REGISTRATION AUTHORITY - GUIDANCE

Guidance on Crypto Mining Activities in and from ADGM

October 2026

REGISTRATION AUTHORITY
سلطة التسجيل

ADGM Building, ADGM Square, Al Maryah Island, PO Box 111999, Abu Dhabi, UAE
مبنى أبوظبي العالمي، مربعة أبوظبي العالمي، جزيرة الماريه، ص ب 111999 ، أبوظبي، الإمارات العربية المتحدة

T +971 2 333 8888 adgm.com

CONTENTS

1. INTRODUCTION & REGULATORY CONTEXT 3
1.1 Definitions 3
1.2 ADGM's Role in Technological Innovation 3
1.3 Regulatory Status of Crypto Mining 3
1.3A Interaction with FSRA-Regulated Activities 4
1.4 Purpose and Scope of this Guidance 4

2. KEY POLICY PRINCIPLES FOR RESPONSIBLE MINING OPERATIONS 5
2.1 Security and Operational Integrity 5
2.2 Anti-Money Laundering and Countering the Financing of Terrorism 6

3. LICENSING REQUIREMENTS 6
3.1 Requirement for a Commercial Licence 6
3.2 Specific Information and Assessment Areas 6
3.3 Pre-Application Self-Assessment: Regulatory Perimeter 7

4. KEY LICENCE CONDITIONS & ONGOING OBLIGATIONS 8
4.1 General Conditions 8
4.2 Transparency and Disclosure 9

5. SUPERVISION BY THE RA 9
5.1 Risk-Based Supervision 9
5.2 Supervisory Tools 9
5.3 Enforcement 10
5.4 Best Practices for Ongoing Compliance 10

6. APPROACH TO ADGM-REGISTERED HEADQUARTERS OVERSEEING GLOBAL OPERATIONS 10
6.1 Introduction and Scope 10
6.2 Disclosure Requirements for Overseas Operations 11
6.3 Risk Assessment and Due Diligence on Host Jurisdictions and Partners 11
6.4 Reasonable Oversight of Global Operations 11
6.5 RA Oversight of Global Activities 11

DISCLAIMER 13

1. INTRODUCTION & REGULATORY CONTEXT

1.1 Definitions

Capitalised terms, not otherwise defined in this document, shall have the following meanings:

Term / Acronym	Definition
ADGM	Abu Dhabi Global Market.
Commercial Licence	A licence issued by the RA under the Commercial Licensing Regulations 2025, permitting a person to carry on one or more specified non-financial activities in or from ADGM.
Digital Assets	Digital Assets shall have the same meaning as provided for under FSRA guidance.
Crypto Mining	As defined under ADGM Business Activity 7230.
FSMR	The Financial Services and Markets Regulations 2015.
FSP	A Financial Services Permission issued by the FSRA.
FSRA	The Financial Services Regulatory Authority of ADGM.
PoS	Proof-of-Stake, a type of blockchain consensus mechanism.
PoW	Proof-of-Work, a type of blockchain consensus mechanism.
RA	The Registration Authority of ADGM.
Virtual Asset Service Provider	As defined under Federal Decree by Law No. (10) of 2025 Regarding Anti-Money Laundering, and Combating the Financing of Terrorism and Proliferation Financing.

1.2 ADGM's Role in Technological Innovation

ADGM is an international financial centre recognised for its progressive and comprehensive legal framework based on English common law. It has established itself as a hub for financial technology (fintech) and emerging technologies by fostering new business models while ensuring market integrity. This commitment to responsible innovation has positioned ADGM as a leading jurisdiction for blockchain and virtual asset initiatives, aligning with the United Arab Emirates' strategic vision for a diversified, knowledge-based economy.

1.3 Regulatory Status of Crypto Mining

Crypto Mining is not classified as a regulated financial service. Crypto Mining is, however, caught under the ADGM's commercial licensing regime.

Pursuant to the ADGM Commercial Licensing Regulations 2025 (CLR 2025), no person may carry on a business activity in or from ADGM without holding the appropriate licence issued by the RA. Therefore, while companies engaged in Crypto Mining do not require approval from the FSRA, they

must register with the RA, obtain a Commercial Licence, and comply with all applicable ADGM commercial legislation and relevant UAE Federal laws.

