

Nasdaq: BITF
TSX-V: BITF



BitfarmsTM

Needham Conference Presentation
January 14, 2022

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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 2021 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.SEDAR.com including the annual information form for the year ended December 31, 2020, filed on April 7, 2021. 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.

Vertically integrated global bitcoin miner

Current production sites

ST. HYACINTHE



COWANSVILLE



MAGOG



SHERBROOKE 1



FARNHAM



WASHINGTON



International Expansion

US: 24 MW

- Fully operational - acquired Nov. 2021
- Option for 75 MW expansion

Paraguay: 10 MW

- Construction Dec. 2021
- Planned installation of 3,000 miners in Jan. 2022
- Initial production expected in Jan. 2022

Argentina: 210 MW

- 4 data centers with phased deployment
- Final phase completion expected by Dec. 31, 2022
- Off-grid private power generation
- Harnessing underutilized and idle power plant



Argentina

- 210 MW/1 farm
4 data centers
- Private power
company, natural gas
- 2.2 US cents/kwh
pricing locked for
4 years
- Engineering
contracts signed and
construction started
- Expect to house
55,000 miners



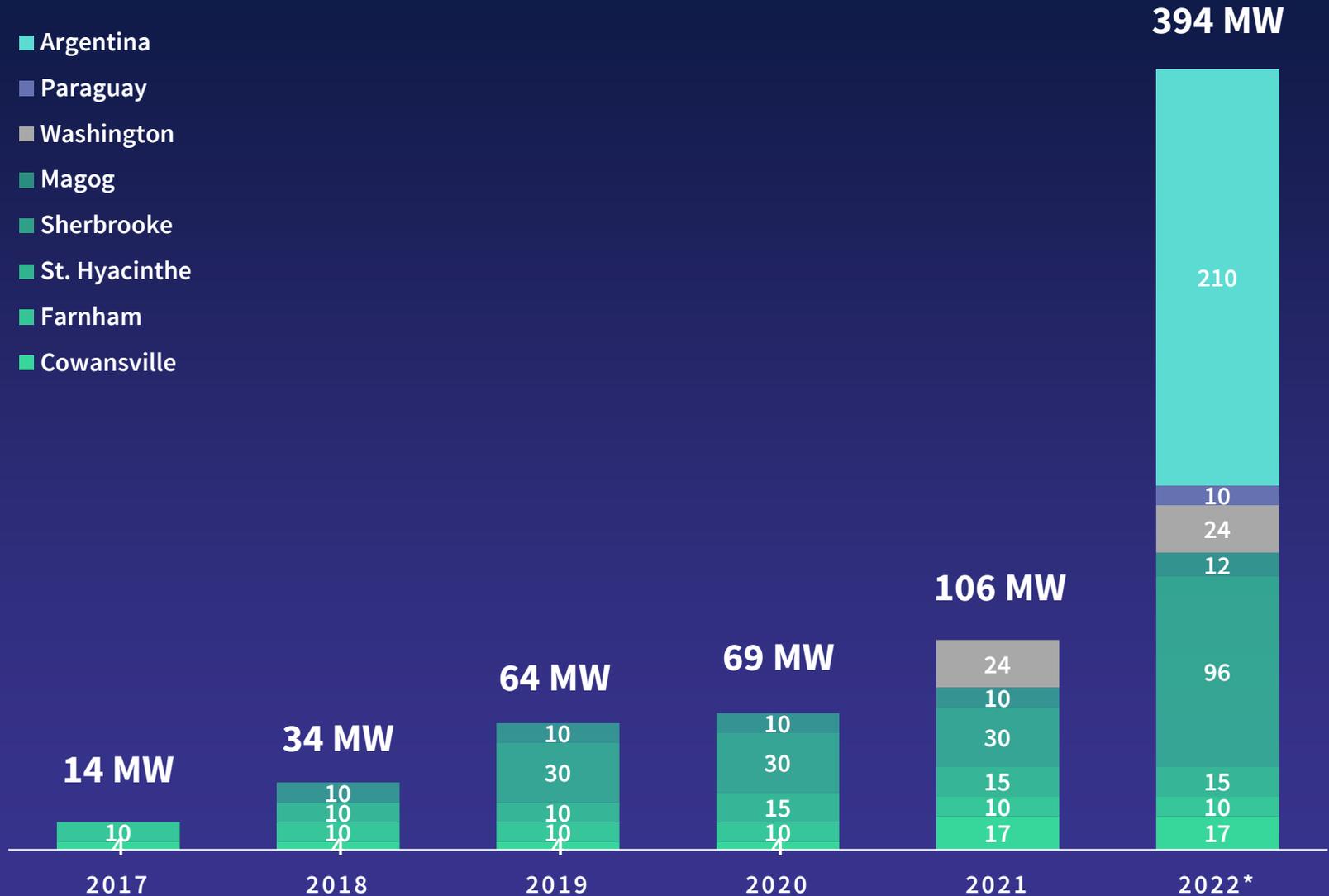
Expanding Facilities and Megawatt Capacity

