



Bitfarms Initiates Transformative Fleet Upgrade

November 28, 2023

 BITF

 BITF

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.

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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 2023 & 2024 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. The statements and information in this release regarding the miner equipment purchase, contracted delivery and proposed deployment plan, performance of the equipment and the impact on operating capacity including the target hashrate of 17 EH/s in H2 2024 and hashrate growth in general, energy efficiency and cost savings, and other statements regarding future plans and objectives of the Company are forward-looking information.

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 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.

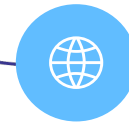


Geoff Morphy
President & CEO



High Efficiency

Improving fleet energy efficiency up to 29% and 25 w/TH



Halving Ready

Lowering miner costs per TH/s just before the Halving



Capital Efficient

Increasing company hashrate from 6.3 EH/s to 12 EH/s with optionality up to 17 EH/s



Flexible & Upside

Improving fleet efficiency will help reduce energy costs while providing the flexibility to fully benefit from advantageous pricing



Ben Gagnon
Chief Mining Officer

MINER SPECIFICATIONS

Most powerful air-cooled miner on the market

BITMAIN T21



High-powered Halving-ready

190 - 233 TH | 19 - 22 w/TH

- Newest **BITMAIN** Bitcoin miner
- Energy efficient for the Halving in 2024
- 3 Phase 415V PSU rated to 6,000 watts
- Manufacturer supported overclock¹

Most energy dense air-cooled Bitcoin miner

Most powerful air-cooled Bitcoin miner

Most cost-effective upgrade option

Sources: Bitmain manufacturer website (<https://t.ly/GmSLs>).

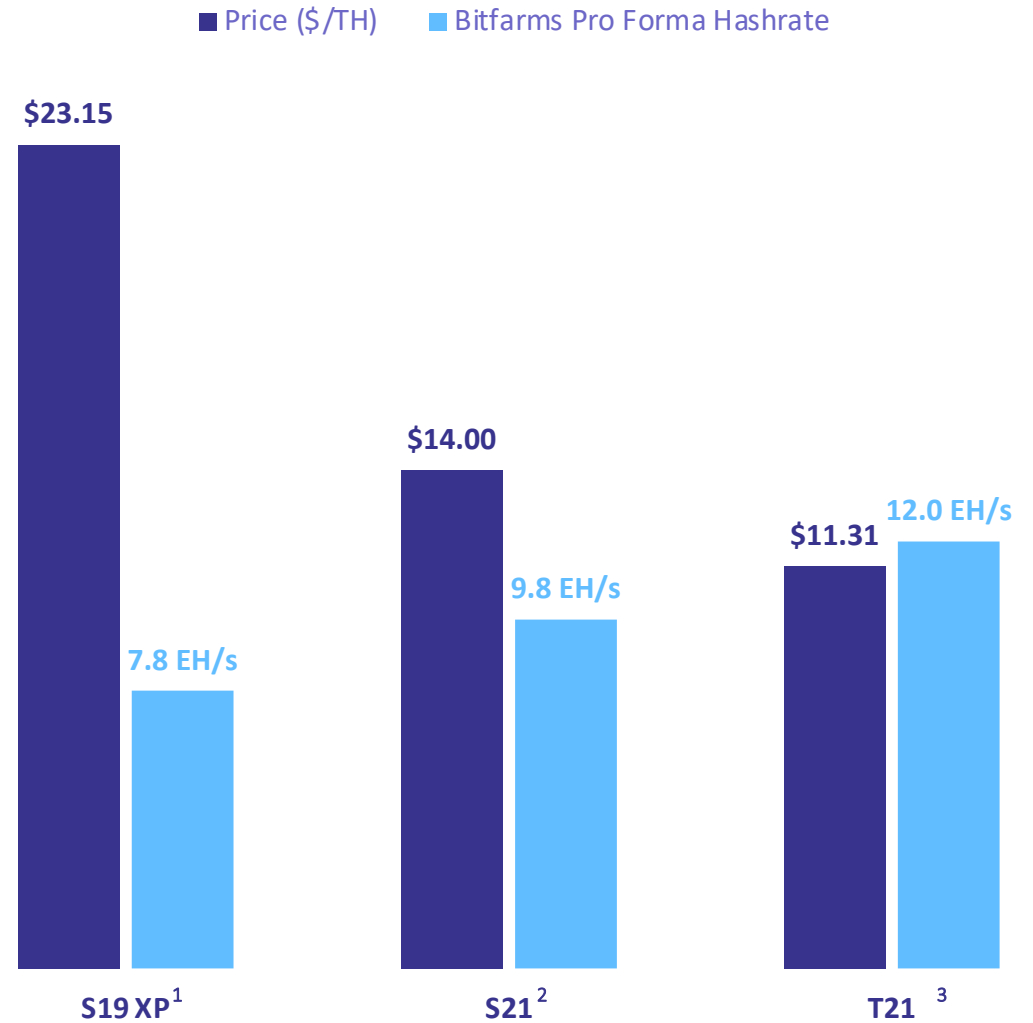
1. High energy Mode with performance up to 233 TH and 22 w/TH supported by the manufacturer.

