



## November 2023 Production and Mining Operations Update

As of December 1, 2023



## SAFE HARBOR STATEMENT

Trading in the securities of the Company should be considered highly speculative. No stock exchange, securities commission, or other regulatory authority has approved or disapproved the information contained herein. Neither the TSX Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Exchange), Nasdaq or any other securities exchange or regulatory authority accepts responsibility for the adequacy or accuracy of this release.

### Forward-Looking Statements

This presentation contains certain “forward-looking information” and “forward-looking statements” (collectively “forward-looking information”) that are based on expectations, estimates and projections as at the date of this presentation and are covered by safe harbors under Canadian and U.S. securities laws. The information in this presentation about future plans and objectives of the Company is forward-looking information. Other forward-looking information includes, but is not limited to, estimates and forecasts for 2023 and future growth, hash rate, installed hash rate, installed megawatts, growth milestones and expansion plans (including computational goals) and other information concerning: the intentions, plans and future actions of the Company, as well as Bitfarms’ ability to successfully mine digital currency, revenue increasing as currently anticipated, the ability to profitably liquidate current and future digital currency inventory, volatility of network difficulty and digital currency prices and the resulting significant negative impact on the Company’s operations, the construction and operation of expanded blockchain infrastructure as currently planned, and the regulatory environment of cryptocurrency in the applicable jurisdictions.

Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events, or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information.

This forward-looking information is based on reasonable assumptions and estimates of management of the Company at the time it was made, and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, risks relating to: the global economic climate; dilution; the Company’s limited operating history; future capital needs and uncertainty of additional financing; the competitive nature of the industry; currency exchange risks; the need for the Company to manage its planned growth and expansion; the effects of product development and need for continued technology change; protection of proprietary rights; the effect of government regulation and compliance on the Company and the industry; network security risks; the ability of the Company to maintain properly working systems; reliance on key personnel; global

economic and financial market deterioration impeding access to capital or increasing the cost of capital; and volatile securities markets impacting security pricing unrelated to operating performance. In addition, particular factors that could impact future results of the business of Bitfarms include, but are not limited to: the construction and operation of blockchain infrastructure may not occur as currently planned, or at all; expansion may not materialize as currently anticipated, or at all; the digital currency market; the ability to successfully mine digital currency; revenue may not increase as currently anticipated, or at all; it may not be possible to profitably liquidate the current digital currency inventory, or at all; a decline in digital currency prices may have a significant negative impact on operations; an increase in network difficulty may have a significant negative impact on operations; the volatility of digital currency prices; cybersecurity attacks such as from malicious actors seeking to exploit vulnerabilities in the computer network operated by Bitfarms or who gain unauthorized access to Bitfarms’ digital wallets and custodial accounts; an increase in the cost of electricity may have a significant negative impact on operations; planned or unplanned electrical disruptions may have a significant negative impact on operations; the anticipated growth and sustainability of hydroelectricity for the purposes of cryptocurrency mining in the applicable jurisdictions, the ability to complete current and future financings, any regulations or laws that will prevent Bitfarms from operating its business; historical prices of digital currencies and the ability to mine digital currencies that will be consistent with historical prices; an inability to predict and counteract the effects of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19 on the price of digital currencies, capital market conditions, restriction on labour and international travel and supply chains; and, the adoption or expansion of any regulation or law that will prevent Bitfarms from operating its business, or make it more costly to do so. For further information concerning these and other risks and uncertainties, refer to the Company’s filings on [www.sedarplus.ca](http://www.sedarplus.ca) including the annual information form for the year ended December 31, 2022, filed on March 21, 2023. The Company has also assumed that no significant events occur outside of Bitfarms’ normal course of business. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those expressed in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to revise or update any forward-looking information other than as required by law.

# INVESTMENT HIGHLIGHTS



## Strategic Growth

- Improving fleet energy efficiency up to 29 w/TH
- Lowering miner costs per TH/s just before the Halving
- Increasing company hashrate from 6.3 EH/s to 12 EH/s with optionality up to 17 EH/s
- Improving fleet efficiency will help reduce energy costs while providing the flexibility to fully benefit from advantageous pricing



## Scale and Expertise

- Developing and operating 11 farms in 6 years increases knowhow and expertise
- Powering ~1.5% of the Bitcoin Network makes us one of the largest global players
- Agile and multidisciplinary leadership team



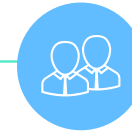
## Vertically Integrated

- Increasing speed of development with wholly-owned electrical engineering subsidiary
- Reducing downtime with authorized in-house repair labs, proprietary miner and facility management software
- Assuring superior uptime with the use of proprietary miner management software



## Financial Discipline

- Strong balance sheet for strategic growth
- Highest standard of financial controls and reporting
- Audited by a Big 4 accounting firm



## Geographic Diversification

- Broader international footprint allows for lower cost expansion options
- Reducing disruption risk with geographic diversification across the Americas
- Leveraging an international management team of experts in technology, infrastructure, financing and business growth

## OPERATIONAL HIGHLIGHTS

Miners purchased for H1 2024 upgrade plan to 12 MW  
Increases hashrate 2% in the month to 6.4 EH/s  
Finalizing contract to increase Paso Pe, Paraguay from 50 MW to 70 MW