394 MW in operation and under development across 10 farms

- **2016**
Founders started mining in a garage in Argentina
- **2017**
Bitfarms Ltd. inception -- First facilities in Canada
- **2019**
Doubled operational footprint in Canada
- **2021**
Signed contracts in South America

Operational in US

- Projections as of Jan. 3, 2022
- Reflects 10 MW at existing Sherbrooke facility planned to go offline in 2022



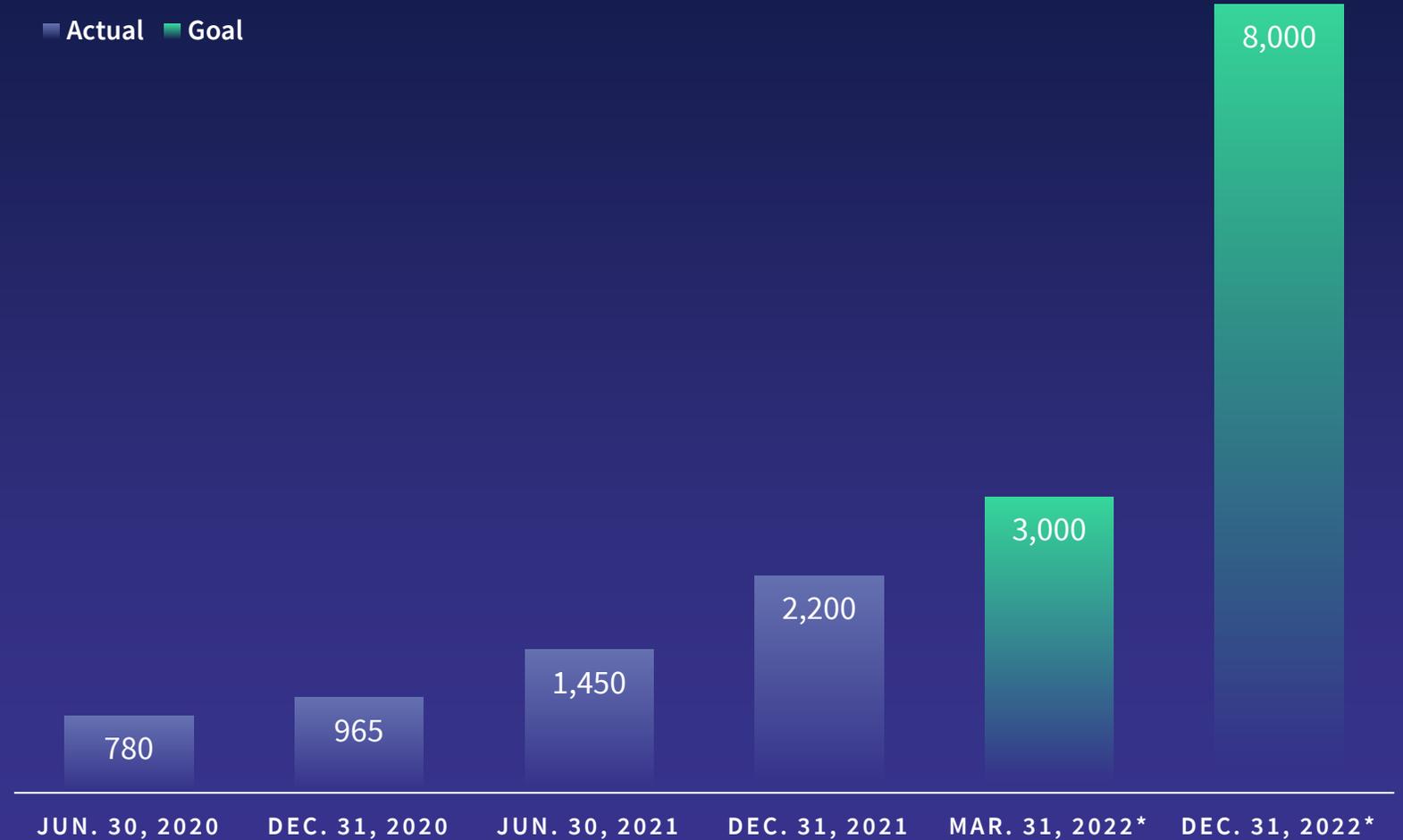
Fueling Hashrate Growth to Capture Share

