

# Pico Miner

FPGA-Based Proof of Work Mining Accelerator

Proof of Concept Document

Pico Miner Project

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# 1 Introduction

Cryptocurrency mining is the process by which new transactions are verified and added to the blockchain ledger. The core computational challenge is known as **Proof of Work (PoW)**: miners must find a value (called a *nonce*) such that the hash of the block data concatenated with the nonce produces a result that satisfies a certain difficulty condition — typically, the hash must be numerically less than a *target* value.

In Bitcoin, this involves computing the **SHA-256** hash function twice (double SHA-256) over an 80-byte block header while iterating over a 32-bit nonce space. The difficulty target is adjusted so that, on average, a valid nonce is found every 10 minutes across the entire network.

**Pico Miner** is a proof-of-concept project that demonstrates the fundamental principles of PoW mining accelerated on an FPGA. Rather than implementing the full SHA-256 algorithm (which is complex and resource-intensive), we use a **custom lightweight hash function** that preserves the essential properties needed for PoW while being practical for implementation in Vivado HLS on a Zynq-7020 FPGA.

## 2 Background: How Bitcoin Mining Works

### 2.1 The Blockchain

A blockchain is a distributed, append-only ledger where each block contains:

- A reference (hash) to the previous block
- A set of transactions
- A timestamp
- A *nonce* value

### 2.2 Proof of Work

The PoW mechanism requires that:

$$\text{Hash}(\text{block\_header} \parallel \text{nonce}) < \text{target} \quad (1)$$

where  $\parallel$  denotes concatenation and the *target* is a threshold derived from the current difficulty. Since cryptographic hash functions behave as pseudo-random oracles, the only way to find a valid nonce is by **brute-force iteration** — trying nonce values one by one until the condition is met.

### 2.3 Why FPGAs?

FPGAs offer several advantages for PoW mining:

- **Parallelism:** Multiple hash computations can run simultaneously in hardware
- **Pipelining:** The hash computation can be deeply pipelined to achieve high throughput (one hash per clock cycle)

- **Energy efficiency:** Dedicated hardware is far more energy-efficient than general-purpose CPUs or GPUs for this repetitive computation
- **Low latency:** Direct hardware implementation avoids instruction fetch/decode overhead

### 3 Project Scope and Simplifications

This project is a **proof of concept** designed for educational purposes. The following table compares real Bitcoin mining with our simplified implementation:

Table 1: Comparison: Bitcoin Mining vs. Pico Miner

Aspect	Bitcoin	Pico Miner
Hash function	Double SHA-256 (512-bit blocks)	Custom 32-bit hash (PicoHash)
Block header	80 bytes (640 bits)	16 bytes ( $4 \times 32$ -bit words)
Nonce size	32 bits	32 bits
Difficulty	256-bit target comparison	32-bit target comparison
Output	256-bit hash	32-bit hash
Network	Peer-to-peer blockchain	Standalone demonstration

#### 3.1 What is Preserved

Despite the simplifications, our project preserves the **core algorithmic structure** of PoW mining:

1. **Brute-force nonce search:** The miner iterates through nonce values, just like a real miner
2. **Hash computation per nonce:** Each nonce attempt requires a full hash computation
3. **Difficulty-based acceptance:** The hash must be below a target to be “valid”
4. **Hardware acceleration:** The hash + compare loop runs in dedicated FPGA hardware, controlled by ARM software
5. **HLS optimization:** We demonstrate how pipeline and unroll directives dramatically improve throughput

## 4 PicoHash: Custom Hash Function

### 4.1 Design Rationale

Our custom hash function, **PicoHash**, is inspired by the DJB2 and FNV hash families. It is designed to be:

- **Simple:** Easily synthesizable in HLS with minimal resources

- **Deterministic:** Same input always produces the same output
- **Avalanche-prone:** Small input changes cause large output changes (desirable for PoW)
- **Non-invertible (practically):** Difficult to reverse analytically, requiring brute force to find a valid nonce

## 4.2 Algorithm Definition

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**Algorithm 1** PicoHash( $data[0..N-1]$ ,  $nonce$ )

---

```

1:  $h \leftarrow 0x5A3C\_F1E7$  {Initial seed}
2: for  $i = 0$  to  $N - 1$  do
3:    $h \leftarrow h \oplus data[i]$  {XOR with data word}
4:    $h \leftarrow h \times 0x01000193$  {FNV prime multiply}
5:    $h \leftarrow h \oplus (h \gg 16)$  {Mix upper bits into lower}
6: end for
7:  $h \leftarrow h \oplus nonce$  {Incorporate nonce}
8:  $h \leftarrow h \times 0x5BD1E995$  {MurmurHash finalizer constant}
9:  $h \leftarrow h \oplus (h \gg 13)$ 
10:  $h \leftarrow h \times 0x5BD1E995$ 
11:  $h \leftarrow h \oplus (h \gg 15)$ 
12: return  $h$ 

```

---

The algorithm has two phases:

1. **Absorption:** Iterates over the block data words, mixing each into the hash state via XOR and multiplication
2. **Finalization:** After incorporating the nonce, applies a MurmurHash-inspired bit-mixing sequence to ensure good avalanche behavior

