



TSX-V: BITF/OTC: BFARF

Q1 2021 INVESTOR CALL PRESENTATION

May 26, 2021

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Caution regarding Non-IFRS Performance Measures

This presentation refers to certain measures that are not recognized under IFRS and do not have a standardized meaning prescribed by IFRS. They are therefore unlikely to be comparable to similar measures presented by other companies. The Company uses non-IFRS measures including “EBITDA,” “EBITDA margin,” “Adjusted EBITDA,” “Adjusted EBITDA margin,” “Gross mining profit,” and “Gross mining margin” as additional information to complement IFRS measures by providing further understanding of the Company’s results of operations from management’s perspective.

EBITDA and EBITDA margin are common measures used to assess profitability before the impact of different financing methods, income taxes, depreciation of capital assets and amortization of intangible assets. Adjusted EBITDA and Adjusted EBITDA margin are measures used to assess profitability before the impact of all of the items in calculating EBITDA in addition to certain other non-cash expenses. Gross mining profit and Gross mining margin are measures used to assess profitability after power costs in cryptocurrency production, the largest variable expense in mining. Management uses non-IFRS measures in order to facilitate operating performance comparisons from period to period and to prepare annual operating budgets.

“EBITDA” is defined as net income (loss) before: (i) interest expense; (ii) income tax expense; and (iii) depreciation and amortization. “EBITDA margin” is defined as the percentage obtained when dividing EBITDA by Revenue. “Adjusted EBITDA” is defined as EBITDA adjusted to exclude: (i) share-based compensation; (ii) non-cash finance expenses; (iii) asset impairment charges; and (iv) other non-cash expenses. “Adjusted EBITDA margin” is defined as the percentage obtained when dividing Adjusted EBITDA by Revenue. “Gross mining profit” is defined as Revenue minus energy expenses for the Backbone segment of the Company. “Gross mining margin” is defined as the percentage obtained when dividing Gross mining profit by Revenue for the Backbone segment of the Company.

These measures are provided as additional information to complement IFRS measures by providing further understanding of the Company’s results of operations from management’s perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company’s financial information reported under IFRS.

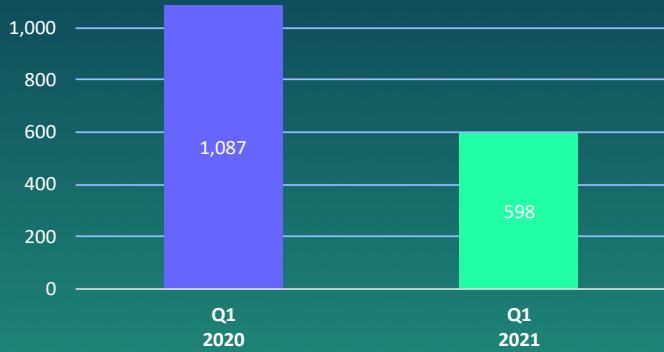
See “Reconciliation of Net Income to EBITDA and Adjusted EBITDA” for reconciliation of EBITDA and Adjusted EBITDA to net income in the Company’s Q1 2021 Management’s Discussion & Analysis.

