Q3 2024 Prepared Remarks

Tracy Krumme

Thank you. Good morning, everyone, and welcome to Bitfarms' Third Quarter 2024 Conference Call. With me on the call today is Ben Gagnon, Chief Executive Officer and Director, and Jeff Lucas, Chief Financial Officer.

Before we begin, please note this call is being webcast with an accompanying presentation. Today's press release and our presentation can be accessed at our website, Bitfarms.com, under the Investor section.

Turning to slide 2 – I'd like to remind everyone that certain forward-looking statements will be made during the call and that future results could differ from those implied in this statement. The forward-looking information is based on certain assumptions and is subject to risks and uncertainties, and I invite you to consult Bitfarms' MD&A for a complete list.

Please note that references will be made to certain measures not recognized under IFRS and therefore may not be comparable to similar measures presented by other companies. We invite listeners to refer to today's press release and our MD&A for definitions of the aforementioned non-IFRS measures and their reconciliations to IFRS measures. Please note that all financial references are denominated in U.S. dollars, unless otherwise noted.

I would also like to add that we will be attending the following upcoming equity conferences:

- Cantor Fitzgerald's Crypto, Digital Assets, and AI Infrastructure Conference in Miami on Thursday (TOMORROW)
- ROTH's Technology conference in NYC on November 19th and 20th
- B Riley's Crypto and Energy Infrastructure Conference in NYC on December 4th
- Northland's Virtual Growth Conference on December 12th, and
- Lastly, Needham's Growth Conference in NYC on January 14th and 15th.

If anyone would like to meet with us on those dates, please contact me or a sales representative from the firm.

And now, turning to slide 3, it is my pleasure to turn the call over to Ben Gagnon, Chief Executive Officer & Director.

Ben, please go ahead....

Ben Gagnon

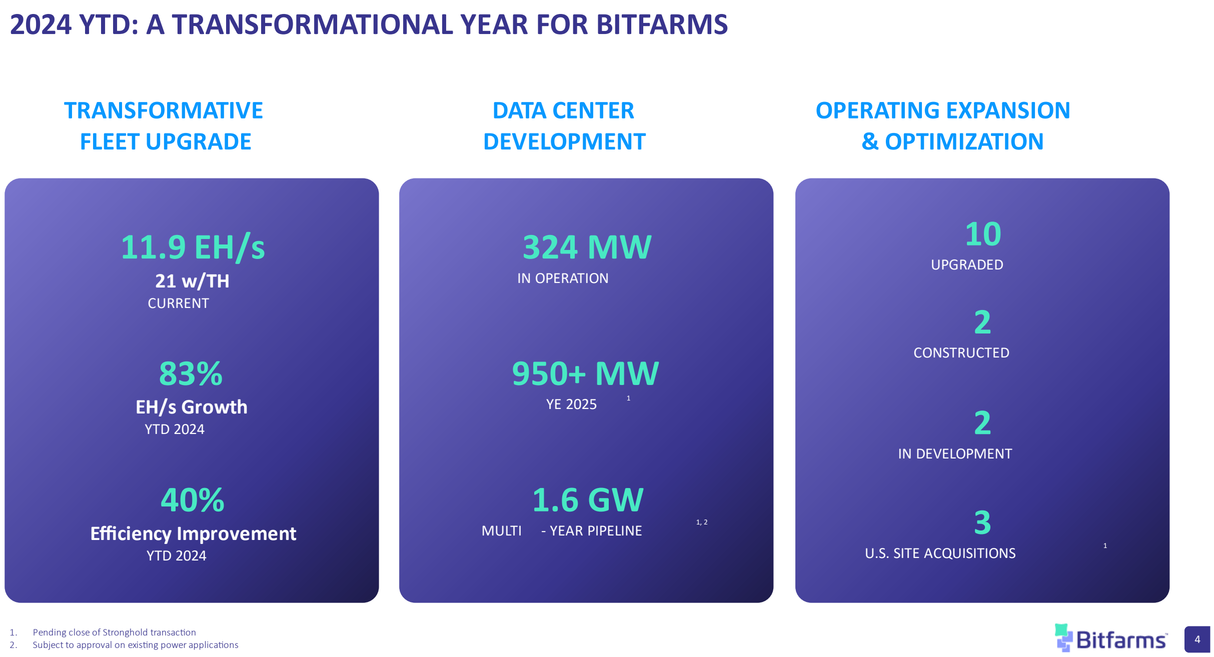
Thanks Tracy and thank you everyone for joining today.

On today's call, I will be discussing:

- An overview of our year-to-date accomplishments,
- Our Q3 operational update and an overview of the strategic moves we've made in the quarter,
- And Our 2024 and 2025 goals and guidance,

I will then hand the call over to Jeff to discuss the Q3 financials.

