

# BITFARMS LTD

## FORM 6-K

(Report of Foreign Issuer Pursuant to Rule 13a-16 or 15d-16)

Filed 06/24/21 for the Period Ending 06/23/21

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Fiscal Year 12/31

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 6-K**

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**REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16  
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

**For the month of June, 2021**

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**Commission File Number: 001-40370**

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**BITFARMS LTD.**  
(Exact Name of Registrant as Specified in Its Charter)

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**18 King Street East, Suite 902, Toronto, Ontario, Canada M5C 1C4**  
(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☐      Form 40-F ☒

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

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On June 23, 2021, the Registrant filed with the Canadian Securities Regulatory Authorities on the System for Electronic Data Analysis and Retrieval (SEDAR) a material change report that includes a copy of a press release and an addendum to its management information circular for its annual general and special meeting of shareholders, copies of which are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively, and which are incorporated herein by reference.

**Exhibits**

Exhibit No.	Description
99.1	<a href="#">Material Change Report dated June 23, 2021</a>
99.2	<a href="#">Addendum to the Management Information Circular dated June 23, 2021</a>

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**BITFARMS LTD.**

By: /s/ L. Geoffrey Morphy

Name: L. Geoffrey Morphy

Title: President

Date: June 23, 2021

**FORM 51-102F3  
MATERIAL CHANGE REPORT**

**Item 1                    Name and Address of Company**

Bitfarms Ltd. (“Bitfarms” or the “Company”)  
18 King Street East, Suite 902  
Toronto, Ontario M5C 1C4

**Item 2                    Date of Material Change**

June 23, 2021.

**Item 3                    News Release**

The press release attached as Schedule “A” was released on June 23, 2021.

**Item 4                    Summary of Material Change**

The material change is described in the press release attached as Schedule “A”.

**Item 5                    Full Description of Material Change**

The material change is described in the press release attached as Schedule “A”.

**Item 6                    Reliance of subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**Item 7                    Omitted Information**

Not applicable.

**Item 8                    Executive Officer**

Nicolas Bonta  
Executive Chairman & Director  
Bitfarms Ltd.  
nbonta@bitfarms.com

**Item 9                    Date of Report**

June 23, 2021.

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## **Bitfarms Provides Reminder of Upcoming Annual General and Special Meeting and Issues Addendum to Previously Filed Management Information Circular**

**Toronto, Ontario and Brossard, Québec (June 23, 2021)** - Bitfarms Ltd. (“**Bitfarms**”, or the “**Company**”) ([TSXV:BTF](#)/[NASDAQ:BTF](#)), provides a reminder of its upcoming Annual General and Special Meeting and issues the following news release to supplement the disclosure contained in its recently filed management information circular dated April 28, 2021 (the “**Circular**”).

### **Annual General and Special Meeting**

The Company will hold its Annual General and Special Meeting virtually on June 25, 2021 at 1:30 p.m. (Eastern time). We are inviting shareholders of the Company to participate in the meeting by accessing the virtual meeting platform using the details provided below:

URL: <https://virtual-meetings.tsxtrust.com/1118>

Password: bitfarms2021

Meeting ID: 1118

### **Addendum to Previously Filed Management Information Circular**

The Company is disseminating an addendum to the Circular to note that disinterested shareholder approval will be required for approval of the Company’s proposed LTIP (as defined in the Circular) and that the maximum number of restricted stock units issuable under the LTIP is fixed at 10,000,000. The addendum to the Circular is filed under the Company’s profile on [www.sedar.com](http://www.sedar.com).

### **About Bitfarms Ltd.**

Founded in 2017, Bitfarms is a Bitcoin mining company, running vertically integrated mining operations with onsite technical repair, proprietary data analytics and Company- owned electrical engineering and installation services to deliver high operational performance and uptime.

Having demonstrated rapid growth and stellar operations, Bitfarms became the first Bitcoin mining company to complete its long form prospectus with the Ontario Securities Commission and started trading on the TSX-V in July 2019. On February 24, 2021 Bitfarms was honoured to be announced as a Rising Star by the TSX-V.

