



Bitfarms Announces Filing of Preliminary Prospectus by Operating Subsidiary

11.11.18

MONTREAL & RAMAT GAN, Israel--(BUSINESS WIRE)-- Bitfarms Ltd. ("Bitfarms", or the "Company") ([TASE: BLLCF.TA](#)) ([OTCQX: BLLCF](#)), one of the largest blockchain technology companies in the world through its ownership of Backbone Hosting Solutions Inc., is pleased to announce that it has formally commenced a regulatory process to investigate a potential public listing in Canada.

On November 9, 2018 the Company filed a preliminary prospectus with the Ontario Securities Commission which will be available to the public on November 12, 2018 through Canada's System for Electronic Document Analysis and Retrieval ("SEDAR"). Details of a potential business arrangement (the "Potential Transaction") between Bitfarms and a newly created Canadian private company ("Bitfarms Canada") are described in the prospectus which is anticipated to be available to the public on Monday, November 12, 2018. The prospectus will be found here:

https://sedar.com/issuers/company_issuers_b_en.htm

As a Canadian-headquartered and operated company, management is evaluating the potential benefits of participating in the Canadian public markets, which include:

- The Canadian markets include over 3,000 publicly traded companies which collectively raised over CAD\$54B in equity capital during 2017;
- Canada is home to more than 10 public blockchain infrastructure and cryptocurrency mining companies. Bitfarms' Canadian peers have benefited from greater visibility, research analyst coverage, trading volumes, and improved access to North American capital markets, one of the world's largest capital pools for companies seeking growth and expansion capital;
- Canadian capital markets operate within a stable, world-class financial services environment which includes a vibrant institutional and retail investor base;
- Canada is viewed as a global leader in blockchain and cryptocurrency technology; and
- The Proposed Transaction could result in a reduction of administrative and professional fees related to operating and reporting in different jurisdictions.

"We are currently evaluating a listing in Canada as we endeavour to grow Bitfarms' visibility, improve our access to capital and streamline expenses," commented Wes Fulford, Chief Executive Officer of Bitfarms. "Our analysis suggests that Canada has one of the most active public markets in our emerging industry, with several blockchain infrastructure and cryptocurrency mining companies having listed and raised significant capital over the last twelve months."

The preliminary prospectus is a "non-offering" filing and no securities are anticipated to be offered pursuant to the preliminary prospectus. The preliminary prospectus includes historical financial statements of Bitfarms Ltd. that are in compliance with the continuous disclosure requirements of the TSX Venture Exchange. At this time, the Company does not have any of its securities listed or quoted on a Canadian exchange and has not applied to list or quote any of its securities. The Potential Transaction remains subject to approvals from the Company's shareholders, Audit Committee, Board of Directors and Israeli district court.

About Bitfarms Ltd. (formerly Bitfarms Technologies Ltd. and Blockchain Mining Ltd.)

Bitfarms Ltd. ("Bitfarms"), through its transaction with Backbone Hosting Solutions Inc., owns and operates blockchain farms that power the global decentralized financial economy. Bitfarms provides computing power to cryptocurrency networks such as Bitcoin, Bitcoin Cash, Ethereum, Litecoin and Dash, earning fees from each network for securing and processing transactions, 24 hours a day, seven days a week. Since 2013, predecessors to Bitfarms have constructed 4 farms in Québec, Canada, which have 27.5 MW of installed capacity and approximately 200 Ph/s of installed hash-power. Bitfarms' construction pipeline includes an additional 5 farms with a total of 162.5 MW of power capacity, including current operations.

Keep up-to-date on Bitfarms' events, developments and online communities :

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

https://twitter.com/Bitfarms_io

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

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

Website: www.bitfarms.io

Cautionary Statement

This press release does not constitute an offer to sell or a solicitation of an offer to buy or sell securities or other financial instruments in any jurisdiction or any advice or recommendation with respect to such securities or other financial instruments of the Company. 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.

Forward-Looking Statements

This news release contains certain “forward-looking information” within the meaning of applicable securities laws that are based on expectations, estimates and projections as at the date of this news release. The information in this release about 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, the listing of the Common Shares on stock exchanges, 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 in 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 Provinces of Canada. In some cases, such forward looking statements can be identified by terms such as “believe”, “expect”, “may”, “will”, “intend”, “project”, “plan”, “estimate” or similar words. Forward-looking statements are subject to a number of risks and uncertainties that could cause the actual results or performance of the Company to differ materially from those described herein.

For a more detailed description of the risk factors and uncertainties affecting the company, refer to the Company's reports filed from time-to-time with the Israeli Securities Authority and the Tel-Aviv Stock Exchange. The forward-looking statements contained in this press release are made as of the date of this press release, and the Company undertakes no obligation to update or revise them, except as required by law.

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