

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

**FORM 8-K**

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

Date of Report (Date of earliest event reported): **August 29, 2022**

**TERAWULF INC.**

(Exact name of registrant as specified in its charter)

**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)

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.

**Item 1.01 Entry into a Material Definitive Agreement.**

**Talen Joint Venture**

On August 26, 2022, TeraWulf (Thales) LLC (“TeraWulf Member”) entered into an amended and restated limited liability company agreement (the “A&R Talen Joint Venture Agreement”) with Cumulus Coin LLC (“Cumulus Member” and, together with TeraWulf Member, each a “Member” and collectively the “Members”), an affiliate of Talen Energy Corporation, pursuant to which the parties agreed to modify their existing arrangement regarding the operation of Nautilus Cryptomine LLC (“Nautilus”) and the Nautilus Cryptomine facility. Pursuant to the A&R Talen Joint Venture Agreement, TeraWulf Member will contribute 20,000 miners to Nautilus and Cumulus Member will contribute 40,000 miners to Nautilus. Cumulus Member will receive credit for 2,500 miners previously delivered to TeraWulf Member toward its miner contribution obligation.

Under the A&R Talen Joint Venture Agreement, TeraWulf Member will hold a 33.33% equity interest in Nautilus and Cumulus Member will hold a 66.67% equity interest in Nautilus, each subject to adjustment based on relative capital contributions. The Members agreed that TeraWulf Member will contribute \$17.1 million and Cumulus Member will contribute \$57.1 million in cash to Nautilus, in each case by November 11, 2022. Until satisfaction of each Member’s cash and miner contribution obligations, monthly bitcoin distributions will be made in accordance with each Member’s respective hash rate contributions. Thereafter, distributions will be made monthly in bitcoin *pro rata* in accordance with each Member’s ownership interest in Nautilus.

Assuming certain conditions are met, Nautilus will be governed by a board of managers comprised of two managers appointed by TeraWulf Member and four managers appointed by Cumulus Member. If the conditions are not met by October 31, 2022, then the A&R Talen Joint Venture Agreement will terminate and be of no force and effect, and the existing arrangements regarding the operation of Nautilus will be restored, with TeraWulf Member and Cumulus Member holding percentage ownership interests based on capital contributions as of the date of such termination.

Under the A&R Talen Joint Venture Agreement, the board of managers generally acts upon a majority vote at a duly called meeting at which at least one manager appointed by TeraWulf Member is present, except that, for certain specified matters (“Special Consent Matters”), the board of managers acts upon a unanimous vote, subject to deadlock procedures. The number and type of Special Consent Matters have been reduced, and such matters now exclude, among others, approval of the annual budget and approval of fundamental corporate transactions. Any Member owning less than 20% of Nautilus has no right to vote on Special Consent Matters. Generally, neither TeraWulf Member nor Cumulus Member may directly transfer any of its interests in Nautilus to any third parties without the majority consent of the board of managers, except that TeraWulf Member is entitled to transfer its interests in Nautilus if certain conditions are met.

Pursuant to the terms of the A&R Talen Joint Venture Agreement, the Nautilus Cryptomine facility will initially require 200 MW of electric capacity, and the Members may elect to expand the energy requirement by up to 100 MW prior to May 13, 2024, for a total capacity of 300 MW. Each Member will have the right to elect up to an incremental 50 MW of expansion capacity beyond the initial 200 MW. Upon such election, Nautilus will call additional capital for expansion and enter into an additional energy supply agreement with Cumulus Member or its affiliate for the additional capacity, subject to any regulatory approvals and third-party consents.

On August 26, 2022, Nautilus and Beowulf Electricity & Data Inc. (“Beowulf E&D”), an affiliate of TeraWulf Member, entered into the amended and restated facility operations agreement with an early termination right for Nautilus, pursuant to which Beowulf E&D provides, or arranges for the provision to Nautilus of, certain infrastructure, construction, operations and maintenance and administrative services necessary to build out and operate the Nautilus Cryptomine facility and support Nautilus’s ongoing business at the Nautilus Cryptomine facility.

On August 26, 2022, Nautilus and Cumulus Digital, LLC (“Talen Energy Supply”) entered into the amended and restated corporate services agreement with an early termination right for Nautilus, pursuant to which Talen Energy Supply provides certain corporate and administrative services to Nautilus, including corporate-level management and support services such as accounting and financial reporting, development planning, real estate, information

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technology, financial planning and analysis, banking, treasury, regulatory, legal, supply chain and secretarial and administrative functions.

