



I O T

Riot Blockchain, Inc.
NASDAQ: RIOT / MAY 2021

FORWARD LOOKING STATEMENTS

The information provided in this presentation may include forward-looking statements within the meaning of the federal securities laws, including as to the effects of the acquisition by Riot Blockchain, Inc. (the “Company”) of Whinstone US, Inc. (“Whinstone”) and the future financial performance and operations of the Company and Whinstone. 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 are based upon current expectations of the Company and involve assumptions that may never materialize or may prove to be incorrect. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of various risks and uncertainties.

These forward-looking statements may include, but are not limited to, statements about the benefits of the acquisition of Whinstone, 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 are: (1) the integration of the businesses of the Company and Whinstone may not be successful, or such integration may take longer or be more difficult, time-consuming or costly to accomplish than anticipated; and (2) failure to otherwise realize anticipated efficiencies and strategic and financial benefits from the acquisition of Whinstone.

Detailed information regarding other factors that may cause actual results to differ materially from those expressed or implied by statements in this presentation 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, which was filed with the SEC on March 31, 2021 and subsequently amended in a filing with the SEC on April 30, 2021, and the Company’s Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2021, which was filed with the SEC on May 17, 2021, and in the additional risk factors set forth 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 presentation are made only as of the date of this presentation, and the Company does not undertake any obligation to publicly update or correct 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.



BITCOIN IS A RE-INVENTION OF GLOBAL FINANCE

Riot serves as a vehicle for investors seeking exposure to **Bitcoin**

INSTITUTIONAL **BITCOIN** ADOPTION IS HERE

"Do I think it's a durable mechanism that ... **could take the place of gold to a large extent?**...I do, because it's so much more functional than passing a bar of gold around"

BlackRock

"Fidelity has made a **long-term commitment to the future of blockchain technology and to making digitally-native assets, such as Bitcoin, more accessible to investors**"



"I think that you can expect that we'll have a billion people storing their value, in essence a savings account, on a mobile device within five years and **they're going to want to use something like Bitcoin**"

MicroStrategy

"We believe that **digital currencies have the potential to extend the value of digital payments** to a greater number of people and places. As such, we want to help shape and support the role they play in the future of money"



VISA

"We believe that **Bitcoin** has the **potential to be a more ubiquitous currency in the future**"

 **Square**

WHAT IS BITCOIN?

Decentralized -
it is not controlled by any one
person, entity, or government
(as compared to fiat currencies)

The data structure (**blockchain**)
serves as the public ledger
of all transactions



Dominant cryptocurrency with a
US **\$735 billion** global market
capitalization ⁽¹⁾

Sound money, with a supply
of only **21 million** coins coded
into its supply schedule

The strongest, most secure, and
most decentralized network of all
cryptocurrencies

the process of mining a Bitcoin:

repeatedly guessing inputs into an algorithm until the desired output is observed



Bitcoin transactions are pooled together in a "block"



Once a block is formed, miners compete to solve it, which is difficult to do but simple to verify



After it is solved, the transactions are "verified" by the network



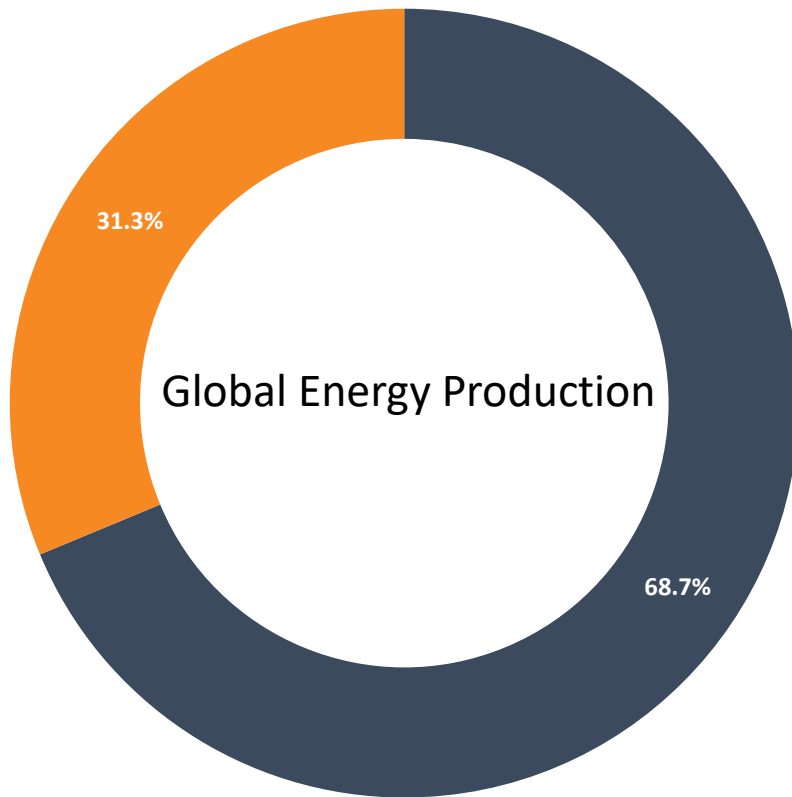
The new block of verified transactions is attached to a chain of prior blocks ("blockchain")



