

21 Keys to Digital Asset Treasury

Master the essentials of Digital Asset Treasury (DAT).

DAT



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Bitcoin (BTC)

The first and most valuable decentralized digital currency, created by Satoshi Nakamoto in 2009.

Bitcoin (abbreviation: BTC; sign: ₿) is the first decentralized cryptocurrency or digital asset, invented in 2008 by an unknown entity under the pseudonym Satoshi Nakamoto and launched in 2009 as open-source software. It operates on a peer-to-peer network where computers (nodes) maintain a public distributed ledger called a blockchain to record transactions without central oversight.

Bitcoin enables encrypted, peer-to-peer transactions without needing a central bank or third-party involvement, making it a digital currency for secure, direct value transfer worldwide. Its value has grown significantly since inception, from fractions of a penny in 2010 to over \$110,000 in 2025, driven by adoption as a store of value and medium of exchange. Demand from retail investors, traditional financial institutions, and institutional investors seeking portfolio diversification and inflation hedge has driven this growth.

Spot Bitcoin ETFs, approved by the U.S. SEC in January 2024, are exchange-traded funds that directly hold Bitcoin, tracking its spot price in real-time. They provide investors with regulated exposure to Bitcoin without direct ownership, with major players like BlackRock's IBIT and Grayscale's GBTC managing billions in assets, enhancing accessibility and liquidity.

BitMine Immersion (BMNR)

A blockchain technology company focused on digital asset mining and treasury management, holding the world's largest ETH treasury.

BitMine Immersion Technologies, Inc. (ticker: BMNR) is a blockchain technology company focused on industrial-scale digital asset mining, equipment sales, and hosting operations, primarily for Bitcoin and other cryptocurrencies. As of 2025, BitMine has pivoted to emphasize Ethereum treasury management, holding over 2.126 million ETH valued at approximately \$9.3 billion, making it the world's largest ETH treasury and the second-largest crypto treasury globally, behind Strategy (formerly MicroStrategy, MSTR).

It aims to maximize ETH per share through strategic holdings, staking for yields, and ecosystem participation. Supported by institutional investors like ARK Invest, BitMine's stock has surged 714% in six months, reflecting strong market confidence.

Blockchain

A decentralized digital ledger that securely records transactions across a network of computers in an immutable chain.

A blockchain is a decentralized, distributed digital ledger that records transactions with a network of computers (nodes) in a secure, transparent, and tamper-resistant manner. Each transaction is grouped into a block, cryptographically linked to the previous one, forming a chronological chain. Initially developed for Bitcoin in 2008 by Satoshi Nakamoto, blockchains use consensus algorithm like proof-of-work(PoW) or proof-of-stake(PoS) to validate data without a central authority.

Public blockchains, such as Ethereum and Solana are open, permissionless networks where anyone can participate as a node. Ethereum powers smart contracts, DeFi, NFTs, and DAOs via its Ethereum Virtual Machine (EVM); Solana offers high-speed, low-cost transactions for scalable dApps and Web3 ecosystems.

In contrast, private blockchains restrict access to authorized participants, often used by enterprises for internal processes with enhanced privacy and control (e.g., Hyperledger Fabric). Consortium blockchains, a hybrid model, are governed by a group of organizations, balancing decentralization with restricted access for use cases like supply chain or banking (e.g., R3 Corda).

As of 2025, public blockchains process trillions in transactions annually, driving global adoption in finance, gaming, and digital ownership, while private and consortium chains cater to specialized, permissioned applications.

Crypto

A shorthand term for cryptocurrency - digital currencies secured by cryptography and operating on decentralized networks.

Crypto is a shorthand term commonly referring to cryptocurrency, which is a digital currency secured by cryptography and operating on a blockchain without a central authority. It encompasses peer-to-peer payment systems that enable instant transactions globally, bypassing traditional intermediaries like banks.

More broadly, crypto can denote the field of blockchain technology and digital assets. In financial contexts, it primarily means digital assets like Bitcoin and Ethereum. In 2025, the crypto ecosystem includes over 25,000 coins and tokens, with applications in payments, DeFi, NFT, and tokenized real-world assets.

Cryptocurrency

Digital currencies and assets secured by cryptography and operating on decentralized blockchain networks without central authority.

