Iris Energy

Bitcoin mining

Done sustainably

February 2022 NASDAQ: IREN

Disclaimer

Forward-Looking Statements

This presentation includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or Iris Energy’s future financial or operating performance. For example, forward-looking statements include but are not limited to the Company’s business strategy, expected operational and financial results and expected increase in power capacity and hashrate. In some cases, you can identify forward-looking statements by terminology such as “anticipate,” “believe,” “may,” “can,” “should,” “could,” “might,” “plan,” “possible,” “project,” “strive,” “budget,” “forecast,” “expect,” “intend,” “will,” “estimate,” “predict,” “potential,” “continue,” “scheduled” or the negatives of these terms or variations of them or similar terminology, but the absence of these words does not mean that statement is not forward-looking. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward looking statements. In addition, any statements or information that refer to expectations, beliefs, plans, projections, objectives, performance or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking.

These forward-looking statements are based on management’s current expectations and beliefs. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause Iris Energy’s actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to: Iris Energy’s limited operating history with operating losses; electricity outage, limitation of electricity supply or increase in electricity costs; long term outage or limitation of the internet connection at Iris Energy’s sites; Iris Energy’s evolving business model and strategy; Iris Energy’s ability to successfully manage its growth; Iris Energy’s ability to raise additional capital; competition; bitcoin prices; risks related to health pandemics including those of COVID-19; changes in regulation of digital assets; and other important factors discussed under the caption “Risk Factors” in Iris Energy’s final prospectus filed pursuant to Rule 424(b)(4) with the SEC on November 18, 2021 , as such factors may be updated from time to time in its other filings with the SEC, accessible on the SEC’s website at www.sec.gov and the Investors Relations section of Iris Energy’s website at https://investors.irisenergy.co.

These and other important factors could cause actual results to differ materially from those indicated by the forward-looking statements made in this presentation. Any forward-looking statement that Iris Energy makes in this presentation speaks only as of the date of such statement. Except as required by law, Iris Energy disclaims any obligation to update or revise, or to publicly announce any update or revision to, any of the forward-looking statements, whether as a result of new information, future events or otherwise.

Non-IFRS Financial Measures

This presentation includes non-IFRS financial measures, including Adjusted EBITDA and Adjusted EBITDA Margin. See Financial Summary for a definition of Adjusted EBITDA and Adjusted EBITDA Margin, along with a reconciliation to net profit/(loss) after income tax expense, the nearest applicable IFRS measure, for the periods presented. We provide Adjusted EBITDA and Adjusted EBITDA Margin in addition to, and not as a substitute for, measures of financial performance prepared in accordance with IFRS. There are a number of limitations related to the use of Adjusted EBTIDA and Adjusted EBITDA Margin. For example, other companies, including companies in our industry, may calculate Adjusted EBITDA and Adjusted EBITDA Margin differently. The Company believes that these measures are important and supplement discussions and analysis of its results of operations and enhances an understanding of its operating performance.

All financial information included in this presentation is denominated in USD and references to “$” are to USD unless otherwise stated.

Industry and Statistical Data

This presentation includes industry data, statistical data, estimates and other forecasts that may have been obtained from periodic industry publications, third-party studies and surveys, filings of public companies in our industry, internal company surveys, and our review and analysis of market conditions, surveys and industry feedback. Our expectations regarding market and industry data, including expected growth rates, are subject to change based on our ongoing analysis of prevailing market and industry conditions and, as a result, assumptions based on such expectations may not be reliable indicators of future results. We undertake no obligation to update such figures in the future. These sources include government and industry sources. Industry publications and surveys generally state that the information contained therein has been obtained from sources believed to be reliable. Although we believe the industry data to be reliable as of the date of this presentation, this information could prove to be inaccurate. Industry data could be wrong because of the method by which sources obtained their data and because information cannot always be verified with complete certainty due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process, and other limitations and uncertainties. In addition, we do not know all of the assumptions regarding general economic conditions or growth that were used in preparing the forecasts from the sources relied upon or cited herein. Further, certain financial measures and statistical information in this document have been subject to rounding adjustments. Accordingly, the sum of certain data may not conform to the expressed total.

Bitcoin mining. Done sustainably.

We build, own and operate specialized data centers to mine Bitcoin

We have been using excess renewable energy since 2019

We only enter markets where we can solve a problem

We support local communities

The Four M's

In a sector that can be opaque, there are four key value drivers

Miners

More computing power = more Bitcoin mined

15 EH/s
computing power secured

~$870m illustrative mining profit[1]

Megawatts

Computing power requires low-cost, sustainable energy

765MW
operating & under construction

100% renewable operations[2]

Money

Capital is required to acquire Miners and build Megawatts

>$500m
capital raised to date

$724m market cap[3]

Management

Experienced Management key to unlocking the Four M's

>$25bn
energy & infrastructure projects delivered

Operating since 2019

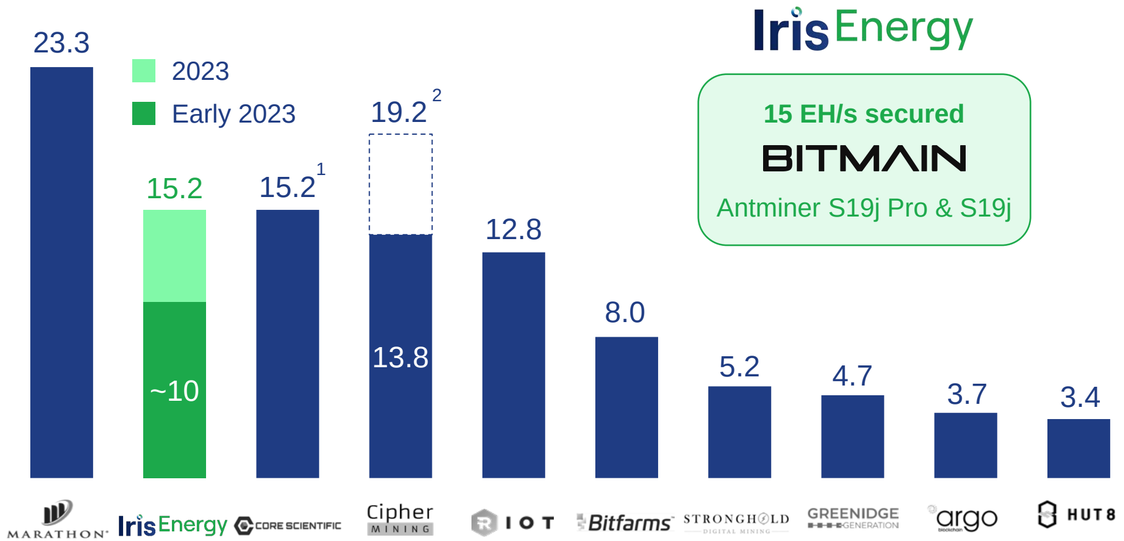
1. Illustrative annualized run-rate mining profit (revenue less mining pool fees and electricity costs) assuming **15 EH/s is fully installed and operating today** based on the Coinwarz Bitcoin Mining Calculator (https://www.coinwarz.com/mining/bitcoin/calculator). Assumes, **as a placeholder only, as at February 4, 2022**, Bitcoin price of $40k, global hashrate (implied by network difficulty) of ~191 EH/s and transaction fees of ~0.1 BTC per block. Assumes pool fees of 0.5% of mining rewards and mining hardware operates at 100% uptime. **These assumptions are likely to be different in the future and users should input their own assumptions**. Please see page 17 for further details.
2. Currently 98% directly from renewable energy sources; 2% from purchase of Renewable Energy Certificates (RECs).
3. As at February 4, 2022.