1.3A Interaction with FSRA-Regulated Activities

This Guidance applies to Crypto Mining as a commercial activity licensed by the RA. It does not extend to activities that fall within the regulatory perimeter of the FSRA.

Entities that operate consensus mechanism models involving the onboarding, custody, or management of third-party capital or Digital Assets - including, but not limited to, intermediated staking arrangements, pooled staking services, or custodial delegation models - should assess independently whether their activities trigger a Regulated Activity under the Financial Services and Markets Regulations 2015 (FSMR) and the FSRA Rules. Where such activities are identified, a Financial Services Permission from the FSRA may be required in addition to any Commercial Licence held under this Guidance.

In particular, the RA draws attention to the following:

(a) Solo validation or mining conducted for the operator's own account - whether using Proof-of-Work, Proof-of-Stake, or any other consensus mechanism - is a commercial activity within the scope of this Guidance and does not, in itself, constitute a Regulated Activity.

(b) Where a firm holds, controls, or exercises discretion over Digital Assets belonging to third parties for the purposes of validation, staking, or related activities, this may constitute the Regulated Activity of Providing Custody or Managing Assets under FSMR.

(c) Non-custodial technical services - for example, providing infrastructure to facilitate staking without holding or controlling a client's Digital Assets - do not currently constitute a Regulated Activity, provided that the service provider does not at any point take possession or control of the client's assets.

Entities are encouraged to consult the FSRA's published guidance on staking activities and, where uncertainty exists, to engage with the FSRA directly before submitting an application to the RA.

Where an entity holds both a Commercial Licence from the RA and a Financial Services Permission from the FSRA, it is expected to comply with all applicable requirements under both regulatory regimes.

1.4 Purpose and Scope of this Guidance

This Guidance is issued under section 23 of the CLR 2025 and should be read in conjunction with the CLR 2025, Companies Regulations 2020, and any other applicable law.

This Guidance outlines the RA's regulatory approach and supervisory framework for entities seeking to conduct Crypto Mining activities within or from ADGM. The RA's approach is intended to be technology-neutral, applying to the core activity of validating transactions and securing blockchain networks irrespective of the specific consensus mechanism employed, such as PoW, PoS, or other future technologies. This document details the requirements applying to Crypto Mining activity under the Commercial Licensing Regulations 2025 and associated legislation, together with the good practice the RA encourages, to ensure these activities align with ADGM's high standards for

responsible business conduct including robust corporate governance and compliance with all relevant laws.

Failure to adhere to the standards and practices outlined in this Guidance may be taken into account by the RA when assessing whether to grant, vary or cancel an entity's Crypto Mining licence.

This Guidance applies to all ADGM registered entities licensed to carry out the business activity of Crypto Mining (class code 7230) activity (Crypto Mining Entities).

Small-scale, non-commercial Crypto Mining conducted by individuals for personal purposes is generally considered outside the scope of this Guidance and its licensing requirements.

Similarly, the operation of blockchain nodes or validators on an incidental basis - that is, as supporting infrastructure for another licensed activity rather than as a business activity in its own right - is generally considered outside the scope of this Guidance. This treatment is conditional on: (a) the entity deriving no material revenue from block rewards or validation activity; and (b) the entity not holding itself out as providing mining or validation services to third parties. The RA retains discretion to determine that an activity presented as incidental is, in substance, commercial Crypto Mining requiring a licence, having regard to the scale, revenue and commercial intent of the activity.

Taxation matters are a Federal concern and fall outside the regulatory scope of the RA and this Guidance.

2. KEY POLICY PRINCIPLES FOR RESPONSIBLE MINING OPERATIONS

The following principles form the basis of the RA's supervisory approach and serve as a reference point when assessing an entity's conduct.

Crypto Mining Entities must operate strictly within the bounds of their licensed activities and maintain full transparency regarding their corporate structure, UBOs and operations with the RA. Companies must comply with all applicable ADGM legislation, including the requirements for timely filings and disclosures under the Commercial Licensing Regulations 2025, the Companies Regulations 2020 and the Beneficial Ownership and Control Regulations 2022.

Furthermore, such entities must uphold high standards of corporate governance, maintain accurate and comprehensive business records, and be prepared to demonstrate to the RA at any time that they operate within the scope of their licence.

2.1 Security and Operational Integrity

Crypto Mining Entities should implement and maintain robust cybersecurity and operational controls to protect their mining facilities, Digital Assets, and the integrity of the blockchain networks they support.

