just another hardship we can look back on in the future that we overcame."*
>
> — PASCAL

> *"That costs nothing today. It's a decision about what kind of project this is. And it's the difference between a community and a group of people who happen to hold the same token."*
>
> — TIMOTI FREGNI

> *"Build something that rivals the breakthrough that Hyperscale (could be). IT'S GETTING ABOUT TIME THAT CRYPTO SHOWS HOW IT CAN CREATE REAL VALUE FOR PEOPLE"*
>
> — BLIND5IGHT (WATCH OUT FOR SCAMMERS)

> *"if you ask questions you will slow down development, it was cheap gaslighting"*
>
> — RADIX SUPERFAN

THE PULSE

The mood: Shaken to the core but not broken — the community absorbed a devastating engine-level exploit and week-long network halt with grief, frustration, and a fierce determination to push through.

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KEEPING SCORE

The tracker

What the room expects to happen — and how last week's calls went.

PREDICTION TRACKER

PENDING

Constitution Proposal runs within four weeks

DAO step one declared complete with charter ratification, but no constitution proposal vote seen yet.

PENDING

Native stablecoin coming later this year

CAME TRUE

DAO Marshall Islands filing after OA review

projectShift announced incorporation is complete as part of DAO step one.

PENDING

Permanent RAC election after Charter ratification

Charter ratified as part of DAO step one; election not yet called.

WORTH A CLICK

RAC DAO step one update

t.me/RadixAccountabilityCouncil/988

Official RAC announcement of DAO incorporation and charter ratification.

Exploit incident wiki page

radix.wiki/contents/history/hyperlane-asset-drain-2026

Community-maintained timeline of the exploit and network halt.

Vulnerable code path on GitHub

github.com/radixdlt/radixdlt-scrypto/blob/v1.3.1/radix-engine/src/syst

The exact code path L identified as the root cause.

JARGON, DECODED

WAT — WebAssembly Text format — a human-readable way to write WebAssembly code, used by the attacker to hand-craft exploit code without leaving compiler traces.

TLA+ — A formal specification language used to mathematically model and verify system designs, suggested for determining whether bugs are algorithmic or implementation

drand — A protocol for generating publicly verifiable random numbers, proposed as a community addition to Radix for on-chain randomness.

Vault reference — An internal pointer in the Radix Engine that identifies a specific asset vault — the exploit abused these by granting direct access to vaults without checking w

LINKS

THE CHAT THIS DIGEST READS

t.me/radix_dlt

RADIX

radixdlt.com

EVERY ISSUE ON THE WEB

telegram-mcp-phi.vercel.app/main

SISTER DIGEST — THE HYPERSCALE BUILD

Hyperscale Weekly

DISCUSS THIS ISSUE ON X

x.com/i/status/2096842302404612269

scan for the archive

Radix Weekly reads the whole week of chat so you don't have to — join the conversation any time at t.me/radix_dlt.

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