1. Miners

~10 EH/s expected by early 2023

One of the largest listed Bitcoin miners with 15 EH/s secured

Secured Computing Power (EH/s)



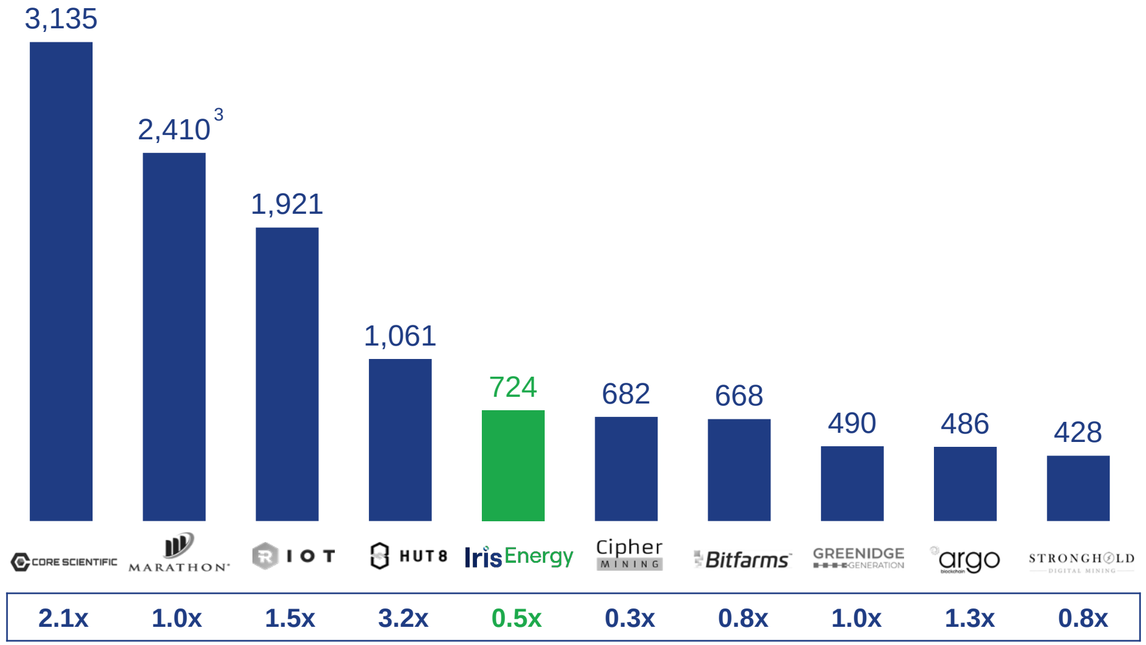
IrisEnergy

15 EH/s secured

BITMAIN

Antminer S19j Pro & S19j

Market cap ($m)



2.1x	1.0x	1.5x	3.2x	0.5x	0.3x	0.8x	1.0x	1.3x	0.8x

Market Cap / Secured Computing Power (x)[4]

Source: FactSet and public company filings. Market data as at February 4, 2022.

1. Based on self-mining hashrate as disclosed by Core Scientific.
2. Based on indicated minimum and maximum mining rig purchases under agreement with Bitfury as disclosed by Cipher.
3. Excludes $650m convertible senior notes priced in November 2021.
4. Market Cap / Secured Computing Power multiple calculated as Market Cap divided by product of Secured Computing Power and 100.

2. Megawatts

~10 EH/s expected by early 2023

765MW of grid-connected power operating or under construction

100% renewable powered operations since inception[1]

Site Overview	Megawatts (MW)	Miners (EH/s)	Timing	Status
Canal Flats (BC, Canada)	30	0.8	Complete	Operating
Mackenzie (BC, Canada)	50	1.5	Q2-Q3 2022	Under construction
Prince George (BC, Canada)	50	1.4	Q3 2022	Under construction
	35	1.0	2023	Under construction
Panhandle (Texas, US)	100	3.0	Q4 2022[2]	Under construction
	265	7.5	2023	Under construction
Total (miners secured)	**530**	**15.2**		
Panhandle (Texas, US)	*235*	*~7[3]*		*Potential capacity*
Total (potential expansion)	*765*	*~22[3]*		

>1GW additional growth pipeline beyond announced 765MW across Canada, the USA and Asia-Pacific

1. Currently 98% directly from renewable energy sources; 2% from purchase of RECs.
2. Data center buildings targeted for completion by end of 2022; energization of data centers targeted for Q1 2023.
3. Equivalent hashrate potential for the power capacity assuming installation of Bitmain S19j Pro miners.

3. Money

>$500 million raised to date, supported by leading global investors

Institutional-grade IPO – first Bitcoin miner led by bulge bracket banks

Nasdaq IPO

J.P.Morgan*

cg/Canaccord Genuity*

citi*

MACQUARIE*

CLSA

COWEN*

CANTOR Fitzgerald

COMPASS POINT RESEARCH & TRADING, LLC*

GALAXY DIGITAL

(*) Iris Energy research coverage

Funding

>$500m
Capital raised to date

~$300m
Further funding required for 15 EH/s[1]

Additional equity funding not expected

- Progressing multiple potential funding options including hardware financing and corporate debt
  - >$50m in limited recourse hardware financing already raised to date

1. Indicative estimate assuming $56k Bitcoin price (reflecting average of broker research assumptions for CY22), ~191 EH/s global hashrate (implied by network difficulty) increasing to ~300 EH/s by December 2023 and reinvestment of operating cash flow.

4. Management

Iris Energy's leadership team has delivered >$25 billion in energy & infrastructure projects

David Bartholomew

Independent Chair

- 30+ years' experience across energy utilities, transportation and industrials
- Former CEO of DUET Group (sold to CKI for $5bn in 2017)

Daniel Roberts

Co-Founder and Co-CEO

- 15 years' experience across finance, infrastructure and renewables
- Previously 2nd largest individual shareholder in $6bn infrastructure fund

Will Roberts

Co-Founder and Co-CEO

- 10 years' experience across resources, commodities & real assets
- Previously Vice President at Macquarie in Commodities & Global Markets

Chris Guzowski

Non-Executive Director

- 10+ years' experience in renewables development across Europe & Australia
- Founded Mithra Energy, developing 10+ solar PV projects in Poland

Mike Alfred

Non-Executive Director

- Previously CEO of Digital Assets Data, Inc. (sold to NYDIG in 2020)
- Board member of Crestone Group, LLC, HOHM, Inc., and Eaglebrook Advisors

Brian Fehr

Strategic Partner

- Awarded the Order of British Columbia in 2018, BC's highest recognition
- 35+ years' experience across construction, fabrication & energy

Brian Fry

Strategic Partner

- Co-founded RackForce in 2001 (became Canada's largest cloud hosting provider)
- Co-founded IP World, a fibre optic network company in 1999