Operational & Financial Highlights

Q1 2021

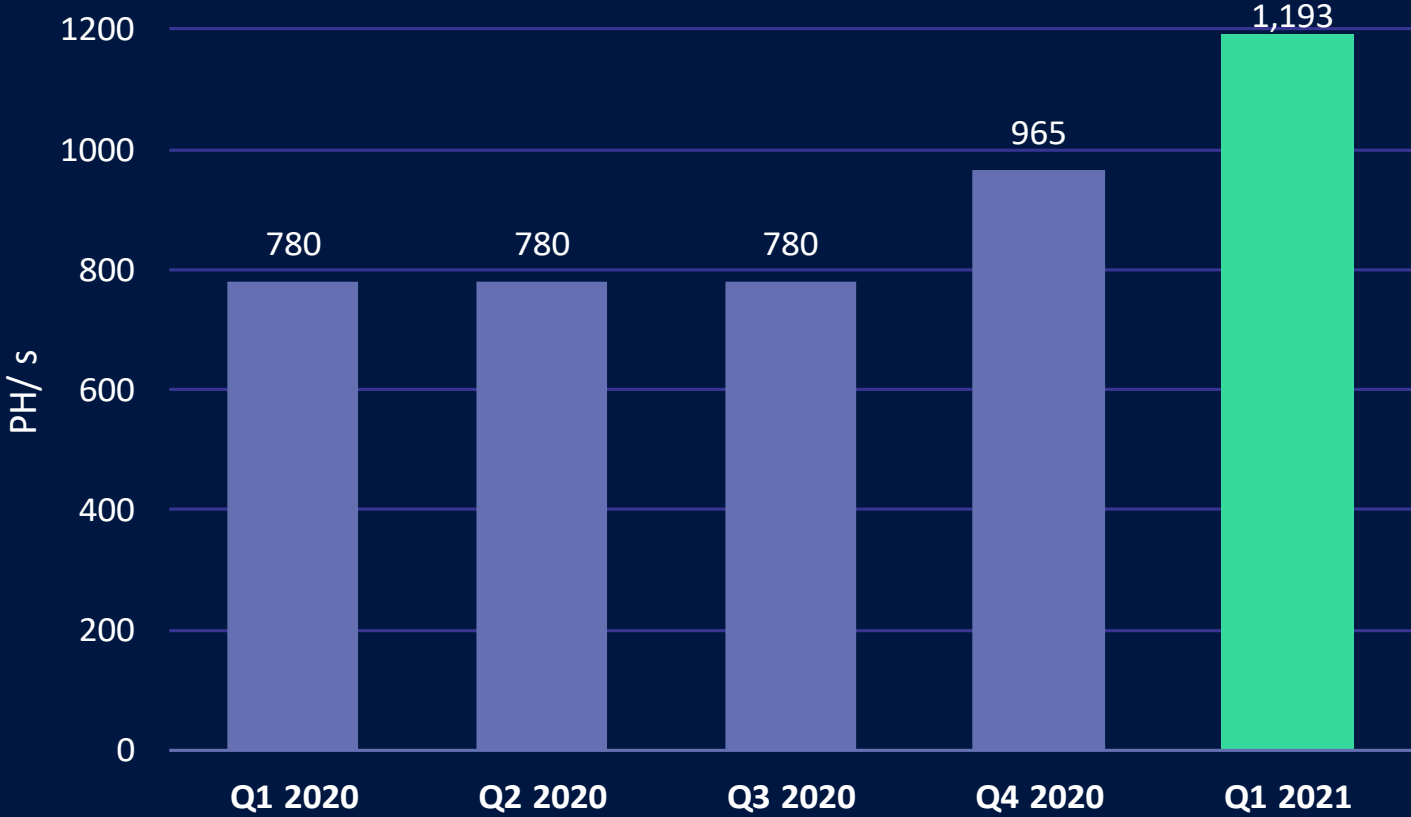
Coins Mined & Hash Power Growth

Q1 Bitcoin Mined*



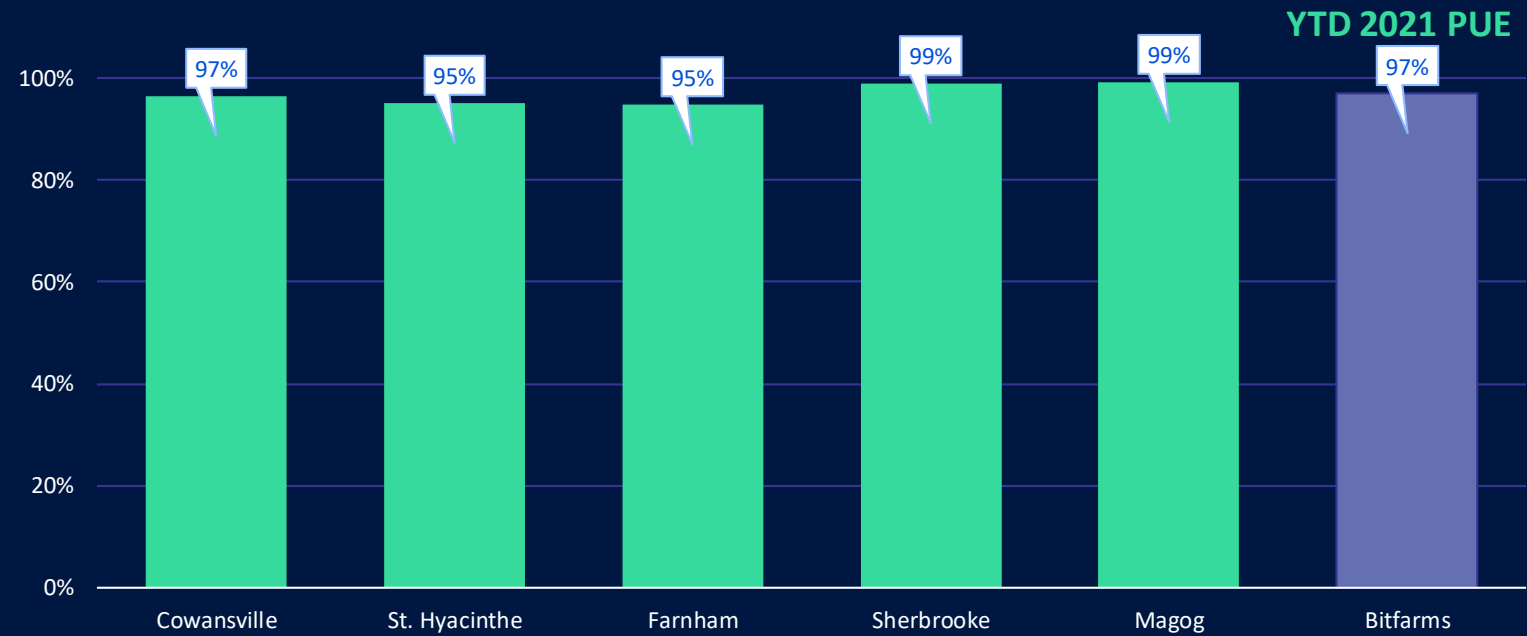
*Chart displays only Bitcoin mined. Please refer to the notes to Q1 2021 and 2020 consolidated financial statements for details on all Cryptocurrency mined.

Growth in operational hash power



- ❖ Hashrate based on standard operating mode.
- ❖ Operational hash power is calculated as of the end of period.

