BITRIVER
Mining Data Centers

April, 2021

1. LEGAL DISCLAIMER

This White Paper has been issued by Bitriver (Gibraltar) Limited (the "Company") on 9th February 2021.

The purpose of this White Paper is to provide prospective purchasers with the information on the Company's project to allow the prospective purchasers to make their own decision as to whether or not it wishes to proceed to purchase BTR Token. This White Paper does not constitute an offer or invitation, or any other sale or purchase of shares, securities, or any of the assets of the Company.

The Board of Directors of the Company have taken reasonable care to ensure that, as at the date of this White Paper, the information contained herein is accurate to the best of their knowledge and there are no other facts, the omission of which, would make misleading any statement in this White Paper. No representation, warranty, assurance or undertaking is made as to its continued accuracy after such date. The information contained in this White Paper may be subject to modification, supplementation and amendment at any time and from time to time.

This White Paper describes the Company's business objectives and the issue by the Company of BTR Tokens. It has not been reviewed, verified, approved or authorised by any regulatory or supervisory authority. The following content provided is for informational purposes related to our approach of providing a solution based on blockchain technology. The following information may not be comprehensive and does not imply any elements of a contractual relationship. This document does not constitute the provision of investment or professional advisory services. The Company does not guarantee, and accept legal liability whatsoever arising from or connected to, the accuracy, reliability, or completeness of any material contained in this document. It is the responsibility of prospective purchasers of BTR Tokens to undertake their own due diligence.

The publication of this White Paper and the offering of BTR Token may be restricted in certain jurisdictions. It is the responsibility of any person in possession of this White Paper and any persons wishing to purchase BTR Tokens (pursuant to the terms) to inform themselves of, and to observe, any and all laws and regulations that may be applicable to them.

This White Paper does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so. This White Paper does not constitute a prospectus or offer document in any form and is not intended to constitute an offer of securities or a solicitation for investment in securities in any jurisdiction. The Company's token holders will not receive any form of a dividend or any other revenue right. Nor will the purchasers participate in a profit-sharing scheme or the profits of the Company.

Prospective purchasers should inform themselves as to the legal requirements and consequences of purchasing, holding and disposing of BTR Tokens and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence and/or domicile.

Prospective purchasers are wholly responsible for ensuring that all aspects of this White Paper and the terms are acceptable to them. The purchase of BTR Tokens may involve special risks that could lead to a loss of all or a substantial portion of the purchase amount. The purchase of BTR Tokens is considered speculative in nature and it involves a high degree of risk. The Company does not represent, warrant, undertake or assure that the BTR Tokens are defect/virus free or will meet any specific requirements of a prospective purchaser. You should only purchase BTR Tokens if you can afford a complete loss. Unless you fully understand and accept the nature and the potential risks inherent in the purchase of BTR Token you should not purchase.

The purchase of BTR Tokens is only possible after the prospective purchaser has read, understood and accepted the terms. Each prospective purchaser will be required to acknowledge that it made an independent decision to purchase the BTR Tokens and that it is not relying, in any manner whatsoever, on the Company, its Board of Directors or any other person or entity (other than such purchaser's own advisers). Prospective purchasers are urged to consult their own legal, tax or other advisor before purchasing BTR Tokens.

The Company and its Board of Directors do not provide any advice or recommendations with respect to the BTR Tokens, nor do they endorse such tokens, nor do they accept any responsibility or liability for any use of this White Paper by any person which is in breach of any local regulatory requirements with regard to the distribution of this White Paper or any applicable rules pertaining to the offer.

Statements made in this White Paper are based on the law and practice currently in force in Gibraltar and are subject to changes in those laws.

To the maximum extent permitted by the applicable laws, regulations and rules, the Company, its founders, team members and any third party involved in the Company's project shall not be liable for any indirect, special, incidental, consequential or other losses of any kind. Furthermore, in tort, contract or otherwise (including but not limited to loss of revenue, income or profits, and loss of use or data), arising out of or in connection with any acceptance of, or reliance on this White Paper.

All statements regarding the Company's or BitRiver's financial position, business strategies, plans and prospects and the prospects of the industry which the Company is in are forward-looking statements. Neither the Company, its founders, team members, any third party involved in the Company's or BitRiver's project nor any other person represents, warrants and undertakes that the actual future results, performance or achievements of the Company will be as discussed in these forward-looking statements.

This White Paper includes market and industry information and forecasts, which the Company has obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Such surveys, reports, studies, market research, publicly available information and publications state that the information that they contain has come from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such included information.

The Company does not make, or purport to make and disclaims any representation, warranty or undertaking in any form whatsoever to any entity or person. Including any representation, warranty or undertaking about the truth, accuracy, and completeness of any of the information set out in this White Paper.

2. DEFINITIONS

BitRiver is the company that provides hosting services and turnkey solutions for large-scale cryptocurrency mining operations to institutional investors around the world.

Bitriver (Gibraltar) Limited is the company that issues tokens.

White Paper – is a document that describes the project in detail and in the respect of the Company, means this document.

Token – is a unit of Cryptocurrency and record-keepings in blockchain, which is used for digital balance in a certain asset. Tokens recording is based on the blockchain technology having access through certain application with the usage of digital signature schemes.

Equipment Hosting – is a service of Internet-residing equipment hosting.

Blockchain – is a continuously growing digital ledger used for storing and recording data chronologically and publicly.

Public Blockchain – means a Blockchain whose code is open sourced and publicly available.

Ethereum – is a blockchain platform that facilitates the launching of projects on its platform. Anyone can use it. Ethereum has its own internal cryptocurrency called Ether ("ETH").

Cryptocurrency – is a type of digital currency produced and controlled by cryptographic methods. As a rule, cryptocurrency recording is decentralized.

Hash rate - also referred to as hash power, is a fundamental part of any cryptocurrency utilizing a Proof-of-Work (PoW) consensus mechanism, such as Bitcoin. Hash rate is the measure of how fast a computer is completing an operation in a PoW network. Essentially, hash rate is the rate at which a crypto miner (a computer, really) is working. The faster a miner is working, the higher the hash rate, and consequently the more likely the miner is to successfully complete the next block in the network and claim their reward.

Fiat Money – means any money declared by a government to be legal tender. State-issued money which is neither convertible by law to any other thing, nor fixed in value in terms of any objective standard. Intrinsically valueless money used as money because of government decree.

Utility Token - Utility tokens do not provide the rights of ownership, voting rights, rights to participate in the profits of a company. Utility tokens should not be confused with coins such as Bitcoin, Litecoin, etc. Utility tokens are not mineable and are based on third-party blockchain. However, similarly to coins, utility tokens are valued only for its inherent functions and properties.

Token listing – when a project issues digital coupons or utility tokens in exchange for other cryptocurrencies or Fiat money giving the investor access to features of the project in future.

Kilowatt-hour (kWh) – is an off-system unit of measurement used for measurement of the amount of generated or consumed energy and heat as well as mechanical work performed. Usually it is used in household use, national economy and for measurement of generated electric power in electric power industry.

Watt-hour (Wh) – 0.001 kWh.

USD – United States Dollar.

USDT/USDC - is a blockchain-based cryptocurrencywhose cryptocoins in circulation are backed by an equivalent amount of traditional fiat currencies, like the dollar.

Average market price of the token - average token price on the exchange between 00:00am and 11:59pm exchange's local time**.**

3. TOKEN LAUNCH SUMMARY

BitRiver Token ("BTR") – is an ERC-20 Utility Token based on the Ethereum blockchain. One token is equal to one watt and its nominal value is 0.3504 USD.

BTR will be sold as part of the Company's listing program. 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 centre.

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. This token program will last 5 years. BitRiver will seek to buy back all BTRs in 5 years for nominal value.

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 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. 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*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).

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

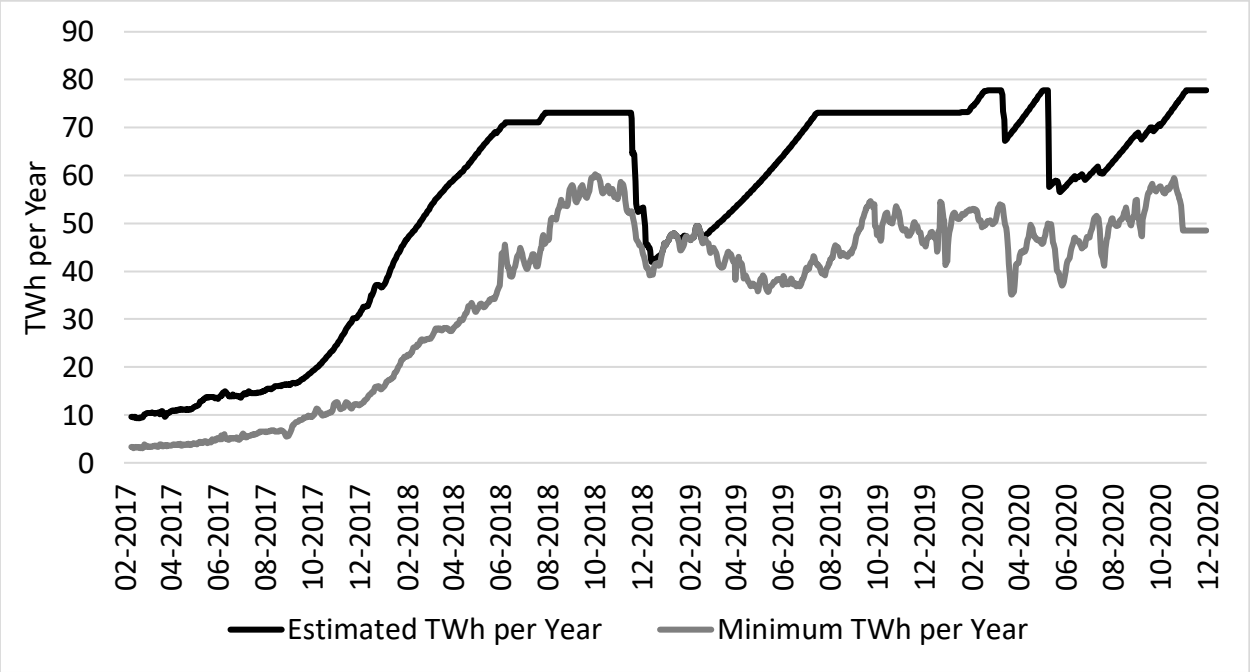
For further details, please go to Token Launch Description.

