
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 6-K

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

For the month of November 2022

Commission File Number: 001-36532

SPHERE 3D CORP.

**895 Don Mills Road, Bldg. 2, Suite 900
Toronto, Ontario, M3C1W3, Canada
(Address of principal executive offices)**

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):

The information contained in this Form 6-K is incorporated by reference into, or as additional exhibits to, as applicable, the registrant's outstanding registration statements.

Exhibits

[99.1](#) [News Release dated November 10, 2022](#)

[99.2](#) [Earnings Release dated November 10, 2022](#)

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.

SPHERE 3D CORP.

Date: November 10, 2022

/s/ Patricia Trompeter

Name: Patricia Trompeter

Title: Chief Executive Officer



Sphere 3D Corp. Provides Bitcoin Production and Mining Updates for October 2022

- Restructured Purchase Agreement with BitFuFu
- Production for the month totaled 10.93 Bitcoin
- Total Bitcoin holdings were 84.92 at month end
- Operations achieved 114.42 BTC/EH efficiency

TORONTO, Ontario, Canada, November 10, 2022 - Sphere 3D Corp. ("Sphere 3D" or the "Company") (Nasdaq: ANY), dedicated to becoming the leading carbon-neutral Bitcoin mining company operating at an industrial scale, provides results of its Bitcoin mining operation for the month ending October 31, 2022.

CEO Comments

"During October, Sphere 3D made enormous strides in positioning the Company to fully capitalize on the recovery and growth of the Bitcoin market. Most notably, the restructuring of the BitFuFu contract was a significant step forward for Sphere 3D. We now have the ability to explore the latest miner technology and the financial flexibility to capitalize on opportunities to generate value for our shareholders.

"We continue to work with our partners to install the thousands of miners Sphere 3D has landed in recent months and are working with energy providers and contractors to energize them. In the coming months, as more than 17,000 miners come online, Sphere 3D's production will increase dramatically."

Miner Deliveries and Petahash Capacity

Our discussions with BitFuFu to renegotiate our September 21, 2021, contract were successful. [Under a new agreement](#) reached in October, BitFuFu will apply the remaining portion of Sphere 3D's deposit toward the delivery of approximately 1.2 EH/s of S19j Pros during 2022. The new agreement relieves Sphere 3D from the obligation to purchase 3.9 EH/s of capacity at above-market rates. It also eliminates substantial penalties due to BitFuFu from Sphere 3D because of the contract changes.

Sphere 3D continues to work with hosting partners to activate 4,026 miners landed in previous months. Their deployment will increase the Company's production capacity by more than 400 percent compared to October 2022 production capacity levels. Post-activation production capacity is expected to total approximately 500 PH/s. The miners were delivered to Compute North's Grandbury, Texas facility. As a result of Compute North's bankruptcy, Sphere 3D is now working directly with the new owner and operator of the facility to get the Company's miners energized and producing as soon as possible.

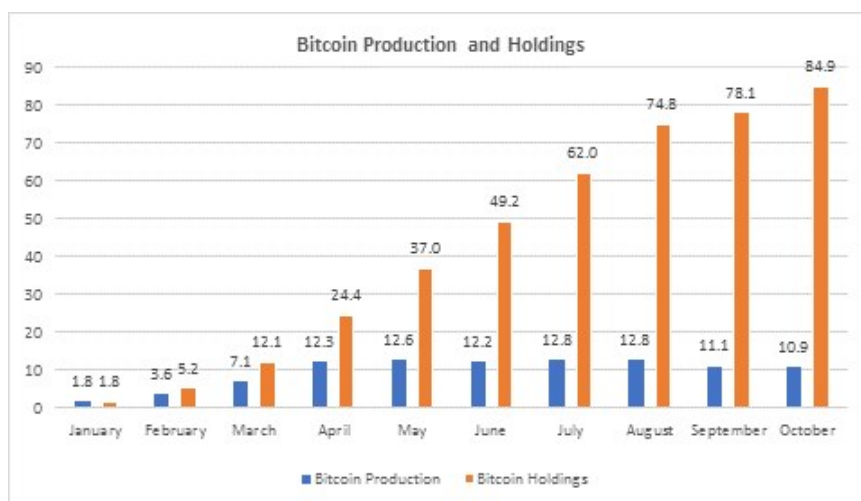
Bitcoin Production and Holdings Update

In October 2022, Sphere 3D produced 10.93 Bitcoin, or 0.35 per day. Sphere 3D's mining fleet operated at 114.42 BTC/EH efficiency and averaged approximately 96 percent uptime during the month. The equivalent approximate value of the Company's October 2022 production, based on a Bitcoin price of \$20,486 on October 31, 2022, totaled \$223,912.