Lindsay Ward

President

- 35+ years' experience across infrastructure, energy & resources
- Previously CEO of Palisade Integrated Management Services

Joanna Brand

General Counsel & Company Secretary

- 25 years' experience in corporate, capital markets, M&A & infrastructure
- Previously General Counsel at ME Bank, Jetstar Airways, Billabong & Epic Energy

David Shaw

Chief Operating Officer

- 30 years' experience across energy, utilities and resources
- Previously SVP Operations Asia-Pacific East at global engineering firm Wood

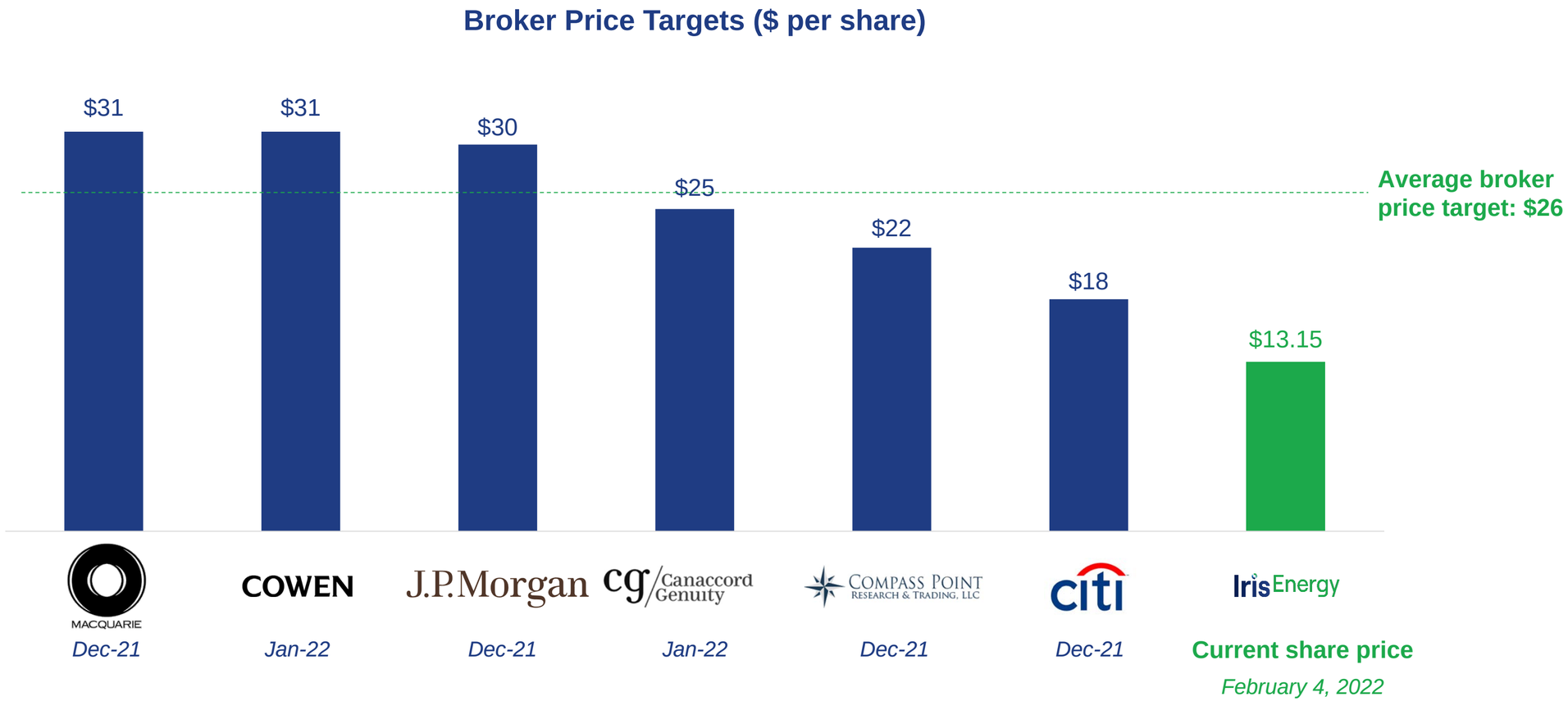
Denis Skrinnikoff

Chief Technology Officer

- 15+ years' experience in the cloud & data center service provider space
- Previous data center, M&A and senior leadership experience in listed markets

Current market valuation

Broker price targets imply a ~37-136% premium to current share price



Source: Broker research. Market data as at February 4, 2022.

Additional highlights

Why we own our infrastructure (vs. hosting)

	Iris Energy	Hosting
Long-term security	✓ Multi-decade access to power and data centers	• Recontracting / counterparty risk
Lower costs	✓ Direct access to wholesale power price (higher profitability & improved Bitcoin price resilience)	• Wholesale power price + hosting fee and/or profit share (lower profitability & lower Bitcoin price resilience)
Operational efficiencies	✓ Specialized data centers designed in-house (optimized operating performance and enhanced miner life)	• Lower incentive for investment and optimization (potential for lower performance and reduced miner life)
Flexibility	✓ Avoid higher power price periods in deregulated markets (lower power cost & improved Bitcoin price resilience)	• Hosting providers may have security over hardware (limits financing options)

We build, own and operate our data centers

Iris Energy's high efficiency specialized data centers are designed and built in-house

Our data centers have been designed to optimize operating performance and enhance miner life

Anthony P◯wer @cazenove_uk · Jan 11

Awesome December #Bitcoin ₿ mining update update from @irisenergyco

748 PH/s average operating hashrate in December (+14% increase)
124 Bitcoin mined (+10% increase)
Monthly operating revenue of US$6.2 million
177 #Bitcoin ₿ equivalent per EH

Top Performing miner in December! 😉

	argo	CLEANSPARK	Bitfarms	HIVE	HUT 8	MARATHON	RIOT	CORE SCIENTIFIC	DMG BLOCKCHAIN SOLUTIONS	Iris Energy
Nov 30 Total HR	1,720	1,300	2,100	2,268	1,700	3,200	3,000	6,600	375	657
Dec 31, 2021 Total HR	1,720	1,900	2,200	2,600	2,000	3,500	3,100	6,600	420	748
Average HR Dec 2021	1,720	1,600	2,150	2,434	1,850	3,350	3,050	6,600	398	703
Total Bitcoin Mined Dec	214	226	363	413	276	485	425	1,044	67	124
PH to mine 1 BTC	8.04	7.08	5.92	5.89	6.70	6.91	7.18	6.32	5.93	5.67
Bitcoin mined per 1 EH	124	141	169	170	149	145	139	158	169	177
Ranking	**10**	**8**	**3**	**2**	**6**	**7**	**9**	**5**	**4**	**1**

