



ESG Investors: This Crypto Stock Uses 100% Renewable Energy

Description

Elon Musk, CEO of **Tesla**, reneged on his pronouncement that the electric carmaker will accept **Bitcoin** as payment. The controversial businessman clarified, however, that Tesla will most likely accept Bitcoin payments when it becomes more eco-friendly. Many environmentalists are against cryptocurrency mining, because it uses a lot of energy and pollutes the world.

While being an energy hog isn't the reason Bitcoin is a risky asset, [cryptos](#) can't attract ESG investors. However, some crypto miners are going clean and green to allay fears of environmental consequences. Vancouver-based **HIVE Blockchain Technologies** ([TSXV:HIVE](#))(NASDAQ:HVBV) can win over investors looking for eco-friendly investments.

The \$905.76 million miner of Bitcoin, **Ethereum**, and Ethereum Classic uses 100% renewable energy. Management said that since day one, TSX's first publicly listed crypto miner uses relatively low-cost, green or renewable energy.

Committed ESG strategy

HIVE operates in cool and politically stable jurisdictions, namely Canada, Iceland, and Sweden. In Canada, green energy (30 MW energy capacity) powers its dedicated cryptocurrency mining operation. The electricity used in the state-of-the-art blockchain infrastructure facility in Iceland comes from geothermal and hydro resources.

In Sweden, HIVE's graphic processing unit (GPU) facilities uses hydro electricity (17 MW) only. For Ethereum mining, the company equips the facility with custom and efficient GPU rigs. With 50 MW of green power in its data centres, HIVE is one of the largest and most diversified cryptocurrency miners in the world.

Pure-play blockchain investment

The [crypto stock](#), like cryptocurrencies, underperformed year to date. Still, HIVE had a solid

performance in the last 3.01 years, with a total return of more than 200% (44% CAGR). The current share price of \$2.21 (-33.23% year to date) is a good entry point. Market analysts covering HIVE are bullish. Their 12-month average price target is \$5.02, or an upside potential of 127.15%.

Frank Holmes, HIVE's executive chairman, said, "We are very pleased to report HIVE has continued its extremely strong momentum in expanding our hashing power." He pointed to the mining hash power of both Bitcoin and Ethereum. The company produces BTC daily, on average.

Unlike direct exposure to Bitcoin and other cryptos, would-be investors have a basis for making sound decisions. For example, HIVE's total revenue from digital currency mining in Q3 fiscal 2022 (quarter ended December 31, 2021) climbed 397% versus Q3 fiscal 2021.

Notably, net income rose 273.26% to US\$64.2 million compared to the same quarter in the previous fiscal year. According to management, the factors for the significant increases were gross mining margin, higher Bitcoin and Ethereum prices, gains on the sale of digital currencies, and foreign exchange.

U.S. expansion

HIVE is upbeat in 2022 and looks to double its Bitcoin mining rate. The company signed a deal with chipmaker **Intel** to acquire the new application-specific integrated circuit (ASIC) chips. HIVE is expanding in the U.S., as it also struck a preliminary deal with Compute North. HIVE will host the renewable energy facility (100 MW) of Texas-based mining infrastructure provider.

Great business model

HIVE is beaten down but not out in 2022. Because of its great business model, some analysts say it's one of the TSX [tech stocks](#) that could multiply in value.

CATEGORY

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