

How Bitcoin Works: Understanding the Mechanics – Worksheet

1. What is the blockchain?

Explain what it is and why it's important.

2. What is the purpose of Bitcoin mining?

Describe why miners are needed in the Bitcoin system.

3. How does Proof of Work help protect the Bitcoin network?

Give a brief explanation in your own words.

4. What is a Bitcoin wallet used for?

Explain what it stores and why it matters.

5. Fill in the blanks:

- a) Bitcoin transactions are grouped into _____
- b) Each block is added to a public chain called the _____
- c) The private key in a wallet proves _____
- d) Miners are rewarded with _____ when they verify a block

6. Why is it important to keep your private key safe?

What could happen if someone else got access to it?

7. Bonus: If you were designing a money system, would you include mining or something else? Why?

Be creative!
