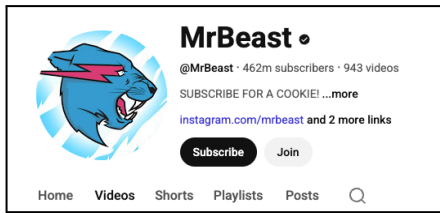




Blockchain Assets

CRYPTOASSET MANAGERS



Dear Investors,

We are only at the end of January and there is already so much I want to share with you, so I have prepared this special edition news bulletin.

In it I cover three topics : BitMine's (\$BMNR) USD 200 million investment in Beast Industries; the World Economic Forum goes crypto; and Quantum computing and cryptographically based security systems.

Even though the valuation of our assets are well below expectations at this time. There are multiple positive developments across regulations, institutional adoption, retail adoption and technical developments. Painful as it is to experience these brutal markets, it is comforting to know that the technologies that we invest in are in the very early stages of adoption. They are operational and self-funded, the adoption curve is steep but at times can seem to be lagging. I encourage you to watch the videos I have set out in this news bulletin, I think you will find them informative.

As a start, [this video](#) sets out clearly that we are at relative to adoption of cryptoassets. It's a conversation between Larry Fink (BlackRock Chair) and Brian Armstrong (CoinBase Founder), held in New York on 4 December 2025. Enjoy!

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BitMine Immersion

Technologies Inc. (BNMR)

Founded in 2019 as a Bitcoin mining company BitMine is now (since July 2025) an Ether Treasury Company.

It has a current market cap of USD 11b and holds circa USD 9.7b of Ether on its balance sheet. It has no debt and earns circa USD 400m per year from Staking income on its Ether.

Thomas Lee is the Chairman and strategic leader behind the Company's pivot to Ether and its vision for the future. Tom is well known and respected in both the traditional finance and crypto industries. His other job is being the Managing Partner and Head of Research at financial research house, Fundstrat Global Advisors ([see here](#)).



On 15 January 2026, BitMine announced an investment of USD 200 million in Beast Industries. Up until that point I had never heard of Mr Beast. But now I have and it's an awesome story.

Beast Industries, Inc.

Jimmy Donaldson will be 28 this year. Over the past 14 years he has created a multi-billion dollar diversified business empire built on YouTube.

Known as Mr Beast he is the most subscribed individual content creator on YouTube. To give you an idea of the size of his following, consider these statistics.

- The Superbowl, which attracts the largest live audience in the world, has over 123 million viewers at its once a year final event. Mr Beast has over 460 million subscribers and he releases videos which have over 200 million views every couple of weeks.
- The popular TV show 'Friends' peaked at 50 million viewers. Mr Beast collectively has over 1 billion views across his YouTube channels.
- A Walt Disney production for TV is considered highly successful if it gets 60 million viewers. Netflix has 270m paying subscribers. Mr Beast's most watched video has been viewed over 900 million times (you can watch it [here](#)...it's not my kind of thing but hey..).

But Mr Beast is not just about content creation. He is an attention capturing alchemist who takes the opportunity to '...while I have your attention...' sell you some products. Mr Beast integrates products and

services so seamlessly with his unique content that observers do not even realise they are being targeted.

But it goes further than this. Mr Beast's followers are fanatical about all that he does. He has a gigantic fanatical fan club that rock stars envy. Among the Gen-Z/Gen-Alpha crowd (under 29 years of age) he has comparable and possibly more face recognition than Brad Pitt or Tom Cruise. So when he launched his own chocolate bar, it sold out so fast that they had to stop promoting it. The same thing happened with Mr Beast Hamburgers. Next he is turning his attention to financial services...and for this he has partnered with BitMine.

If you really want to understand more about Mr Beast, [this](#) Lex Fridman interview covers it all.

Investing in Convergence

Investing in a convergence theme is not new.

In the 1990's the convergence theme was Entertainment, Media and Communications (EMC). The key insight was that advertising underpins the economics of all these industries and that merger/convergence was inevitable.

In the early 2000's, as the internet developed, new distribution platforms emerged, YouTube, Netflix, Spotify and the like. These platforms initially nibbled away at the advertising revenue of traditional EMC companies, but they have now become the most valuable companies on the planet.

Mr Beast is a media company without a network, a studio without executives and brand without a geography. Content is king and content as popular as Mr Beast can run on any platform.

Now we have blockchain technology and distributed networks. This brings new convergence opportunities and business models.

In the medium term content providers like Mr Beast have the opportunity to connect directly with their millions of fans. We will see the rise of decentralised media platforms. Think about a 'YouTube without YouTube, TikTok without TikTok' etc.

The missing piece in the EMC convergence theme was money and payment rails. The ability for the content creators to be paid directly by the advertisers and by their fans for the content they produce.

This missing piece (now found) is what the BitMine investment in Beast Industries is all about.

BitMine + Mr Beast

It is hard to see change as it is happening. The fog of war.

The great Steve Ballmer said, when Google bought YouTube in 2006, that '...there is no business model for YouTube that would justify USD 1.6 billion...!'

Twenty years later we have billion dollar businesses being built on-top of YouTube and we can clearly see that youtube is a content

distribution platform and an attention capturing machine.

But what happens next is interesting for our Fund. Our thesis all along has been that Ethereum is the emerging settlement layer for the global economy. The Bitmine + Mr Beast partnership is one step in the convergence of Entertainment, Media, Communications and Finance (EMC+F). It is a touch point between a massive real world retail client base and Crypto (Web 3.0) and Ether is at the center.

