Blockchain Breakthroughs: Chainlink Joins Bitcoin as Cardano Integrates $1.3T in BTC Liquidity

- Cardano is expanding its DeFi ecosystem by integrating with BitcoinOS, giving users direct access to Bitcoin liquidity without intermediaries.
- The integration uses zero-knowledge (ZK) cryptography and the BOS Grail bridge to securely bridge Bitcoin assets to Cardano, maintaining decentralisation and security.
- This partnership opens up US$1.3 trillion in Bitcoin liquidity for Cardano's DeFi projects and strengthens its cross-chain capabilities.
- Botanix Labs' Spiderchain has joined the Chainlink Scale program, bringing Chainlink's oracle services to Bitcoin, enhancing functionality with layer-2 solutions, rollups, and smart contracts.

Cardano (ADA) could be on the verge of massively expanding its decentralised finance (DeFi) ecosystem. The blockchain is tapping into Bitcoin's liquidity thanks to a new partnership with BitcoinOS (BOS), a Bitcoin smart contract platform.

The integration will allow Cardano users to access Bitcoin (BTC) liquidity directly and securely, without the need for intermediaries, enhancing cross-chain functionality.
https://x.com/BTC_OS/status/1849489529843159184

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The integration relies on zero-knowledge (ZK) cryptography, a technology that enables trustless transactions, ensuring that BTC assets can be incorporated into Cardano's blockchain securely.

A key component of this collaboration is the BOS Grail bridge, powered by the ZK BitSNARK protocol, which allows Bitcoin transactions to be seamlessly bridged to Cardano without compromising decentralisation or security.

This move opens up access to Bitcoin's US$1.3T (AU$1.96T) market capitalisation, providing significant liquidity for Cardano's DeFi projects. Emurgo, the entity behind Cardano's Web3 initiatives, sees this as a step toward broader cross-chain capabilities, further strengthening Cardano's position in the DeFi space.

The BOS Grail bridge, in partnership with Merlin Chain, represents a major step in creating a trustless, decentralised bridge for Bitcoin-native assets. This development eliminates the need for centralised security mechanisms, marking the beginning of a more interoperable Bitcoin ecosystem.

Chainlink Taps Into Bitcoin, Too

Chainlink has made its first integration with Bitcoin by partnering with the layer-2 network Spiderchain, marking a significant step for the Bitcoin ecosystem.

Botanix Labs, the developer behind Spiderchain, has joined the Chainlink Scale program, enabling access to the platform's oracle services that provide external data to blockchain networks.

While major blockchains like Ethereum, Solana, and BNB Chain already use Chainlink's data, this integration brings Bitcoin closer to functionalities like layer-2 solutions, rollups, and smart contracts, which have largely been absent from its history.

As part of this collaboration, Spiderchain will also implement Chainlink's Cross-Chain Interoperability Protocol (CCIP), which allows for token transfers across different blockchains.

This partnership aligns with Botanix Labs' goal of building Spiderchain to be compatible with Ethereum Virtual Machine (EVM) layers, potentially allowing Ethereum-based applications and smart contracts to operate on Bitcoin.

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Oracles, like those provided by Chainlink, offer crucial external data that blockchains cannot access on their own, such as market prices or weather forecasts, enabling smart contracts to function effectively. This integration represents a move towards a more interoperable and functional Bitcoin network.