



Blockchain Mining to Release Consolidated Half-Year 2018 Financial Results on August 30, 2018

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MONTREAL and RAMAT GAN, Israel, Aug. 05, 2018 (GLOBE NEWSWIRE) -- Blockchain Mining Ltd. (the "Company") ([TASE: BLLCF.TA](#)) ([OTCQX: BLLCF](#)), through its ownership of Backbone Hosting Solutions Inc. (operating as "Bitfarms"), one of the largest blockchain technology companies in the world, will be announcing its consolidated financial results for the six months ended June 30, 2018 on Thursday, August 30, 2018 prior to market open.

Operational Highlights and Updates

- In June 2018, the Company completed the infrastructure buildout of a new computing facility ("Magog") in the city of Magog, Québec that is now fully ready to install up to 10 MW of cryptocurrency mining computers. Given the anticipated near-term release of a new generation of mining hardware, management is currently evaluating the best technology options available to commence operation of the new facility.
- In July 2018, the Company appointed John Rim to Chief Financial Officer:
 - For the past 7 years, John served as a senior finance executive at private equity portfolio companies owned by Brookfield Asset Management and Centerbridge Partners LLP where he worked closely on management teams to successfully finance, acquire and integrate multiple large-scale, global operations. With a proven track record of identifying opportunities and unlocking value, John has significant experience scaling and growing businesses through disciplined execution of strategic operational initiatives.

John Rim, as Chief Financial Officer, has overall responsibility for the Company's financial governance, reporting and planning. As a CPA, CA with over 20 years of business experience, John began his career in public accounting at KPMG and PwC and subsequently held roles of increasing responsibility and leadership within the accounting and tax functions at Fortune 500 multinational companies.

- In July 2018, the Company received approval to trade ordinary shares of the Company directly on the OTCQX® Best Market under the symbol "BLLCF". Management believes this platform will lead to increased U.S. ownership, improved long-term liquidity and enhanced shareholder value.
- In August 2018, Bitfarms completed the purchase of 12 megawatts of electrical distribution hardware which is intended for use in phase 1 of the Sherbrooke computing center ("Sherbrooke").
 - The Company is also pleased to announce that its Sherbrooke project has received final approval for participation in the Québec Large Investment Tax Holiday program. Given the magnitude of this project, and subject to certain conditions, Bitfarms may be eligible for a tax holiday on future income related to its Sherbrooke investment.
- At the shareholder EGM later this month, the Company has proposed a name change from Blockchain Mining Ltd. to Bitfarms Ltd., part of a rebranding effort which is intended to reflect the acquisition of the operating subsidiary Bitfarms and to unify the operations of the two companies under one brand.

"We look forward to the continued expansion of our core operating business, as well as the ongoing vertical integration of Bitfarms," said Wes Fulford, Chief Executive Officer. "Longer-term, our goal is to offer a wide range of services evolving around blockchain technology and decentralized financial economies, the best-known application of which is bitcoin."

"I am very excited to be part of such a dynamic team operating in such a nascent and transformative industry," said John Rim, Chief Financial Officer. "The Company's secured low-cost energy, deep operational expertise and speed of mining infrastructure set-up makes it well-positioned to achieve its near-term strategic objectives."

The Company wishes to remind shareholders that the English trading symbol of the Company's shares has been changed, as per the Tel-Aviv Stock Exchange's announcement on August 2, 2018 from BLCM to BLLCF, to create greater alignment with the Company's OTCQX symbol.

About Blockchain Mining Ltd.

Blockchain Mining Ltd., through its transaction with Backbone Hosting Solutions Inc. (Bitfarms), 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 over 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.

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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. The Tel Aviv Stock Exchange has neither approved nor disapproved the contents of this press release.

Forward-Looking Statements

This news release contains certain "forward-looking information" within the meaning of applicable Canadian 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.

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 which 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; the volatility of digital currency prices; the anticipated growth and sustainability of hydroelectricity for the purposes of cryptocurrency mining in the Province of Québec, 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; and there will be no regulation or law that will prevent Bitfarms from operating its business. The Company has also assumed that no significant events occur outside of the Bitfarms' normal course of business. Although the Company has attempted to identify important factors that could cause actual results to differ materially, 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.

Source: Backbone Hosting Solutions Inc.