Power usage Efficiency

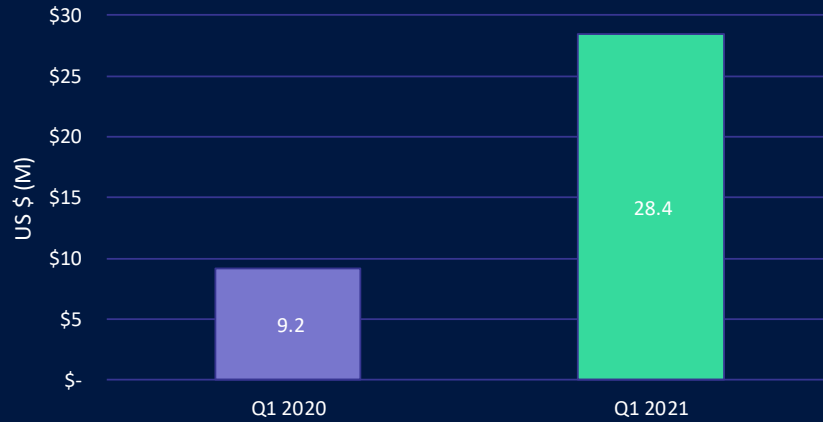


97%

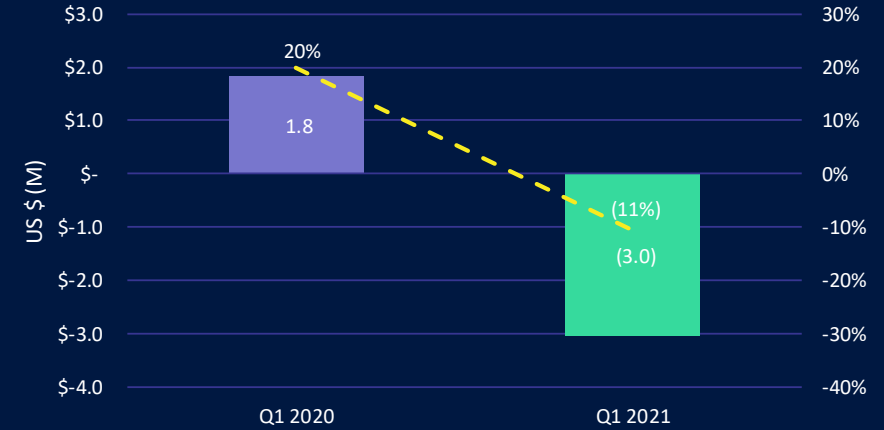
of all electricity consumed by Bitfarms in Q1 2021 was used for computing power.

Q1 2021 Financial Highlights

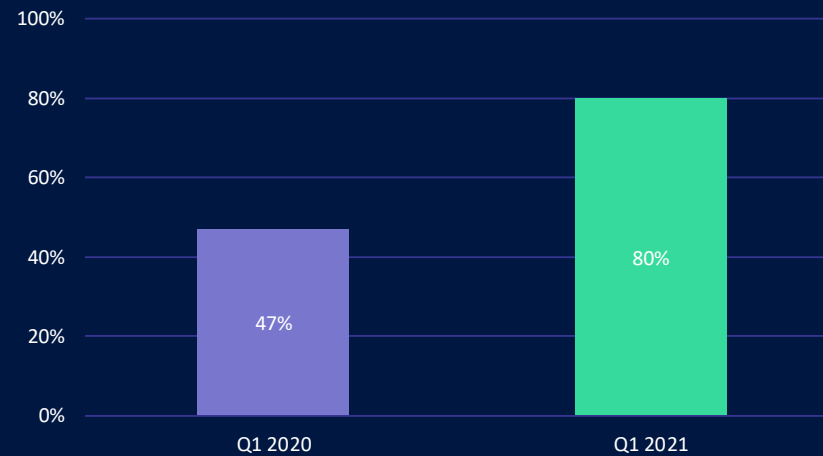
Revenue⁽¹⁾



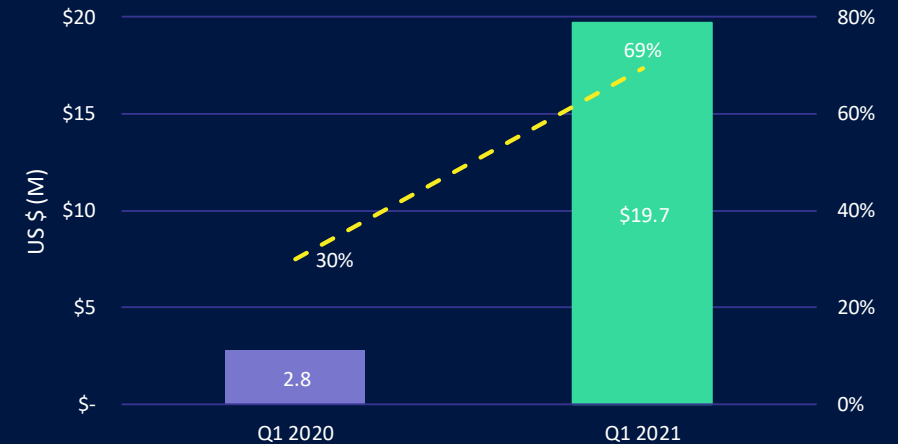
EBITDA⁽²⁾



Gross Mining Margin⁽³⁾



Adjusted EBITDA⁽⁴⁾



(1) Revenue is recognized when cryptocurrency is received in exchange for its mining activities. Unsold cryptocurrency is accounted as an intangible asset under the revaluation model, initially at fair value upon receipt, with subsequent revaluation losses being recorded through profit or loss. Revaluation gains are recorded through other comprehensive income, or profit or loss, to the extent that they reverse a prior revaluation loss. Net loss for Q1 2021 was \$7.6M versus a net loss of \$2.4M in Q1 2020.

