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

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): June 13, 2022**

**TERAWULF INC.**  
(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-41163**  
(Commission File Number)

**85-1909475**  
(IRS Employer  
Identification No.)

**9 Federal Street  
Easton, Maryland 21601**  
(Address of principal executive offices) (Zip Code)  
**(410) 770-9500**  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.001 par value per share	WULF	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 7.01 Regulation FD Disclosure.**

A copy of the Company’s investor presentation, which was discussed on today’s business update call at 5:00 p.m. Eastern Time, is attached hereto as Exhibit 99.1 and is incorporated herein by reference. A copy of the Company press release announcing the Company’s recent capital raising activity and outlook is attached hereto as Exhibit 99.2 and incorporated herein by reference.

The information contained in this Item 7.01 as well as in Exhibit 99.1 and Exhibit 99.2 is furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and such information shall not be deemed to be incorporated by reference into any of the Company’s filings under the Securities Act of 1933 or the Exchange Act.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
99.1	Investor Presentation, June 2022.
99.2	<a href="#">Press Release, dated June 13, 2022.</a>
104.1	Cover Page Interactive Data File (embedded within the inline XBRL document).

**Forward Looking Statements**

This Current Report on Form 8-K contains forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, as amended. Such forward-looking statements include statements concerning anticipated future events and expectations that are not historical facts. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements. In addition, forward-looking statements are typically identified by words such as “plan,” “believe,” “goal,” “target,” “aim,” “expect,” “anticipate,” “intend,” “outlook,” “estimate,” “forecast,” “project,” “continue,” “could,” “may,” “might,” “possible,” “potential,” “predict,” “should,” “would” and other similar words and expressions, although the absence of these words or expressions does not mean that a statement is not forward-looking. Forward-looking statements are based on the current expectations and beliefs of TeraWulf’s management and are inherently subject to a number of factors, risks, uncertainties and assumptions and their potential effects. There can be no assurance that future developments will be those that have been anticipated. Actual results may vary materially from those expressed or implied by forward-looking statements based on a number of factors, risks, uncertainties and assumptions, including, among others: (1) conditions in the data mining industry, including fluctuation in the market pricing of bitcoin and other cryptocurrencies, and the economics of cryptocurrency mining, including as to variables or factors affecting the cost, efficiency and profitability of cryptocurrency mining; (2) competition among the various providers of data mining services; (3) changes in applicable laws, regulations and/or permits affecting TeraWulf’s operations or the industries in which it operates, including regulation regarding power generation, cryptocurrency usage and/or cryptocurrency mining; (4) the ability to implement certain business objectives and to timely and cost-effectively execute integrated projects; (5) failure to obtain adequate financing on a timely basis and/or on acceptable terms with regard to growth strategies or operations; (6) loss of public confidence in bitcoin or other cryptocurrencies and the potential for cryptocurrency market manipulation; (7) the potential of cybercrime, money-laundering, malware infections and phishing and/or loss and interference as a result of equipment malfunction or break-down, physical disaster, data security breach, computer malfunction or sabotage (and the costs associated with any of the foregoing); (8) the availability, delivery schedule and cost of equipment necessary to maintain and grow the business and operations of TeraWulf, including mining equipment and infrastructure equipment meeting the technical or other specifications required to achieve its growth strategy; (9) employment workforce factors, including the loss of key employees; (10) litigation relating to TeraWulf, IKONICS and/or the business combination; (11) the ability to recognize the anticipated objectives and benefits of the business combination; (12) the timely transition of the CFO role; and (13) other risks and uncertainties detailed from time to time in the Company’s filings with the Securities and Exchange Commission (“SEC”). Potential investors, stockholders and other readers are cautioned not to place undue reliance on

these forward-looking statements, which speak only as of the date on which they were made. TeraWulf does not assume any obligation to publicly update any forward-looking statement after it was made, whether as a result of new information, future events or otherwise, except as required by law or regulation. Investors are referred to the full discussion of risks and uncertainties associated with forward-looking statements and the discussion of risk factors contained in the Company's filings with the SEC, which are available at [www.sec.gov](http://www.sec.gov).

**SIGNATURES**

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, hereunto duly authorized.

**TERAWULF INC.**

By: /s/ Patrick A. Fleury

Name: Patrick A. Fleury

Title: Chief Financial Officer

Dated: June 13, 2022



**TERAWULF**

*An Infrastructure-Focused Mining Company  
Accelerating the Transition to a Zero-Carbon Future*

NASDAQ: WULF  
June 2022

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## SAFE HARBOR STATEMENT

This presentation is for informational purposes only and contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, as amended. Such forward-looking statements include statements concerning anticipated future events and expectations that are not historical facts. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements. In addition, forward-looking statements are typically identified by words such as "plan," "believe," "goal," "target," "aim," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "continue," "could," "may," "might," "possible," "potential," "predict," "should," "would" and other similar words and expressions, although the absence of these words or expressions does not mean that a statement is not forward-looking. Forward-looking statements are based on the current expectations and beliefs of TeraWulf's management and are inherently subject to a number of factors, risks, uncertainties and assumptions and their potential effects. There can be no assurance that future developments will be those that have been anticipated. Actual results may vary materially from those expressed or implied by forward-looking statements based on a number of factors, risks, uncertainties and assumptions, including, among others: (1) conditions in the cryptocurrency mining industry, including fluctuation in the market pricing of bitcoin and other cryptocurrencies, and the economics of cryptocurrency mining, including as to variables or factors affecting the cost, efficiency and profitability of cryptocurrency mining; (2) competition among the various providers of data mining services; (3) changes in applicable laws, regulations and/or permits affecting TeraWulf's operations or the industries in which it operates, including regulation regarding power generation, cryptocurrency usage and/or cryptocurrency mining; (4) the ability to implement certain business objectives and to timely and cost-effectively execute integrated projects; (5) failure to obtain adequate financing on a timely basis and/or on acceptable terms with regard to growth strategies or operations; (6) loss of public confidence in bitcoin or other cryptocurrencies and the potential for cryptocurrency market manipulation; (7) the potential of cybercrime, money-laundering, malware infections and phishing and/or loss and interference as a result of equipment malfunction or break-down, physical disaster, data security breach, computer malfunction or sabotage (and the costs associated with any of the foregoing); (8) the availability, delivery schedule and cost of equipment necessary to maintain and grow the business and operations of TeraWulf, including mining equipment and equipment meeting the technical or other specifications required to achieve its growth strategy; (9) employment workforce factors, including the loss of key employees; (10) litigation relating to TeraWulf, IKONICS and/or the business combination; (11) the ability to recognize the anticipated objectives and benefits of the business combination; and (12) other risks and uncertainties detailed from time to time in the Company's filings with the Securities and Exchange Commission ("SEC"). Potential investors, stockholders and other readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they were made. TeraWulf does not assume any obligation to publicly update any forward-looking statement after it was made, whether as a result of new information, future events or otherwise, except as required by law or regulation. Investors are referred to the full discussion of risks and uncertainties associated with forward-looking statements and the discussion of risk factors contained in the Company's filings with the SEC, which are available at [www.sec.gov](http://www.sec.gov).