Bitfarms has a diversified production platform with five industrial scale facilities located in Québec. Each facility is over 99% powered with environmentally friendly hydro power and secured with long-term power contracts. Bitfarms is currently the only publicly traded pure-play mining company audited by a Big Four audit firm.

To learn more about Bitfarms' events, developments, and online communities:

Website: [www.bitfarms.com](http://www.bitfarms.com)

<https://www.facebook.com/bitfarms/>

[https://twitter.com/Bitfarms\\_io](https://twitter.com/Bitfarms_io)

<https://www.instagram.com/bitfarms/>

<https://www.linkedin.com/company/bitfarms/>

### ***Defined Terms***

### ***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" and "forward-looking statements" (collectively, "forward-looking information") that are based on expectations, estimates and projections as at the date of this news release. The information in this release regarding 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, plans and future actions of the Company, as well as Bitfarms' 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 potential resulting significant negative impact on the Company's operations, the construction and operation of expanded blockchain infrastructure as currently planned, and the regulatory environment for cryptocurrency in the 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 assumptions and estimates of management of the Company at the time they were 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. Such factors include, among others, risks relating to: the global economic climate; dilution; the Company's limited operating history; future capital needs and uncertainty of additional financing; the competitive nature of the industry; currency exchange risks; the need for the Company to manage its planned growth and expansion; the effects of product development and need for continued technology change; protection of proprietary rights; the effect of government regulation and compliance on the Company and the industry; network security risks; the ability of the Company to maintain properly working systems; reliance on key personnel; global economic and financial market deterioration impeding access to capital or increasing the cost of capital; and volatile securities markets impacting security pricing unrelated to operating performance. In addition, particular factors that could impact future results of the business of Bitfarms include, but are not limited to: the construction and operation of blockchain infrastructure may not occur as currently planned, or at all; expansion may not materialize as currently anticipated, or at all; the digital currency market; the ability to successfully mine digital currency; revenue may not increase as currently anticipated, or at all; it may not be possible to profitably liquidate the current digital currency inventory, or at all; a decline in digital currency prices may have a significant negative impact on operations; an increase in network difficulty may have a significant negative impact on operations; the volatility of digital currency prices; the anticipated growth and sustainability of hydroelectricity for the purposes of cryptocurrency mining in the applicable jurisdictions, the ability to complete current and future financings, any regulations or laws that will prevent Bitfarms from operating its business; historical prices of digital currencies and the ability to mine digital currencies that will be consistent with historical prices; an inability to predict and counteract the effects of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19 on the price of digital currencies, capital market conditions, restriction on labour and international travel and supply chains; and, the adoption or expansion of any regulation or law that will prevent Bitfarms from operating its business, or make it more costly to do so. For further information concerning these and other risks and uncertainties, refer to the Company's filings on www.SEDAR.com including the annual information form for the year ended December 31, 2020, filed on April 7, 2021. The Company has also assumed that no significant events occur outside of Bitfarms' normal course of business. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those expressed in forward-looking statements, 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 any forward-looking information. The Company undertakes no obligation to revise or update any forward-looking information other than as required by law.*

#### Contacts

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**BITFARMS LTD.**

ADDENDUM TO THE MANAGEMENT INFORMATION  
CIRCULAR IN RESPECT OF THE ANNUAL GENERAL AND  
SPECIAL MEETING OF SHAREHOLDERS

Dated June 23, 2021

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**BITFARMS LTD.**  
18 King Street East, Suite 902  
Toronto, Ontario M5C 1C4

**INFORMATION CIRCULAR ADDENDUM**

June 23, 2021

This management information circular addendum (the “**Addendum**”) adds to and replaces certain information contained in the management information circular of Bitfarms Ltd. (the “**Corporation**”) dated April 28, 2021 (the “**Circular**”) in respect of the annual and special meeting of shareholders to be held on June 25, 2021 (the “**Shareholder Meeting**”). The Addendum should be read in conjunction with the information contained in the Circular. All terms capitalized and not otherwise defined herein shall have the meaning ascribed thereto in the Circular.