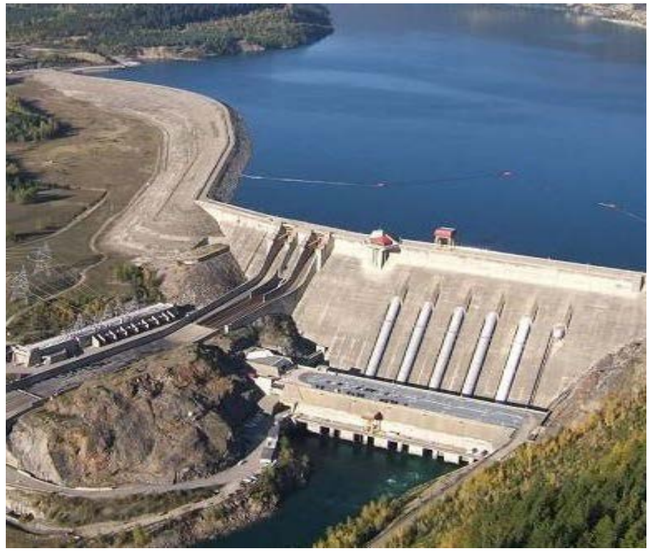
We target markets with excess and under-utilized renewables

We not only use 100% renewables, but only enter markets where we can solve a problem

Regulated markets (e.g. British Columbia)

Problem: declining industrial loads may force power prices up

Solution: we can re-introduce load to help keep power prices down

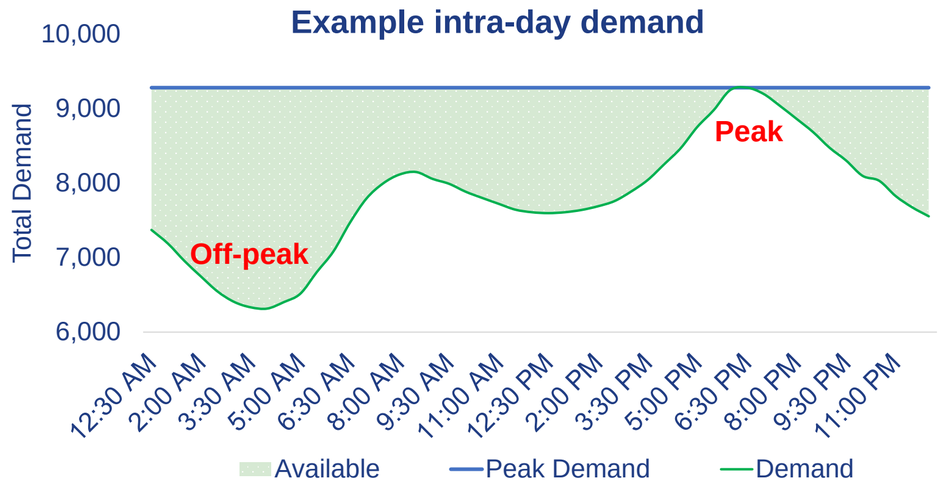


Power source: BC Hydro

Deregulated markets (e.g. Texas)

Problem: renewables intermittency creates grid instability

Solution: we can support the grid by reducing load during peak periods & increasing load during off-peak periods



ENVIRONMENTAL

We support local communities

Ktunaxa First Nations communities

Canal Flats volunteer fire department

Martin Morigeau Elementary School

Canadian Red Cross

Local schools and appeals

MOUNTAINEERS

ROCKIES

Local hockey clubs

We are building an institutional grade platform

Strong emphasis on proper governance to create sustainable long-term value for shareholders

Board of Directors

- David Bartholomew (Independent Chair)*
- Mike Alfred (Non-Executive Director)*
- Chris Guzowski (Non-Executive Director)*
- Daniel Roberts (Co-Founder and Co-CEO)
- Will Roberts (Co-Founder and Co-CEO)

(*) Independent director

Audit and Risk Committee

- Chris Guzowski (Chair)*
- David Bartholomew (Financial Expert)*
- Mike Alfred*

Corporate Governance Documents

- Corporate Governance Guidelines
- Audit and Risk Committee Charter
- Code of Business Conduct and Ethics

Policies & procedures (selected)

- Risk Management
- Delegated Authority
- Related Person Transaction
- Guidelines for Corporate Disclosure
- Audit and Non-Audit Services Pre-Approval
- Insider Trading
- Complaints

Majority independent Board

>60 years' collective Board experience

HODL considerations

Today's strategy is to reinvest Bitcoin to fund rapid expansion to 15 EH/s, building one of the largest listed Bitcoin miners

Non-HODL

Rationale

- ✓ Self-funding for rapid growth of computing power
- ✓ Return on investment today is extremely attractive (>100% cash yields[1])
- ✓ Reinvest Bitcoin today to generate more Bitcoin tomorrow:
  - 1 Bitcoin held on balance sheet; or
  - 10 x S19j Pro[1] (1,000 TH/s) = 1 Bitcoin every ~7 months[1]
- ✓ Future optionality to HODL greater amount of Bitcoin, continue reinvesting or distributions (investors could then self-custody)
- ✓ Less dilutive than raising equity to finance capex and opex

Considerations

- Optics of no Bitcoin on balance sheet (some investors with higher time preferences may prefer to see Bitcoin today)
- Generating greater exposure to Bitcoin via expansion
- Lower risk of margin calls on Bitcoin leverage

HODL

Rationale

- ✓ Immediate ownership of Bitcoin today
- ✓ Potential to borrow against Bitcoin
- ✓ Investors not required to self-custody
- ✓ Less complexity for management teams (trading Bitcoin vs. building infrastructure)
- ✓ 'Locking up' Bitcoin circulating supply

Considerations

- In down markets, double hit to profit and balance sheet
- Risk of liquidation / margin calls associated with Bitcoin price volatility. e.g. may require sale of Bitcoin and/or equity at unattractive levels
- Reliance on capital markets to continue funding capex and opex
- Trust in large corporates and third parties to custody Bitcoin

1. Based on the Company's average purchase price for its secured hardware and current global hashrate (implied by network difficulty) of ~191 EH/s.

Illustrative economics

Illustrative unit economics (annualized run-rate)

	Early 2023	2023
Nameplate hashrate	**10 EH/s[1,2]**	**15 EH/s[1,2]**
Infrastructure capacity	~350MW	~530MW
Net revenue[3]	$695m	$1,043m
Mining profit[4]	**$578m**	**$870m**

Assuming hardware operating today[5]

Notes:

1. Please see the **Coinwarz Bitcoin Mining Calculator** (https://www.coinwarz.com/mining/bitcoin/calculator):
   - Inputs for **10 EH/s**: 10,000 PH/s (hashrate), 335MW (power consumption) and $0.04 /kWh (electricity costs) – prefilled link here
   - Inputs for **15 EH/s**: 15,000 PH/s (hashrate), 495MW (power consumption) and $0.04 /kWh (electricity costs) – prefilled link here
2. Illustrative outputs assume, **as a placeholder only, as at February 4, 2022**, Bitcoin price of $40k, global hashrate (implied by network difficulty) of ~191 EH/s and transaction fees of ~0.1 BTC per block. Assumes pool fees of 0.5% of mining rewards and mining hardware operates at 100% uptime
3. Net revenue = Gross revenue less mining pool fees
4. Mining profit = Net revenue less electricity costs
5. The illustrative outputs assume nameplate hashrate is **fully installed and operating today** using the above assumptions. **These assumptions are likely to be different in the future and users should input their own assumptions**

THE ABOVE INFORMATION IS FOR GENERAL INFORMATION PURPOSES ONLY. THE NET REVENUE AND MINING PROFIT OUTPUTS ARE FOR ILLUSTRATIVE PURPOSES ONLY AND SHOULD NOT BE CONSIDERED FORWARD-LOOKING STATEMENTS AND IRIS ENERGY TAKES NO RESPONSIBILITY FOR ACCURACY OF THIRD PARTY INFORMATION (INCLUDING WEBSITES). NOTE: ONLINE CALCULATOR EXCLUDES ALL OVERHEADS AND FEES (EXCEPT POOL FEES). THE ILLUSTRATIVE NET REVENUE AND MINING PROFIT OUTPUTS ARE BASED ON HISTORICAL INFORMATION WHICH MAY OR MAY NOT MATERIALIZE IN THE FUTURE – AND THERE IS NO GUARANTEE THAT THEY WILL BE ACHIEVED OR THAT MINING HARDWARE WILL OPERATE AT 100% UPTIME. THE ABOVE AND THIS PRESENTATION SHOULD BE READ STRICTLY IN CONJUNCTION WITH THE DISCLAIMER.