6.4

*EH/s online as of 11/30/2023, up  
45% from 11/30/2022*

13.1

*BTC mined / day  
for 11/30/2023*

802

*BTC held at  
11/30/2023*

\$30.3 M<sup>1</sup>

*value of BTC  
at 11/30/2023*

4,482

*Total BTC mined up to 11/30/2023*

~65,400

*operating miners  
as of 11/30/2023*

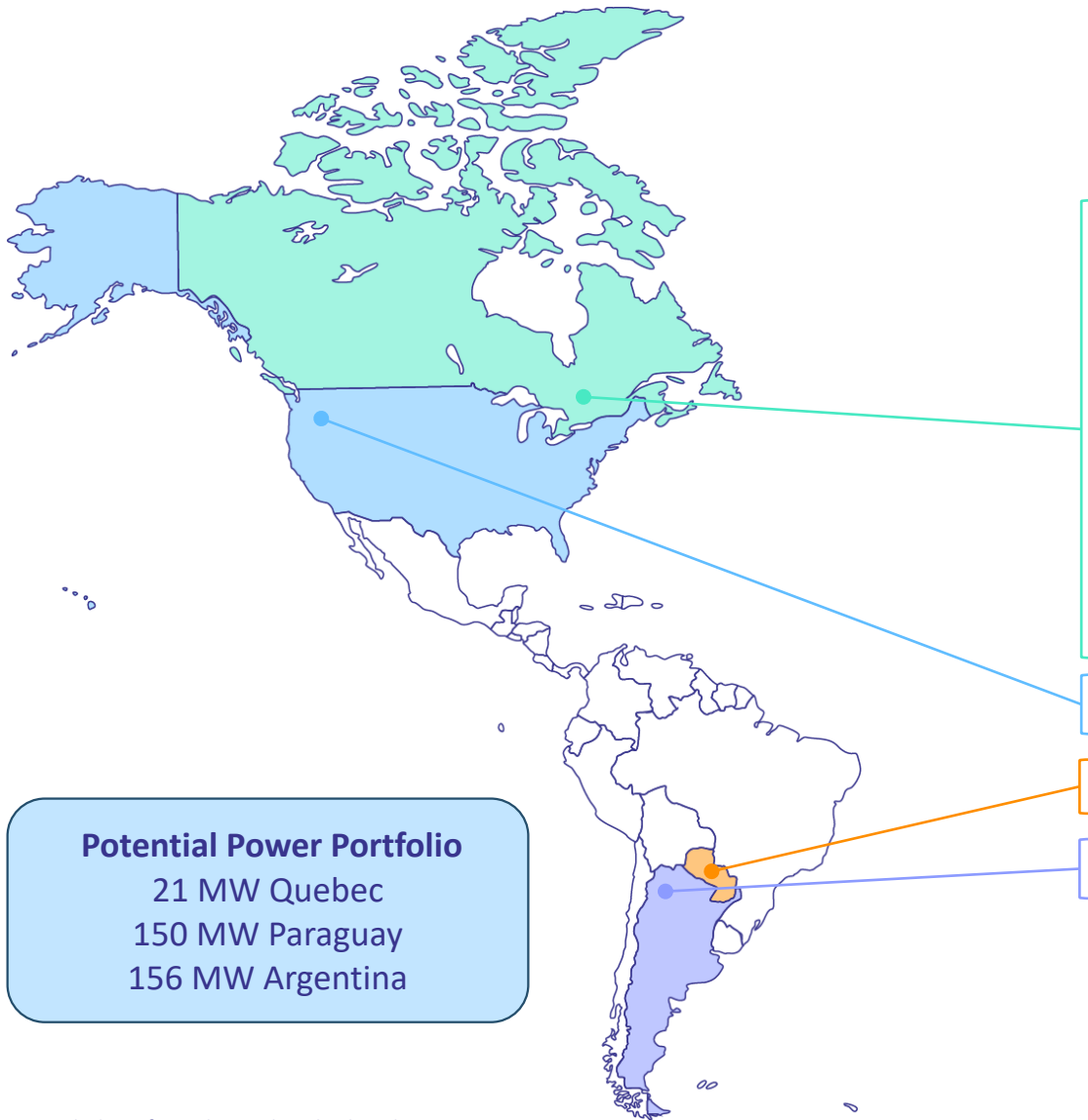
240

*MW at 11/30/2023*

1. BTC price of \$37,800 as at November 30, 2023.

# VERTICALLY INTEGRATED GLOBAL BITCOIN MINING COMPANY

11 production sites in 4 countries drawing 78% renewable energy and 2 farms in development



Farms		Operating MW 10/31/23	Miners
Sherbrooke Campus <sup>1</sup>	Quebec, CAN	96 MW	~25,100
Magog		10 MW	~2,900
Cowansville		17 MW	~4,500
Farnham		10 MW	~2,500
St. Hyacinthe		14 MW	~3,900
Baie Comeau		11 MW	~2,800
Washington	USA	18 MW	~5,500
Paraguay	LATAM	10 MW	~2,900
Argentina		54 MW	~15,300
Total		240 MW	~65,400

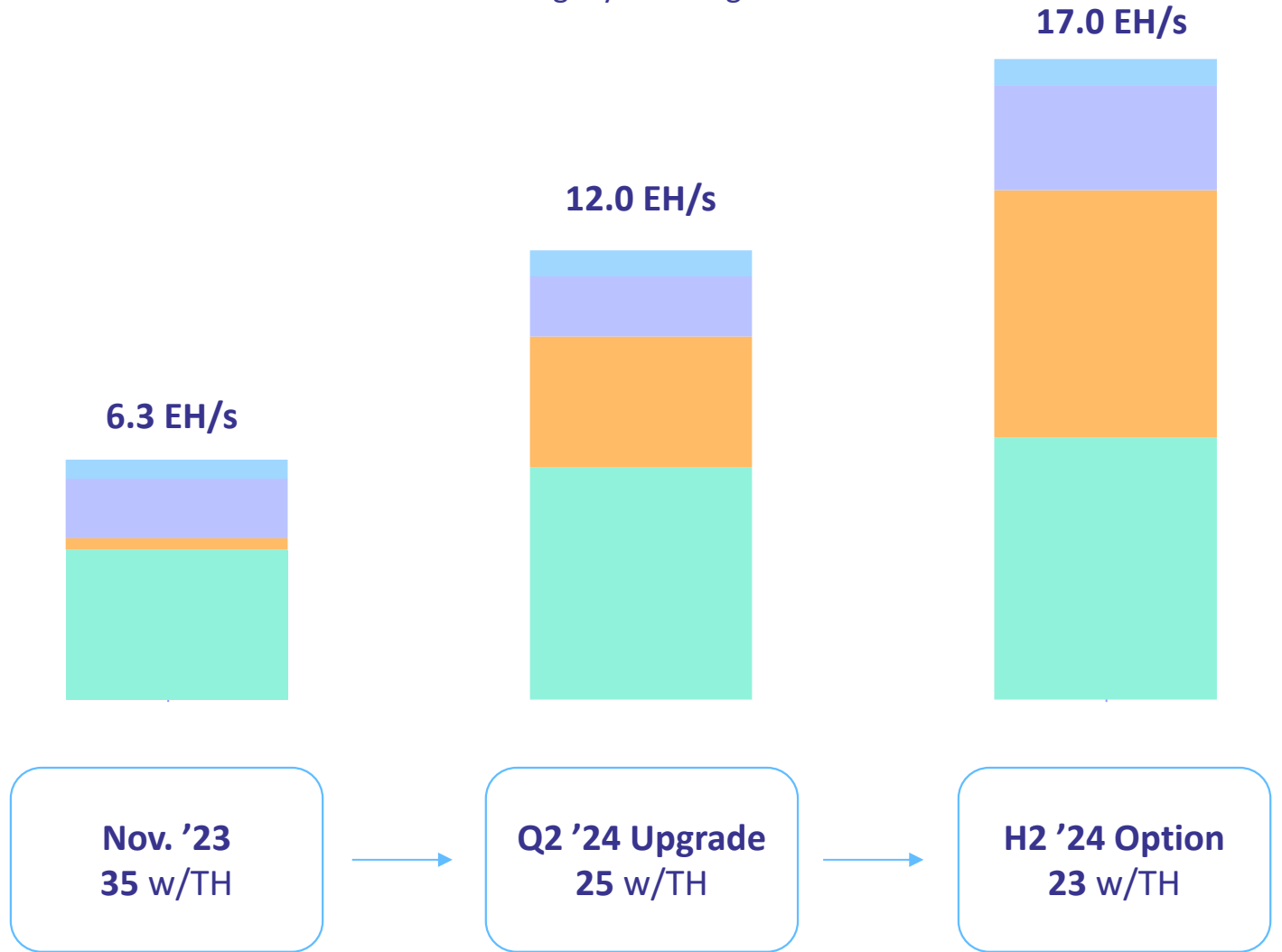
1. Includes 3 farms located in Sherbrooke, Qc

