

HYDRO66

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NEWS RELEASE

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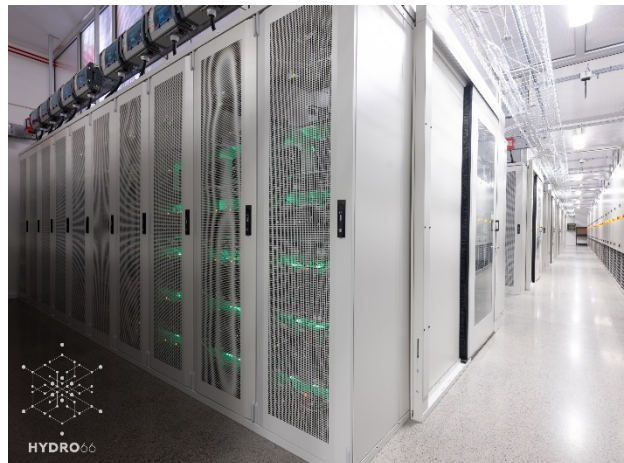
Hydro66 delivers 8 MW planned expansion on time and on budget *Current capacity of 19.2 MW is largest HPC colocation data center in the Nordics and is powered by renewable energy*

Boden, Sweden – October 18, 2018 - Hydro66 Holdings Corp (“Hydro66” or “the Company”) (CSE:SIX), is pleased to announce the completion of all 8 MW of the H2 2018 expansion project announced on July 31, 2018 on time, on budget and with new customers already occupying the space. Power available to customers in the High Performance Computing (“HPC”) enterprise and blockchain colocation data center in Sweden has now expanded from 11.2 MW to 19.2 MW.

“The demand for more efficient ways to process and store data shows no sign of slowing and companies are looking for better ways to save money and scale up in an environmentally sustainable way”, says Hydro66 CEO Anne Graf. “Businesses planning for large data projects rely on dependable suppliers and Hydro66 are proud of our track record in bringing the largest colocation data center in the Nordics to market, on time and on budget. Our current site has plenty of room for expansion and when fully built out will provide up to 40 MW of colocation”, added Graf.

Hydro66 has been pioneering the message of clean green power at hyperscale. The expansion announced today encompasses 1000 square meters – 8 MW and 400 standard racks - of IT space for HPC apps such as artificial intelligence (“AI”), rendering and blockchain transaction verification services.

Situated on a 40 MW site beside a 120 MW substation in Boden, Sweden, Hydro66 currently has 19.2 MW deployed. The Phase 1 build out of the site is now completed, with groundworks for Phase 2 (up to an additional 21 MW) already at an advanced stage.



The main drivers for companies to move their data into 3rd party data centers are cost and scalability. HPC application users like the automotive industry, driverless cars, machine-learning, AI, mapping, and weather simulation are attracted to companies like Hydro66 because of grid resilience, green power and an approximate 50% cost reduction compared to legacy data centers.

The client pipeline consists of power intensive enterprise users in a variety of industries. Increasingly this includes hashrate verification companies and HPC solution providers who see great economic and operational potential from tailoring their own solutions via Hydro66 – all while being ready to expand rapidly with short time to market.

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About Hydro66

Hydro66 owns and operates a colocation data center in Sweden specializing in HPC hosting. The Company hosts third party IT infrastructure, utilizing 100% green power, at some of the EU's lowest power prices and within an ISO27001 accredited facility. The Company is continuing to expand its footprint, with plenty room for ongoing expansion at the existing location.

Hydro66 is uniquely positioned to capitalize on opportunities in blockchain infrastructure as well as the traditional enterprise colocation data center market. The Company provides truly green power at a leading price, purpose-built space and cooling, telecoms, IT support services and 24/7 physical security in their facility in Boden, Sweden.

Revenues are generated from colocation data center services to hashrate service companies and traditional enterprise companies as well as digital currency self-mining (GPU and/or ASIC). Combining the above provides steady, diversified revenue with strong margins. A flexible and rapid build-out schedule will allow Hydro66 to rebalance between business lines as market conditions evolve.

Hydro66 is run by a team with decades of technical expertise in data center facility design, construction, operation and more recently blockchain infrastructure and hashrate services.

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