



Bitfarms Provides Bitcoin Production and Mining Operations Update

- Bitfarms Third Quarter 2021 Bitcoin Production Increases to 1,050 BTC, up 38% over Second Quarter 2021 -
- Total Bitcoin Holdings Grow to Over 2,300 BTC valued at approximately US \$100 Million -

This news release constitutes a “designated news release” for the purposes of the Company’s prospectus supplement dated August 16, 2021 to its short form base shelf prospectus dated August 12, 2021.

Toronto, Ontario and Brossard, Québec (October 1, 2021) - Bitfarms Ltd. (NASDAQ: BITF // TSXV: BITF), a Bitcoin mining company, provides a Bitcoin production update.

“Third quarter 2021 marks Bitfarms’ highest quarterly Bitcoin production in 2021, capitalizing on growth investments throughout the year and macro events in China,” commented Emiliano Grodzki, Bitfarms Founder and Chief Executive Officer. “Following these macro events, which resulted in the Bitcoin network’s largest ever reduction in difficulty, the network is experiencing a steady recovery, but remains below historic highs.”

“2021 continues to be a transformational year for Bitfarms as we continue deploying capital to upgrade our mining fleet, open new facilities, and embark on our global expansion. With scheduled monthly deliveries totaling 55,000 miners over the next 15 months and new high-power production facilities coming online, we are regularly increasing our hashrate towards our goals of 3 exahash per second (EH/s) in first quarter 2022 and 8 EH/s by year end 2022,” added Grodzki.

Bitfarms’ Mining Production Highlights as of September 30, 2021

- Mined 305 new Bitcoin (BTC) during September 2021; approximately 10 BTC mined daily.
- Mined 1,050 BTC in third quarter 2021, its largest quarterly BTC production rate in 2021.
- Mined 2,407 BTC in the first nine months of 2021.

- Deposited 2,312 BTC into custody through September 30, 2021, representing approximately 96% of Bitfarms' 2021 BTC production with a total value of approximately US\$100 million based on a BTC price of US\$43,500.

Bitfarms' BTC Monthly Production

<u>Month</u>	<u>BTC</u>
January	199
February	178
March	221
April	232
May	262
June	265
July	391
August	354
September	305

Bitfarms' Mining Operations Update

Bitfarms has received and installed the first 540 miners of 2,200 Bitmain S19j Pro and 300 MicroBT M30S miners scheduled for delivery in September. The installation of these miners has increased Bitfarms' operating hashrate to 1.53 EH/s as of September 29, 2021. Due to supply chain and shipping delays, the other 1,660 Bitmain S19j Pro miners originally scheduled for September delivery are *en route* and expected to be received in October. Once these miners are installed, Bitfarms' operating hashrate is expected to be approximately 1.7 EH/s, about 20% higher than our most recently announced operating hashrate of 1.4 EH/s. Beyond these deliveries, Bitfarms is scheduled to receive and install an additional 5,030 Bitmain S19j Pro and 700 MicroBT M30S miners in the fourth quarter 2021.

About Bitfarms Ltd.

Founded in 2017, Bitfarms is a Bitcoin mining company, running vertically integrated mining operations with onsite technical repair, proprietary data analytics and Company-owned electrical engineering and installation services to deliver high operational performance and uptime.

Having demonstrated rapid growth and stellar operations, Bitfarms became the first Bitcoin mining company to complete its long form prospectus with the Ontario Securities Commission and started trading on the TSX-V in July 2019. On February 24, 2021, Bitfarms was honoured to be announced as a Rising Star by the TSX-V. On June 21, 2021, Bitfarms started trading on the Nasdaq Stock Market.

Bitfarms has a diversified production platform with five industrial scale facilities located in Québec. Each facility is over 99% powered with environmentally friendly hydro power and secured with long-term power contracts. Bitfarms is currently the only publicly traded pure-play mining company audited by a Big Four audit firm.

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/>

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), 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. The information in this release regarding expectations in respect to its future rate of Bitcoin production, its future accumulation of Bitcoin, its expansion plans, and about 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 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 offering (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; 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; 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; dilution in relation to the Company’s 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 blockchain infrastructure 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 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 including the annual information form for the year ended December 31, 2020, filed on April 7, 2021. 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.

Contacts

Investor Relations:

LHA Investor Relations

+1 415-433-3777

Investors@bitfarms.com

US Media:

YAP Global

Mia Grodsky, Account Executive

mia@yapglobal.com

Québec Media:

Ryan Affaires publiques

Valérie Pomerleau, Public Affairs and Communications

valerie@ryanap.com