A cryptocurrency is a digital or virtual form of currency that uses cryptography for security and operates on a decentralized ledger (blockchain) to record transactions, without reliance on central banks or intermediaries. It functions as a peer-to-peer electronic cash system, enabling secure, verifiable transfers of value.

Bitcoin, launched in 2009, was the first, followed by over 25,000 others, often classified as commodities, securities, or currencies depending on jurisdiction. Cryptocurrencies like ETH, USDT and USDC are used for payments, investments, and powering decentralized applications.

Custody

Secure storage and management of digital assets by qualified third-party institutions, ensuring protection against theft and unauthorized access.

Custody refers to the secure storage and management of digital assets by qualified third-party institutions, ensuring protection against theft, loss, or unauthorized access while complying with regulatory standards. For Bitcoin ETFs, custody is a critical component, where specialized custodians like Coinbase Custody (serving over 80% of issuers) hold the underlying Bitcoin reserves, enabling investors to gain exposure through regulated exchange-traded products without direct ownership. Custody providers facilitate ETF operations by safeguarding assets for issuers like BlackRock's IBIT, which holds over \$90 billion in Bitcoin as of 2025.

Institutional-grade custody involves segregated wallets, multi-signature protocols, cold storage, and regular audits. As demonstrated in partnerships like U.S. Bank's 2025 resumption of Bitcoin custody services, where NYDIG serves as sub-custodian, supporting both direct holdings and ETF administration. This infrastructure bridges traditional finance and crypto, managing trillions in assets while mitigating risks.

Digital Asset

Electronically stored items of value that can be owned, transferred, or traded, typically secured by blockchain technology for immutability and transparency.

A digital asset is a broad term often used synonymously with cryptocurrency, which can be owned, transferred, or traded, typically secured by blockchain technology to ensure immutability and transparency. It better reflects the diverse nature of these assets, including Bitcoin and Ethereum, stablecoins, and tokenized real-world assets (RWAs) such as real estate, commodities, or U.S. Treasury bonds.

In the U.S., the term "digital asset" is widely adopted in policy and regulatory frameworks, notably by the IRS for tax purposes (defining cryptocurrencies as property) and the SEC for securities regulation, emphasizing their role in financial markets.

Digital Asset Treasuries (DAT), such as Strategy (MSTR) and BitMine Immersion (BMNR), strategically hold digital assets as core reserves to drive shareholder value, leveraging their liquidity and global accessibility.

Digital Asset Treasury (DAT)

Public companies that strategically accumulate digital assets(primarily BTC or ETH) as core treasury reserves to drive shareholder value and provide digital asset market exposure.

Digital Asset Treasury (DAT or DATCO), refers to public companies that strategically accumulate digital assets (primarily BTC or ETH) as core treasury reserves to drive shareholder value and provide amplified exposure to digital asset markets. These firms, like Strategy (formerly MicroStrategy), hold over \$100 billion in assets collectively as of 2025.

DATs act as ETF alternatives in restricted markets, enabling capital efficiency through equity issuance and debt for acquisitions. In 2025, over \$15 billion has been raised for DAT strategies.

DLT

Distributed Ledger Technology - a decentralized digital system for recording transactions across multiple computers, ensuring security and immutability.

Distributed Ledger Technology (DLT) is a decentralized digital system for recording transactions across multiple computers (nodes) in a network, ensuring security, transparency, and immutability without a central authority. Unlike traditional databases, DLT distributes data across participants, with consensus mechanisms like proof-of-work or proof-of-stake validating updates. Blockchain, a type of DLT, organizes data into cryptographically linked blocks, as seen in Bitcoin and Ethereum.

ETF

Exchange-Traded Funds that hold baskets of assets and trade on stock exchanges, providing regulated exposure to digital assets.

An Exchange-Traded Fund (ETF) is an investment fund that holds a basket of assets and trades on stock exchanges like individual shares. Bitcoin and Ethereum ETFs are prominent, providing regulated exposure to these digital assets without direct ownership.

Spot Bitcoin ETFs, approved by the U.S. SEC in January 2024, directly hold Bitcoin, tracking its real-time spot price, with major funds like BlackRock's IBIT and Grayscale's GBTC managing billions in assets. Spot Ethereum ETFs, approved in 2024, similarly track ETH.

Additionally, Bitcoin futures ETFs issue publicly traded securities that track the price movements of Bitcoin futures contracts, managed through a subsidiary acting as a commodity pool, offering investors leveraged or speculative exposure without direct Bitcoin ownership.