For solving the puzzle, miners are rewarded with Bitcoin, which occurs every 10 minutes, on average

Currently, the reward is 6.25 BTC per block solved, totaling approximately 900 BTC per day network-wide

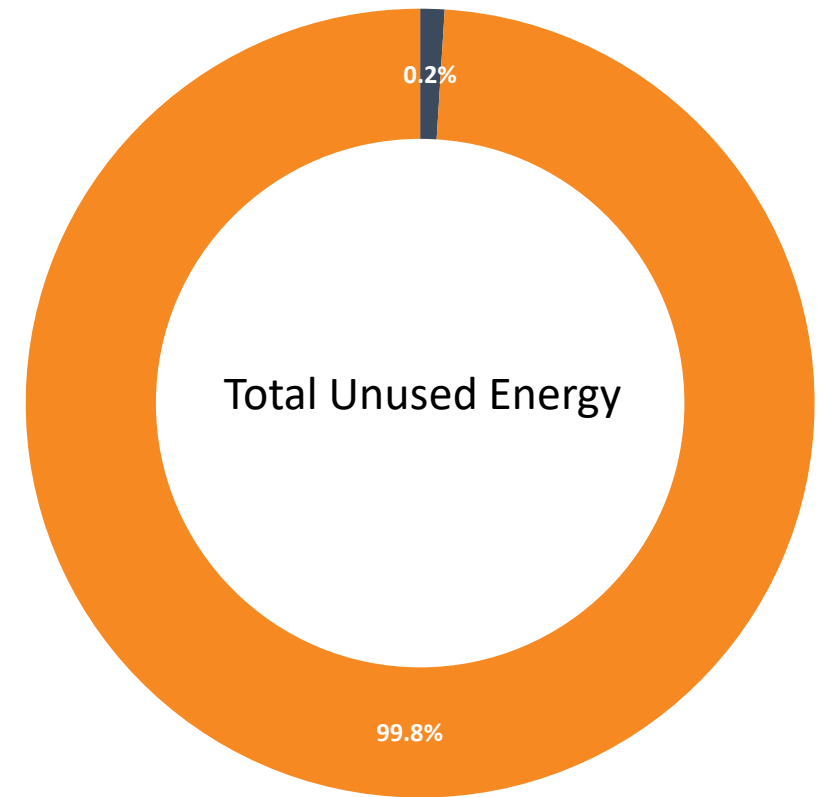
BITCOIN MINING AND ENERGY USE



■ Energy Consumption ■ Unused Energy

76% of Bitcoin miners utilize renewable energy as a part of their energy mix, with renewable energy accounting for ~40% of overall energy mix ⁽¹⁾

Bitcoin miners are incentivized to minimize their power costs and seek out under-utilized renewables infrastructure



■ Bitcoin Energy Consumption ■ Remaining Unused Energy

Ticker Symbol NASDAQ	RIOT
Share Price	\$25.14 ⁽¹⁾
Shares Issued & Outstanding	95.9 Million ⁽²⁾
Avg. Daily Trading Volume	26.4 Million ⁽³⁾
Net Cash	\$241 Million ⁽⁴⁾
BTC Held on Balance Sheet	1,569 BTC ⁽⁵⁾
Current Riot Hashing Capacity	1.6 EH/s ⁽⁶⁾
Future Riot Hashing Capacity	7.7 EH/s ⁽⁷⁾

Riot's mission is to become one of the most relevant and significant companies supporting the **Bitcoin** network and greater **Bitcoin** ecosystem