Beast Industries, Inc. is a private company so it does not have to disclose anything of its strategy, but they have said in relation to this partnership that '...our goal is to become the most impactful entertainment brand in the world. We look forward to exploring ways to further collaborate and incorporate DeFi into our upcoming financial services platform.'

We can get a clearer insight into the partnership by listening to what BitMine Chairman Tom Lee had to say at their recent shareholders meeting. The entire presentation can be found [here](#). But in short the idea is to help bring on-chain Mr Beast's 500+ million followers.

Our Fund does not have an investment in BitMine or Beast Industries, but we do have a lot of Ether and this partnership is extremely good news for retail level Ethereum adoption.

World Economic Forum - Crypto and Bitcoin

I generally do not follow the events at Davos closely. But this year was different. It was the

first time the agenda included some of the 'who's who' of the crypto world.

It was also an interesting year due to the timing of the event relative to the geopolitical tensions caused by the US stance on Greenland.

I set out below some of the most interesting talks at the event. Not all are crypto. These talks helped me get a better understanding of what is happening in the world and how bitcoin and crypto are being adopted as part of the changes we are experiencing.

[This talk](#) on Tokenisation includes a good exchange (about Bitcoin as a check and balance on deficit spending) between the Chair of the Bank for International Settlements and Governor of the Bank of France, François Villeroy de Galhau, and the founder and CEO of Coinbase, Brian Armstrong.

This year, Larry Fink served as the interim co-chair of the WEF meeting in Davos. This is interesting because he is a very strong adopter of bitcoin and tokenisation (on Ethereum). His influence on the WEF agenda is no doubt one reason why crypto and tokenisation was such a strong theme of this year's event. In [this discussion panel](#), toward the end, he talks about '...one common blockchain..' and the benefits of tokenization.

One 'who's who' of the crypto world is Changpeng Zhao (known as CZ), the founder and former CEO of Binance. [This panel discussion](#) covers 'A New Era for Finance'. Another panel guest here is ING Group's CEO, Steven van Rijswijk. It is interesting to hear from them their different approaches in this new era.

Two more 'who's who' in crypto are Jeremy Allaire, Co-Founder and CEO of Circle Internet Group, Inc. (the company behind USD Coin), and Yat Siu, Co-Founder and Executive Chairman of Animoca Brands, a leading blockchain gaming and Web3 investment company. In [this panel discussion](#) they consider 'Where are We on Stable Coins'.

Other speeches I found interesting include [Mark Carney](#), [Volodymyr Zelenskyy](#), [Elon Musk](#) and [AI and Humanity](#). The entire WEF 2026 playlist can be found [here](#).

Ethereum Post-Quantum Computing

Every so often, headlines appear claiming that 'Quantum computing will break Bitcoin.' I have followed the quantum threat story for years and spent hundreds of hours learning about what quantum computing is, when it will arrive and what is being done to prepare for a post quantum world. Here is what I have learnt.

The quantum threat is real, and while 'Q-Day' is generally considered to be far off (some suggest 15-20 years or more), it is not too early to begin building quantum resistance into existing systems.

Quantum computing is likely to pose a more immediate risk to banks, governments and corporates than to public blockchains. So-called 'harvest now, decrypt later' strategies have effectively pulled quantum risk forward.

The Ethereum Foundation (EF) began researching post quantum security strategies as early as 2019. One of its lead researchers, Justin Drake, outlined a long-term roadmap to a post quantum Ethereum in a 2019 presentation ([see here](#)).

More recently, the EF established a dedicated post quantum team, bringing together some of the leading minds in cryptography. The photo below includes members of the Ethereum team in Cambridge, UK.



Part of the EF's work involves preparing guidance for enterprises and nation states. The EF is represented on the Coinbase Independent Advisory Board on Quantum Computing and Blockchain ([see here](#)).

Traditional systems are harder to retrofit with quantum resistant cryptography. They are also fragmented and proprietary. It's plausible that blockchains in general and Ethereum in particular will become quantum resistant before many legacy systems. If so, this may be another reason we see incumbent financial and institutional systems increasingly migrate on-chain. On Ethereum.

Bitcoin and Quantum?

Not all blockchains are the same and not all quantum risks and mitigations are the same.

For a number of reasons, Bitcoin has a smaller quantum risk than Ethereum and thus far the developer community have not considered it necessary to pro-actively agree on a quantum resistant roadmap to upgrade the protocol. This said there is a significant amount of research going on and the sense is that Bitcoin protocol can be quite easily up-graded to quantum resistant cryptography when the time comes.

[This presentation](#) at the 2025 MIT Bitcoin Expo on 'Bitcoin and quantum security, progress in quantum computing', is quite technical and dry but it does set out how the Bitcoin developer community is thinking about the quantum issue. If you prefer, [here](#) is Michael Saylor's 1 minute answer to the quantum challenge. He views it as a non-issue.

My Conclusion on Quantum

The quantum threat is a bit like the Year Two Thousand (Y2K) bug (which was the idea that all computers would fail once the year 2000 arrived because they could not upgrade their date systems to start with the number 2).

The quantum threat is a low level risk.

The threat is firstly to all of our existing systems, government, military, banking,

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medical etc.. These systems are older than public blockchains and are harder to up-grade to a post quantum environment. But they will be upgraded ahead of Q-Day.

The two biggest blockchains have already been planning for a post quantum world. In the case of Ethereum significant work is underway to make it quantum resistant. Bitcoin is less concerned because the threat is smaller and the fix is relatively easier.

The optimistic view is that a quantum resistant public general purpose blockchain, like Ethereum, could be used as part of traditional systems migration to a post quantum world.

As always, please do not hesitate to contact me on 04 5090 0151 or at ian@bca.fund if you have any questions.

Best Regards



Ian Love
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