

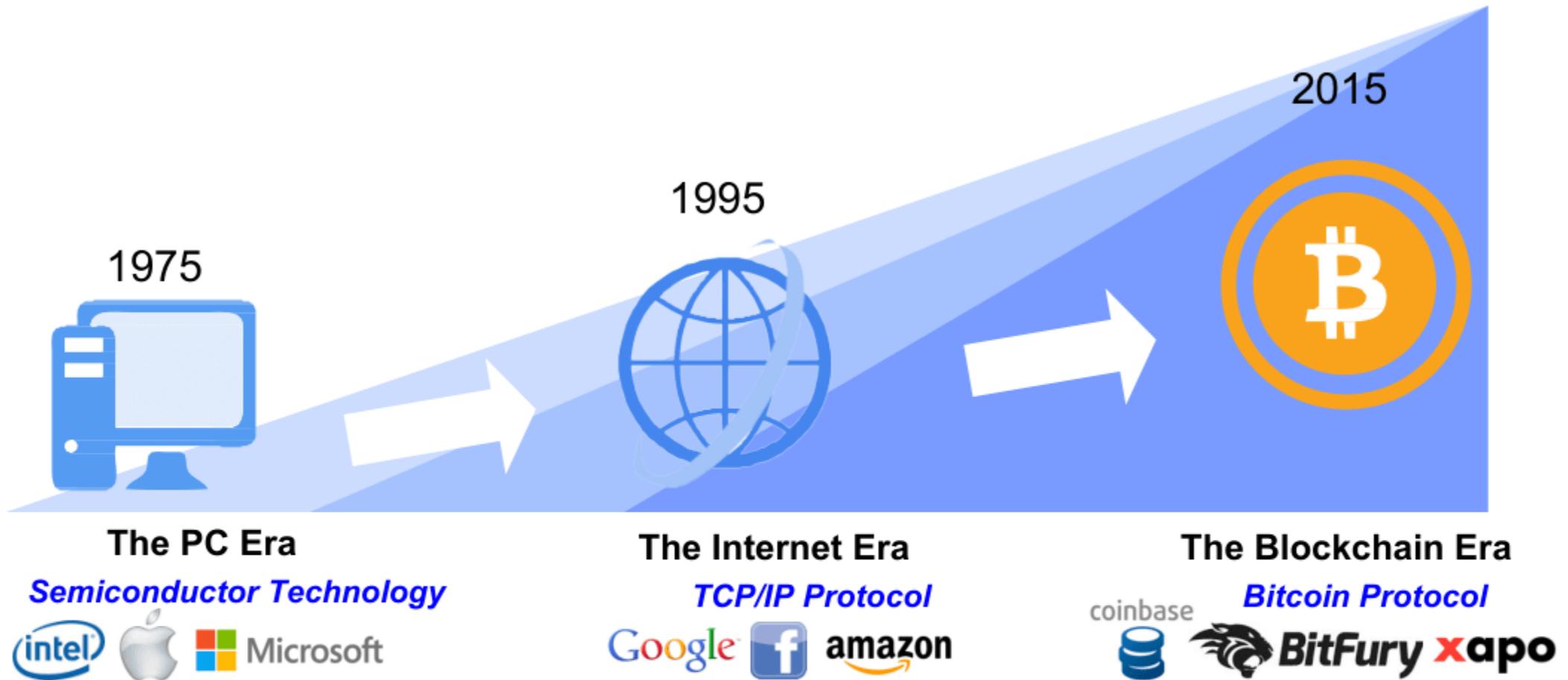


SECURING THE BLOCKCHAIN

February 2015

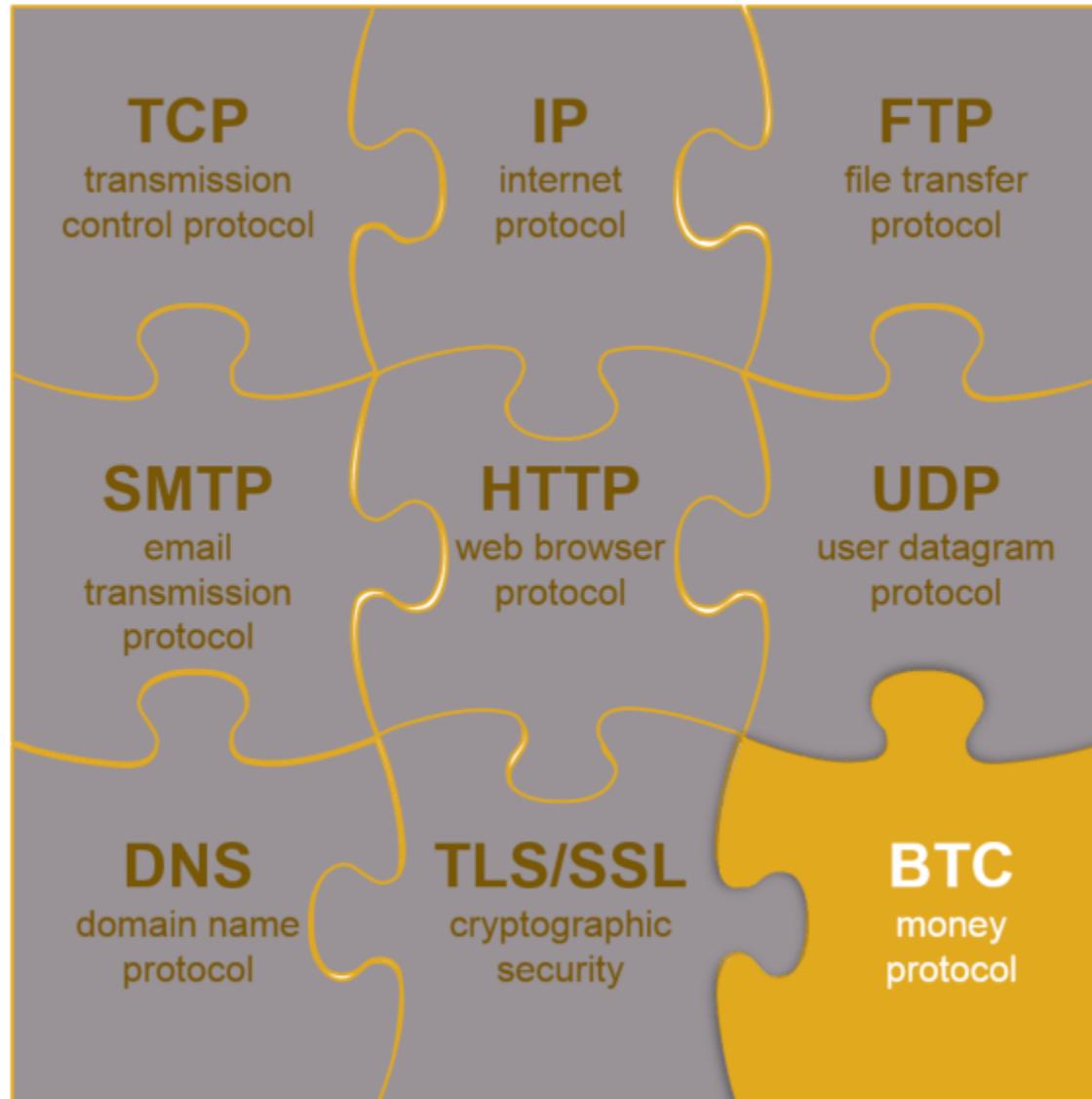
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Blockchain – an amazing new technology