MOST COST-EFFECTIVE UPGRADE

Most meaningful upgrade & best payback period in years

Source of savings

1. 18% lower per miner costs than S19 XP¹ and 5% lower per miner costs than the S21²
2. 19% est. reduction in \$ per TH cost from warranted High energy Mode³
3. 42% higher energy consumption per miner³ 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.


T21 CONTRACT OVERVIEW

Positions Bitfarms as one of the industry leaders in both cost and hashrate

	Purchase	Option	Combined
Qty	35,888	Up to 28,000	63,888
T21 - Total EH/s (NeM – HeM) ¹	6.8 – 8.4	5.3 – 6.5	12.1 – 14.9
T21 - Total MWs (NeM – HeM) ¹	129.5 – 184	101 – 143.5	230 – 327.5
Delivery	Mar – May 2024	H2 2024	2024
End Date	May 2024	Dec 31, 2024	Dec 31, 2024



Miner Option

1. Secures lowest effective cost per TH in 2023 throughout 2024
2. Price certainty de-risks growth
3. 10% non-refundable deposit applicable to purchase price with no premium
4. Significant reduction in capital obligations for 28,000 miners through miner options
5. In the money options could effectively be cash settled through miner resale
6. Unique to  Bitfarms™

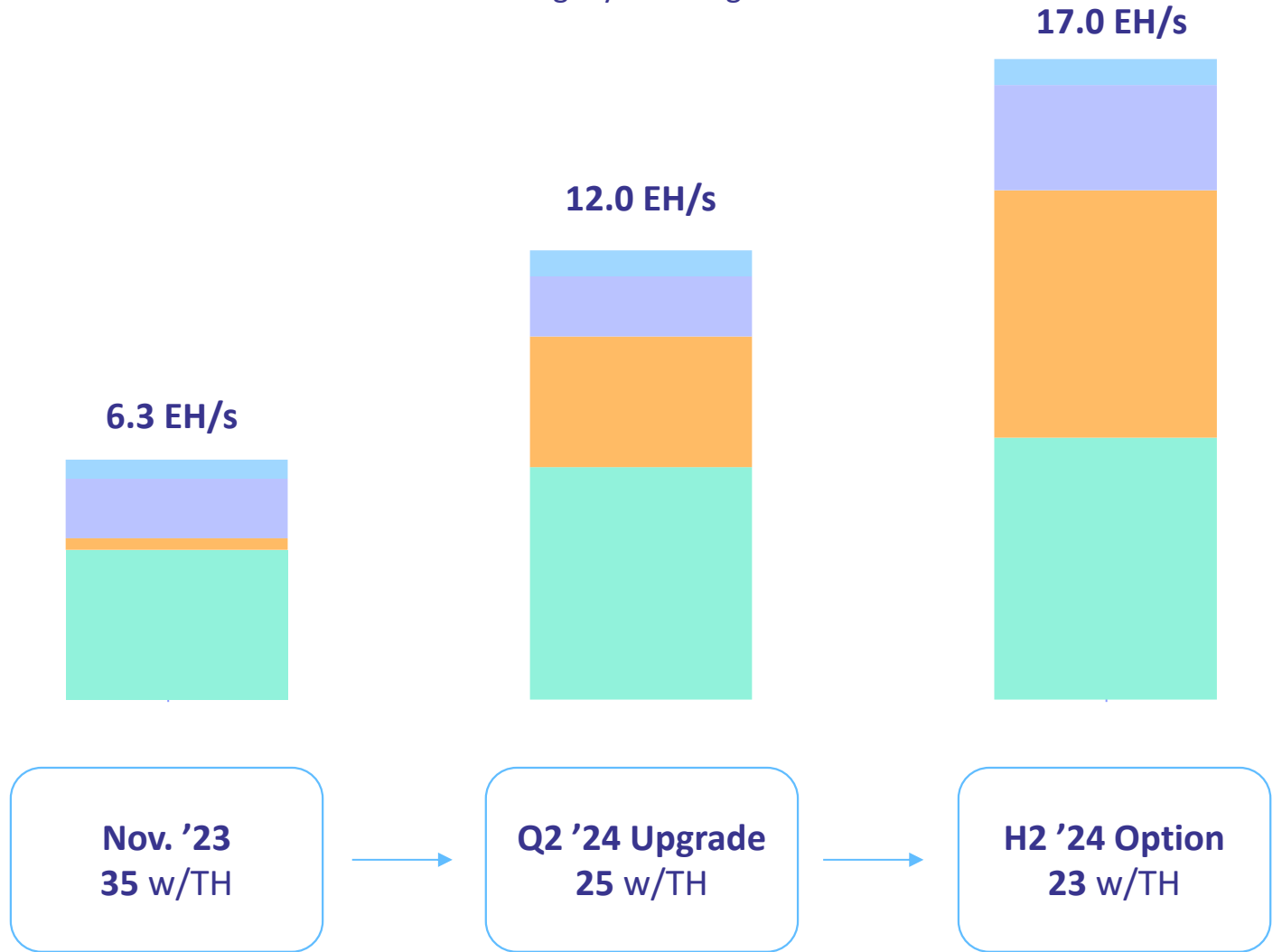
1. Normal energy Mode (“NeM”); High energy Mode (“HeM”).