Ethereum (ETH)

A decentralized blockchain platform that pioneered smart contracts, enabling programmable money and decentralized applications.

Ethereum is a blockchain network, launched in 2015 by Vitalik Buterin and co-founders, that pioneered the smart contract platform. With Ether (ETH) as its native cryptocurrency, Ethereum serves as the world's settlement layer, acting as critical financial infrastructure akin to Google's role in information technology. It powers decentralized applications (dApps), decentralized finance (DeFi), non-fungible tokens (NFTs), decentralized autonomous organizations (DAOs), as well as real-world assets (RWAs). As the second-largest digital asset by market cap, ETH facilitates transactions, staking, and yield generation. Its consensus algorithm was transformed from PoW to PoS in 2022 to enhance scalability, energy efficiency, and throughput.

Over \$165 billion in stablecoins is currently on the Ethereum network underscoring its role in liquidity and DeFi ecosystems.

Token Standard: ERC20, ERC721

Blockchain-defined standards that ensure consistency, interoperability, and functionality for tokens, with ERC20 for fungible and ERC721 for non-fungible tokens.

Token standard is defined on a blockchain, typically Ethereum, to ensure consistency, interoperability, and functionality for tokens created on the network.

ERC20 (Ethereum Request for Comment 20) is the most widely adopted token standard, introduced in 2015, governing fungible tokens—interchangeable assets like USDT or governance tokens. It defines functions like transfer, balance tracking, and total supply, enabling seamless integration with wallets, exchanges, and decentralized applications (dApps).

ERC721, introduced in 2018, is the standard for non-fungible tokens (NFTs), representing unique, indivisible assets like digital art, collectibles, or tokenized real-world assets (RWAs).

These standards, built on Ethereum's blockchain, ensure tokens are secure, interoperable, and compatible with decentralized finance (DeFi) and other ecosystems, powering billions in transactions. Other standards, like ERC1155, combine fungible and non-fungible features, but ERC20 and ERC721 remain foundational to Ethereum's token economy.

Grayscale

One of the world's largest digital asset investment platforms, offering regulated products for digital assets exposure including trusts and ETFs of Bitcoin and Ethereum.

Grayscale Investments is one of the world's largest digital asset-focused investment platform, founded in 2013, offering regulated products for exposure to cryptocurrencies like Bitcoin and Ethereum.

It manages trusts such as the Grayscale Bitcoin Trust (GBTC), which holds over 3% of Bitcoin's supply (about 643,572 BTC in 2022), and has expanded to ETFs and thematic funds. Grayscale enables institutional and retail access through private placements, public quotes, and ETFs. In 2024, it launched spot Bitcoin and Ethereum ETFs following SEC approvals.

mNAV

Multiple of Net Asset Value - a valuation metric for digital asset treasury companies, representing the ratio of enterprise value to digital asset holdings value.

mNAV, or multiple of Net Asset Value, is a valuation metric used for digital asset treasury companies (DAT), representing the ratio of a company's enterprise value (market cap plus debt minus cash) to the value of its digital asset holdings (primarily Bitcoin). It quantifies the market premium investors pay for future accumulation potential and leverage, sometimes exceeding 2x for leaders like Strategy (MSTR). High mNAV reflects bullish sentiment on Bitcoin yield (BTC per share growth), but can compress during drawdowns; it's a key proxy for digital assets exposure via equities.

NAV

Net Asset Value - the per-share value of an investment fund's assets minus liabilities, calculated daily to determine share prices.

Net Asset Value (NAV) is the per-share value of an investment fund's assets minus its liabilities, calculated daily to determine share prices for mutual funds, ETFs, or trusts. For example, if a fund has \$100 million in assets and \$10 million in liabilities, NAV is \$90 million, or \$9 per share if 10 million shares are outstanding. NAV uses tangible assets and changes with market fluctuations, providing transparency for investors in open-end funds.

RWAs

Real-world Assets tokenized on blockchain for fractional ownership, liquidity, and transparency, bridging traditional and decentralized finance.

Real-world Assets (RWAs) refer to physical or traditional financial assets (e.g., real estate, bonds, commodities) tokenized on blockchain for fractional ownership, liquidity, and transparency. Tokenization bridges TradFi and DeFi, enabling global access to assets via blockchain and smart contracts. RWAs use oracles for off-chain data integration, supporting use cases like lending and yield farming, though challenges include regulation and custody.