Illustrative mining profit sensitivities

Annualized run-rate ($m)

10 EH/s[1]

Global hashrate	Bitcoin price					
	$20k	$30k	$40k	$50k	$60k	$100k
125 EH/s	414	680	945	1,211	1,477	2,539
150 EH/s	325	547	768	990	1,211	2,097
175 EH/s	262	452	642	831	1,021	1,780
200 EH/s	215	381	547	713	879	1,543
225 EH/s	178	325	473	621	768	1,359
250 EH/s	148	281	414	547	680	1,211

15 EH/s[2]

Global hashrate	Bitcoin price					
	$20k	$30k	$40k	$50k	$60k	$100k
125 EH/s	624	1,022	1,421	1,819	2,218	3,812
150 EH/s	491	823	1,155	1,487	1,819	3,147
175 EH/s	396	680	965	1,250	1,534	2,673
200 EH/s	325	574	823	1,072	1,321	2,317
225 EH/s	269	491	712	934	1,155	2,040
250 EH/s	225	424	624	823	1,022	1,819

Notes:

1. Inputs for **10 EH/s**: 10,000 PH/s (hashrate), 335 MW (power consumption) and $0.04 /kWh (electricity costs)
2. Inputs for **15 EH/s**: 15,000 PH/s (hashrate), 495 MW (power consumption) and $0.04 /kWh (electricity costs)
3. Illustrative outputs assume, **as a placeholder only, as at February 4, 2022**, Bitcoin price of $40k, global hashrate (implied by network difficulty) of ~191 EH/s and transaction fees of ~0.1 BTC per block. Assumes pool fees of 0.5% of mining rewards and mining hardware operates at 100% uptime
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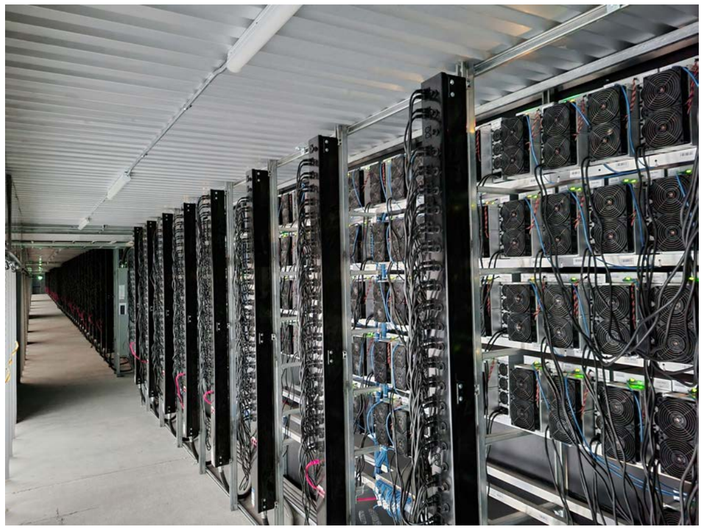
6. The illustrative outputs assume nameplate hashrate is **fully installed and operating today** using the above assumptions. **These assumptions are likely to be different in the future and users should input their own assumptions**

Current sites

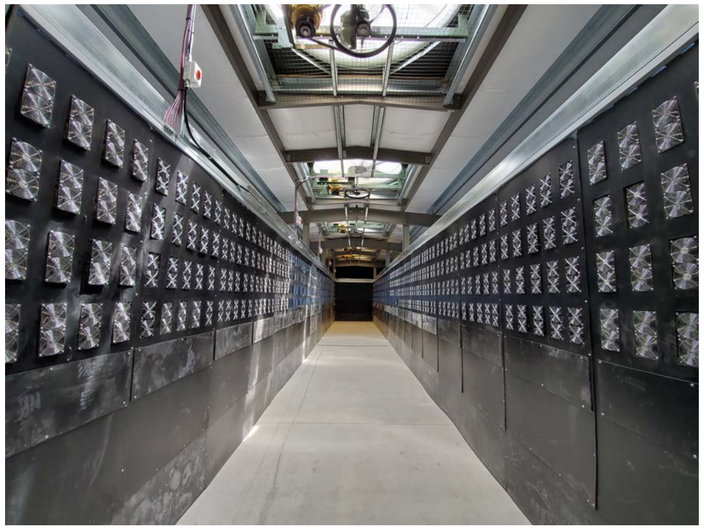
Site 1: Canal Flats – 0.8 EH/s

Specialized data centers



Miners operating in our specialized data centers

Data center 5 (incl. cable tray system)



Data center featuring our unique airflow system

Location	BC, Canada
Land	100% owned
Power source	100% renewable[1]
Power capacity	30MW
Miners	0.8 EH/s
Timing	Complete
Status	Operating

1. Currently 98% directly from renewable energy sources; 2% from purchase of RECs.

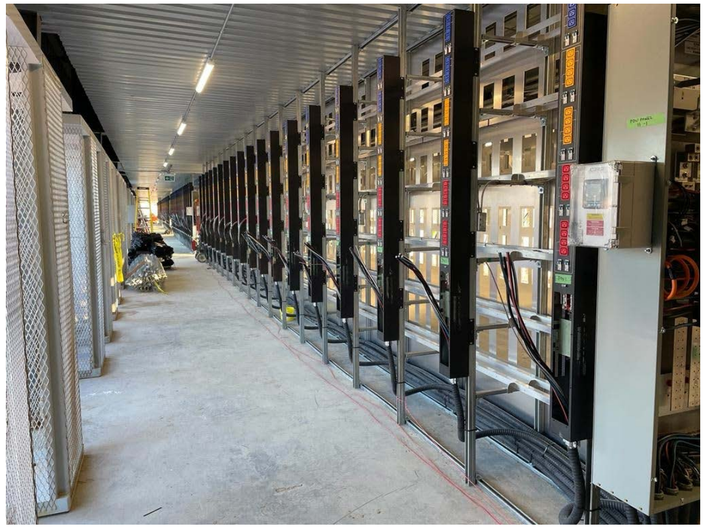
Site 2: Mackenzie – 1.5 EH/s

Illustrative site layout (incl. potential expansion)

First data center structurally complete

Location	BC, Canada
Land	100% owned
Power source	100% renewable[1]
Power capacity	50MW
Miners	1.5 EH/s
Timing	Q2-Q3 2022
Status	Under construction

