CLEANSPARK

NEWS RELEASE

CleanSpark Highlights Advantages of Federal Energy Regulation Commission Ruling

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CLEANSPARK-FERC

PR Newswire

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SALT LAKE CITY , Oct. 1, 2020 /PRNewswire/ -- CleanSpark, Inc. (Nasdaq: CLSK), a diversified software and services company today announced its support for FERC Order Number 2222 that should help aggregated distributed energy resources (DERs) compete alongside and work with traditional power utilities. In its published opinion thoroughly investigating the ruling, the National Law Review concluded "FERC's new rules could prove to be a disruptive and transformative change to electric utilities and the electric industry broadly."

Reacting to the late September ruling, Zach Bradford , CEO of CleanSpark said, "This is a significant win for clean energy and alternative energy production. This ruling should transform the microgrid industry by promoting competition in electric markets by removing the existing barriers that have favored utilities for decades. Historical policy restrictions have prevented DER (Distributed Energy Resources) and microgrid participants like CleanSpark from competing in energy and ancillary services markets currently monopolized by regional grid operators."

"This ruling should enable DERs, including alternative power generators, solar developers, and battery manufacturers to participate alongside traditional resources to provide new sources of energy and grid services. It should help provide a variety of benefits including lower costs for energy consumers, more grid flexibility and resilience, and more innovation within the electric power industry."

Mr. Bradford concluded, "Specifically, several sources of distributed electricity should now be allowed to aggregate

in order to satisfy minimum size and performance requirements that each may not be able to meet individually. Regional grid operators will be required to revise their tariffs to establish DERs as a category of market participant. Prior to this ruling, DERs could contribute to Independent System Operator ("ISO") and Regional Transmission Organization ("RTO") markets via demand response mechanisms, but this opens the door to substantially more value for DERs. The specific tariff updates from each RTO/ISO will be released in the near future, and we expect them to reach full effect over the coming years. Over the past several projects, CleanSpark has demonstrated its unique ability to provide a fully-integrated software suite that we feel will absolutely disrupt an antiquated and over-burdened industry."

Matthew Schultz , CleanSpark's Chairman commented "This is a massive policy shift in favor of the microgrid market in particular. It should open up additional value streams for microgrid developers and owners to fully participate in wholesale markets. These opportunities are expected to dramatically improve microgrid economics and stimulate future deployments. Microgrid developers of all sizes should now be able to leverage CleanSpark's robust portfolio of patented technologies to tap into these opportunities and offer significant value for their customers. The recent acquisition of GridFabric provides additional 'first-mover' benefits to CleanSpark's core product line by adding a certified communications protocol. The opportunity to offer these certifications 'out of the box' delivers a significant head start in grid optimization technology for our customers and partners, which is even more valuable with this FERC ruling."

Ben DuPont , co-founder of GridFabric, and CleanSpark's newly appointed VP of Software Engineering who has worked in OpenADR for over 8 years and was an early implementer of the protocol stated, "FERC 2222 should allow for significantly more opportunities for new market participants. With its footprint in ISO and RTO market and position in the controls market, CleanSpark is well suited to capitalize on this development."

Matt Hale , co-founder of GridFabric and newly appointed VP of Product Management for GridFabric said, "FERC 2222 should lead to a significant increase in DER activity from all types of companies, including DER aggregators, microgrid controls like CleanSpark, thermostats, water heaters, rooftop solar panels, storage, EV chargers and more. Open protocols such as OpenADR and IEEE 2030.5 should be table stakes to participate in these markets, and our products let these companies implement them faster and more cost effectively, allowing them to focus on what they do best."

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

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About CleanSpark:

CleanSpark 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. Our 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. Our 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 our plans will be achieved. Actual results may differ from those set forth in this press release due to the risk and uncertainties inherent in our business, including, without limitation: changes in regulatory conditions, the fitness of the product for a particular application or market, the expectations of future revenue growth may not be realized, timing of orders and 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 our prior press releases and in our filings with the Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in our 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 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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