BitMask & RGB

w/ Hunter Beast

- Director of Engineering, DIBA
- Bitcoin, Rust, RGB dev
- BitMask wallet bitmask.app



Hunter Beast

- JavaScript dev turned Rust dev (since 2018)
- Started on shitcoins
 - Ethereum, 2017
 - Filecoin, 2021
- Bitcoin-only since 2022
- RGB -> Bitcoin Maxi
- Joined DIBA in Feb 2022
 - RGB
 - BitMask 0.0.1
- RGB design and review



Now, let's get into it...

Let's start with RGB.

The term RGB-

Red, Green, Blue-

is a reference to...



Colored Coins

- Alternate units of account
- OmniLayer OG Tether issuance
 - Recently officially discontinued by Tether in favor of RGB
- According to Jimmy Song, OG colored coins failed due to:
 - No standardization, vs ERC-20 standard
 - No marketing, vs Ethereum
 Foundation marketing budget
 - Market wasn't ready, vs ICO niche
- Why?



Why shitcoin?

- People want shitcoins
- We live in a world of shitcoins
 - __ Food
 - Furniture
 - Houses
- Receipts
- Altruism
- Contracts without authorities
- Might as well do so in the least disruptive way possible



What is RGB?

- Generalized smart contract protocol
- Keeps contract data off-chain
- Contract execution occurs in clients (CSV)
- Contract state is sharded amongst contract owners
- Bearer contracts
- Strong privacy
- Secured by Bitcoin
- Bitcoin-only, no other blockchain needed, no fee token than sats



UTXOs

Important to understand:

- Unspent
 - Can only be spent once
- Transaction (TX)
 - Atomic, either happens or it doesn't
- Output
 - Inputs/Outputs, not accounts, like EVM



Single Use Seals

A UTXO proves several things:

- There is a single unique state
- No other UTXO that's the same (esp. after xfer)
 - Non-repudiation
- This state can be spent by its owner
 - "Separation of ownership and state"
- The state is valid
- Double-spend
 - "Single-use seal"
 - Sharding
 - Pedersen commitments
 - Prevent inflation
- Timestamping
- Ordering



Privacy

RGB data is defined by clients (wallets)

- Contracts
- Beneficiaries
- Participants
- Amounts
- Invoices

None of this goes on-chain.



Example RGB Transfer Transaction

● tb1pp3w7p4mcaperemnhhxdttky… rszq5jsj 0.00000546 ытс		tb1patp4t4rddnps6	Øvg5u97uveр 2q5atllr 0.02995388 tвтс 🕙		
	ac2ffb31e6e269ea1c57a7fc7c7ec2c0230d6845ce24863 7165fedb17fc8163c2888cf9152308c5a548bedc35fc4d6 9607037f6bbf4ba4ce1c51122a8fcef53401	ScriptPubKey (ASM)	OP_PUSHNUM_1 OP_PUSHBYTES_32 eac355d46d6cc307b114e17dc66427 a3a9a04fc9c1fc437187be85584efb954		
	0xffffffff	ScriptPubKey (HEX)	5120eac355d46d6cc307b114e17dc66427da3a9a04fc9c1 fc437187be85584efb954		
Previous output script	OP_PUSHNUM_1 OP_PUSHBYTES_32 0c5de0d778e8723cee77b99ab5d8976 5df6c9d910d426f9a9a42a1c213210f07	Туре	V1_P2TR		
		tb1pz70t86m9j5474	4qpfwtkmygx 5qhchzl5 0.00000930 tBTC 🕞		
Previous output type	V1_P2TR	ScriptPubKey (ASM)	OP_PUSHNUM_1 OP_PUSHBYTES 32 179eb3eb65952bea802972edb220db2		
😊 tb1patp4t4rddnps0vg5u97uvep 2q5atllr 0.02996318 HBTC			355292d5acc1dc2601c95d2763a7c9e8		
	7bc699a0c706d97951588a0d5b4e9552654a6675c961702 2c78d828d41b9b9dc580f7695147f676560e8c785bae205 c86c72e223b19f0131b4c6ce687704a68401	ScriptPubKey (HEX)	5120179eb3eb65952bea802972edb220db2b355292d5acc 1dc2601c95d2763a7c9e8		
		Туре	V1_P2TR		
nSequence	0xffffffff				
Previous output script	OP_PUSHNUM_1 OP_PUSHBYTES_32 eac355d46d6cc307b114e17dc66427d a3a9a04fc9c1fc437187be85584efb954				
Previous output type	V1_P2TR				

