

# Q4 F2022 Results Webcast

Year Ended March 31, 2022

# DISCLOSURES

In this presentation, “HIVE” or the “Company” refers to HIVE Blockchain Technologies Ltd (TSXV HIVE).

Currency All amounts are in US dollars, unless otherwise indicated.

Forward Looking Information. Except for the statements of historical fact, this presentation contains “forward-looking information” within the meaning of applicable Canadian and U.S. securities regulations. These forward looking statements are based on expectations, estimates and assumptions as at the date of this presentation. “Forward-looking information” in this presentation includes information about potential cost reduction and expansion capacity; anticipated increase in blockchain spending; the effects of COVID-19; the use of DeFi applications and their potential effect on the Company’s profitability; proof of stake (Ethereum 2.0) vs. proof of work (GPU Chips); the potential for the Company’s long term growth; the business goals and objectives of the Company, and other forward-looking information concerning the intentions, plans and future actions of the parties to the transactions described herein and the terms thereof.

Factors that could cause actual results to differ materially from those described in such forward-looking information include, but are not limited to, the efficiencies expected to be obtained through recent restructurings may not lead to operational advantages, cost reductions or profitability; the success of partnerships with third parties with whom the Company relies for its operations, capital improvements and expansion; the volatility of the digital currency market applicable to the coins we mine and the digital currency market in general; the costs of electricity at our various mining facilities; the Company’s ability to successfully mine digital currency at competitive levels; the Company’s ability to profitably liquidate its digital currency inventory; a decline in digital currency prices or other market factors that may have a significant negative impact on the Company’s operations; and other risks as more fully set out in the Company’s continuous disclosure filings at [www.sedar.com](http://www.sedar.com) and [www.sec.gov/edgar](http://www.sec.gov/edgar).

This presentation also contains the Company’s “financial outlook” in the form of gross mining margins, which is intended to provide additional information, only, and may not be an appropriate or accurate prediction of future performance and should not be used as such. The gross mining margins disclosed in this presentation are based on the assumptions disclosed in this presentation and the Company’s continuous disclosure filings at [www.sedar.com](http://www.sedar.com) and [www.sec.gov/edgar](http://www.sec.gov/edgar). These assumptions are based upon management’s best estimates which may include estimates that are inherently speculative. There is no guarantee that such assumptions and estimates will prove to be correct or indicative of future results.

Throughout this presentation, the Company also has assumed that no significant events occur outside of the Company’s normal course of business that could materially affect our business or operations. Such events include the possibility of significant changes in the regulatory environment applicable to crypto currencies and crypto-mining throughout the world, but especially in the United States, Canada, Sweden, Iceland and other countries in which we have, or may develop, operating facilities.

Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements inherently involve unknown risk. Consequently, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

Non-IFRS Measures. The Company has presented certain non-IFRS measures in this document. The Company believes that these measures, while not a substitute for measures of performance prepared in accordance with IFRS, provide investors an improved ability to evaluate the underlying performance of the Company. However, these measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to other issuers. Reconciliations to nearest IFRS measures are included in the Company’s continuous disclosure filings at [www.sedar.com](http://www.sedar.com) and [www.sec.gov/edgar](http://www.sec.gov/edgar).

# TODAY'S PRESENTERS



**Frank Holmes**

Executive Chairman



**Darcy Daubaras**

CFO



**Aydin Kilic**

President & COO

# LEADERSHIP TEAM



**Frank Holmes**  
*Executive Chairman*



**Darcy Daubaras**  
*CFO*



**Ian Mann**  
*President of Bermuda Operations*



**Aydin Kilic**  
*President & COO*



**Johanna Thornblad**  
*Country President Sweden*

# MACRO OVERVIEW



# THE DNA OF VOLATILITY



Standard Deviation For One Year, as of March 31, 2022

	One-Day	Ten-Day
S&P 500	±1%	±3%
Gold Bullion	±1%	±3%
Bitcoin	±3%	±11%
Tesla	±3%	±12%
Ethereum	±4%	±13%
MicroStrategy	±5%	±15%
<b>HIVE Blockchain Technologies LTD.</b>	<b>±6%</b>	<b>±17%</b>

# 1st

To go public  
September 2017

# 1st

To mine Bitcoin and  
Ethereum

# 1st

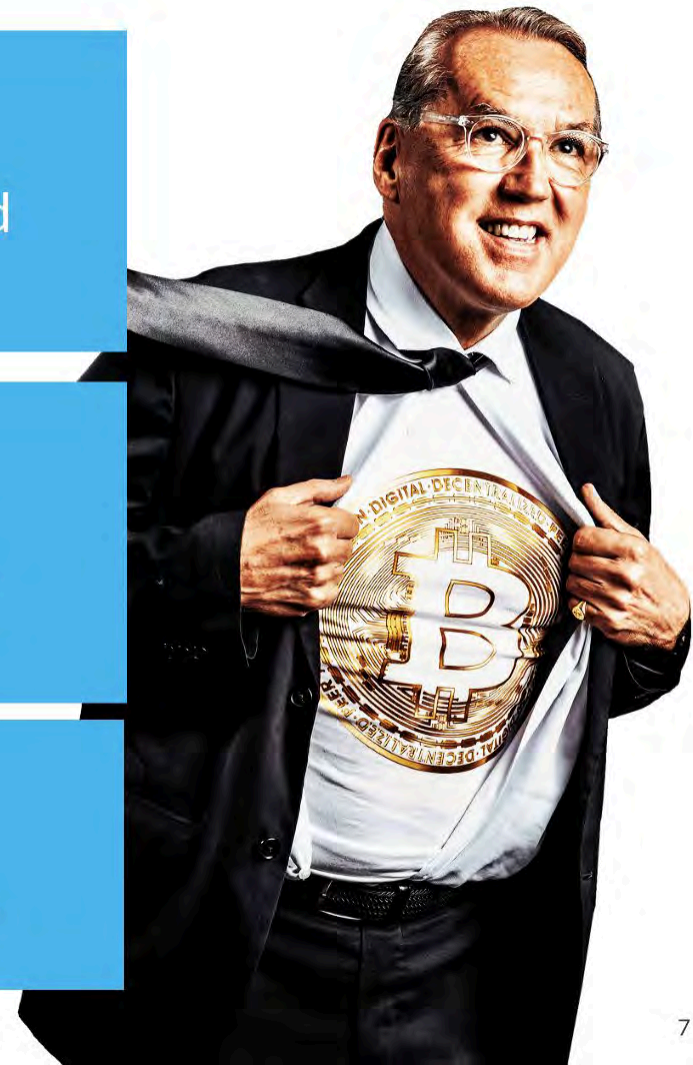
To buy data  
centers

# 1st

To be 100% green  
with ESG strategy

# 1st

To be inter-listed: Canada, U.S. And Germany





# HIVE USES 100% GREEN ENERGY IN CANADA, ICELAND & SWEDEN



**LOW ELECTRICITY  
COST**



**LOW  
TEMPERATURES**



**FAST INTERNET  
CONNECTION**



TSXV: HIVE NASDAQ: HIVE FSE: HBF





# CAPITAL STRUCTURE

## Tickers:

TSX.V: **HIVE**

Nasdaq: **HIVE**

German Exchanges: **HBFA**

## Issued and Outstanding Basic Common Shares

82.2M

## Warrants

36M

## Options

2.8M

## RSUs

0.06M



**\$211.2M**

Revenue  
+212% YoY

**\$79.6M**

Net Income  
+230% YoY

**\$163.9M**

Mining  
Margin  
+221% YoY



**\$170M**

Digital Assets


**4,511 BTC**

Equivalent Mined

*\*Including 2,368 BTC*

RESULTS FOR FISCAL YEAR ENDED MARCH 31, 2022

# 2022 MILESTONES



New strategic contracts signed with Blockbase, Barrage, Boden Business Agency, Compute North and NB Power

