February 4, 2022

# Riot Blockchain Announces January Production and Operations Updates

**Riot produces 458 Bitcoin in January 2022, and Curtails Energy Usage in Response to February Texas Winter Storm**

Castle Rock, CO, Feb. 04, 2022 (GLOBE NEWSWIRE) -- **Riot Blockchain, Inc. (NASDAQ: RIOT) ("Riot," "Riot Blockchain" or "the Company")**, an industry leader in Bitcoin ("BTC") mining and hosting, announces production and operations update for January 2022, updates to the status of miner shipments and deployment, updates on the 400 megawatt ("MW") infrastructure expansion at the Company's Whinstone US, Inc., ("Whinstone") facility in Rockdale, Texas (the "Whinstone Facility"), and an update on remaining flexible for the ERCOT power grid stabilization.

"Riot is well-positioned for continued growth and production in 2022," said Jason Les, CEO of Riot Blockchain. "We are pleased to share that miner deployments in one of our immersion-cooled buildings are now fully underway. We have refined our process for driving immersion-based miner installations and are now initiating tests on productivity enhancements supported by this cooling technology. We expect to see increases in our hash rate capacity as we continue to execute on deployments in the newly completed Building F and the soon to be completed, Building G.

Additionally, we have been closely monitoring the current weather conditions in Texas and the potential impact they may have on the supply and demand of energy in the ERCOT grid. As the largest Bitcoin miner by developed capacity in Texas, Riot is currently curtailing its Bitcoin mining operations at the Whinstone Facility. Riot employs nearly 200 full-time team members at the Whinstone Facility, in addition to another 400 contractors, in Rockdale, TX, and we deeply value our relationship with the surrounding community and broader state of Texas."

**Production Updates**

- In January 2022, Riot produced 458 BTC, an increase of approximately 252%, as compared to the January 2021 production of 130 BTC.
- As of January 31, 2022, Riot held approximately 5,347 BTC, all produced by the Company's self-mining operations.
- Riot currently has a deployed fleet of approximately 32,552 miners, with a hash rate capacity of 3.4 exahash per second ("EH/s").

Riot intends to continue providing monthly operational updates and unaudited production results for the foreseeable future or until otherwise disclosed. These updates are intended to keep shareholders informed of the Company's progress regarding the execution of the

previously announced growth in Riot's hash rate and to keep investors apprised of the Company's development of Bitcoin mining infrastructure critical to de-risking future growth.

## Mining Deployment and Shipment Updates

Since its last monthly update, the Company deployed approximately 3,000 S19j Pros, with 7,924 additional miners staged for deployment. Additionally, 5,768 S19j Pros have been shipped from Bitmain and are expected to be received during February 2022. Once the staged miners and those from the February delivery are deployed, Riot expects to have a total of 46,244 miners deployed with a hash rate capacity of approximately 4.7 EH/s.

Global logistics issues have impacted some miner shipment schedules, including a delayed January shipment that has been pushed into the month of February. Riot remains in close communication with Bitmain and logistics providers working to mitigate delays where possible.

## Infrastructure Update

In preparation for future potential expansion opportunities, Riot has secured six additional 100 MW high-voltage transformers, and forty 2.5 MW medium voltage transformers, which are currently in inventory. The Company is evaluating leveraging its development expertise and operational efficiencies to further expand its Bitcoin mining capacity.

Riot's 400 MW infrastructure expansion now includes one-third of completion for Building G, Riot's second immersion-cooled dedicated building, along with Building D, a state-of-the-art, air-cooled Bitcoin mining building. Additionally, Building E, the fourth state-of-the-art, air-cooled Bitcoin mining building has reached one-fourth of completion.

## 2022 Estimated Hash Rate

By Q4 2022, Riot anticipates a total self-mining hash rate capacity of 12.8 EH/s, assuming full deployment of approximately 120,150 Antminer ASICs, but excluding any potential expected incremental productivity gains from the Company's utilization of 200 MW of immersion-cooling infrastructure. Approximately 97% of Riot's self-mining fleet will consist of the latest generation S19 series miner model. Upon full deployment of all currently contracted miners, the Company's total self-mining fleet will consume approximately 370 MW of energy. In addition to the Company's self-mining operations, Riot's Whinstone Facility hosts approximately 200 MW of institutional Bitcoin mining clients.

## Bitcoin Treasury Management

Riot is monitoring its balance sheet on an ongoing basis, evaluating the level of Bitcoin retained from monthly production in consideration of operational and expansion cash requirements. The Company continues to hold a long-term view on its Bitcoin holdings and believes it is in the best interest of shareholders to have strong Bitcoin holdings on its balance sheet.

## Human Resources

The Company is proud to announce personnel changes to the corporate office, including the hiring of Ashley Lewis, as Director of IT.

**2021 Annual Financial Statement Filing**

Due to its market value, Riot is now a large-accelerated filer as defined by the Securities and Exchange Commission. As a result, the statutory filing deadline for the Company's annual report on Form 10-K is March 1, 2022.

**About Riot Blockchain, Inc.**

Riot Blockchain (NASDAQ: RIOT) focuses on mining Bitcoin, and through Whinstone, its subsidiary, hosting Bitcoin mining equipment for institutional clients. The Company is expanding and upgrading its mining operations through industrial-scale infrastructure development and latest-generation miner procurement. Riot's headquarters is in Castle Rock, Colorado, and the Whinstone Facility operates out of Rockdale, Texas. The Company also has mining equipment operating in upstate New York under a co-location hosting agreement with Coinmint, LLC. For more information, visit www.RiotBlockchain.com.

**Safe Harbor**

Statements in this press release that are not historical facts are forward-looking statements that reflect management's current expectations, assumptions, and estimates of future performance and economic conditions. Such statements are made in reliance on the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements.  Words such as "anticipates," "believes," "plans," "expects," "intends," "will," "potential," "hope," and similar expressions are intended to identify forward-looking statements. Forward-looking statements may never materialize or may prove to be incorrect.  Due to various risks and uncertainties, the actual results and the timing of events could differ materially from those anticipated in such forward-looking statements. These forward-looking statements may include, but are not limited to, statements about the benefits of acquisitions, including financial and operating results, and the Company's plans, objectives, expectations, and intentions.  Among the risks and uncertainties that could cause actual results to differ from those expressed in forward-looking statements include, but are not limited to: unaudited estimates of BTC production; our future hash rate growth (EH/s); our expected schedule of new miner deliveries; our ability to successfully deploy new miners; MW capacity under development;  the integration of acquired businesses may not be successful, or such integration may take longer or be more difficult, time-consuming or costly to accomplish than anticipated; failure to otherwise realize anticipated efficiencies and strategic and financial benefits from our acquisitions; and the impact of COVID-19 on us, our customers, or on our suppliers in connection with our estimated timelines. Detailed information regarding other factors that may cause actual results to differ materially from those expressed or implied by statements in this press release may be found in the Company's filings with the U.S. Securities and Exchange Commission (the "SEC"), including in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020, and our other filings with the SEC, including, but not limited to the additional risk factors outlined in the Company's Current Report on Form 8-K filed with the SEC on May 26, 2021, copies of which may be obtained from the SEC's website at www.sec.gov.  All forward-looking statements included in this press release are made only as of the date of this press release, and the Company disclaims any intention or

obligation to update or revise any forward-looking statements to reflect events or circumstances that subsequently occur, or of which the Company hereafter becomes aware, except as required by law. Persons reading this press release are cautioned not to rely on forward-looking statements.

## Attachments

- [Riot Hash Rate Capacity Growth Updated January 2022](#)
- [Riot Infrastructure Progress January 2022](#)

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