Turning to slide 4:



Twelve months ago, we outlined our transformational fleet upgrade. This involved upgrading nearly our entire fleet of miners across, at the time, our 11 data centers. We had always planned for 2024 to be a transformational year, but we underestimated just how transformational it would be. Year-to-date so far in 2024, we've:

- Upgraded 10 data centers and added 3 new data centers to our portfolio,
- Unracked over 50,000 older gen miners and racked over 46,000 new miners,
- Increased our hashrate by 83% to 11.9 EH/s today
- Improved our efficiency by 40% from 35 w/TH to 21 w/TH, reaching our year-end efficiency goal three months ahead of schedule, and, most importantly
- Significantly grew our MW pipeline from 324 MW today to 950+ MW by year-end 2025 with a multi-year growth potential up to 1.6 GW

These numbers speak volumes to our accomplishments and the commitment of our global team to grow the company and drive improved performance. In addition to these tremendous quantitative improvements, we announced our acquisition of Stronghold Digital Mining, which is the largest acquisition between two public companies in the BTC mining sector yet, and we significantly enhanced our Board of Directors and Leadership team.

2

Turning to slide 5:

On our Q2 earnings call in August, I outlined several goals and initiatives as Bitfarms new CEO. These included:

1. First, the continued diversification of our portfolio, beyond Bitcoin mining. The aim here is to maximize the utility of our strongest asset, our MWs, in the most efficient and cost-effective way possible by expanding into high-growth and high-value geographies and into synergistic business lines, such as hosting, HPC/AI, heat recapture and recycling, and energy generation.
2. Second. A strong focus on U.S. expansion, particularly in the PJM region, which we identified as the most attractive energy market in the U.S., and
3. Third, building out an even stronger bench of operators & introducing a new organizational structure in order to evaluate, plan, and execute on the significant opportunity with HPC/AI & the upcoming anticipated bitcoin bull run.

I am pleased to say that over the past 3 months, we've made significant progress on each of our goals & laid a strong foundation to execute our growth strategy. I'll now dive into the Q3 operational update and talk through several strategic actions we've taken this quarter with these goals in mind.

Turning to slide 6:

3

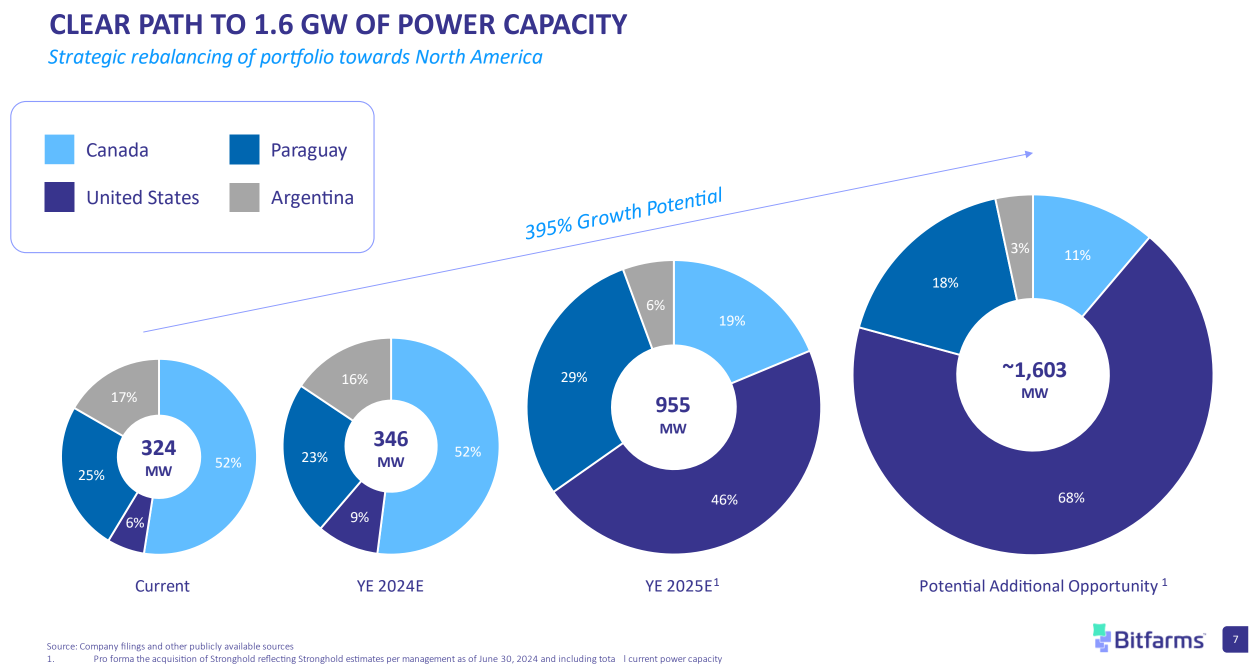
In line with the first and second initiatives regarding continued diversification of our portfolio and expansion in the U.S:

In Q3 we entered into an agreement to acquire Stronghold Digital Mining. This transformative combination ensures a multi-year strategic growth path that we are incredibly excited about. With this acquisition, we are:

- Integrating vertically by acquiring 2 strategically located power facilities in Pennsylvania,
- Expanding and rebalancing our portfolio with over 300 MW of U.S. power capacity with the potential to increase our energy portfolio to over 950 MW by year-end 2025 & 1.6 GW in the next few years,
- Creating energy trading and demand response opportunities to minimize energy prices, and
- Lastly, creating an opportunity to cost-effectively integrate HPC/AI into our portfolio with a merged HPC/AI and BTC mining data center.

Turning to slide 7:

4

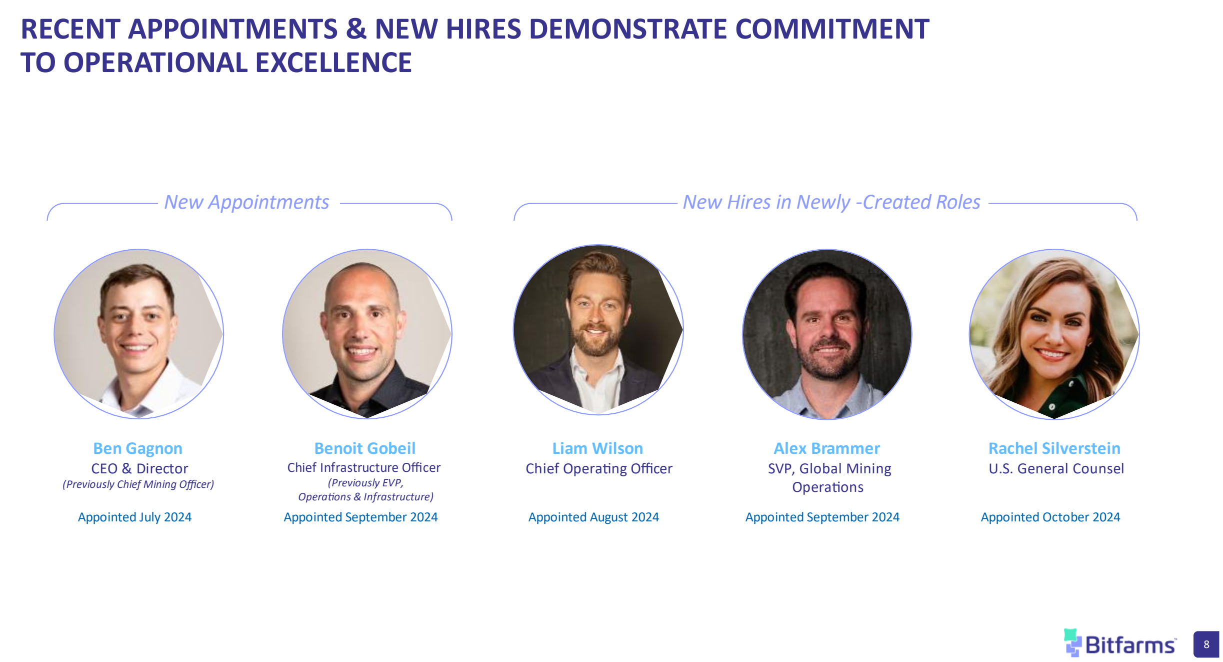


Upon closing, the expected 307 MW available at these two locations would drive a 47% increase in our 2025 YE megawatts from 648 MW to over 950 MW. Including our Sharon, PA site, the combination of these three sites creates a PJM portfolio of approximately 427 MW in 2025 which is larger than our entire operational energy portfolio today. Importantly, these sites rebalance our portfolio back to the US and North America representing 47% and 65% of our year-end 2025 portfolio, respectively, while LATAM exposure will scale down to 35%, significantly improving the size, quality and distribution of our energy portfolio.

We have already begun maximizing the utility of the Stronghold sites with two hosting agreements, each for 10,000 miners. These 20,000 miners, initially scheduled for deployment in our Iguazu facility, are being deployed in Pennsylvania at Stronghold's Panther Creek and Scrubgrass facilities, supporting approximately 4 EH/s. Redirecting these miners reduces our logistics, duties, setup, and energy costs, driving a more optimal deployment and providing a pathway for continued profitable growth. With these two hosting deals, we anticipate that nearly 75% of our hashrate will come from our North American data centers in the first half of next year – re-affirming our commitment to grow in the U.S. In addition, we continue to actively pursue other site acquisitions and growth opportunities in the U.S.

