CLEANSPARK

NEWS RELEASE

# CleanSpark Announces $16.2 Million Increase in Microgrid Contracts, a 220% Improvement

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Company also Updates Bitcoin Production and Announces its Quarterly Earnings Release Date

PR Newswire

SALT LAKE CITY , April 19, 2021 /PRNewswire/ -- CleanSpark, Inc. (Nasdaq: CLSK) (the "Company" or "CleanSpark"), a diversified software, services, and Bitcoin mining company, today announced an update on its business operating units, including microgrids, unaudited Bitcoin ("BTC") production and holdings through March 31, 2021 and April 18, 2021 .

## Financial Update

CleanSpark expects to file its Quarterly Report on Form 10-Q for the Second Fiscal Quarter of 2021 on May 7 , 2021. The Company anticipates that it will be holding an earnings call to discuss quarterly financial results, its outlook and updated guidance on the same day. CleanSpark will publish detailed call-in information under a separate release.

## Microgrid Business Sales Update

- As of April 18, 2021 , the Company's backlog of executed contracts has grown to over $23.5 million . Representing an increase of $16.2 million or 220% from $7.3 million , as mostly recently announced on February 12, 2021 .
    - Approximately, $14.3 million relates to the Company's residential microgrid and energy storage initiatives. The Company expects these microgrids to be completed over the next 12 months or less.
    - Approximately, $4.6 million relates to the Company's commercial and industrial microgrid and switchgear offerings. The Company expects these contracts to be completed over the next 18 months or

less.

- Approximately, $4.0 million relates to international microgrid development contracts. The Company expects these microgrids to be completed in a phased approach over multiple years.
- Approximately, $0.6 million relates to the P2K software and services business. The Company expects these contracts to be completed over the next 12 months or less.

Amer Tadayon , CleanSpark's Chief Revenue Officer, stated, "We are very pleased with the results being generated by our sales and marketing teams. All of our efforts have begun to bear fruit, especially our residential initiative, which has been yielding incredible results."

## Bitcoin Production and Operations Updates

- In the quarter ended March 31, 2021 , the Company produced more than 144 Bitcoins and has produced 205 Bitcoins since acquiring its mining operations on December 10, 2021 .
- As of April 18, 2021 , CleanSpark is holding more than 143 Bitcoins on its balance sheet, all of which have been produced by its mining operations.
- Total hashrate capacity is expected to increase to over 1.1 EH/s by August 2021 and exceed 3.2EH by September 2022 .
- At current difficulty rates, 1.1 EH/s would represent 6-7 Bitcoins a day and a hashrate at 3.2 EH/s it would represent 18-20 Bitcoins per day.
- The growth from 1.1 EH/s to 3.2 EH/s is expected to occur at an average rate of 160 PH/s per month from September 2021 to September 2022 . At current difficulty rates, this would result in Bitcoin production increasing by approximately one additional Bitcoin per day every month.

## CLSK Hash Rate Growth Schedule

The Company plans to continue to regularly provide Bitcoin operational updates and unaudited production results. These updates are intended to keep shareholders informed of CleanSpark substantial growth as it continues to deploy its expanding mining fleet.

Matthew Schultz , CleanSpark's Executive Chairman, stated, "From having 95% non-carbon-based electricity powering our mining operations, to our rapidly-growing partnership program, it's clear that our focus on an ESG-centered approach to growth continues to be validated.  Global events, from the recent power disruptions, taking Chinese BTC mining offline, to the massive, sustained outages in our own country have resulted in a significant increase in inquiries surrounding our microgrid and energy offerings as residential, industrial and commercial customers recognize the fragile state of the current power distribution model. Our recent financing transactions have positioned the Company to continue to make strategic, accretive moves, and we look forward to sharing the

results with our shareholders."

Parties interested in learning more about CleanSpark products and services are encouraged to inquire by contacting the Company directly at **info@cleanspark.com** or visiting the Company's website at **www.cleanspark.com** .

## About CleanSpark:

CleanSpark, Inc., a Nevada corporation, is in the business of providing advanced software, controls and technology solutions to solve modern energy challenges. CleanSpark has a suite of software solutions that provides end-to-end microgrid energy modeling, energy market communications, and energy management solutions. CleanSpark's offerings consist of intelligent energy monitoring and controls, intelligent microgrid design software, middleware communications protocols for the energy industry, energy system engineering, custom hardware solutions, microgrid installation and implementation services, traditional data center services and software consulting services.

The Company and its subsidiaries also own and operate a fleet of Bitcoin miners at its facility outside of Atlanta, Georgia.

For more information about the Company, please visit the Company's website at **https://www.cleanspark.com/investor-relations** .

## Forward-Looking Statements:

This release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including statements regarding the Company's plans and expectations for expansion of its energy initiatives, its goal to achieve carbon-neutrality, deployment of Bitcoin miners, the growth of the facility, the timing of completing contracted work, revenue expectations, Bitcoin mining production amounts, and other statements regarding the expectations, beliefs, plans, intentions and strategies of the Company. The Company has tried to identify these forward-looking statements by using words such as "expect," "target," "anticipate," "believe," "could," "should," "estimate," "intend," "may," "will," "plan," "goal" and similar terms and phrases, but such words, terms and phrases are not the exclusive means of identifying such statements. Actual results, performance and achievements could differ materially from those expressed in, or implied by, these forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation: delays in mining equipment and battery energy storage systems availability and delivery, the price volatility and potential increase in difficulty rate of Bitcoin, the successful deployment of energy solutions for residential and commercial applications, the fitness of the Company's energy hardware, the availability of clean energy sources, software and other solutions for this

particular application or market, the expectations of future revenue growth may not be realized, ongoing demand for the Company's software products and related services, the impact of global pandemics (including COVID-19) on the demand for our products and services, future Bitcoin mining difficulty and other risks described in the Company's prior press releases and in its filings with the Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in the Company's  Annual Report on Form 10-K and any subsequent filings with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and we undertake no obligation to revise or update this press release (including any forward-looking statements contained herein) to reflect events or circumstances after the date hereof.

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