## Our Mission

*To be the premier U.S. based, large-scale, zero-carbon bitcoin miner, generating attractive investor returns while providing sustainable benefits for our communities.*

## Our Core Values

*ESG is at the core of TeraWulf's corporate strategy and ties directly to its business success, risk mitigation, and reputational value.*



# TeraWulf at a Glance

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- **Introducing a new paradigm for best-in-class crypto mining**
  - Generating sustainable low-cost, domestic bitcoin at industrial scale
  - Targeting 100% zero-carbon emissions utilizing nuclear, hydro, and solar energy sources
  - Established digital infrastructure provides ability to build and scale mining operations rapidly
- **Offering one of the most attractive economics of any bitcoin miner**
  - Generating bitcoin at an average marginal production cost of \$5,500<sup>(1)</sup>
- **Continuing its rapid deployment plan for 2022 and 2023 after commencing bitcoin mining in March 2022<sup>(2)</sup>**
  - Targeting fully developed net capacity of up to 210 MW (or 7.1 EH/s) by YE 2022 and expansion to 400 MW (or 13.5 EH/s) by YE 2023
  - Anticipating net capacity of up to 800 MW (23 EH/s) by YE 2025
- **Vertically integrated and strengthening the electric grid to enable decarbonization**
  - Facilities serve as a resource to further enable the electric grid's transition to a zero-carbon future
- **Led by energy entrepreneur Paul Prager and a seasoned management team**
  - Accomplished management team with decades of experience in energy infrastructure and power supply optimization
  - Proud to have industry leading diversity, with many leadership positions held by women
- **Driving value by focusing on best ESG practices**
  - Committed to purpose-driven business practices, clean energy goals, and support for communities

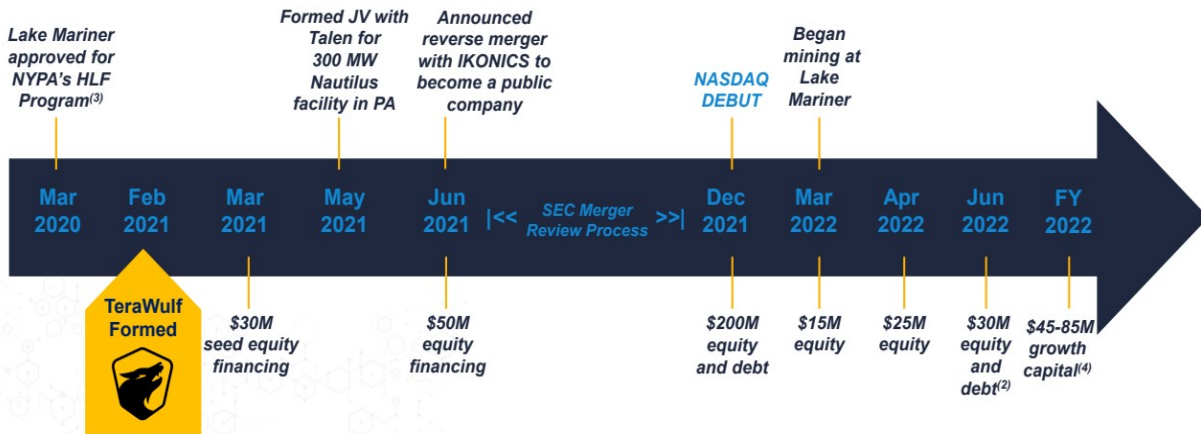


(1) Average estimated bitcoin production cost assumes miner efficiency of 100 TH/s and global network hash rate of 215 EH/s.  
(2) Future estimates reflect anticipated infrastructure capacity based on current estimates and market conditions and are subject to change.



# Significant Progress Establishing Mining and Digital Infrastructure

- ✓ Completing buildout of two state-of-the-art, zero-carbon data centers in NY and PA
- ✓ Scaling infrastructure: targeting 210 MW completed in 2022, up to 400 MW in 2023, and up to 800 MW in 2025 of mining capacity<sup>(1)</sup>
- ✓ Approximately \$356 million of funding secured to date<sup>(2)</sup>



(1) Future estimates reflect anticipated infrastructure capacity based on current estimates and market conditions and are subject to change.  
 (2) Includes \$15M first draw of debt from the agreed-in-principle, up to \$50 million add-on facility from existing lenders, which remains subject to final documentation and various closing conditions.  
 (3) NYPA's HLF Program provides for the allocation of power (currently 91% zero-carbon), sourced from the market, to energy-intensive industries and reduces transmission costs.  
 (4) Transformative growth capital to finalize baseload capacity of 210 MW.