Turning to slide 8:

5



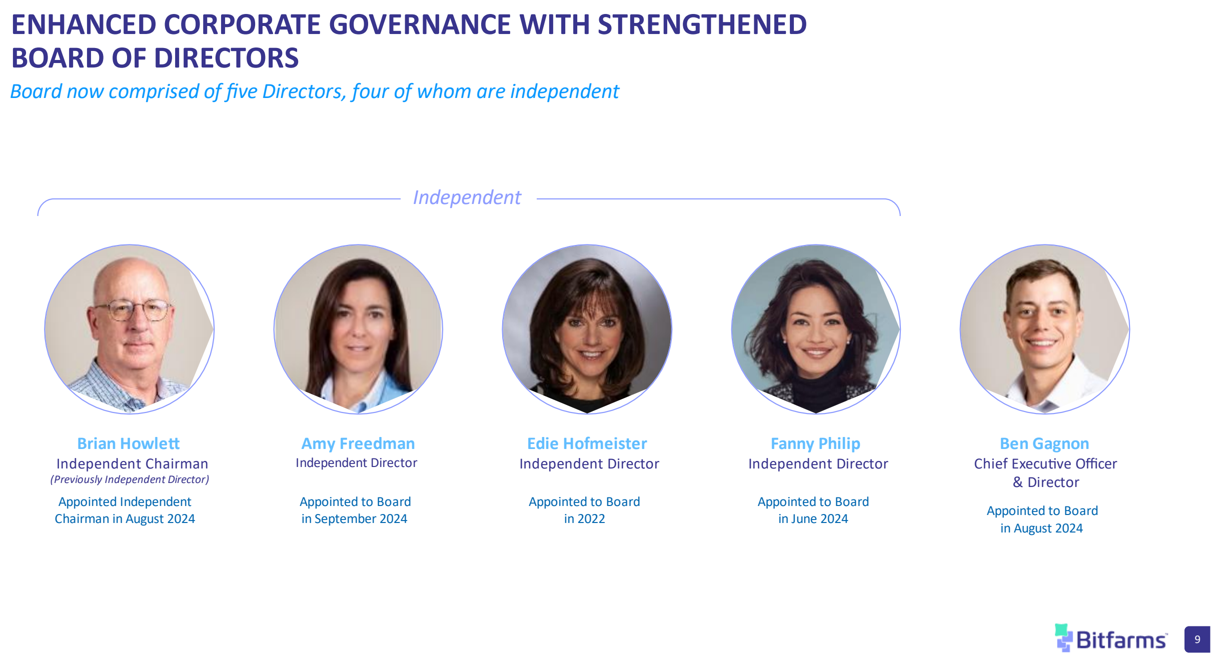
In line with our third initiative to strengthen our leadership team: We made significant progress by expanding our bench and reorganizing our operational structure in order to position ourselves for continued growth in 2025. Reflecting our commitment to operational excellence, we've recruited numerous industry experts with the following leadership appointments:

- Liam Wilson as our Chief Operating Officer, a newly created role,
- Alex Brammer, who replaces me in Mining Operations as Senior Vice President,
- Benoit Gobeil, promoted from EVP of Operations and Infrastructure, as Chief Infrastructure Officer, And
- Rachel Silverstein as General Counsel, a newly created role as part of our emphasis on growing in the U.S.

In addition, we reorganized our operations into two divisions, mining operations and infrastructure, with Alex and Benoit heading up the divisions, respectively. These new divisions are already delivering greater scalability and accountability in data center construction, maintenance and operations and are laying the foundation for the establishment of HPC/AI operations.

With these hires, we are laying an even stronger operational foundation, enabling us to execute our growth plan.

Turning to slide 9:



In addition, we enhanced our corporate governance and strengthened our Board of Directors. With the appointment of two new directors, including myself, and with former Lead Director Brian Howlett now serving as our Board Chair, our Board of Directors now consists of 5 members, 4 of whom are independent. With the upcoming Special Shareholder Meeting scheduled to take place next week on the 20th, the board is expected to increase to 6 board members with 5 independents, subject to shareholder approval.

On a related note, in Q3 we were able to reach a settlement agreement with RIOT Platforms. which we believe is in the best interest of the Company and our shareholders. Importantly, this mutually beneficial agreement allows us to move forward as an independent company and to execute our growth strategy avoiding a costly and distracting proxy contest. RIOT remains a shareholder of Bitfarms with current ownership of just under 20%. Analysts have noted that Bitfarms shares provide good value and significant upside to BTC price relative to peers, and RIOT remaining a top shareholder is a positive market signal underscoring the value and potential of our growth.

Turning to slide 10:

7

I will now take a few minutes to discuss our guidance.

