



# BITRIVER

Data centers  
for industrial mining

## Investor Presentation

April 2021



## PRESENTATION PLAN

- Bitriver project at a glance
- BitRiver founder
- BitRiver competitive advantages
- BitRiver team
- ESG
- Features of the regions
- Our energy partner
- Main metrics of the data center
- Features of the data centers
- Token Launch description, listing, summary





## **BITRIVER PROJECT AT A GLANCE**

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**BitRiver is one of the world's leading enterprises providing hosting of mining equipment and maintenance services within its own data center located in Russia, a stable country with a low crime rate and legislation friendly for mining.**

- ✔ It was founded in 2017 by Igor Runets, an entrepreneur with 10 years of experience in the data center business.
- ✔ BitRiver has three data centres in Russia – two in Bratsk area, Irkutsk region and one in Mukhorshibir, Republic of Buryatia with the total capacity of 210,000 KW.
- ✔ BitRiver first data center is located in the city of Bratsk, Irkutsk region of Russia, within three industrial buildings with a total area of 15,500 m2.
- ✔ The data centre is operated in the full capacity today and over 90% of the current client base are miners from the U.S., Japan, Poland, China and Australia.
- ✔ The data center is located in a region with the lowest electricity costs in Russia and world-wide, in close proximity to the Bratsk hydro-power plant, owned by En+ Group
- ✔ BitRiver has medium-term plan to expand capacity up to one Gigawatt.





## BitRiver founder

### FOUNDER AND CEO BITRIVER IGOR RUNETS

Founder of a data center businesses called Servers. Global (USA) and Fox Lab (currently the FOX Group of Companies). In data centers industry since 2010 and launched points of presence in over 20 countries.

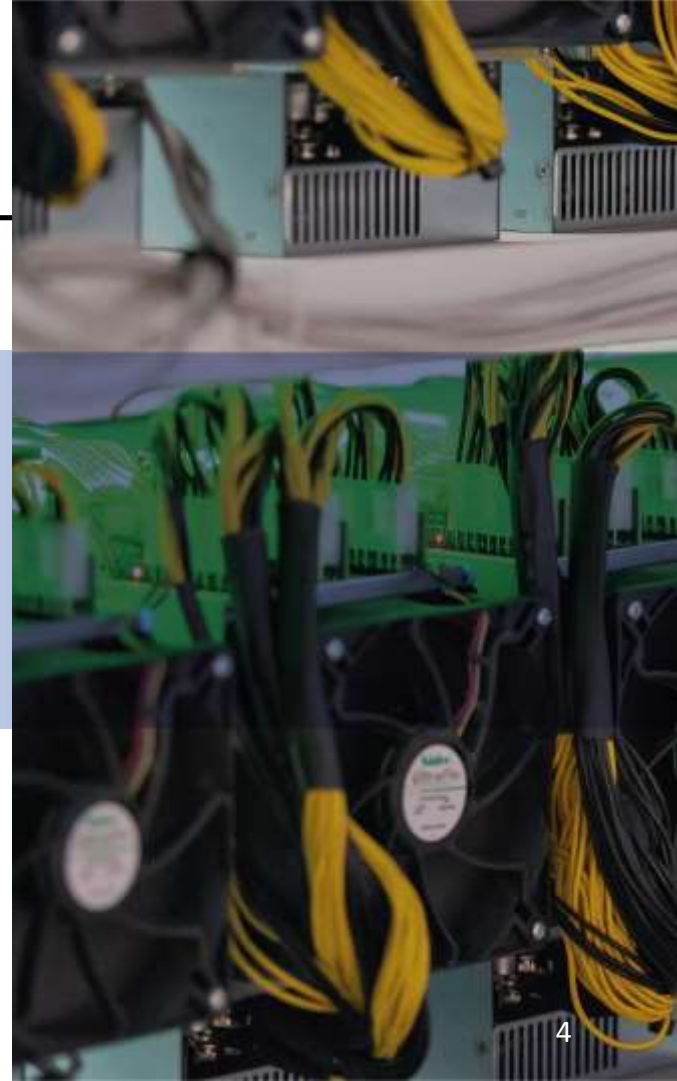
Before that worked as an engineer, principal engineer, and project manager for an industrial engineering firm called RTSoft (Russia), implementing multiple large-scale projects for clients in energy, mining, metals, energy, oil & gas, and transportation industries.

