



Bitfarms Mines 459 BTC in May

06.01.23

- 2,900 new miners arrived in Argentina -

This news release constitutes a “designated news release” for purposes of the Company’s prospectus supplement dated August 16, 2021, to its short form base shelf prospectus dated August 12, 2021.

TORONTO, Ontario and BROSSARD, Québec, June 01, 2023 (GLOBE NEWSWIRE) -- [Bitfarms Ltd.](#) (NASDAQ: BITF//TSX: BITF), a global vertically integrated Bitcoin mining company, provided a Bitcoin (BTC) production and mining operations update for May 2023.

“During May 2023, our increased visibility into deliveries and installations in Rio Cuarto, Argentina led us to accelerate our organic growth target of 6.0 EH/s from the end of Q4 2023 to the end of Q3 2023,” said Geoff Morphy, CEO of Bitfarms. “We are focused on organic and other growth opportunities that bring value and accretive cash flow to us ahead of the Halving expected in April 2024. Contributing to our organic growth will be reaching full production at the first 50 MW facility in Rio Cuarto and the first 11 MW of the 22 MW expansion in process of closing in Baie-Comeau, Quebec. In addition, we continue to build liquidity and remain well-positioned to move quickly as attractive prospects for equipment and sites emerge.”

Ben Gagnon, Chief Mining Officer of Bitfarms, said, “In May, BTC production increased 6.5% year-over-year largely due to a temporary spike in BTC transaction fees. A 47% year-over-year increase in our hashrate was offset by a 65% increase in network difficulty in the same period. On a sequential month-over-month basis, our corporate hashrate held steady with 5.0 EH/s. Of the 6,200 miners ordered in April, 2,900 arrived in Argentina in May as expected, and the remaining 3,300 are en route.”

“With the average BTC price of \$27,500 in May, we continued to be cash flow positive, both from operations and after scheduled interest and principal payments. Mining 459 BTC and selling 414 BTC, we added 45 BTC to treasury in May, bringing the total held at month-end to 510 BTC,” concluded Morphy.

Mining Review

Network difficulty increased another 5.2% in May and is up 44.9% year-to-date in 2023, while Bitcoin price is up roughly 63.5% in the same period, resulting in a 26.7% improvement in mining economics as measured by USD/TH.

Production increased to 459 BTC, up 21.1% from April, as energy curtailment in Quebec fully subsided and an additional day of production was gained with 31 days in the month of May.

| Key Performance Indicators | May 2023 | Apr. 2023 | May 2022 |
|----------------------------------|----------|-----------|----------|
| Total BTC Mined | 459 | 379 | 431 |
| Month End Operating EH/s | 5.0 | 5.0 | 3.4 |
| BTC/Avg. EH/s | 93 | 81 | 130 |
| Operating Capacity (MW) | 196 | 196 | 137 |
| Hydropower MW | 178 | 178 | 137 |
| Watts/Terahash Efficiency (w/TH) | 39 | 39 | 42 |
| BTC Sold | 414 | 349 | 2 |

May 2023 Select Operating Highlights

- 5.0 EH/s online as of May 31, 2023, up 47% from May 31, 2022, and comparable to April 30, 2023.
- 4.9 EH/s average online, up 4.3% from April 2023.
- 92.6 BTC/average EH/s, up 14.9% from 80.6 in April 2023.
- 459 BTC mined, up 6.5% from May 2022 and up 21.1% from April 2023.
- 14.8 BTC mined daily on average, equivalent to about \$401,100 per day and approximately \$12.4 million for the month, based on a BTC price of \$27,100 on May 31, 2023.

- In Rio Cuarto, Argentina:
 - 2,900 MicroBT miners landed in Argentina and are scheduled to be installed in June.
 - Expect to receive and install another 3,300 Bitmain miners in June.
- Continued executing Baie-Comeau acquisition representing 22 MW of hydro power capacity, which remains on track to close in June 2023.