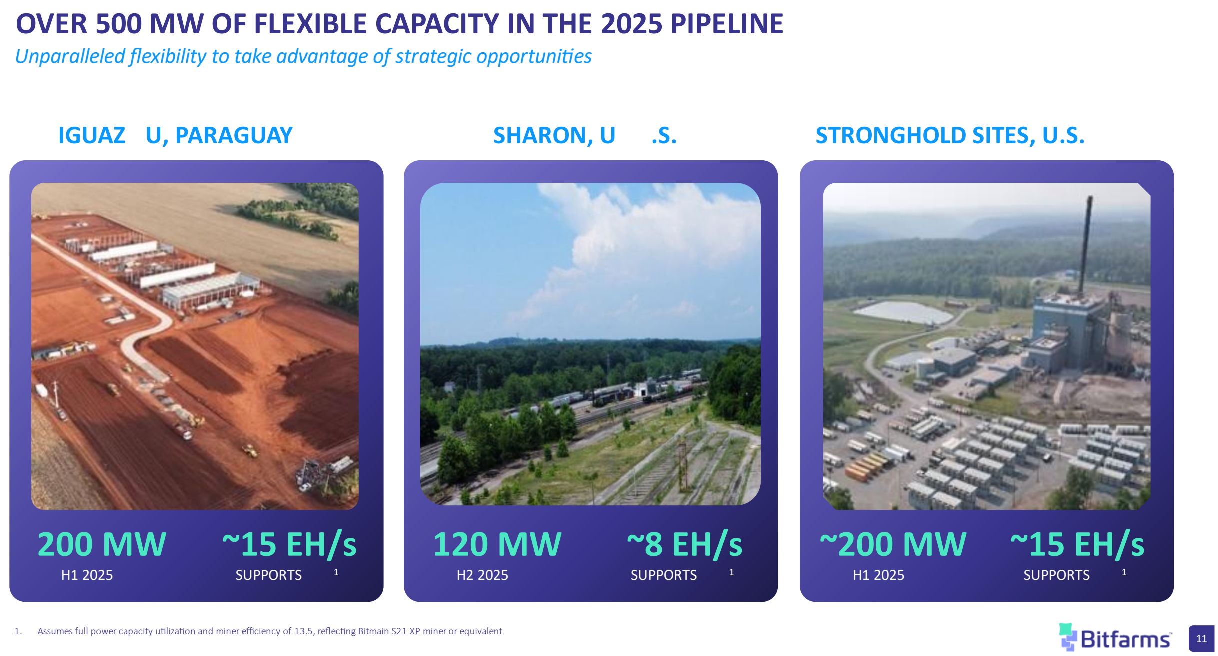
While we are now at 11.9 EH/s we are behind schedule on delivering our mid-year 12 EH/s target for the following reasons:

- First, we had some minor construction delays at several sites that have been overcome but delayed energization by weeks or a few months.
- second, over the past few months, we've experienced shipping delays and extended miner warranty servicing that goes beyond the 2,700 miners replaced a few months ago. Despite improvements in recent miner shipments, continued warranty servicing has impeded the achievement of our hash rate target.

We've been working closely with Bitmain to address these issues and are implementing an efficient solution. We will be upgrading the remaining 18,853 Bitmain T21 miners to be delivered by Bitmain as part of our fleet refresh announced last year. Bitmain will now be sending 18,853 more powerful and efficient S21 Pro miners, operating at 234 TH and 15 w/TH, representing more than a 20% improvement from the T21 miners in both energy efficiency and hashrate. This capitally efficient upgrade allows us to expeditiously upgrade the remaining miners to be delivered for better performance with minimal impact on our cash, while preserving the full upside of the Bitcoin.

While all of the miners are scheduled to ship before the end of the year, this significant upgrade and continued RMA servicing will push our YE target of 21 EH/s into H1 2025. It will also improve our energy efficiency by an additional 10% from 21 w/TH to 19 w/TH. The majority of the upgraded miners will be deployed in Pennsylvania and Quebec. Amidst the backdrop of rapidly improving macro conditions, we believe this is a rare opportunity to upgrade miners for better performance before miner prices increase.

Turning to slide 11:



Looking ahead to 2025: Demand for immediate capacity for both HPC/AI and Bitcoin data centers is surging, and turnkey assets are highly sought after. Data center development continues to accelerate, driving power scarcity and making access to power very valuable. KKR estimates that $250B will be spent annually on the data center boom. The U.S. is the biggest developer of data centers, consuming about 16 to 18 GW of power, compared to about 6 GWs each in Europe & Asia. KKR's global head of digital infrastructure believes over the next 3-4 years that the 18 GWs could double, if not triple.

We have just over 500 MW of secured power and infrastructure for 2025, which represents one of the largest portfolios of flexible MWs amongst any publicly traded miners. This gives us unparalleled flexibility to approach this bull market and take advantage of strategic opportunities. With this in mind, we've taken important steps to ensure we are getting the best value from our assets.

