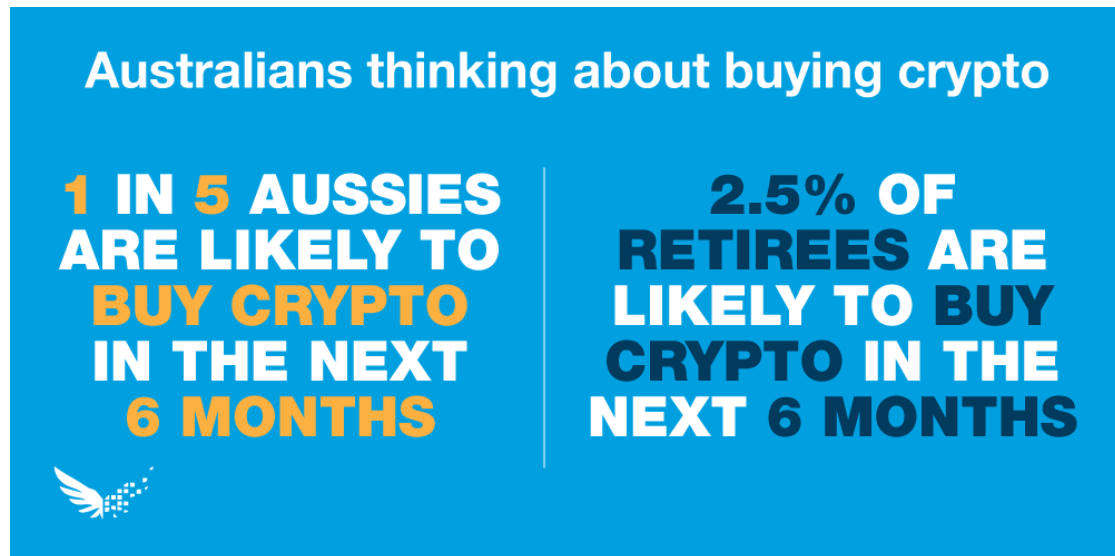


12 November 2019

STUDY FINDS AUSTRALIANS BELIEVE CRYPTOCURRENCY IS AN OPPORTUNITY OF A GENERATION

More than 50% of Australian under the age 40 will own crypto in 5 years



Source: Independent Reserve

The launch of the inaugural Independent Reserve Cryptocurrency Index (IRCI) has found Australians believe that cryptocurrency will inevitably be part of everyday life – and are rushing to stock up.

The study found that Australians have a positive outlook on the future of digital currencies, with as many Australians owning crypto (17%) as those who own two investment properties in Australia (17%)¹.

Key findings:

- As many Australians own crypto (17%) as those who own more than one investment property (17%)²
- Nearly half of crypto investors spend \$100 or less per month (47%)
- Nearly a third of regular investors spend \$100 to \$500 per month on cryptocurrency
- Majority of Australians (under the age of 44) believe crypto will be widely accepted by people and businesses
- In five years, the majority of millennials and Gen-Z's will own crypto
- A quarter of all respondents under the age of 44 are considering using their superannuation to purchase crypto
- Bitcoin is the most recognised and owned of all digital currencies in Australia

¹ Source, PropertyUpdate analysis of 2019 ATO property data: <https://propertyupdate.com.au/how-many-australians-own-an-investment-property/>