### **Second Amendment to Loan Agreement**

On August 26, 2022, TeraWulf Inc. (the “Company”) entered into a second amendment (the “Second Amendment”) to its Loan, Guaranty and Security Agreement, Consent and Amendment to First Amendment, dated as of July 1, 2022, (the “Loan Agreement”), by and among the Company, certain subsidiaries of the Company party thereto, the lenders party thereto and Wilmington Trust, National Association, as administrative agent and collateral agent.

The Second Amendment provides that the Company may not own less than 25% of the aggregate equity interests of Nautilus and makes certain other conforming changes.

The descriptions of the provisions of the Second Amendment are qualified in their entirety by reference to the full and complete terms of the Second Amendment which is attached hereto as Exhibit 1.1 and is incorporated herein by reference.

### **Item 2.03 Creation of Direct Financial Obligation.**

The information set forth under Item 1.01 above is hereby incorporated by reference into this Item 2.03.

### **Item 7.01 Regulation FD Disclosure.**

A copy of the Company’s press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information contained in this Item 7.01 as well as in Exhibit 99.1 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 8.01 Other Events.**

Simultaneously with the A&R Talen Joint Venture Agreement, the Company has reached a commercial understanding with Bitmain Technologies Limited (“Bitmain”) whereby TeraWulf Member’s previous payments are expected to be utilized for future antminer shipments comprised of Bitmain S19 XP and S19j Pro miners. The Company currently anticipates minimal additional cash payments to complete its miner purchases for the Nautilus Cryptomine facility.

### **Item 9.01 Financial Statements and Exhibits.**

#### **(d) Exhibits:**

<b>Exhibit Number</b>	<b>Description</b>
<a href="#"><u>1.1</u></a>	<a href="#"><u>Second Amendment to Loan, Guaranty and Security Agreement, dated as of August 26, 2022, by and among TeraWulf Inc., certain subsidiaries party thereto, the lenders from time to time party thereto and Wilmington Trust, National Association.</u></a>
<a href="#"><u>99.1</u></a>	<a href="#"><u>Press Release, dated August 29, 2022.</u></a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**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: August 29, 2022

**SECOND AMENDMENT TO  
LOAN, GUARANTY AND SECURITY AGREEMENT, CONSENT AND AMENDMENT TO  
FIRST AMENDMENT**

This Second Amendment to Loan, Guaranty and Security Agreement, Consent and Amendment to First Amendment (this "Amendment") is made as of this 26th day of August, 2022 by and among TERAWULF INC., a Delaware corporation ("Borrower"), the Guarantors (as defined in the Loan Agreement (as defined below)) party hereto, the Lenders (as defined in the Loan Agreement (as defined below)) party hereto, and Wilmington Trust, National Association, a national banking association, in its capacity as administrative agent and collateral agent for the Lenders (in such capacities, and together with its successors and assigns in such capacities "Agent").

RECITALS

WHEREAS, Borrower, the Guarantors from time to time party thereto, the Lenders from time to time party thereto and the Agent, are parties to that certain Loan, Guaranty and Security Agreement dated as of December 1, 2021 (as amended by the First Amendment dated as of July 1, 2022, and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Loan Agreement");

WHEREAS, Borrower has requested that the Agent and the Lenders agree to make certain amendments to the Loan Agreement as set forth herein, subject to the terms and conditions set forth herein and in the Loan Agreement; and

WHEREAS, the Agent and the Lenders party hereto have consented to provide the requested amendments, subject to the terms and conditions set forth herein and in the Loan Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valid consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Defined Terms. Capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Loan Agreement (after giving effect to this Amendment).
2. Amendments. In reliance upon the representations and warranties set forth in Section 6 below, upon the occurrence of the Second Amendment Effective Date:
  - a. Section 8.8(c) of the Loan Agreement is hereby amended and restated in its entirety as follows:

“(c) Amend, modify or change (i) Nautilus JV Agreement or (ii) the Merger Agreement, in each case, in a manner materially adverse to the Lenders.”
  - b. Section 8.9 of the Loan Agreement is hereby amended by deleting “50%” in clause (a) thereof and replacing it with “25%”.
  - c. Section 15.1 of the Loan Agreement is hereby amended by adding the following defined terms thereto in appropriate alphabetical order:

“Nautilus JV Agreement” means the Limited Liability Company Agreement for the

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Nautilus JV dated as of May 13, 2021, as amended by the Nautilus JV Amendment, or, if the Nautilus JV Amendment is terminated in accordance with its terms, as in effect on the Second Amendment Effective Date.”

