



Bitfarms Mines 424 BTC in March

04.03.23

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 and BROSSARD, Québec, April 03, 2023 (GLOBE NEWSWIRE) -- [Bitfarms Ltd.](#) (NASDAQ: BITF//TSX: BITF), a global Bitcoin self-mining company, provided a Bitcoin (BTC) production and mining operations update for March 2023.

“We improved our financial position in March 2023, reflecting stable production and an increasing BTC price,” said Geoff Morphy, CEO of Bitfarms. “During the month, we mined 424 BTC, added 30 BTC to treasury, and sold 394 BTC at an average selling price of \$24,700 per BTC, in line with improving mining economics and lower debt obligations. Strengthening the Company’s balance sheet and reducing debt further, we ended March with \$29 million in cash and equivalents, 435 BTC in custody, \$22 million in vendor credits, and just \$21 million in total indebtedness.”

Ben Gagnon, Chief Mining Officer of Bitfarms, said, “In March, we increased BTC production 17% year-over-year, even with energy curtailment in Quebec and Paraguay as well as continued network growth. In Q1 2023, BTC price increased by 72%, outpacing network difficulty growth of 32.5%. As a result, industry mining revenue is up 31% dollars per TH in the quarter. Continued rising difficulty levels reflect increasing investment and bullish sentiment in the mining industry overall.”

Mining Review

Energy curtailment in Quebec moderated in March, as warmer weather reduced the load provided back to the local power grids. However, extreme heat in Paraguay resulted in some energy curtailment during mid-March. Cooler temperatures arrived toward month end in the Southern Hemisphere. The table below presents an overview of March 2023 performance metrics as compared to both February 2023 and March 2022.

Key Performance Indicators	Mar. 2023	Feb. 2023	Mar. 2022
Total BTC Mined	424	387	363
Month End Operating EH/s	4.8	4.7	2.7
BTC/ Avg. EH/s	91	91	143
Operating Capacity (MW)	188	188	121
Hydropower MW	178	178	121
Watts/Terahash Efficiency (w/TH)	39	39	42
BTC Sold	394	387	2

March 2023 Select Operating Highlights

- 4.8 EH/s online as of March 31, 2023, up 78% from March 31, 2022 and up 2% compared to February 28, 2023.
- 4.6 EH/s average online, compared to 4.3 EH/s in February 2023.
- 91.4 BTC/average EH/s, up marginally from 91 in February 2023.
- 424 new BTC mined, up 9.6% from March 2022 and up 16.8% from February 2023.
- 13.7 BTC mined daily on average, equivalent to about \$390,000 per day and approximately \$12.1 million for the month, based on a BTC price of \$28,500 on March 31, 2023.

Gagnon added, “With an eye on continually improving cost controls, during March we successfully piloted a new feature in our proprietary management system to track real time energy consumption on an individual miner basis. Real time tracking allows for machine optimization and is scheduled to be deployed company-wide in April.”

Bitfarms’ BTC Monthly Production

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

Month	BTC Mined 2023	BTC Mined 2022
January	486	301
February	387	298
March	424	363

Total YTD	1,297	962
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March 2023 Financial Update

- Sold 394 BTC of the 424 BTC mined, generating total proceeds of \$9.7 million.
- Reduced total outstanding indebtedness by \$2 million, leaving a balance of \$21 million at March 31, 2023.
- Held 435 BTC in custody, representing a total value of approximately \$12.4 million based on a BTC price of \$28,500, at March 31, 2023.
- Held \$29 million in cash and cash equivalents at March 31, 2023.
- Held a \$22 million credit for pre-paid deposits to be applied against future miner purchase agreements at March 31, 2023.

Conferences and Events

Bitfarms plans to attend the following upcoming events:

- April 27: Ladenburg Thalmann Technology Expo, New York City
- May 18-20: BTC 2023, Miami FL
- May 18: 18th Annual Needham Technology & Media Conference, Virtual

About Bitfarms Ltd.

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

Bitfarms has 10 mining facilities around the world, 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 renewable, 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 ongoing operational and financial performance, debt reduction and liquidity, management of Bitcoin holding, and other 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”, “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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