FLEET UPGRADE

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



Canada Paraguay Argentina US



EMBEDDED OPTIONALITY

Redeployment

+4 EH/s
+180 MW
Pro Forma 25 w/TH



Liquidation

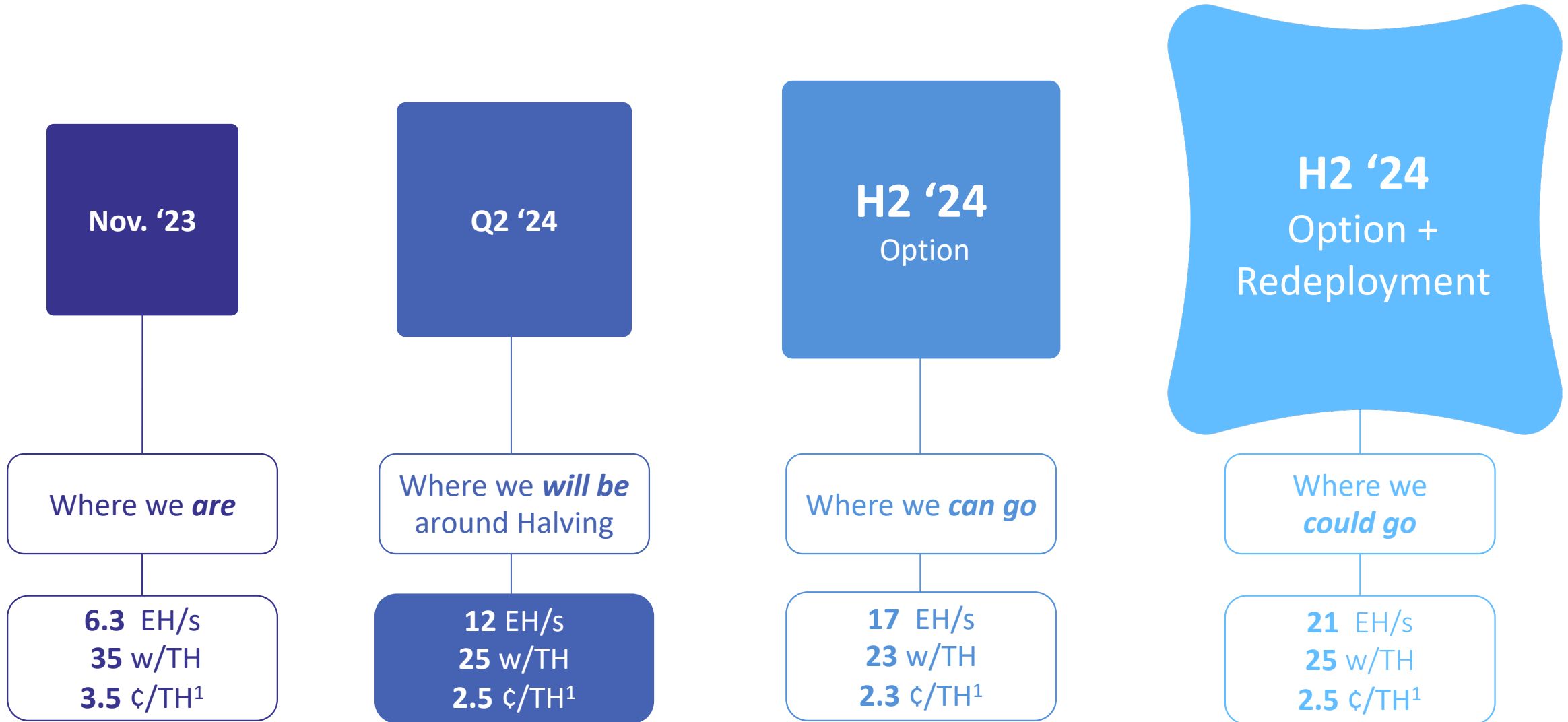
+ Est. \$9M-\$12M
Current Market Value¹

	M31S/+	M30S/+ / ++	Total
Qty	10,700	36,000	46,700
EH/s	0.85	3.50	4.35
MW	~40	~140	~180

1. Market price indications as of November 28, 2023.

POSITIONED FOR UPSIDE

With embedded optionality



Sources: Company analysis.

1. Estimated direct operating costs calculated on a ¢ per TH per day basis with 4.2¢ per kWh.



Jeff Lucas
CFO

Total liquidity

- \$47M in cash as of 09/30/23
- 760 BTC held as of 10/31/23 (\$26M)
- \$44M new financing¹

A catalyst poised to

- Deliver 2-3x incremental hashrate
- Reduce cost per BTC by 33-35%

Growth at \$18,000 per petahash²

Notes: All figures in US\$ millions unless otherwise stated.