Bitfarms' BTC Monthly Production

The table below presents an overview of BTC mined per month in each of the first five months of 2023 and 2022, respectively.

| Month | BTC Mined 2023 | BTC Mined 2022 |
|------------------|----------------|----------------|
| January | 486 | 301 |
| February | 387 | 298 |
| March | 424 | 363 |
| April | 379 | 405 |
| May | 459 | 431 |
| Total YTD | 2,135 | 1,798 |

May 2023 Financial Update

- Sold 414 BTC of the 459 BTC mined, generating total proceeds of \$11.3 million.
- Reduced total outstanding indebtedness by \$1.8 million, leaving a balance of \$17.4 million at May 31, 2023.
- Added 45 BTC to treasury, increasing custody to 510 BTC, representing approximately \$13.8 million based on a BTC price of \$27,100 on May 31, 2023.

Conferences and Events

Bitfarms plans to attend the following upcoming events:

- June 14-15, Cantor Fitzgerald Technology Conference, New York

About Bitfarms Ltd.

Founded in 2017, Bitfarms is a global, publicly traded (NASDAQ/TSX: BITF) Bitcoin mining company. Bitfarms develops, owns, and operates vertically integrated mining farms with in-house management and company-owned electrical engineering, installation service, and multiple onsite technical repair centers. The Company's proprietary data analytics system delivers best-in-class operational performance and uptime.

Bitfarms currently has 10 farms, which are located in four countries: Canada, the United States, Paraguay, and Argentina. Powered by predominantly environmentally friendly hydro-electric and long-term power contracts, Bitfarms is committed to using sustainable, locally based, and often underutilized energy infrastructure.

To learn more about Bitfarms' events, developments, and online communities:

Website: www.bitfarms.com

<https://www.facebook.com/bitfarms/>

https://twitter.com/Bitfarms_io

<https://www.instagram.com/bitfarms/>

<https://www.linkedin.com/company/bitfarms/>

Glossary of Terms

- *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

Cautionary 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 Toronto Stock Exchange, Nasdaq, or any other securities exchange or regulatory authority accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This news release 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 news release and are covered by safe harbors under Canadian and United States securities laws. The statements and information in this release regarding growth opportunities and prospects, and other statements regarding future plans and objectives of the Company are forward-looking information. Other forward-looking information includes, but is not limited to, 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 potential resulting significant negative impact on the Company’s operations, the construction and operation of expanded blockchain infrastructure as currently planned, and the regulatory environment for 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”, “prospects”, “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 assumptions and estimates of management of the Company at the time they were 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 availability of financing opportunities, risks associated with economic conditions, dependence on management and conflicts of interest, the ability to service debt obligations and maintain flexibility in respect of debt covenants; economic dependence on regulated terms of service and electricity rates; the speculative and competitive nature of the technology sector; dependency on continued growth in blockchain and cryptocurrency usage; lawsuits and other legal proceedings and challenges; conflict of interests with directors and management; government regulations; the global economic climate; dilution; the Company’s limited operating history; future capital needs and uncertainty of additional financing, including the Company’s ability to utilize the Company’s at-the-market equity offering program (the “ATM Program”) and the prices at which the Company may sell Common Shares in the ATM Program, as well as capital market conditions in general; risks relating to the strategy of maintaining and increasing Bitcoin holdings and the impact of depreciating Bitcoin prices on working capital; 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; the ability to maintain reliable and economical sources of power to run its cryptocurrency mining assets; the impact of energy curtailment or regulatory changes in the energy regimes in the jurisdictions in which the Company operates; 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; share dilution resulting from the ATM Program and from other equity issuances; 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 facilities 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; the anticipated growth and sustainability of hydroelectricity for the purposes of cryptocurrency mining in the applicable jurisdictions; the inability to maintain reliable and economical sources of power for the Company to operate cryptocurrency mining assets; the risks of an increase in the Company’s electricity costs, cost of natural gas, changes in currency exchange rates, energy curtailment or regulatory changes in the energy regimes in the jurisdictions in which the Company operates and the adverse impact on the Company’s profitability; 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 (which are also available on the website of the U.S. Securities and Exchange Commission at www.sec.gov), 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 any forward-looking information. The Company undertakes no obligation to revise or update any forward-looking information other than as required by law.

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