4. INDUSTRY AND MARKET OVERVIEW

The cryptocurrency mining industry has been revolutionary and trail-blazing in its formative years since the launch of Bitcoin in 2009. As the mining industry is moving towards its maturity phase, its future seems bright and full of amazing developments. However, cost of operations, particularly the energy consumption, is a major consideration for the entire cryptocurrency mining industry.

The energy consumption by cryptocurrency mining is huge. Bitcoin alone consumes a lot of energy as shown in the graph below:

Figure 1. Bitcoin Energy Consumption Index Chart



Source: digiconomist.net

The total annual electricity consumption demonstrated an extremely rapid growth (8.1x) from an estimated 9.6 TWh in February 2017 to 77.8 TWh in December 2020, which is comparable to the energy consumption in Chile.

According to the Bitcoin Energy Consumption Index (as of December 2020), the annualized global mining costs amounted to $3.89 billion, while revenues came to $6.66 billion. The Bitcoin Energy Consumption Index model predicts that miners will ultimately spend 58.40% of their revenues on electricity, implying the average price per kWh at 5 cents.

The following table shows the most important indicators of the cryptocurrency market and mining industry:

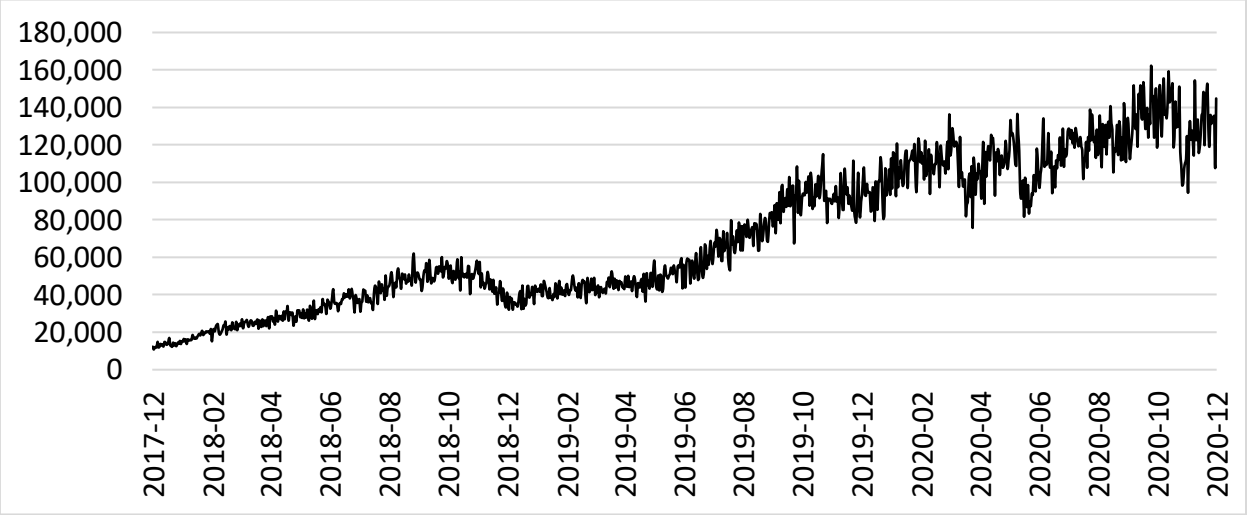
Figure 2. Key Network Statistics as of December 01, 2020

Description	Value
Bitcoin's current estimated annual electricity consumption[1] (TWh)	77.89
Bitcoin's current minimum annual electricity consumption[2] (TWh)	48.45
Annualized global mining revenues ($ mln)	$6,659
Annualized estimated global mining costs ($ mln)	$3,889
Current cost percentage	58.40%
Country closest to Bitcoin in terms of electricity consumption	Chile
Bitcoin's electricity consumption as a percentage of the world's electricity consumption	0.33%

Source: digiconomist.net

The Bitcoin protocol is designed in such a way that new Bitcoins are created at a fixed rate, making mining a highly competitive business. When new miners join the network, it becomes increasingly difficult to make a profit, and miners should seek efficiency to cut their operating costs.

Figure 3. Hash Rate. The estimated number of peta hashes per second (1,000,000 GH/s) the Bitcoin network is performing



Source: Blockchain.com

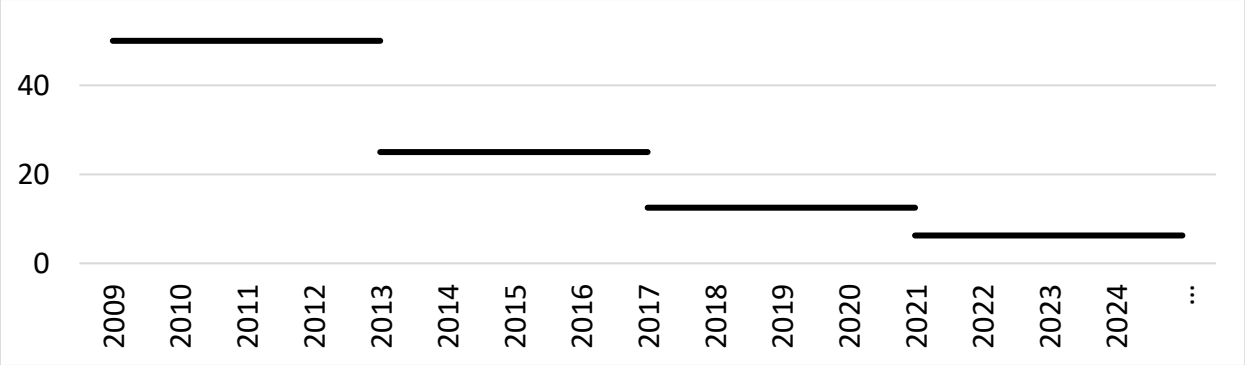
Miners secure the Bitcoin network and process transactions. Every time a miner successfully solves Bitcoin's proof of work algorithm, it means this miner has mined a "block". In return for

[1] The assumptions underlying this energy consumption estimate can be found at digiconomist.net

[2] The minimum is calculated from the total network hashrate, assuming the only machine used in the network is Bitmain's Antminer S9 (drawing 1,500 watts each). On February 13, 2019, the minimum benchmark was changed to Bitmain's Antminer S15 (with a rolling average of 180 days), followed by Bitmain's Antminer S17e per November 7, 2019 and Bitmain's Antminer Pro per October 31, 2020.

miners security and processing services, they are rewarded with new Bitcoins, which are createdevery 10 minutes at a decreasing and predictable rate.

Figure 4. Bitcoin rewards per block (# of Bitcoins)

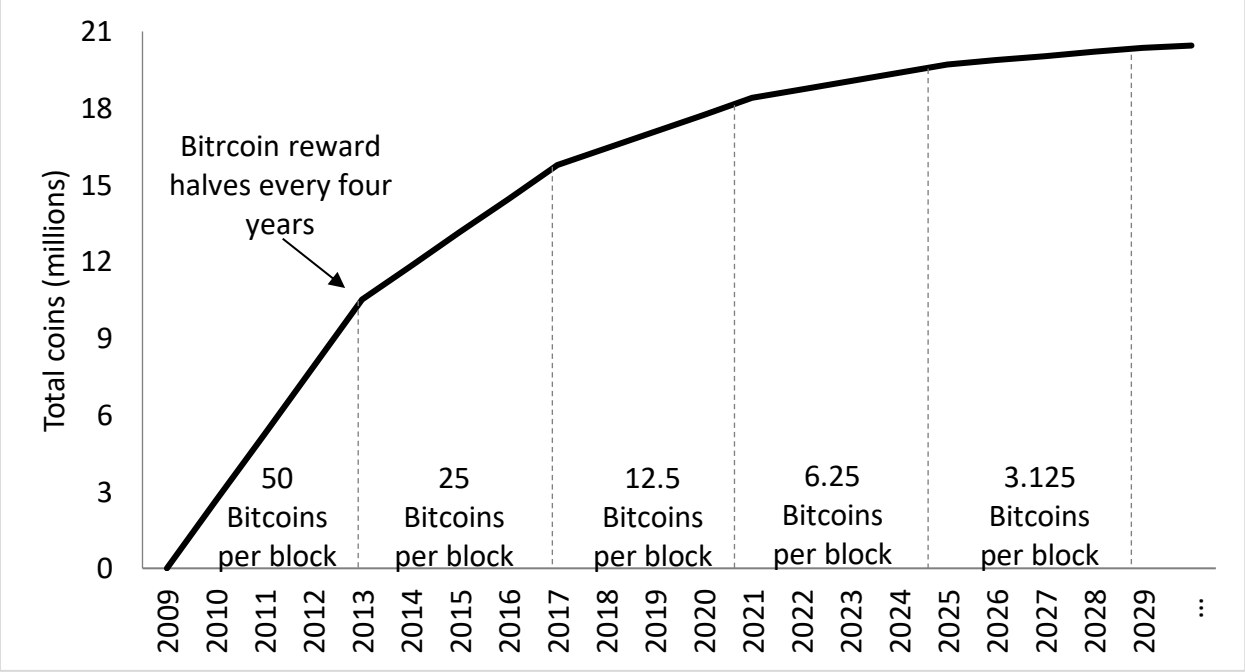


The Bitcoin protocol specifies that the reward for adding a block will halve automatically every 210,000 blocks approximately every four year:

- 1 block per 10 minutes
- (60 / 10) = 6 blocks per hour
- (24 * 6) = 144 blocks per day
- (365 *144) = 52,560 blocks per year
- (4 * 52,560) = 210,240 ≈ 210,000 block in four years

