



GRYPHON
DIGITAL MINING



Nasdaq: GRYP

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Disclaimer

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Investment Highlights

Building a leader in cloud computing for Bitcoin Mining and AI Hosting

- **Strong asset base:** *existing infrastructure has 28MW of power for ~9k machines*
- **Low energy costs:** *<\$0.03 cost/KWH*
- **Growing revenue:** *Approximately \$13M in mining of BTC produced in 1H 2024 – avg. BTC price \$57,628*
- **Compelling breakeven cost:** *1H 2024 per BTC \$38,286/BTC**
- **Solid balance sheet to support growth:** *\$5M of debt*
- **Leading partnerships:** *strategic alliance with one of the largest digital currency data centers in the world*
- **Performance driven:** *focused on execution, revenue generation, and profitability*
- **Track Record of Success:** *experienced leadership team*
- **Market Opportunity:** *we believe we are poised capitalize on rapid growth opportunities in cloud computing*

*The Company defines Breakeven cost per Bitcoin as (a) Cost of Revenues (excluding depreciation) divided by (b) total bitcoin generated and received from the hashrate contributed to the mining pool operator. See Appendix: Non-GAAP Reconciliations.



Management Team

Industry leading management team



Steven Gutterman
CEO & Director

- CEO, Falcon International, one of the largest private cannabis companies in California
- Former COO & EVP, E*Trade Bank and other senior roles at E*Trade Financial
- Former President of Harvest Health & Recreation Inc., which was acquired for \$2.1 billion



Sim Salzman
CFO

- Former CFO, Marathon Digital Holdings
- Oversaw market cap growth from \$500 million to \$8 billion over 12 months
- Former CFO, Las Vegas Monorail Company
- Former Senior Auditor, BDO & RSM



Board of Directors

Compelling Pedigreed Leadership



Jimmy Vaiopoulos, CPA, CA
Chairman

- Partner, CFO and Co-Founder - Stack Capital Group Inc.
- CFO and Interim CEO - Hut 8 Mining
- CFO - UGE International Ltd.
- Audit and Deal Advisory roles - KPMG



Heather Cox
Independent Director

- Member of the Board of Directors, NRG Energy
- Former Chief Digital Health and Analytics Officer, Humana
- Former Chief Technology and Digital Officer, USAA
- Former CEO of Citi FinTech, Citigroup



Dan Tolhurst
Director

- Former Director, Corporate Strategy & Business Development at The Walt Disney Company
- Led Netflix Content Strategy & Analysis in EMEA
- Former Management Consultant at Booz & Co.



Dan Grigorin
Director

- Portfolio Manager at Anchorage Digital
- Board Member at RepairBit
- Director, Credit at NYDIG
- Associate at ING Capital,
- Investment Banking BMO Capital Markets



Board of Directors

Compelling Pedigreed Leadership



Jessica Billingsley
Independent Director

- Member of the Board of Directors, Nu Energy & OARO
- Former Founder, Chair of the Board, and CEO of Akerna
- Inc. Top 100 Female Founder and Fortune's Most Promising Woman Entrepreneur



Rob Chang
Director

- Former CFO, Riot Blockchain
- Former Managing Director, Head of Metals & Mining Research, Cantor Fitzgerald
- Current Board Member: Fission Uranium and Ur-Energy
- Member: Young Presidents Organization (YPO)