Graduated from Ural State Technical University with Honors in Electrical Engineering and Computer Science in 2009.

Received an MBA from Stanford Graduate School of Business in 2017.

In cryptocurrency business since 2014. Built data centers in Yekaterinburg and Bratsk (Russia). Launched a crypto mining fund with Thomas Bailey.

Vice president of Russian Association of Cryptoindustry and Blockchain





## **BITRIVER COMPETITIVE ADVANTAGES**

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**BITRIVER**





## STRONG TEAM

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**IGOR RUNETS**

*Founder and CEO*

In data centers industry  
since 2010 and launched  
points of presence in over 20  
countries



**EVGENY MISHUK**

*Deputy CEO, Strategy and  
Corporate development*  
45+ years of experience in  
energy companies primarily  
at executive positions



**ARTEM PTITSYN**

*Chief Financial Officer*  
Finance professional with  
wide experience in major  
international and Russian  
companies



**IGOR GORDEEV**

*Chief Commercial Officer*  
16+ years of experience in  
international and Russian  
private banks and insurance  
companies

## ESG BEST PRACTICES COMMITMENT

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**Bitriver firmly stick to the priorities of corporate and social responsibility in relations with all stakeholders and investors and seeks to apply the world's best ESG practices in the implementation of its activities**



Inexpensive electricity from renewable sources for mining activities – BitRiver buys electricity from Bratsk hydropower plant, thus not creating any greenhouse effect for the planet



Decent work for employees with modern and safe working conditions, competitive pay and conditions for professional and personal development



Cooperation with regional authorities in Siberia: paying taxes, creating jobs, putting excess energy to use New job places was created in Bratsk area with salaries high than average



# IRKUTSK REGION, RUSSIA



Large hydropower capacity  
15,100 MW **of green renewable** power  
Utilization rate is just over 50%



One of the lowest energy prices in the world



Cold climate - good for cooling  
The annual average temperature is -2 °C



Power generation at hydroelectric power plant is  
stable all year around



Friendly and supportive legislation



THIS IS ONE OF THE BEST REGIONS FOR MINING IN THE WORLD





# CITY OF BRATSK

- ✓ Population is 230,000 people
- ✓ Railway station, airport and major roads
- ✓ Large educational center - State Technical University
- ✓ Located 3 km away from Bratsk hydro power plant (4,5GW)
- ✓ Cooperation agreement with the city administration

EXCELLENT CONDITIONS FOR LOGISTICS  
AND DATA CENTER OPERATION





# COOPERATION AGREEMENT WITH THE CITY ADMINISTRATION





## Mukhorshibir, Republic of Buryatia

**Our new center -  
Bitriver Mukhorshibir  
is located in Buryatia  
with a cold climate  
and low cost of  
electricity**



**Bitriver Mukhorshibir has additional benefits  
from local and federal governments:**

- ✓ Project was approved by an Observatory Board of Special Economic Zone "Buryatia" on 19th of Oct 2020;
- ✓ Project was recognized as a Large Scale Priority Investment Project by the Buryatia regional government on 19th of Oct 2020;
- ✓ The data center will be located in a tax free special economic zone that provides Tax Free Import (onsite customs office, no import taxes at all) - both for miners and data center equipment, 0% VAT, PropertyTax: 0% for the first 5 years, 0.5% for the second 5 years (instead of 2.2%), Income Tax: 0% for the first 5 years, 12% for the second 5 years (instead of 20%), Salary Related Taxes: 7.6% for 10 years (instead of 44.02%).