Crypto Mining Entities should secure their systems against hacking, theft, or misuse by adhering to recognised international cybersecurity frameworks. As a matter of good practice, they should also implement appropriate measures for the physical security of their premises, and they must comply with all applicable health and safety standards for their operations.

2.2 Anti-Money Laundering and Countering the Financing of Terrorism

The application of AML/CFT obligations to Crypto Mining Entities depends on the nature of the activities conducted:

(a) Crypto Mining is not a Virtual Asset Service Provider activity, and Crypto Mining Entities which do not deliver Virtual Asset Service Provider services would currently be outside the relevant Federal and ADGM AML regulatory scope.

(b) Crypto Mining Entities that also offer Virtual Asset Service Provider activities, including safekeeping or administration of Digital Assets for third parties, are within the Federal and ADGM AML regulatory scope, and will be subject to corresponding obligations. Such entities should refer to section 1.3A of this Guidance in respect of activities that may fall within the FSRA's regulatory perimeter.

This does not mean that Crypto Mining is without financial crime risk, and all Crypto Mining Entities remain subject to the transparency, disclosure and record-keeping expectations set out in this Guidance.

3. LICENSING REQUIREMENTS

3.1 Requirement for a Commercial Licence

Any entity wishing to conduct Crypto Mining within or from ADGM must first obtain a Commercial Licence from the RA. The licence must specify "Crypto Mining" (or a similar designated activity code as determined by the RA) as a permitted business activity.

Business Activity Code: 7230

3.2 Specific Information and Assessment Areas

In addition to the standard requirements, the RA may request that applicants (particularly those planning larger-scale operations) provide detailed information for assessment in the following areas:

(a) Detailed Operational Plan

This may include:

- Technical specifications of proposed hardware and its efficiency
- Software to be used
- Projected scale of operations (e.g., total hash rate, number of mining units)
- A detailed operational workflow from setup to production
- The physical location(s) of the operation within ADGM
- A robust Risk Management Framework identifying and mitigating key operational, technical, and security risks

(b) Infrastructure, Security & Resilience Plan

This may include:

- Detailed plans for physical security protocols at the proposed site
- Comprehensive cybersecurity measures aligned with recognised frameworks (e.g., ISO 27001, NIST)
- Systems for heat management
- Detailed Business Continuity and Disaster Recovery plans to ensure operational resilience

(c) Disclosure of On-Chain Assets

Crypto Mining Entities are expected to disclose to the RA the addresses of blockchain wallets and smart contracts used to receive or manage mining or validation rewards (reward-flow addresses) that are owned or under the control of the Crypto Mining Entity.

Crypto Mining Entities should notify the RA of material or structural changes to their disclosed reward-flow arrangements - for example, migration to a new custody architecture or a change of custody provider - rather than of routine operational address rotation undertaken for security purposes.

Information disclosed under this paragraph will be treated as confidential supervisory information. It will be handled through secure channels, access will be limited to authorised RA staff, and it will not be disclosed publicly.

3.3 Pre-Application Self-Assessment: Regulatory Perimeter

Before applying for a Commercial Licence with Crypto Mining (class code 7230) as a permitted activity, applicants should complete the following self-assessment to determine whether their proposed activities fall within the scope of this Guidance, or whether they may additionally or alternatively require a Financial Services Permission from the FSRA.

Step 1: Consensus Mechanism

Identify which consensus mechanism(s) your operations employ or intend to employ (e.g., Proof-of-Work, Proof-of-Stake, delegated Proof-of-Stake, or other mechanisms).

All consensus mechanisms are within the scope of this Guidance where the activity constitutes commercial Crypto Mining for the operator's own account.

Step 2: Asset Ownership

Determine whether your operations involve Digital Assets belonging exclusively to your entity, or whether third-party Digital Assets are received, held, controlled, or managed at any stage of the process.