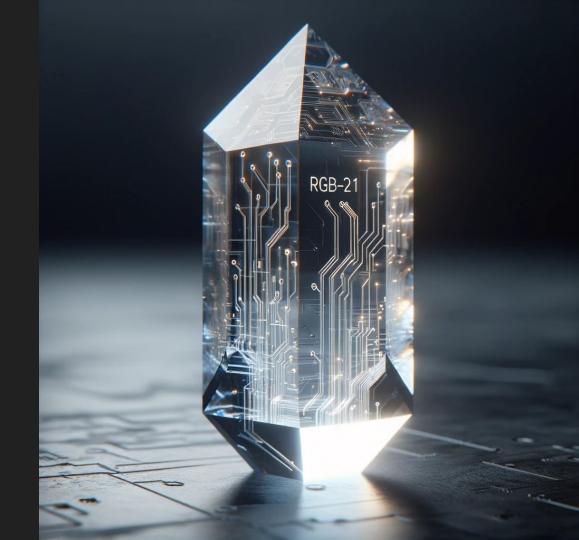
RGB-20

- Token metadata is specified
 - (name, supply, precision) <- "global state"
 - Issued against a UTXO <- "owned state"
- Consignment
 - A change in ownership of a contract
- Transfers
 - Blinded UTXO
 - Invoice
 - Transfer Consignment
 - Relay Consignment
 - Accept Consignment
 - Stash
 - Stock

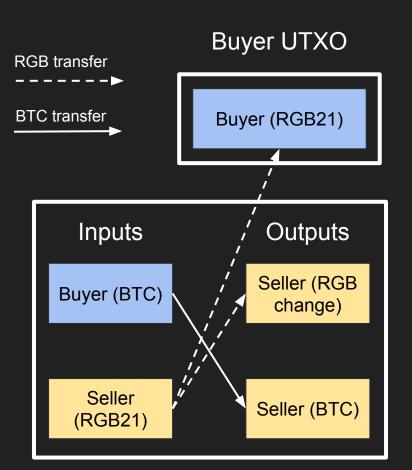
```
assetOwner:
| seal: tapret1st:c9a86c99127f1b2d1ff495c238f13069ac881ec9527905016122d11d85b19b61:1
| amount: 1000000000000000
```

RGB-21

- Similar to RGB-20
 - Both use LNPBP-31 std lib
- Unique Digital Asset
- Equivalent:
 - Supply of 1
 - Precision of 0
- Attachments
 - MIME type (e.g., image/jpeg)
 - URI
- Consignment (16MB)