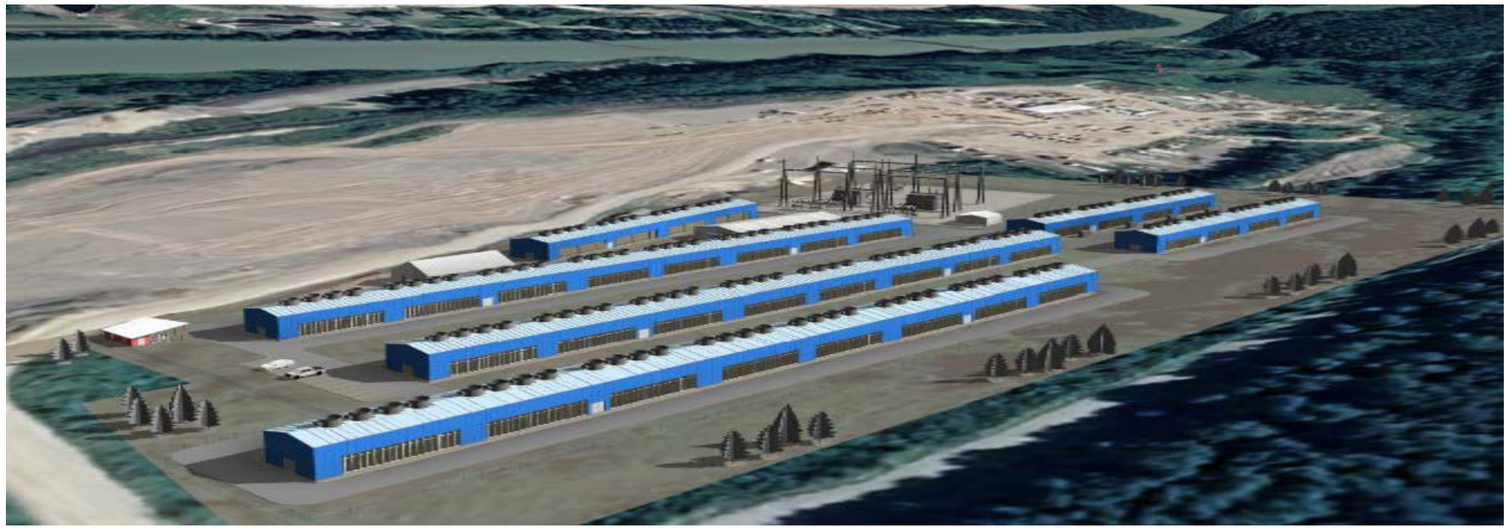
1. Expected to be 98% directly from renewable energy sources; 2% from purchase of RECs.



Miner racking installation inside first data center

Main power transformer loaded for rail transport

Site 3: Prince George – 2.4 EH/s



Illustrative site layout

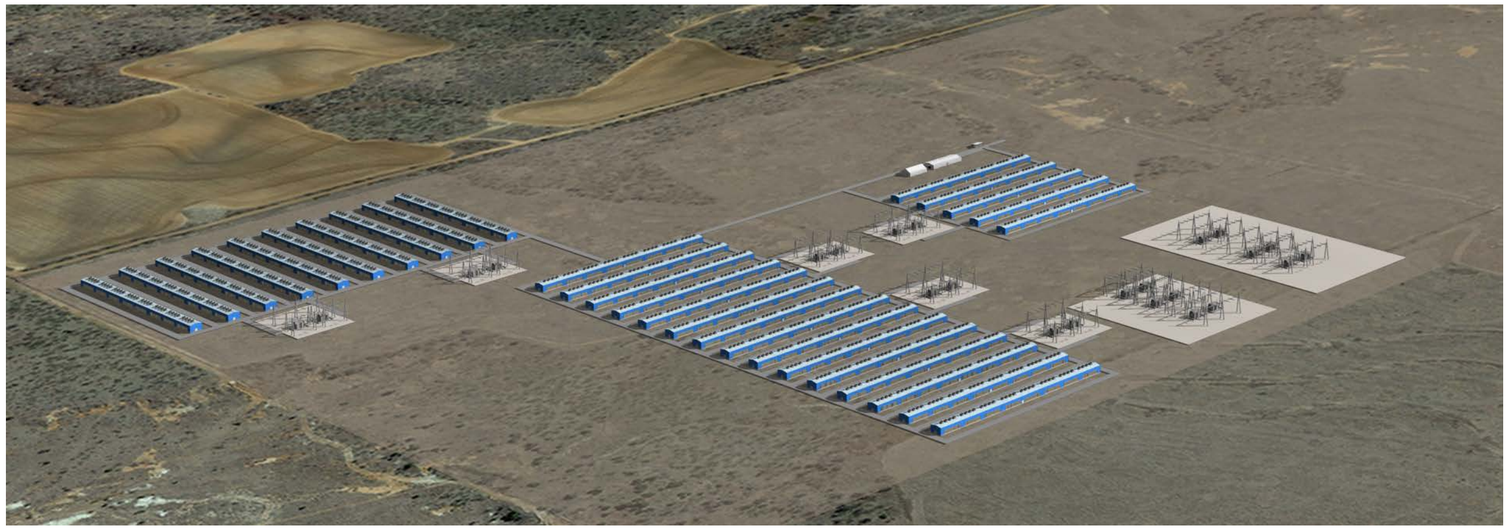
Site grading underway

Site grading underway

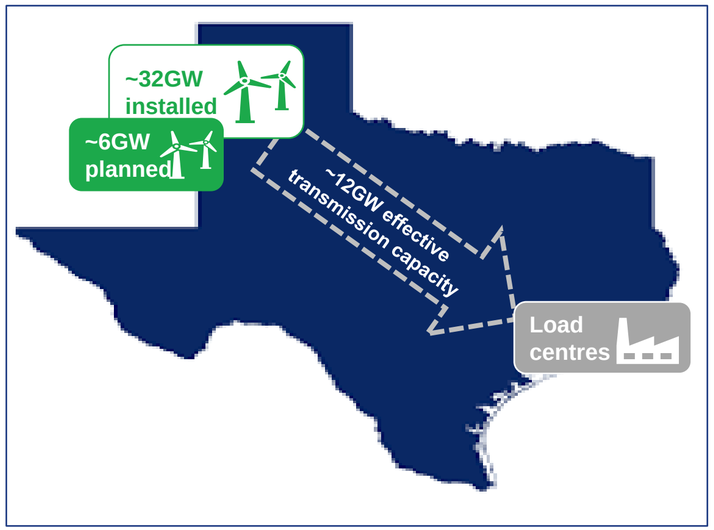
Location	BC, Canada
Land	50 year lease[1]
Power source	100% renewable[2]
Power capacity	85MW
Miners	2.4 EH/s
Timing	Q3 2022 / 2023
Status	Under construction

1. 30 year lease including 2 x 10 year extensions plus option to purchase within first 10 years.
2. Expected to be 98% directly from renewable energy sources; 2% from purchase of RECs.