- Digital payments
- Digital currency
- Digital contracts



Blockchain powered by Bitcoin Protocol is a game changer

Monetary transactions

- ✓ Payment processing
- ✓ Cash management
- ✓ Foreign exchange
- ✓ Transfer/wire
- ✓ Remittances
- ✓ Donations

**Trusted
and
Verified
Transactions**

Contractual transactions

- ✓ Capital markets
- ✓ Asset/title insurance
- ✓ Escrow management
- ✓ Trust management
- ✓ Patent registrations
- ✓ Notary services

Bitcoin Protocol

Blockchain Ledger

Year 2014 – Continued, Strong Bitcoin Adoption

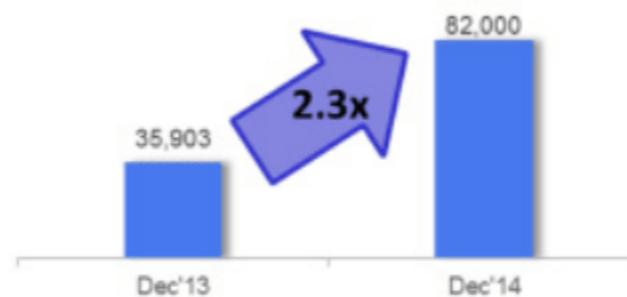


Commerce

Bitcoin Wallets

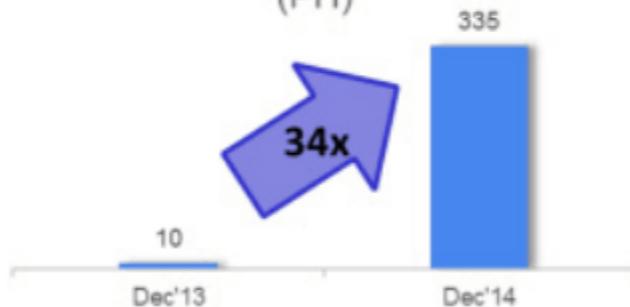


Merchants Accepting Bitcoin

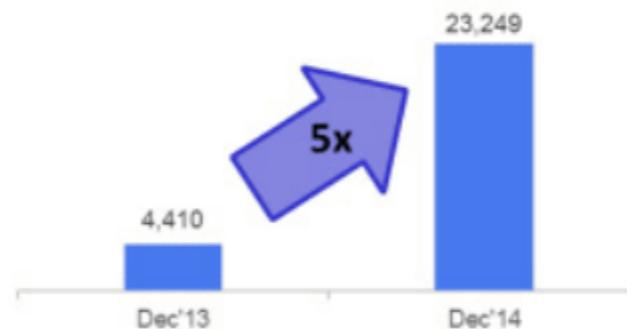


Technology

Bitcoin Network Hash Rate (PH)