Expanding global diversification and decentralization

- 6 operating farms: 5 in Canada and 1 in US
- 4 farms under construction in Canada, Paraguay and Argentina
 - Paraguay farm near completion and in process of installing 3,000 miners in Jan. 2022
- 49,200 latest generation miners on order

Petahash/second (PH/s)

Actual Goal



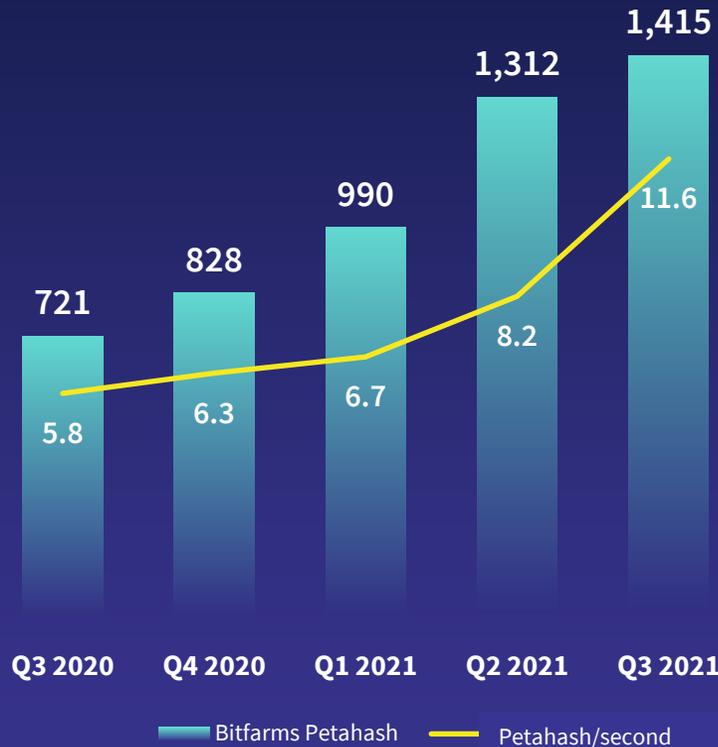
• Projections as of Jan. 3, 2022

Breaking Records

As of Dec. 31, 2021

- 2.2 EH/s
- 11.5+ BTC/day
- 3,452 BTC mined in 2021
- 3,301 BTC held
- \$152M BTC Value¹

Bitcoin per Day, Petahash/Second



Direct Cost per Bitcoin²



¹ \$46,000/BTC approximates market price at Dec. 31, 2021

² Direct cost of Bitcoin based on electricity costs and hosting costs (excluding electricity consumed by hosting clients) divided by the total number of Bitcoin mined

Note: All dollar figures are expressed in US Dollars throughout.