# Why WULF Wins: The Four “P’s”

## Plugs



### Digital Asset Infrastructure First

*Foundation to Scale*

## People



### Experienced Energy Entrepreneurs

*Power & Infrastructure Experts*

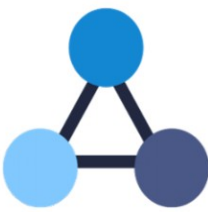
## Power



### Sustainable, Scalable Facilities

*Key Relationships and Site Control*

## Priorities

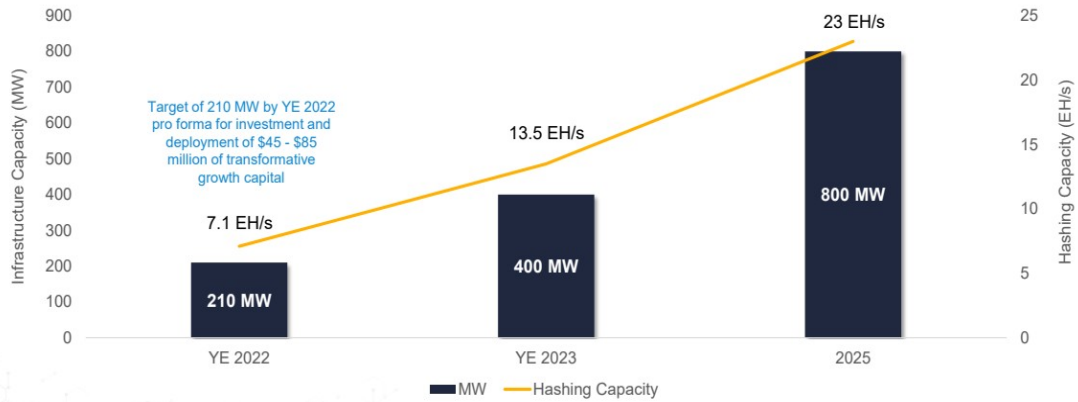


### ESG Principled and Practiced

*Driving the Future of Mining*

# Plugs: Building Infrastructure to Scale Rapidly

Focusing on plug capacity ensures flexible growth through dynamic markets



- ✓ TeraWulf's owned infrastructure provides economic flexibility to self-mine, host, or host-to-own
- ✓ Targeting plug capacity capable of mining approx. 7.1 EH/s by YE 2022, 13.5 EH/s by YE 2023 and 23 EH/s by YE 2025



Note: Future estimates reflect anticipated infrastructure capacity based on current estimates and market conditions and are subject to change. All figures reflect TeraWulf's 50% net JV interest in the Nautilus Cryptomine.

# People: Best-in-Class Management Team

Led by an accomplished, diverse management team with 30+ years of experience in developing and managing energy infrastructure and disruptive technology



**PAUL PRAGER**

Co-Founder, Chairman & Chief Executive Officer

30+ year energy infrastructure entrepreneur. USNA Foundation Investment Committee Trustee.



**NAZAR KHAN**

Co-Founder, Chief Operating Officer & Chief Technology Officer

20+ years in energy infrastructure and cryptocurrency mining. Previously at Evercore.



**KERRI LANGLAIS**

Chief Strategy Officer

20+ years of M&A, financing, strategy, and power sector experience. Previously at Goldman Sachs.



**STEFANIE FLEISCHMANN**

General Counsel

General Counsel for 15+ years overseeing all legal and compliance matters. Previously at Paul, Weiss.



**PATRICK FLEURY**

Chief Financial Officer

20+ years of financial experience in the energy, power, and commodity sectors. Previously at Platinum Equity and Blackstone.



**SANDY HARRISON**

VP, Investor Relations

20+ years in financial and marketing communications, equity research, financial analysis, and strategic planning. Previously at Semtech Corp.

## Power: Sustainable and Scalable Sites



LAKE  
MARINER  
DATA



91%+ Zero  
Carbon<sup>(1)</sup>

110 MW Available  
Exiting 2022

500+ MW  
Hydro, Solar



NAUTILUS  
CRYPTOMINE



100% Zero Carbon

100 MW Available  
Exiting 2022<sup>(2)</sup>

300+ MW  
Nuclear



(1) Source: NYISO Power Trends 2022 report (<https://www.nyiso.com/power-trends>).  
(2) Figures represent TeraWulf's 50% net JV interest in Nautilus Cryptomine.

210 MW

Targeting fully  
developed high scale  
capacity by YE 2022

800 MW

Mining capacity by  
2025 at existing sites

> 91%

ZERO-carbon power  
supply today, with goal  
of achieving 100%

< 3 ¢

Per kilowatt hour target  
average power cost

# Priorities: ESG Sits at TeraWulf's Core

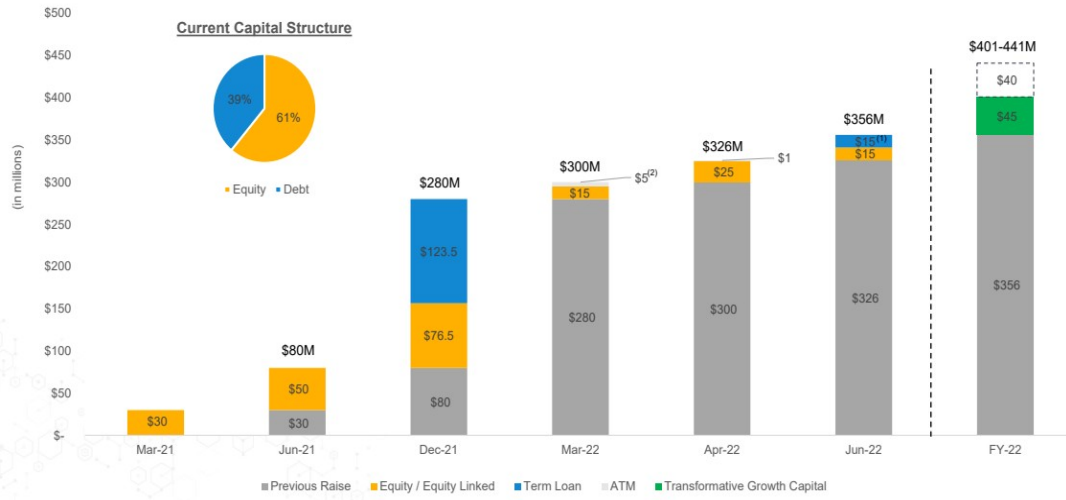
*Positively impacting the environment through our operations*



# Capital Raising Activity

✓ **\$356M of supportive institutional capital raised in last 15 months<sup>(1)</sup>**

✓ **Targeting \$45M - \$85M of additional growth capital in FY 2022 to finalize full development of 210 MW**



(1) Includes \$15M first draw of debt from the agreed-in-principle, up to \$50 million add-on facility from existing lenders, which remains subject to final documentation and various closing conditions.  
 (2) March 2022 ATM proceeds include insider purchases of approx. \$3M.