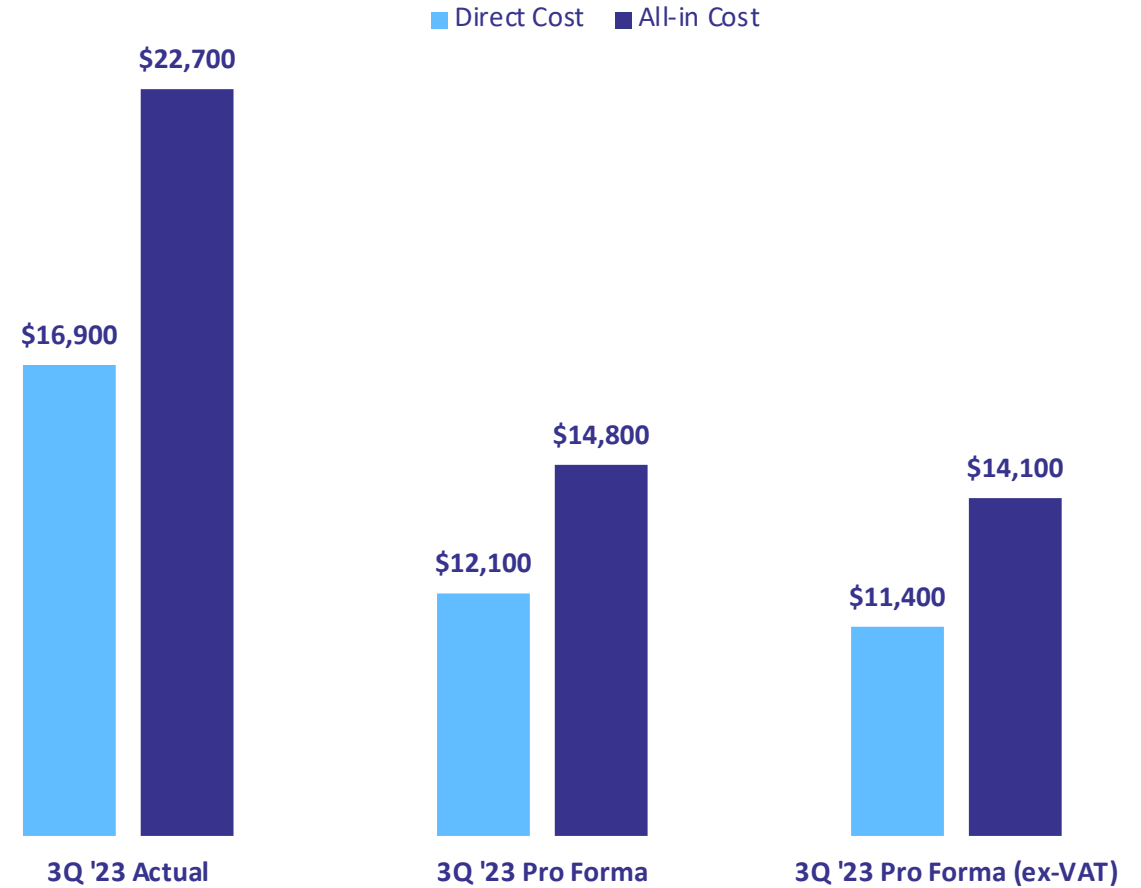
1. Gross proceeds.