RIOT AT A GLANCE

Q1 2021

5.46

AVERAGE BITCOIN
MINED DAILY

67.5%

BITCOIN MINING
MARGIN

491

TOTAL BITCOIN
MINED

1,569

BITCOIN HELD

\$23.2MM

TOTAL
REVENUE

\$241MM

CASH ON
BALANCE SHEET

\$15,250

AVG. DIRECT COST
PER BITCOIN
MINED

\$7.5MM

NET INCOME

\$10.3MM

ADJUSTED EBITDA

PROFITABILITY DRIVERS IN **BITCOIN** MINING

$$\text{Annual Mining Profitability} = \left[\left(\frac{\text{Riot's Hash Rate}}{\text{Network Hash Rate}} \right) \times \left(\text{Price of BTC} \right) \times \left(\left(\frac{6.25 \text{ Block Reward}}{\text{Transaction Premium}} \right) \times \left(\frac{52,560 \text{ Blocks per Year}}{\text{Price of Miners}} \right) \right) \right] - \left[\left(\text{Price of Miners} \right) + \left(\text{Cost of Electricity} \right) + \left(\text{Riot's Corporate Expenses} \right) \right]$$

What Riot Controls

Riot's hash rate
cost of electricity
corporate expenses

What Riot Does Not Control

network hash rate
price of BTC
block rewards & # of
blocks per year
price of miners

RIOT HISTORY AND CURRENT OPERATIONS

2018



Riot began mining **Bitcoin** at 12 MW Oklahoma City facility, which it operated until mid-2020

2020



Riot moved its entire mining fleet to Coinmint's **Bitcoin** mining hosting facility in Massena, NY, with over **51 MW** currently live

2021



Acquired a **300 MW Bitcoin** mining hosting facility in Rockdale, Texas



Moses Saunders Dam near Massena, NY



Whinstone facility in Rockdale, TX



RIOT

+

WHINSTONE US

TRANSACTION STRUCTURE

- \$80 Million cash consideration
- 11.8 Million shares of RIOT common stock

100 acres

Rockdale, Texas

\$0.025

cost per kWh

190,000 ft²

hosting space

60,000 ft²

under construction

300 MW

total developed
capacity



750 MW

total power
capacity



2017 - 2020

A leading **Bitcoin** miner with access to large miner purchases

Current mining fleet entirely hosted at Coinmint's Massena, NY facility with relatively low power costs

Industry-leading management team

Nasdaq listing provides efficient access to capital

2021 - ONWARDS

Largest publicly-traded **Bitcoin** mining & hosting company creates a leading US **Bitcoin** platform

Rapidly-scaling self-mining business with one of the world's largest mining facilities and power costs among the lowest in the industry

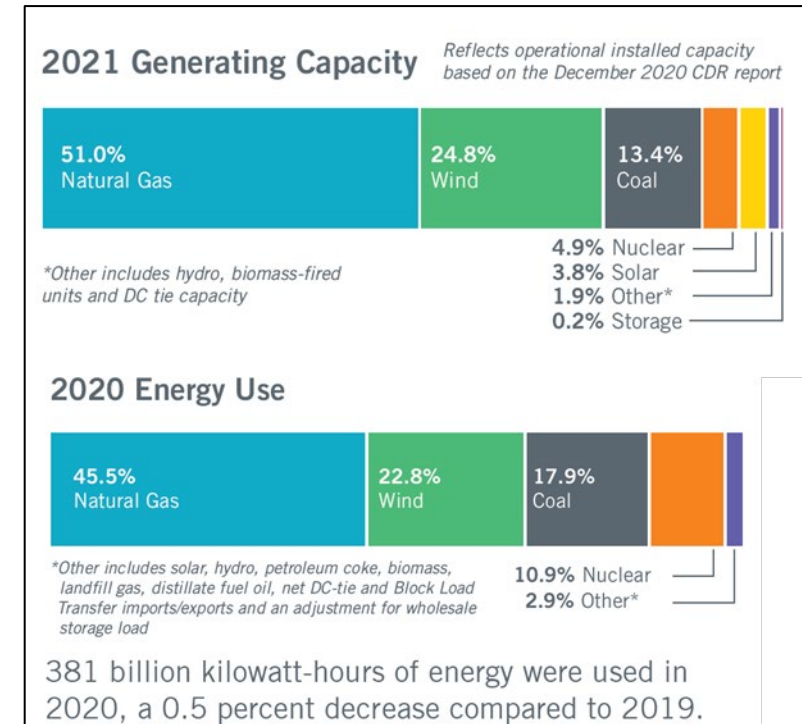
Industry-leading management plus highly-talented execution team with over 100 employees