Daily production volume dropped about one percent compared to September 2022, driven by two upward difficulty adjustments; the first on October 10, 2022, jumping 13.55%, the largest retarget of 2022, followed by a second upward retarget on October 23, 2022, of 3.44%, bringing mining difficulty to a new all-time high.

Since the Company began its mining operations during the first quarter of 2022, it has produced 102.8 Bitcoin and held 84.92 Bitcoin on October 31, 2022. Bitcoin held by the Company represents a fair market value of about \$1.74 million based on the Bitcoin price of \$20,486 on October 31, 2022. As of October 31, 2022, the Company was operating approximately 1,000 S19j Pros miners delivering a production capacity of approximately 100 PH/s.

The Company continues to employ a HODL strategy for the majority of its holdings. The Company used approximately 4.1 Bitcoin during the month to fund working capital.



CEO Closing Remarks

"In October, we took meaningful steps toward positioning the Company for long-term success. This includes restructuring certain agreements with providers and advisors, such as the BitFuFu agreement, and eliminating financial obligations that are not core to our mining operations. We will continue to maximize the value the Company can generate for investors going forward by reducing expenses not core to the Company's strategies.

"We continue to maximize the efficiency of our operation, clean up our balance sheet, and stabilize earnings in preparation for the full deployment of our mining fleet. We are nearing the completion of several strategic initiatives that have been underway, and the tireless work of our team is starting to show meaningful results.

"As a fellow shareholder, I look forward to advancing these initiatives in the fourth quarter. Thank you for your continued support," said Patricia Trompeter, CEO of Sphere 3D.

Annual General Meeting

Sphere 3D's Annual General Meeting is scheduled to be held virtually on December 20, 2022. Meeting materials will be available for review on November 18, 2022, at docs.tsxtrust.com/2040 and under the Company's SEDAR and EDGAR profile at www.sedar.com and www.sec.gov, respectively, and sent to Shareholders of record as of November 8, 2022, on or about November 18, 2022.

About Sphere 3D

Sphere 3D Corp. (Nasdaq: ANY) is a net carbon-neutral cryptocurrency miner with decades of proven enterprise data-services expertise. The Company is rapidly growing its industrial-scale mining operation through the capital-efficient procurement of next-generation mining equipment and partnering with best-in-class data center operators. Sphere 3D is dedicated to growing shareholder value while honoring its commitment to strict environmental, social, and governance standards. For more information about the Company, please visit Sphere3D.com.

Forward-Looking Statements

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements generally relate to future events, including the timing of the proposed transaction and other information related to the proposed transaction. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions. Expectations and beliefs regarding matters discussed herein may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected. The forward-looking statements contained in this communication are also subject to other risks and uncertainties, including those more fully described in filings with the SEC, including Sphere 3D's reports filed on Form 20-F and Form 6-K and in other filings made by Sphere 3D with the SEC from time to time and available at www.sec.gov. These forward-looking statements are based on current expectations, which are subject to change.

Sphere 3D Contacts

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Sphere 3D Reports Third Quarter 2022 Financial Results and Operational Updates

TORONTO, Ontario, Canada, November 10, 2022 - Sphere 3D Corp. ("Sphere 3D" or the "Company") (NASDAQ: ANY), dedicated to becoming the leading carbon-neutral Bitcoin mining company operating at an industrial scale, is pleased to announce financial results for the quarter ended September 30, 2022.

Comments from Sphere 3D CEO, Patricia Trompeter

"During the third quarter, Sphere 3D made enormous strides. The task of transforming the Company and positioning it for long-term success is advancing steadily.

"As a result of the growth of our mining fleet and our transformation efforts, our operating costs and general and administrative expenses were significantly higher in the third quarter compared to the year-ago period. These are primarily non-cash expenses, including depreciation and amortization expenses related to our new mining equipment.