2. New miner procurement net of fleet replacement.

PRO FORMA COST PER BITCOIN ANALYSIS

Improved Margins

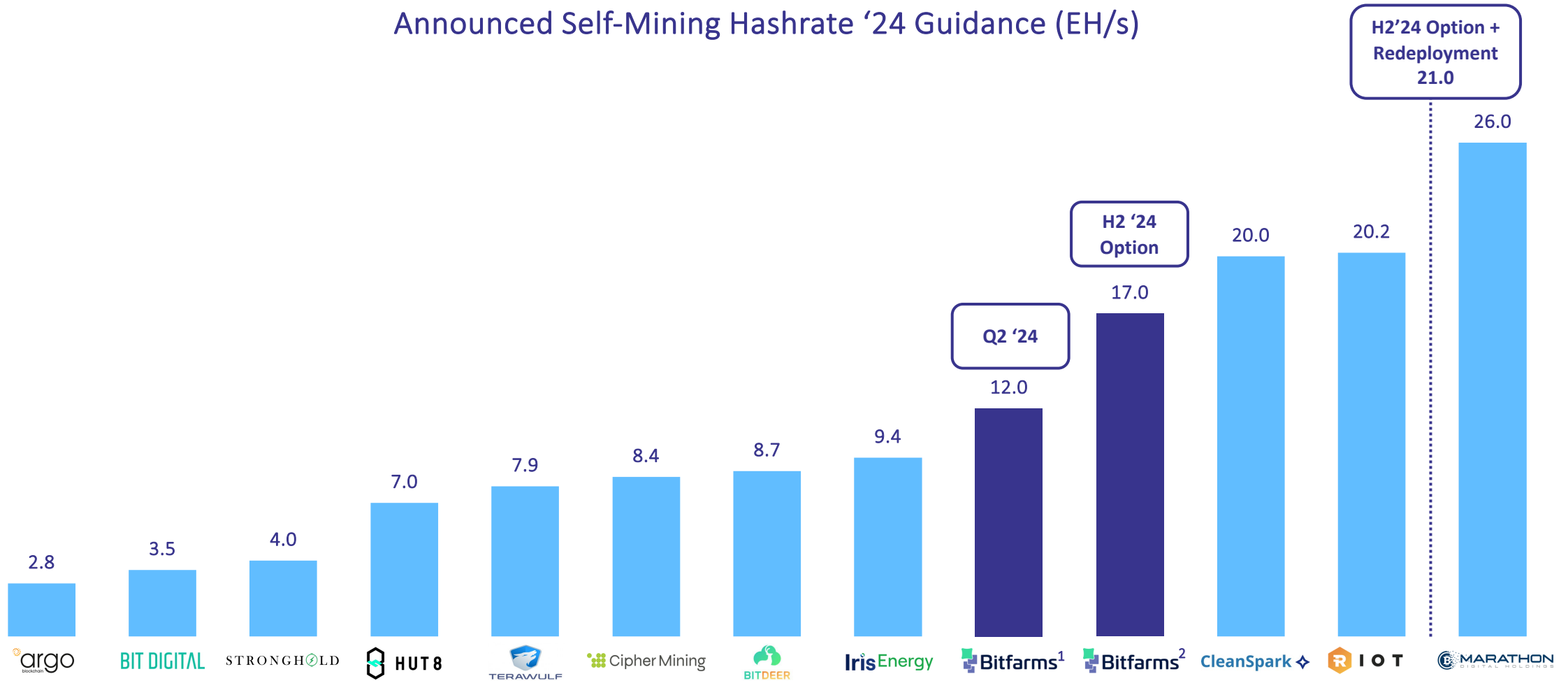
1. Improving average fleet efficiency of around 30% resulting in lower Direct Cost per BTC and higher mining margins
2. Doubling hashrate provides greater fixed cost absorption improves operating margins
3. Projected payback of deployed miners <1 year



BUILDING INDUSTRY MOMENTUM

Projected market share among the Top 5

Announced Self-Mining Hashrate '24 Guidance (EH/s)



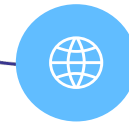
Sources: Cantor Fitzgerald "Crypto & Blockchain" Report as of October 9, 2023, Company filings & other publicly available information.

1. Pro Forma the installation of the Purchase Order for 35,888 new T21s in existing infrastructures and developments.
2. Pro Forma the installation of the Option for 28,000 new T21s at Yguazu.



High Efficiency

Improving fleet energy efficiency up to 29% and 25 w/TH



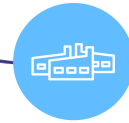
Halving Ready

Lowering miner costs per TH/s just before the Halving



Capital Efficient

Increasing company hashrate from 6.3 EH/s to 12 EH/s with optionality up to 17 EH/s



Flexible & Upside

Improving fleet efficiency will help reduce energy costs while providing the flexibility to fully benefit from advantageous pricing



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