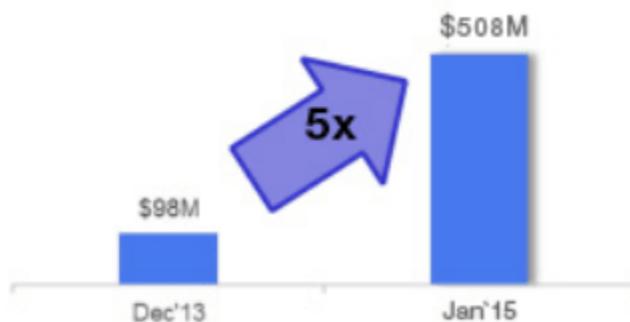


Number of GitHub Repositories

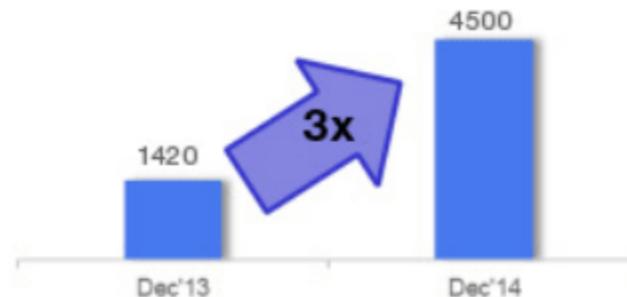


Industry

Cumulative VC Investments



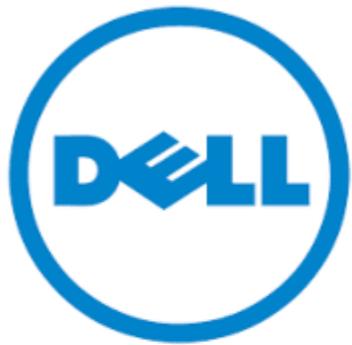
VC-backed Start-ups



SOURCE: COINDESK; BITCOINPULSE; PANTERA CAPITAL

BitFury Company Confidential

Merchants Accepting Bitcoin



Microsoft

TigerDirect.com



overstock.com



newegg.com

PayPal



Square

TIME



WORDPRESS



intuit

QuickBooks



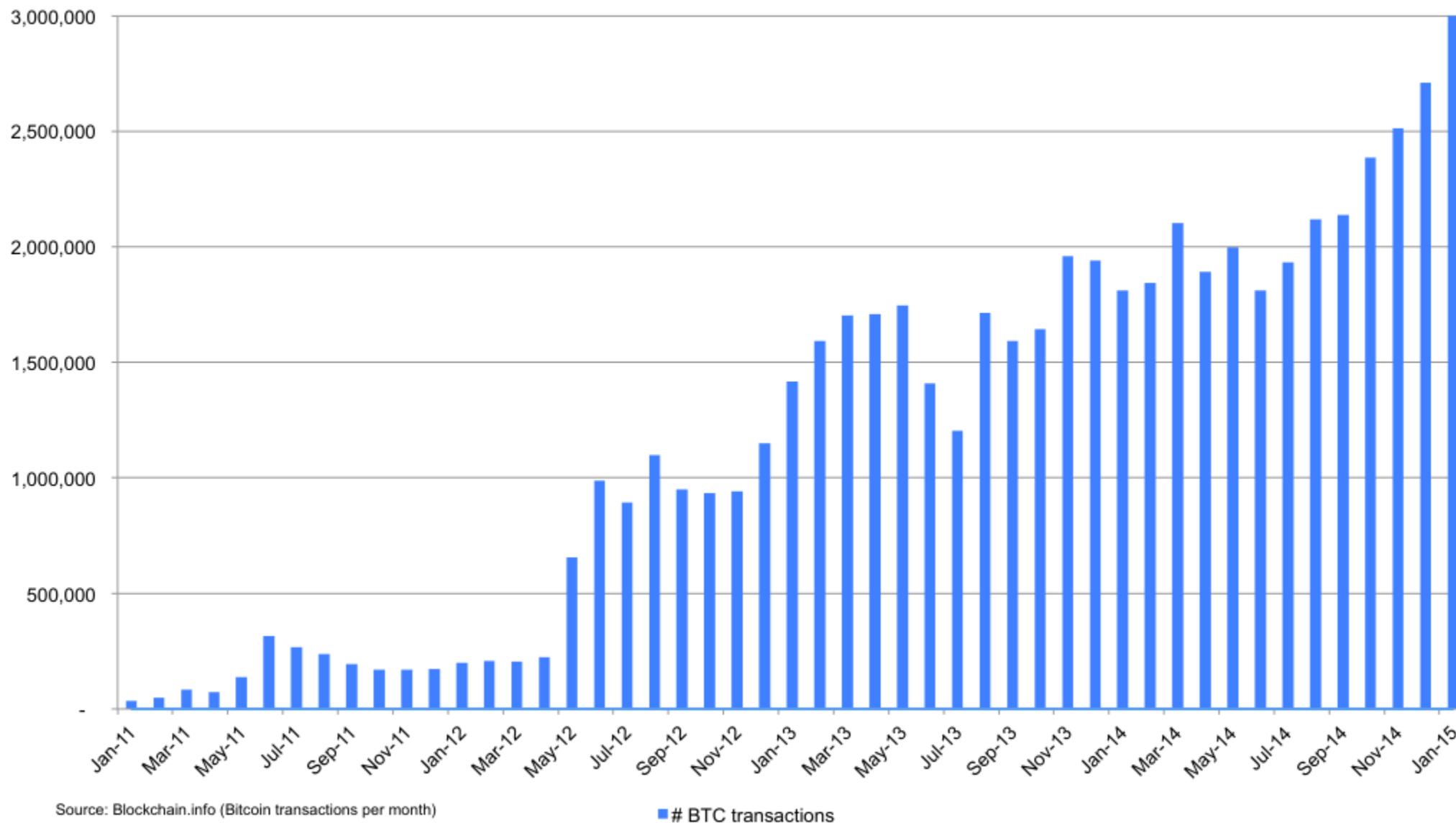
Expedia



zynga



Bitcoin Transaction Growth

