Bitfarms Receives Shareholder Meeting Requisition

06.24.24

Reiterates Commitment to Strategic Alternative Review Process to Maximize Shareholder Value

No Shareholder Action Required at this Time

This news release constitutes a "designated news release" for the purposes of the Company's prospectus supplement dated March 8, 2024, to its short form base shelf prospectus dated November 10, 2023

TORONTO, Ontario and BROSSARD, Quebec, June 24, 2024 (GLOBE NEWSWIRE) -- Bitfarms Ltd. (Nasdaq/TSX: BITF) ("Bitfarms" or the "Company"), a global Bitcoin vertically integrated company, today confirmed that it has received a shareholder meeting requisition from Riot Platforms, Inc. ("Riot"). The shareholder meeting is being requisitioned to gain control of the Company's Board of Directors (the "Board").

Bitfarms issued the following statement:

> The Bitfarms Board of Directors and management team are committed to acting in the best interests of the Company and all of its shareholders. In that regard, the Board established a Special Committee of independent directors to conduct a strategic alternatives review process to thoroughly evaluate all opportunities to maximize shareholder value. The Special Committee determined that Riot's April 22, 2024 proposal of $2.30 per share (which represents a 22% discount to Bitfarms closing price as of June 21, 2024) significantly undervalued the Company and offered to enter into a confidentiality and standstill agreement with Riot and provide additional information about the Company so that Riot could improve its proposal. Since that time, the Special Committee has repeatedly invited Riot to participate in the process, even executing the confidentiality and standstill agreement proposed by Riot. The Special Committee is disappointed that Riot declined to engage constructively and participate in the process, and instead has continued to take steps to attempt to undermine the integrity of the process and harm the interests of other Bitfarms shareholders. The Board and Special Committee remain committed to achieving the best outcome for all Bitfarms shareholders.

The Company remains committed to constructive engagement with all shareholders and will review the requisition and provide an update in due course. Bitfarms shareholders are not required to take action at this time.

Advisors
Moelis & Company LLC is serving as financial advisor to Bitfarms. Skadden, Arps, Slate, Meagher & Flom LLP, Peterson McVicar LLP and McMillan LLP are acting as legal advisors. Innisfree M&A Incorporated and Laurel Hill Advisory Group have been retained as strategic advisors and proxy solicitation agents.

About Bitfarms Ltd.
Founded in 2017, Bitfarms is a global Bitcoin mining company that contributes its computational power to one or more mining pools from which it receives payment in Bitcoin. 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 12 Bitcoin mining facilities and one under development situated in four countries: Canada, the United States, Paraguay, and Argentina. Powered predominantly by environmentally friendly hydro-electric and long-term power contracts, Bitfarms is committed to using sustainable and often underutilized energy infrastructure.

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

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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. 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 the delivery by the Bitfarms Board and Special Committee of the best available outcome for all shareholders, the Company’s review and update in respect of the requisition, and the maximization of shareholder value, 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”, “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.

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 ability to successfully conclude the strategic alternatives review process on a timely basis or at all; the construction and operation of the Company’s facilities may not occur as currently planned, or at all; expansion may not materialize as currently anticipated, or at all; the power purchase agreements and economics thereof may not be as advantageous as expected; 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 potential adverse impact on the Company’s profitability; the ability to complete current and future financings; the impact of the restatement on the price of the Company’s common shares, financial condition and results of operations; the risk that a material weakness in internal control over financial reporting could result in a misstatement of the Company’s financial position that may lead to a material misstatement of the annual or interim consolidated financial statements if not prevented or detected on a timely basis; historical prices of digital currencies and the ability to mine digital currencies that will be consistent with historical prices; 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 (which are also available on the website of the U.S. Securities and Exchange Commission at www.sec.gov), including the MD&A for the year-ended December 31, 2023, filed on March 7, 2024 and the MD&A for three-month period ended March 31, 2024 filed on May 15, 2024. 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, including factors that are currently unknown to or deemed immaterial by the Company. 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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