Fortress Technologies Announces Second Quarter 2021 Financial Results and Management Changes

TORONTO, Aug. 25, 2021 (GLOBE NEWSWIRE) -- Fortress Technologies Inc. (TSX-V: FORT) (the "**Company**" or “**Fortress**”) announces the results of its operations for the second quarter and six months period ended June 30, 2021 (“Q2 2021”). The first six months of the fiscal year constituted a strong start for the Company, with net income of approximately $2.9 million or earnings per share of $0.03. This period also marked the launch of our strategic venture with Great American Mining LLC (“GAM”).

GAM specializes in developing and operating environmentally sustainable Bitcoin mining containers which convert flared natural gas into electricity thereby reducing greenhouse gas emissions.

The Company has commissioned 12 containers in its strategic venture with GAM, and these can operate 2,160 new generation ASIC miners (or 180 ASIC miners per container). Currently, 4 of these containers are actively hashing in the field producing approximately 52 PH/s.

Methane has a global warming potential that’s 25-80x that of CO2 and the practice of mining Bitcoin with stranded gas reduces the potential emission of methane into the atmosphere. Additionally, the current 4 containers operating in North Dakota are utilizing roughly 450 MCFD (450,000 cubic feet per day) of associated gas that would otherwise be flared into the atmosphere. Once fully operational, the project will utilize roughly 1,800 MCFD of associated gas that would otherwise be flared into the atmosphere.

The remaining 8 containers have been constructed, and 1,440 MicroBT M31S ASIC miners have been shipped from China. The Company expects these remaining 8 containers will be deployed in the gas field by the end of September 2021 and will bring the Company’s total operating Bitcoin mining hash rate with GAM to approximately 158 PH/s. Fortress also continues to operate its 20 PH/s data center operation in Washington State. Our portfolio of bitcoin mining assets is expected to produce 27.6 Bitcoin per month (based on current difficulty) to Fortress by as the Fortress and GAM expect that the remaining 8 containers are deployed throughout the month of September 2021.

The company maintains a healthy treasury at quarter end with a Bitcoin a balance of 140.14 as of June 30, 2021, in addition to the cash balance of $12.1 million. Consequently, the total value of cash, Bitcoin and accrued interest as of June 30, 2021 was $18,350,165 at a US$35,847 price per bitcoin.

Management Changes

Fortress announces that effective September 20, 2021, Aydin Kilic will resign as CEO and President of Fortress to pursue a new opportunity as COO and President of Hive Blockchain Technologies (NASDAQ: HVBT). Roy Sebag, who is Chairman of Fortress has been appointed interim CEO of the company.

Statement from Roy Sebag:

“On behalf of the Board of Directors, I would like to thank Aydin for his service and wish him the very best in his new role as COO of Hive. It has been a pleasure to work with Aydin for the past 3 years, as he strives for a high standard of performance, as such Fortress has benefited from his hard work and dedication. On a personal note, I welcome this opportunity to take a more active role in running Fortress as we seek to transform this company into one of the leading ESG conscious bitcoin miners within the public markets.”

Statement from Aydin Kilic:

“As the founder of Fortress Blockchain Corp, I am pleased to see our company evolve into a specialized ESG conscious Bitcoin miner as Fortress Technologies Inc. Additionally, it has been an honor to serve at the pleasure of this board as CEO and President. Fortress is well positioned for continued prosperity, and in my view represents an excellent value proposition for investors seeking companies that are reducing carbon footprints through their operations, or companies which mine or hold Bitcoin. The superb business experience of our board members will continue to benefit shareholders through strategic allocation of capital.”

About Fortress Technologies

Fortress Technologies Inc. (TSX-V: FORT) is a well-capitalized company focused on developing projects where access to growth capital is highly valued, which can also advance ESG and environmentally conscious business initiatives.

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Cautionary Statement

Trading in the securities of the Company should be considered highly speculative. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This news release contains certain "forward-looking information" within the meaning of applicable Canadian securities laws that are based on expectations, estimates and projections as at the date of this news release. The information in this release about future plans and objectives of the Company, are forward-looking information. Other forward-looking information includes but is not limited to information concerning: the intentions and future actions of senior management, the intentions, plans and future actions of the Company, as well as the Company' ability to successfully mine digital currency; revenue increasing as currently anticipated; the ability to profitably liquidate current and future digital currency inventory; volatility of network difficulty and, digital currency prices and the resulting significant negative impact on the Company's operations; the construction and operation of expanded blockchain infrastructure as currently planned; and the regulatory environment of cryptocurrency in applicable jurisdictions.

Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information.

This forward-looking information is based on reasonable assumptions and estimates of management of the Company at the time it was made, and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. The Company has also assumed that no significant events occur outside of the Company's normal course of business. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to revise or update any forward-looking information other than as required by law.