Significantly de-risked path to capital deployment

ERCOT'S INCREASED RENEWABLE PENETRATION

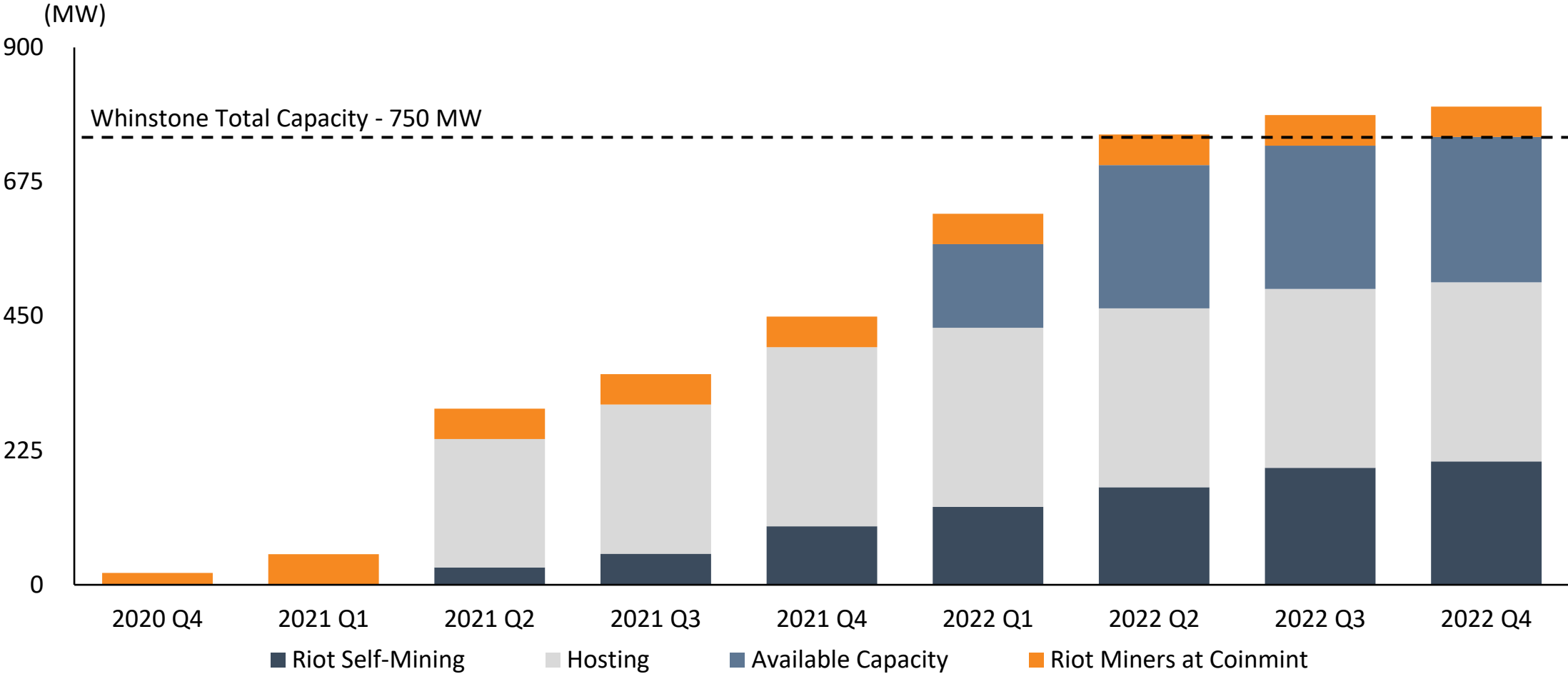
The Electric Reliability Council of Texas (ERCOT) is a nonprofit organization that ensures reliable electric service for 90 percent of the state of Texas

- Wind & solar generation has grown to 28.6% of total generating capacity
- 25,121 MW of installed wind capacity as of January 2021, the most of any state in the nation
- 3,854 MW of utility-scale installed solar capacity as of January 2021



As one of the few deregulated energy markets, ERCOT's market is driven by competition