Site 4: Panhandle – 10.5 EH/s + 7 EH/s[1]



Illustrative site layout



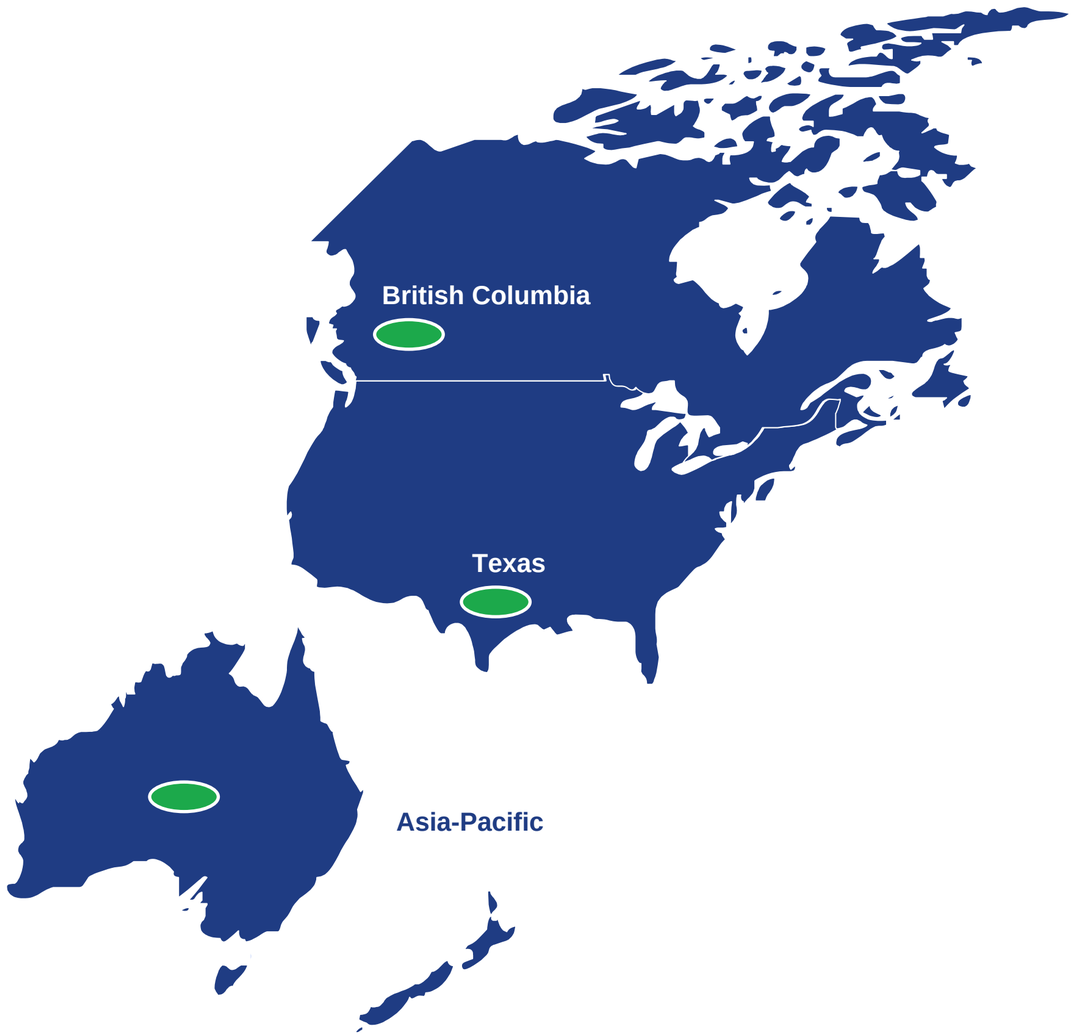
Renewables heavy (Panhandle, West Texas)

- Significant excess renewable generation
- 32GW of installed capacity (mostly wind & solar), plus 6GW planned
  - ~5GW of load
  - ~12GW effective transmission capacity to load centers in Houston and Dallas

Location	Texas, USA
Land	100% owned
Power source	Renewable (TBC)[2]
Power capacity	600MW
Miners	10.5 EH/s + 7 EH/s[1]
Timing	Q4 2022[3] / 2023
Status	Under construction

1. Equivalent hashrate potential for the power capacity assuming installation of Bitmain S19j Pro miners.
2. Renewable power source and mix to be confirmed closer to the time of commissioning.
3. Data center buildings targeted for completion by end of 2022; energization of data centers targeted for Q1 2023.

Significant development pipeline



765MW
operating and under construction

>1GW
additional growth pipeline

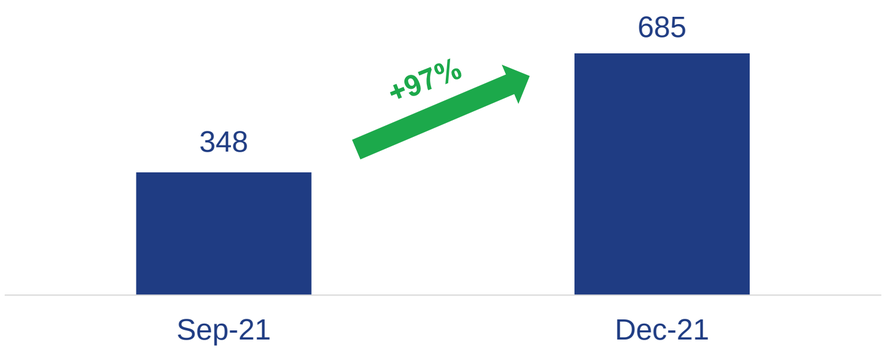
Global diversification
Canada, USA & Asia-Pacific

Grid connected
renewables & long-term access to power

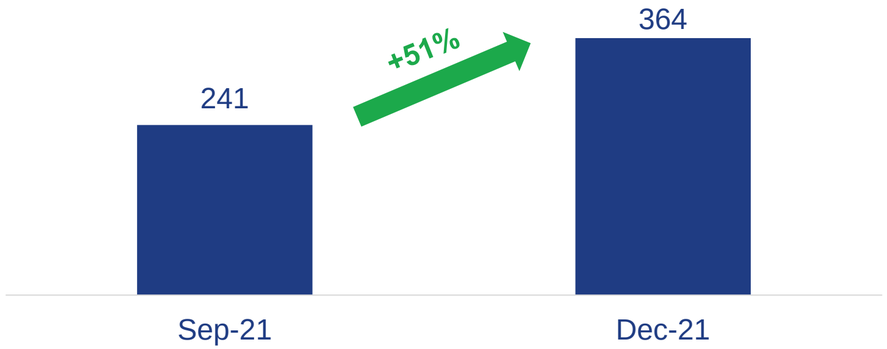
Financial Summary

Quarterly results

Average operating hashrate (PH/s)



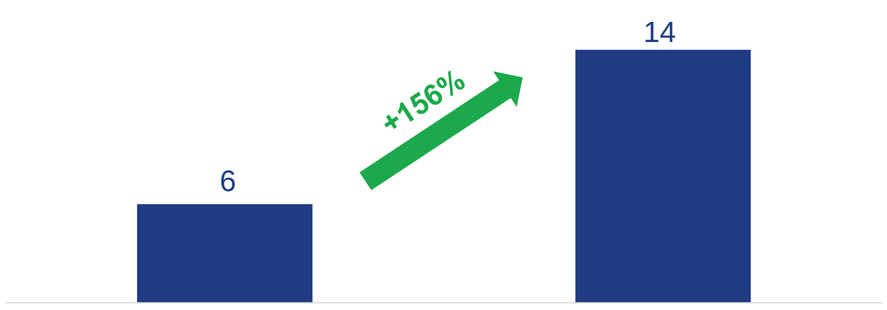
Bitcoin mined



Bitcoin mining revenue ($m)