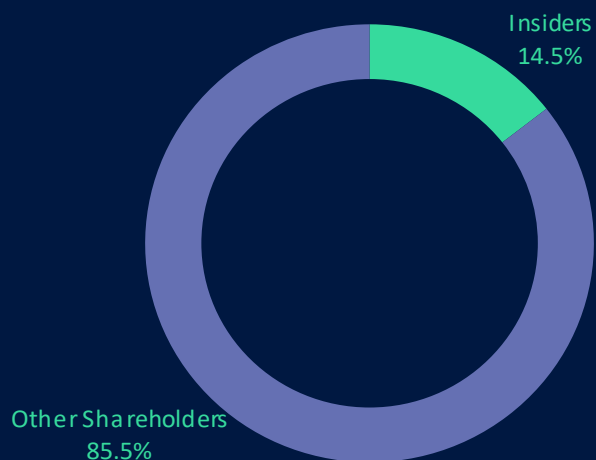
(2) EBITDA is calculated as net income before interest expense, income tax expense, and depreciation and amortization. EBITDA is a non-IFRS performance measure. See slide 3.

(3) Gross mining margin is calculated as mining revenue less mining energy and infrastructure costs for Backbone standalone, divided by mining revenue. Gross mining margin is a non-IFRS performance measure. See slide 3.

(4) Adjusted EBITDA defined as EBITDA adjusted to exclude: (i) share-based compensation; (ii) non-cash finance expenses; (iii) asset impairment charges; and (iv) other non-cash expenses. Adjusted EBITDA is a non-IFRS performance measure. See slide 3.

Financial Position & Capital Structure

Bitfarms Ownership



TICKER:

	TSXV:BITF
	*
Share Price ⁽¹⁾	\$5.38
Shares O/S ⁽²⁾	159.2M
Market Capitalization	\$856.5M

(\$USD)	Q1 2021
Cash	\$53.0M
Digital Assets	\$32.4M
Other Current Assets	\$4.8M
Total Current Assets	\$90.2M
PP&E and Intangible Assets	\$45.8M
Long-Term Deposits & Equipment Prepayments	\$22.8M
ROU Assets	\$5.2M
Total Assets	\$164.0M
AP, Accrued Liabilities & Others	\$3.9M
Current Portion of LTD & Lease Liability	\$6.4M
Total Current Liabilities	\$10.3M
Long-term Debt	\$0.1M
Lease Liabilities	\$9.4M
Other Non-Current Liabilities	\$2.3M
Total Liabilities	\$22.1M
Equity	\$141.9M
Total Liabilities & Equity	\$164.0M

*All figures expressed in Canadian dollars.

(1)Based on TSXV closing share price as of May 25, 2021

(2)As of May 25, 2021

Recent and Subsequent Events

Notable Events – Post Q1 2021 to date

- ❖ On May 7th, obtained approval for Nasdaq Global Market tier listing and awaiting final clearance to commence trading
- ❖ Raised CAD\$75M on May 20, 2021, via private placement with US institutional investors to fuel growth
- ❖ Acquired miners during the quarter, increasing hash rate from 1.2EH/s at the end of Q1 2021 to over 1.4EH/s as of today
- ❖ Through our Bitcoin retention program, have accumulated approximately 1,000 Bitcoin as of today, with an approximate value of \$40M

Growth Strategy

Expansion Pipeline

EXPANSION OF OPERATIONS - 2020

Saint-Hyacinthe Phase 2, Quebec, Canada 

Facility Size

 40k Sq. Ft

Power Capacity

 5 MW

Property info

 Leased

Energy Source

 Hydroelectric

EXPANSION OF OPERATIONS - 2021

Cowansville Phase 2, Quebec, Canada 

Facility Size¹

 25k Sq. Ft

Power Capacity

 13 MW

Property info

 Leased

Energy Source

 Hydroelectric

Sherbrooke Phase 3-6, Quebec, Canada 

Facility Size

 80K Sq. Ft

Power Capacity

 66 MW

Property info

 Owned & Leased

Energy Source

 Hydroelectric

1-Facility size includes Phase 1 & Phase 2



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