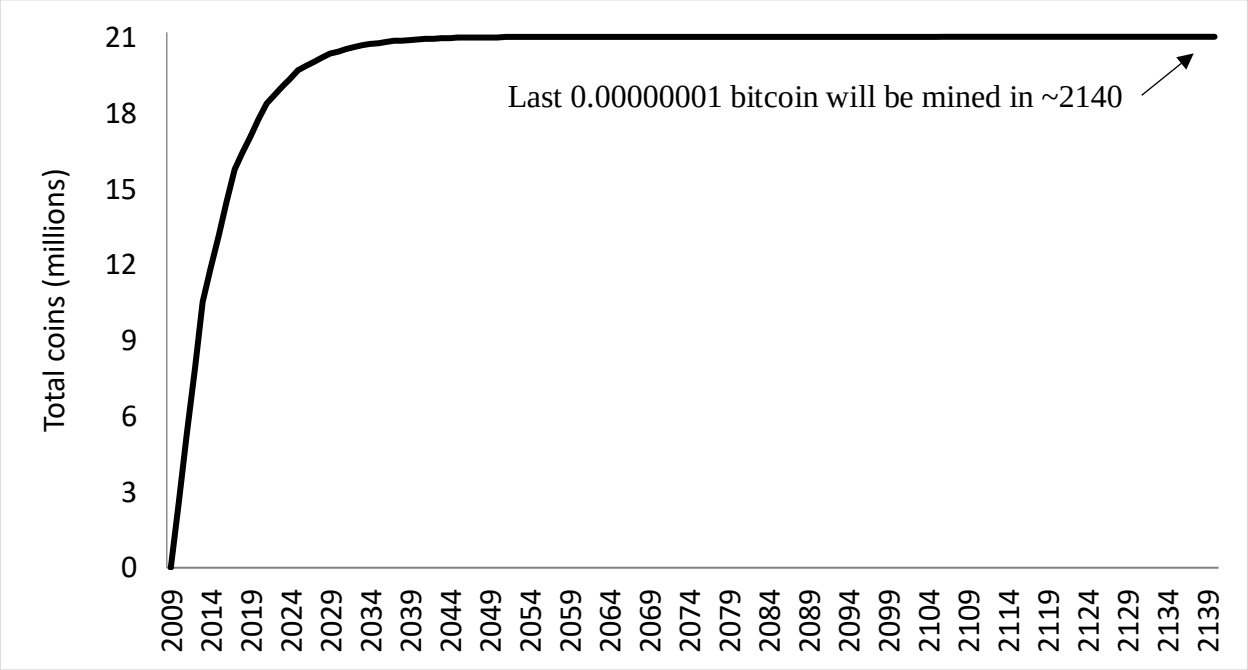
The block reward has started with 50 Bitcoins per block and halves every 210,000 blocks. This means that each block up until block 210,000 will reward 50 Bitcoins, and block 210,001 will reward only 25 Bitcoins. The number of Bitcoins included in the block reward are new Bitcoins. This is the only way that new Bitcoins are created. Since May 2020 and until the middle (May or June) of 2024, the block reward is 6.25 Bitcoins per block.

Figure 5. Total Bitcoins over Time



The block reward halves many times, and in future it will become so small that new Bitcoins cannot be created. Looking forward, the block reward will decrease to zero in 2140, and the issuance of new Bitcoins will halt with the total number of Bitcoins reaching 21 million.

Figure 6. The Bitcoin was designed to reach the maximum of 21 million in 2140. Now it is 18.5 million, increasing by 900 Bitcoins a day by mining, but this rate halves every four year.



The Bitcoin protocol makes the creation of new blocks very difficult for miners by regularly adjusting the difficulty to ensure that all miners in the network are able to produce only one valid block every 10 minutes on average. This is why the calculations needed to verify a block are getting more difficult, and the Bitcoin award is shrinking.

Mining technologies are developing at a faster rate than cryptocurrency mining equipment. Mining devices tend to get obsolete quickly as new devices come out, which can mine with a greater efficiency. A new mining device, which is able to outperform older editions, is released every six to seven months. Significant investments are required to upgrade mining equipment, as the mining algorithm is developed in such a way that the difficulty level is regularly adjusted.

The number of active cryptocurrencies has crossed the landmark of 3,000. The total market capitalization of cryptocurrencies is near $560 billion. The total value of daily transactions in the cryptocurrencies has remained above $80 billion in the recent past.

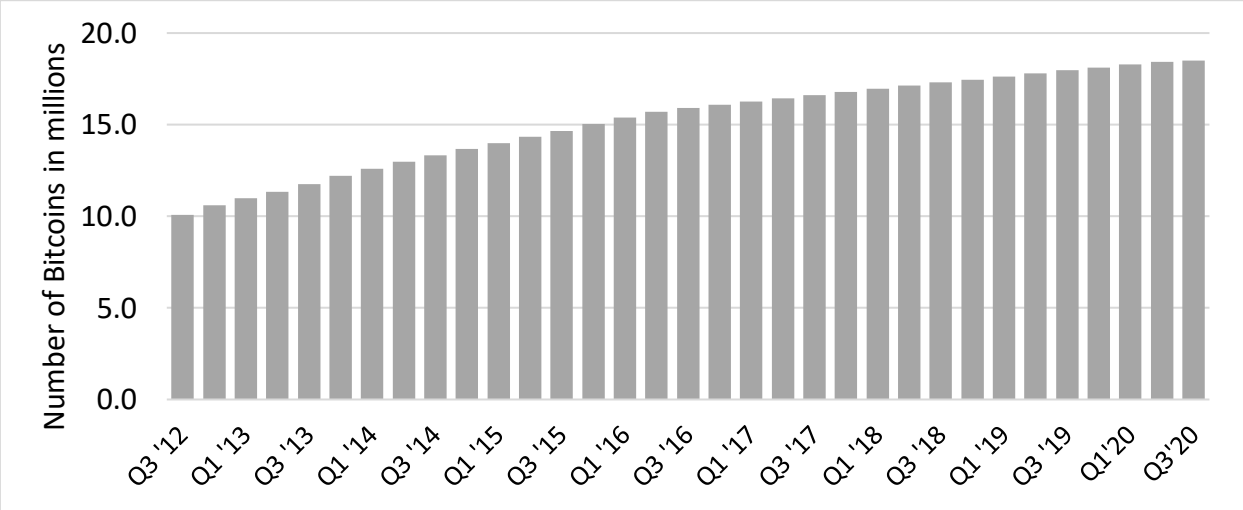
The biggest challenge to cryptocurrency use is the unstable nature of its prices. The cryptocurrency market saw a great increase in its market capitalization between 2016 and 2017. However, there have been large fluctuations in their values since December 2017. The price of Bitcoin has risen astronomically over past years with a great deal of volatility. Bitcoin prices declined from $19,500 to $7,000 over a period of four months. However, the cryptocurrency markets have exhibited fast recovery in the last couple of months and Bitcoin reached the previous price peak.

In early 2009, the crypto-mining industry was a small and widely distributed network of a few thousand private miners. Their activities were limited and their power requirements were low. However, at present, this situation has changed. The unprecedented and exponential growth of the cryptocurrencies in the recent past has led to a very sharp increase in energy consumption.

The continuous block mining cycle incentivizes people all over the world to mine Bitcoin and other cryptocurrencies. As mining can provide a solid stream of revenue, people are very willing to run power-hungry machines to get a piece of it. Over the years this has caused the total energy consumption of the Bitcoin network to grow to epic proportions, as the price of the currency reached new highs. The entire Bitcoin network now consumes more energy than a number of countries.

The number of Bitcoins has been growing since the creation of this virtual currency in 2009 and reached 18.5 million in December 2020. In the past 10 years, almost 90% of the total Bitcoins that will ever be available have been mined. The number of Bitcoins in circulation worldwide from 3Q 2012 to 3Q 2020 (in millions) shown in the graph below:

Figure 7. Number of Bitcoins in circulation worldwide from 3Q 2012 to 3Q 2020



Source: statista.com

There are only 2.5 million Bitcoins left to mine before the 21 million Bitcoin cap is reached. Assuming that there are no changes to the protocol, the Bitcoin cap will be reached by 2140, 120 years from now.

Mining is done by powerful and specialized computers that consume a lot of electricity. As the costs of energy or electricity have risen and continue to rise, only the mining operators who have very low energy costs overall can earn adequate returns on the capital invested. The energy costs are bound to rise further as the complexity and time consumption of the Bitcoin mining increases.

One of the most accessible ways to get involved in the world of cryptography and to acquire cryptographic assets is mining. Currently, there are three types of crypto-mining solutions that are available on the market:

- Personal Mining
- Cloud Mining
- Construction of an owner Mining Facility

The first two options are for private mining facilities, while the latter is for business. However, all options are associated with corresponding risks and have their disadvantages, including:

A home-based mining system is expensive and demanding:

- High Electricity Costs
- Constant noise and heat
- A large room is needed for miners
- Need for constant attention to ensure that minors operate at maximum efficiency

A cloud mining installation is opaque and may contain many hidden costs:

- No knowledge of the brand name, model number, serial number of the equipment
- Lack of information on energy efficiency and energy consumption
- Lack of sufficient equipment capacity
- No cost distribution
- Most often, no information on the mining pool, or even the location of the installation

Mining facilities are costly and require a large investment to set up the operation and many professionals with expert knowledge to provide on-site servicing of the mining equipment.

This is why Bitriver proposes a mining model, where holders of the BTR Token can be part of a full-sized mining facility that is managed by a group of professionals and enjoy the benefits of mining operations without any of the disadvantages.

BTR tokens, once acquired, secure attractive and globally competitive electricity price for its holders.

The team's experience in building and operating data centers gives Bitriver a unique advantage in optimizing running costs and providing quality control of mining equipment and full transparency.

By minimizing disruptions, keeping electricity costs low and ensuring transparency throughout the entire supply chain, Bitriver is ideally positioned to become a global cryptocurrency mining operation.

Unlike cloud mining, Bitriver is entirely transparent when it comes to location, equipment, mining pools.

BTR holders enjoy considerable advantages over other types of mining operations and services as they receive a guarantee that all electricity supply will be provided at the lowest prices BTR holders enjoy considerable advantages over other types of mining operations and services as they receive a guarantee that all electricity supply will be provided at the lowest prices.