RGB Atomic Swap TX





RGB20 Contractum Interface Specification

```
-- Defined by LNPBP-31 standard in `RGBContract.sty` file
import urn:ubideco:stl:6vbr9ZrtsD9aBjo5qR0360EZPVucqvRRjKCPqE8yPeJr#choice-little-boxer as RGBContract
interface RGB20
   -- Asset specification containing ticker, name, precision etc.
   global spec :: RGBContract.DivisibleAssetSpec
   -- Contract data and creation date is separated from the spec since it must
   -- not be changeable by the issuer.
   global data :: RGBContract.ContractData
   global created :: RGBContract.Timestamp
    -- State which accumulates amounts issued
   global issuedSupply+ :: RGBContract.Amount
   -- State which accumulates amounts burned
   global burnedSupply* :: RGBContract.Amount
    -- State which accumulates amounts burned and then replaced
   global replacedSupply* :: RGBContract.Amount
   -- Right to do a secondary (post-genesis) issue
   public inflationAllowance* :: Zk64
   -- Right to update asset Specification
   public updateRight?
   -- Right to open a new burn & replace epoch
   public burnEpoch?
   -- Right to burn or replace existing assets under some epoch
   public burnRight*
   -- Ownership right over assets
   private assetOwner* :: Zk64
                  :: spec
                   , data
                   . created
                   , issuedSupply
                   , reserves {RGBContract.ProofOfReserves ^ 0..0xFFFF}}
                  -> assetOwner
                   , inflationAllowance*
                   , updateRight?
                  , burnEpoch?
                  -- errors which may be returned:
                  !! supplyMismatch
                  | invalidProof
                   | insufficientReserves
```

```
op Transfer
              :: previous asset0wner+
               -> beneficiary assetOwner+
               !! nonEqualAmounts
-- question mark after 'op' means optional operation, which may not be
-- provided by some of schemata implementing the interface
op? Issue
               :: used inflationAllowance+
                , reserves {RGBContract.ProofOfReserves ^ 0..0xFFFF}
               -> issuedSupply
                , future inflationAllowance*
                , beneficiary assetOwner*
               !! supplyMismatch
                | invalidProof
                | issueExceedsAllowance
                | insufficientReserves
op? OpenEpoch :: used burnEpoch
               -> next burnEpoch?
                , burnRight
op? Burn
               :: used burnRight
                . burnedSupply
                , burnProofs {RGBContract.ProofOfReserves ^ 0..0xFFFF}
               -> future burnRight?
               !! supplyMismatch
               | invalidProof
                | insufficientCoverage
op? Replace
               :: used burnRight
               , replacedSupply
                , burnProofs {RGBContract.ProofOfReserves ^ 0..0xFFFF}
               -> future burnRight?
                , beneficiary assetOwner+
               !! nonEqualAmounts
                | supplyMismatch
                invalidProof
                | insufficientCoverage
op? Rename
               :: used updateRight
               -> future updateRight?
                , new spec
```

```
genesis
              :: spec
                 data
               , created
               , issuedSupply
               , reserves {RGBContract.ProofOfReserves ^ 0..0xFFFF}
              -> asset0wner*
               , inflationAllowance*
               , updateRight?
                 burnEpoch?
              -- errors which may be returned:
              !! supplyMismatch
                 invalidProof
                 insufficientReserves
op Transfer
               :: previous asset0wner+
               -> beneficiary assetOwner+
                !! nonEqualAmounts
-- question mark after 'op' means optional operation, which may not be
-- provided by some of schemata implementing the interface
op? Issue
               :: used inflationAllowance+
                , reserves {RGBContract.ProofOfReserves ^ 0..0xFFFF}
               -> issuedSupply
                  future inflationAllowance
                  beneficiary assetOwner*
                  supplyMismatch
                  invalidProof
                  issueExceedsAllowance
                  insufficientReserves
```

-- Ownership right over assets private assetOwner* :: Zk64

lication

RGB20 Strict Encoded Base85 Interface

Blame 194 lines (192 loc) · 12 KB

----BEGIN RGB INTERFACE----

Id: 48hc4i-m9JRcYQA-uUSzwFCK-VNEa9eZf-nhepU8QJ-pqosXS

Mnemonic: laptop-domingo-cool

Name: RGB20

00mM<LNYK03}SV1Ze?Usb#000c>#!wSY=~6@jI2b%^Ho0^4h \ N6bqMf006em^T\$v fj)VXK2V-(&VRU6=0b;l_K%3oNk|D3>jgMiHNFD\$nH%jL0?ZJGP>y9~kh5-NsWM0 n+0UbgMWzazyQWzbJ0`uB~s+m=Ng446R2b*47%pg27;{qB+X>)URWn@!zaBysS0f >xPWn((=JC(Q18jXtb+QHlu3zu?H+0@\$e\$59-PgaH8#a%FIAVPj=vQ+04~Y<U5Qj 96u3I KP|x6K-jit^gQ+!PC!a#7jT+VjUz9FBwl0R(e!Wn%%EVokT?CX\$&{lP=%L (r2YomjWp~)vLf(PH!SxGy3rX00jzRb8}^MPj_x*asmJV0SRJta&AR%Z)0cy0RR9 AVs&zEQfX&sb08YX0T09\$W^7?}X>V>pY;13LVQyn(0s#043w3a0VRU6uX=1A30Ra F200BmOtbsYP^%MO!vmSIsorVgs_HZ-Wn\$&XU+C3lhihBeHV{&C-bY)}!0RRC21Y } !VE RDORRkXb8~fNWK(r;aB0)10RRC21aoj@V*mjF0RRLFVRLh3bWe9~WpV%j0 RR69Vs&zEMR0FpXaE2J0RR\$dZf0y@bZKvHL2PVqcVTX0WdHyG|NjehaAaY0Wm0Kp XmkJo009610|5gB1_VNNa&7?uF^<Zha)%4qQZT7eT575km@BNFKe1k-QjV}dQYWX</p> 00Ssbwa&Bd0Q+04~Y<U0y009621a)&|WC00cb#iV}X=iA30RRC20S0DubairN0SR Jta&A&-XJ~W)009610|5gC001{Nb9H3_0Y-bQfjP1D6a6={9&|;Wh6=Lwa5LJP)N <z9Js<OmdjSk-b8~fNWK(r;aB0)10RRC20R(k(Wn=*oX>Mk0VRUJ4Zb58pZ+BsCV `TvV|NjCDVr6b+W@%\$-VRCr^3So0|Wpqz>Ze?-+0RR66W_5IRa%BM\$X>Mk0VRUJ4 Zb58pZ+BsCV`TsU|Nj640RsdE0SjVfZe?a^V`*V>c?nN&Wo|`qZ)0cy00035b#rB 80SRJta&AR%Z)0cy0096331W3}Zc=GyXmkJp00965Ze@6M0SRJta&AR%Z)0cx009 61009YNb#iV}X=iA322y2iVQpmr009GTWp@Dtb8uy20RRC20R(k(Wn=*hb#P>1bY)U\$XJ~W*0096224;11b#i3^3w3a0VRU6uX=iA30003100037W_5IRa%BfnWpHd^V `TvWF^<Zha)%4qQZT7eT575km@BNFKe1k-QjV}dQYWXO0S<CyaBN{?Wn@!zaBysS 00962009.1hh7f=131W337c=GvXmkMn0RRFFVr6h+W0%\$-VRCr^3S001Wngz>7e2-