INDUSTRY-LEADING **BITCOIN** MINING CAPACITY



HASH RATE GROWTH

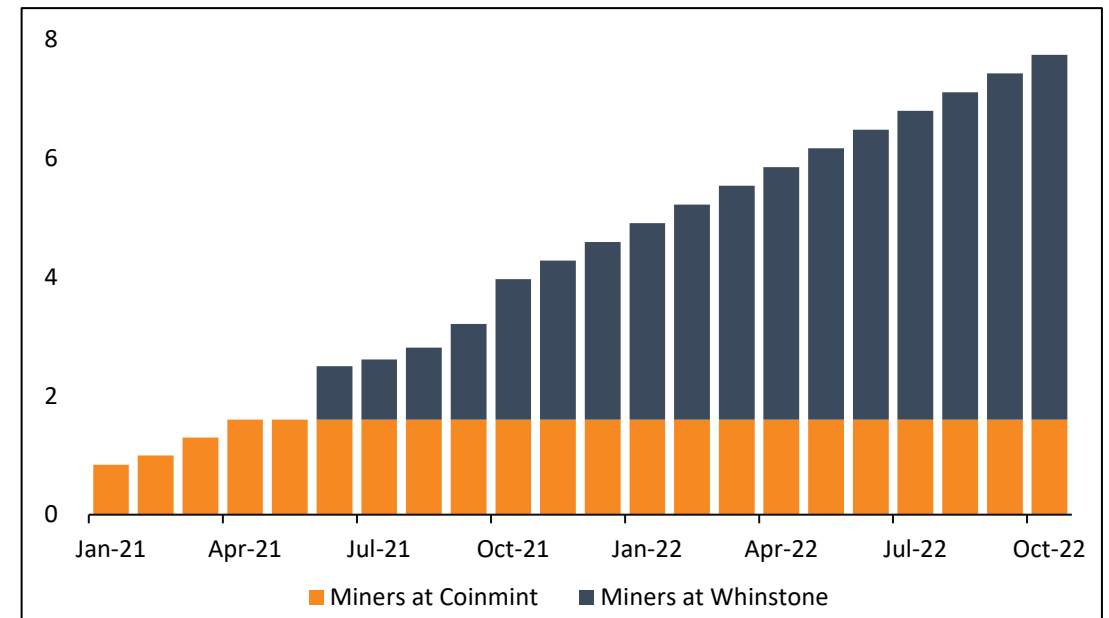
Since 2019, multiple long-term purchase orders with Bitmain; monthly deliveries from purchase orders through Q4 2022

Riot's aggregate **Bitcoin** mining hash rate capacity estimated to reach:

4.6EH/s
by Q4 2021

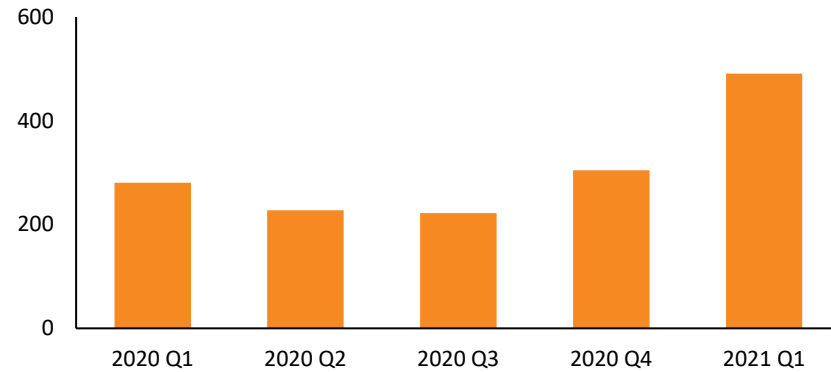
7.7EH/s
by Q4 2022

RIOT'S FORECASTED HASH RATE GROWTH SCHEDULE (EH/s)

