

Proposal Summary

This proposal is about taking AAVE (GHO) to the next level—securing a new revenue stream, increasing its Bitcoin treasury, and ultimately boosting the stability of the AAVE (GHO) stablecoin. Here's the playbook:

A) Establish a new revenue stream for the AAVE (GHO) ecosystem by tapping into Bitcoin mining. This isn't just any treasury strategy—it's an untapped opportunity that not only strengthens the protocol's balance sheet but also opens the door to significant capital gains tax depreciation strategies. As AAVE (GHO) positions itself as a market leader, this move can set the stage for massive institutional adoption.

B) Elevate the AAVE (GHO) stablecoin by integrating it directly into the Bitcoin network. This means using AAVE (GHO) to purchase turnkey mining hardware. A game-changer for how we capture market attention and attract new users to the ecosystem, this strategy will expand the reach and scalability of the AAVE (GHO) stablecoin while seamlessly adding Bitcoin to its balance sheet.

The Play

A) Bitcoin Mining for AAVE (GHO) Treasury

The idea here is simple but powerful: use part of the AAVE (GHO) treasury to earn Bitcoin via mining, with no heavy lifting required. No need for construction, development, or long lead times—just miners coming online and immediately starting to cash flow. And with the latest S21XP air-cooled unit, we're looking at a solid 33.03% net annualized return.

We're looking at a strategic partnership between AAVE (GHO) and [Blockware Solutions](#)**, a seasoned Mining-as-a-Service provider that's been in the game since 2017. Blockware has a proven track record with operations across five states, hosting over 400 MW of hardware and selling more than 350,000 ASICs. They're the real deal when it comes to making Bitcoin mining scalable and cost-effective. The goal? To introduce Bitcoin miners and retail customers to the ability to pay for mining equipment with AAVE (GHO), a true on-chain stablecoin, without any obligation to do so. It's a seamless, trusted way to enter the market.

B) Leveraging Economies of Scale with Blockware

AAVE (GHO) wouldn't just mine Bitcoin—it would do so at economies of scale by leveraging Blockware's established infrastructure, which includes access to competitive electricity rates and discounted hardware pricing. On top of that, AAVE (GHO) can also participate in the hardware resale market, offering turnkey mining rigs to retail customers. Typically, these rigs come with a 20-30% premium, creating a valuable arbitrage opportunity for AAVE (GHO) to capitalize on both the mining profits and the appreciation of the hardware itself.

Why Now?

A) The Perfect Timing in the Market Cycle

We're entering the ideal phase to get into Bitcoin mining. Historically, mining has been one of the best ways to arbitrage BTC and establish a favorable cost basis. The current bear market is exactly where you want to be, because Bitcoin mining rigs are priced at fair market value (with units like the S19J Pro currently going for \$3-4K). Compare that to the peak of the last cycle when the same rigs were selling for \$15K+.

This market timing gives AAVE (GHO) a rare dual exposure: both to the mining profits and the hardware's appreciation. As we head toward the next bull market, AAVE (GHO) will not just be sitting on a stack of BTC; it will have a well-positioned asset that could appreciate significantly as the market heats up.

B) The Hidden Value: Dual Asset Exposure

The real power of this strategy lies in the dual asset exposure. When you're mining Bitcoin with the AAVE (GHO) treasury, you're not just accumulating Bitcoin—you're also holding onto hardware that appreciates in value. This gives AAVE (GHO) a unique opportunity to capitalize on both the long-term upside of BTC and the value of the mining rigs, which are likely to appreciate as demand ramps up in the next bull cycle. It's a winning combination that positions AAVE (GHO) for outsized returns.

Positives of the Strategy

1. Profits from Mining & Hardware

AAVE (GHO) stands to profit not just from mining but also from the intrinsic value of the hardware itself. As demand for mining rigs increases, particularly in the next bull cycle, AAVE (GHO) will own a valuable asset that can be resold with a premium. The best part? The protocol doesn't have to rely on traditional DeFi yield farming strategies to generate these returns.

1. Bitcoin Treasury Growth

This strategy will organically grow AAVE (GHO)'s Bitcoin holdings, increasing the stability of its balance sheet and positioning AAVE (GHO) as a leader in native BTC exposure. This is about real, tangible value—Bitcoin, in the protocol's

hands, working for AAVE (GHO).

1. Capital Gains Tax Efficiency

The capital expenditure (CapEx) on mining rigs can be leveraged for potential tax advantages, creating an additional layer of financial efficiency (you may want to verify this with a CPA, but it's a strong potential benefit).

1. Trust Factor

AAVE (GHO) will be one of the first to organically grow its BTC balance sheet through proof-of-work (PoW) mining. By using real-world assets like mining rigs and BTC to generate yield, it creates a massive trust factor with both institutional and retail investors, boosting adoption.

1. Minimal Marketing Spend, Maximum Reach

This is a low-burn, high-reward play. By growing its BTC treasury and integrating into the mining ecosystem, AAVE (GHO) can attract new users without relying on heavy marketing or gimmicks. The protocol's organic growth, driven by the tangible value it's building, will help onboard more users, institutional and otherwise.

Conclusion

In short, this strategy positions AAVE (GHO) at the intersection of two powerful trends: Bitcoin mining and stablecoin growth. By partnering with Blockware Solutions, AAVE (GHO) can unlock a unique opportunity to mine Bitcoin at scale, profit from both mining rewards and hardware value, and organically grow its BTC balance sheet. This is about seizing the moment and making a smart, strategic move in a market that's ripe for opportunity.

AAVE (GHO) is on the verge of becoming a Bitcoin-powered stablecoin with real-world value, and this proposal is the catalyst to get us there. Let's talk if you're ready to take this to the next level.

Thank you.

Telegram - dgamble88

Email - David.gamble@blockwaresolutions.com