Schema and Interface

- Interfaces define contract semantics
- Schemas define contract logic
- Compiled to Strict Encoded ASCII-Armored Base85
- Interface specification will be defined in Contractum (contractum.org)
- Interface implementation in Rust
- Interface methods called within the wallet

Separation of concerns: the protocols must be designed in a modular and layered way, where each module solves one and only one task. The layers must be well abstracted, meaning that the layers below must be unaware of the structure of the layers above. Such separation of concerns provides a foundation for the protocol interoperability, security, composability and forward-compatibility.

Section 2.1, Design Goals, RGB Blackpaper - blackpaper.rgb.tech

Strict Types

- Used for serialization
- Formal verification and structuring of types
- Rich low-level types (u8, f32, i64, etc, unlike JSON)
- Types like u4, u5, u128, u256, u512, u1024 unlike Rust
- Type Confinement
- Generates a semantic id to ensure there's no consensus-breaking changes
- Crucial for deterministic client-side validation

Example semantic id for RGB LIB:

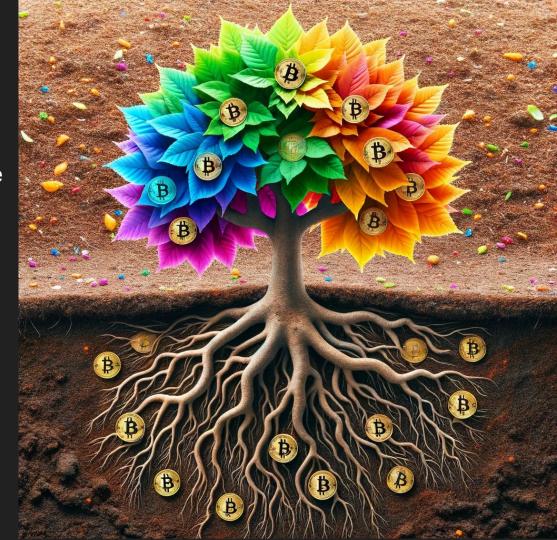
urn:ubideco:stl:4fGZWR5mH5zZzRZ1r7CSRe776zm3hLBUngfXc4s3vm3V#saturn-flash-emerald