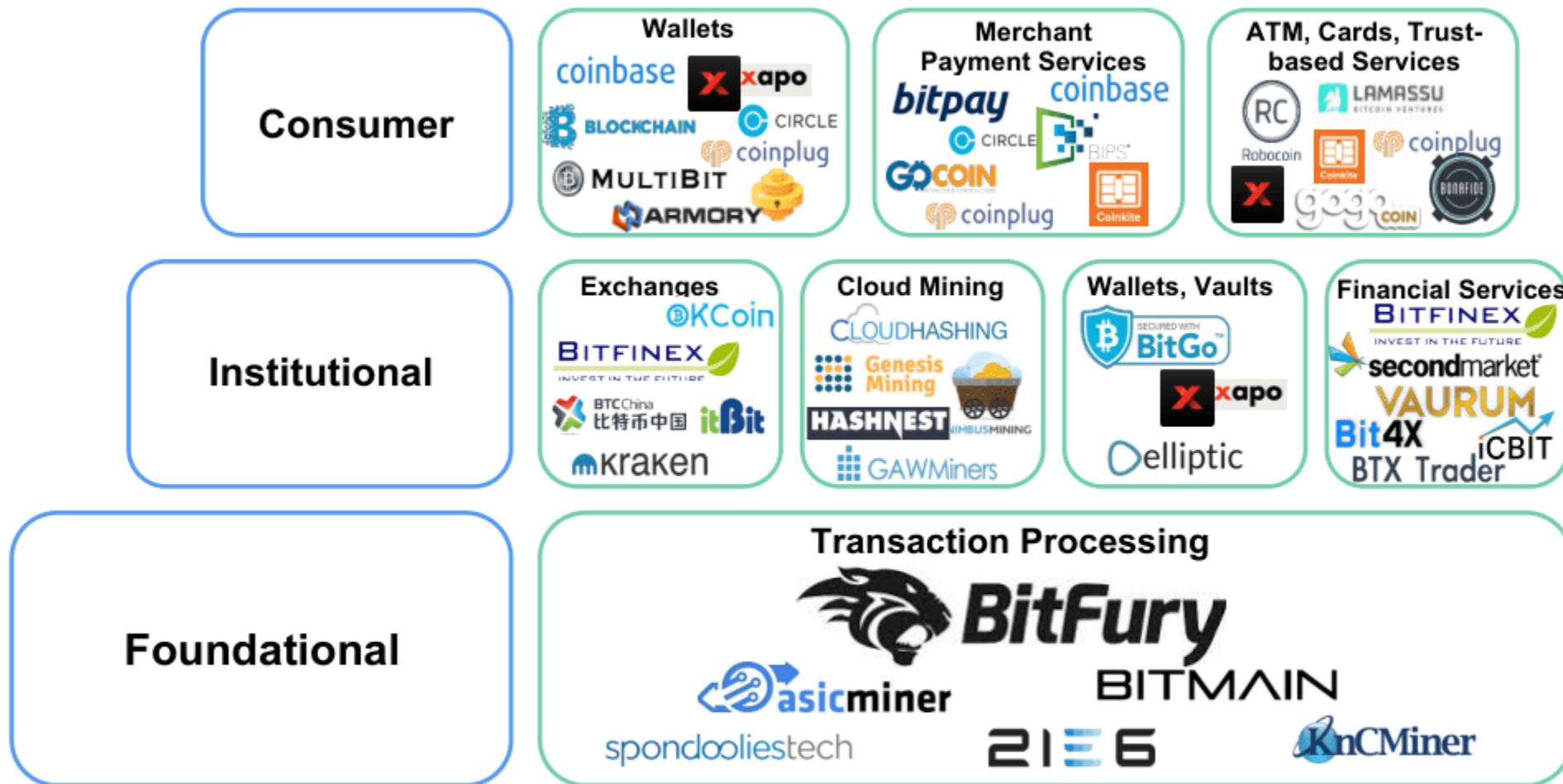


Transactions showing robust growth



Lead the industry as the most
trusted and reliable processor of
transactions on Blockchain

We are the Foundation of the Bitcoin Ecosystem



We Directly Benefit from Ecosystem Expansion



We are the Leader of Transaction Processing



250K+
Bitcoins
Generated
to Date

#1
Transaction
Processor

3 Successful
Generations
of Silicon
Execution

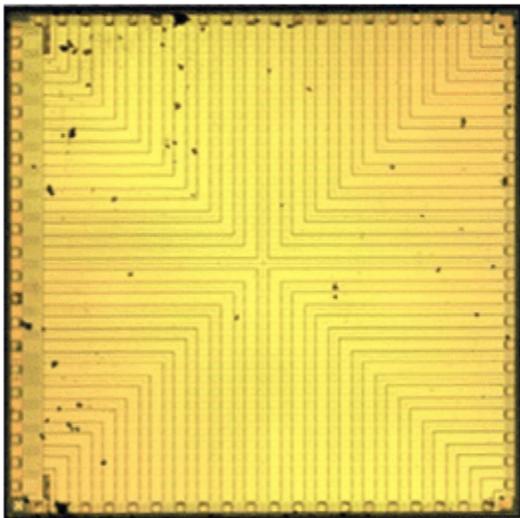
\$80M+
Annual
Revenue

40 MW
Deployed in
3 Locations



Full-Custom

(28nm design)