Comparative characteristics of the existing crypto-mining solutions

Type of mining	**BitRiver Token Holders**	**Cloud Mining**	**Personal Mining**
Electricity Cost	$ <0.05/kwh	$ 0.10/kwh+	$ 0.15/kwh+
Heat and Noise	No	No	Yes
Professional Maintenance	24/7	24/7	No
Optimal Hashrate Allocation	Yes	Unknown	No
Technical Knowledge	Not Necessary	Not Necessary	Yes
Transparency	Yes	No	Yes
Transaction Fees	No	Yes	No

BitRiver offers BTR Token owners an opportunity to use a newly built and well-equipped mining facility to mine coins on unprecedentedly favourable terms, to ensure efficiency and profitability of their mining operation, while avoiding all disadvantages of mining at home and on cloud.

5. WHAT IS THE BITRIVER PROJECT

BitRiver is one of the world's leading enterprises in the position of 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. With a vision of powering the most promising tech of today and tomorrow through low cost and sustainable energy, BitRiver currently utilizes only surplus hydroelectric power to operate the largest data center that offers co-location services for cryptocurrency mining in Russia and the CIS region.

BitRiver is a member of the following professional organizations:

- Russian Union of Industrialists and Entrepreneurs;
- Chamber of Commerce and Industry of the Russian Federation;
- All Russia Public Organization "Business Russia" (General Counsel);
- Russian Association of Cryptoindustry and Blockchain (Igor Runets is a vice president of this association);
- Russian Association of Data Center Industry Members;
- Association of Energy Consumers;
- Working group under Ministry of Energy.

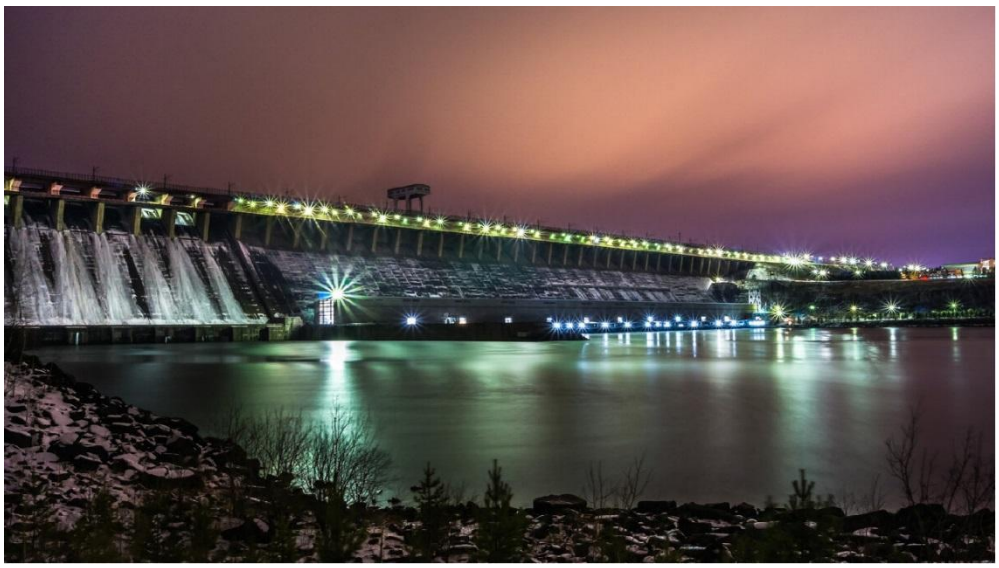
Location and prices of its services are the main competitive advantages of BitRiver. Low expenditures improve cost-efficiency and mining income of its clients.

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 has medium-term plan to expand capacity up to one Gigawatt.

The first BitRiver data center is located in the city of Bratsk, Irkutsk region of Russia, within three industrial buildings with a total area of 15,500 m^2. Its power capacity is 100,000 kW, secured at the best price and with large potential for extension through a direct contract with En+ Group, the world's largest independent hydro-power generator by installed capacity. 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, with a 4,500,000 kW capacity of highly reliable, locally generated, clean green hydropower. The cold climate with an annual average temperature of -2°C, or 28.4°F, allows additional saving on cooling the equipment hosted at the data centre.



The second data centre Bit+ was set up via joint venture with Russian energy giant En+. It is also located in Bratsk area, Irkutsk region. Its power capacity is 10,000 kW with the expansion plan up to 40,000 kW. We currently attract clients to this data centre and it should start operate to its full capacity soon.

The third data centre is Mukhorshibir, Republic of Buryatia, Russia. This centre is under construction and should start its operations in September 2021. This data centre will have the total capacity of 100,000 kW.

We believe BitRiver has the best operational team to oversee and maintain effective operations of its data center. It is very selective of who is invited to be part of its team, and only engages with the best talent. BitRiver employs over 106 full-time staff in three offices across Russia and full-time sales' representatives in China, Japan, UAE and USA.

BitRiver combines a number of cutting-edge technologies and systems that work in synergy to maximize the profits and efficiency of large-scale cryptomining.

The Company

Bitriver (Gibraltar) Limited is a private company limited by shares and incorporated in Gibraltar in accordance with the Companies Act 2014 and with registration number 120679.

We have chosen to establish in Gibraltar given our understanding that the jurisdiction is crypto-friendly.

The Directors:

Igor Runets

Igor is a successful entrepreneur with ten years of experience in the data center industry, who launched points of presence in more than 20 countries. He is the founder of data center businesses Servers.Global (USA) and Fox Lab (Russia).

Igor has six years of experience in the cryptocurrency business. He launched data centers in Yekaterinburg and Bratsk (Russia) and a crypto mining fund in partnership with Thomas Bailey.

Igor has working experience as engineer, principal engineer and project manager at RTSoft, a Russian industrial engineering firm, where he implemented large-scale projects for clients in energy, mining, metals, oil&gas and transportation industries.

Igor has an Electrical Engineering and Computer Science Degree with honors from the Ural State Technical University (2009) and MBA from Stanford Graduate School of Business (2017).

Igor is a vice president of the Russian Association of Cryptoindustry and Blockchain

The function of the Directors is to be responsible for the activities of the Company and to oversee the Company's activities on a day to day basis. The Directors shall exercise their powers in accordance with the Company's articles of association (the "Articles") and their fiduciary duties to the Company.

The Directors are vested with all powers to perform all acts necessary or useful to manage and control the business of the Company. The monies raised from Token listing program will be used for the further development of the BitRiver project. The BTR Tokens will enable the holders to obtain certain discounts for the use of BitRiver infrastructure.

The Directors shall hold office until they resign or are disqualified in accordance with the Company's Articles. Subject to the provisions of the Articles, the Directors shall have power, at any time, to appoint any person to be a Director either to fill a casual vacancy or as an addition to the existing Directors.

6. DATA CENTER DETAILS

All data centres are operated under Bitriver high quality standards that are the best in the industry and include the following features

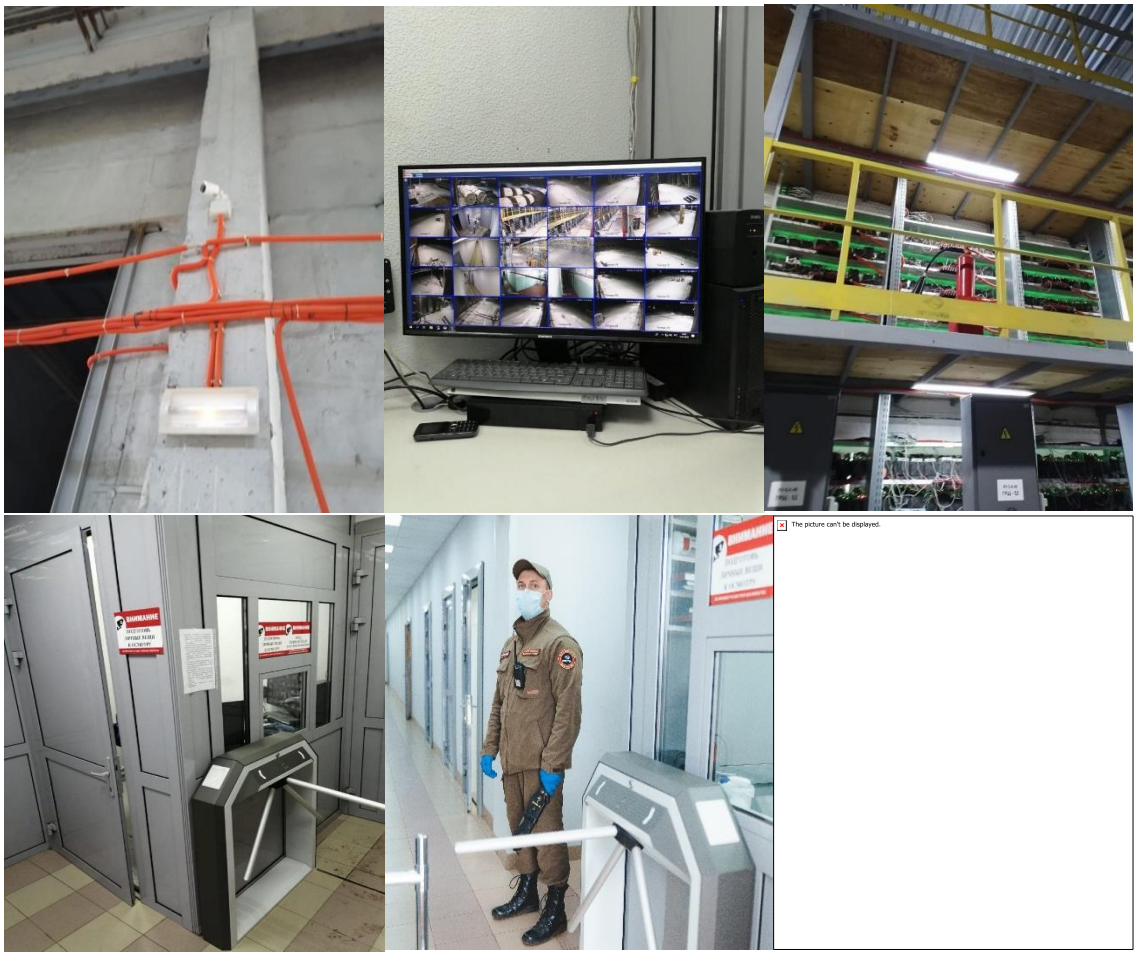
6.1. Individual metering of electricity consumption

The data center provides a separate meter for every client to measure actual electricity consumption. The meters are installed directly on the switchboards that supply customer racks. The bill is calculated based on actual electricity consumption (for kWh). The customer does not pay for losses, ventilation, etc

6.2. Security protection 24/7

The BitRiver data center employs the following security measures:

- 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



The facility is 24/7 protected by the armed security guards of the Russian State National Guard (Rosgvardia), a state owned organization providing security services. Rosgvardia is the only security service agency in Russia officially authorized to use automatic firearm.

