EXHIBIT B

Press Release

SEC Charges Bitcoin Mining Companies

FOR IMMEDIATE RELEASE
2015-271

Washington D.C., Dec. 1, 2015 — The Securities and Exchange Commission today charged two Bitcoin mining companies and their founder with conducting a Ponzi scheme that used the lure of quick riches from virtual currency to defraud investors.

According to the SEC's complaint filed in federal court in Connecticut, "mining" for Bitcoin or other virtual currencies means applying computer power to try to solve complex equations that verify a group of transactions in that virtual currency. The first computer or collection of computers to solve an equation is awarded new units of that virtual currency.

The SEC alleges that Homero Joshua Garza perpetrated the fraud through his Connecticut-based companies GAW Miners and ZenMiner by purporting to offer shares of a digital Bitcoin mining operation. In reality, GAW Miners and ZenMiner did not own enough computing power for the mining it promised to conduct, so most investors paid for a share of computing power that never existed. Returns paid to some investors came from proceeds generated from sales to other investors.

"As alleged in our complaint, Garza and his companies cloaked their scheme in technological sophistication and jargon, but the fraud was simple at its core: they sold what they did not own, misrepresented what they were selling, and robbed one investor to pay another," said Paul G. Levenson, Director of the SEC's Boston Regional Office.

According to the SEC's complaint:

- From August 2014 to December 2014, Garza and his companies sold $20 million worth of purported shares in a digital mining contract they called a Hashlet.
- More than 10,000 investors purchased Hashlets, which were touted as always profitable and never obsolete.
- Although Hashlets were depicted in GAW Miners' marketing materials as a physical product or piece of mining hardware, the promised contract purportedly entitled the investor to control a share of computing power that GAW Miners claimed to own and operate.
- Investors were misled to believe they would share in returns earned by the Bitcoin mining activities when in reality GAW Miners directed little or no computing power toward any mining activity.
- Because Garza and his companies sold far more computing power than they owned, they owed investors a daily return that was larger than any actual return they were making on their limited mining operations.
- Therefore, investors were simply paid back gradually over time under the mantra of "returns" out of funds that Garza and his companies collected from other investors.
- Most Hashlet investors never recovered the full amount of their investments, and few made a profit.

The SEC's complaint seeks permanent injunctive relief as well as the disgorgement of ill-gotten gains plus prejudgment interest and penalties.

The SEC's investigation was conducted by Gretchen Lundgren, Kathleen Shields, Trevor Donelan, and Michele T. Perillo of the Boston office, with assistance from Alex Lefferts of the Enforcement Division's Center for Risk and Quantitative Analytics. The SEC's litigation is being handled by Ms. Shields and Ms. Lundgren.

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Related Materials

- SEC Complaint
- Investor Alert-Ponzi Schemes Using Virtual Currencies
- Investor Alert-Bitcoin and Other Virtual Currency Investments