Title: Launching the Western Canada Cryptocurrency Investigations Centre

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Launching the Western Canada Cryptocurrency Investigations Centre

Partnership between Calgary Police Service and Chainalysis will enable law enforcement action, protect Canadians amid steady crime and explosive growth of crypto

Today, the Calgary Police Service and Chainalysis are together launching the Western Canada Cryptocurrency Investigations Centre, an innovative regional center that will enable law enforcement to tackle crime that takes place using blockchain technology.

By bringing together law enforcement agencies and personnel from across Western Canada and equipping them with Chainalysis' data, blockchain analysis tools, and expert investigations team, the entire region will be better equipped to fight crime that happens on this novel technology. In turn, citizens across Western Canada will see better outcomes through investigative efficiency — all leading to an increased trust in digital assets.

"Cyber is quickly becoming a component of criminal activity, and often requires collaboration between law enforcement and other expert industries," said Chief Constable Mark Neufeld of the Calgary Police Service. "We are thrilled to be part of an

innovative partnership with Chainalysis where cybersecurity expertise is shared amongst the Calgary Police Service and private enterprise. This unique partnership will help strengthen cybersecurity and safety among residents of Calgary, Alberta and Canada."

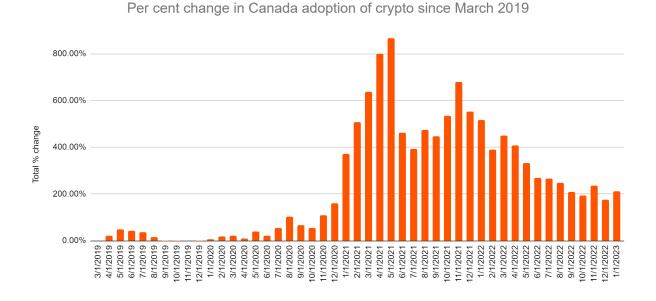
"This partnership is an incredible opportunity to democratize the world-class expertise in crypto investigations at the Calgary Police Service across Western Canada," **said Chainalysis Public Sector Chief Technology Officer Gurvais Grigg.** "The entire CPS team has been fantastic partners in our work to build trust in digital assets, and this expanded structure allows them to better protect more Canadians from crypto crime. We could not be more thrilled to launch this innovative centre and look forward to working closely with law enforcement agencies across the region."

"This demonstration of public-private partnership to solve novel issues in financial services is a model that the rest of the world can learn from," **said Chainalysis**

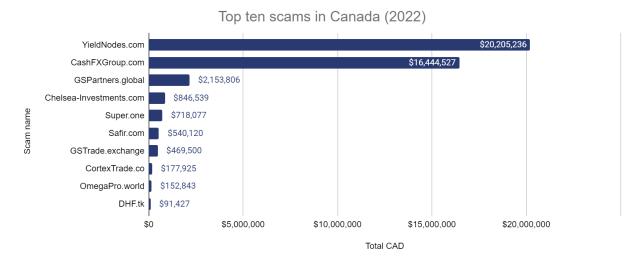
Cofounder and Chief Strategy Officer Jonathan Levin. "Not only is this a great moment for Western Canada, but it is a first step in our work to enable law enforcement partners across the world to protect their constituents, and in turn, help build trust in blockchain technology."

Crypto crime in Canada

Since 2019, Chainalysis research has shown a massive increase in the adoption and usage of cryptocurrencies and digital assets in Canada. In 2022, Canada ranked 22nd in our Global Crypto Adoption Index, that's up from 26th in 2021 and 24th in 2020. When we look at Canadian engagement with crypto ATMs, decentralized exchanges, and centralized exchanges, we see that Canada has experienced a nearly 213% increase since 2019 as of Jan 2023, with a peak level of adoption around 865% greater than March 2019 in May of 2021, driven largely by interest in DeFi.



However, with that explosive increase in adoption of cryptocurrency by Canadians, we also see an increase in criminal activity, and these numbers could tell a unique story of the devastating ways in which Canandians have lost their money to malicious actors who use crypto as a means of fraud, scams, and crime. Overall, for every 1000 Canadians, there was at least \$1,144 CAD in total exposure to illicit crypto activity in 2022 alone.



In only looking at the top 10 scams in terms of revenue, we see that over \$41.7 million CAD was garnered through this activity in 2022 across Canada. The climate is ripe for investment in greater law enforcement measures to protect Canadians. Through this industry-defining and world-leading partnership, Calgary Police Service will continue their efforts to fight crime, democratize their investigative capabilities across the region, and ultimately work to bend this curve downward.

Meeting the unique needs of the region

The partnership combines CPS' deep understanding of Western Canada, investigative expertise and customer-service, proactive focus to policing with Chainalysis' best in class technology, investigative solutions, and training expertise.

Training

A key element of the partnership will feature access to training from the Chainalysis and CPS teams of experts. Through this extensive training curriculum, more law enforcement personnel across the region will be equipped to investigate complex crimes that happen using cryptocurrencies or other blockchain technology. Chainalysis' research shows that scams and other crimes are increasingly becoming a local trend. By democratizing this knowledge and capability, the partnership will improve investigative outcomes for the citizens of Western Canada in the short term, and decrease the incentive for criminals to carry out these crimes in the long term.

Case Support

Through the partnership, law enforcement will have access to around-the-clock case support from Chainalysis. Chainalysis has a long history of supporting law enforcement officials. Their data platform and team of experts have helped on cases involving child

<u>abuse material</u>, <u>darknet markets</u>, <u>ransomware gangs</u>, <u>North Korean hacking</u>, and more, leading to the seizure of billions of dollars worth of cryptocurrencies.

What's next?

This announcement and partnership represents just the first step for Calgary Police Service and the citizens of Western Canada. CPS and Chainalysis will continue to scale the Western Canada Cryptocurrency Investigations Centre to serve more law enforcement agencies, offer more sophisticated training, increase case support to solve the toughest of cases, and expand the impact of the partnership.

Chainalysis will also continue to scale this concept globally, working with law enforcement personnel around the world to offer bespoke, customized offerings depending on the unique needs of the region at hand. Through this, Chainalysis is creating a global blueprint for public-private partnerships to make blockchain technology safer, and bringing together a community of experts at the forefront of this important work.

About Chainalysis

Chainalysis is the blockchain data platform. We provide data, software, services, and research to government agencies, exchanges, financial institutions, and insurance and cybersecurity companies in over 70 countries. Our data powers investigation, compliance, and market intelligence software that have been used to solve some of the world's most high-profile criminal cases and grow consumer access to cryptocurrency safely. Backed by Accel, Addition, Benchmark, Coatue, GIC, Paradigm, Ribbit, and other leading firms in venture capital, Chainalysis builds trust in blockchains to promote more financial freedom with less risk. For more information, visit www.chainalysis.com.

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