

Cipher Mining Announces February 2023 Operational Update

March 1, 2023

Leading Bitcoin Miner Produces 398 Bitcoin and Achieves New All-Time High Hash Rate Capacity of 5.2 EH/s in February 2023

NEW YORK, March 01, 2023 (GLOBE NEWSWIRE) -- [Cipher Mining \(NASDAQ:CIFR\)](#) ("Cipher" or the "Company"), a leading developer and operator of bitcoin mining data centers, today announced its unaudited production and operations update for February 2023.

Key Highlights

Key Metrics	February 2023*
BTC Mined	398
BTC Sold	357
BTC Held	465
Deployed Mining Rigs	48,500
Month End Operating Hash Rate (EH/s)	5.2

*Approximate values

Management Commentary

During the month of February, Cipher continued to expand operations at its Odessa facility, fund capital expenditures out of operations and build its bitcoin inventory. Cipher began the month with the potential to mine up to ~13.0 bitcoin in a day and finished with the potential to mine ~15.8 bitcoin¹ – a ~21% increase in a single month.

"Our steady march to deploy an initial 6 EH/s continued throughout February," said Tyler Page, CEO of Cipher. "We now have over 4.2 EH/s of self-mining operations at our Odessa facility and approximately 5.2 EH/s of self-mining operations across all of our sites. Furthermore, we managed to build our bitcoin inventory during the month while simultaneously paying operating expenses and covering significant capital expenditures at Odessa out of our monthly production. Our flexibility to pay for expansion while avoiding equity dilution and costly debt demonstrates the true power of being a low-cost producer."



Odessa Data Center Staging Area



Energized 7,710 Bitcoin Miners at Odessa in February 2023



Odessa Data Center Area B & C

Bitcoin Production and Operations Updates for February 2023

During the month of February, Cipher energized 7,710 new Bitmain and MicroBT miners, representing an increase in hash rate of ~0.9 EH/s and a ~19% increase relative to the previous month. With the increase in hash rate, Cipher produced ~398 BTC in February, representing a ~16% increase in production relative to the previous month. As part of its regular treasury management process, Cipher sold ~357 BTC in February, ending the month with a balance of ~465 BTC.

About Cipher

Cipher is an emerging technology company focused on the development and operation of bitcoin mining data centers in the United States. Cipher is dedicated to expanding and strengthening the Bitcoin network's critical infrastructure. Together with its diversely talented team and strategic partnerships, Cipher aims to be a market leader in bitcoin mining growth and innovation. To learn more about Cipher, please visit <https://www.ciphermining.com/>.

Forward Looking Statements

This press release contains certain forward-looking statements within the meaning of the federal securities laws of the United States. 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 that are not statements of historical fact, including statements about our beliefs and expectations regarding our performance, strategy, expansion plans, future operations, future operating results, projected costs, prospects, plans, and objectives of our management, 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 our 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 press release, 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 "Risk Factors" section of our Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on March 4, 2022, the "Risk Factors" sections of our Quarterly Report on Form 10-Q filed with the SEC on May 10, 2022 and on November 14, 2022, and in Cipher's subsequent filings with 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.

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¹ Assumes network hash rate of 297 EH/s and 910 bitcoins mined per day

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Photos accompanying this announcement are available at: <https://www.globenewswire.com/NewsRoom/AttachmentNg/fda3de6e-3745-496e-bfe3-bf9eb4b6a01e>

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