Driven by stablecoins and treasuries, its market size is over \$230 billion in 2025. RWA tokenization transforms tangible and intangible assets—such as real estate, commodities, art, or intellectual property—into tokens, allowing investors to own fractions of high-value assets with reduced transaction costs and increased transparency.

For example, a \$10 million property can be tokenized into 10,000 shares, tradable on decentralized platforms. Bond tokenization involves issuing fixed-income securities, like corporate or government bonds, as digital tokens, streamlining settlement, reducing intermediaries, and enabling 24/7 trading on blockchain networks like Ethereum or Solana.

Stablecoin

Stablecoin is designed to maintain stable value by pegging to fiat currencies, commodities, or algorithms to minimize volatility.

A stablecoin is designed to maintain a stable value by pegging to assets like fiat currency (e.g., USD) or commodities (e.g., gold), to minimize volatility for payments, decentralized finance (DeFi), and cross-border transfers. Stablecoin types include fiat-backed (e.g., USDT and USDC, supported by reserves), crypto-backed (over-collateralized), and algorithmic.

In 2025, in the U.S., the GENIUS Act (Guiding Effective Non-Fiat Innovation and Utility for Stablecoins) was passed to establish a tailored regulatory framework for stablecoins. It emphasizes consumer protection, reserve transparency, and financial stability to foster innovation while mitigating risks like de-pegging.

Strategy (MSTR)

A business intelligence company that pioneered Bitcoin treasury strategy, holding over 638,460 BTC as its primary reserve asset.

Strategy (formerly MicroStrategy, ticker: MSTR) is a business intelligence software company that rebranded in February 2025, pioneering a Bitcoin treasury strategy by holding over 638,460 BTC (valued at ~\$62.6 billion) as its primary reserve asset. Led by Michael Saylor, it raises capital via convertible notes and equity to acquire BTC, aiming to increase "BTC per share" for long-term value, trading at premiums (mNAV >2x) as a leveraged Bitcoin proxy.

This model has inspired DATs globally, blending software revenue with crypto holdings for amplified exposure.

Token

Digital units of value built on existing blockchains, representing assets, utilities, or stakes in decentralized ecosystems.

A token is a digital unit of value built on a blockchain, representing assets, utilities, or stakes, distinct from native coins like BTC or ETH. Tokens enable fundraising, decentralized finance (DeFi), and real-world asset representations(RWAs). They leverage underlying networks for security and interoperability, powering decentralized applications (dApps) and ecosystems.

People sometimes refer to all digital assets as tokens, though technically tokens are built on existing blockchains while native coin have their own blockchain networks.

Tokenization

The process of converting real-world assets into digital tokens on blockchain, enabling fractional ownership and enhanced liquidity.

Tokenization refers to the process of converting real-world assets (RWAs) into tokens on a blockchain, enabling fractional ownership, enhanced liquidity, and global accessibility. For example, ETF tokenization converts exchange-traded fund shares into tokens, offering real-time trading and integration with decentralized finance (DeFi) protocols for yield generation or lending.

A prominent example is BlackRock's BUIDL (BlackRock USD Institutional Digital Liquidity Fund), the first tokenized fund issued on the Ethereum network in 2024, providing qualified investors with U.S. dollar yields through tokenized shares managed by Securitize, with a TVL exceeding \$2.2 billion across multiple chains in 2025.

The tokenized RWA market exceeds \$230 billion, driven by platforms like Centrifuge and Ondo Finance, with oracles ensuring off-chain data integration.

Trust Company

Fiduciary entities that manage investment trusts holding cryptocurrencies for investors seeking regulated exposure without direct ownership.

In the context of digital assets, a trust company, such as Grayscale, is a fiduciary entity that manages investment trusts holding digital assets like Bitcoin and Ethereum for investors seeking regulated exposure without direct ownership. Grayscale, founded in 2013, operates trusts like the Grayscale Bitcoin Trust (GBTC), which holds significant Bitcoin and other vehicles for assets like ETH and SOL.

These trusts provide wealth management and investment advisory services, enabling institutional and retail investors to access digital assets through public quotations or private placements, ensuring tax-efficient strategies and asset protection. Operating under U.S. regulatory frameworks, such trust companies facilitate secure, compliant investment in the digital asset market, often acting as a bridge between traditional finance and decentralized ecosystems.