The Circular currently provides for the following at paragraph (f) under the heading “*Notice of Annual General Meeting of Shareholders*” with the following:

“(f) to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to approve the Corporation’s 10% rolling long term incentive plan for the ensuing year;”

At the Shareholder Meeting, the above-noted item of business will be amended to replace paragraph (f) under the heading “*Notice of Annual General Meeting of Shareholders*” with the following (the “**LTIP Resolution**”):

“(f) to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution of disinterested shareholders (“**Disinterested Shareholders**”) to approve the Corporation’s long term incentive plan (the “**LTIP**”) for the ensuing year;”

Discretionary proxies held by Management Nominees which are voted in favour of this item of business will be voted in favour of the LTIP Resolution. As at the Record Date, insiders of the Corporation hold 23,189,778 Common Shares and will abstain from voting such Common Shares on the LTIP Resolution. Shareholders who do not wish to vote in favour of the LTIP Resolution are instructed to amend their proxy to vote against approval of the LTIP following the instructions as provided in the Circular.

To provide further information on the Amendment, the Circular is hereby amended to replace the third to eighth paragraphs under the heading “*PARTICULARS OF MATTERS TO BE ACTED UPON – 6. Approval of Long Term Incentive Plan*” with the following:

“The LTIP is designed to ensure compliance with the policies of TSX Venture Exchange (the “TSXV”). The LTIP is an incentive plan pursuant to which stock options and a fixed number of RSUs may be issued, that sets the number of Common Shares issuable thereunder at a maximum of 10% of the Common Shares issued and outstanding at the time of any grant and fixes the number of RSUs at 10,000,000. As at the date of this Circular, there are 7,108,922 options outstanding pursuant to the Old Plan which, assuming approval of the LTIP by the Shareholders at the Meeting, will be subsumed as options outstanding under the LTIP, and will represent approximately 4.90% of the issued and outstanding Common Shares, leaving a total of 7,392,764 Common Shares available for reservation pursuant to new grants of options.

Pursuant to the policies of TSXV, the Corporation is required to obtain the approval of its Disinterested Shareholders for a new incentive plan for acceptance of the incentive plan by the Corporation and at each annual meeting of shareholders. Accordingly, at the Meeting, Disinterested Shareholders will be asked to approve an ordinary resolution to approve the LTIP.

The LTIP provides that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Corporation, or any subsidiary of the Corporation, the option to purchase Common Shares or restricted stock units (“RSUs”) which grant the holder the right to receive a payment in Common Shares. For a summary of the material features of the LTIP, please see “*Executive Compensation – LTIP*”.

The full text of the LTIP is set forth in Schedule “D” of this Circular.

At the Meeting, Disinterested Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution to approve the LTIP for the ensuing year (the “LTIP Resolution”). In order to be effected, the LTIP Resolution is required to be passed by the affirmative vote of a majority of the votes cast at the Meeting by disinterested shareholders.

The Board recommends that Disinterested Shareholders vote FOR the LTIP Resolution. Unless the Shareholder has specifically instructed in the form of proxy or voting instruction form that the Common Shares represented by such proxy or voting instruction form are to be voted against the LTIP Resolution, the persons named in the proxy or voting information form will vote FOR the LTIP Resolution.”

In addition, the Circular is hereby amended to replace the sixth and seventh paragraphs under the heading “*STATEMENT OF EXECUTIVE COMPENSATION – Stock Option Plan*” with the following:

“The LTIP is a partially rolling incentive plan, under which 10% of the outstanding Common Shares at any given time are available for issuance thereunder. The purpose of the LTIP is to advance the interests of the Corporation by (i) providing certain employees, officers, directors, or consultants of the Corporation (collectively, the “**Award Holders**”) with additional performance incentive; (ii) encouraging Common Share ownership by the Award Holders; (iii) increasing the proprietary interest of the Award Holders in the success of the Corporation; (iv) encouraging the Award Holders to remain with the Corporation; and (v) attracting new employees, officers, directors and consultants to the Corporation.