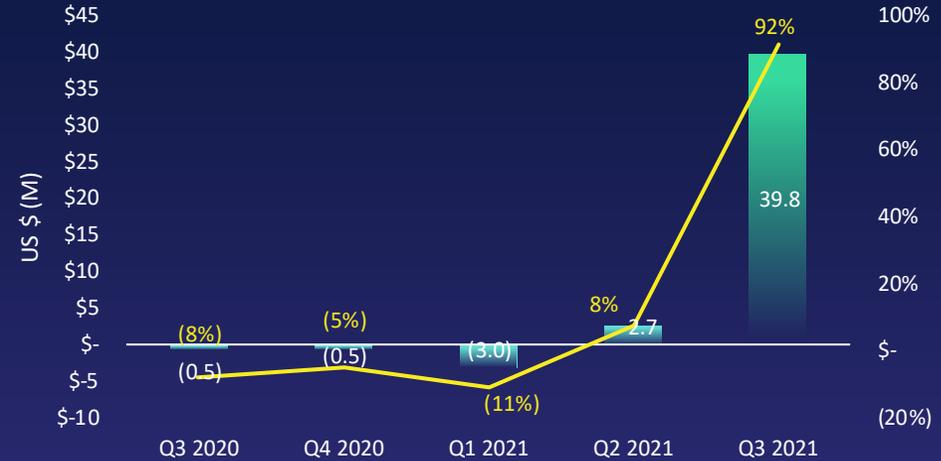
Financial Highlights



Mining revenue & BTC mined (1)



EBITDA (2)



Gross Mining Margin (3)



Adjusted EBITDA (4)



(1) Revenue is recognized when cryptocurrency is received in exchange for mining activities. Unsold cryptocurrency is accounted as an intangible asset under the revaluation model, initially at fair value upon receipt, with subsequent revaluation losses being recorded through profit or loss. Revaluation gains are recorded through other comprehensive income, or profit or loss to the extent that they reverse a prior revaluation loss.

(2) EBITDA is calculated as net income before interest expense, income tax expense, and depreciation and amortization. EBITDA is a non-IFRS performance measure.

(3) Gross mining margin is calculated as revenue less mining energy and infrastructure costs for Backbone standalone divided by revenue. Gross mining margin is a non-IFRS performance measure.

(4) Adjusted EBITDA defined as EBITDA adjusted to exclude: (i) share-based compensation; (ii) non-cash finance expenses; (iii) asset disposition gain/loss; and iv) other non-cash expenses.



Huge market opportunity

- Investing in growth and increasing access to growth capital
- Powering ~1% of the Bitcoin network leaves room to grow



Decentralized self-miner

- Retaining greater rewards and avoiding third party fees
- Reducing disruption risk with geographic diversification



Scale and expertise

- Developing and operating 6 farms in 4 years increases design and technical knowledge
- Powering ~1% of the Bitcoin network creates leverage in mining pool



Vertically integrated

- Increasing speed of development with wholly-owned electrical engineering subsidiary
- Reducing downtime with authorized in-house repair lab



Low-cost producer

- Securing long-term, low-cost energy contracts
- Producing BTC at \$6,900 avg. direct cost in Q3 '21



Entrepreneurial team

- Leveraging deep background in data centers, technology, financing and business growth

Bitcoin mining pure-play focused on growing hashrate

Appendix

Non-IFRS Performance Measures

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 “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: (i) interest expense; (ii) income tax expense; and (iii) 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: (i) share-based compensation; (ii) non-cash finance expenses; (iii) asset impairment charges; and (iv) other non-cash expenses. “Adjusted EBITDA margin” is defined as the percentage obtained when dividing Adjusted EBITDA by Revenue. “Gross mining profit” is defined as Revenue minus energy expenses for the Backbone segment of the Company. “Gross mining margin” is defined as the percentage obtained when dividing Gross mining margin by Revenue for the Backbone segment of the Company.

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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