First, we have changed our deployment plans by reallocating the miners from Iguazu to the US with the Stronghold hosting agreements. In doing so we have freed up the 200 MW at the Iguazu site entirely and have applied for a delay in energization 60 days to March 1, 2025 in line with the contract. With 200 MW of cost-effective, high uptime, renewable energy and new infrastructure

9

Iguazu is a marque asset going into a Bitcoin bull market that is capable of producing approximately 15 EH/s if filled with the latest S21 XP miners. Management is currently evaluating all strategic options to best monetize this site.

Second, in Q3 we assumed control of our site in Sharon, Pennsylvania. This is a 120 MW site strategically located in the PJM interconnection market, providing access to low-cost, flexible power. The site is very well-suited for both Bitcoin mining and HPC/AI, and we are currently evaluating the best way to monetize these MW.

Third, and as discussed a few minutes ago, we acquired high-value MW in Pennsylvania through Stronghold. Of the 307 MW available in 2025, these sites are currently contracted to utilize approximately 100 MW for hosting, and we are evaluating the best way to monetize the remaining 200 MW.

We now have sufficient MW capacity to go well beyond the previously guided 35EH at year-end 2025. However, as we continue to refine our 2025 plans and actively rework around Bitcoin mining and HPC/AI, we believe it would be premature to maintain the 35 EH/s guidance. We will issue updated guidance once these strategies are finalized.

Turning to slide 12:

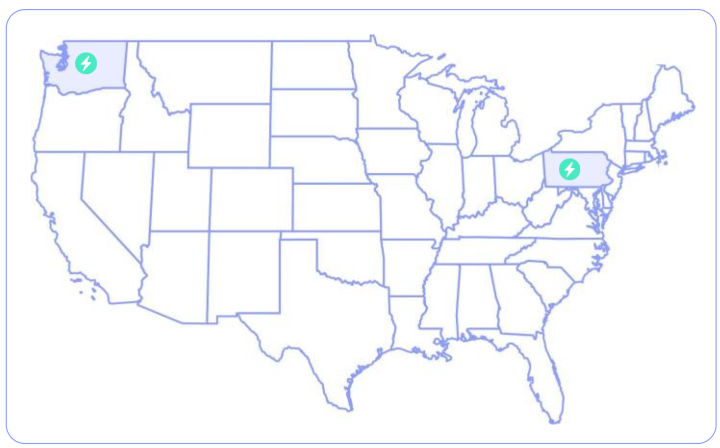
DIVERSIFICATION BEYOND BTC MINING WITH U.S. HPC/AI PILOT SITE

1-2 MW PILOT SITE
provides opportunity to quickly & cost effectively evaluate HPC/AI technology & infrastructure requirements

Identified two, well-suited U.S. sites for HPC/AI:

- Well-located near major metropolitans, on major fiber trunk lines, and near data center clusters
- Secured cost-effective power
- High uptime and no curtailment requirements
- Cleared land ready for accelerated construction

Ongoing discussions with potential partners for accelerated deployment in 2025



Bitfarms 12

We own and operate a portfolio of high-quality energy assets that are monetized through Bitcoin mining. At Bitfarms, we are not growing hashrate at any cost – we are focused on getting the best utilization and driving the maximum value of our energy assets for our shareholders. When we take a step back and look at how we do this, we believe that a combination of self-mining, hosting,

10

energy trading, and HPC/AI creates a more powerful and resilient portfolio. We're conducting a thorough evaluation of all of our energy assets, looking at a host of different metrics, both qualitative and quantitative, to determine which sites would be best suited for which activities.

That said, we're pleased to announce that we have two different US sites for a 1 to 2 MW HPC/AI pilot. While still in early stages, we have the land and power secured at both sites and are in active conversations with potential partners and suppliers discussing potential accelerated deployment in 2025, and are currently in the process of finalizing terms, equipment, plans and budgets.

We believe both of these sites are well-suited for development for a number of reasons:

- First, they are well-located a few hours from major metropolitan centers, on major fiber trunk lines and in or near data center clusters.
- Second, the power is secured and cost effective, with high uptime and no curtailment requirements, and
- Third, the land is cleared and ready for accelerated construction.

We believe that initiating work at a pilot site will allow us to prudently and cost-effectively evaluate this significant opportunity and to get a firm handle on the space, technology, and infrastructure before committing a significant amount of capital on a larger HPC/AI site. This pilot reinforces our commitment to diversifying beyond BTC mining and is an important first step into an exciting new business line. We expect to provide an update on our progress in 2025.