6.3. High uptime and reservations

The data center has four internet connections, of which two connections are independent fiber optic up-links, and the other two are wireless back-ups, which eliminate downtime in case of disruptions.

The date center provides:

- Uninterrupted network operation at least 99.9%
- Uninterrupted power supply at least 99% of the time guaranteed by the contract
- Average equipment uptime at 99.93%.

6.4. Equipment monitoring 24/7

The equipment hosted at the data center is monitored 24/7 by in-house technical specialists, who service client requests in Russian and English by Telegram messenger, phone and email.

Every machine is monitored and operated using several mining equipment management software systems.

6.5. Regular diagnostics and prevention of breakdowns

In-house technical specialists carry out:

- daily visual inspection for visible problems in order to prolong the lifespan of equipment for mechanical damage, corrosion, dirt, foreign objects, color changes, monitoring the health of the light display, etc.
- weekly temperature control of DC conductors using the thermal imager;
- weekly dusting of racks and mining equipment.

6.6. On-site equipment maintenance and repair center

BitRiver provides equipment repair services at its on-site maintenance and repair center equipped with a warehouse of original components for the most popular types of mining equipment, to ensure guaranteed service quality and a long service life of the equipment. The center specialists are trained and certified at Bitmain and Innosilicon manufacturing facilities in the city of Shenzhen.

6.7. Insurance for miners

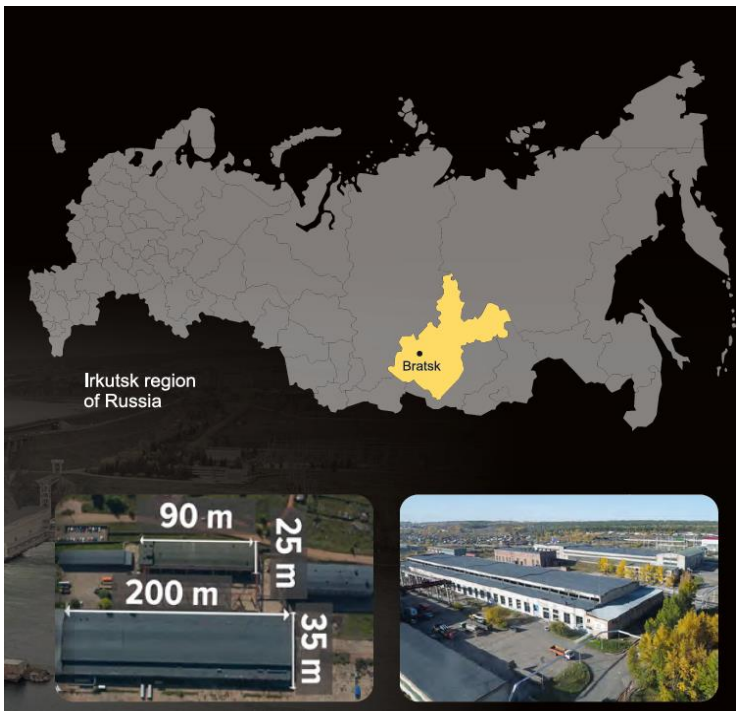
Miners are provided equipment insurance from Absolute Insurance, a Russian insurance company, against fire, theft, damage, etc. The equipment is insured at an estimated cost at the time of equipment installation.

7. COMPETITIVE ADVANTAGES

7.1. Favourable location in a region with low electricity costs and developed infrastructure

Low electricity costs

BitRiver data center is located in the city of Bratsk, Irkutsk region of Russia. Irkutsk region is one of the best locations in the world for mining due to its low electricity tariffs and cold climate, which allows to save energy on cooling the mining equipment.

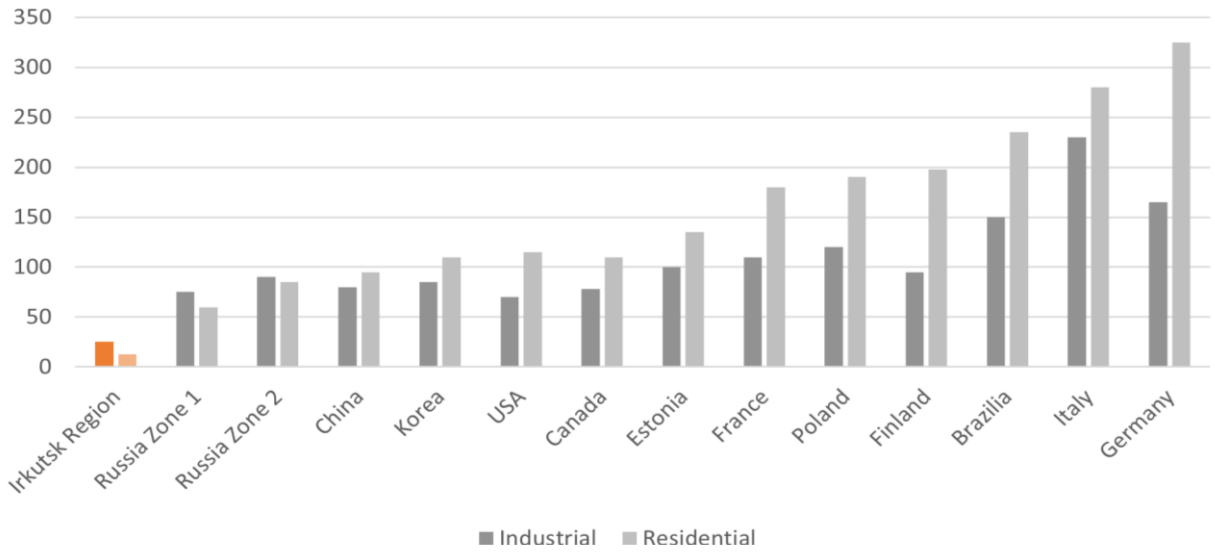


Our new center - Bitriver Mukhorshibir is also located in Buryatia with a cold climate and low cost of electricity, south of the Irkutsk region.

With the Bitcoin price volatility and steady growth of the hash rate, which reduce profitability, the mining costs are the key. The costs of electricity, used for running the miners, systems, and cooling, make up 85-95% of the operating expenses in the mining business. This results in a high demand for data center services in the regions with low electricity prices.

Research confirms that miners will hunt out the lowest cost regions. Given the importance of low electricity costs to Bitcoin mining (the main operating expense), mining is most likely to be concentrated in low-cost power regions, such as Canada, parts of the U.S., Norway, Georgia and Russia.

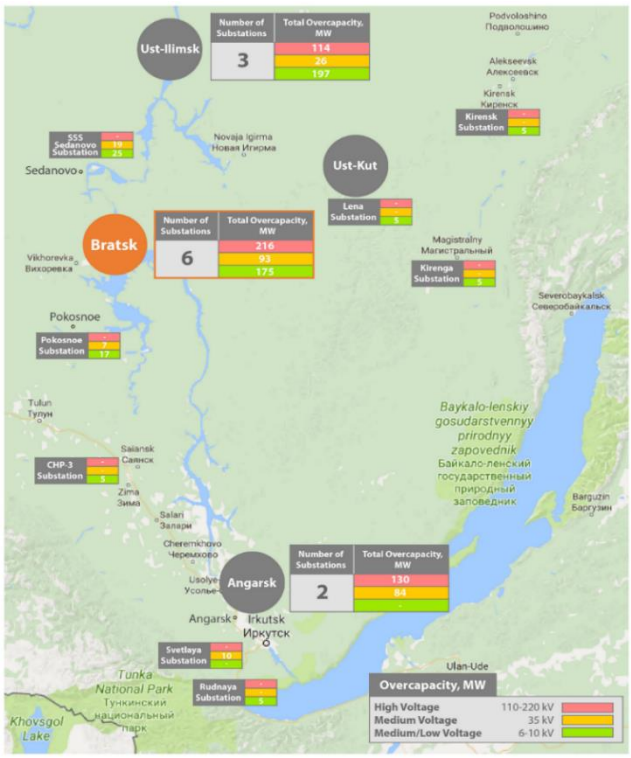
Figure 8. Relative Cost of Electricity ($ per MWh)



Source: China / Mongolia: Bendiboa, Sohu, SGCC and Sina; Georgia: News Georgia, Coindesk. Russia: Chelanpud; USA: Energy Manager Today.

Electricity costs in some regions of Russia are the lowest ones globally due to excess power capacity. One of the Russian regions with lowest electricity costs is Irkutsk region with more than one GW of excess capacity, of which 400,000 kW is located in Bratsk (available at a medium voltage level of 10 kV). This overcapacity can allow Irkutsk to become the world's most attractive region in terms of energy costs, with Bratsk boasting the lowest energy costs within the region.

The current excess capacities of electric and thermal energy at the Irkutsk region stem from the introduction of energy-saving technologies at large industrial enterprises over the past 20 years, and the closure of inefficient industrial facilities. The Angara cascade, located in the Irkutsk region, is a unique source of electricity due to one GW of excess capacity. It is the cascade of hydro-power stations with minimum seasonal fluctuations, with a well-developed and reliable energy network suitable for large-scale data centers (100,000 kW+).