Hit **2 ExaHash BTC** mining and **6 Terahash** of GPU Mining

The Intel Deal of **1.8 Exahash of ASICs**

Negotiations

Exahash

Intel Deal

# WHAT DOES THE “CRYPTO WINTER” MEAN FOR BITCOIN INVESTORS?



An aerial photograph of an industrial facility, likely a manufacturing plant or warehouse. The facility consists of several large, long, white buildings with dark roofs. In the foreground, there is a parking lot with several cars parked in a row. The surrounding area appears to be a flat, open field, possibly under construction or recently cleared. The sky is a clear, light blue.

# 5-TO-1 SHARE CONSOLIDATION

FROM 411 MILLION SHARES OUTSTANDING TO  
82 MILLION SHARES

READ THE FULL PRESS RELEASE, MAY 10, 2022

Operational Earnings  
(Cash Flow)

Investment Earnings  
Realized (Cash Flow)  
Unrealized



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**Earnings**

## CURRENT HASHRATE/PRODUCTION BTC/ETH

# CASH FLOW PRO FORMA MATRIX

POTENTIAL CHANGES WITH RISING CRYPTO PRICES

BITCOIN PRICE	ETHEREUM PRICE	CASH FLOW/SHARE
\$40,000	\$3,000	\$2.20/SHARE
\$30,000	\$2,000	\$1.35/SHARE
\$25,000	\$1,500	\$0.90/SHARE
\$20,000	\$1,000	\$0.50/SHARE

\*Based on Gross Mining Margin with Estimated Data Center Operating Costs Plus Corporate SG&A

## DECEMBER HASHRATE EXPANSION

# CASH FLOW PRO FORMA MATRIX

POTENTIAL CHANGES WITH RISING CRYPTO PRICES

BITCOIN PRICE	ETHEREUM PRICE	CASH FLOW/SHARE DECEMBER 2022
\$40,000	\$3,000	\$2.90/SHARE
\$30,000	\$2,000	\$1.75/SHARE
\$25,000	\$1,500	\$1.25/SHARE
\$20,000	\$1,000	\$0.70/SHARE

\*Based on Gross Mining Margin with Estimated Data Center Operating Costs Plus Corporate SG&A