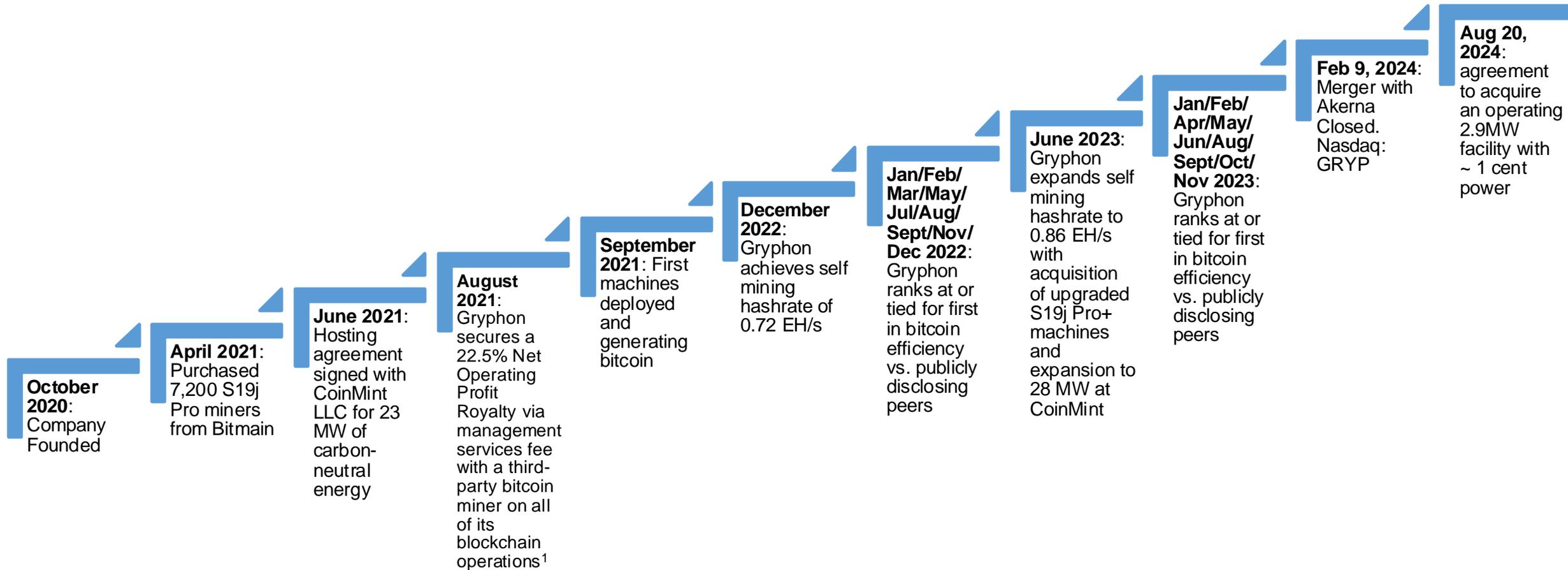
Brittany Kaiser
Independent Director

- Globally renowned blockchain thought-leader, having co-authored 40 laws in the US to promote and protect blockchain businesses
- Current Member of the Congressional Standing Committee on Blockchain, Fintech and Digital Innovation for Wyoming
- Keynote speaker on blockchain, data & privacy for governments, corporate training & universities



Company Overview - History

Substantial Growth in 4 Short Years



¹ Royalty partner has purported to terminate this arrangement and has taken back possession of its blockchain operations. Gryphon is pursuing litigation to recover damages for breach of the agreement in the amount of \$30 million and while Gryphon is confident it will prevail, no assurance can be given as to the timing, the result or the ability to recover damages.



Low-Cost Power Focus

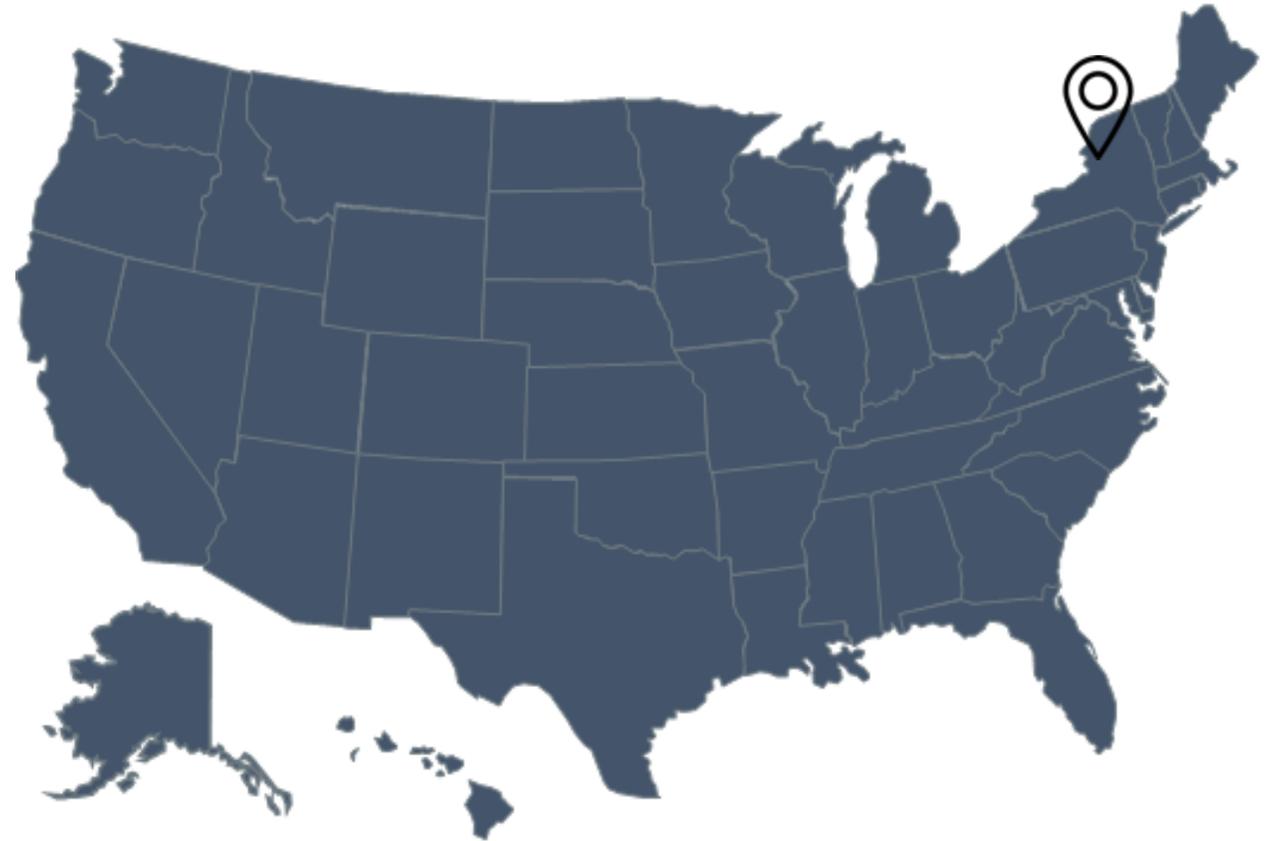
Multiple opportunities in the US and Canada



