



Bitfarms Amends Terms of Outstanding Lender Warrants

09.27.19

TORONTO & BROSSARD, Québec--(BUSINESS WIRE)-- Bitfarms Ltd. ("**Bitfarms**", or the "**Company**") ([TSXV:BITF](https://www.tsx.com/quote/BITF)), is pleased to announce that it has reached an agreement with its credit facility lender, DC BFL SPV LLC (an affiliate of Dominion Capital LLC ("**Dominion**", or the "**Lender**")), and has received conditional approval from the TSX Venture Exchange to amend certain terms of its issued and outstanding warrants.

Pursuant to the terms of the loan agreement with Dominion, Bitfarms issued the Lender 1,666,667 warrants for each loan tranche drawn, for a total of 6,666,668 warrants, exercisable into common shares of the Company at an exercise price of US\$0.40 per share (the "**Exercise Price**"). As described in the Company's most recent interim financial results and management's discussion and analysis, the warrants contain an anti-dilutive feature which results in a liability classification that is measured at fair value through profit or loss for financial reporting purposes, potentially resulting in non-cash charges against the Company's reported income.

Pursuant to an amending agreement (the, "**Warrant Amendment**") with the Lender, and in exchange for the Company agreeing not to issue common shares below the Exercise Price of US\$0.40 during the term of the loan with the Lender, the parties have agreed to remove the anti-dilution provision from the warrants. This will result in the warrant liability being remeasured at fair value through profit or loss as of the effective date of the Warrant Amendment. Subsequent to the effective date of the Warrant Amendment, the warrants will be classified as equity with no further remeasurement at fair value through profit or loss at each reporting date.

About Bitfarms Ltd.

The Company owns and operates computing centres that power the global decentralized financial economy. Bitfarms provides computing power to cryptocurrency networks such as Bitcoin, earning fees from each network for securing and processing transactions. Powered by clean and competitively priced hydroelectricity, Bitfarms operates 5 computing centres in Québec, Canada. Bitfarms' experienced management team includes industrial-scale data centre operators and capital markets professionals, focused on building infrastructure for the future by developing and hosting the ecosystem growing around blockchain-based technologies.

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

Website: www.bitfarms.io

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

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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 TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this 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, 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. The forward-looking statements contained in this press release are made as of the date of this press release. 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.

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