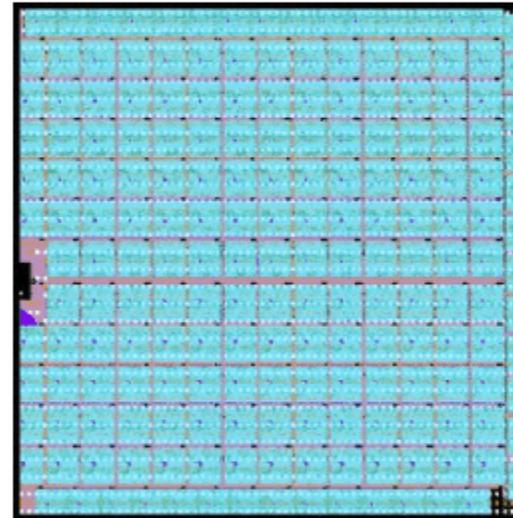


VS

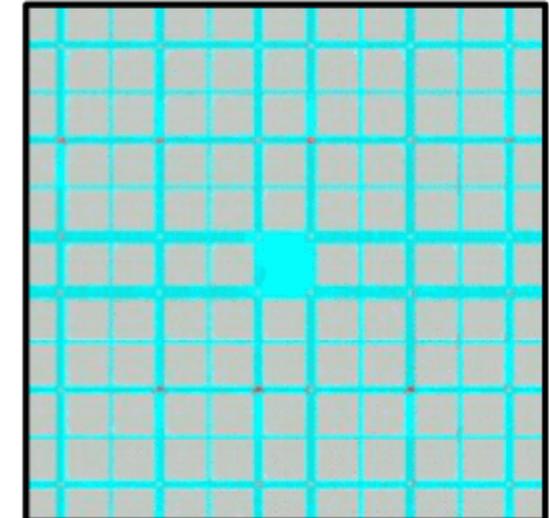
Others

Standard-Cell

(28/20nm designs)

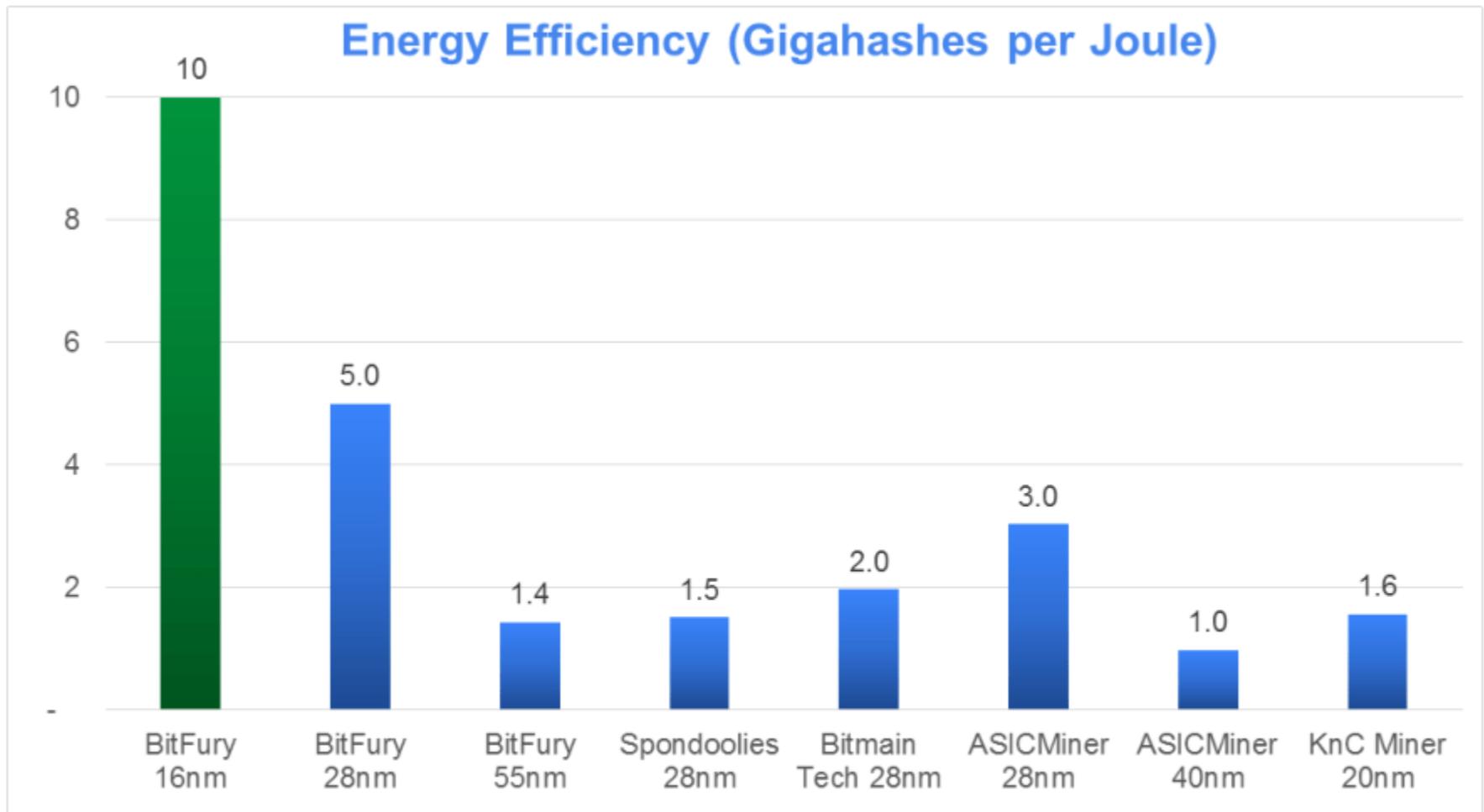


Spondoolies 28nm



CoinTerra 28nm

- Streamlined design specifically tailored for the application
- 2x energy efficiency



Process Technology	16nm	28nm	55nm	28nm	28nm	28nm	40nm	20nm
Die Size	14mm ²	14mm ²	14mm ²	100mm ²	12mm ²	12mm ²	12mm ²	300mm ²
Package	TBD	7x7mm QFP	7x7mm QFP	19x19mm FCBGA	8x8mm QFP	5mmx5mm FCLGA	9x9mm QFN	55x55mm FCBGA
Chip Performance (GH/s)	30	15	3.8	200	12.5	12.5	9.8	160