# Current Business Outlook

## Scalable, Efficient, and Resilient Infrastructure First Initiatives

	Total Infrastructure Capacity <sup>(1)</sup>	Total Hash Rate Capacity <sup>(2)</sup>	Self-Mining Hash Rate <sup>(2)</sup>	Host / Host-to-Own Hash Rate <sup>(2)</sup>	Power Cost (\$/kWh)	SG&A and OpEx
YE 2022	210 MW	6.3 – 8.2 EH/s	2.0 – 4.5 EH/s	2.6 – 5.1 EH/s	\$0.03	\$30M – \$45M
YE 2023	400 MW	12 – 15 EH/s	4.5 – 9.0 EH/s	4.5 – 9.0 EH/s	\$0.03	\$40M – \$45M

**TeraWulf is Committed to Achieving...**



Scale

- ✓ 23 EH/s by 2025
- ✓ 800 MW of mining capacity in 2025



Sustainability

- ✓ Targeting 100% zero-carbon energy by leveraging nuclear, hydro and solar
- ✓ Core ESG focus



Profitability

- ✓ Leveraging vertical integration to lower SG&A and OpEx costs
- ✓ Competitive power cost well below CBECI average \$0.05/kWh<sup>(3)</sup>

(1) Future estimates reflect anticipated infrastructure capacity based on current estimates and market conditions and are subject to change. All figures reflect TeraWulf's 50% net JV interest in the Nautilus Cryptomine.  
 (2) For illustrative purposes only; hash rate range reflects a blend of 100 and 140 TH/s miners, with 31.5 and 21.5 J/TH efficiency, respectively (J/TH adjusted by +5% to reflect ancillary power requirements).  
 (3) Source: Cambridge Bitcoin Electricity Consumption Index (<https://ccaf.io/cbeci/index>).



# Infrastructure First Model: Illustrative Annual Margin

Low power cost provides downside protection, while enabling significant upside due to operational leverage

**2.0 EH/s Self-Mining and 4.4 EH/s Hosting**

		Period Ending BTC Price <sup>(2)</sup>				
		\$20,000	\$40,000	\$60,000	\$80,000	\$100,000
Period Ending Global Hash Rate <sup>(1)</sup> (EH/s)	250	\$92	\$128	\$164	\$200	\$237
	275	\$87	\$121	\$155	\$188	\$222
	300	\$83	\$115	\$146	\$178	\$209
	325	\$80	\$109	\$139	\$169	\$198
	350	\$77	\$105	\$133	\$161	\$189
	375	\$74	\$100	\$127	\$153	\$180
	400	\$71	\$96	\$122	\$147	\$172

**3.4 EH/s Self-Mining and 3.0 EH/s Hosting**

		Period Ending BTC Price <sup>(2)</sup>				
		\$20,000	\$40,000	\$60,000	\$80,000	\$100,000
Period Ending Global Hash Rate <sup>(1)</sup> (EH/s)	250	\$125	\$188	\$250	\$313	\$375
	275	\$117	\$176	\$234	\$292	\$350
	300	\$110	\$165	\$220	\$274	\$329
	325	\$104	\$156	\$207	\$258	\$309
	350	\$99	\$147	\$196	\$244	\$292
	375	\$94	\$140	\$186	\$231	\$277
	400	\$89	\$133	\$176	\$220	\$264

**4.5 EH/s Self-Mining and 2.5 EH/s Hosting**

		Period Ending BTC Price <sup>(2)</sup>				
		\$20,000	\$40,000	\$60,000	\$80,000	\$100,000
Period Ending Global Hash Rate <sup>(1)</sup> (EH/s)	250	\$155	\$238	\$321	\$404	\$487
	275	\$145	\$222	\$299	\$376	\$453
	300	\$135	\$208	\$280	\$352	\$424
	325	\$127	\$195	\$263	\$331	\$399
	350	\$120	\$184	\$248	\$312	\$376
	375	\$113	\$174	\$235	\$296	\$356
	400	\$107	\$165	\$223	\$281	\$338

**Legend**

\$0-\$100 million	\$100-200 million	+\$200 million
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\* Data table figures represent annual gross margin in \$ millions and assume 95% miner availability.

- (1) Period ending global network hash rate calculated by linearly increasing the current global network hash rate (210 EH/s as of May 1, 2022) to achieve the "Period Ending Hash Rate".
- (2) Period ending BTC prices calculated by linearly decreasing/increasing the current BTC price of \$40k (as of May 1, 2022) to achieve the "Period Ending BTC Price".

# Infrastructure First Model: Illustrative Hosting Economics

Owned infrastructure gives TeraWulf the ability to economically optimize facility mining capacity

Business Module / Service	Host Rate (\$/kWh)	Hosting Margin <sup>(1)</sup> (\$)	Profit Share <sup>(2)</sup> (\$)	Miner Price Discount <sup>(3)</sup> (\$)	Annual Value Capture (\$)	Infrastructure Cost <sup>(4)</sup> (\$)	Payback Period <sup>(4)</sup> (yrs)
Pure Hosting	\$0.065	\$31.2M	N/A	N/A	\$31.2M	\$52M	1.66
Profit-Share Hosting	\$0.065	\$31.2M	\$6.5M	N/A	\$37.7M	\$52M	1.38
Host-to-Own	\$0.065	\$31.2M	N/A	\$67.3M	\$98.6M	\$52M	0.53



- (1) Assumes a power cost of \$0.03/kWh, host rate of \$0.065/kWh, miner power consumption of 3.25 kW, availability of 95%, 33,000 miner capacity.
- (2) Assumes network hash rate growth according to BitOoda [projections](#) from 4/28/2022, a flat bitcoin price of \$40,000, and 15% gross profit share in addition to footnote (1) above.
- (3) Assumes annual miner purchase price discount of \$20/TH per miner.
- (4) Assumed infrastructure cost based on current Lake Mariner buildout for illustrative purposes. Payback period equivalent to Infrastructure Cost divided by Annual Value Capture.