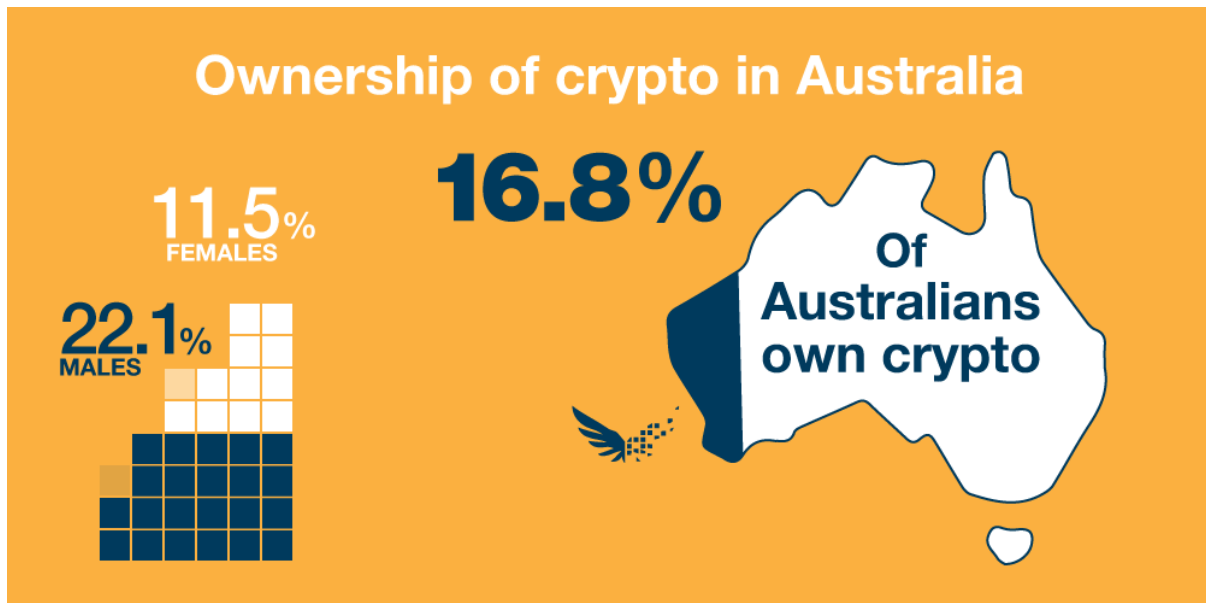
² As above

Bitcoin is the new property market

Talking about house prices and property investing is a national pastime but investing in Bitcoin and other cryptocurrencies is what Australians are really up to.

The IRCI reveals that 16.8% of Australians own some cryptocurrency, with over a third of millennials and over a quarter of Gen-Z owning crypto (35% and 27% respectively).

Gen-Z and millennial landlords make up just 15% of the overall investor landscape in property, as high housing prices continue to lock them out of the asset class³.



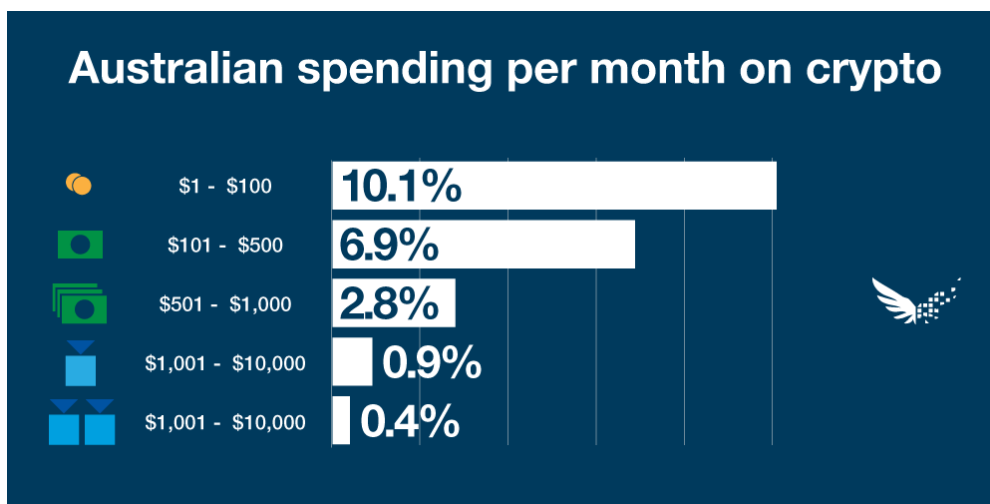
Source: Independent Reserve

The everyday crypto investor

Most crypto investors hold Bitcoin (73%). A quarter of investors hold Ripple, Ethereum, Litecoin or a combination of all three.

Nearly half of the respondents who regularly purchase crypto, invest \$100 or less per month. It's a sensible approach for what can be a volatile market. Many Australians are dollar cost averaging their way into Bitcoin and other cryptocurrencies, and taking advantage of the much lower barrier to entry in this asset class.

³ As above



Source: Independent Reserve

Majority of Gen-Z and millennials will own crypto in 5 years

39% of millennials and 33% of Gen-Z indicated that they're likely to buy cryptocurrency over the next 6 months. At this rate of growth, Independent Reserve CEO Adrian Przelozny predicts the majority of millennials and Gen-z's will own some cryptocurrency in the next 5 years:

"Our inaugural IRCI has shown that cryptocurrency investors in Australia are a far broader group than the stereotypical "sophisticated crypto investor" that sits in front of multiple screens tracking price movements every day. Their goals are also far removed from the mindset of day-traders on the stock market - a quarter of all respondents under the age of 44 are considering using their superannuation to purchase crypto.

Like the property market for the generations before them, younger Australians are seeing cryptocurrency as a method of increasing their overall wealth in the long term. As we see our market continue to mature, we should see the majority of millennials and Gen-z's owning some cryptocurrency in the next 5 years, which will truly move us into the mainstream investment category."

"I bought it for my little girl"

Building wealth seems to be the strong driver behind many people getting into crypto. With longer term Bitcoin price predictions being over \$1,000,000 it's not surprising that so many people from all walks of life are jumping in.