# FLEET UPGRADE

Rapid portfolio improvement in hashrate, efficiency, sustainability and geo-diversification



Canada Paraguay Argentina US

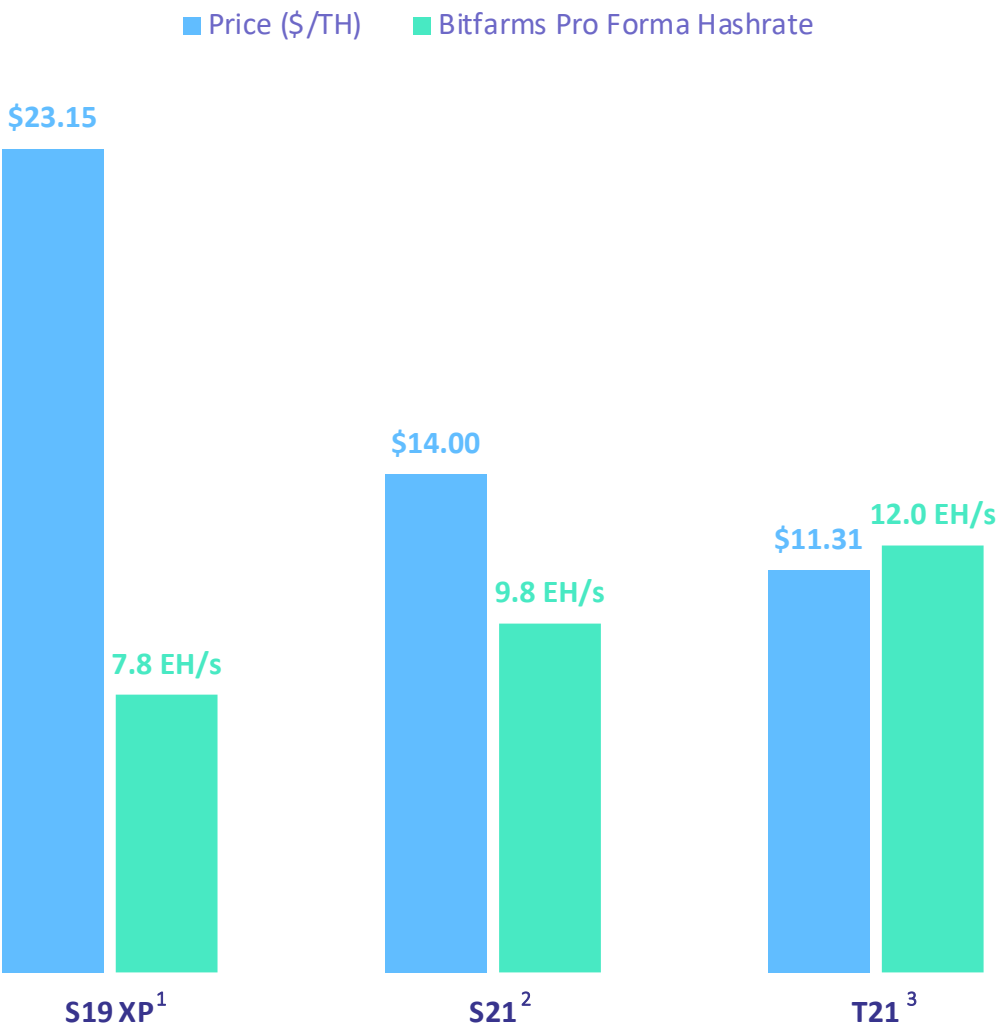


# MOST COST-EFFECTIVE UPGRADE

Most meaningful upgrade & best payback period in years

## Source of savings

- 1. 18% lower per miner costs than S19 XP<sup>1</sup> and 5% lower per miner costs than the S21<sup>2</sup>
- 2. 19% est. reduction in \$ per TH cost from warranted High energy Mode<sup>3</sup>
- 3. 42% higher energy consumption per miner<sup>3</sup> reduces total miner count, and associated logistics and duties estimated at 36%
- 4. 68% of the miners will limit future capex investment
- 5. Significant reduction in capital obligations for 28,000 miners through miner Option



Notes: All currency figures in US Dollars unless otherwise stated.

Sources: Company analyses and publicly available information.