## MOMENTUM:

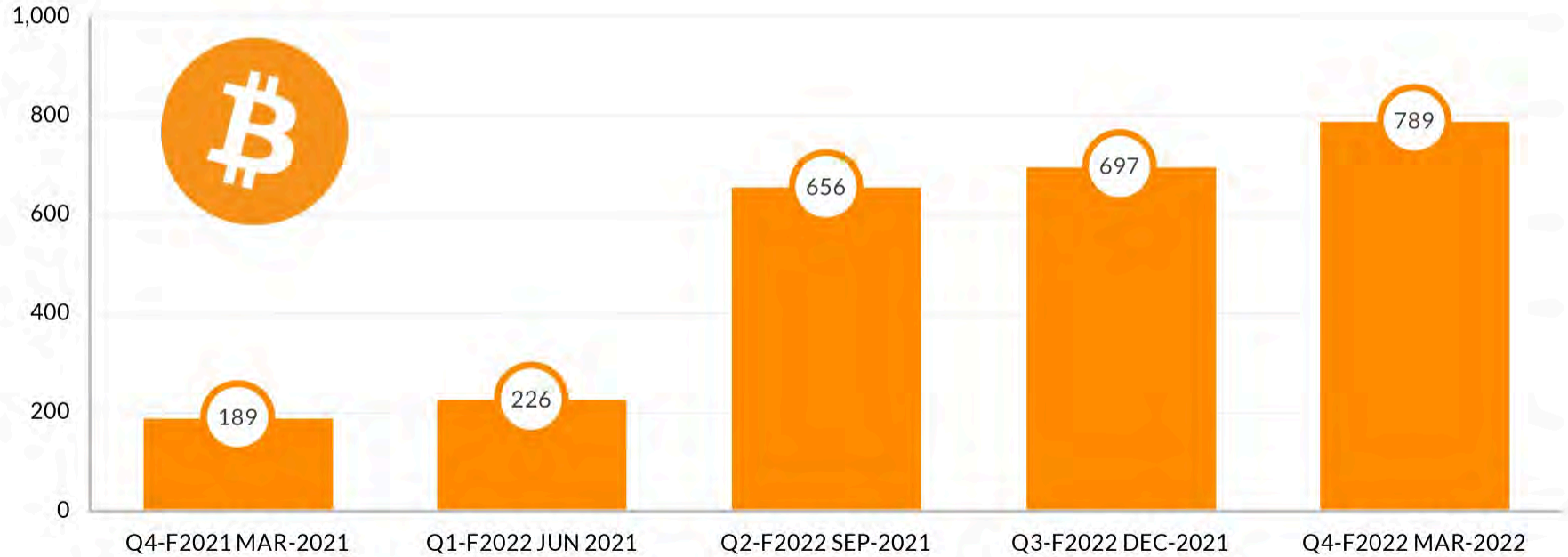
# REVENUE OVER LAST 4 QUARTERS

In Millions



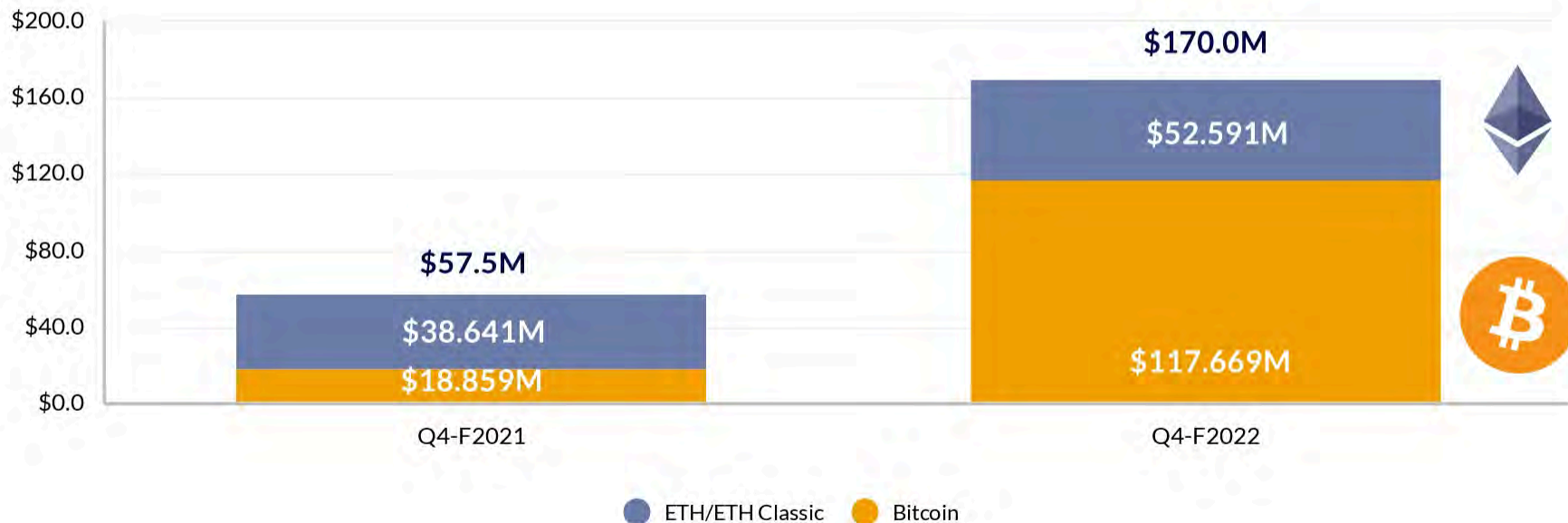
# BITCOIN MINED BY HIVE INCREASES 4-FOLD

YoY BTC Mined

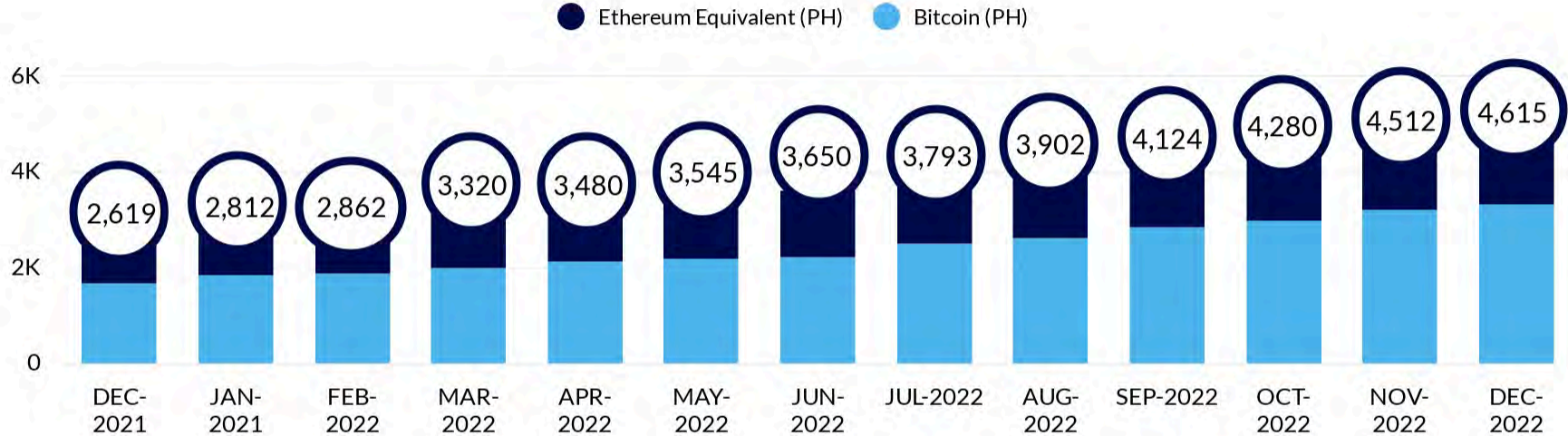


# BTC/ETH ON THE BALANCE SHEET UP 3X

In Millions



## HIVE 2022 HASHRATE GROWTH OUTLOOK



By December 2022, HIVE is projected to Hit... **3.2** Exahash of Pure BTC Mining and **4.6** Exahash of BTC Equivalent Mining

# CRYPTO MINERS: A COMPARISON OF P/E RATIOS



31X

43X

4X

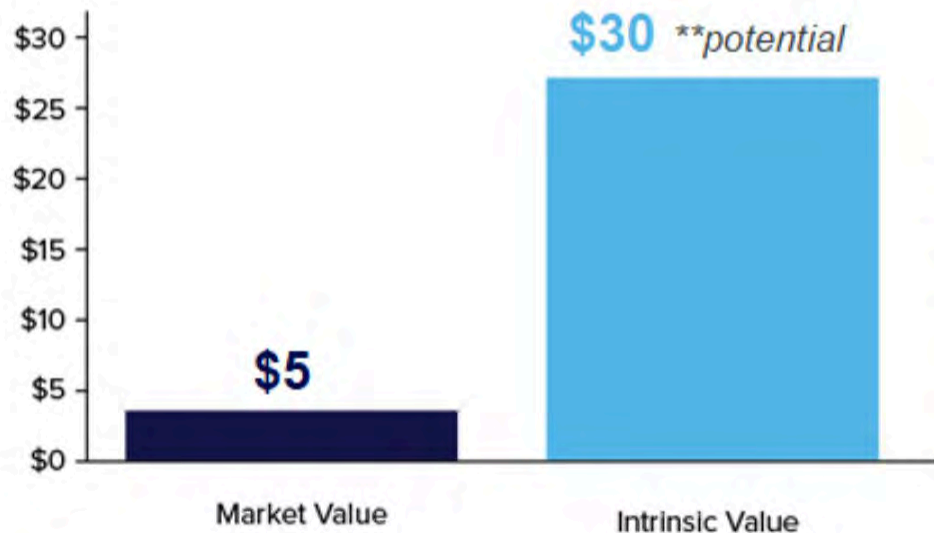
9X

6X

ATTRACTIVE IDEA

# QUANT ANALYSIS: CFROIC MODEL

Matt Kacur,  
FSA Valuation Model



Assumptions	
Required Rate of Return	8%
Period for Intrinsic = Market (In Years)	1
Expected Rate of Return	608.0%
Entry Point to achieve Required Rate of Return	\$12.46

## SIMPLY WALL ST. COMMENTS ON HIVE'S P/E RATIO

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*“HIVE Blockchain Technologies may be sending very bullish signals at the moment, with its P/E ratio of 4x, since almost half of all companies in Canada have P/E ratios greater than 13x and even P/Es higher than 27x are not unusual.”*