Turning to slide 13:

11

Before I turn the call over to Jeff, I want to reiterate the significance of what we've accomplished over the past 10 months. We've refreshed nearly our entire fleet of miners, significantly improved our mining economics, built from the ground up a 70 MW state-of-the-art data center, acquired three new sites in the U.S., embarked on an HPC/AI strategy, and completely revamped our operational structure and strengthened our leadership team. We are now uniquely positioned with a strategic pipeline of over 950 MW in 2025 with nearly half a gigawatt of power infrastructure that is highly flexible, representing a massive, secured, and cost-effective growth opportunity as we enter into the anticipated 2025 Bitcoin bull cycle.

We are now a stronger company, with a significantly expanded energy portfolio with up to 1.6GWs available over the coming years, and we are well equipped to take advantage of the significant opportunities in front of us. It's an exciting time in the Bitcoin industry on the heels of the election and with BTC hitting new record highs and I have never been more excited or confident in our growth prospects and our ability to execute.

Turning to slide 14, I'll now turn the call over to Jeff.

Jeff Lucas

Thanks Ben, and thanks everyone for joining us today. I will provide an overview of our Q3 financial performance and position. Turning now to slide 15, let's start with Q3 results.

During the quarter, we earned 703 Bitcoin, 14% more than the 614 Bitcoin mined during the second quarter. The increase is driven by the 54% growth in our average hashrate from 6.7 EH/s in 2Q to

10.3 EH/s in 3Q, which more than offset the impact of the April 2024 Halving and a 3% increase in the average network hashrate quarter over quarter.

Total revenue was $45 million in the third quarter, a $3 million, or 8%, increase from the second quarter and a 30% increase year-over-year. Revenue from our mining activities was $43 million compared to $40 million in the prior quarter, an increase of over 7%. The balance of the revenue was earned by our electrical subsidiary, Volta, which provides commercial services in addition to cost-effectively supporting our data center operating activities.

General and Administrative, or G&A, expense, excluding non-cash stock-based compensation and the second quarter Canadian sales tax refund, was $22 million in comparison to $11 million in the prior quarter. The $11million increase is due largely to one-time nonrecurring costs which totaled $12 million in the quarter and accounted for $9 million of the quarter over quarter increase. These one-time nonrecurring charges included the Riot requisition, expenses associated with the settlement of the employment dispute with the former CEO, and expenses associated with the acquisition of Stronghold and the Sharon, Pennsylvania site. The balance of the increase was due to higher compensation expense as the Company made several key management hires to build out our leadership team as well as higher insurance, duties and other expenses associated with the Company's growth .

For Q3, our operating loss was $44 million, up from $24 million in the second quarter, driven by the factors I just referenced. This operating loss reflects non-cash depreciation expense of $29 million, including $10 million for accelerated depreciation on older miners, compared to the prior quarter depreciation of $57 million, of which $46 million was accelerated depreciation .

In Q3, reported financial income and expense includes a $6-million-dollar non-cash gain on the revaluation of the financial liability for warrants issued in earlier financings, compared to $1 million non-cash loss on the revaluation of this financial liability in Q2. Under IFRS, we are required to recognize a liability for these warrants, even though they cannot be settled for cash.

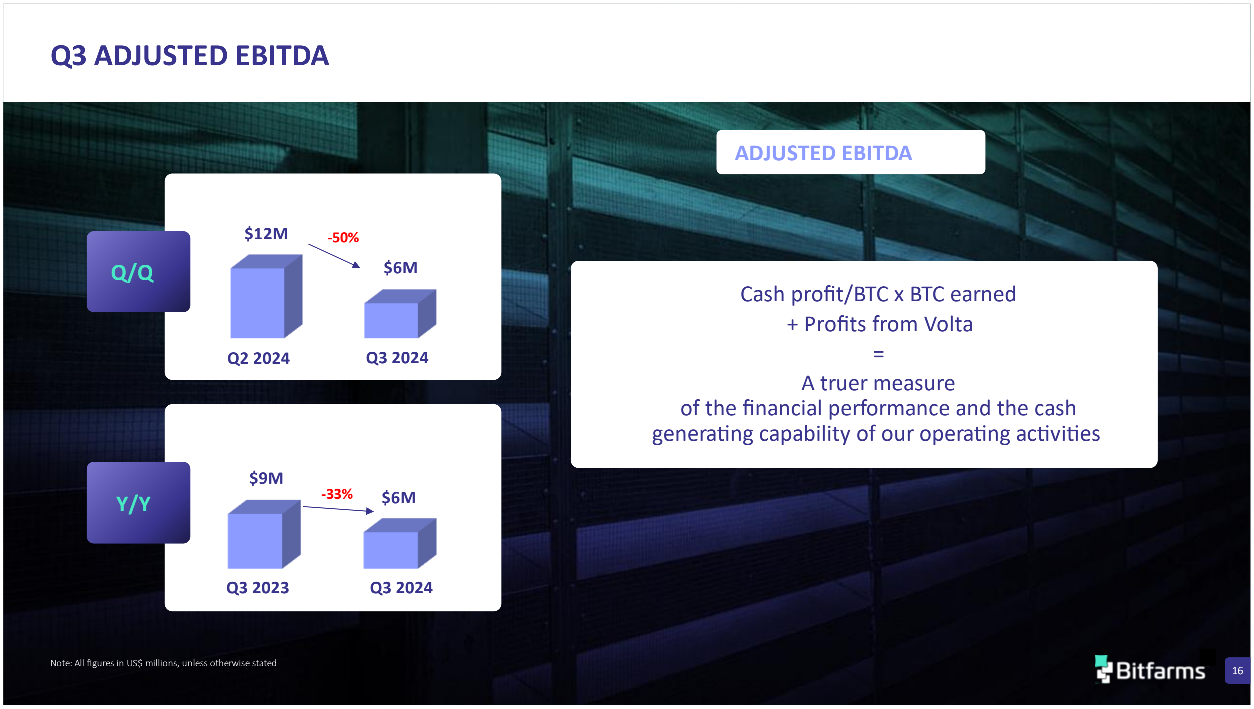
Net loss for Q3 was $37 million, or a loss of $0.08 per share, compared to a net loss of $27 million, or a loss of $0.07 per share, in Q2.