- 1. Estimated miners price based on comparable order size from publicly listed miners and based on manufacturer specifications as of June 2023.
- 2. Estimated miners price based on comparable order size from publicly listed miners and based on manufacturer specifications as of October 2023.
- 3. Assumes miner price of \$2,660 and warranted High energy Mode of 233 TH/s and 5,126 watts per miner.

## KEY DIFFERENTIATORS

Diversifying geographically, acquiring sites, developing farms, & optimizing miners

2024  
transformative  
fleet upgrade  
plan.

Competitive  
low-cost  
structure

Stable and  
surplus  
sources of  
energy with  
attractive  
pricing

Proprietary  
mining and  
facility  
management  
software

Vertically  
integrated  
electrical  
subsidiary



## PARAGUAY

### Operating

- 10 MW of hydropower in Villarrica
- Started production in January 2022
- 288 PH/s active

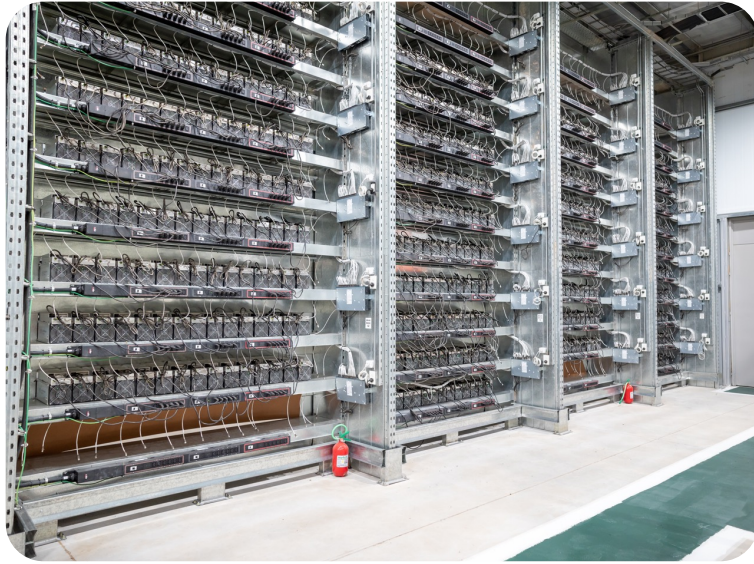
### Power Portfolio under Development

- Acquired 2 contracts for up to 150 MW of hydropower:
  - 50 MW Paso Pe, near Villarrica
  - 100 MW Yguazu, close to the Itaipu Dam, 3rd largest in the world
- Construction advancing as planned on the 50 MW facility at Paso Pe to be completed in Q1 2024





## FARM HIGHLIGHTS



### RIO CUARTO, ARGENTINA

- Increased to
  - 54 MW capacity
  - 1.6 EH/s hashrate



### QUÉBEC, CANADA

- Baie-Comeau:
  - ~2,800 miners installed
  - Reached hashrate of 240 PH/s
  - Completed remaining installations and ramped phase 1 operating capacity to its full 11 MW.



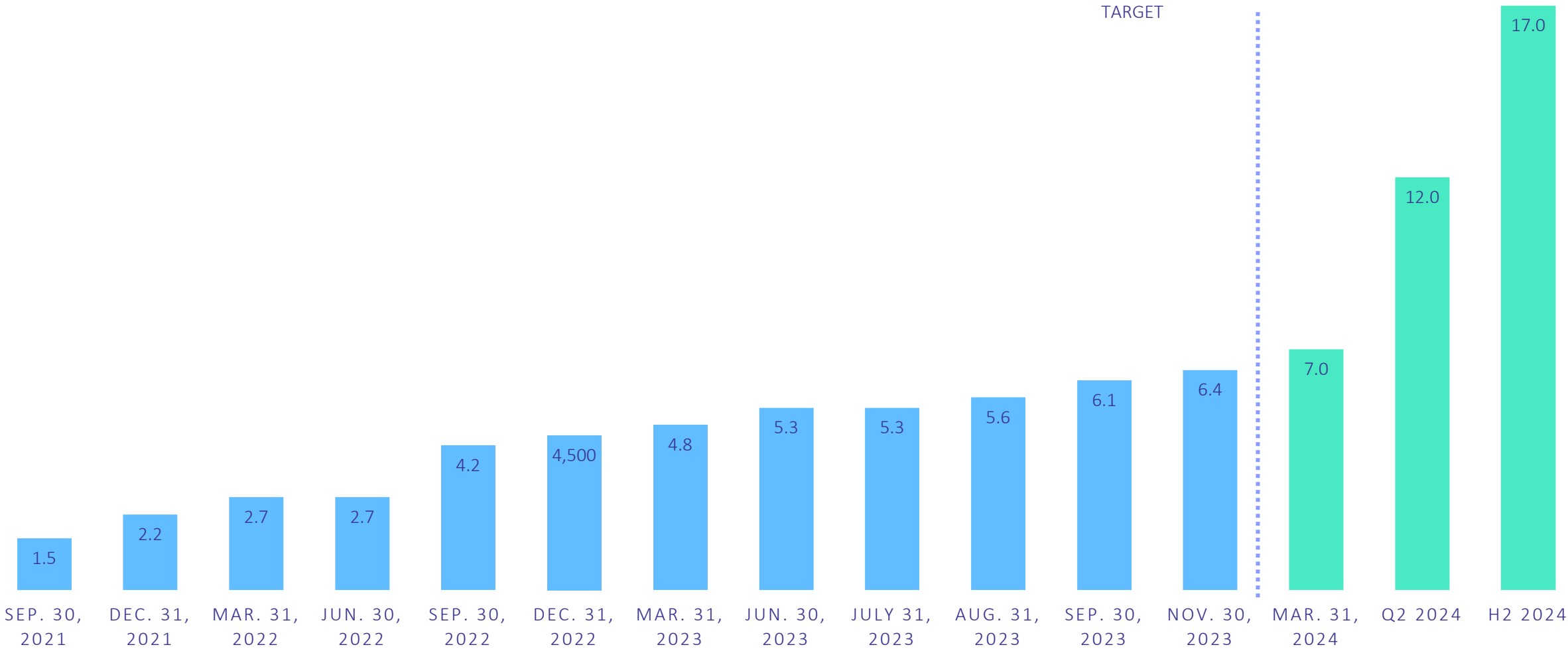
### WASHINGTON, USA

- Operating 18 MW
- Generating approximately 600 PH/s

DRIVING CAPITAL EFFICIENT, ACCRETIVE AND DIVERSIFIED GROWTH  
WHILE FURTHER OPTIMIZING FACILITIES AND FLEET INVESTMENTS AND INFRASTRUCTURE