# TeraWulf is an Emerging Leader in Digital Asset Infrastructure

- **Best-in-class crypto mining** due to low-cost, sustainable, and domestic bitcoin mining at industrial scale targeting zero-carbon energy leveraging nuclear, hydro, and solar resources
- **Vertically integrated, infrastructure first strategy** ensures ability to create and take advantage of plug-ready digital asset infrastructure
- **Delivering peer leading economics** with a comprehensive and compelling business outlook
- **Experienced team with decades of energy infrastructure experience** and a model for sustainable, large-scale bitcoin mining
- **Core ESG focus** differentiates TeraWulf and contributes to the acceleration of the U.S. transition to a more resilient, stable energy grid



# SITE OVERVIEWS

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# Lake Mariner Data (NY)



## LAKE MARINER DATA

<b>Location:</b>	Barker, NY
<b>Ownership:</b>	100%
<b>Site Control:</b>	Long-term lease
<b>Infra. Capacity:</b>	500 MW total YE '22: 110 MW
<b>Power Source:</b>	91%+ hydro
<b>Deployment:</b>	Completing construction
<b>Miners<sup>(1)</sup>:</b>	18,000 S19 XPs

(1) Reflects existing miner purchase agreements.

# New York Regulatory Environment

*“NYPA is pleased to propose working with Lake Mariner Data, LLC to have 7725 Lake Road, Barker, NY participate in demand response programs in 2022, supporting TeraWulf’s goal to become a zero-carbon emissions crypto mining company.”*

New York Power Authority, April 2022



Passed Assembly & Senate!

**Crypto-Mining Moratorium Bill**  
A7389C (Kelles)/S6486D (Parker)

Establishes a 2-year moratorium on cryptocurrency mining operations that use proof-of-work authentication methods to validate blockchain transactions; provides that such operations shall be subject to a full generic environmental impact statement review by the DEC.



Anna Kelles  
@annakelles

Exactly! The moratorium (not a ban!) will not in any way restrict anyone's ability to buy, sell, invest, or use crypto currencies in New York State nor will it impact in anyway anyone's ability to do cryptocurrency mining as long as they're not buying a power plant to do it.

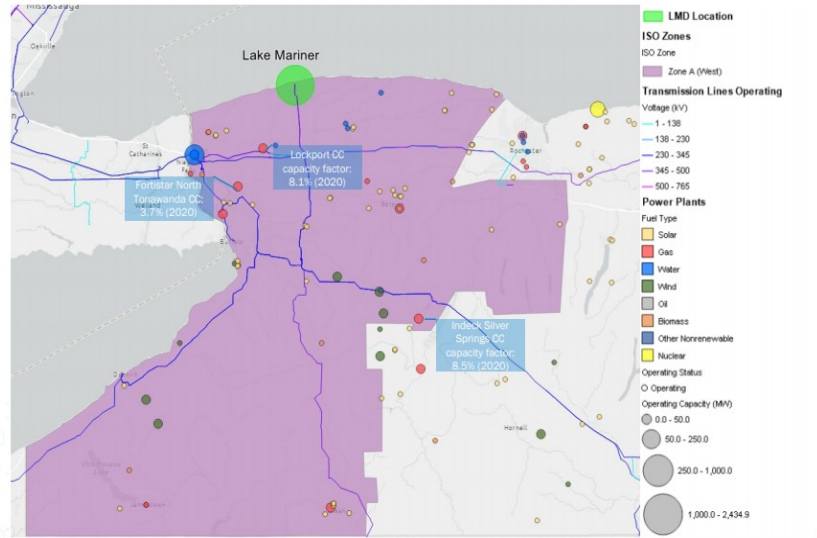
## NY Senate Passes Bitcoin Mining Moratorium

- On June 3, the NY Senate passed a two-year moratorium on future cryptocurrency mining powered by fossil fuels
  - Restricts issuance of new permits for proof-of-work mining operations that are powered by an “electric generating facility that utilizes a carbon-based fuel.”
  - Requires a study by the NY DEC on proof-of-work mining’s impact on State’s emissions
  - The legislation will now go to Gov. Kathy Hochul to sign into law or veto
- Proposed Bill will NOT impact TeraWulf’s Lake Mariner Facility in Upstate NY
  - NOT an electric generating facility and does NOT require an air permit
  - NOT using a carbon-based fuel for proof-of-work mining behind the meter
  - *“My bill is not a ban on crypto. It’s not even a ban on mining,” Kelles said. “It is a two-year moratorium specifically on cryptocurrency mining operations that are housed at fossil fuel-burning power plants.”*
- Lake Mariner has a contract with NYPA, a State Agency, for 90 MW of power
  - NYPA is also partnering with Lake Mariner on a unique program to provide the State’s grid with a significant demand energy response capability

# Lake Mariner: Locational Advantages

*Access to abundant low-cost hydro power and congestion dynamics mute impact of natural gas prices*

- Efficient combined cycle gas turbines are not dispatched frequently due to congestion charges
- Gas prices have little impact on Lake Mariner's node and surrounding nodes
- Ample renewable projects in the region supplement abundant low-cost hydro resources
- Over 1 GW of additional wind and solar projects in NYISO Zone A interconnection queue with COD dates prior to 2024, including 207 MW of solar at Lake Mariner's node



Source: Cap IQ Energy Map

# Lake Mariner: Demand Response Programs Provide Upside

- ✓ *Allocating revenues from NYISO's Special Case Resource (SCR) and National Grid's Commercial System Relief Program (CSR) across 95% of hours reduces cost of energy by approx. \$6/MWh*
- ✓ *With future programs, energy costs can be reduced by an estimated \$18/MWh*

## Most Accessible Demand Response Programs

Program Name	Description	Period	Compensation	Annual Revenue per 100 MW <sup>1</sup>
National Grid Commercial System Relief Program	Mandatory curtailment when system peak demand forecast reaches 92% of summer peak demand forecast.	May-September	\$2.75/kW-mo. plus \$0.18/kWh performance payment	\$1.4 million <sup>2</sup>
NYISO Special Case Resource	Mandatory curtailment during system reliability events for a minimum of 4 hours.	All Year	Approx. \$3.00/kW-mo.	\$3.6 million

## Future Programs

Available Opportunities	Description	Period	Compensation	Est. Annual Revenue per 100 MW <sup>1</sup>
NYISO Frequency Regulation	Provide reg-up, reg-down services with 30-second response time.	All Year	Variable based on real time market	\$2-7 million
NYISO Operating Reserve	Provide 10-minute real time demand response, typically called for 20 hours per year.	All Year	Variable based on real time market	\$2-7 million



(1) The above information is for general information purposes only. Annual Revenue is for illustrative purposes only and should not be considered projections of TeraWulf's operating performance. Sources include NYPA and independent service providers: [http://icap.nyiso.com/ucap/public/auc\\_view\\_strip\\_selection.do](http://icap.nyiso.com/ucap/public/auc_view_strip_selection.do); <https://www.nationalgridus.com/media/pdfs/bus-ways-to-save/csrp-program-overview.pdf>.