Now let's turn our attention to operating performance and per-bitcoin metrics. Gross mining profit was $17 million dollars, or 38% of mining revenue, down from $21 million, or 51% in the prior quarter. Our overall corporate electricity rate for the quarter was 4.7 cents/kWh, an increase from 4.3 cents/kWh in the second quarter. The increase was driven largely by higher winter electricity rates in Argentina and a rate increase in Paraguay instituted at the beginning of the third quarter. Importantly, with our improvement in electrical efficiency from an average of 28 w/TH in 2Q to 23 w/TH in 3Q, our electricity cost per terahash decreased over the quarter by 10% to 2.7 cents from 3.0 cents per TH per day. I'll add that in September we achieved our year-end target of 21 w/TH, three months ahead of schedule which equates to about 2.4 cents per TH, an additional 11% reduction in electricity cost per terahash.

Our direct mining cost per Bitcoin in the second quarter was $36,000. Our total cash cost to mine BTC was $52,400. And our revenue per Bitcoin was $61,000 , resulting in cash profit per Bitcoin of about $8,500.

13

Turning to slide 16:



For the third quarter, our Adjusted EBITDA was $6 million, or 14% of revenue, compared to $12 million, or 28% of revenue, in 2Q. The lower Adjusted EBITDA largely reflected the impact of the Halving along with higher G&A expense associated with the expansion of our operating activities.

As we've noted in previous quarterly earnings calls, our Adjusted EBITDA is very straightforward, being purely a measure of the cash profitability of our mining operations and the profit contribution of our Volta subsidiary. e We do not reflect mark-to-market adjustments of our Bitcoin holdings, or any other balance sheet valuation adjustments, in our Adjusted EBITDA. Stated simply, our Adjusted EBITDA of $6 million in the third quarter equates to cash profit per Bitcoin of $8,500 multiplied by 703 BTC mined during the quarter plus approximately $400 thousand profit from our Volta electrical subsidiary.

Turning to slide 17:

14

At September 30th, we had total liquidity of $146 million dollars, consisting of cash of $73 million and Bitcoin also valued at $73 million dollars.

At October 31st, we held 1,188 BTC, up from 1,147 at the end of September and 905 at the end of June. Our higher BTC Treasury balance reflects our solid cash position and strong cash flow from operations. Further, our synthetic HODL continues to grow, increasing from 208 equivalent Bitcoin at the end of June to 602 Bitcoin at September 30th and to 802 Bitcoin as of October 31st, As a reminder, our Synthetic HODL strategy enables us to utilize excess Bitcoin generated each month to fund our growth at a far lower cost of capital than external funding sources while maintaining upside potential by applying a portion of the proceeds towards the purchase of long-dated Bitcoin call options.

In regard to our ATM facility, which we initiated in March and use solely to fund our growth initiatives and fleet upgrade, we raised net proceeds of $66 million in Q3 and a subsequent $39 million since September 30th.

Lastly, I wish to point out that the growth and diversification initiatives that Ben has spoken about are all done with a keen eye on accretive growth and we have and will continue to weigh financing options that provide the greatest shareholder return and minimal dilution.

Before I hand the call back to the operator for Q&A, I'd like to echo Ben's enthusiasm about the strong position Bitfarms is in. We've laid a solid foundation in 2024 that sets us up nicely to execute our growth strategy into 2025 and beyond. Our entire team, including the recent leadership additions, is aligned and working towards these goals, and we look forward to keeping everyone updated on our progress. With that, I'll hand it over to the operator for Q&A.

15

16