https://github.com/diba-io/bitmask-core/blob/development/RGB_LIB_IDs.toml Generated with this build-script: https://github.com/diba-io/bitmask-core/blob/development/build.rs

```
# Auto-generated semantic IDs for RGB consensus-critical libraries and their corresponding versions of bitmask-core.
[LIB ID RGB]
# Consensus-breaking: If changed, assets must be reissued
"urn:ubideco:stl:4fGZWR5mH5zZzRZ1r7CSRe776zm3hLBUngfXc4s3vm3V#saturn-flash-emerald" = "0.6.0-rc.17"
[LIB ID RGB CONTRACT]
# Interface-only: If changed, only a new interface implementation is needed. No rejussance or migration necessary.
"urn:ubideco:stl:6vbr9ZrtsD9aBjo5qR0360EZPVucqvRRjKCPqE8yPeJr#choice-little-boxer" = "0.6.0-rc.17"
[LIB ID RGB20]
"urn:ubideco:stl:GVz4mvYE94a09q2HPtV9VuoppcDdduP54BMKffF7YoFH#prince-scarlet-ringo" = "0.6.0-rc.17"
[LIB_ID_RGB21]
"urn:ubideco:stl:3miGC5GTW58CeuGJqomApmdjm8N6Yu6YuuURS8N4WVBA#opera-cool-bread" = "0.6.0-rc.17"
[LIB ID RGB25]
"urn:ubideco:stl:4JmGrq7oTgwuCQtyC4ezC38ToHMzqMCVS5kMSDPwo2ee#camera-betty-bank" = "0.6.0-rc.17"
[LIB_ID_RGB_STD]
# Not consensus-breaking: If changed, only stash and consignments must be updated. No rejussance or migration necessary.
"urn:ubideco:stl:3KXsWZ6hSKRbPjSVwRGbwnwJp3ZNQ2tfe6QUwLJEDG6K#twist-paul-carlo" = "0.6.0-rc.17"
```

Taproot DBCs

- Deterministic Bitcoin Commitments
- OP_RETURN commits to a 32-byte hash of contract state transition bundle
- TapRet commitments embed an OP_RETURN TapScript in a TapLeaf
- MAST hashes TapScripts into a merkle tree
- P2TR public key is an x-only public key tweaked by merkle root

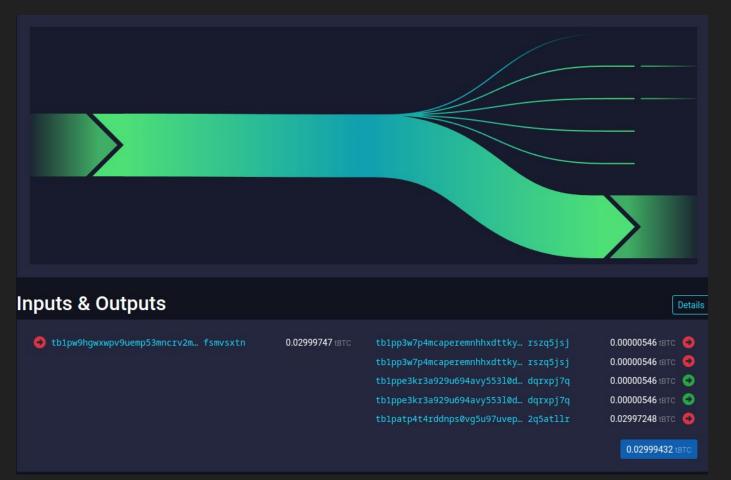


Taproot MPCs

- Multi-Protocol Commitments
 allows interoperability with other
 protocols
 - LNPBP-4
- Uses TapTrees to commit to multiple DBCs
- Can have over 250,000 different contracts in a single MPC



Funding Transaction creates dust UTXOs



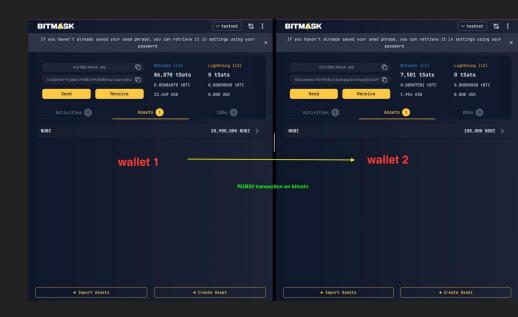
DIBA

- Digital Bitcoin Assets
- Marketplace for digital assets with a focus on RGB assets
- RGB21 Unique Digital Assets (not NFTs)
- "Phygital" assets
- We also make a wallet...