# OPERATIONAL UPDATE





# June 2022 Mining Update



	 <b>Bitfarms</b>	 <b>CleanSpark</b> ⬆	 <b>HIVE</b>	 <b>HUT8</b>	 <b>IrisEnergy</b>
<b>May 31, 2022 Total HR PH/s</b>	3,400	2,500	2,180	2,640	1,165
<b>June 30, 2022 Total HR PH/s</b>	3,600	2,800	2,000	2,780	1,164
<b>Average HR June 2022</b>	3,500	2,650	2,120	2,710	1,164
<b>Bitcoin Mined June 2022</b>	420	339	279	328	148
<b>Bitcoin Mined per 1 EH/s</b>	120	128	131	121	127
<b>Bitcoin Mined May/day</b>	13.9	10.1	8.8	10.0	4.9
<b>Bitcoin Mined June/day</b>	14.0	11.3	9.3	10.9	4.9
<b>Day on Day change %</b>	0.7%	12.3%	5.3%	9.7%	1.3%
<b>June Self Mining Revenue \$M</b>	\$8.45	\$6.82	\$8.32	\$6.60	\$3.50
<b>Revenue by EH/s \$M</b>	\$2.41	\$2.57	\$2.60	\$2.43	\$3.01
<b>Rank by Production EH/s</b>	5	2	1	4	3

# INTEL DEAL

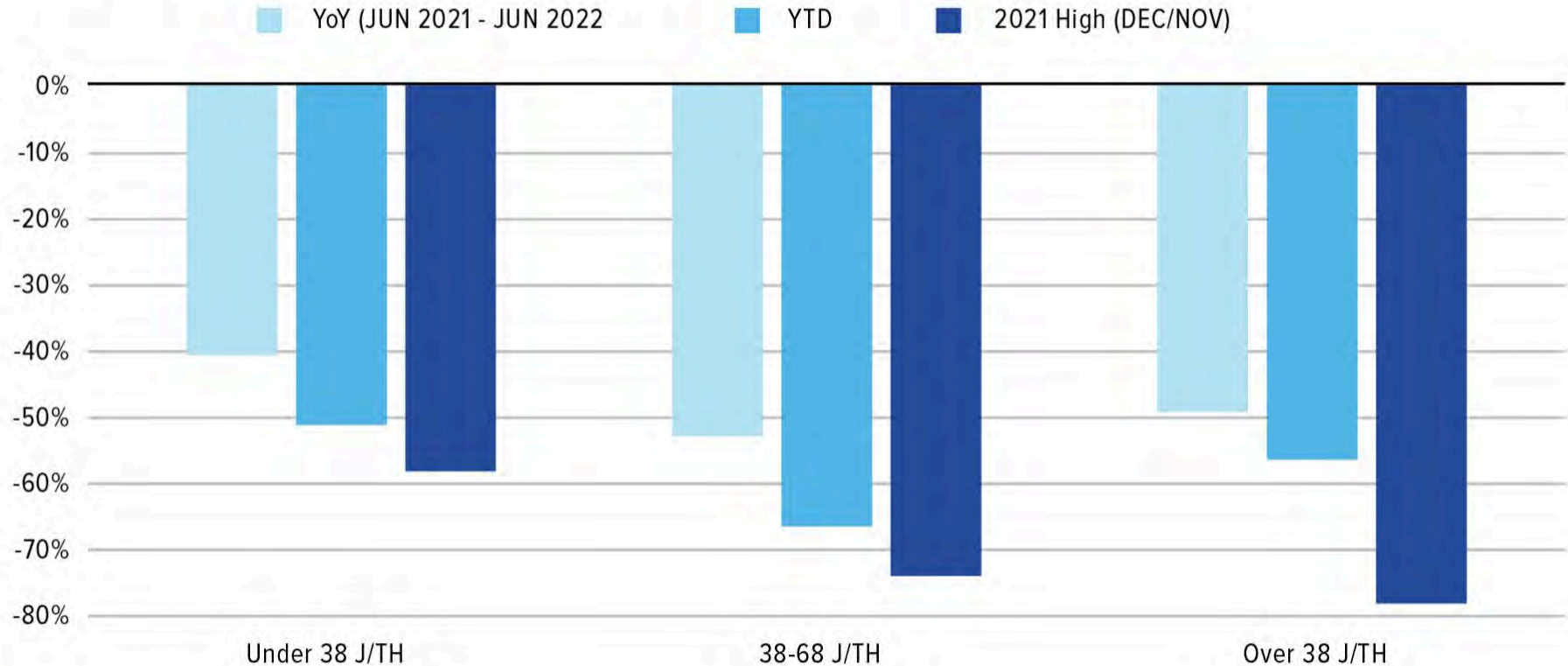
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HIVE announced a supply agreement with Intel Corporation to purchase new high performing ASIC chips that will be incorporated into state-of-the-art mining equipment that will be custom built for HIVE.