HASHRATE (EH/S)

Actual Target

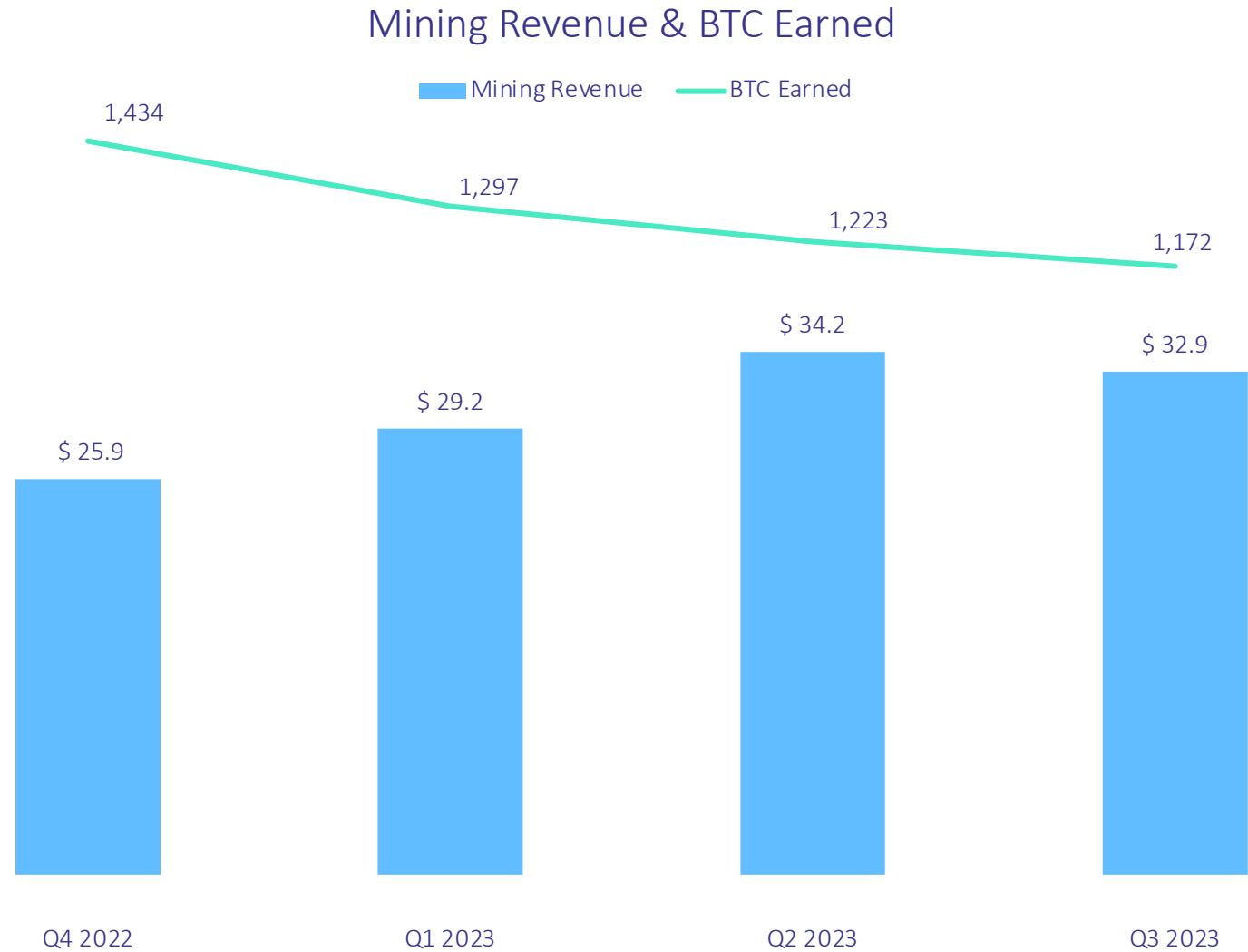


## Production Highlights

- 11 farms in production and 2 in development in 4 countries
- 78% hydro-power
- 240 MW representing 6.4 exahash/second
- 35 watts/terahash in November 2023
- Increased HODL to 802 BTC