Scenario	Likely Regulatory Outcome
Operator validates or mines using its own capital and equipment, receiving rewards to its own account	RA Commercial Licence (this Guidance applies)
Operator provides technical infrastructure only (e.g., node hosting, hardware provision) without holding or controlling client Digital Assets	RA Commercial Licence (this Guidance applies)
Operator receives, holds, or controls Digital Assets belonging to third parties for purposes of staking or validation	May constitute a Regulated Activity - consult FSRA

Scenario	Likely Regulatory Outcome
Operator exercises discretion over third-party Digital Assets (e.g., selecting staking protocols, managing validator keys on behalf of clients)	Likely constitutes a Regulated Activity - consult FSRA
Operator pools third-party capital or Digital Assets for collective staking or mining	May constitute a Regulated Activity - consult FSRA

Step 3: Client Money and Safeguarding

If your operations involve any of the following, the activity is likely to fall within the FSRA's regulatory perimeter and may require a Financial Services Permission:

(a) Holding or safeguarding Digital Assets or funds on behalf of third parties;

(b) Receiving, transmitting, or distributing staking rewards on behalf of third parties;

(c) Entering into arrangements where third parties bear the risk of loss of Digital Assets under the operator's control; or

(d) Offering services marketed or structured as yielding a return on Digital Assets deposited or entrusted by third parties.

Step 4: Dual Licensing

Where an applicant's proposed activities span both the RA's commercial licensing perimeter (Crypto Mining for own account) and the FSRA's regulated activities perimeter (intermediation, custody, or management of third-party Digital Assets), the applicant should:

(a) Apply separately to the RA and the FSRA for the relevant licences and permissions;

(b) Ensure that its application to the RA clearly identifies which elements of its operations are conducted for its own account and which involve third-party assets; and

(c) Be prepared to demonstrate to both the RA and the FSRA how it manages the operational and compliance boundaries between its commercial and regulated activities.

Applicants with questions regarding the regulatory classification of their proposed activities are encouraged to contact the RA or the FSRA before submitting a formal application.

4. KEY LICENCE CONDITIONS & ONGOING OBLIGATIONS

4.1 General Conditions

A Commercial Licence granted for Crypto Mining will include specific conditions covering the requirements discussed above that the entity licensed to conduct Crypto Mining activity must adhere to throughout its operational life. Additional conditions may be imposed which are designed to ensure ongoing compliance with ADGM's regulatory standards.

4.2 Transparency and Disclosure

In accordance with the ADGM's commercial legislation, the following matters related to transparency and disclosure are relevant:

(a) Corporate Transparency

Crypto Mining Entities must maintain up-to-date records of their ultimate beneficial ownership (UBO), management, and corporate structure with the RA and must notify the RA promptly of any material changes in accordance with the Beneficial Ownership and Control Regulations 2022.

(b) Service Transparency (for Service Providers)

Crypto Mining Entities offering services to third parties should provide clear, accurate, and easily accessible information to their clients regarding the terms of service, all applicable fees, potential risks, and the handling of client assets.

(c) Public Register

The RA maintains a public register of licensed entities to enhance transparency.

(d) Aggregate Reporting

The RA may, from time to time, publish anonymised, aggregated data for the sector to provide market insights.

(e) Monitoring of On-Chain Assets

The RA may use third-party tools to identify and monitor the reward-flow addresses disclosed under paragraph 3.2(c). Such monitoring is conducted for supervisory purposes.

5. SUPERVISION BY THE RA

5.1 Risk-Based Supervision

The RA will supervise entities licensed to conduct Crypto Mining activity on a risk-sensitive basis. This means that supervisory intensity may vary, with more intensive oversight potentially applied to larger-scale operations or those that offer services to third parties.

5.2 Supervisory Tools

The RA's supervisory toolkit is comprehensive and includes a range of tools to effectively monitor compliance. These include:

(a) Off-site supervision through the review of submitted reports and other information.

(b) On-site inspections in locations where the entity operates, including overseas, which may be scheduled or, in certain circumstances, unannounced.

(c) Requests for third-party verification, such as independent audits or attestations on specific areas of compliance.

(d) Thematic reviews focusing on specific risks or practices across the sector.

(e) Formal requests for information and documentation.

(f) The RA may use third-party technology solutions to monitor activities of Crypto Mining Entities.

5.3 Enforcement

Breaches of licence conditions, ADGM legislation, or applicable UAE Federal laws can lead to enforcement action by the RA. The RA has a range of enforcement powers, which may include:

- Issuing formal warnings
- Imposing financial penalties
- Directing remediation actions
- In serious cases, suspending or revoking the Commercial Licence

The RA's approach to the exercise of its enforcement powers is set out in the RA Enforcement Manual (see, in particular, Chapter 2).