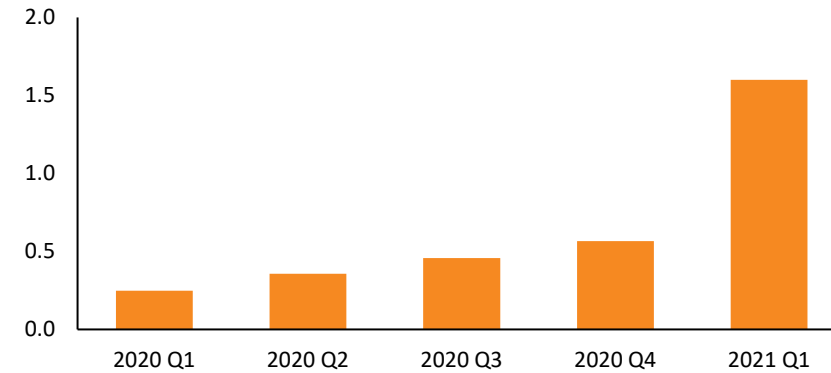


RIOT FINANCIAL HIGHLIGHTS

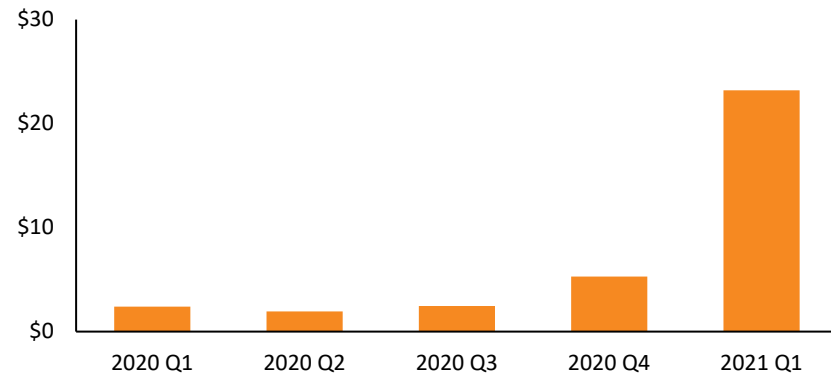
BITCOIN MINED



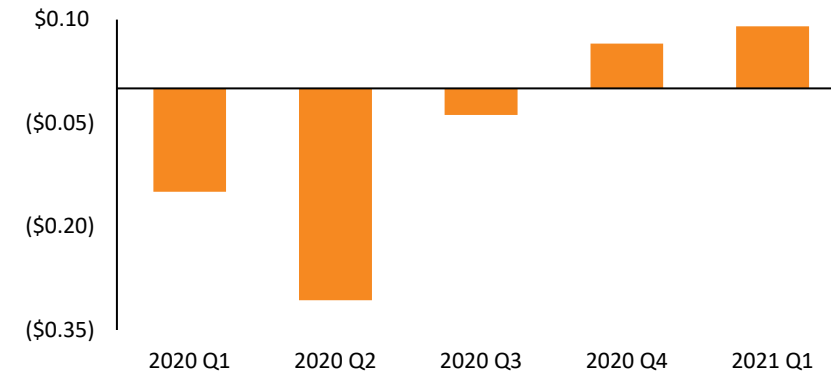
HASH RATE (EH/s)



REVENUE (\$MM)



EARNINGS PER SHARE



INVESTMENT HIGHLIGHTS



A trailblazing US
Bitcoin mining
platform

Serves as a
vehicle for
investors seeking
exposure
to **Bitcoin**

Clear and
**significantly de-
risked** pathway
for expansion

Management
team brings
demonstrated
track record of
success

Riot provides a best-of-class investment opportunity in the **Bitcoin** mining vertical



APPENDIX



RIOT MANAGEMENT TEAM



Jason Les

CEO & Board Member

Jason became Riot's CEO in February 2021 after serving as an independent board member since November 2017

Has been deeply involved with Bitcoin since 2013, with significant experience in cryptocurrency mining and as an engineer studying protocol development and contributing to open-source projects

Founding partner of Binary Digital, a software-development company

Former professional heads-up poker player

Was selected as a human benchmark for testing the world's best poker artificial intelligence in what was dubbed "Man vs Machine" at Carnegie Mellon University in 2015 and 2017

B.S. in Information & Computer Science from UC Irvine



Jeff McGonegal

CFO

Jeff is the longest-standing member of Riot's executive team and resumed his duties as the Company's permanent CFO in February 2021

Served as Riot's CEO during 2019 and 2020

His career has spanned over 40 years in senior leadership roles working as an audit partner with a national accounting firm, in addition to roles as an executive within multiple public entities

Started his public accounting career with BDO USA, LLP, most recently serving as Managing Partner of the BDO office in Denver, Colorado

B.A. in Accounting from Florida State University and became a Certified Public Accountant in 1975, now retired



Megan Brooks

COO

Megan's experience includes over 20 years in emerging industries in operations, finance, and risk management, with seven years of executive management

Worked with international / domestic insurance domiciles, auditors, and regulatory bodies to design and implement guidelines / legislature for financial reporting, solvency, and asset portfolios

Developed software applications focused on improving efficiency and accountability in captive insurance operations

Received a global award for Power 50 "One to Watch List" and has written numerous technical pieces for global publications

B.S. in Finance, along with a Masters Certificate of Accountancy from University of Houston, C.T. Bauer College of Business

Certification in risk management and is a licensed Risk Manager

WHINSTONE FOUNDERS



Chad Harris
CEO

Chad Harris is the CEO of Whinstone and brings his vast entrepreneur and executive leadership skills to the Riot leadership team

As a serial entrepreneur with a track record of building successful and profitable firms, Chad has used his marketing experiences in customer retention, acquisition, and negotiations to help businesses achieve successes

Chad's ability to leverage his experience in construction, data analysis, and finance over the last 30 years provides him with a well-balanced approach to capture profitability from unrecognized sources

Received the 2020 Community Economic Development Award and many other awards, including Holding a ranking in INC and being named one of the Top 100 Internet Retailer