BitMask

- Noncustodial Bitcoin Taproot (bc1p)
- RGB utility wallet
 - Layer 1 only
 - RGB21 Transfers
 - RGB21 Swaps
 - RGB20 Swaps
 - Prime
- Custodial Lightning wallet
 - Supports usernames
 - Lightning Address (example: hunterbeast@bitmask.app)
 - NIP-05 ID
 - Uses Kollider LNDHubX (Rust implementation of LNDHub)
- Nostr keys
 - Contacts soon



bitmask-core

- BDK
- PDK
- NDK
- (No LDK)
- LNDHubX
- Deezy
- Carbonado
- **RGB**

Languages

Rust 96.7%

\(\lambda\) scc <u>bitmask-core</u>

Total

TypeScript 3.0%

Language	Files	Lines	Blanks	Comments	Code	Complexity
Rust	75	24414	3069	1049	20296	847
Shell	8	70	4	8	58	3
TypeScript	7	1358	183	210	965	17
JSON	5	165	1	0	164	0
TOML	4	181	19	10	152	1
Dockerfile	2	43	12	3	28	3
License	2	39	6	0	33	0
YAML	2	228	42	4	182	0
gitignore	2	14	0	0	14	0
Docker ignore	1	6	0	0	6	0
Markdown	1	91	33	0	58	0

26609

3369

1284

21956

871

Estimated Cost to Develop (organic) \$692,191 Estimated Schedule Effort (organic) 11.96 months Estimated People Required (organic) 5.14

109

Processed 1085776 bytes, 1.086 megabytes (SI)

Keys

- Encrypted using Argon2id hash and AES-GCM 256
- Derived using secp256k1,
 BDK, and NDK crates

```
export interface Vault {
   mnemonic: string;
   private: PrivateWalletData;
   public: PublicWalletData;
}
```

bitmask-core / lib / web / bitcoin.ts

```
Code
        Blame
   98
          // Core type interfaces based on structs defined within the bitmask-core Rust crate:
         // https://github.com/diba-io/bitmask-core/blob/development/src/structs.rs
                                                     export interface PublicWalletData {
         export interface PrivateWalletData {
                                                      xpub: string;
            xprvkh: string;
                                                      xpubkh: string;
            btcDescriptorXprv: string;
 104
                                                      watcherXpub: string;
            btcChangeDescriptorXprv: string;
                                                      btcDescriptorXpub: string;
            rgbAssetsDescriptorXprv: string;
                                                       btcChangeDescriptorXpub: string;
            rgbUdasDescriptorXprv: string;
                                                       rgbAssetsDescriptorXpub: string;
            nostrPrv: string;
                                                       rgbUdasDescriptorXpub: string;
            nostrNsec: string;
                                                      nostrPub: string;
                                                      nostrNpub: string;
```

```
import * as BMC from "./bitmask_core";

export const hashPassword = (password: string) => BMC.hash_password(password);

export const decryptWallet = async (
   hash: string,
   encryptedDescriptors: string
): Promise<Vault> =>
   JSON.parse(await BMC.decrypt_wallet(hash, encryptedDescriptors));
```

Carbonado (1/3) - What is Carbonado?

Crate carbonado 🗟



source [-1

Carbonado: An apocalypse-resistant data storage format for the truly paranoid.

Carbonado is an archival format for encrypted, durable, compressed, provably replicated consensus-critical data, without need for a blockchain or powerful hardware. Decoding and encoding can be done in the browser through WebAssembly, built into remote nodes on P2P networks, kept on S3-compatible cloud storage, or locally on-disk as a single highly portable flat file container format.

Modules

For details on Carbonado formats and their uses, see the Carbonado Format bitmask constant. constants

Error types error

file File helper methods.

See structs::EncodeInfo for various statistics gatthered in the encoding step. structs

Various utilities to assist with Carbonado encoding steps.

Functions

Decode data from Carbonado format in reverse order: bao -> zfec -> ecies -> snap decode

Encode data into Carbonado format, performing compression, encryption, adding error correction codes encode

verification encoding, in that order.

extract slice Extract a 1KB slice of a Bao stream at a specific index.

Scrub zfec-encoded data, correcting flipped bits using forward error correction codes. Returns an error w scrub

valid data cannot be provided, or data is already valid.

verify slice Verify a number of 1KB slices of a Bao stream starting at a specific index.



Carbonado (2/3) - What does Carbonado do?

Encoding:

- 1. Snappy compression
- 2. secp256k1 AES-GCM 256 encryption
- 3. Zfec Forward Error Correction
- 4. Bao Stream Verification
 - a. Blake3

Decoding:

- 1. Verify stream
- 2. Error correction
 - a. If verify succeeds, strip
 - b. If verify fails, scrub
- 3. Decryption
- 4. Decompression

Stream Verification

Carbonado (3/3) - How do we use Carbonado?