Climate conditions are also important for mining operations, since low temperatures allow to save electricity on farm cooling. On average, mining facilities need to keep the temperatures at around 20-30 degrees Celsius, and a relative humidity level of 45% to 55% so that the mining rigs do not shut down, melt or get short circuits. Due to these factors, the most preferred mining regions are cool and dry.

The Siberian climate conditions with an average annual temperature at -2 degrees Celsius provides additional saving on cooling systems.

Climate data for Bratsk													
Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Daily mean °C (°F)	−20.6 (−5.1)	−17.5 (0.5)	−9.4 (15.1)	−0.5 (31.1)	8.1 (46.6)	15.1 (59.2)	18.3 (64.9)	15.1 (59.2)	7.9 (46.2)	−1.1 (30)	−11.2 (11.8)	−18.3 (−0.9)	−1.17 (29.88)
Source: climatebase.ru													

These climate conditions allow BitRiver to use highly effective heat transfer and cooling system for the miners and ultimately reduce monthly operational expenses by 20%.

Developed infrastructure

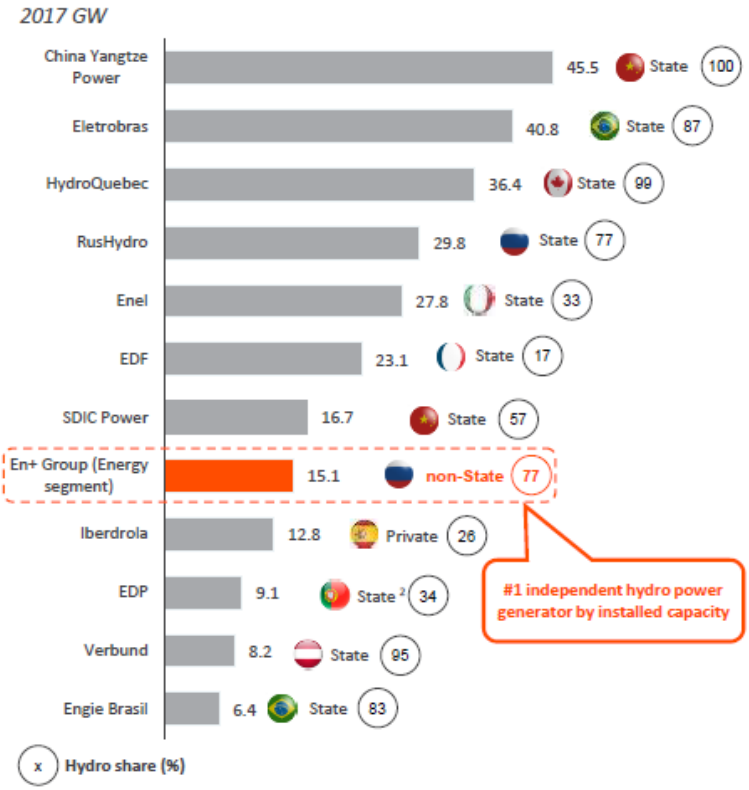
Irkutsk region is an industrial region with developed infrastructure, which offers favourable conditions for logistics and data center operations. It has a well-developed network of roads, a railway hub, airports in Irkutsk and Bratsk. There are several fiber optic internet providers, and several technical universities, supplying well-educated professionals.

BitRiver has managed to build mutually beneficial relations with the Bratsk city administration and, in particular, with the Committee for economic development of the city of Bratsk. In 2019, it signed a cooperation agreement with the city administration at the Bratsk Economic Forum.

7.2. Partnership with EN+

BitRiver works in partnership with En+ Group, the world's largest independent hydro-power generator by installed capacity and a supplier of 8% of electricity Russia-wide. The company operates five hydro-power plants with a total capacity of 15.1 GW, one of which is located in Bratsk.

Figure 9. Top power companies by installed hydro capacity globally



BitRiver has a direct contract (power re-allocation agreement) with En+ Group for 100,000 kW of power per year, and for additional 119,000 kW for the next year.

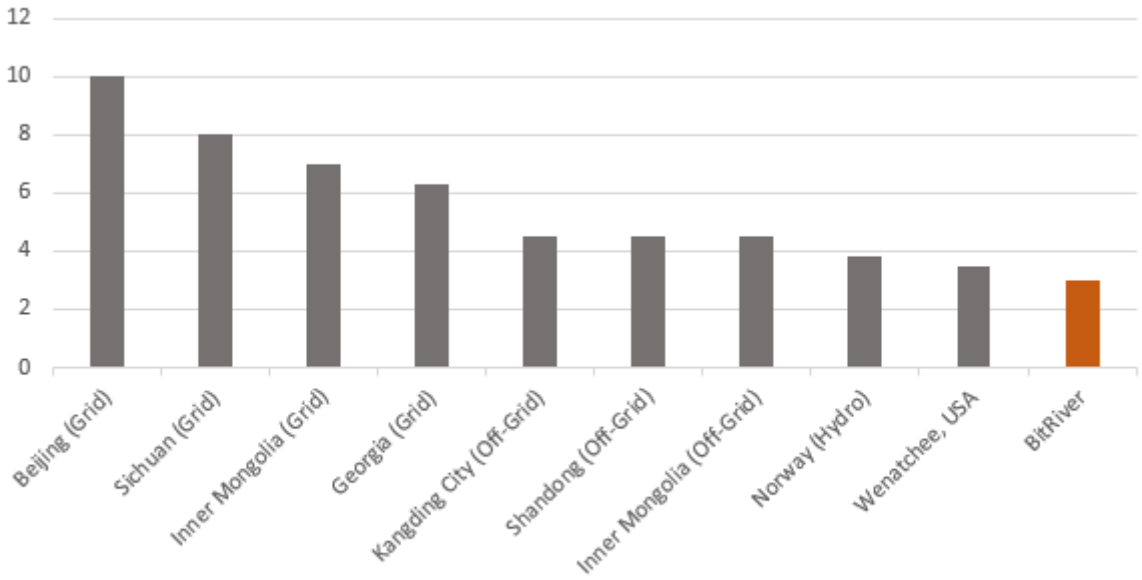
Our first data center is located in close proximity (5 km away) to the Bratsk hydro-power plant with a total green renewable power capacity of 4.5 GW. The Bratsk hydro-power plant operates steadily regardless of the season and supplies electricity to the region in excess. This provides a reliable flow of electricity and a direct access to power generation capacity.

BitRiver's mining facility is 150 meters away from a step-down substation that is its additional competitive advantage, as the construction of such a substation is expensive and might take a long time.

Direct connection to a hydro-power plant energy station, guaranteed capacity of 100,000 KW at the best price per kW ($0.025) and large potential for extension make BitRiver one of the most competitive mining facilities in Russia and Asia.

We also established our second data centre Bit+ together with En+ in 2020. It is located in Bratsk area, Irkutsk region with the power capacity of 10,000 kW with the expansion plan up to 40,000 KW.

Figure 10. Energy cost among peers (cents per kWh)



Source: China / Mongolia: Bendiboa, Sohu, SGCC and Sina; Georgia: News Georgia, Coindesk. Russia: Chelanpud; USA: Energy Manager Today.

7.3. Proximity to China

The Irkutsk region is located relatively close to China, the main exporter of mining equipment and a global leader in Bitcoin mining, with Chinese pools controlling around 70% of the BTC network's collective hash rate.

Due to government restrictions on electricity consumption for cryptocurrency miners, Chinese miners are actively looking for new regions to locate their mining equipment. In October 2019, China's economic planning agency, the National Development and Reform Commission (NDRC), removed cryptocurrency mining from a list of activities set for elimination by the end of 2020. This may further increase demand for services of data centers located in the regions with low electricity prices, including the data center of BitRiver, being one of the most competitive mining facilities in Russia and Asia.

China is home to the world's largest mining hardware manufacturers such as Beijing-based Bitmain. BitRiver clients may benefit from such location, as the costs of delivering mining equipment to BitRiver's mining facility are much lower comparing to other regions in the world..

7.4. Bitriver Mukhorshibir's additional benefits

Our new project - 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 October 2020;
- Project was recognized as a Large Scale Priority Investment Project by the Buryatia regional government on 19th of October 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%).

Mukhorshibir is located in cold climate with annual average temperature is around zero degrees celsius. It's close to China border with delivery time from China by trucks around 7 days.

7.5. Strong Team

In our opinion, BitRiver has the best operational team to oversee and maintain effective operations of its data centers. It combines professionals with strong multi-year background and excellent track record in cloud computing, crypto-mining/investing and local power/energy markets. Its Founder and CEO has ten years of experience in the data center business and six years of experience in the cryptocurrency business. The Company is very selective of who are invited to be part of its team, and only engage with the best talent.

IGOR RUNETS

Founder and CEO

Igor is a successful entrepreneur with ten years of experience in the data center industry, who launched points of presence in more than 20 countries. He is the founder of data center businesses Servers.Global (USA) and Fox Lab (currently the FOX Group of Companies).

Igor has six years of experience in the cryptocurrency business. He launched data centers in Yekaterinburg and Bratsk (Russia) and a crypto mining fund in partnership with Thomas Bailey. Igor also founded the Faraday energy company, which, in addition to providing energy supply services, is the largest aggregator of Demand Response of the Unified Energy System of Russia.

Igor has an Electrical Engineering and Computer Science Degree with honors from the Ural State Technical University (2009) and MBA from Stanford Graduate School of Business (2017).

EVGENY MISHUK

Deputy CEO, Strategy and Corporate Development

Evgeny Mishuk's achievements in the field of energy are exceptional.

Evgeny has 45 years of experience in energy companies and he primarily held an executive position.

He had a significant impact on energy sector in his role of Deputy Minister of Energy of Belarus and as the Chairman of the CIS Energy Commission.

Evgeny was also President of BELENERGO concern and CEO of Energolink company.

ARTEM PTITSYN

CFO

Artem is a finance professional with wide experience in major international and Russian companies (PepsiCo, Yum! Brands, Kelly Services, Rusagro, Uvelka, Sportconcept group)

Artem Implemented number of projects for: corporate financing, management reporting improvements, budget and business process optimization, financial strategy.