		Fully Loaded Electricity Cost (per kw-mo)				
		\$30	\$50	\$80	\$110	\$140
J/GH	0.20	\$16	\$27	\$43	\$59	\$75
	0.30	\$24	\$40	\$65	\$89	\$113
	0.50	\$40	\$67	\$108	\$148	\$188
	0.70	\$57	\$94	\$151	\$207	\$264
	0.90	\$73	\$121	\$194	\$267	\$339
	1.10	\$89	\$148	\$237	\$326	\$415
	1.30	\$105	\$175	\$280	\$385	\$490

		Network Hash Rate (petahashes)				
		300	350	400	500	600
J/GH	0.20	\$44	\$51	\$58	\$73	\$88
	0.30	\$66	\$77	\$88	\$110	\$131
	0.50	\$110	\$128	\$146	\$183	\$219
	0.70	\$153	\$179	\$204	\$256	\$307
	0.90	\$197	\$230	\$263	\$329	\$394
	1.10	\$241	\$281	\$321	\$402	\$482
	1.30	\$285	\$332	\$380	\$475	\$569

Source: BitFury estimates

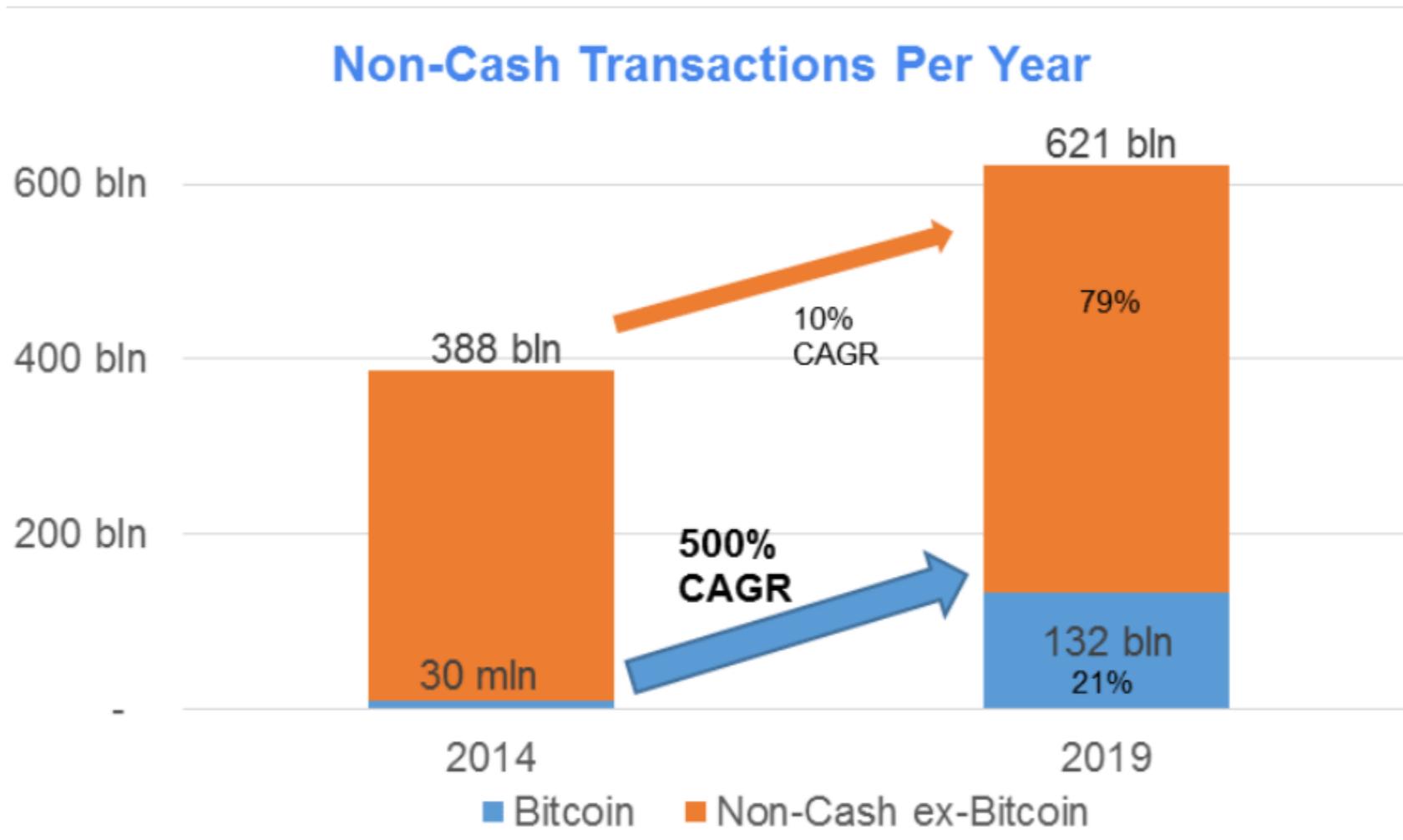
Baseline industry assumptions: \$80/kw-mo fully loaded electricity cost; 0.9 joules/gigahash, 295 petahashes for the Bitcoin network

BitFury's technological edge translates into very competitive cost of mining Bitcoins