"We were finally successful in securing the delivery of all 4,026 miners held by U.S. Customs for an extended period. The eventual energization of the additional miners would increase our Bitcoin production capacity by the equivalent of about 400 PH/s, or about 400%, over our capacity levels at the end of the third quarter. The energization of these miners was delayed by Compute North's bankruptcy. We are now working with the companies operating Compute North's Granbury, Texas facility to get the miners energized as soon as possible.

"After the close of the third quarter, on October 20, 2022, we announced the successful restructuring of the Company's agreement with BitFuFu. Under the new agreement, we will accelerate the delivery of about 1.2 EH/s of S19j Pros by applying all outstanding deposits paid by Sphere 3D toward the nearly immediate delivery of miners. The new agreement also relieves Sphere 3D from the contractual obligation to purchase additional exahash at above-market rates. Importantly, the agreement eliminates substantial penalties due to BitFuFu because of the contract changes.

"We continue to engage with industry partners, advisors, and shareholders to maximize the efficiency of our operation, clean up our balance sheet, and stabilize earnings in preparation for the full deployment of our mining fleet. We are nearing the completion of several strategic initiatives that have been underway, and the tireless work of our team is starting to show meaningful results. We will continue to fine-tune our operations and financial structure to maximize the value the Company can generate for investors."

Third Quarter 2022 Financial Results:

- The Company recorded revenues of \$1.4 million during the quarter, including digital mining revenues of \$0.8 million from the production of 36.6 bitcoin, compared with revenues of \$1.0 million in the prior-year period. During the quarter, the Company sold 7.8 Bitcoin to fund operations.

- Operating costs and expenses for the quarter totaled \$11.7 million, compared to \$3.6 million for the third quarter of 2021. The increase in operating costs and expenses is primarily attributable to higher depreciation and amortization of \$7.4 million due to the addition of digital mining assets, compared to \$0.5 million for the third quarter of 2021.
- The contract with NuMiner Global, Inc. (NuMiner) was canceled late in the second quarter of 2022. During the third quarter, the Company recorded a \$10.0 million provision for losses on the deposit related to the contract.
- The Company recorded a net loss of \$20.5 million, or \$0.31 per share, during the quarter, compared to a net loss of \$2.6 million, or \$0.07 per share, for the third quarter of 2021.

Nine Months Ended September 30, 2022, Financial Results:

- The Company generated revenues of \$4.6 million and \$2.9 million during the first nine months of 2022 and 2021, respectively. The \$1.7 million increase in revenue is primarily due to the addition of \$2.7 million in revenues from our digital mining operation, offset by a decrease of \$1.0 million in product and service revenue. The total Bitcoin mined by the Company since the launch of the mining program through September 30, 2022, totaled 91.9 Bitcoin. For the nine months ending September 30, 2022, the Company sold 13.81 Bitcoin to fund operations.
- Operating costs and expenses for the first nine months of 2022 totaled \$45.5 million, compared to \$10.2 million for the first nine months of 2021. The increase in operating costs and expenses is primarily attributable to depreciation and amortization of \$21.3 million compared to \$0.8 million in the first nine months of 2021 as well as an increase of \$7.7 million in share-based compensation related to awards granted to a former executive, in addition to \$4.9 million in professional services associated with the Company's expansion into the digital mining industry.
- The net loss available to common shareholders for the first nine months of 2022 was \$75.9 million, or a net loss of \$1.15 per share, compared to a net loss available to common shareholders of \$8.2 million, or a net loss of \$0.41 per share, in the first nine months of 2021.

Third Quarter Corporate Developments

Sphere 3D secured delivery of an additional 4,026 S19j Pros from U.S. Customs during the quarter. This grows the potential production capacity of the Company's mining fleet from approximately 1,000 S19j Pros miners delivering about 100 PH/s to approximately 5,000 S19j Pros miners with the potential to deliver a production capacity of about 500 PH/s once all miners are installed and energized.

The 4,026 miners secured from U.S. Customs have been delivered to the hosting facility. As a result of Compute North's bankruptcy, Sphere 3D is now working directly with the new owner and operator of the facility to get the Company's miners energized and producing as soon as possible.