5.4 Best Practices for Ongoing Compliance

Crypto Mining Entities are encouraged to adopt the following best practices to ensure robust ongoing compliance:

(a) Establish effective internal systems for monitoring and reporting on key compliance and operational metrics.

(b) Conduct periodic self-audits or internal reviews against the requirements of this Guidance and the specific conditions of their licence.

(c) Stay informed about regulatory developments and changes within ADGM and the UAE.

6. APPROACH TO ADGM-REGISTERED HEADQUARTERS OVERSEEING GLOBAL OPERATIONS

6.1 Introduction and Scope

ADGM recognises that a Crypto Mining Entity may act as a headquarters that manages or oversees a portfolio of global mining operations located outside the jurisdiction of ADGM.

In line with international best practices and ADGM's commitment to maintaining high regulatory standards, this section sets out the RA's approach to the management, disclosure and oversight of these global operations, and the good practice it encourages, in respect of an ADGM-registered entity.

This section will enable the RA to accurately assess risk and suitability when considering applications and renewals for Crypto Mining activity.

This section relates to ADGM-Registered Headquarters which are also operational entities licensed to undertake Crypto Mining activity, and not applicable to entities which are only licensed as holding companies.

6.2 Disclosure Requirements for Overseas Operations

Entities licensed to conduct Crypto Mining activity headquartered in ADGM that manage overseas operations may be required to disclose detailed information regarding their global operational footprint to the RA to allow the RA to appropriately determine risk considerations of a Crypto Mining Entity. This disclosure may include:

- Details of overseas locations where mining activities are conducted, including the jurisdiction, the scale of operations (e.g., capacity, hash rate), and the operational structure.
- Information on the ownership structures, subsidiary entities, and key management personnel in these overseas jurisdictions.

6.3 Risk Assessment and Due Diligence on Host Jurisdictions and Partners

Crypto Mining Entities should conduct proportionate, risk-based due diligence and ongoing risk assessments on the overseas jurisdictions and business partners with which they engage to help evidence an appropriate apportionment of resources to managing risk. These assessments may include:

- A regulatory and operational risk analysis associated with each overseas jurisdiction.
- Due diligence on key overseas business partners and major contractors, including verification of their ownership, integrity, compliance track record, and reputation.

As a matter of good practice, such entities should maintain robust and accessible records documenting these assessments, and the RA may request access to these records as part of its supervisory activities.

6.4 Reasonable Oversight of Global Operations

ADGM-registered headquarters should maintain reasonable oversight of their overseas operations, directed at governance accountability rather than day-to-day operational control of activities conducted in other jurisdictions. This includes taking reasonable steps to promote adherence by their overseas operations to the core principles and standards of governance and compliance established by ADGM, in addition to all relevant local legal and regulatory requirements. This may include:

- Having corporate governance standards that reflect those required by ADGM, including clear reporting lines, accountability frameworks, and transparent decision-making processes.
- Seeking, where practicable, contractual commitments from overseas subsidiaries, partners, and contractors to standards of transparency and integrity consistent with those of ADGM.

6.5 RA Oversight of Global Activities

The RA may seek information regarding the global activities that are managed or overseen from an ADGM-registered headquarters, in connection with its assessment of the risk profile and suitability of a Crypto Mining Entity. This could include:

- The potential for periodic reporting on overseas operations covering key metrics.
- The potential request of additional information or documentation related to overseas operations as deemed necessary for effective regulatory oversight.
- The ability to engage with international regulatory counterparts through information-sharing mechanisms to support supervision.

Entities licensed to conduct Crypto Mining activity should promptly report any significant compliance breaches or material regulatory actions involving their overseas operations to the RA.

DISCLAIMER

This Guidance is non-binding indicative guidance and should be read together with the relevant legislation, in particular ADGM's Commercial Licensing Regulations 2025 and Companies Regulations 2020, and any other relevant regulations and enabling rules, which may change over time without notice.

Information in this Guidance is not to be deemed, considered, or relied upon as legal advice and should not be treated as a substitute for specific advice concerning any individual situation.

Any action taken upon the information provided in this Guidance is strictly at your own risk and the RA will not be liable for any losses and damages in connection with the use of or reliance on information provided in this Guidance. The RA makes no representations as to the accuracy, completeness, correctness, or suitability of any information provided in this Guidance.