## OUR ENERGY PARTNER “EN+ GROUP”

- ✓ We work in partnership with “En+ Group” in Russia
- ✓ En+ Group is the largest independent hydro power generator in the world  
(4 Hydro Power Plants with 15.1 GW)
- ✓ BitRiver has a direct contract with En+ Group for 100 MW of power per year (new 119MW site is scheduled for the next year)
- ✓ BitRiver and En+ Group have a joint venture Bit+ for container placement





## REGION + ENERGY + TEAM = BITRIVER

- ✓ Russia is a stable country with a low crime rate and legislation friendly for mining.
- ✓ Irkutsk region is a region with a large amount of unused cheap hydropower available all year round.
- ✓ The climate of Irkutsk region is ideal for mining and allows one to save on cooling (average annual temp. at 0.0 C°)
- ✓ Republic of Buryatia is a region with cheap electricity and cold climate allowing to save on cooling (average annual temp. at -1.6 C°)
- ✓ A partnership with the largest private hydropower company in the world provides us with a guaranteed capacity of 100 MW at the best price and large potential for extension.
- ✓ Experienced team with a very strong background in construction and energy able to implement large-scale mining projects.







## BITRIVER - THE LARGEST DATA CENTERS IN RUSSIA

BitRiver has three data  
centers in Russia:

*Subject to BTR  
token program*

1 **Bratsk area, Irkutsk region (100,000 KW)**

Operated in the full capacity today

2 **Bratsk area, Irkutsk region (10,000 KW)**

Should start operate in the full capacity soon

3 **Mukhorshibir, Republic of Buryatia (100,000 KW)**

Is under construction until September 2021

WHAT CAN WE PROPOSE?





## INDIVIDUAL METERING OF ELECTRICITY

- ✓ The bill is formed on the basis of actually consumed electricity (for kWh).
- ✓ We provide a separate meter for the actual consumption of electricity for every client.
- ✓ The meters are installed directly on the switchboards that supply the customer racks.
- ✓ The customer does not pay for losses, ventilation, etc.





## ENSURING SAFETY

- ✓ Separate and secure office space
- ✓ Secure perimeter protection wall and perimeter lighting around the facility
- ✓ Internal armed security guard post with access control and security patrols
- ✓ Special access to the facility via a granted permit only
- ✓ Two-level access control system
- ✓ Video surveillance