(2) Excludes pay for performance payments.



# Nautilus Cryptomine (PA)



## NAUTILUS CRYPTOMINE

<b>Location:</b>	Berwick, PA
<b>Ownership:</b>	50% (JV with Talen)
<b>Site Control:</b>	Long-term lease
<b>Infra. Capacity:</b>	300 MW (150 MW net) total YE '22: 100 MW (net)
<b>Power Source:</b>	Nuclear power
<b>Deployment:</b>	Completing construction
<b>Miners<sup>1</sup>:</b>	30,000 S19j Pros (15,000 net) 9,000 MV7s (4,500 net)

(1) Reflects existing miner purchase agreements.

# Nautilus: Facility Design Advantages

## *Reliable behind-the-meter zero-carbon energy*

- Data center design with extra redundancy and reliability to maximize online miner capacity
- Both inlet and outlet air cooling (i.e., "push/pull")
- Robust building management system to optimize temperature control and minimize power consumption
- Variable speed controls on all fans
- Extra air filtration to optimize building air quality
- Customized racking design to accommodate different miner dimensions
- Built-in electrical switching to prevent curtailment from substation transformer outage
- Infrastructure capable of future expansion



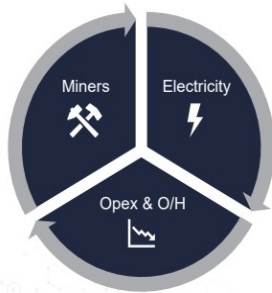
# APPENDIX

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# Power Price: Advantage of WULF's Vertical Integration

Infrastructure-first strategy is expected to be superior to an "asset light" model over time

Prioritizing the most important variable:  
Power Price



Illustrative Power Cost Impact per BTC				
	WULF		Asset Light <sup>1</sup>	
	2023E	2H 2024E	2023E	2H 2024E
Cost of power <sup>(1)</sup> (\$/kWh)	\$0.030		\$0.045	
Cost of host operations (\$/kWh)	\$0.000		\$0.000	
<b>Total direct cost (\$/kWh)</b>	<b>\$0.030</b>		<b>\$0.045</b>	
Miner power consumption (kW)	3.25		3.25	
Hours per year	8,760		8,760	
Availability	98%		98%	
<b>Annual power cost</b>	<b>\$837</b>		<b>\$1,256</b>	
Network hash rate <sup>(2)</sup> (EH/s)	428.0		428.0	
BTC mined per year	0.08		0.08	
<b>Annual power cost per BTC</b>	<b>\$10,905</b>	<b>\$10,905</b>	<b>\$16,358</b>	<b>\$16,358</b>
Network hash rate - rate of increase <sup>(3)</sup>		52%		52%
Adjusted cost in BTC terms		\$21,135		\$31,702
Block halving adjustment (April '24)		50%		50%
<b>Future marginal cost to mine per BTC</b>		<b>\$42,269</b>		<b>\$63,404</b>

Note: For illustrative purposes only.

(1) Assumed cost of power based upon estimated cost for an asset light bitcoin miner.

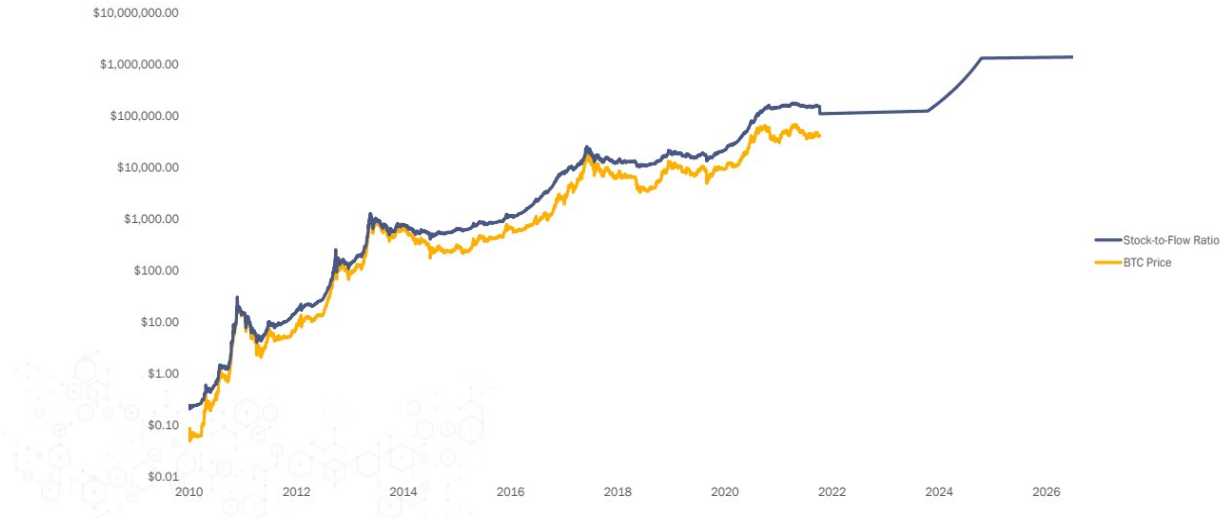
(2) Network hash rate reflects BitOoda assumed average for 2023 as of April 28, 2022. [https://www.bitooda.io/public-files/20220428\\_BitOoda\\_Weekly\\_Hash.pdf](https://www.bitooda.io/public-files/20220428_BitOoda_Weekly_Hash.pdf).

(3) Reflects annual increase in global network hash rate required to achieve BitOoda's reported average network hash rate of 649 EH/s in 2024.



