

May 10, 2019



## Riot Blockchain Releases Q1/19 Financial Results

***Company Generates \$1.4 Million in Revenue on the Production of 330 Bitcoins, 356 Bitcoin Cash, and 1,423 Litecoins***

**CASTLE ROCK, CO / ACCESSWIRE / May 10, 2019** /Riot Blockchain, Inc. (NASDAQ: RIOT) ("Riot" or "the Company") announced the filing of its March 31, 2019 Quarterly Report on Form 10-Q, which can be viewed on the Company's website or at SEC.gov.

### **Highlights extracted from the March 31, 2019 quarterly consolidated financial statements:**

- Generated approximately \$1.4 million in revenue on the production of 329.52 Bitcoins, 356 Bitcoin Cash, and 1,422.5 Litecoins for the quarter. This represents a substantial increase year over year compared to prior year's period of revenues of approximately \$926,000 on the production of 78.81 Bitcoins and 153.42 Bitcoin Cash in Q1/18.
- Gross margin was roughly breakeven at (4)% before depreciation and amortization despite an average Bitcoin price of \$3,799 for the 2019 quarter. Since then, Bitcoin prices have recovered to around \$6,000.
- Cash and digital currencies totaled approximately \$2.1 million
- Net loss reported was approximately \$13.5 million or \$0.94 per share. By comparison, the company reported a net loss of \$16.4 million or \$1.35 per share in the quarter ended March 31, 2018.
- Weighted average common shares outstanding totalled approximately 14,450,000 for the 2019 period.

### **Business update and highlights:**

- Riot's fully-owned hashing power was approximately 101 Petahash as of March 31, 2019; which ranks the company among the largest publicly-listed miners of Bitcoin. The operation continues to be fully deployed with 24/7 real-time monitoring of status and profitability.
- Riot maintains ownership of approximately 12% of Coinsquare. Coinsquare is a leading cryptocurrency exchange in Canada
- The previously disclosed Securities and Exchange Commission investigation associated with the subpoena received by the Company in April 2018 is still open, and the Company has been cooperating with the SEC in that investigation
- The Company continues development progress with RiotX, its planned cryptocurrency exchange with partners such as Shift Markets, Ltd., in the establishment of the exchange

### **About Riot Blockchain**

Riot Blockchain is focused on building, operating, and supporting blockchain technologies. Its primary operations consist of cryptocurrency mining, targeted development of a cryptocurrency exchange, and the identification and support of innovations within the sector. For more information, visit <http://www.RiotBlockchain.com/>.

### **Investor Notice**

Investing in our securities involves a high degree of risk. Before making an investment decision, you should carefully consider the risks, uncertainties and forward-looking statements described under "Risk Factors" in Item 1A of our most recent Form 10-K for the fiscal year ended December 31, 2018 filed with the Securities and Exchange Commission (the "SEC") on April 2, 2019 and in periodic reports we file with the SEC in the future. If any of these risks were to occur, our business, financial condition or results of operations would likely suffer. In that event, the value of our securities could decline, and you could lose part or all of your investment. The risks and uncertainties we describe are not the only ones facing us.

Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. In addition, our past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results in the future. See "Safe Harbor" below.

### **Safe Harbor**

The information provided in this press release may include forward-looking statements relating to future events or the future financial performance of the Company. 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," "plans," "expects," "intends," "will," "potential," "hope" and similar expressions are intended to identify forward-looking statements. These 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. Detailed information regarding factors that may cause actual results to differ materially from the results expressed or implied by statements in this press release relating to the Company may be found in the Company's periodic filings with the Securities and Exchange Commission, including the factors described in the sections entitled "Risk Factors," copies of which may be obtained from the SEC's website at [www.sec.gov](http://www.sec.gov). The Company does not undertake any obligation to update forward-looking statements contained in this press release.

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