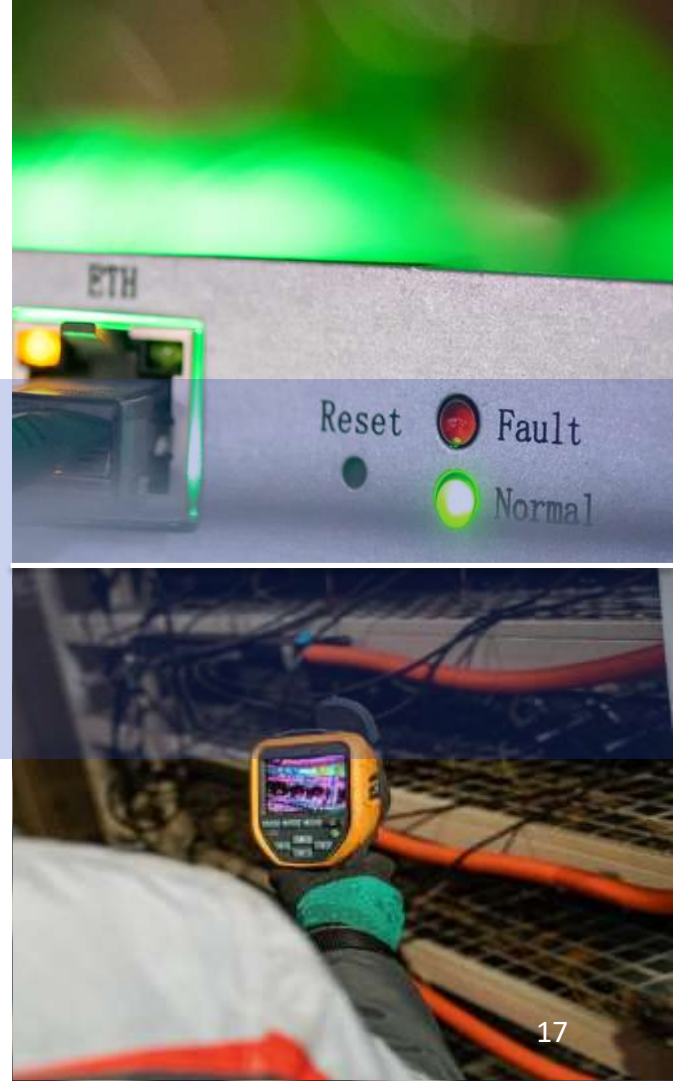




## HIGH UPTIME AND RESERVATIONS

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- ✓ The data center has 4 Internet connections, 2 of which are independent fiber optic uplinks and 2 are wireless back up
- ✓ Uninterrupted power supply at least 99% of the time guaranteed by contract.
- ✓ The average equipment uptime in our data center is 99.93%.





## EQUIPMENT MONITORING & CUSTOMER ASSISTANCE

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24 / 7 monitoring of equipment  
by specialists on duty at the site.



We use several software systems  
for monitoring equipment operation.



Our specialists answer customer questions  
in Russian and English by telegram  
messenger, phone and email.







## REGULAR DIAGNOSIS AND PREVENTION OF BREAKDOWNS

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- ✓ Daily visual inspection of the equipment fleet for mechanical damage, corrosion, dirt, foreign objects, color changes, monitoring the health of the light display, etc.
- ✓ The temperature of the DC conductors is monitored once a week with a thermal image imagers
- ✓ Dusting of racks and mining equipment outdoors once a week.





# EQUIPMENT REPAIR CENTER



- ✓ Certified specialists trained By Bitman and Innosilicon
- ✓ Stock of parts for quick repair
- ✓ Short turn around – the repair center is located on site





# BITRIVER EXPANSION ROADMAP

**Funds received from the Token sale will be used by BitRiver to scale up its operations. BitRiver has medium-term plan to expand capacity up to one Gigawatt.**

**Potential project:** production site “TPC Electric Boiler House”

- Construction of data processing center adjacent to the electric boiler house of TPC (82 MW of installed capacity)
- The facility located in Beryozovsky district of Krasnoyarsk Krai with good transport infrastructure
- Direct connection to Federal Grid Company allows to avoid significant investment costs for step-down transformers and power and capacity losses in them
- This project is subject to due diligence. If not accepted, the funds will be used for another similar project from BitRiver’s pipeline





## TOKEN LAUNCH SUMMARY

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<b>Token Issue Volume:</b>	<b>165 million BTR Tokens</b>
<b>Token Public Sale Volume</b>	100 million BTR Tokens
<b>Token Launch Start</b>	12 April, 2021
<b>Targeted Re-purchase date</b>	12 April, 2026
<b>Token Nominal Price, USD</b>	Equivalent of 0.3504 USD
<b>1 Token unit</b>	1 Wh
<b>Public Sale Issue size</b>	100 million BTR@ USD 0.3504 = USD 35,040,000
<b>Token life span</b>	5 years from launch
<b>Targeted Re-purchase price</b>	Equivalent of 0.3504 USD
<b>Website link</b>	<a href="https://bitriver.farm/en/btr-token">https://bitriver.farm/en/btr-token</a>
<b>Accepted forms of payment</b>	USD, USDT, USDC and BTC



## TOKEN LAUNCH DESCRIPTION

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**BitRiver Token (“BTR”)** – is an ERC-20 Utility Token based on the Ethereum blockchain.