# Bitcoin Stock-to-Flow vs Price

Historic BTC price appreciation approaching halving

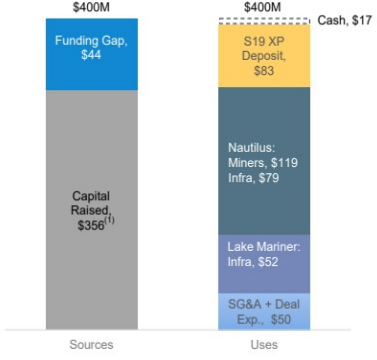
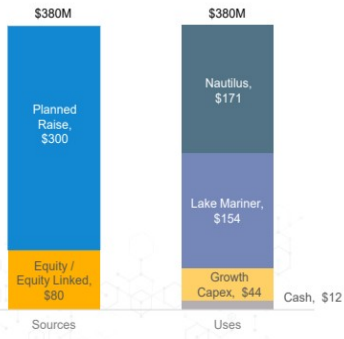


Source: <https://studio.glassnode.com/metrics?a=BTC&category=&m=indicators.StockToFlowRatio>

# Sources & Uses: Prior Estimates vs: Current Plan

- June 2021
- 175 MW or 5 EH/s at YE 2022
  - 3.0 EH/s @ Nautilus (self-mining)
  - 2.0 EH/s @ Lake Mariner (self-mining)

- June 2022
- 210 MW or 7.1 EH/s at YE 2022
  - 3.0 – 3.4 EH/s @ Nautilus (self-mining/host-to-own)
  - 3.3 – 4.8 EH/s @ Lake Mariner (self-mining/host-to-own)



Note: All figures based upon Company estimates and projections.  
 (1) Includes \$15M first draw of debt from the agreed-in-principle, up to \$50 million add-on facility from existing lenders, which remains subject to final documentation and various closing conditions.



# Sources and Uses: Capital Overview

- Deployed \$326M capital as of April 2022
  - \$68M invested in infrastructure
  - \$190M in miner payments
  - Balance is fees and other expenses
- Incremental \$30M capital raised in June 2022<sup>(1)</sup> (50/50 combination of equity/debt)
- Anticipate \$45-85M capital needed to achieve cash flow positive operations
  - \$62M to complete infrastructure
  - \$38M for remaining miner payments
  - Expect other expenses to be offset by gross margin

## Capital Deployed to Date (\$M)



## Capital Needed to Achieve Escape Velocity (\$M)



(1) Includes \$15M first draw of debt from the agreed-in-principle, up to \$50 million add-on facility from existing lenders, which remains subject to final documentation and various closing conditions.

(2) Actual gross margin dependent upon BTC price and timing of commercial operations, among other factors.

# Accomplished, Diverse Board to Ensure Transparency and Accountability

## Board of Directors

Name	Board Position	Committee	Affiliation
Paul Prager	Executive Chairman	Compensation	CEO of TeraWulf Inc.
Nazar Khan	Executive		COO & CTO of TeraWulf Inc.
Kerri Langlais	Executive		CSO of TeraWulf Inc.
Steve Pincus	Independent (Lead)	Audit	Executive Vice President, Willis Towers Watson
Michael Bucella	Independent		General Partner, BlockTower Capital
Ted Carter, VADM	Independent	Audit (Chair)	President, University of Nebraska; Retired Vice Admiral, U.S. Navy
Cassie Motz	Independent	Audit, Compensation	Executive Director, CollegeBound Foundation
Jason New	Independent	Compensation	Co-Founder and Managing Partner, NovaWulf Digital Management
Lisa Prager	Non-Independent	Compensation (Chair)	General Counsel and Exec. Vice President, Agricultural Bank of China

## Advisor – Environmental Impact

Name	Affiliation
Julia Nesheiwat	U.S. Arctic Research Commission

*TeraWulf is committed to strong corporate ethics, values, and business practices that create value for all stakeholders.*





# TeraWulf Charitable Foundation

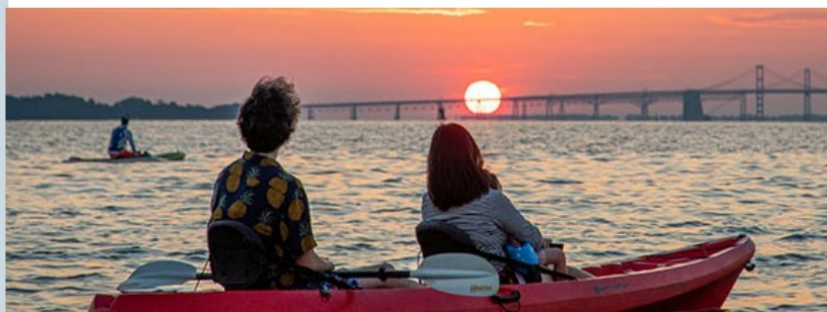
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*A private, philanthropic organization focused on funding and participating in social health, environmental, and sustainability initiatives.*



## *Advancing TeraWulf's Mission to Address Significant Societal Challenges of Today*

- ✓ Founded in 2021, the Foundation focuses on funding and participating in social health, environmental and sustainable programs.
- ✓ Initial funding of 2.3% of outstanding WULF common stock.
- ✓ In collaboration with reputable organizations and WULF's talented employees, the Foundation's objective is to affect large-scale change in the communities in which we operate and around the world.
- ✓ In January 2022, the Foundation made its inaugural financial commitment to the Chesapeake Conservancy to support the initiative to elevate the national significance of the Chesapeake Bay and provide ecological, cultural, and economic benefits to its multi-state watershed region.





NASDAQ: WULF

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**TeraWulf Announces Recent Financings and Near-Term Ramp of Digital Asset Infrastructure**

*Capital Supports Progress Towards Achieving Goal of 210 MW of Infrastructure by YE 2022*

*Company to Host Previously Scheduled Business Update Call at 5:00 PM E.T. Today*

**EASTON, Md. – June 13, 2022** – TeraWulf Inc. (Nasdaq: WULF) (“TeraWulf” or the “Company”), which owns and operates fully integrated, domestic bitcoin mining facilities powered by more than 91% zero-carbon energy, today announced recent financing actions that are expected to support the Company’s significant ramp of mining operations in the second half of 2022.

