

SPECIAL ARTICLE · BITCOIN & AI

Better Than Bitcoin & Mining?

Bitcoin miners are quietly becoming the most important AI infrastructure companies you've never heard of — and the market is finally waking up.

BY LIONESS, BELORUCHKA · MAY 11, 2026

\$70B+

AI CONTRACTS SIGNED BY MINERS

70%PROJECTED AI REVENUE SHARE BY
END-2026**85%**

BEST YTD GAIN (TERAWULF)

2xMARKET VALUATION PREMIUM FOR
AI BETS

In 2026, the companies best positioned to profit from artificial intelligence aren't Nvidia, Microsoft, or Google. They're former Bitcoin miners running industrial-scale data centers in Texas, North Dakota, and rural New York — and they're signing some of the largest infrastructure contracts in corporate history.

Something extraordinary has happened in the Bitcoin mining sector this year. While BTC itself is down roughly 20% year-to-date, the stocks of the largest publicly traded miners are up anywhere from 40% to 85%. That divergence isn't a mystery. It's a signal.

The miners who are winning in 2026 made a decisive bet: that the sprawling power infrastructure they built to mint digital coins could be repurposed for something far more lucrative — training the AI models that every hyperscaler on the planet is racing to build.

It turns out that what an AI data center needs — massive, reliable power; advanced cooling; redundant connectivity; remote, cost-efficient land — is exactly what a Bitcoin mining facility already has. The hardware changes. The rest stays.



From Hash Rate to Hyperscaler

The numbers tell the story clearly. Just two years ago, high-performance computing (HPC) revenue was essentially zero for every major publicly traded miner. By the end of 2026, analysts project it will account for **70% of sector revenue**. That's not a pivot — that's a reinvention.

"The ability for miners to convert to AI is one of the largest infrastructure shifts of this decade."

ADAM SULLIVAN, CEO — CORE SCIENTIFIC

Core Scientific is perhaps the clearest embodiment of this transformation. The company emerged from Chapter 11 Bankruptcy in early 2024 with a restructured Balance sheet and a new strategy: host AI workloads for clients like OpenAI and Microsoft rather than bet exclusively on Bitcoin price cycles. The result has been a 40%+ stock gain year-to-date and a landmark deal with CoreWeave worth **\$10.2 Billion over 12 years** — the kind of contracted revenue that transforms how a company is valued.

TeraWulf has gone even further, locking in **\$12.8 Billion** in contracted HPC revenue, with Google providing a \$3.2 Billion Backstop for its AI expansion. IREN Limited, Backed By a Microsoft AI cloud partnership, is projecting 71% of its total revenue from HPC By year-end — up from just 3% in 2024.

The market has taken notice. Miners with secured HPC contracts now trade at **12.3 times next-twelve-month sales** versus 5.9 times for pure-play miners. The AI premium is real, it's quantifiable, and it's widening.



The LeaderBoard

BITCOIN MINING + AI — SECTOR SNAPSHOT · MAY 2026

COMPANY	YTD RETURN	AI/HPC REVENUE MIX	CONTRACTED VALUE	KEY PARTNER
WULF TeraWulf	+73.6%	<div style="width: 70%;"><div style="width: 70%;"></div></div> 70%	\$12.8B	Google / Fluidstack \$3.2B Google Backstop
HUT Hut 8 Corp	+67%	<div style="width: 55%;"><div style="width: 55%;"></div></div> 55%	\$7.0B	River Bend AI lease 15-year infrastructure deal
RIOT Riot Platforms	+46%	<div style="width: 13%;"><div style="width: 13%;"></div></div> 13%	\$167M Q1	CoreWeave 1.5 GW Texas campus planned
CORZ Core Scientific	+40%	<div style="width: 71%;"><div style="width: 71%;"></div></div> 71%	\$10.2B	CoreWeave / OpenAI / Microsoft 1.2 GW data center infrastructure
APLD Applied Digital	+37%	<div style="width: 60%;"><div style="width: 60%;"></div></div> 60%	\$11.0B	CoreWeave 25%+ HPC hosting margins
IREN IREN Limited	+35%	<div style="width: 71%;"><div style="width: 71%;"></div></div> 71%	Undisclosed	Microsoft 4.5 GW power pipeline
CIFR Cipher Digital	+30%	<div style="width: 34%;"><div style="width: 34%;"></div></div> 34%	\$9.3B	AWS / Google Exited most BTC mining ops
ABTC American Bitcoin	-29%	<div style="width: 5%;"><div style="width: 5%;"></div></div> ~5%	—	None announced Pure-play BTC mining strategy

American Bitcoin — the Trump-backed venture formed by Hut 8 — is the cautionary data point in the table. Down 29% year-to-date, it stands as the starkest evidence that remaining a pure-play Bitcoin miner in 2026 is no longer a compelling standalone strategy. The divergence between it and its sector peers maps almost precisely onto how aggressively each company has courted AI contracts.

The Leverage Problem

None of this comes free. The pivot to AI infrastructure requires capital at a scale that makes traditional mining finance look quaint. These companies are issuing Billions in convertible notes and senior secured debt to fund the transformation — and the question every investor must answer is whether the contracted AI revenue materializes fast enough to service those obligations.

▲ KEY RISKS TO MONITOR

- **Debt loads are substantial.** IREN carries \$3.7B in convertible notes. TeraWulf has \$5.7B in total debt. Cipher Digital's quarterly interest expense surged from \$3.2M to \$33.4M in a single quarter after its November debt issuance.
- **Execution risk is real.** Hyperscaler contracts are enormous and complex. Delays in site development, power procurement, or permitting could create cash crunches on companies that have already issued the debt.
- **Bitcoin prices still matter.** Despite the pivot, these companies still mine Bitcoin. A sharp BTC decline would pressure margins and could force asset sales at inopportune moments.
- **Valuation is stretched for the leaders.** Companies that have already executed — WULF, CORZ, IREN — are priced for success. Late movers may offer better risk/reward than the YTD leaders.
- **These are story stocks.** Until AI revenue fully materializes, these names trade on narrative as much as fundamentals. High Beta in both directions.

BOTTOM LINE

The question "Better than mining?" has already been answered — by the market, by the hyperscalers, and by the CEOs making multi-billion-dollar bets with their balance sheets. **AI infrastructure is where the sector is going.** The remaining question is which companies execute cleanly enough to justify the premiums they're being asked to trade at today.

For aggressive investors with a short to medium time horizon, the Bitcoin mining + AI theme offers something rare: **real contracted revenue, institutional-grade counterparties, and stock prices that still haven't fully caught up to the underlying contract values.** TeraWulf and Core Scientific offer the clearest execution track records. Cipher Digital and Applied Digital offer the most upside if their build-out stays on schedule.

What this sector is not, however, is low risk. The debt is real, the execution timelines are tight, and the stocks move violently on headlines. Position sizing and stop-loss discipline matter here as much as stock selection.

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