The following information is intended to be a brief description and summary of the material features of the LTIP:

- a) The aggregate maximum number of Common Shares available for issuance from treasury under the LTIP and all of the Corporation’s other security-based compensation arrangements at any given time is 10% of the outstanding Common Shares as at the date of grant of an option under the LTIP, subject to adjustment or increase of such number pursuant to the terms of the LTIP. Any Common Shares subject to an award (“**Award**”) of options or RSUs which has been granted under the LTIP and which has been cancelled, repurchased, expired or terminated in accordance with the terms of the LTIP without having been exercised will again be available under the LTIP.
- b) Each RSU entitles the holder to receive one Common Share.
- c) The maximum number of RSUs issuable under the LTIP is fixed as 10,000,000.
- d) The exercise price of an option shall be determined by the Board at the time each option is granted, provided that such price shall not be less than (i) if the Common Shares are listed on the Exchange (as such term is defined in the LTIP), the last closing price of the Common Shares on the Exchange; or (ii) if the Common Shares are not listed on the Exchange, in accordance with the rules of the stock exchange on which the Common Shares are listed at the time of the grant; or (iii) if the Common Shares are not listed on any stock exchange, the minimum exercise price as determined by the Board.
- e) The aggregate number of Common Shares reserved for issuance pursuant to awards granted to insiders of the Corporation at any given time, or within a 12-month period, shall not exceed 10% of the total number of Common Shares then outstanding, unless disinterested shareholder approval is obtained.
- f) The aggregate number of Common Shares reserved for issuance pursuant to awards granted to any one person or entity within any twelvemonth period shall not exceed 5% of the total number of Common Shares then outstanding unless disinterested shareholder approval is obtained.
- g) Directors, officers, consultants and employees of the Corporation or its subsidiaries, and employees of a person or company which provides management services to the Corporation or its subsidiaries are eligible to participate in the LTIP. Subject to compliance with requirements of the applicable regulators, Awards Holders may elect to hold Awards granted to them in an incorporated entity wholly owned by them and such entity is bound by the LTIP in the same manner as if the Awards were held by the Award Holder.

- h) Award and all rights thereunder shall expire on the date set out in the Award agreement, provided that in no circumstances shall the duration of an Award exceed the maximum term permitted by the applicable regulators.
- i) If any Awards expire during a period when trading of the Corporation's securities by certain persons as designated by the Corporation is prohibited or within 10 business days after the end of such a period, the term of those Awards will be extended to 10 business days after the end of the prohibited trading period, unless such extension is prohibited by any applicable law or the policies of the applicable regulators.
- j) The Board may determine when any Award will become exercisable and may determine that the Award will be exercisable immediately upon the date of grant, or in instalments or pursuant to a vesting schedule. However, unless the Board determines otherwise, Awards issued pursuant to the LTIP are generally subject to a vesting schedule as follows: (i) 1/3 upon the date of grant; (ii) 1/3 upon the first anniversary of the date of grant; and (iii) 1/3 upon the second anniversary of the date of grant.
- k) In the event an Award Holder ceases to be eligible for the grant of Awards under the LTIP, Awards previously granted to such person will cease to be exercisable within a period of 90 days after the date such person ceases to be eligible under the LTIP, or such longer or shorter period as determined by the Board, provided that no Award shall remain outstanding for any period which exceeds the earlier of: (i) the expiry date of such Award; and (ii) 12 months following the date such person ceases to be eligible under the LTIP.
- l) If an Award Holder ceases to be a director, officer, consultant or employee of the Corporation, or its subsidiaries, or ceases to be a management company employee, for any reason (other than death), such Award Holder may exercise their Award to the extent that the Award Holder was entitled to exercise it at the date of such cessation, provided that such exercise must occur within 90 days after the Award Holder ceases to be a director, officer, consultant or employee, or a management company employee.
- m) In the event of death of an Award Holder, the Award previously granted shall be exercisable only within 12 months after such death and only if and to the extent that such Award Holder was entitled to exercise the Award at the date of death.
- n) The LTIP has been adopted by the Board subject to the approval of the applicable regulators and, if so approved, subject to the discretion of the Board, the LTIP will become effective upon approval at the next general meeting of the shareholders of the Corporation."

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