

European Blockchain Unicorn Bitfury Completes \$80 Million Private Placement

*Expanded Support from Major Corporate and Financial Institutions Confirm
Continued Strength of Top Blockchain Company*

LONDON, Nov. 6, 2018 – The Bitfury Group, the world’s leading full-service blockchain technology company, has closed an \$80 million USD private placement with global institutional and corporate investors.

The private placement was led by Korelya Capital, the European growth capital firm backed by Korean digital giant Naver Group. The placement was joined by investors such as Macquarie Capital, Asian financial institution Dentsu Inc., European investment company Armat Group, European fund managers Jabre and Lian Group, special situations investment firm Argenthal Capital Partners, insurance group MACSF and Galaxy Digital, a specialized digital asset merchant bank led by Mike Novogratz. iTech Capital, an Eastern European tech specific private equity firm and historical investor in Bitfury, also took part in the placement.

European technology investment bank Bryan, Garnier & Co. advised the company on the private placement.

“2018 has been a year of incredible expansion for Bitfury. This private placement reflects our achievements, and it recognizes our ability to address adjacent market segments in high-performance computing, including in emerging technologies like artificial intelligence (AI),” said Valery Vavilov, CEO and co-founder of Bitfury. “The institutionalization of blockchain and cryptocurrencies, partnered with the opportunity of these emerging technologies, is a natural expansion opportunity that Bitfury will build on – in 2019 and beyond.”

George Kikvadze, executive vice chairman of Bitfury, said the company’s successful private placement was a result of investors’ belief that the company is well positioned to lead the industry into another period of strong growth. “With a half billion dollars in revenues, Bitfury is the leading blockchain B2B global technology infrastructure provider at the corporate and government level. This private placement will take our corporate governance to the next level, broaden our financial strategic options, and ideally position us for our next phase of growth as the market matures,” Kikvadze said.

“We are joining Bitfury as a lead investor at an incredibly exciting time for both the company and the blockchain ecosystem,” said Antoine Dresch, co-founder and managing partner of Korelya Capital. “Bitfury has grown from a small startup to the largest western blockchain unicorn, equipped with worldclass leadership and expertise, consistently delivering innovative solutions across the entire blockchain ecosystem,” said Dresch.

An industry pioneer, Bitfury provides high-performance computing technologies and processing capabilities, and designs some of the most advanced software solutions for governments and corporations to deploy real-life blockchain solutions. In 2018, the company launched its sixth generation of chip design, the Bitfury Clarke ASIC, as well as a new series of high-performance

computing servers, the Bitfury Tardis. Both products are significantly improving the performance of Bitfury's unique offering, the Bitfury BlockBox, in a competitive market for transaction processing and high-performance computing hardware.

The high security requirements of public blockchains have raised concerns about energy consumption, and in this area Bitfury has led the ecosystem in energy transition. Bitfury is committed to operating its datacenters on renewable energy. Bitfury is also the world leader in immersion cooling technology, a new high-performance computing solution that allows for significant reduction of datacenter electricity use.

Bitfury is a global leader in blockchain software capabilities. The team leading the company's blockchain framework, Exonum, recently announced a new partnership for blockchain-based patents and, earlier in 2018, expanded its land-titling blockchain pilot to the country of Bermuda.

Beyond serving as an advocate and thought leader for broad institutional adoption through the World Economic Forum and its founding of the Global Blockchain Business Council, Bitfury also this year launched Crystal Blockchain, a blockchain analytics platform for law enforcement and financial institutions that provides comprehensive analytics to support AML/KYC on blockchain and cryptocurrencies. Bitfury is also one of the world's leading contributors to the Lightning Network.

Mike Novogratz, CEO & Founder of Galaxy Digital said, "We are excited to partner with Bitfury, a leading solutions provider in blockchain and Bitcoin. We are impressed with Bitfury's unparalleled team, as well as the company's vision, technical expertise and global reach, all of which are essential to advancing the underlying bitcoin ecosystem."

[About The Bitfury Group](#)

The Bitfury Group is the world's leading full-service blockchain technology company. Bitfury is building solutions for the future, with the most significant technologies of the millennium. Our mission is to make the world more transparent and trusted by innovating at every level of technology – hardware, security, and software – to put trust back into the equation. Founded in 2011, Bitfury is the leading security and infrastructure provider for the Bitcoin Blockchain. In addition to securing the Bitcoin Blockchain, Bitfury also designs and produces innovative hardware that keeps blockchains secure, including custom semiconductor chips and mobile datacenters. Bitfury is also a software provider for the some of the world's most cutting-edge applications through its private blockchain framework, Exonum, its advanced analytics platform Crystal Blockchain, and its specialized engineering team for the open-source Lightning Network, LightningPeach. To learn more, visit www.bitfury.com.

About Bryan, Garnier & Co

Bryan, Garnier & Co is a European, full service growth-focused independent investment banking partnership founded in 1996. The firm provides equity research, sales and trading, private and public capital raising as well as M&A services to growth companies and their investors. It focuses on key growth sectors of the economy including Technology, Healthcare, Consumer and Business Services. Bryan, Garnier & Co is a fully registered broker dealer authorized and regulated by the FCA in Europe and the FINRA in the U.S. Bryan, Garnier & Co is headquartered in London, with additional offices in Paris, Munich, Zurich and New York. The firm is a member of the London Stock Exchange and Euronext.

About Korelya Capital

Founded and chaired by Fleur Pellerin, former Minister in charge of Digital Economy and former Minister of Culture, Korelya Capital is a VC fund with an investment capacity of €200 million. It supports French and European technology startups in their development with the ambition to create unicorns in Europe. It also offers them an opportunity to develop in Asia through the experience of NAVER and its subsidiary LINE.

About Galaxy Digital

Galaxy Digital is a diversified, multi-service merchant bank dedicated to the digital assets and blockchain technology industry. Galaxy Digital's multi-disciplinary team has extensive experience spanning investing, portfolio management, trading, capital markets, asset management, advisory and blockchain technology. The Company is headquartered in New York City, with offices in Tokyo, Hong Kong, Vancouver, the Cayman Islands (registered office) and New Jersey.

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