The Company commenced initial mining operations at its Lake Mariner facility in New York in March by leveraging existing space at the now decommissioned coal fired plant. TeraWulf is now in the final stages of completing its first dedicated mining building on site, which will house approximately 50 MW of capacity and is expected to begin hashing in early Q3. The Company is targeting completion of its second building at the site, adding another 50 MW of mining capacity in the fourth quarter, and expects to exit 2022 with approximately 110 MW of total mining capacity at Lake Mariner.

The Nautilus Cryptomine facility, a partnership between TeraWulf and Talen Energy Corporation, has also made significant construction progress and remains on target to begin mining in the third quarter. The Company expects to exit 2022 with 100 MW of net mining capacity at Nautilus, which represents TeraWulf’s 50% share of the joint venture. Together with its Lake Mariner Facility, TeraWulf expects to successfully complete 210 MW of digital asset infrastructure by year-end 2022.

**Recent Capital Raising Activity and Outlook**

The Company recently announced that it has secured a Standby Equity Purchase Agreement (“SEPA”) with Yorkville Advisors Global, LP to sell up to \$50 million of the Company’s common stock in the Company’s sole discretion at any time during the 36-month term of the agreement. In connection with the SEPA, the Company received a pre-advance loan of \$15 million from Yorkville in the form of a convertible promissory note.

In addition, the Company announced today that it has reached an agreement in principle with its existing lenders for an incremental add-on facility of up to \$50 million with an initial draw of \$15 million at closing, which is subject to final documentation and various closing conditions. The Company intends to use the net proceeds from these two financings for miner purchases and towards completing the infrastructure for 210 MW of mining capacity.

While the recent capital raising activity will contribute to the near-term ramp of mining operations, the Company also announced today that it has engaged Cantor Fitzgerald & Co. and Ducera Partners LLC to assist the Company in raising transformative growth capital in 2022.

“Our recent financing activities provide valuable access to capital, and we expect any additional growth capital we are able to raise will help ensure a timely path to completing our operational objectives in 2022,” said Paul Prager, Co-founder, Chief Executive Officer, and chair of the Board of TeraWulf. “Our vertically integrated strategy, along with the most competitive energy costs in the industry,

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differentiates TeraWulf from our peers, and should enable us to deliver strong mining economics while ensuring the flexibility to rapidly scale our operations toward our ultimate goal of deploying 800 MW of zero-carbon mining capacity by 2025.”

Additional information regarding the SEPA is available in the Current Report on Form 8-K filed with the Securities and Exchange Commission (“SEC”) on June 8, 2022. The Advance has not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

### **Conference Call and Supplemental Materials**

TeraWulf will host a conference call on Monday, June 13, 2022, including time for Q&A, beginning at 5:00 p.m. Eastern Time, to provide additional details on recent financing activity and progress at its Lake Mariner and Nautilus Cryptomine facilities. All interested parties may access a live webcast of this conference call at [www.terawulf.com](http://www.terawulf.com), under "Investors" and "Webcasts and Presentations" tabs.

### **About TeraWulf**

TeraWulf (Nasdaq: WULF) owns and operates fully integrated environmentally clean bitcoin mining facilities in the United States. Led by an experienced group of energy entrepreneurs, the Company is developing two mining facilities, Lake Mariner Data in New York and Nautilus Cryptomine in Pennsylvania, with the objective of 800 MW of mining capacity deployed by 2025, enabling over 23 exahash per second of expected hashrate. TeraWulf will generate domestically produced bitcoin powered by nuclear, hydro and solar energy with a goal of utilizing 100% zero-carbon energy. With a core focus of ESG that ties directly to its business success, TeraWulf expects to offer attractive mining economics at an industrial scale.

### **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, as amended. Such forward-looking statements include statements concerning anticipated future events and expectations that are not historical facts. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements. In addition, forward-looking statements are typically identified by words such as "plan," "believe," "goal," "target," "aim," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "continue," "could," "may," "might," "possible," "potential," "predict," "should," "would" and other similar words and expressions, although the absence of these words or expressions does not mean that a statement is not forward-looking. Forward-looking statements are based on the current expectations and beliefs of TeraWulf's management and are inherently subject to a number of factors, risks, uncertainties and assumptions and their potential effects. There can be no assurance that future developments will be those that have been anticipated. Actual results may vary materially from those expressed or implied by forward-looking statements based on a number of factors, risks, uncertainties and assumptions, including, among others: (1) conditions in the cryptocurrency mining industry, including fluctuation in the market pricing of bitcoin and other cryptocurrencies, and the economics of cryptocurrency mining, including as to variables or factors affecting the cost, efficiency and profitability of cryptocurrency mining; (2) competition among the various providers of cryptocurrency mining services; (3) changes in applicable laws, regulations and/or permits affecting TeraWulf's operations or the industries in which it operates, including regulation

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regarding power generation, cryptocurrency usage and/or cryptocurrency mining; (4) the ability to implement certain business objectives and to timely and cost-effectively execute integrated projects; (5) failure to obtain adequate financing on a timely basis and/or on acceptable terms with regard to growth strategies or operations; (6) loss of public confidence in bitcoin or other cryptocurrencies and the potential for cryptocurrency market manipulation; (7) the potential of cybercrime, money-laundering, malware infections and phishing and/or loss and interference as a result of equipment malfunction or break-down, physical disaster, data security breach, computer malfunction or sabotage (and the costs associated with any of the foregoing); (8) the availability, delivery schedule and cost of equipment necessary to maintain and grow the business and operations of TeraWulf, including mining equipment and infrastructure equipment meeting the technical or other specifications required to achieve its growth strategy; (9) employment workforce factors, including the loss of key employees; (10) litigation relating to TeraWulf, IKONICS and/or the business combination; (11) the ability to recognize the anticipated objectives and benefits of the business combination; complete the timely close of the financing provided by the lenders; and (13) and other risks and uncertainties detailed from time to time in the Company's filings with the Securities and Exchange Commission ("SEC"). Potential investors, stockholders and other readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they were made. TeraWulf does not assume any obligation to publicly update any forward-looking statement after it was made, whether as a result of new information, future events or otherwise, except as required by law or regulation. Investors are referred to the full discussion of risks and uncertainties associated with forward-looking statements and the discussion of risk factors contained in the Company's filings with the SEC, which are available at [www.sec.gov](http://www.sec.gov).

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