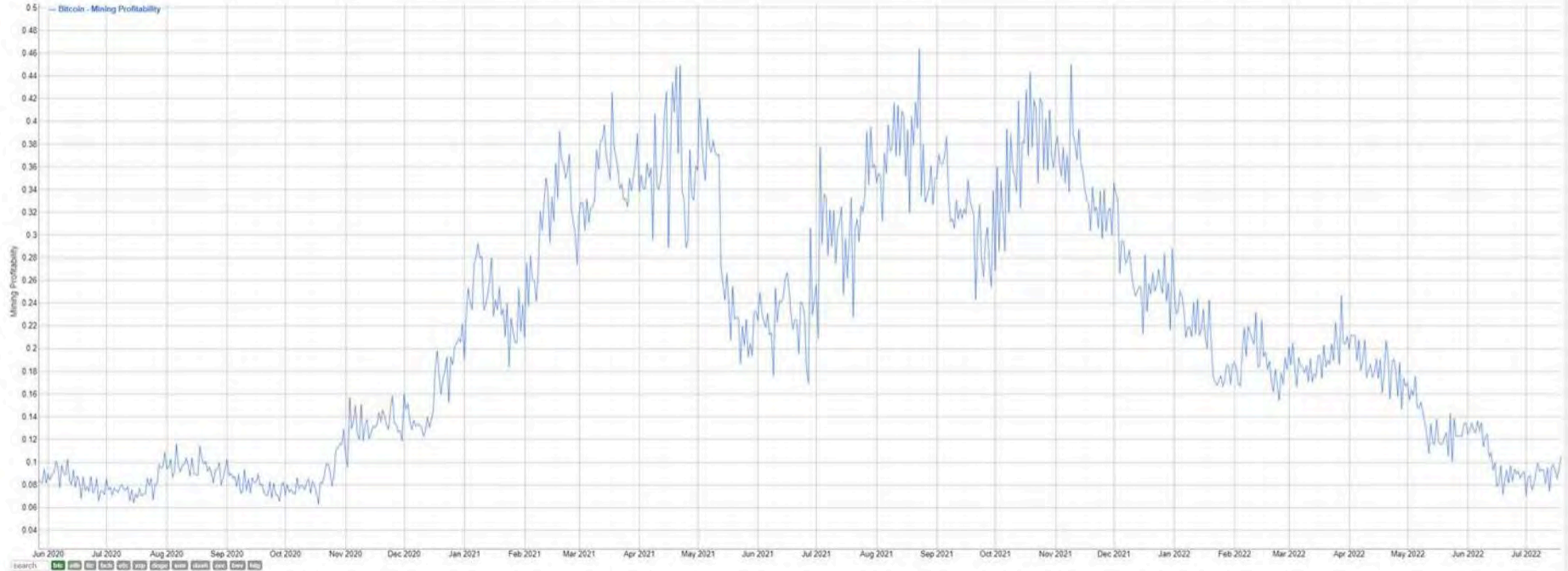
## ASIC PRICE INDEX PERCENTAGE DRAWDOWNS YoY, YTD AND FROM 2021 HIGHS

### ASIC PRICES APPROACH ALL-TIME LOWS



**HASH PRICE = \$ PER TERAHASH PER DAY**

# BITCOIN HASH PRICE FOR THE LAST 2 YEARS



# COMPARING HASHPRICE \$ PER TERAHASH PER DAY TO ELECTRICITY PRICE \$/KWHR




Electricity Price	Hashprice Breakeven S9	Hashprice Breakeven S17	Hashprice Breakeven S19j Pro	Hashprice Breakeven S19 XP
\$0.01	\$0.24	\$0.011	\$0.007	\$0.004
\$0.02	\$0.48	\$0.021	\$0.015	\$0.007
\$0.03	\$0.72	\$0.031	\$0.022	\$0.011
\$0.04	\$0.096	\$0.043	\$0.029	\$0.015
\$0.05	\$0.120	\$0.054	\$0.037	\$0.018
\$0.06	\$0.144	\$0.064	\$0.044	\$0.022
\$0.07	\$0.168	\$0.075	\$0.051	\$0.026
\$0.08	\$0.192	\$0.086	\$0.059	\$0.029
\$0.09	\$0.216	\$0.096	\$0.066	\$0.033
\$0.10	\$0.240	\$0.107	\$0.073	\$0.037

## DIFFICULTY VS. EFFICIENCY

# SPECTRUM OF \$/KWHR ASIC REVENUES AT \$20K BTC

		2.2E+13	2.3E+13	2.4E+13	2.5E+13	2.6E+13	2.7E+13	2.8E+13	2.9E+13	3E+13	3.1E+13
Variance of Efficiency [W per TH]	20	\$ 0.238	\$ 0.228	\$ 0.218	\$ 0.210	\$ 0.201	\$ 0.194	\$ 0.187	\$ 0.181	\$ 0.175	\$ 0.169
	25	\$ 0.190	\$ 0.182	\$ 0.175	\$ 0.168	\$ 0.161	\$ 0.155	\$ 0.150	\$ 0.145	\$ 0.140	\$ 0.135
	30	\$ 0.159	\$ 0.152	\$ 0.146	\$ 0.140	\$ 0.134	\$ 0.129	\$ 0.125	\$ 0.120	\$ 0.116	\$ 0.113
	35	\$ 0.136	\$ 0.130	\$ 0.125	\$ 0.120	\$ 0.115	\$ 0.111	\$ 0.107	\$ 0.103	\$ 0.100	\$ 0.097
	40	\$ 0.119	\$ 0.114	\$ 0.109	\$ 0.105	\$ 0.101	\$ 0.097	\$ 0.094	\$ 0.090	\$ 0.087	\$ 0.084
	45	\$ 0.106	\$ 0.101	\$ 0.097	\$ 0.093	\$ 0.090	\$ 0.086	\$ 0.083	\$ 0.080	\$ 0.078	\$ 0.075
	50	\$ 0.095	\$ 0.091	\$ 0.087	\$ 0.084	\$ 0.081	\$ 0.078	\$ 0.075	\$ 0.072	\$ 0.070	\$ 0.068
	55	\$ 0.087	\$ 0.083	\$ 0.079	\$ 0.076	\$ 0.073	\$ 0.071	\$ 0.068	\$ 0.066	\$ 0.063	\$ 0.061
	60	\$ 0.079	\$ 0.076	\$ 0.073	\$ 0.070	\$ 0.067	\$ 0.065	\$ 0.062	\$ 0.060	\$ 0.058	\$ 0.056
	65	\$ 0.073	\$ 0.070	\$ 0.067	\$ 0.064	\$ 0.062	\$ 0.060	\$ 0.058	\$ 0.056	\$ 0.054	\$ 0.052
	70	\$ 0.068	\$ 0.065	\$ 0.062	\$ 0.060	\$ 0.058	\$ 0.055	\$ 0.053	\$ 0.052	\$ 0.050	\$ 0.048
	75	\$ 0.063	\$ 0.061	\$ 0.058	\$ 0.056	\$ 0.054	\$ 0.052	\$ 0.050	\$ 0.048	\$ 0.047	\$ 0.045
	80	\$ 0.060	\$ 0.057	\$ 0.055	\$ 0.052	\$ 0.050	\$ 0.049	\$ 0.047	\$ 0.045	\$ 0.044	\$ 0.042
	85	\$ 0.056	\$ 0.054	\$ 0.051	\$ 0.049	\$ 0.047	\$ 0.046	\$ 0.044	\$ 0.043	\$ 0.041	\$ 0.040
	90	\$ 0.053	\$ 0.051	\$ 0.049	\$ 0.047	\$ 0.045	\$ 0.043	\$ 0.042	\$ 0.040	\$ 0.039	\$ 0.038
	95	\$ 0.050	\$ 0.048	\$ 0.046	\$ 0.044	\$ 0.042	\$ 0.041	\$ 0.039	\$ 0.038	\$ 0.037	\$ 0.036
100	\$ 0.048	\$ 0.046	\$ 0.044	\$ 0.042	\$ 0.040	\$ 0.039	\$ 0.037	\$ 0.036	\$ 0.035	\$ 0.034	

# PETAHASH PER MEGAWATT

 HIVE	3,500 PHs	÷	125 MW	=	28 PH/MW
 Bitfarms	3,400 PHs	÷	137 MW	=	24.8 PH/MW
 HUT8	2,640 PHs	÷	124 MW	=	21.3 PH/MW

# GREENHOUSE

Various Project Proposals  
(Boden, Sweden)