Lyle Theriot
COO

Lyle Theriot has served as the COO of Whinstone since 2018 and brings his vast knowledge of construction operations to the Riot leadership team

For his efforts as COO of Whinstone, Lyle was awarded the 2020 Texas Economic Development Council - Community Economic Development Award for Secondary Benefit for the Whinstone Data Center Project

Starting his career in construction management focusing on communication and team building, Lyle gained the needed skills to effectively solve complex construction problems and build with speed and efficiency



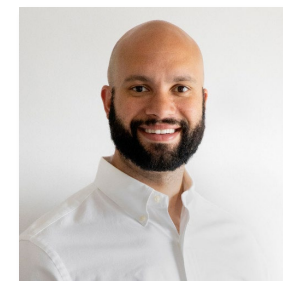
Ashton Harris
CTO

Ashton Harris has been the CIO of Whinstone since its inception in 2018, and became the CTO in 2021

Ashton leverages his technical knowledge and his business acumen in creating an effective enterprise technology strategy

Ashton's strategy focuses on providing scalable solutions for the facility's technical design and software

Ashton has been involved with Bitcoin since 2011



David Schatz
VP Operations

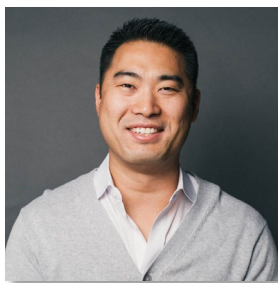
David Schatz is the Vice President of Operations at Whinstone

In this capacity, he manages over 100 employees and has implemented safety programs, performance incentives, CPR training, and benefits for all Whinstone team members

David's leadership skills were shaped from his previous role at TriMet where, in a career spanning eight years, he mastered the art of leadership and mentoring staff

David also has in-depth technical training from Mt. Hood Community College and Portland Community College, where he gained a tremendous mechanical foundation

RIOT BOARD OF DIRECTORS



Benjamin Yi
Executive Chairman

Recruited to Riot in October 2018 to chair the audit committee and join a special committee of the Board

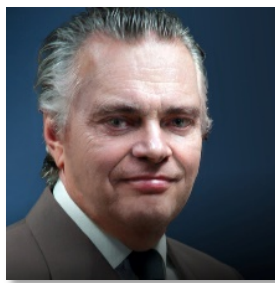
Nominated Chairman in November 2020 and Executive Chairman in May 2021

Significant turn-around and governance experience with public companies

Previously led the capital markets efforts at IOU Financial, a fintech portfolio company of Neuberger Berman

Unique capital markets experience with particular expertise in specialty finance, energy, and special situations investing

Master of Finance degree from University of Toronto and CFA charter holder



Hubert Marleau
Lead Independent Director

Nominated to the Board in November 2020

Chief Economist at Palos Management, a boutique investment management firm headquartered in Montreal, Canada

Previously served as a Governor of the Montreal and Vancouver stock exchanges, and as a Director of the Listing Committee for the Toronto Stock Exchange and Director of the Investment Dealers Association of Canada (now known as IIROC)

Current or past board director of approximately 50 publicly-traded companies

Honors Bachelor of Social Sciences in Economics from the University of Ottawa



Hannah Cho
Independent Director

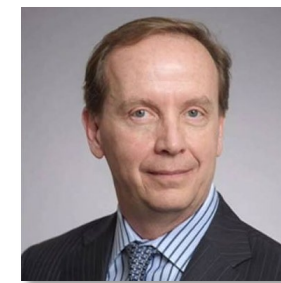
Award-winning marketing and communications executive with expertise in brand building and storytelling

Currently VP of Marketing Communications at BMC Software, a portfolio company of KKR

Formerly SVP, Technology Communications at Edelman in their San Mateo office

Over 15 years of experience in enterprise technology brand marketing, product and corporate communications supporting hyper-growth companies and global, multinational organizations in business growth and expansion, rebranding efforts, M&A, IPO, and divestiture

B.A. Honors in Criminology from Carleton University



Lance D'Ambrosio
Independent Director

Successful entrepreneur, private investor, and corporate director

Former recipient of the E&Y Entrepreneur of the Year award in the category of e-software and services

Has founded and grown several companies spanning multiple industries

Previously sold two businesses to Sprint and Comsat Int'l, a subsidiary of Lockheed Martin

B.Sc. in Marketing and Management from the University of Utah

TEXAS PILOT PROJECT



An Enigma container utilizing immersion cooling

Riot continuously explores new mining technology to maintain a leading position within the mining industry

In December 2020, Riot announced a pilot project utilizing up to 8 MW to assess the potential for higher productivity and lower cost mining opportunities