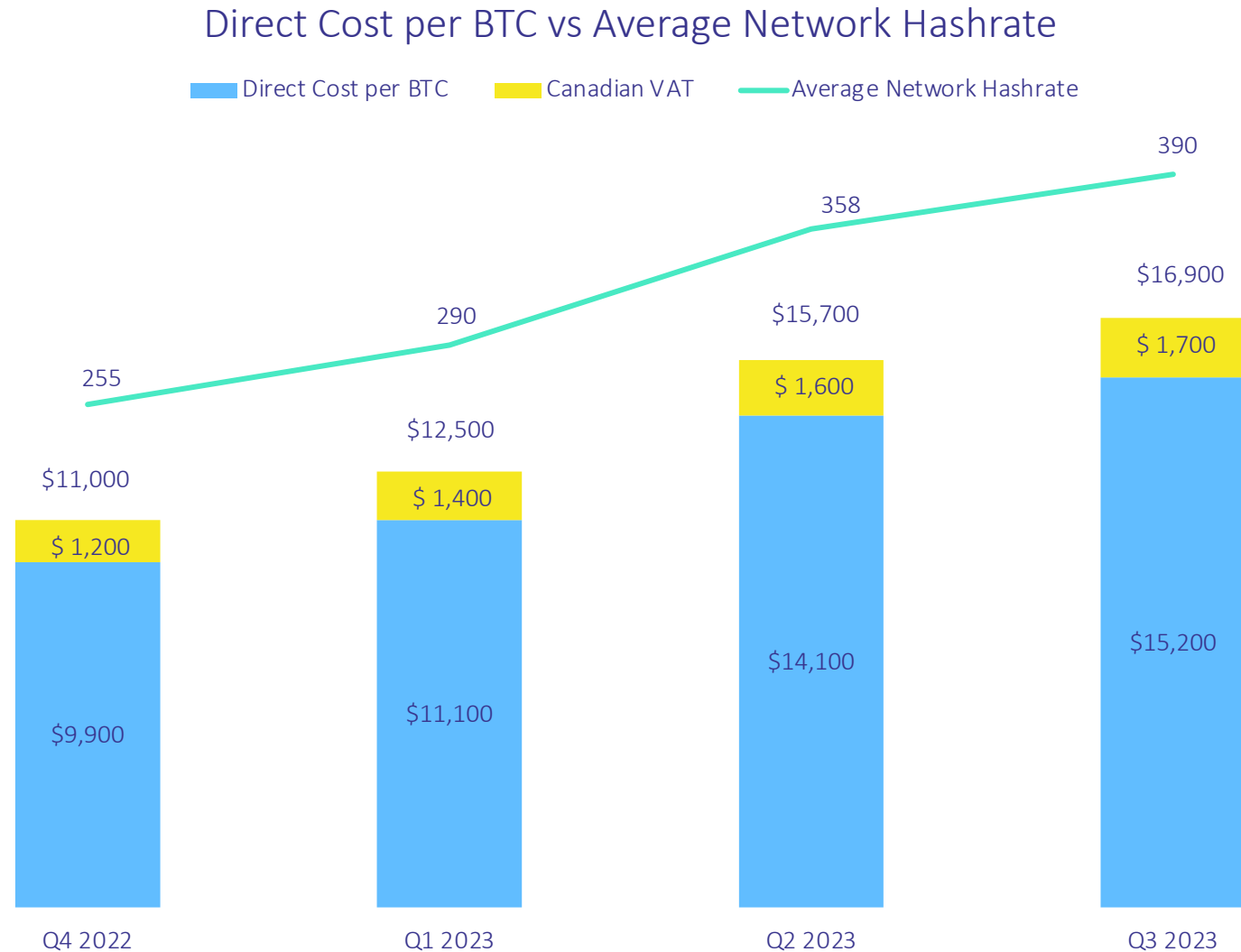
## BTC EARNED & MINING REVENUE

- \$32.9M mining revenue in Q3 2023 vs \$34.2M in Q2 2023
- 1,172 BTC earned Q3 2023 vs 1,223 BTC earned Q2 2023
- Network difficulty increases:
  - 9% Q3 2023 vs Q2 2023
  - 24% Q2 2023 vs Q1 2023
  - 13% Q1 2023 vs Q4 2022
  - 20% Q4 2022 vs Q3 2022



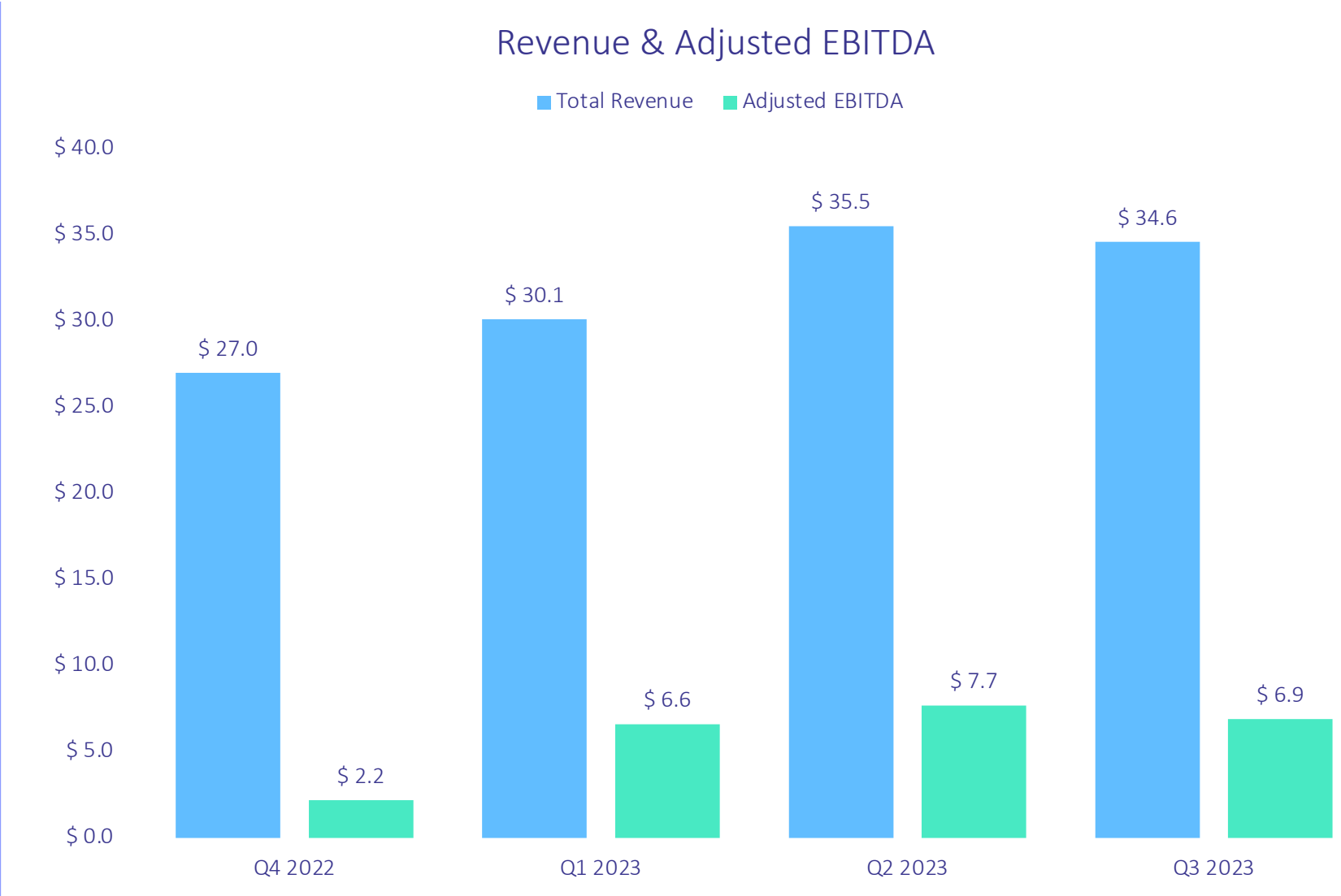
## BITCOIN PRODUCTION COST

- Direct cost of \$16,900 per BTC in Q3 2023
  - Includes a 15% accrual for VAT for Canadian energy costs
- Excluding Canadian VAT accrual, direct cost of production would have been ~\$15,200 per BTC in Q3 2023
- ~ 3% lower energy costs quarter-over-quarter