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### BTR Token

- ✓ One BTR token is equal to one watt and its nominal value is 0.3504 USD.
- ✓ BTR will be issued for the next five years starting from launch
- ✓ BitRiver will issue 165,000,000 tokens, 100,000,000 will be available for sale and 65,000,000 will be reserved for holders to pay 10% per annum for 5 years.
- ✓ A total of 100,000,000 BTR will be available for sale representing 100,000 kWh of the BitRiver project current capacity in Bratsk data center.

### Summary legal opinion

Our lawyers have carried out a legal review of the token and have concluded that the token is not financial instrument. The opinion has been provided to the company and can only be relied upon by the company.





# TOKEN LISTING INFORMATION AND BUY-BACK MECHANISM

## TOKEN LISTING

- ✓ All information regarding the project architecture, its status will be available on the BitRiver website (<https://bitriver.farm/en/btr-token>). Other resources of information should be treated as a secondary source with reference back to the original content provided on the website.
- ✓ BTR token will be listed on the Bithumb Global (<https://www.bithumb.pro>).

## TOKEN BUY-BACK





- ✓ BitRiver will offer to buy back BTR Tokens after a five-year since start of the listing program at nominal price of 0.3504 USD.
- ✓ Token holders would receive a notification with the repurchase offer and the price two weeks prior to the Token maturity date on 12 April 2026. The announcement will be posted on the company's website <https://bitriver.farm/en/btr-token>. The buyback will be carried out within a month from April 12, 2026 to May 12, 2026. New tokens will not be credited to the account of the holders after April 12, 2026. BitRiver will continue to accept tokens to pay for its collocation service up to 10% of the monthly bill for all holders who do not participate in our buyback program.
- ✓ All repurchased Tokens will be immediately burnt, meaning that purchased Tokens will be taken off the market.



## TOKEN DESCRIPTION

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### The BTR Token enables the purchaser to:

-  - start mining operations in one of BitRiver data centers. BitRiver will seek to ensure that it has sufficient electricity power available to those who hold BTR Tokens for a period of three consecutive months. Bitriver will provide electricity power at least equivalent to the nominal value of holder's BTR tokens to host equipment. For example, if a holder has 100,000 BTR token which equate to 1 watt each, Bitriver will provide up to 100,000 Wh or 100 kWh in one of its mining centre for the best available hosting price to place holder's new equipment. In order to place equipment in Bitriver centers, the investor should inform BitRiver of the purchase of tokens and the intention to hold them for three months. The investor must also send his/her account statement from the exchange to [Mining@Bitriver.farm](mailto:Mining@Bitriver.farm) with contact details. Bitriver's sales team will contact the investor and conclude hosting agreement with all parameters of mining equipment Bitriver will have three months to prepare a site for placing the investor's equipment. After three months, the investor will have to send a 3-month report on the status of his/her exchange staking account to [Mining@Bitriver.farm](mailto:Mining@Bitriver.farm). Bitriver will calculate the average daily value on the investor's account for the last three months and provide electricity capacity at least equal to this value.
-  - get additional tokens every month. The token owner should transfer his/her tokens to the <https://www.bithumb.pro/en-us/investment-finance> section. Tokens will be staked and locked for trading. The investor will receive the accrual of new tokens on the settlement day to his/her trading account based on the average daily number of tokens held in staking for the past month. An investor can withdraw tokens at any time to another ETH wallet, as well as sell BTR on the market through a selected pair (BTC/USDT/USDC) or pay for Bitriver services. The amount of new tokens will be calculated as 10% per annum. If the holder buys, for example, 120 tokens, he or she will get one additional BTR token in the first month of the program ( $120 \times 10\% / 12$ ) and so on.
-  - pay for the Bitriver's collocation service. BTR Tokens can be submitted to BitRiver once a month to pay up to 10% of monthly bill. Bitriver will accept BTR based on the average market price on the exchange for the last settlement month.
-  - obtain free of charge repair service of mining equipment that located in the BitRiver's mining farm each particular month if the holder pays 10% of this monthly bill by tokens. The repair service will be applicable only for new equipment delivered to our data centre from the factories (not applicable for used equipment in any other mining centre before Bitriver).