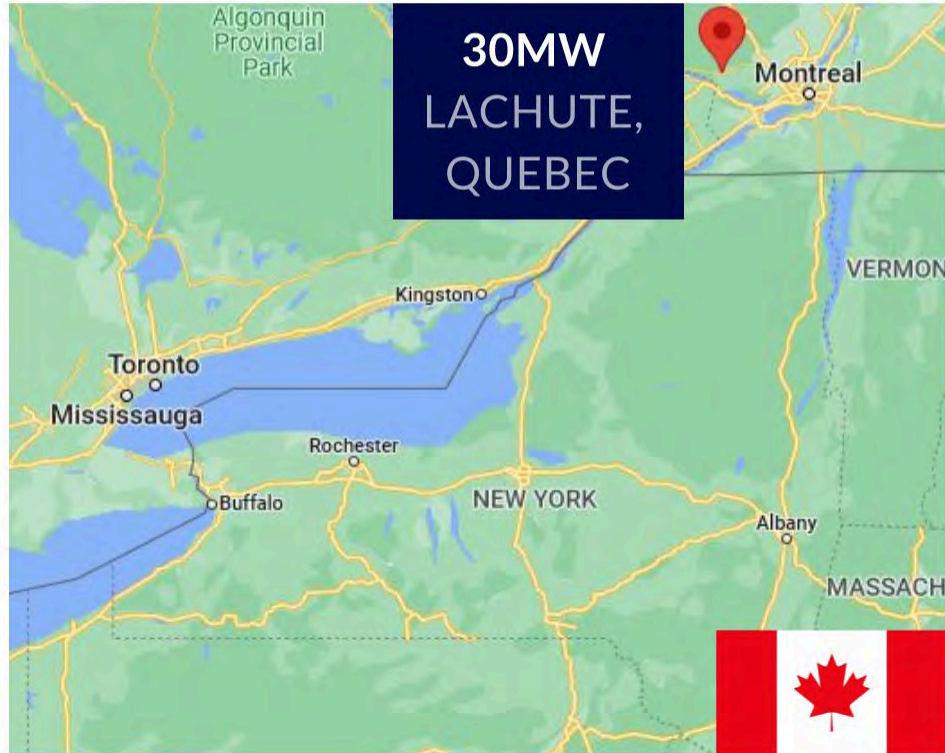
**Boden:** In discussions with greenhouse in Boden to provide heating to grow tomatoes, cucumbers, lettuce and spices





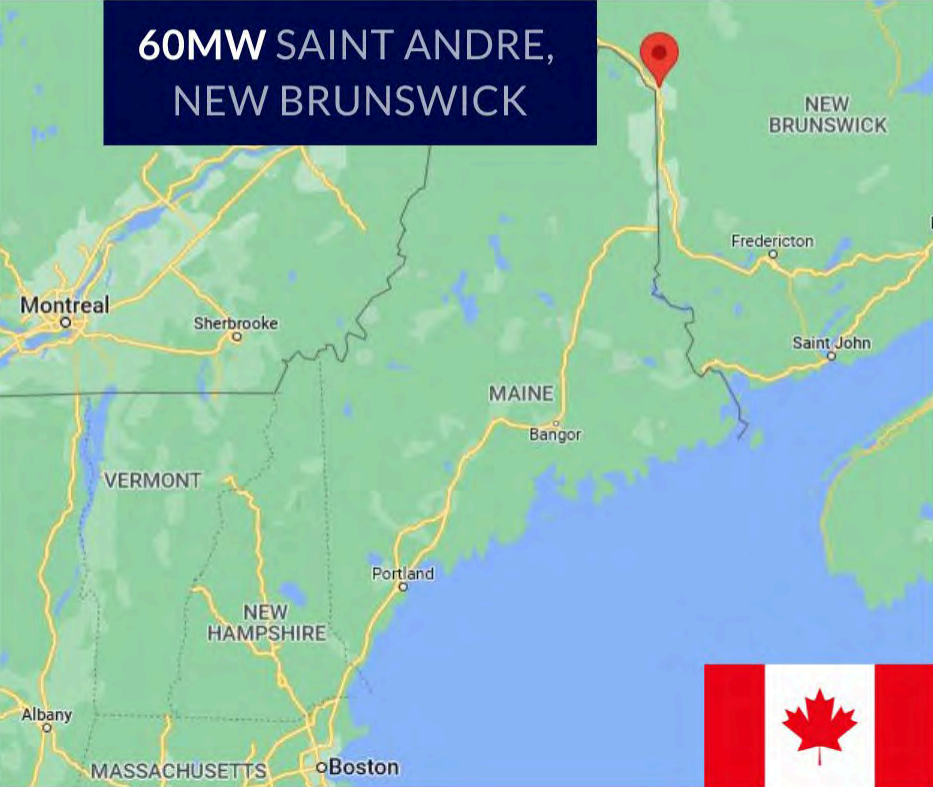
# QUEBEC CAMPUS

MINING BITCOIN AND RECYCLING HEAT FOR POOL MANUFACTURER



# NEW BRUNSWICK CAMPUS

60MW SAINT ANDRE,  
NEW BRUNSWICK





## JUNE 2022 PRODUCTION FIGURES

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420 Bitcoin Equivalent produced

278.5 Bitcoin produced

2,542 Ethereum produced

Bitcoin Mining: **2.20 Exahash**

Ethereum Mining: **6.26 Terahash**

Total Bitcoin Equivalent Hashrate: **3.5 Exahash** peak

BTC HODL Balance = **3,239**

Increased to 2.24 Exahash of Bitcoin mining capacity during the month of June, and 2.0 Exahash at the end of June.

Some miners were temporarily taken offline and are being exchanged for higher efficiency miners.



## 2022 OPERATIONAL UPDATE

# INFRASTRUCTURE

HIVE has completed the following infrastructure using green and clean energy:

### CURRENT COMPLETED

New Brunswick: **60MW**

Quebec: **30MW**

Sweden: **34MW**

Iceland: **10MW**

**TOTAL: 134MW**

### SUMMER EXPANSION

New Brunswick: **80MW**

Quebec: **30MW**

Sweden: **37.5MW**

Iceland: **10MW**

**TOTAL: 157.5MW**

HIVE currently is operating **127MW** of the available **134MW** of completed infrastructure, thus we have **7MW** of completed infrastructure available to grow into immediately, and in two months we will have **30MW** to grow into

# SNAPSHOT OF GROWTH





(\$M, AS OF MARCH 31, 2022)

# HEALTHY BALANCE SHEET



Funding operations through sale of coins



Solid financial position

# STRONG PROFIT AND EARNINGS PER SHARE DESPITE FALLING BTC PRICES

GROSS MINING MARGIN (\$M) YoY [Q4-F2021 - Q4-F2022 (JAN-MAR)]



## BASIC (LOSS) PER SHARE:

**(\$0.36)** FOR 3 MONTHS ENDED MARCH 31, 2022

## PRIOR YEAR

**(\$0.03)** FOR 3 MONTHS ENDED MARCH 31, 2021

# HIVE BY THE NUMBERS

## ACTIVELY INCREASING HIVE'S HASHRATE

*(probability of earning Bitcoin)*

### January

1.87 Exahash BTC Mining

4.56 Terahash of ETH mining

### March

2.0 Exahash BTC mining

6.1 Terahash of ETH mining

3 months from Jan. 2022 to Mar. 2022,  
HIVE has...