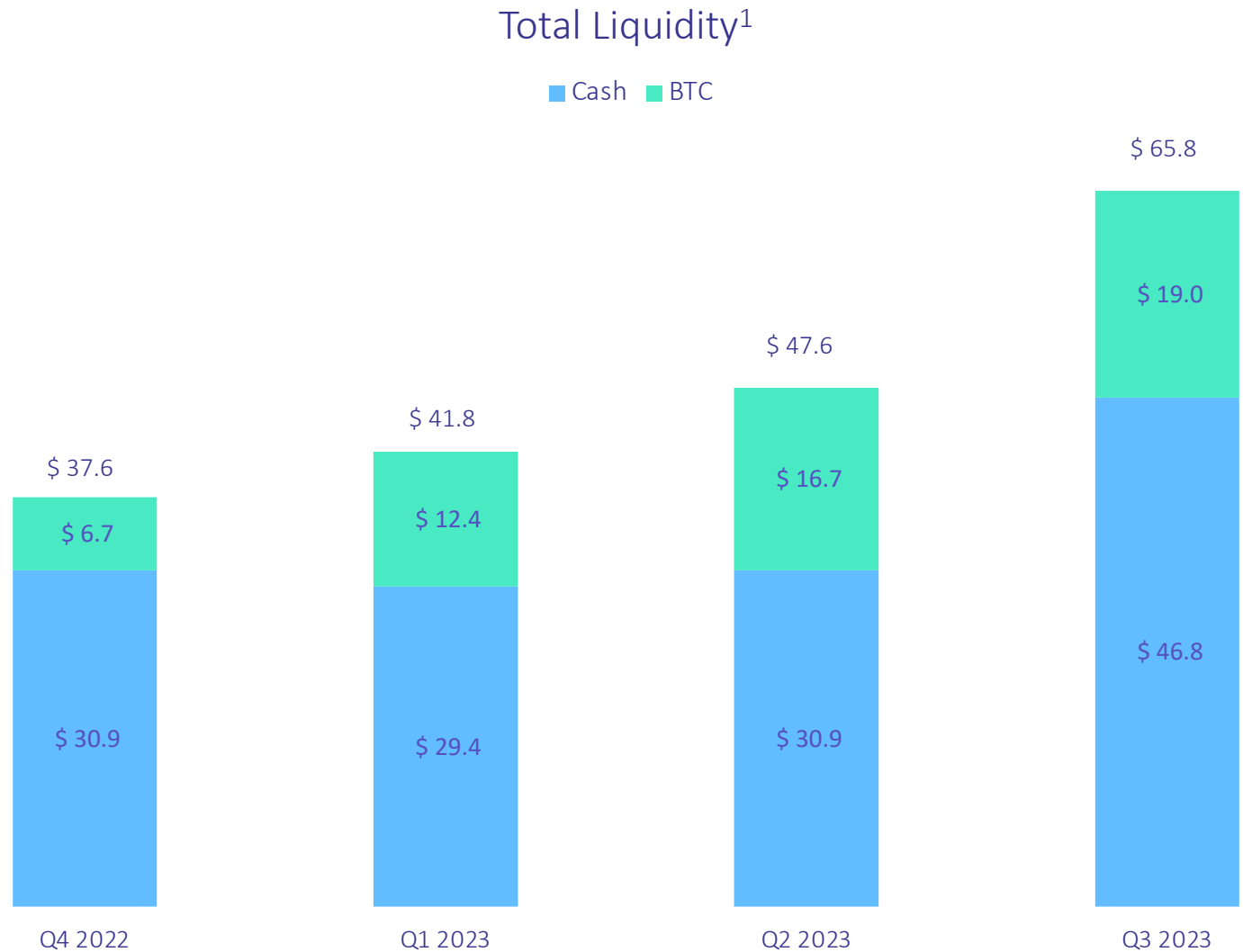
# REVENUE & ADJUSTED EBITDA

- Reported Q3 2023 results
  - Total revenue of \$34.6M
  - Net loss of \$18.7M
  - Positive Adjusted EBITDA of \$6.9M



## INCREASING FINANCIAL FLEXIBILITY

- Total liquidity<sup>1</sup> \$65.8M at Sept. 30, 2023
  - \$46.8M in cash
  - \$19.0M in BTC based upon a BTC price of ~\$27,000 at Sept. 30, 2023
- Total Debt:
  - < \$10M at Sept. 30, 2023
  - < \$8M at Oct. 31, 2023
- All debt to be repaid by Feb. 28, 2024



