

Cipher Mining Announces Agreement to Purchase 28,000 to 56,000 Bitfury Next Generation Mining Rigs

October 12, 2021

Delivery Expected to Begin in June 2022 and Extend Through December 2022

*Agreement Brings the Aggregate Hashrate of Mining Rigs under Contract to Between
~13.8 and 19.2 EH/s*

NEW YORK, Oct. 12, 2021 (GLOBE NEWSWIRE) -- [Cipher Mining Inc.](#) (NASDAQ: CIFR) ("Cipher" or the "Company"), a U.S.-based Bitcoin mining company, today announced that it has entered into an agreement with Bitfury Top HoldCo B.V. ("Bitfury") to make monthly purchases between June and December 2022 of 4,000 to 8,000 Bitfury next generation mining rigs that will each produce approximately 195 TH/s of hashing power and consume approximately 6.3KWh to 6.5KWh of electrical power. In aggregate, upon delivery in accordance with the terms of the agreement, these mining rigs are expected to be capable of producing hashrate of approximately 5.4 EH/s to 10.9 EH/s. The agreement provides for a maximum purchase price of \$6,250 per machine (approximately \$32.05/TH).

This agreement was executed under the framework of the seven-year Master Supply and Services Agreement between Bitfury and Cipher dated as of August 26, 2021 (the "MSSA"). Under the MSSA, Cipher has a right of first refusal to purchase certain equipment from Bitfury, including mining rigs, and therefore expects to have ongoing access to additional competitively priced machines for future data center deployments.

"Signing this agreement is an important milestone as we build out a significant Bitcoin mining footprint in the United States," said Tyler Page, CEO of Cipher. "We were able to secure these mining rigs at an attractive price and demonstrate the unique potential of our relationship with Bitfury."

Since becoming a publicly traded company at the end of August 2021, Cipher has entered into purchase contracts for mining rigs from three different major manufacturers (including Bitfury) for machines capable of generating an aggregate hashrate of up to approximately 19.2 EH/s. The majority of the mining rigs are scheduled to be delivered in the second half of 2022.

"With these key purchase agreements in place, we look forward to meeting our goal of expanding and strengthening Bitcoin's critical network infrastructure," added Mr. Page. "Overall, as a newly formed public company, we continue to make great strides and are maintaining strong momentum across our business."

To learn more about Cipher, please visit <https://www.ciphermining.com/>.

About Cipher

Cipher is an industrial-scale Bitcoin mining company dedicated to expanding and strengthening the Bitcoin network's critical infrastructure. Its goal is to be the leading Bitcoin mining company in the United States. Cipher aims to leverage our best-in-class technology, market-leading power purchase arrangements, and a seasoned, dedicated senior management team to become the market leader in Bitcoin mining.

Forward Looking Statements

This document contains certain forward-looking statements within the meaning of the federal securities laws of the U.S. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of complying with these safe harbor provisions. Any statements made in this press release or during the earnings call that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements and should be evaluated as such. Forward-looking statements include information concerning possible or assumed future results of operations, including descriptions of our business plan and strategies. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "forecast," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions (including the negative versions of such words or expressions).

These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by Cipher and its management, are inherently uncertain. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied by such forward looking statements. New risks and uncertainties may emerge from time to time, and it is not possible to predict all risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this document, including but not limited to: volatility in the price of Cipher's securities due to a variety of factors, including changes in the competitive and regulated industry in which Cipher operates, variations in performance across competitors, changes in laws and regulations affecting Cipher's business, and the ability to implement business plans, forecasts, and other expectations and to identify and realize additional opportunities. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the documents filed by Cipher from time to time with the U.S. Securities and Exchange Commission (the "SEC"). These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Cipher assumes no obligation and, except as required by law, does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.

Contacts:

Investor Contact:

Mark Roberts

Blueshirt Capital Advisors

investors@ciphermining.com

Media Contact:

Ryan Dicoivitsky / Kendal Till
Dukas Linden Public Relations
908-907-7703
CipherMining@DLPR.com