

(A+B) Tracks: Before starting this quiz, please watch the lecture called "(A+B) What is Cryptocurrency Mining and How Does It Work?" Thanks

Question #1:

Which of the following statements about mining are correct:

- When a cryptocurrency has been mined, the supply of that cryptocurrency increases.
- All cryptocurrencies have an unlimited supply of cryptocurrencies that can be mined.
- Mining is only possible if you mine as part of a pool of other miners.
- The maximum number of Bitcoins in the long run is 100,000,000 Bitcoins.

Please answer the question above by selecting one answer. The answers are at the bottom of this PDF document. Thanks

Question #2:

100 millionth of a Bitcoin is called:

- Ethereum
- Satoshi
- Monero
- Kraken

Please answer the question above by selecting one answer. The answers are at the bottom of this PDF document. Thanks

Question #3:

Which of the following statements are correct:

- Bitcoin likely exists because governments printed too much paper currency in 2008 and in 2009.
- Bitcoin likely exists because all governments approved the use of it.
- Bitcoin likely exists because all banks approved the use of it.
- All of the above are correct.

Please answer the question above by selecting one answer. The answers are at the bottom of this PDF document. Thanks

Question #4:

Which of the following statements is correct:

- You can only mine all types of cryptocurrencies if you are part of a larger mining pool.
- All cryptocurrencies can be mined with 1 iPhone X.
- Over time if it gets harder to mine a cryptocurrency with one computer, miners are likely to mine together as part of a larger mining pool.
- You can only mine cryptocurrencies with a super computer.

Please answer the question above by selecting one answer. The answers are at the bottom of this PDF document. Thanks

Answer to Question #1 is: *When a cryptocurrency has been mined, the supply of that cryptocurrency increases.*

When new coins are mined, the supply is increased. Most cryptocurrencies have a limited number of new cryptocurrencies that can be created. For example, in the long run the maximum supply of Bitcoins will be 21 million (likely by around the year 2140). Although many prefer to mine Bitcoin as part of a larger mining pool, it is possible to mine most cryptocurrencies without being part of a larger mining pool.

Answer to Question #2 is: *Satoshi*

Bitcoins can be sliced and diced into smaller amounts. A Satoshi is 100 millionth of a Bitcoin and is named after the likely founder of Bitcoin. Ethereum and Monero are other cryptocurrency names that we will cover later in the course. Kraken is the name of a cryptocurrency exchange, which we will also cover later in the course.

Answer to Question #3 is: *Bitcoin likely exists because governments printed too much paper currency in 2008 and in 2009.*

The founder of Bitcoin was likely upset that too much new paper currency was created in 2008 and in 2009 (supply issue). All banks and all governments certainly don't approve of the use of Bitcoin.

Answer to Question #4 is: *Over time if it gets harder to mine a cryptocurrency with one computer, miners are likely to mine together as part of a larger mining pool.*

If it becomes more difficult to mine alone, then miners often pool their resources and mine together.

Great job on finishing the "Intro to Mining" portion of the Foundations Part of the course!

Next Step: Please watch the lecture called: (A+B) How to Build a Mining PC: Step 1: Ordering Parts