IGOR GORDEEV

CCO

Igor has more than 16 years of experience in international and Russian private banks and insurance companies (Citibank, Alfa bank and others). Igor was responsible for high net worth individual clients in different geographies.

8. ECOLOGICAL, SOCIAL AND GOVERNANCE (ESG).

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.

The company strives to minimize the impact on the environment and use inexpensive electricity from renewable sources for mining activities. Bitriver buys electricity from Bratsk hydropower plant and it does not create any greenhouse effect for the planet.

Bitriver offers its employees decent work with modern and safe working conditions, competitive pay and conditions for professional and personal development. Bitriver created 115 job places in Bratsk area with salaries that are higher than average and the company plans to create another hundred new jobs in its new facility Bitriver Mukhorshibir with salaries that expected to be 40% higher than the average in the region.

Bitriver cooperates with regional authorities in Siberia and they are supportive of large mining operators because miners pay taxes, create jobs, and put excess energy to use. The company will also create approximately 1 billion rubbles additional local taxes for the next 10 years in Butyatia after open its new centre in Mukhorshibir.

The company seeks to form and implement a corporate governance system that contributes to the safety of assets and the successful development of this system in the long term, ensuring the protection of the interests of all stakeholders and investors.

9. TOKEN LAUNCH DESCRIPTION

BTR will be sold as part of the Company's listing program. 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. The token program will last 5 years.

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.

BitRiver will seek to buy back all BTRs by 12 April 2026 for nominal value of 0.3504 USD per BTR. For further details, please go to Token Buy-Back Information.

Token description and listing information

All information regarding the project architecture and 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).

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 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. 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*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 is 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).

9.1. Token Buy-Back Information

It is BitRiver's intention to buy back all BTRs from the Token holders for nominal value of 0.3504 USD per BTR. 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.

Token Burn Mechanism: BitRiver will burn 100% of the BTR tokens during the Buy-back.

10. CAPACITY EXPANSION ROADMAP AND USE OF PROCEEDS

Funds received from the Token sale will be used by BitRiver to scale up its operations. One of the potential project is production site "TPC Electric Boiler House".

Bitriver Rus LLC in collaboration with Siberian Generating Company LLC (SGC) are discussing the possibility of implementing the project to build a data processing center on the territory directly adjacent to the electric boiler house of TPC, the owner of which is SGC LLC. The electric boiler plant is used very rarely meanwhile installed capacity is about 82 MW.

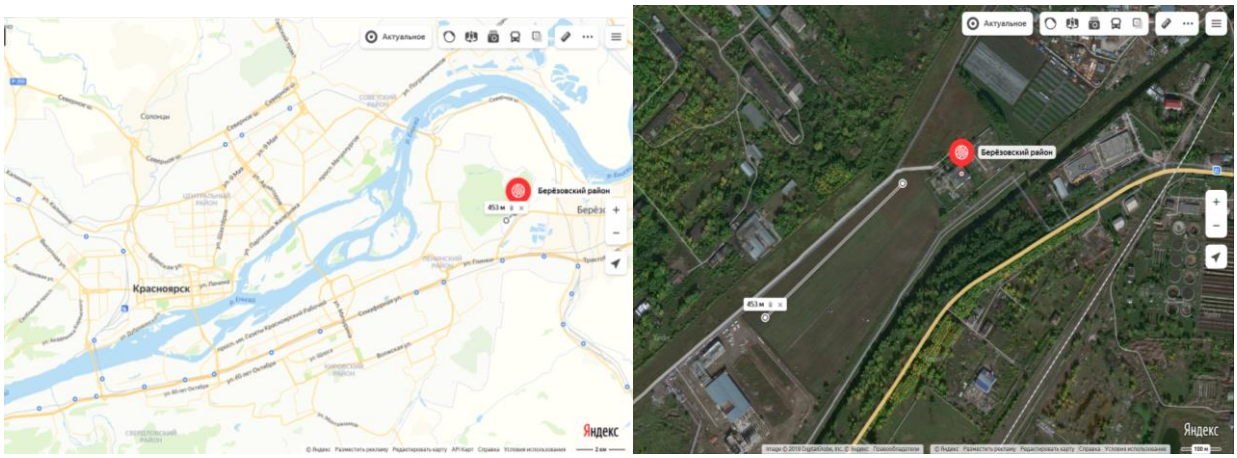
The facility is located in the Beryozovsky district of Krasnoyarsk Krai with good transport infrastructure - there are railways and motor roads, as well as the Yenisei River. There is agricultural land near the boiler house.

Data centers are characterized by a high and stable level of electricity consumption, so the cost of technical connection to the grid and the price of electricity are the main criteria for the profitability of the project. Krasnoyarsk region has one of the lowest electricity prices in Russia, and direct connection to FGC networks allows to avoid payment for transport to regional grid companies. In addition, the available 10 kV connection level avoids significant investment costs for step-down transformers and power and capacity losses in them. In addition, at the substation itself there are five free complete cells on the 10 kV switchgear.

Thus, the implementation of the data center construction project will make it possible to optimally use the unused resources of cheap electricity and free grid capacity.

The electric boiler plant is connected to the grids of the Federal Grid Company at the 10 kV voltage level of the 220/10 kV substation according to a flexible scheme (with four busbar sections).

Thus, the implementation of the project to build a data center will allow the optimal use of idle resources of cheap electricity and free grid capacity.



This project is subject to due diligence process and if Bitriver does not accept it, the funds will be used for another similar project from Bitriver’s pipeline.

11. RISK FACTORS

THIS SECTION ON RISK FACTORS IS NOT AND DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED WITH THE PURCHASE OF BTR TOKENS. THERE MAY BE ADDITIONAL MATERIAL RISKS THAT THE DIRECTORS DO NOT CURRENTLY CONSIDER TO BE MATERIAL OR OF WHICH THE DIRECTORS ARE NOT AWARE. THE FOLLOWING THEREFORE HIGHLIGHTS CERTAIN RISKS TO WHICH THE COMPANY IS SUBJECT TO AND WHICH THE COMPANY WISHES TO ENCOURAGE PURCHASER TO DISCUSS WITH THEIR OWN PROFESSIONAL ADVISORS.

Prospective BTR Token purchasers should conduct such independent investigation and analysis regarding this Company, the BTR Token and all other relevant market and economic factors as they deem appropriate to fully evaluate the merits and risk of their purchase.

The Company and its Directors disclaim any responsibility to advise purchasers of BTR Token of the risk and considerations associated with the purchase of BTR Token as they exist at the date hereof or from time to time hereinafter.

Each prospective purchaser of any BTR Token must determine, based on his/her own independent review and such professional advice (including, without limitation, tax, accounting, credit, legal and regulatory advice) as it deems appropriate, that the purchase of BTR Token is appropriate and suitable for it, notwithstanding the clear and substantial risks inherent with the purchase of BTR Token.

You should consult with your own legal, regulatory, tax, business, investment, financial and accounting professional advisors to the extent that you deem it necessary, and make your own decisions including decisions regarding the suitability of this purchase based upon your own judgement and upon advice from such professional advisors as you deem necessary and not upon any view expressed by any party mentioned in this Whitepaper.

11.1. The purchaser of a BTR Token should be capable of evaluating the merits and risks of such a purchase and should have sufficient resources to be able to bear any losses (which may be equal to the whole purchased amount) that may result from such a purchase. Prospective purchasers of BTR Token should be aware that the value of BTR

Token may go down as well as up and that they may not be able realise their purchase amount on the secondary market (if there is any). Forward looking statements

Certain statements in this whitepaper constitute “forward looking statements” that are used on the beliefs of the Directors and reflect their current expectations. When used in this whitepaper or in any of the Company’s material, the words “estimate”, “project”, “believe”, “anticipate”, “intend”, “expect”, “plan”, “predict”, “may”, “should”, “would”, “will”, the negative of these words or such other variations thereon or comparable terminology are intended to identify forward-looking statements. Such statements reflect the views of the Directors at the time the statements are made with respect to future events based on information available at that time, and are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in those forward-looking statements. The Directors assume no obligation to update or revise these statements to reflect current information, events, or circumstances, including changes in any risks or uncertainties that may impact them.

11.2. Management Risk

If any of the directors or officers of the Company or BitRiver cease to participate in the operations, the operations, objectives and activities of the Company may be adversely affected.

The Company indemnifies the Board of Directors against all claims by any parties which may be made against them in connection with his director duties so long as any loss or liability arose from acts performed in good faith and not involving gross negligence, wilful default, breach of duty or breach of trust respectively.

11.3. Liquidity of BTR Token

As at the date of this whitepaper, there is no active secondary market for the BTR Token. Whilst the Directors hope that the success of BitRiver will lead to a secondary market developing, there is no guarantee or assurance that a public market will ever develop. There is often no assurance that a purchaser of the BTR Token will be able to sell or dispose of it.

Under certain trading conditions it may be difficult or impossible for a purchaser to sell his tokens. This may occur for example at times of rapid price movements and when trading is suspended by a relevant exchange. In these circumstances it may be impossible for the purchaser to sell his tokens.

Crypto currencies are extremely volatile and therefore the price could dramatically increase or decrease without any prior notice. purchasing crypto currencies is extremely high risk.

11.4. Dependence on computer infrastructure

The dependence of the BitRiver mining farm on functioning software applications, computer hardware and internet connection implies that BitRiver can offer no assurances that a system failure would not adversely affect the performance of your mining operations. Despite the fact that BitRiver implements all reasonable network security measures, its mining servers are vulnerable to computer viruses, physical or electronic break-ins or other disruptions of a similar

nature. Computer viruses, break-ins or other disruptions caused by third parties may result in interruption, delay or suspension of services.

11.5. Regulatory risks and Changes in law

The Blockchain technology, including but not limited to the issue of tokens, may be a new concept in some jurisdictions, which may then apply existing regulations or introduce new regulations regarding Blockchain technology-based applications, and such regulations may conflict with the current BitRiver Smart Contract setup. This may result in substantial modifications of the BitRiver Smart Contract, including but not limited to its termination and the loss of BitRiveĸ Tokens.