James from the Central Coast in New South Wales, a father of 3-year-old daughter decided to buy his daughter one Bitcoin. "I bought it for my little girl. It's not a lot of money right now and if it goes to be a million dollars, she'll be setup. If it goes down to zero, it's not a huge loss."

"The housing market is drunk and needs to go home"

Michael, a 37-year-old from Brisbane, has been investing in crypto for the past 8 years. He said that it was the opportunity of his generation, and those not chasing instant gratification can see it and are getting involved.

“The government and big money interests are selling our country out from under us, all while chasing infinite growth. Bitcoin is an alternative to a broken system”.

He said that hyperbitcoinisation was coming “and you don’t want to miss it”.

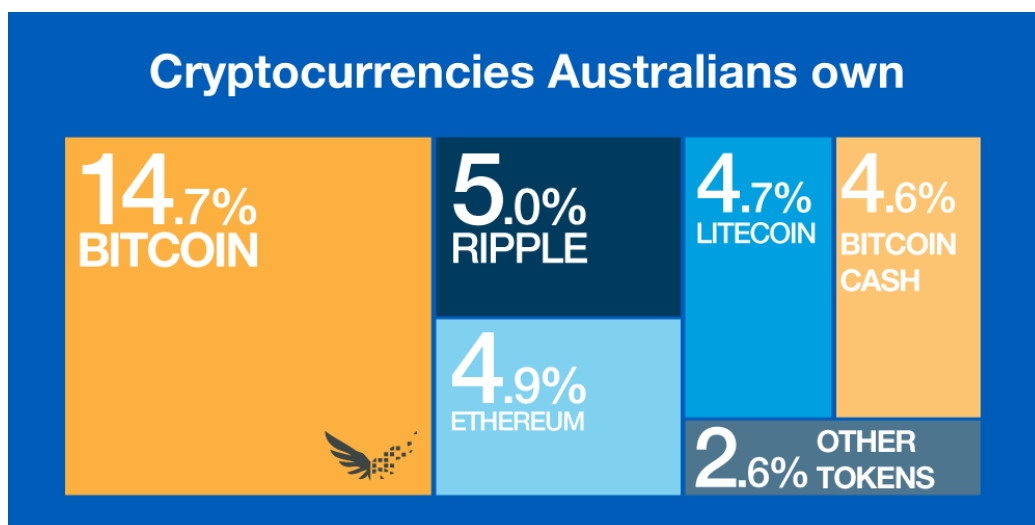
“I think it’s one of the biggest macro investment opportunities of the next decade”

David, a 36-year-old from the Gold Coast, has been investing in crypto for the past 6 years. He said that while he had investments in other assets, if he was given \$300,000 and the choice to buy Bitcoin or an investment property, he’d go with Bitcoin.

“The cryptocurrency asset class, as a whole, remains largely misunderstood and significantly undervalued.”

“I’m 72 and in crypto for the long haul”

Richard from Adelaide, a 72-year-old decided to get into crypto after having discussions with a friend and following the events in the media. “I monitor prices almost daily but see myself in for long haul investment. I understand this is a revolution in the financial world.”



Source: Independent Reserve

About the Inaugural Independent Reserve Cryptocurrency Index (IRCI)

What is the IRCI? Annual research conducted by Independent Reserve into Australia’s understanding, trust and confidence in cryptocurrency. It also examines our propensity for adoption of crypto. With a value score out of 100, the inaugural IRCI sits at a benchmark of **42**.

What does that mean? “Well, it’s not just the answer to the ultimate question of life, the universe and everything. In the context of cryptocurrency adoption in Australia, it’s a number that indicates optimism and a maturation of the crypto industry. 100 would be full

awareness, optimism, trust and adoption. 0 would be a society living under a rock, disconnected from the internet,” concluded Independent Reserve CEO Adrian Przelozny.

Why create an index? To paint a clear picture of the cryptocurrency economy within Australia, not just for us but for everyone with an interest in the space. We want to help policy makers in particular, to see the trends and to make informed decisions to help our sector grow to its full potential.

Who participated? 1,000 Australians from all walks of life, in a cross-sectional survey that was geographically and demographically proportionate to Australia’s population.

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About Independent Reserve

Established in 2013, Independent Reserve is an Australian institutional grade cryptocurrency exchange with an orderbook enabling Australian and NZ clients to trade, invest and hold digital currencies. Independent Reserve’s mission is to provide a pro-regulation platform with the highest security to access cryptocurrencies. The exchange is an audited, gold Certified member of Blockchain Australia, which represents the cryptocurrency industry in Australia. For additional information, visit <https://www.independentreserve.com>

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