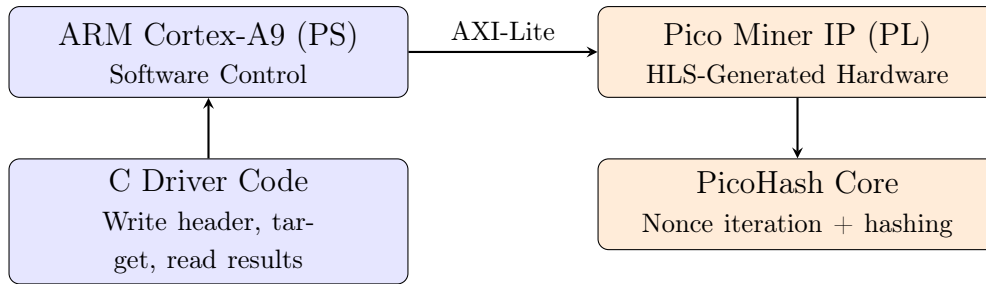
## 4.3 Properties

- **Output size:** 32 bits (unsigned integer)
- **Input:** Array of 32-bit words + 32-bit nonce
- **Latency:**  $O(N)$  for  $N$  data words, plus constant finalization steps
- **Collision resistance:** Not cryptographically secure (32-bit output), but sufficient for educational PoW demonstration

# 5 System Architecture

## 5.1 Hardware/Software Partitioning

The system follows the Zynq PS/PL architecture:



## 5.2 HLS IP Interface

The HLS IP function signature is:

```

1 void pico_miner(
2     int block_header[4], // Input: simplified block header
3     int difficulty_target, // Input: hash must be < this value
4     int nonce_start, // Input: beginning of nonce range
5     int nonce_end, // Input: end of nonce range
6     int *found_nonce, // Output: the winning nonce (if found)
7     int *found_hash, // Output: the winning hash value
8     int *status // Output: 1 = found, 0 = not found
9 );
  
```

All ports are mapped to AXI-Lite (`s_axilite`) bundled into a single bus called `myaxi`, following the same methodology as the course examples.

## 5.3 Mining Operation Flow

1. The ARM processor writes the block header (4 words), difficulty target, and nonce range to the HLS IP via AXI-Lite registers
2. The ARM issues `ap_start` to begin computation
3. The HLS IP iterates through the nonce range:
  - (a) Computes  $h = \text{PicoHash}(\text{header}, \text{nonce})$
  - (b) If  $h < \text{target}$ : stores the nonce and hash, sets status to 1, and terminates early
4. The ARM polls `ap_done`, then reads the results
5. If no valid nonce was found in the range, status is 0

# 6 HLS Optimization Strategy

Following the course methodology, we explore multiple optimization levels:

## 6.1 Solution 1: Baseline

No directives applied. The nonce search loop executes sequentially with no pipelining or parallelism.

## 6.2 Solution 2: Loop Pipelining

```
1 #pragma HLS PIPELINE II=1
```

Applied to the main nonce search loop. This allows the next nonce iteration to begin before the previous one completes, achieving an **Initiation Interval (II) of 1** — one new hash per clock cycle after the pipeline fills.

## 6.3 Solution 3: Array Partitioning

```
1 #pragma HLS ARRAY_PARTITION variable=block_header complete
```

Combined with loop pipelining, this ensures all block header words can be read simultaneously, eliminating memory port bottlenecks.

## 6.4 Expected Performance Scaling

Table 2: Expected Performance Across Solutions (estimated)

Solution	Latency/Hash	II	Throughput
Baseline (no directives)	~20 cycles	~20	~5 MH/s
Loop pipelining	~20 cycles	~1	~100 MH/s
Pipeline + array partition	~10 cycles	~1	~100 MH/s

(At 100 MHz clock, II=1 yields ~100 million hashes/second.)

# 7 Verification Strategy

## 7.1 C Simulation (csim)

A software testbench (`pico_miner_tb.cpp`) contains:

- A `pico_miner_sw()` reference function implementing the same algorithm in pure C
- Test cases with known difficulty levels and expected results
- Bit-exact comparison between SW and HW outputs

## 7.2 C/RTL Co-Simulation (cosim)

After C synthesis, the generated RTL is verified against the C testbench using Vivado HLS co-simulation to confirm cycle-accurate correctness.

## 7.3 ARM Integration Test

The ARM driver code (`helloworld.c`) performs the same SW vs. HW comparison on the actual Zynq hardware, printing results via UART.

## 8 Conclusion

Pico Miner demonstrates that the fundamental principles of cryptocurrency Proof of Work mining can be effectively mapped to FPGA hardware using Vivado HLS. By using a simplified hash function, we preserve the core computational pattern — brute-force nonce search with hash comparison — while keeping the design practical for a Zynq-7020 target.

The project showcases:

- High-Level Synthesis of a mining algorithm from C to RTL
- AXI-Lite integration for PS/PL communication
- HLS directive optimization (pipeline, array partition)
- SW/HW verification methodology with golden model comparison

This approach could be extended to implement real SHA-256 hashing for actual Bitcoin mining, though that would require significantly more FPGA resources and design effort.