



Cipher
Mining

Presentation for Needham Growth Conference

JANUARY 12, 2023

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Cipher Mining Team Page



Tyler Page
Chief Executive Officer



Ed Farrell
Chief Financial Officer



Patrick Kelly
Chief Operating Officer



Chris Totin
Chief Construction Officer



Bryan Keller
Chief Technology Officer



Operational Highlights

Cipher Mining is at a key inflection point as the company transitions from a greenfield development story to a best-in-class operator

2022 DEVELOPMENT HIGHLIGHTS

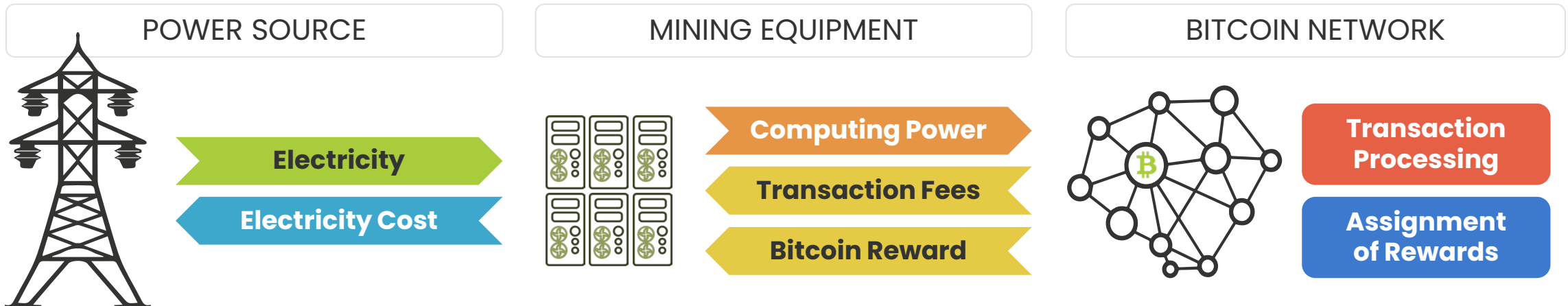
- 1 Completed Alborz, Bear and Chief Data Centers**
- 2 Commenced Operations at Odessa Data Center with First ~2 EH/s at Site**
- 3 Built Operating Environment to Optimize Uptime and Power Usage**

2023 OPERATIONAL OBJECTIVES

- 1 ~6 EH/s of Self-Mining with Completion of Odessa in 1st Quarter**
- 2 Optimize Bitcoin Treasury Function**
- 3 Organic and Inorganic Growth Opportunities**



Cipher Mining's Business Model



Bitcoin Mining Dynamics

Data center revenue includes a reward for the block mined, transaction fees, and potential power sales⁽¹⁾

Average block time is 10 minutes

Time for Bitcoin system to mine a new block

Block reward based on ratio of data center's computing power to that of entire Bitcoin network

Current block reward amounts to 6.25 bitcoins per block⁽²⁾

Transaction fees are additional bitcoin paid to miners for confirming transactions

⁽¹⁾ At certain sites, Cipher can opportunistically elect to use power at data center or sell to the market
⁽²⁾ The block reward is cut in half after every 210,000 blocks are mined (~every 4 years); the latest revision was in May 2020



UNIQUE LOW-COST STRUCTURE
FOR LARGE SCALE MINING

Low Cost

5-year+ PPAs with average
power price of **~2.7 c/kWh**⁽¹⁾

>59,000 new mining rigs
with an average efficiency
of **31.4 J/TH**⁽²⁾

**Real-time power
pricing model**
optimizes profitability



POWER

EQUIPMENT

OPERATIONS

Scale

Diversified structures to
optimize for lowest
operational costs

Up to **~7.0 EH/s** expected
self-mining capacity
by early 2023⁽³⁾

4 data centers operating with
an expected total capacity of
~267 MW in Q1 2023

- (1) Represents the expected weighted average power price across sites currently under contract
- (2) Includes Bitmain and MicroBT contracts, net of contribution to joint venture partner
- (3) Mining rigs capable of generating an estimated 6 EH/s already purchased




Operational Highlights

Alborz

~1.3 EH/s
40 MW
Operating Capacity⁽¹⁾

~196
BTC Mined
in Q3 2022


~\$4,571
All-in Electricity
Cost per BTC⁽²⁾

~4.68
Daily BTC
Mining
Capacity⁽³⁾



(1) Joint venture with WindHQ LLC, of which Cipher owns ~0.64 EH/s
(2) Includes taxes, customer charges, and 2021 storm surcharge
(3) Assumes full up-time, network hash rate of 250 EH/s and 900 bitcoins mined per day

Operational Highlights

Bear

~0.3 EH/s
10 MW

Operating
Capacity⁽¹⁾

~1.17

Daily BTC Mining
Capacity⁽²⁾

Expansion Capacity up to 135 MW⁽³⁾



Chief

~0.3 EH/s
10 MW

Operating
Capacity⁽¹⁾

~1.17

Daily BTC Mining
Capacity⁽²⁾

Expansion Capacity up to 135 MW⁽³⁾



(1) Joint venture with WindHQ LLC, of which Cipher owns ~0.32 EH/s across both sites
(2) Assumes full up-time, network hash rate of 250 EH/s and 900 bitcoins mined per day
(3) For each site, expansion capacity above 75 MW is subject to ERCOT approval

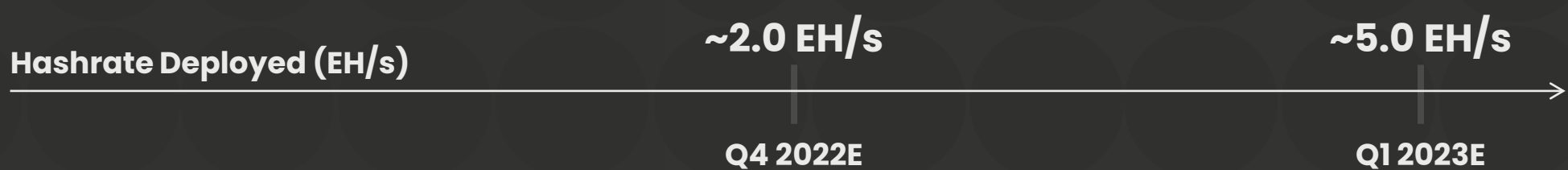
Significant Progress at Odessa



ODESSA
POWER
SCHEDULE



ODESSA
EXPECTED
HASHRATE
TIMELINE



Note: ~35 MW of excess power & infrastructure capacity beyond current machines



KEY BUILDOUT STATISTICS

~\$30.65

Anticipated
Weighted Average
Cost for Mining Rigs
(\$/TH/s)⁽¹⁾

~31.4

Anticipated
Weighted Average
Mining Rig Efficiency
(J/TH)⁽¹⁾

~2.7c

Anticipated
Weighted Average
Power Price
(c/kWh)⁽²⁾

<\$500k

Anticipated
Infrastructure Capex
Costs per MW
(\$)⁽³⁾

(1) Includes Bitmain and MicroBT contracts, net of contribution to joint venture partner
(2) Represents the expected weighted average power price across sites currently under contract
(3) Estimate of non-miner infrastructure capex based on the current market environment (subject to change)

KEY OPERATIONAL STATISTICS

Mined ~225 BTC in December 2022 – a
~137% increase vs the previous month

In December 2022, expanded hash rate
by ~40% relative to the previous month

Finished 2022 with a hash rate of
~2.8 EH/s and a balance of ~394 BTC