1. Liquidity represents cash and balance of digital assets including digital assets pledged as collateral.



## AGGRESSIVE AND DISCIPLINED GROWTH STRATEGY AHEAD OF THE NEXT BITCOIN HALVING

Responsible capital  
deployment

Reinvestment in our fleet  
with the latest in miner  
technology

Continued geographic  
diversification

Adherence to strong  
financial and operating  
controls

Audited by a big 4  
accounting firm for over  
5 years

Highly experienced and  
accomplished team  
supporting global growth

# Appendix

## ENTREPNEURIAL LEADERSHIP TEAM



Geoff  
Morphy

PRESIDENT & CHIEF  
EXECUTIVE OFFICER



Jeffrey  
Lucas

CHIEF FINANCIAL OFFICER



Ben  
Gagnon

CHIEF MINING OFFICER



Benoit  
Gobeil

EVP, OPERATIONS &  
INFRASTRUCTURE



Patricia  
Osorio

VP & CORPORATE  
SECRETARY



Damian  
Polla

GENERAL MANAGER –  
LATAM OPERATIONS



Jeff  
Gao

VP, RISK MANAGEMENT



Andrea  
Keen Souza

VP, HUMAN RESOURCES



Philippe  
Fortier

SVP, CORPORATE  
DEVELOPMENT



Stephanie  
Wargo

VP, MARKETING &  
COMMUNICATIONS



Marc-André  
Ammann

VP, FINANCE &  
ACCOUNTING



Paul  
Magrath

VP, TAX &  
SUSTAINABILITY



Guillaume  
Reeves

VP, INFORMATION  
TECHNOLOGY

# BOARD OF DIRECTORS

DEPTH IN CORPORATE GOVERNANCE AND FINANCIAL MANAGEMENT



Nicolás  
Bonta

CHAIRMAN OF THE BOARD OF  
DIRECTORS & FOUNDER

Nico is a founder of Bitfarms as well as a successful entrepreneur and business builder. He brings over 20 years of business experience having built a successful chain of hotels in South America and is responsible for developing strategic opportunities for growth of the company.



Emiliano  
Grodzki

BOARD MEMBER AND  
FOUNDER

Emiliano is a founder of Bitfarms as well as a business builder and innovator. With over 20 years of experience having successfully built multi-million-dollar private businesses, he is responsible for setting the company's overall vision and strategy.



Brian  
Howlett

INDEPENDENT & LEAD  
DIRECTOR

Brian Howlett, CPA. CMA is a financial professional with over 30 years experience serving as senior officer and director of many public companies. He currently serves as President, CEO and a director of Hemlo Explorers Inc. and he is a director of Nighthawk Gold Corp. He was previously the President and CEO of Dundee Sustainable Technologies Inc..



Andrés  
Finkielsztain

INDEPENDENT DIRECTOR &  
HEAD OF GOVERNANCE,  
COMPLIANCE & NOMINATION  
COMMITTEE

Andres was a Founder and Portfolio Manager of Soros Brothers Investments LLC, a New York based Fund created in 2011 for the benefit of Alexander and Gregory Soros.. He previously worked at J.P. Morgan for over 10 years in various capacities within asset management. Prior to JPM, he was an analyst for Emerging Markets at Soros Fund Management LLC. He also sits at the Board of Directors of a publicly listed company, Goldmoney Inc.



Geoffrey  
Morphy

PRESIDENT & CHIEF EXECUTIVE  
OFFICER

Geoff Morphy joined Bitfarms as Director in May 2020, later becoming Executive Vice President and then President and COO. With over 35 years of experience in senior management roles, he has served on multiple boards and holds a Bachelor of Commerce in finance from Dalhousie University. Additionally, he has obtained the ICD.D accreditation from the Institute of Corporate Directors.



Edie  
Hofmeister

INDEPENDENT DIRECTOR

Ms. Hofmeister has advised large and small multi-national extractive companies on legal and ESG matters for over twenty years. Most recently she served as Executive Vice President Corporate Affairs and General Counsel for Tahoe Resources where she led the Legal, Sustainability and Government Affairs departments and helped grow Tahoe from a junior exploration company to a mid-cap precious metals producer.



## SHERBROOKE, QUÉBEC

- Hydro Powers
  - 3 farms campus
- Operating
  - The Bunker 96 MW
  - Leger 48 MW
  - Garlock 30 MW
  - 18 MW



## NON-IFRS PERFORMANCE MEASURES

- *BTC BTC/day = Bitcoin or Bitcoin per day*
- *EH or EH/s = Exahash or exahash per second*
- *MW or MWh = Megawatts or megawatt hour*
- *PH or PH/s = Petahash or petahash per second*
- *TH or TH/s = Terahash or terahash per second*
- *w/TH = Watts per Terahash*
- *KWh = Kilowatt per hour*

This presentation makes reference to certain measures that are not recognized under IFRS and do not have a standardized meaning prescribed by IFRS. They are therefore unlikely to be comparable to similar measures presented by other companies. The Company uses non-IFRS measures including “Gross margin,” “Operating margin,” “EBITDA,” “EBITDA margin,” “Adjusted EBITDA,” “Adjusted EBITDA margin,” “Gross mining profit,” and “Gross mining margin” as additional information to complement IFRS measures by providing further understanding of the Company’s results of operations from management’s perspective.

EBITDA and EBITDA margin are common measures used to assess profitability before the impact of different financing methods, income taxes, depreciation of capital assets and amortization of intangible assets. Adjusted EBITDA and Adjusted EBITDA margin are measures used to assess profitability before the impact of all of the items in calculating EBITDA in addition to certain other non-cash expenses. Gross mining profit and Gross mining margin are measures used to assess profitability after power costs in cryptocurrency production, the largest variable expense in mining. Management uses non-IFRS measures in order to facilitate operating performance comparisons from period to period and to prepare annual operating budgets.

“EBITDA” is defined as net income (loss) before:

- Interest expense
- Income tax expense
- Depreciation and amortization

“EBITDA margin” is defined as the percentage obtained when dividing EBITDA by Revenue. “Adjusted EBITDA” is defined as EBITDA adjusted to exclude:

- Share-based compensation
- Non-cash finance expenses
- Asset impairment charges
- Realized gains or losses on disposition of digital assets and (reversal of) revaluation loss on digital assets
- Gain on disposition of marketable securities, gains or losses on derivative assets and liabilities & discount expense on VAT receivable
- Loss on currency exchange
- Other non-recurring items that do not reflect the core performance of the business.

“Adjusted EBITDA margin” is defined as the percentage obtained when dividing Adjusted EBITDA by Revenue. “Gross mining profit” is defined as Gross profit excluding depreciation and amortization and other minor items included in cost of sales that do not directly relate to mining related activities. “Gross mining margin” is defined as the percentage obtained when dividing Gross mining profit by Revenues from mining related activities.

These measures are provided as additional information to complement IFRS measures by providing further understanding of the Company’s results of operations from management’s perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company’s financial information reported under IFRS.





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