CLEANSPARK

NEWS RELEASE

# CleanSpark Announces California Off-Grid Software Deployment and Provides Revenue Update

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SALT LAKE CITY, June 23, 2020 /PRNewswire/ -- CleanSpark, Inc. (NASDAQ: CLSK), a diversified software and services company, announced the successful commissioning and deployment of its mPulse software on a comprehensive off-grid installation system located in California City, California. CleanSpark provided software and controls as well as the battery energy storage solution (BESS) for the system. Good Energy Solar, a Santa Barbara, CA based company, is the lead project developer who provided the photovoltaic (PV) solar system and installation services. The system integrates 43-kw of solar PV with 60-kw BESS and a 45-kw baseload generator with 150-kw generator planned for future business growth.

Engaged by Good Energy Solar, CleanSpark deployed its team of energy professionals to produce a project feasibility analysis of the system utilizing CleanSpark's microgrid Value Stream Optimizer (mVSO) platform; a SaaS-based software and industry-leading solution for energy project analysis and modeling. Energy resiliency and savings were the primary vectors in mVSO's modeling exercise for the end-user, a controlled-distribution agricultural facility. Based on this and a variety of factors, mVSO provided a 20-year economic model outlining the cash flows of the system and detailed cost-avoidance benefits. In the end, mVSO was able to analyze and provide the end-user with a plan to deploy a full, off-grid system sized to meet its needs, which included recommendations for complete project specifications and implementation plans for the solution, in an efficient, cost effective manner.

Zach Bradford, CEO and President of CleanSpark, stated, "Given the remote location of the end-user's operation, local utility companies were unable to provide electrical grid service to the facility in a timeframe that supported their business plans. By going completely off-grid, CleanSpark and Good Energy Solar have allowed the customer to create and independently own their energy system to meet their current and future power requirements. Our controls are designed to minimize fuel consumption to provide the lowest possible levelized cost of energy. The system is designed to be fully expandable as the business grows. CleanSpark's mPulse software and controls

solution is uniquely capable of scaling as the system size and load increases and can easily integrate utility grid power if and when the utility provides electricity to the site."

Mr. Bradford continued, "As our mPulse software deployments increase, we expect to see revenues and margins improve. Deployments like these also create additional opportunities for CleanSpark to continue to add long-term SaaS revenues. Our team is excited about this opportunity to again demonstrate the value of our controls software for a customer that would otherwise be subjected to high energy operating costs due to public utility constraints. The company will continue to update all stakeholders as to current deployments and contracts as they develop. We have made significant progress on our stated objective to rapidly scale both our business and the associated revenues. Our year to date revenues through mid-June are approximately $7.7 million and we expect to exceed $8.0 million in year-to-date revenue by the end of this fiscal quarter. Our sales pipeline continues to grow, and we are optimistic about the increased demand we are seeing across all lines of our business."

Parties interested in CleanSpark's mPulse Software platform are encouraged to visit the company's website at **https://www.cleanspark.com/mpulse** or contact the company directly at **info@cleanspark.com**. Investors are encouraged to contact the Company at **ir@cleanspark.com**

## About CleanSpark:

CleanSpark is a software and services company which offers software and intelligent controls for microgrid and distributed energy resource management systems and innovative strategy and design services. The company provides advanced energy software and control technology that allows energy users to obtain resiliency and economic optimization. The company's software is uniquely capable of enabling a microgrid to be scaled to the user's specific needs and can be widely implemented across commercial, industrial, military, agricultural and municipal deployment. The company's product and services consist of intelligent energy controls, microgrid modeling software, and innovation consulting services in design, technology, and business process methodologies to help transform and grow businesses.

## Forward-Looking Statements:

CleanSpark cautions you that statements in this press release that are not a description of historical facts are forward-looking statements. These statements are based on CleanSpark's current beliefs and expectations. The inclusion of forward-looking statements should not be regarded as a representation by CleanSpark that any of its plans will be achieved. Actual results may differ from those set forth in this press release due to the risk and uncertainties inherent in its business, including, without limitation: the fitness of its products for a particular application or market, the ability of its software to produce the expected energy benefits, expectations of future growth may not be realized, timing of deliveries, ongoing demand for its software products and related services,

the impact of global pandemics (including COVID-19) on the demand for its products and services; and other risks described in its prior press releases and filings with the Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in its 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 CleanSpark undertakes no obligation to revise or update this press release to reflect events or circumstances after the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement, which is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

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