Increased active **BTC** hash rate by **6%**

Increased active **ETH** hash rate by **33%**

**Strong Relationships:** Enable low energy costs, consistent access to miners and ample expansion opportunities

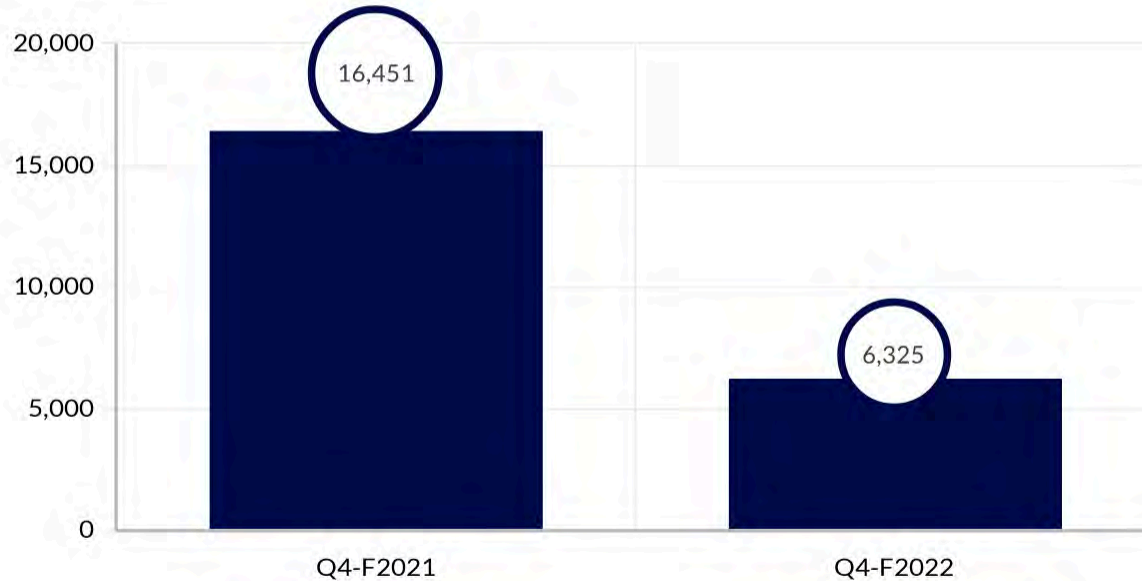


QUEBEC, CANADA



# DIFFICULTY RATE ROSE LEADING TO DROP IN ETH MINED

ETHEREUM MINED

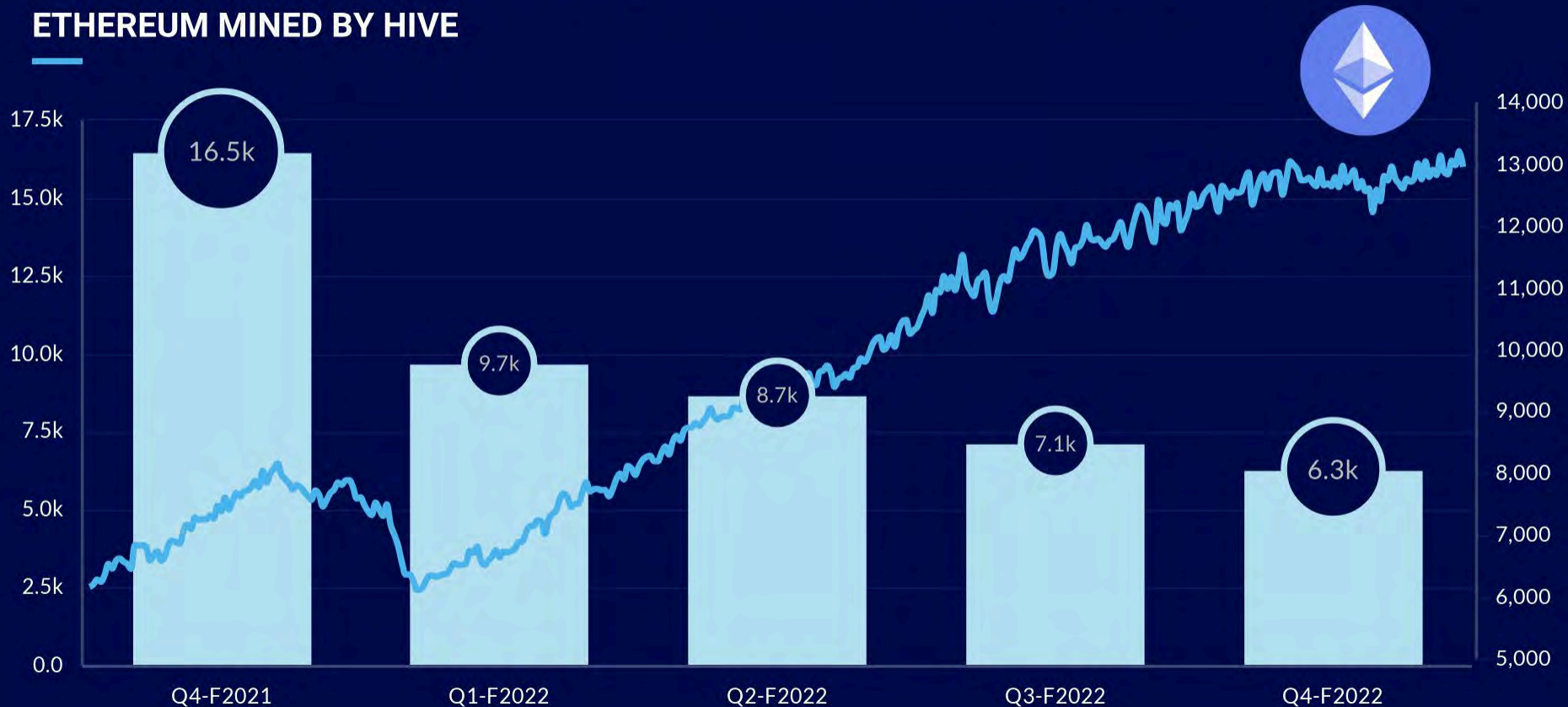


YoY decrease in Ethereum mining due to difficulty rate increase.