Competitive Landscape

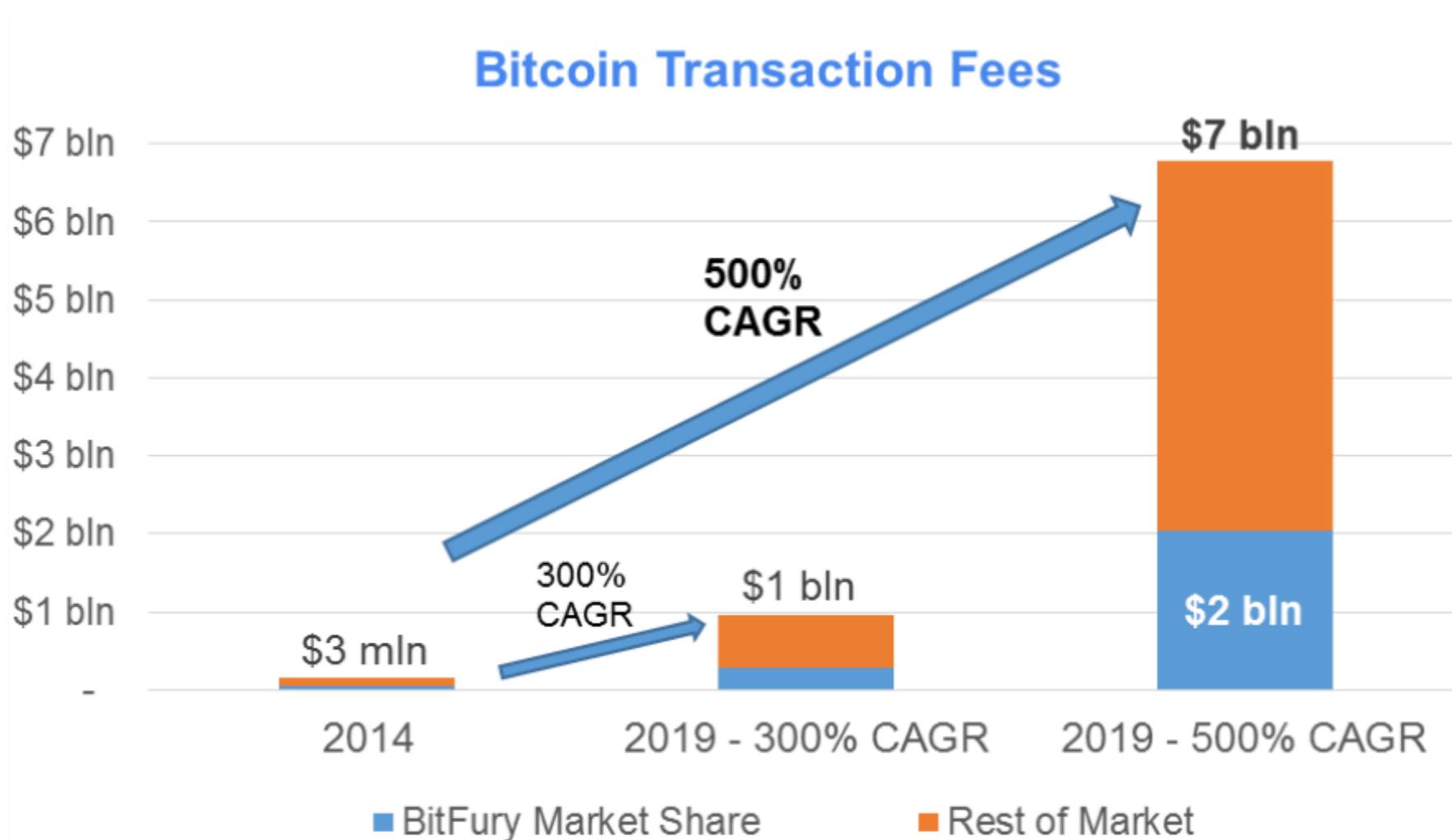
Company	Country	Description	Competitive Strength
 BitFury	GLOBAL	<ul style="list-style-type: none"> Track record of delivering 4 successful chips Commences production of 28nm chip – industry's leading performance @ 0.2 J/GH Expansion into immersion cooling with acquisition of Allied Control 	
BITMAIN	CHINA	<ul style="list-style-type: none"> China's largest Bitcoin mining company, 15% of the network 28nm @ 0.51 J/GH 16nm chip rollout postponed until Q3 2015 due to major delays at TSMC 	
 asicminer	CHINA	<ul style="list-style-type: none"> New 28 nm chip @0.35 J/GH. Production starting in Spring 2015 Performance issues with last mining equipment Prisma Performance of Cloud-Mining service AMHash sub-par vs industry 	
 KnCMiner	SWEDEN	<ul style="list-style-type: none"> Inefficient 20nm chip @ 0.6 J/GH Fundraising significantly failed below target Damaged reputation with retail customers. Class action lawsuits in USA 	
21E6	USA	<ul style="list-style-type: none"> Stuck with a 40nm chip with average performance yields Investors not happy with mining profits 	
spondooliestech	ISRAEL	<ul style="list-style-type: none"> Late with chip rollout Latest machines not performing as desired Raised insignificant capital to compete 	
 COINTEERRA	USA	<ul style="list-style-type: none"> Chip parameters below desired Default on loan with investors Presently in bankruptcy courts, filed Chapter 7 	OUT
 PEERNOVA	USA	<ul style="list-style-type: none"> PetaOne system failed to perform as declared Exited mining business to focus on enterprise applications 	OUT
 BUTTERFLYLABS	USA	<ul style="list-style-type: none"> Defaulted on prepayments with customers Presently in bankruptcy courts 	OUT
 HashFast	USA	<ul style="list-style-type: none"> Defaulted on prepayments with customers Presently in bankruptcy courts 	OUT

