



Bitfarms Announces Operational Update and Reminder of Upcoming ADR Conversion Due Date

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., today announced an operational update as well as a reminder to American Depositary Receipt ("ADR") holders regarding the November 26, 2018 deadline to surrender ADRs for delivery of ordinary common shares of Bitfarms.

Operational Update:

Throughout 2018, increasing network difficulty and decreasing cryptocurrency pricing has presented a challenge for all mining operators. In recent weeks, management is encouraged by the low volatility observed in Bitcoin ("BTC") market prices, the Company's cryptocurrency of focus, as well as the stability in BTC network difficulties. In addition, management has witnessed a significant increase in secondary market sales of BTC mining hardware which could suggest a slowed pace, or stabilization of network difficulty in the near term, absent a significant increase in BTC market prices.

Despite current market conditions, Bitfarms remains extremely competitive on a global scale. As a vertically-integrated cryptocurrency miner, Bitfarms continues to deliver operational efficiencies and cost-effective infrastructure spending, with management remaining focused on building out its secured 125 megawatt pipeline of reliable, low-cost, green hydro electricity within the province of Québec, Canada.

Recent Highlights

- The Company has tested and installed a new version-rolling firmware upgrade across all BTC mining hardware, resulting in a reduction of energy consumption of approximately 12% while maintaining the same hash power output. This is a significant development for the Company, as hardware electricity costs remain the single biggest operating expense;
- The Company has commenced a hardware upgrade program in Farnham and St. Hyacinthe, replacing all D3 mining hardware with new S9 Antminers;
- Beginning the week of November 12th, Bitfarms is pleased to announce that it will begin installing mining hardware at the Company's newly built 10MW facility located in Magog, Québec; and
- The Company has now added over 50 customers to its newly launched BTC mining pool, Bitfarms Pool, and will begin generating pool revenues as of November 16, 2018.

ADR Conversion:

The Company would like to remind ADR holders regarding the upcoming November 26, 2018 deadline to surrender ADRs for the delivery of ordinary common shares of the Company. As background, any holder of the security trading under the symbol "BITFY" is an owner of an ADR issued by The Bank of New York Mellon (the "Depository"). Each ADR is contractually entitled to two (2) ordinary shares of Bitfarms held on deposit by the Depository, and each ADR holder is entitled to take possession of the two (2) underlying ordinary shares for each ADR they own.

Under the terms of the deposit agreement between Bitfarms and the Depository, and in accordance with the notice provided by the Depository to each ADR holder's broker or custody agent, ADR holders have until at least November 26, 2018 to elect to surrender ADRs for delivery of the underlying ordinary shares. The Depository will deliver the ordinary shares to the broker or other custody agent of the ADR holder.

All ADR holders are encouraged to contact the institution with custody of their ADRs to arrange for the exchange to ordinary shares. Each brokerage will have its own policies and procedures; the Company cannot offer advice on the specific policies of any institution. For more information please refer to the July 26, 2018 News Release available through this [link](#) and on the Company's website.

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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