28 MW Hydro-Powered Energy

Partnering with one of the largest digital currency data centers in the world

- Hydro-powered host in an economic opportunity zone
- Direct cost pass-through with profit sharing model
 - \$38,286/BTC breakeven cost*
- Gryphon has secured 28 MW of power for its ~9,000 machines
- Hosting and profit share structure reduces capital investment and financial risk



*H1/2024. See Appendix: Non-GAAP Reconciliation.



Two-Pronged Growth Strategy

Expanding Our Core Bitcoin Mining Operations

- Focus on efficiency and maximizing profitability through low-cost energy
- Strategic acquisition of high-performing assets



Evaluating AI Hosting Services

- Leverage mining infrastructure
- Capitalize on the growing demand for AI computing power





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Appendix: Non-GAAP Reconciliations

Breakeven Costs (i.e., Cost to mine one bitcoin)

The Company defines Breakeven Cost per Bitcoin as (a) Cost of Revenues (excluding depreciation) divided by (b) total bitcoin generated and received from the hashrate contributed to the mining pool operator. The Company mined approximately 84 and 187 Bitcoin, respectively for the quarter ended June 30, 2024 and 2023, respectively. The breakeven analysis is an operational metric that does not take capital expenditures or financing mechanics into consideration. The calculation only considers direct operational costs, such as electricity and hosting. The mining equipment was originally financed primarily through equity capital raises and cash flows resulting from the sale of bitcoin generating by mining operations.

Value of one mined bitcoin

The Company defines Value of one mined bitcoin as total Mining Revenues divided by total Bitcoin mined during each respective year.

| | Q2/23 | Q3/23 | Q4/23 | Q1/24 | Q2/24 | YTD 2024* |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Mining Revenues | \$ 4,963,000 | \$ 4,940,000 | \$ 6,309,000 | \$ 7,490,000 | \$ 5,515,000 | \$ 13,005,000 |
| Bitcoin mined | 187 | 176 | 164 | 142 | 84 | 226 |
| Value of one mined bitcoin | \$ 26,540 | \$ 28,068 | \$ 38,470 | \$ 52,746 | \$ 65,914 | \$ 57,628 |
| Cost of Revenues (excluding depreciation) | \$ 2,823,000 | \$ 3,982,000 | \$ 3,920,000 | \$ 4,837,000 | \$ 3,803,000 | \$ 8,640,000 |
| Cost to mine one bitcoin | \$ 15,096 | \$ 22,625 | \$ 23,902 | \$ 34,063 | \$ 45,452 | \$ 38,286 |
| Total Bitcoin Equivalent Coins Generated (Total BTC Equiv)* | 200 | 185 | 165 | 142 | 84 | 226 |
| Breakeven of Total BTC Equiv | \$ 14,115 | \$ 21,501 | \$ 23,813 | \$ 34,063 | \$ 45,452 | \$ 38,286 |

Note* Represents activity through June 30, 2024

