CLEANSPARK

NEWS RELEASE

CleanSpark, Inc. Comments on Recent Trading Activity and Stock Price

2020-02-20

SALT LAKE CITY, Feb. 20, 2020 (GLOBE NEWSWIRE) -- CleanSpark, Inc. (Nasdaq: CLSK), a diversified software development and intelligent energy services company, issues this press release in response to recent trading activity in its shares, and stock price decline.

The Company does not usually opine on stock price and trading activity, however, given the recent decline, and inquiries from investors, the Company confirms the following:

Everything material has been disclosed by the Company in either its press releases or quarterly reports. CleanSpark further confirms that none of the business developments disclosed previously are at risk. Last but not least, the Company wishes to reassure CleanSpark's shareholders that we remain on track with our current and prospective projects, and that all contracted projects are being worked on, and such activity will be reflected in the Company's future quarterly results.

CleanSpark CEO Zach Bradford remarked, "While we don't normally comment on our stock price or performance, it is important to stress that nothing has fundamentally changed in our business. We continue to deliver solid financial results, and we remain very confident in our prospects."

Over the last few months, the Company has achieved numerous milestones. Some notable items include:

- Completed Nasdaq uplisting in January 2020
- January 2020 acquisition of p2kLabs Inc. expected to add $2 Mil in annual revenue with margins that exceed 50%
- Six consecutive quarters of year-over-year quarterly growth

- Quarter ending December 31, 2019 Revenue of $976,824, up 372% from $262,907 in 2018.
- Quarter ending December 31, 2019 Gross profit increased 238% to $94,103, up from $39,581 in 2018.
- Quarter ending December 31, 2019 Net loss per share improved by $0.23 per share to $(0.40) from $(0.63) in 2018.
- CleanSpark announced a 10-year exclusive agreement with International Land Alliance (ILAL). The agreement calls for CleanSpark to provide its microgrid Value Stream Optimizer (mVSO) software services to support system design and engineering as well as integrating CleanSpark's mPULSE software into the final systems on all future energy projects across the ILAL portfolio of properties. We are currently working with ILAL on two initial feasibilities studies and we anticipate that in 2020 we will recognize at least $200,000 in related revenue with a large increase expected in 2021 as ILAL's development efforts begin to accelerate.
- CleanSpark announced the signing of a Memorandum of Understanding ("MOU") with the Shoreline Unified School District to form a Strategic Alliance for Microgrid Assessment and Deployment. In accordance with the MOU, CleanSpark will evaluate two stages of grid resiliency for the District. The intended Resiliency Zones would utilize Solar Energy, Storage and Back-up Generation controlled by our mPulse controls platform to meet the School District's energy needs and provide back-up energy to the surrounding communities during emergencies.
- Release of new features and improvements to our SaaS Microgrid Value Stream Optimizer (mVSO) platform, which includes the enhanced equipment library, the ability to run scenario comparisons and upload site plans. We believe these features further distinguish CleanSpark as a market leader in the space.
- Release of new features and improvements to our mPulse Controls platform, which includes enhanced reporting and the release of a low costs 'light-version' for smaller systems. We expect this enhancement to further allow us to not only compete on price but also on functionality.

"In the months ahead, we look forward to reporting our operating results in this fast-growing industry and providing updates on our growth efforts," stated Mr. Bradford.

About CleanSpark:

CleanSpark provides advanced energy software and control technology that enables a plug-and-play enterprise solution to modern energy challenges. Our services consist of intelligent energy monitoring and controls, microgrid design and engineering, microgrid consulting services and turn-key microgrid implementation services. CleanSpark's software 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.

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: the fitness of the product for a particular application or market, the expectations of future growth may not be realized, timing of deliveries, demand for our software products; 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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