# Is North America ready to embrace cryptocurrency miners fleeing China?

written by InvestorNews | August 9, 2021

If you've been following some of the noteworthy news items in the cryptocurrency space, you'll be aware that in May of this year, China banned financial institutions and payment companies from providing services related to cryptocurrency transactions, and warned investors against speculative crypto trading. China has banned crypto exchanges and initial coin offerings but has not barred individuals from holding cryptocurrencies…yet, but some suspect that may be on the horizon. June saw the Chinese government further up the pressure with The People's Bank of China summoning payments firm Alipay and several major lenders to tell them they must not provide cryptocurrency-related services. Then in early July China's central bank said it had called for the shutdown of a company that "was suspected of providing software services for virtual currency transactions." These latest actions in China serve as a positive indicator for cryptocurrency mining operations in North America.

However, we are all aware that North America also has its focus on the reduction of its carbon footprint, which hardly seems to fit with power-hungry Bitcoin mining. The solution is a move towards efficient, clean cryptocurrency mining and that is being facilitated by Link Global Technologies Inc. (CSE: LNK). Link generates revenues from building and managing semi-portable, self-contained power solutions (containers) that can be rapidly deployed in virtually any environment; providing cost-effective power and infrastructure solutions to third party digital currency miners. Link is an innovative power and infrastructure

solutions provider for Bitcoin mining, and data hosting operations.

The Company's vision is a fully integrated hybrid of clean energy infrastructure and active support for the digital currency community. They have made two huge steps recently to help differentiate themselves and get on board with the increasing focus on how cryptocurrency is mined. First, in July, Link announced it had signed the Crypto Climate Accord. What does that mean? The Crypto Climate Accord (CCA) is a private sector-led initiative to decarbonize the cryptocurrency and blockchain sector. The CCA brings together organizations that inform, develop, test, and implement new solutions that accelerate cryptocurrency's transition to renewable energy. As a CCA Signatory, Link has committed to achieve net-zero emissions from the electricity consumption associated with all of its respective crypto-related operations by 2030. Putting their money where their mouth is, two weeks ago the Company announced a letter of intent to acquire Clean Carbon Equity (CCE). This $1.4 million transaction (payable in shares) will provide Link with one of Canada's leading traders of Verified Emission Reduction Credits in the voluntary carbon offset market. Along with showing Link's commitment to carbon neutrality CCE's business supports clean energy projects around the world, assists customers with reducing their Greenhouse Gas footprint and provides a resource to assist in reducing emissions to support Canada's plan of Net Zero emissions by 2050.

The Company is obviously moving in the right direction to combine global desire for cryptocurrency with the need for it to be clean and green. But as a potential investor, what's important to me is if they can make money doing it. The majority of Link's revenue is currently derived from hosting not actual mining, which I like to see. Call me a wimp but the day to day fluctuations in the price of Bitcoin are a little too much for

me. A more reliable, steady form of income from hosting is the kind of revenue I'm looking for. Q2 saw hosting revenue grow to $836,092 up from $689,640 the previous quarter.

We can anticipate this hosting revenue should continue to grow based on progress Link is making adding power capacity and hosting agreements. As of May 31st, the Company had secured sites for an additional 50 MW of power-generating assets and continued to commission an existing 18.75 MW into commercial operations.

To utilize that power capacity, on Jun 27th they signed an agreement for a 40MW turnkey solution for hosting 12,000 of Atlas Mining's latest generation Bitcoin miners. Commissioning is slated for late Q3 through Q4, 2021 with the agreement providing a profit-sharing model, in addition to the supply of power and infrastructure services. This is in addition to a 10MW agreement disclosed June 24th with North American cryptocurrency mining company Mission World Group.

Granted Link is not profitable at this point in time. It is still very much in a growth phase where capital expenditures are outpacing current revenue. But you can see where this is headed by the hosting capacity the Company is bringing online. Additionally, they have signed a creative funding vehicle to allow the growth to continue with an $18 Million Equity Facility with Alumina Partners, LLC. Link, at its discretion, may elect to drawdown in $1,000,000 increments of the Facility as a new Offering with the terms of each Offering being determined subject to market conditions at the time of the drawdown. The Company currently has 52.3 million shares outstanding for a market cap of $27.7 million based on Friday's close of $0.53. We know that by the end of Q3 they will be getting close to adding an incremental 50MW of hosting capacity and are committed to doing it in a carbon neutral way. I'll be looking for continued top line revenue growth in Q3 knowing it should really ramp up

in Q4.