Should any relevant laws or regulations change, the legal requirements to which the Company and the BTR Token may be subject could differ materially from current requirements. No assurance can be given that future legislation, administrative rulings or court decisions will not adversely affect the Company and the BTR Token.

The Company may be subject to a number of unusual risks, including contradictory legislation, incomplete, unclear and changing laws, ignorance or breaches of regulations on the part of other market participants, lack of established or effective avenues for legal redress, lack of standard practices and confidentiality customs characteristic of developed markets and lack of enforcement of existing regulations.

The Company and the BTR Token are not regulated by the Gibraltar Financial Services Commission or any other regulatory or supervisory authority. The Gibraltar Financial Services Commission does not vouch for the financial soundness of the Company, the BTR Token or for the correctness of any statements made, or opinions expressed with regards to it. The GFSC may deem that the Company falls within the Financial Services (Distributed Ledger Technology) Regulations 2020.

There are significant inconsistencies among various regulators across the world, with respect to the legal status of digital currencies. Regulators are also concerned that crypto currencies may be used by criminals and terrorist organisations. In the future, certain countries may restrict the right to acquire, own, hold, sell or use digital currencies.

11.6. Token Listing Risks

The listing of tokens that are not securities and that do not constitute outright gifts or donations are, typically, offers of commercial products and services (which, at the time of sale, may or may not yet exist). Such tokens are sometimes referred to as utility or access tokens and the like. In circumstances where a token constitutes a product or service that does not yet exist (or is not, at the time of sale, substantially functional), it represents, in effect, no more than a hope or ambition to deliver that product or service in the future. In such cases, purchasers risk that the product or service might never be delivered and often waive any right to the return of the price paid. Purchasers may well be prepared to take that risk but it is appropriate that they be

presented, in advance, with all relevant information to enable them to make an informed decision.

11.7. General Crypto Currency Risks

Cyber security threats are present within the realms of crypto currencies. There is a risk of loss of funds, including a total loss, should an unauthorised intrusion or theft occur within or Wallet Provider account or Exchange Provider account.

Whilst the Company and BitRiver has considered its cyber security, risks related to software weakness, human error, external attacks and others, continue to exist and pose a material risk to the Company.

Advances in cryptography, or technical advances such as the development of quantum computers, may present risks for crypto-currencies and may result in the theft or loss of the Company's Assets.

Hackers or other malicious or criminal groups or organizations may attempt to interfere with the Company's accounts, in several ways including, but not limited to, denial of service attacks, Sybil attacks, mystification, phishing, attacks, smurfing, malware attacks, or consensus-based attacks.

There may be problems which relate to the Bitcoin or Ethereum networks which may affect the normal functionality of the crypto currencies. This could lead to a significant devaluation of the BTR Token. Any malfunction, unplanned function or unexpected operation of these networks may cause crypto currencies to lose value.

Crypto currencies and cryptographic tokens are a cutting-edge, untested technology. In addition to the risks stipulated above, there are other risks that the Company cannot predict. Risks may also occur as unanticipated combinations or as changes in the risks stipulated herein.

11.8. Loss or destruction of private key

Crypto currencies are stored in a digital wallet and are controllable only by the possessor of both the public key and the private key relating to the digital wallet in which the bitcoins are held, both of which are unique. If the private key is lost, destroyed or otherwise compromised, the Company may be unable to access the crypto currencies held in the related digital wallet which will essentially be lost. If the private key is acquired by a third party, then this third party may be able to gain access to the crypto currency.

11.9. Other cyber-security risks including malicious activity

Trading platforms and third-party service providers may be vulnerable to hacking or other malicious activities. Recent examples include Bitfinex and BitPay. Also, if one or more malicious actor(s) obtain control of sufficient consensus nodes on the network or other means of alteration, then a blockchain may be altered. While the network is decentralized, there is increasing evidence of concentration by creating of "mining pools" and other techniques, which may

increase the risk that one or several actors could control the network or other similar blockchain. Such scenario could significantly impact on the Company.

11.10. Price of Bitcoin

BitRiver offers services to companies and individuals engaged in cryptocurrencies mining, primarily Bitcoin. Such operations are highly dependent on Bitcoin prices at local exchanges.

11.11. Fluctuation in mining rewards

Mining cryptocurrencies is a risky business and many factors must be carefully considered prior to its commencement. Fluctuations of the BTC price, increase of the prices for mining equipment and electricity, growth of the mining difficulty rate, decrease in the block reward, and many other factors may affect mining rewards and result in losses.

11.12. Change in electricity rate

The effective electricity rate provided in this document is based on the current electricity cost available under the existing contracts with En+ Group, a hydro power supplier. The electricity rate is guaranteed [for a certain period of time] and may change. Any change in electricity rates will cause a direct change in the value of the BitRiver Tokens and the ongoing cost of hosting mining equipment.

11.13. Change in maintenance cost

The maintenance cost of Bitriver's mining facilities is based on the current labor costs and the hours required to run the company's operations and maintain the prescheduled number of facilities and the clients' equipment. Over time, the cost of maintenance may change for various reasons, including but not limited to the minimum wage increase by the government where your equipment is hosted at the domestic or federal level. Any change in maintenance cost will cause a direct change in the value of the BitRiver's Tokens and the ongoing cost of hosting your mining equipment.

11.14. Force Majeure

BitRiver performance may be interrupted, suspended or delayed due to force majeure circumstances. For the purposes of this White Paper, force majeure shall mean extraordinary events and circumstances which could not be prevented by BitRiver and shall include: acts of nature, wars, armed conflicts, mass civil disorders, industrial actions, epidemics, lockouts, slowdowns, prolonged shortage or other failures of energy supplies or communication service, acts of municipal, state or federal governmental agencies, other circumstances beyond BitRiver's control, which were not in existence at the time of initial BitRiver Token offering. If such circumstances occur prior to issuance of BitRiver Tokens and BitRiver is unable to issue BitRiver Tokens within 6 months from the prescheduled date, then BitRiver Token purchasers have a right to demand for payback.

11.15. Compliance with Russian laws and regulations

As the BitRiver mining farm is located in Russia, BitRiver Token holders would be required to comply with Russian laws and regulations and may need to verify their identities and provide proof of address (for individuals), or verify their registration, good standing, list of ultimate beneficial owners, and address (for legal entities) prior to using their BitRiver Tokens and setting

up their equipment at the BitRiver farm, or at any time thereafter upon BitRiver's request. Token holders who fail to comply with such verification request, or who are determined to be restricted from dealing with the Russian entities or operating in Russia, or who are otherwise ineligible under the Russian law to host their equipment with BitRiver would be refused hosting or BitRiver Token rental services, with no refund issued by BitRiver for the purchased Tokens. Such Token holders may retain their Tokens or may, at their discretion, choose to sell them to eligible customers. Token purchasers are solely responsible for learning about the Russian laws and legal restrictions applicable to residents of certain countries and individuals involved in certain activities.

11.16. Political and social instability in Russia may have a material adverse effect on BitRiver's business, financial condition, results of operations and prospects.

While the political situation in the Russian Federation has been relatively stable since 2000, future policy and regulation may be less predictable than in less volatile markets. Additional uncertainty may also arise from a significant change in the governmental policy and regulation as well as any large-scale political reforms.

Political reforms or instability could result in investor uncertainty and worsening of the overall economic situation, including capital flight and a slowdown of investment and business activity, including activity in the international capital markets.

Actions by government bodies motivated by politics or other factors could call into question the security of property and contractual rights, progress of the market and political reforms, the independence of the judiciary and the certainty of legislation. This, in turn, could result in significant fluctuations in the market price of Russian securities and have a negative impact on foreign investments in the Russian economy, over and above the general market turmoil. Future shifts in governmental policy and regulation in Russia could also lead to political instability and disrupt or reverse political, economic and regulatory reforms. In addition, more generally, actions of the Russian legislative, executive and judicial authorities can affect the Russian securities market.

Furthermore, social instability in Russia, coupled with difficult economic conditions, the failure of the state and large private enterprises to make full and timely payment of salaries on a regular basis and the failure of salaries and benefits generally to keep pace with the rapidly increasing cost of living have led in the past, and could lead in the future, to labour and social unrest and increased support for a renewal of centralised authority, increased nationalism, restrictions on foreign involvement in the economy, and increased violenceAny of these factors could have a material adverse effect on BitRiver's business, financial condition, results of operations and prospects.

11.17. Disclosure of information

Personal information received from BitRiver Token holders, BitRiver Token renters, and owners of the equipment submitted for hosting, the information about the number of Tokens or miners serviced by BitRiver, rewards earned on the pool, the wallet addresses used, and any other relevant information may be disclosed to law enforcement, government officials, and other third parties when BitRiver is required to disclose such information by law, subpoena, or court order. BitRiver shall at no time be held responsible for such information disclosure.

11.18. Value of BitRiver Token

Once purchased, the value of BitRiver Token may significantly fluctuate due to various reasons. BitRiver does not guarantee any specific value of the BitRiver Token over any specific period of time. BitRiver shall not be held reasonable for any change in the value of BitRiver Token.

Assumptions with respect to the foregoing involve, among other things, judgments about the future economic, competitive and market conditions and business decisions, most of which are beyond the control of BitRiver team and therefore difficult or impossible to accurately predict. Although the BitRiver team believes that its assumptions underlying its forward-looking statements are reasonable, any of these may prove to be inaccurate. As a result, the BitRiver team can offer no assurances that the forward-looking statements contained in this White Paper will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements contained herein, the inclusion of such information may not be interpreted as a warranty on the part of BitRiver or any other entity that the objectives and plans of the BitRiver project will be successfully achieved.

Please note that BitRiver may be subject to other risks not foreseen by its management at this time.

11.19. BitRiver may not have sufficient liquidity or ability to fulfil the buyback program

Whilst BitRiver will seek to purchase the BTR Tokens of the BTR Token Holders 5 years from the listing program launch, there is a risk that BitRiver may not have sufficient liquidity or the ability to fulfil the buyback program. Should this be the case the tokens will subsequently be worthless.

Bitriver makes all efforts to fulfill its obligations according to buyback program.