

# How BITCOIN mining works

Bitcoin mining is a computational process that serves 2 purposes.

It confirms transactions in a trustless manner when enough computational power is devoted to a block.

Creates/issues new Bitcoin to the miner(s) of each block.

Bitcoin mining is a five-step process:

1

Transactions are bundled into a block

2

Transactions are verified and validated

3

The header of the most recent block is selected and inserted into the new block as hash

4

POW

A proof-of-work problem is solved by the miner

5

Once the solution is found, the new block is added to the chain and then distributed to the network