During the third quarter, the [Company received notification](#) from Nasdaq that the Company is not in compliance with Nasdaq Marketplace Rule 5550(a)(2) for continued inclusion on The Nasdaq Capital Market due to the bid price for the Company's common stock closing below \$1.00 for 30 consecutive business days. The Company's common stock will remain listed on The Nasdaq Capital Market at this time. In the meantime, the Company is evaluating all options to regain compliance with the Nasdaq minimum bid price Rule while it remains focused on executing its business strategy.

About Sphere 3D

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Sphere 3D Contacts

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SPHERE 3D CORP.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands of U.S. dollars, except share and per share amounts)

| | Three Months Ended September 30, | | Nine Months Ended September 30, September 30, | |
|---|-------------------------------------|-------------------|--|-------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Revenues: | (Unaudited) | | (Unaudited) | |
| Digital mining revenue | \$ 787 | \$ - | \$ 2,745 | \$ - |
| Service and product revenue | 569 | 1,041 | 1,904 | 2,875 |
| Total revenues | <u>1,356</u> | <u>1,041</u> | <u>4,649</u> | <u>2,875</u> |
| Operating costs and expenses: | | | | |
| Cost of digital mining revenue | 553 | - | 1,527 | - |
| Cost of service and product revenue | 296 | 460 | 996 | 1,281 |
| Sales and marketing | 236 | 287 | 731 | 998 |
| Research and development | 139 | 297 | 392 | 803 |
| General and administrative | 2,930 | 2,018 | 19,687 | 6,320 |
| Depreciation and amortization | 7,408 | 524 | 21,257 | 835 |
| Impairment of digital assets | 138 | - | 908 | - |
| Total operating expenses | <u>11,700</u> | <u>3,586</u> | <u>45,498</u> | <u>10,237</u> |
| Loss from operations | (10,344) | (2,545) | (40,849) | (7,362) |
| Other income (expense): | | | | |
| Provision for deposit on mining equipment | (10,000) | - | (10,000) | - |
| Forgiveness of note receivable | - | - | (13,145) | - |
| Impairment of investments | - | - | (12,429) | - |
| Interest expense | - | (1) | - | (516) |
| Interest income and other (expense) income, net | (58) | 146 | 687 | 225 |
| Loss before income taxes | (20,402) | (2,400) | (75,736) | (7,653) |
| Provision for income taxes | 121 | - | 121 | - |
| Net loss | (20,523) | (2,400) | (75,857) | (7,653) |
| Dividends on preferred shares | - | 168 | - | 530 |
| Net loss available to common shareholders | <u>\$ (20,523)</u> | <u>\$ (2,568)</u> | <u>\$ (75,857)</u> | <u>\$ (8,183)</u> |
| Net loss per share: | | | | |
| Basic and diluted | <u>\$ (0.31)</u> | <u>\$ (0.07)</u> | <u>\$ (1.15)</u> | <u>\$ (0.41)</u> |
| Shares used in computing net loss per share: | | | | |
| Basic and diluted | <u>67,024,070</u> | <u>34,327,302</u> | <u>65,682,868</u> | <u>20,004,425</u> |

SPHERE 3D CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands of U.S. dollars)

| | September 30, 2022 | December 31, 2021 |
|---|-------------------------------|------------------------------|
| | (Unaudited) | (Unaudited) |
| ASSETS | | |
| Cash and cash equivalents | \$ 4,149 | \$ 54,355 |
| Digital assets | 1,462 | - |
| Restricted cash | 206 | - |
| Accounts receivable, net | 218 | 181 |
| Notes receivable | 5,510 | 1,859 |
| Other current assets | 17,766 | 22,027 |
| Total current assets | 29,311 | 78,422 |
| Notes receivable | - | 11,988 |
| Investments | 7,520 | 19,949 |
| Mining equipment, net | 36,194 | - |
| Intangible assets, net | 44,947 | 63,017 |
| Other assets | 92,567 | 102,548 |
| Total assets | <u>\$ 210,539</u> | <u>\$ 275,924</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current liabilities | \$ 4,095 | \$ 5,208 |
| Other long-term liabilities | 1,091 | 1,090 |
| Total shareholders' equity | 205,353 | 269,626 |
| Total liabilities and shareholders' equity | <u>\$ 210,539</u> | <u>\$ 275,924</u> |