Chip “Arms Race” is coming to an end. Final battle: BitFury vs BitMain



SOURCE: BLOCKCHAIN, MCKINSEY, BI INTELLIGENCE, BITFURY ESTIMATES

Blockchain transactions have an opportunity to grow alongside Non-Cash (Visa; Mastercard; Amex; Paypal; Western Union and others)

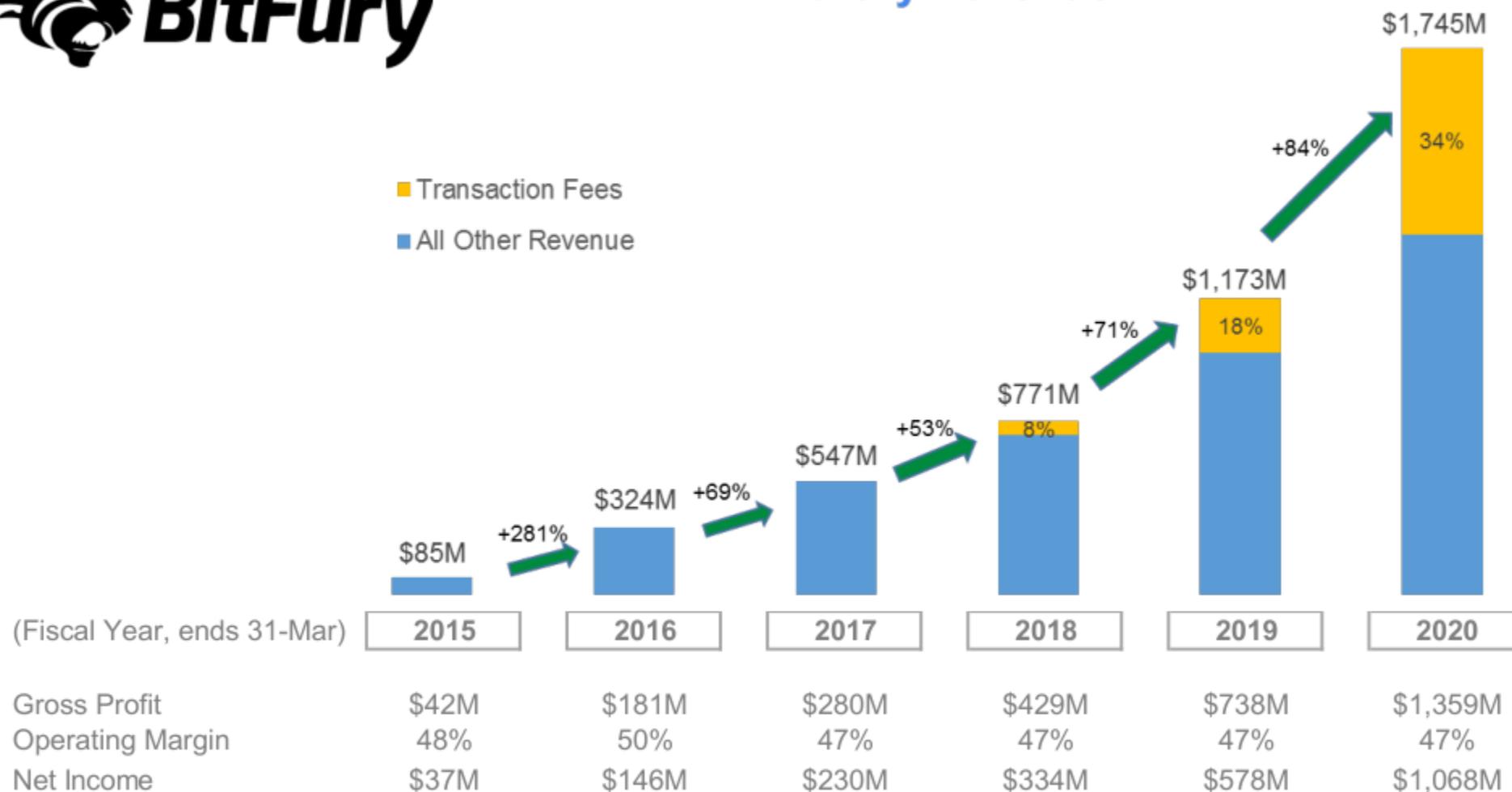


SOURCE: BLOCKCHAIN, MCKINSEY, BI INTELLIGENCE
 (**) BitFury @ 30% of the Bitcoin transaction processing market;
 \$0.05 fee per transaction

Blockchain can save consumers up to 95% on transaction fees



BitFury Revenue



SOURCE: BITFURY UNAUDITED RESULTS, ESTIMATES

Series A – \$20M Funding in May 2014

- ✓ Capital returned 3x faster than originally anticipated



Series B – \$20M Funding in October 2014

- ✓ Successfully taped-out a new 28 nm chip; silicon available
- ✓ Acquired immersion cooling technology
- ✓ Secured new data center capacity for roll-out

Momentum

- ✓ Opened offices in San Francisco, Amsterdam and Riga
- ✓ Established DCs in Finland, Iceland and Georgia
- ✓ Finalizing establishing DC in USA
- ✓ Success in 55nm and 28nm chips
- ✓ Formed top team and board
- ✓ Attracted significant capital

Positioned for US-listed IPO

Why we are succeeding

- ✓ Unparalleled understanding of ASIC chip design and production
- ✓ Constantly optimizing supply chain
- ✓ Insight into Bitcoin Ecosystem: Wallets, Exchanges, Financial Services
- ✓ Track record of international execution