Rising prices are greater than production

# ETH MINING DIFFICULTY, TOTAL FISCAL YEAR THROUGH MARCH 31, 2022

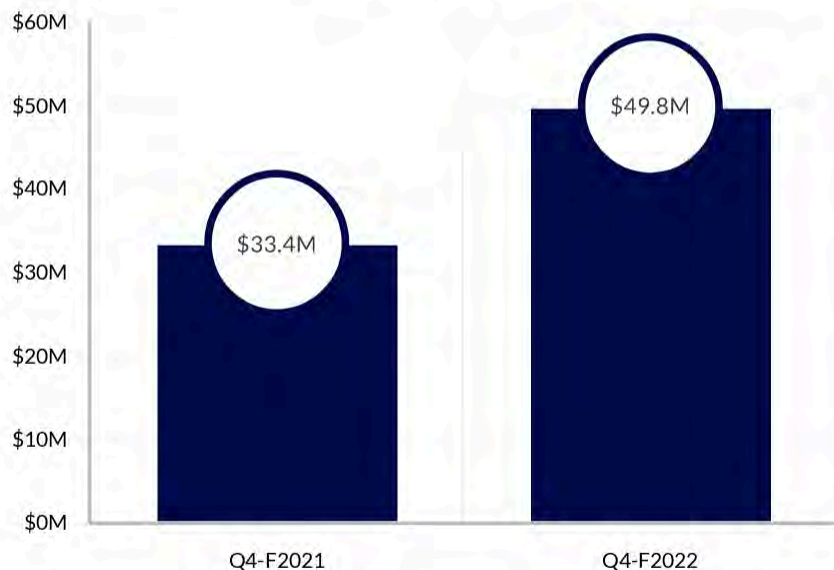
## ETHEREUM MINED BY HIVE



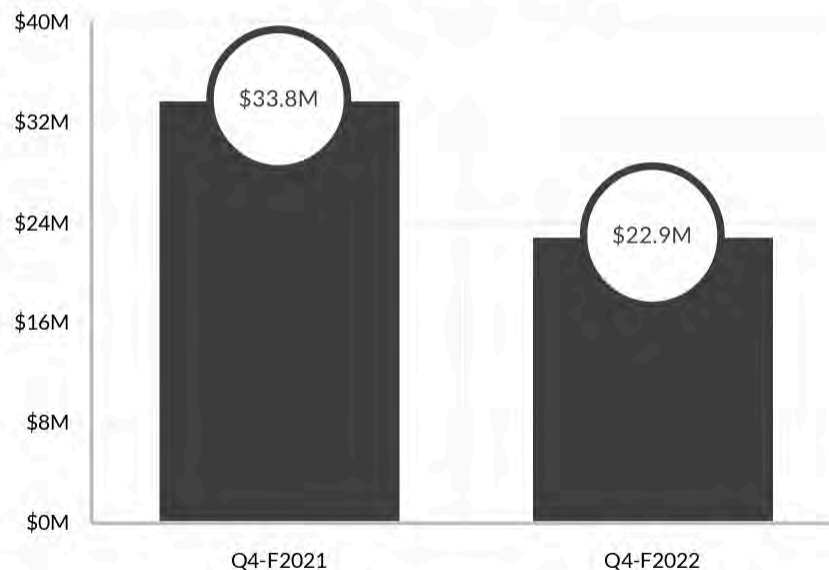
YoY (Q4 F2021 - Q4 F2022)

## REVENUE INCREASES DUE TO HIGHER PRICES

Revenue, (\$M)



Gross Mining Margin (\$M)



QoQ (Q3 F2022 - Q4 F2022)

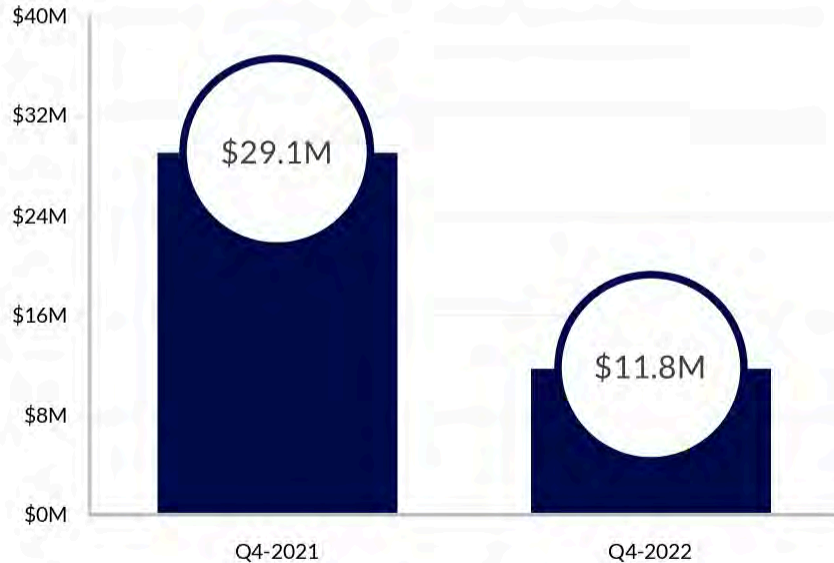
## REVENUE INCREASES DUE TO HIGHER PRICES



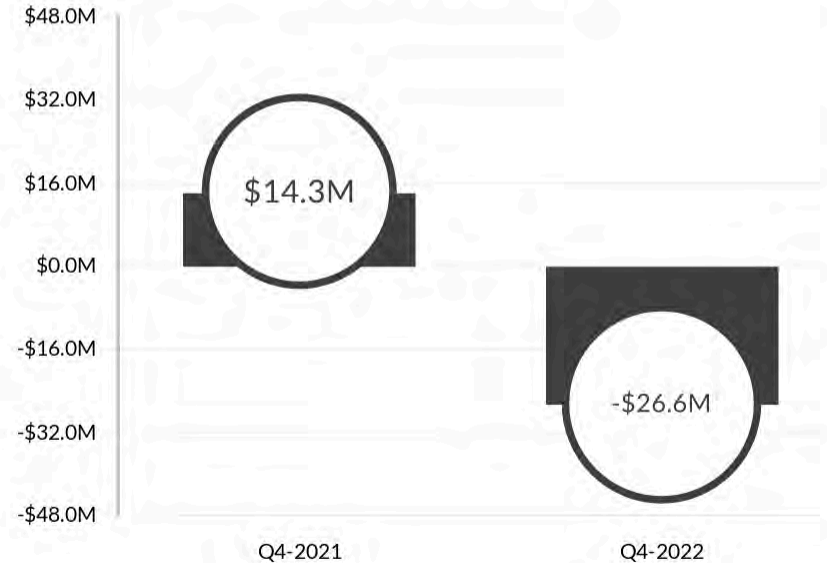
YoY (Q4 F2021 – Q4 F2022)

## MINING MARGINS ENHANCE GROWTH

Adjusted EBITDA, (\$M)



Net Income (Loss), (\$M)



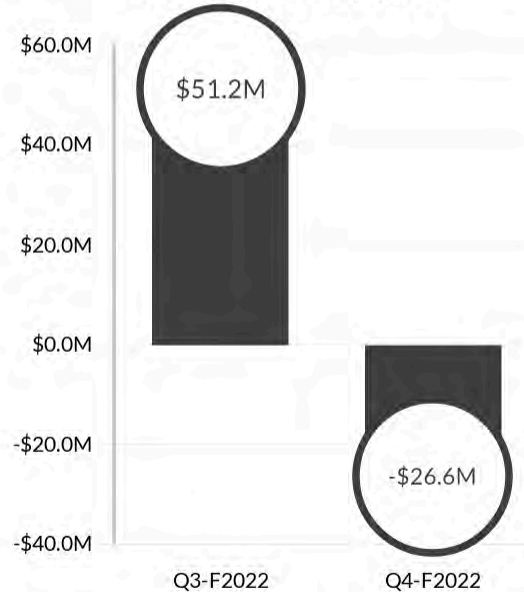
QoQ (Q3 F2022 - Q4 F2022)

## ETHEREUM MARGINS DRIVE GROWTH

Adjusted EBIDTA, (\$M)



Net Income (Loss), (\$M)



Gross Mining Margin, (\$M)



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5.28K Subscribers

# THANK YOU!