- Two methods are exposed by bitmask-core: store, retrieve
- Nostr Hex Secret Key is used for both
- Carbonado encodes Stock
 - in-memory
 - serverless
 - end-to-end encrypted
 - stored on multiple servers
 - automerge CRDTs

```
import * as BMC from "./bitmask_core";
export const store = async (
  nostrHexSk: string,
  data: Uint8Array,
  force: boolean,
  name?: string,
  meta?: Uint8Array
): Promise<void> => BMC.store(nostrHexSk, name || "", data, force, meta);
export const retrieve = (
  nostrHexSk: string,
  lookup: string
): Promise<Uint8Array> => BMC.retrieve(nostrHexSk, lookup);
```

BitMask Roadmap

- LN Swaps
- RGB Swaps
- Transfer Batching
- Iris Compatibility
- Nostr Contacts
- Nostr Wallet Connect
- BIP-21 support
- WebBTC & WebLN (& WebRGB?)
- Teleburning Inscriptions
- Marketplace Launch on 11/11
- Prime, Radiant, Abraxas



Prime

- Alternate L1
 - Anchored to Bitcoin
 - Mining Seal
 - ANYONECANSPEND
 - Tapret
- Proof Merkle Tree
- Seals only (RGBTC)
- Unbounded TPS
- Node interactivity
 - 6GB/UTXO/year
 - Prove to spend
- Requires no changes to Bitcoin



Radiant

- Prometheus state channels
- Multisig between randomly chosen parties
- Arbitrates disputes
- Staking
- Peg-in issues RGB30 RGBTC
 - RGB30 Decentralized Issuance
- Redeem tokens to peg-out
 - New UTXOs are made
- Requires no changes to Bitcoin

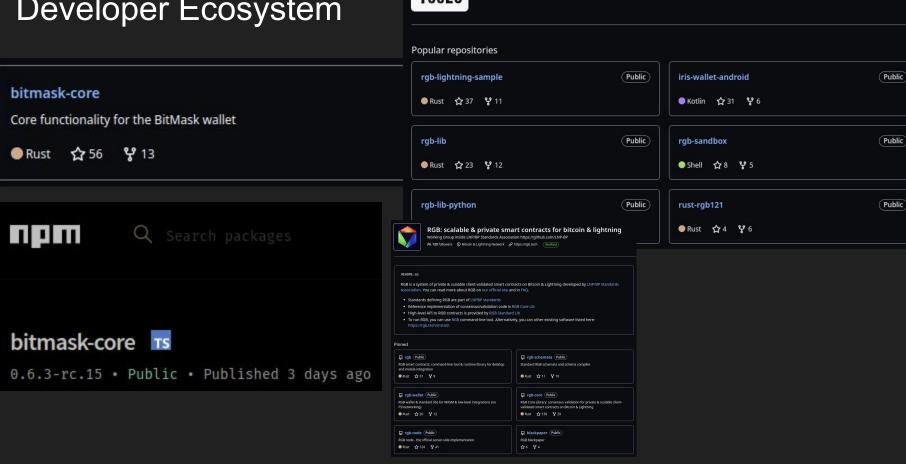


Abraxas

- Alternate L1
- Non-interactive
 - Data availability
- 1 million seals per block
 - Anchored to Bitcoin
 - Every 10 minutes
- ZK-STARKs
- 20-40GB per year
- Spam-resistant
 - Seals-only
- Fees paid in on-chain ABTC
- Requires no changes to Bitcoin



Developer Ecosystem



RGB

RGB Tools

RGB Tools project is a collections of tools to build and test applications using the RGB protocol for assets on Bitcoin

Resources to Learn More About RGB

- rgb.tech
 - Official RGB Technical site
- blackpaper.rgb.tech
 - Blackpaper
- rgbfaq.com
 - FAQ
- standards.lnp-bp.org
 - Other RGB and LNP/BP standards
- contractum.org
 - Contractum Spec
- rgb.info
 - Community site
- rgbex.io
 - RGB Explorer (more limited than a traditional block explorer)



Thank you!

@cryptoquick on:

- X
- GitHub
- Telegram





Follow me on Nostr

Scan the code

LinkedIn QR code

My code

Scan



Hunter BeastDeveloper, Rust & Bitcoin