Partnership with Lancium, LLC evaluating smart response software to reduce energy costs within ERCOT

Partnership with Enigma Digital Assets AG (“Enigma”) evaluating next generation of immersion cooling technology

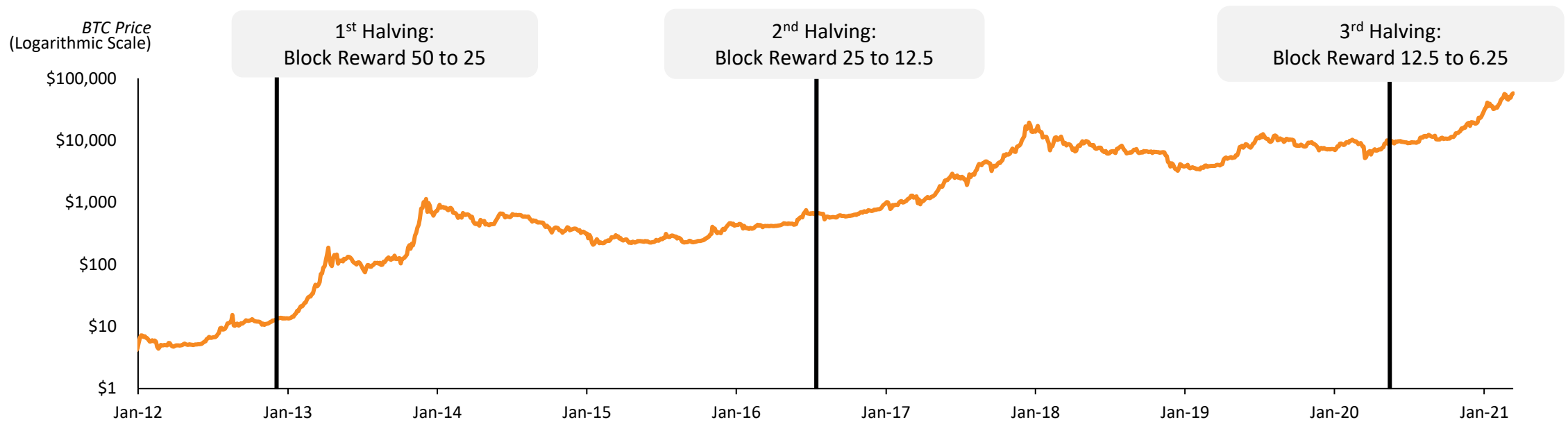
First phase of project evaluates immersion cooling technology to cool the mining machines. Improved cooling helps extend machine life and opens the opportunity to increase mining hash rate

Expect initial results of pilot project by year-end 2021

BITCOIN “HALVING” OVERVIEW

Bitcoin’s fixed supply schedule is driven by programmatic changes in the block reward; every **210,000 blocks** (roughly every four years) the block reward is **reduced by 50%** (i.e., “halving”). Following each halving, Bitcoin miners receive half the Bitcoin block per block mined

HISTORICAL BITCOIN PRICE AND “HALVINGS”



All else being equal, this results in a reduction of mining revenue. The halving mechanism results in an ever-decreasing issuance rate of Bitcoin as the supply asymptotically approaches its maximum supply of 21 million by July 2141. Following each historical halving, Bitcoin has experienced significant price appreciation in the ensuing 18 months

GLOSSARY

Bitcoin (BTC): a type of digital currency in which a record of transactions is maintained and new units of currency are generated by the computational solution of mathematical problems, and which operates independently of a central bank; a unit of Bitcoin

Blockchain: a system in which a record of transactions made in Bitcoin or another cryptocurrency are maintained across several computers that are linked in a peer-to-peer network

Block: a file that contains a “permanent” record of transactions

Mining: the processing of transactions in the digital currency system, in which the records of current Bitcoin transactions, known as a blocks, are added to the record of past transactions, known as the blockchain

Hash Rate: the measure of a miners performance; number of calculations a miner can perform in 1 second as it works to solve the block

Block Reward: the amount of Bitcoin awarded for successfully mining / verifying a block

$$\begin{aligned} &\text{average \# of Bitcoin mined each day} = \\ &(\text{Block Reward}) \times (6x / \text{hour}) \times (24 \text{ hours} / \text{day}) \\ &\hline &(6.25 \text{ BTC} / \text{Block}) \times (6x / \text{hour}) \times (24 \text{ hours} / \text{day}) \\ &= 900 \text{ Bitcoin per day on average} \end{aligned}$$



contact: ir@riotblockchain.com