$79m annualized

Adjusted EBITDA ($m)[1]



$57m annualized

1. Adjusted EBITDA is a non-IFRS measure. Please refer to page 27 for reconciliation to the applicable IFRS measure.

Adjusted EBITDA reconciliation

USD'000	Three months ended 31 December 2021	Three months ended 31 December 2020	Six months ended 31 December 2021	Six months ended 31 December 2020
Bitcoin mining revenue	20,017	1,227	30,387	2,092
Electricity and other site costs[1]	(3,041)	(721)	(4,976)	(1,475)
Other corporate costs	(2,643)	(683)	(5,490)	(1,303)
Adjusted EBITDA	**14,332**	**(177)**	**19,921**	**(686)**
Adjusted EBITDA Margin	72%	(14%)	66%	(33%)
Add/(deduct):				
Other income	-	99	-	557
Foreign exchange gains/(loss)	(2,610)	(641)	85	(486)
Share-based payments expense - Founders[2]	(4,518)	(143)	(5,154)	(269)
Share-based payments expense - executives[3]	(416)	-	(1,636)	-
IPO one-off expenses	(2,693)	-	(3,094)	-
EBITDA	**4,096**	**(862)**	**10,123**	**(884)**
Fair value gain/(loss) and interest expense on hybrid financial instruments[4]	73,090	-	(418,884)	(93)
Other finance expense	(1,093)	(112)	(1,932)	(65)
Interest income	-	1	-	2
Depreciation	(1,249)	(334)	(1,961)	(676)
Net profit/(loss) before tax	**74,844**	**(1,307)**	**(412,654)**	**(1,717)**
Tax expense	(3,136)	-	(6,221)	-
Net profit/(loss) after tax	**71,708**	**(1,307)**	**(418,875)**	**(1,717)**

Non-cash. Founders primarily relate to $75 strike options ($370 - $1,850 share price vesting)

Non-cash mark-to-market of convertible notes converted into equity at IPO

1) Electricity and other site costs includes electricity charges, site employee benefits, repairs and maintenance and site utilities.
2) Share-based payments expense includes expenses recorded on Founder options, including (1) Founder price target options (Executive Director Liquidity and Price Target Options) that vested on IPO resulting in A$1.77m expense recorded during the three months ended 31 December 2021. No further amortization will be recorded in relation to these price target options. (2) Founder long-term options (Executive Director Long-term Target Options) which were granted in September 2021 in connection with the IPO with an expense of A$4.45m recorded in the 3 months ended 31 December 2021. These long-term options are currently "out of the money" with an exercise price of US$75 and initial share price vesting conditions of US$370, US$650, US$925 and US$1,850 for each tranche granted. See note 15 of the 31 December 2021 interim financial statements for further information.
3) Share-based payments expense includes expense recorded in relation to incentives issued under the Employee Share Plans, Employee Option Plan and Non-Executive Director Option Plan.
4) Includes fair value losses recorded on SAFE and convertible notes that were converted into ordinary shares upon the Group's listing on the NASDAQ. The net fair value losses recorded on these instruments represents the movement in the share price from date of issuance of these instruments to the IPO listing price of US$28. All of these instruments converted to ordinary shares on 16 November 2021, the associated fair value gains/(losses) are non-cash movements and do not impact the cash position of the Group. See note 5 of the 31 December 2021 interim financial statements for further information.

The Group uses EBITDA and Adjusted EBITDA as a metric that is useful for assessing its operating performance before the impact of non-cash and other items. EBITDA is net profit or (loss) from operations, as reported in profit and loss, before finance income and expense, tax and depreciation and amortization. Adjusted EBITDA is EBITDA adjusted for removing certain non-cash and other items, including share-based payment expenses, foreign currency gains/(losses) and one-time transactions.

The Group presents its financial statements in Australian dollars (A$). All U.S. dollar balances presented in this presentation have been translated using the noon buying rate of the Federal Reserve Bank of New York on the last working day of each relevant quarter.

Financial performance

USD'000	Three months ended 31 December 2021	Three months ended 31 December 2020	Six months ended 31 December 2021	Six months ended 31 December 2020
Revenue				
Bitcoin mining revenue	20,017	1,227	30,387	2,031
Other income	-	99	-	524
Expenses				
Depreciation and amortization	(1,249)	(333)	(1,961)	(652)
Electricity charges	(2,611)	(574)	(4,198)	(1,137)
Employee benefits expense	(1,298)	(279)	(2,469)	(573)
Share-based payments expense	(4,933)	(143)	(6,789)	(260)
Impairment of assets	-	(366)	(353)	(438)
Loss on disposal of assets	-	-	-	(193)
Professional fees	(2,540)	(72)	(3,572)	(145)
Other expenses	(1,929)	(113)	(2,968)	(194)
Operating profit/(loss)	**5,457**	**(555)**	**8,077**	**(1,038)**
Finance expense	71,997	(112)	(420,816)	(155)
Interest income	-	2	-	2
Foreign exchange gains/(loss)	(2,610)	(641)	85	(497)
Profit/(loss) before income tax expense	**74,844**	**(1,307)**	**(412,653)**	**(1,688)**
Income tax expense	(3,136)	-	(6,221)	-
Profit/(loss) after income tax expense	**71,708**	**(1,306)**	**(418,875)**	**(1,688)**

Non-cash

Primarily non-cash mark-to-market of convertible notes converted into equity at IPO

The Group presents its financial statements in Australian dollars (A$). All U.S. dollar balances presented in this presentation have been translated using the noon buying rate of the Federal Reserve Bank of New York on the last working day of each relevant quarter.

Financial position

USD'000	31 December 2021	30 June 2021
Assets		
Cash and cash equivalents	255,296	38,990
Other receivables	4,085	794
Prepayments and other assets	7,733	648
Total current assets	**267,114**	**40,432**
Property, plant and equipment	54,790	15,952
Right-of-use assets	1,000	1,405
Goodwill	643	660
Deferred tax asset	7,887	912
Mining hardware prepayments	163,746	75,208
Total non-current assets	**228,066**	**94,137**
Total assets	**495,180**	**134,569**
Liabilities		
Trade and other payables	6,010	1,120
Borrowings	16,208	71,986
Embedded derivatives	0	96,716
Income tax liability	6,717	533
Employee benefits	298	109
Total current liabilities	**29,233**	**170,464**
Borrowings	15,785	11,853
Deferred tax liability	3,546	1,618
Total non-current liabilities	**19,330**	**13,471**
Total liabilities	**48,564**	**183,935**
Equity		
Issued capital	919,778	12,036
Reserves	8,758	1,449
Accumulated losses	(481,920)	(62,852)
Total equity / (deficit)	**446,616**	**(49,366)**
Total liabilities and equity	**495,180**	**134,569**

Primarily non-cash mark-to-market of convertible notes converted into equity at IPO

The Group presents its financial statements in Australian dollars (A$). All U.S. dollar balances presented in this presentation have been translated using the noon buying rate of the Federal Reserve Bank of New York on the last working day of each relevant quarter.

Iris Energy

Thank You
for joining us today