

December 6, 2018



Riot Blockchain Enhances Profitability and Achieves Additional Milestone with RiotX

Riot reduces mining costs by 24%; RiotX adds Georgia license

CASTLE ROCK, CO / ACCESSWIRE / December 6 2018 /Riot Blockchain, Inc. (NASDAQ: RIOT) (the "Company") is pleased to provide an operational update as of December 6, 2018.

Enhanced Mining Operation Profitability

The Company has successfully amended its mining lease agreement that will reduce steady state costs by approximately 24%. Under the revised agreement that is effective December 1, Riot's wholly-owned mining subsidiary will pay a declining monthly base rent that will bottom out at a steady state of \$190,000 in February 2019. The amendment also amends the calculation of the electricity usage charge to a variable rate that is as low as \$0.037/kWh and averages \$0.043/kWh over a 15-month period. At a steady-state and assuming the use of 10MW, the Company expects to realize a monthly cost savings of approximately 24% under the amended lease agreement.

The Company also notes the significant decrease in bitcoin mining difficulty as it has declined by 24% in the 60-day period ending December 3, 2018*. Current forecasts are for another decrease of nearly 5%. If these conditions persist, the Company expects its fully deployed mining operations to experience enhanced yields.

RiotX Achieves Additional Milestone

RiotX, the Company's planned cryptocurrency exchange, achieved another development milestone this week as it received a Seller of Payment Instruments and Money Transmitter License from the State of Georgia. As a result, RiotX is licensed and/or approved in five states and has pending licenses in another 17 states with review in another two states. The Company plans to be operational in 24 states in the short term as management continues to work towards the goal of having RiotX serving all 50 U.S. states.

As previously disclosed, RiotX entered into a Master Services Agreement with Shift Markets, Ltd. to provide RiotX with its crypto exchange platform. These services will enable RiotX to further execute its plans to launch a U.S. focused cryptocurrency exchange. RiotX has been investigating and pursuing the regulatory pathway for the launch of a cryptocurrency exchange in the United States since the start of the year. The Agreement with Shift enables RiotX to offer a robust trading interface for real time trading of crypto assets.

RiotX, through its subsidiary Logical Brokerage Corp., is a futures introducing broker that is registered with the Commodity Futures Trading Commission and is a member of the National Futures Association**. RiotX is licensed with FinCEN as a Money Service Business, has obtained a Florida Money Transmitter License, and is actively pursuing additional state

Money Transmitter Licenses.

Mining Pool and Other Opportunities

Riot's mining pool is ramping up testing and additional resources have been added to focus on the scalability and performance of the platform. The Company looks forward to providing the cryptocurrency mining community with a U.S.-domiciled mining pool with the transparency of a NASDAQ-listed company.

The Company also continues to evaluate several opportunities to expand and grow the business as well as to secure additional capital.

*[*https://bitcoinwisdom.com/bitcoin/difficulty](https://bitcoinwisdom.com/bitcoin/difficulty)*

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About Riot Blockchain

Riot Blockchain is focused on building, operating, and supporting blockchain technologies. Its primary operations consist of cryptocurrency mining, targeted development of exchange and mining pool platforms, along with other investments within the sector. For more information, visit:

<http://www.RiotBlockchain.com/>

About RiotX

RiotX is working to launch a cryptocurrency exchange initially serving select customers within the United States. RiotX aims to simplify cryptocurrency for the masses and will be focused on providing retail customers a transparent and secure offering to transact in cryptocurrencies.

<https://www.riotx.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, 2017 filed with the Securities and Exchange Commission (the "SEC") on April 17, 2018, as amended on Form 10-K/A on April 30, 2018 and June 29, 2018, and in periodic and current reports we file with the SEC. 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 and current 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. The Company does not undertake any obligation to update forward-looking statements contained in this press release.

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