

# Aquarius AI Inc. Announces Acquisition of Latest Generation Bitcoin Mining Rigs

Vancouver, British Columbia--(Newsfile Corp. - November 25, 2021) - Aquarius AI Inc. (CSE: AQUA) ("AQUA" or the "Company"), is pleased to announce that it has purchased 100 Bitmain S19 Pro 100 TH/s mining rigs ("Rigs") and has further entered into a non-binding letter of intent with Compass Mining Inc ("Compass") for the supply and hosting of an additional 1,000 Rigs.

**Owen Sagness, Director of Operations at AQUA** states, "*Compass' commitment to this partnership will bring best in class hosting capacity, management, and ASIC procurement services to bear and allow AQUA to scale the mining operation as quickly and efficiently as possible*". He further added, "*Under the initial purchase agreement, AQUA has purchased \$1,000,000 worth of next generation ASIC Bitcoin miners for hosting with Compass. Over the next few months, Compass Mining will supply and host a continuous flow of ASIC miners for AQUA in diversified locations.*"

The Company purchased the initial batch of 100 Rigs for USD\$970,030, which it paid for in cash. The initial 100 Rigs are expected to be delivered in February 2022, and are anticipated to be live and generating Bitcoin during Q1 2022, at an expected aggregate of 10 PH/s.

The additional 1,000 Rigs are anticipated to be delivered and operational during Q2 2022. When fully operational, the Rigs are expected to generate an aggregate of 100 PH/S. When combined together, the Company anticipates an overall hashrate of 110 PH/s and utilizing just under 3.5 MW of primarily carbon neutral power.

The Company intends to finance the purchase of the 1,000 Rigs through debt financing and, has entered into a non-binding term sheet ("Term Sheet") setting out potential terms for a lending arrangement (the "Loan") with Invictus Enterprises Inc ("Invictus"), a Canadian based investment management company. Pursuant to the Term Sheet, AQUA may borrow up to \$10,000,000 from Invictus for the purchase of additional Rigs plus related hosting and power costs, with an anticipated repayment term of 24 months at an interest rate of 8% per annum, with initial payments being deferred until the mining rigs are online and hashing. The Loan is subject to further due diligence to be conducted by Invictus and other conditions to closing. Invictus recently became a 10% shareholder of AQUA during its private placement previously announced on November 9, 2021.

**Owen Sagness, Director of Operations at AQUA** also stated, "*We were keen to get AQUA hashing as soon as possible and were quick to secure an immediate 100 machines for a Q1 2022 go-live despite the well documented squeeze on available power in North America*". He further added, "*Beyond that, we feel that 1,000 machines funded through our debt partner is a perfect solution to minimize shareholder dilution while making a statement that AQUA is serious about scaling mining operations quickly. Looking to the future, we are now in discussions to secure our pipeline infrastructure needs to ensure that we can continue our growth plans through 2022 and beyond.*"

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The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information in this news release constitutes forward-looking statements under applicable

securities laws. Any statements that are contained in this news release that are not statements of historical fact may be deemed to be forward-looking statements. Forward looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend" or the negative of these terms and similar expressions. Forward looking statements in this news release may include, but are not limited to, statements with respect to internal expectations; rate at which the Company may be able to produce Bitcoin upon the acquisition of the Rigs; the date upon which the Rigs will become live and generating Bitcoin, if at all; the Company's intention and ability to AQUA scale its Bitcoin mining operations; the rate at which the Company can scale its Bitcoin mining operations; Compass Mining's ability to supply and host a continuous flow of ASIC miners for AQUA; and the proposed terms of the Loan under the Term Sheet. Forward-looking statements necessarily involve known and unknown risks, including, without limitation, risks associated with general economic conditions; adverse industry events; marketing costs; loss of markets; future legislative and regulatory developments involving; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the bitcoin industry generally, income tax and regulatory matters; the ability of Aqua and Compass to implement their respective business strategies; competition; currency and interest rate fluctuations and other risks.

Readers are cautioned that the foregoing list is not exhaustive and should carefully review the various risks and uncertainties identified in the Company's filings on SEDAR. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

The forward-looking statements included in this news release are made as of the date of this news release and the Company does not undertake an obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities laws. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

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