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Crypto Hype or Scam? Five Tokens Under Fire

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Several high-profile cryptocurrency events are facing scrutiny over their sponsorship policies, with critics warning that questionable projects may be gaining undeserved legitimacy through these platforms. Among the loudest voices is prominent blockchain investigator ZachXBT, who recently raised alarms about some sponsors of Token2049, one of the industry's most well-known conferences.

Token2049, which draws global attention for its speaker lineup and industry networking opportunities, has come under fire for allowing sponsorship by projects with limited transparency and controversial histories. ZachXBT, known for his on-chain research,

expressed concern on his Telegram channel, warning that “platinum sponsor” status at such events does not equate to credibility. He argued that insufficient vetting processes may expose retail investors to unnecessary risks.

One project highlighted by ZachXBT is Spacecoin (SPACE), developed by blockchain company Gluwa. The token claims to support a Decentralized Physical Infrastructure Network (DePIN) aimed at enabling global 5G connectivity through satellite-based internet. However, critics point out that the project has not publicly disclosed any verifiable data on satellite deployment or published third-party audit results. ZachXBT also suggested the project may have artificially inflated trading metrics.

Another project drawing attention is JPEX (Japan Exchange), which previously gained recognition by sponsoring multiple cryptocurrency expos. Although once seen as legitimate due to its polished branding, JPEX is now under investigation by regulators in various jurisdictions for allegedly operating without a license and misleading investors. Reports suggest that users lost substantial funds, and some individuals connected to the platform face legal action.

HyperVerse, a platform that attracted users with promises of daily rewards and a metaverse-based economy, also collapsed after allegations emerged likening it to a Ponzi scheme. Despite initially gaining traction through influencer marketing, the project unraveled, leaving many investors with significant losses.

According to critics, many of these tokens share common characteristics: anonymous development teams, vague or overly ambitious whitepapers, limited liquidity, and marketing strategies that prioritize hype over substance. Their visibility at major events, however, often gives the impression of legitimacy to newcomers in the space.

ZachXBT and others are urging event organizers to implement stricter screening processes for sponsors. “Sponsorship should not be mistaken for credibility,” he warned, calling on the industry to hold events to higher standards.

In the absence of comprehensive regulation or independent oversight, analysts emphasize the importance of personal due diligence. Investors are advised to look for transparency, credible audits, identifiable leadership, and demonstrable utility when evaluating cryptocurrency projects.

Until stronger safeguards are in place, critics warn that high-profile events risk becoming platforms that inadvertently elevate risky ventures, putting uninformed participants at financial risk.