““Nautilus JV Amendment” means the Amended and Restated Limited Liability Company Agreement for the Nautilus JV containing modifications consistent in all respects with the summary attached as Exhibit A to the Second Amendment.”

““Second Amendment” means that certain Second Amendment to Loan, Guaranty and Security Agreement, Consent and Amendment to First Amendment, dated as of August 26, 2022, by and among Borrower, the Guarantors and the Lenders party thereto.

““Second Amendment Effective Date” means August 26, 2022.”

d. Section 7 of the First Amendment is hereby amended and restated in its entirety as follows:

“7. Nautilus JV Equity Interests. TeraWulf (Thales) LLC (a) hereby pledges all of its right, title and interest in the Equity Interests of the Nautilus JV pursuant to Section 5.5 of the Loan Agreement, provided that such pledged Equity Interests shall not exceed 49.99% of the aggregate Equity Interest of the Nautilus JV, and (b) hereby represents and warrants that the foregoing pledge does not give rise to a breach of the organizational documents of, or any agreement relating to, the Nautilus JV.”

3. Consent. In reliance upon the representations and warranties set forth in Section 6 below, upon the occurrence of the Second Amendment Effective Date, the Required Lenders party hereto hereby consent to (a) the Nautilus JV Amendment, the material terms of which are summarized on Exhibit A of this Amendment and (b) the execution thereof by TeraWulf (Thales) LLC and the performance of its obligations thereunder.

4. Conditions Precedent to Effectiveness of this Amendment. This Amendment will become effective on the date (the “Second Amendment Effective Date”) on which each of the following conditions have been satisfied (in form and substance satisfactory to the Required Lenders party hereto, or waived by the Required Lenders party hereto) in accordance with the terms therein:

- (a) Amendment. The execution and delivery of this Amendment by each Loan Party, the Agent and Lenders constituting not less than Required Lenders;
- (b) No Default. No Default or Event of Default exists as of the date hereof after giving effect to this Amendment; and
- (c) Representations and Warranties. The representations and warranties set forth in Section 6 below shall be true and correct.

5. Payment of Lenders’ Expenses. Borrower shall pay all Lenders’ Expenses and other amounts due and payable under the Loan Documents to the Agent and the Lenders (to the extent invoiced on or prior to the date hereof) on the Second Amendment Effective Date. To the extent any such Lender Expenses incurred on or prior to the date hereof shall not have been invoiced on or prior to the Second Amendment Effective Date, the Borrower shall pay all such Lender Expenses within five (5) Business Days of receipt of any invoice for such Lender Expenses. Notwithstanding any other provision herein or in any other Loan

Document, the failure by Borrower to make the payment required pursuant to this Section 5 shall result in an immediate Event of Default without any further action by any other Person.

6. Representations and Warranties. Each Loan Party hereby represents and warrants as of the Second Amendment Effective Date to Agent and each Lender as follows:

- (a) each Loan Party and each of its Subsidiaries is a corporation, partnership or limited liability company duly organized, validly existing and in good standing under the laws of its state of incorporation or formation;
- (b) the execution, delivery and performance by the Loan Parties of this Amendment (i) are within such Person's powers, (ii) have been duly authorized and are not in conflict with, and will not constitute a breach of, any provision contained in such Person's Operating Documents, (iii) do not require the consent or approval of any Governmental Authority or any other Person, and (iv) will not violate any applicable laws;
- (c) this Amendment constitutes a valid and binding agreement of each Loan Party, enforceable against such Loan Party in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy or insolvency laws relating to the enforcement of creditors' rights generally and by general equitable principles;
- (a) the representations and warranties contained in the Loan Agreement and the other Loan Documents are true and correct in all material respects (or, in the case of any representation or warranty that is, by its terms qualified by materiality, in all respects) on and as of the Second Amendment Effective Date, except to the extent that any such representation or warranty relates to a specific earlier date in which case such representation or warranty shall be true and correct in all material respects (or, in the case of any representation or warranty that is, by its terms qualified by materiality, in all respects) as of such earlier date, in each case, after giving effect to this Amendment
- (b) the Nautilus JV Amendment is consistent in all respect with the terms summarized on Exhibit A of this Amendment.

7. Loan Documents in Full Force and Effect. The Loan Agreement and the other Loan Documents shall remain in full force and effect and are hereby ratified and confirmed in all respects, and each Loan Party hereby reaffirms the Obligations and any and all guarantees, security interests and Liens it has granted (or made) to secure the Obligations. Each such Obligation, guarantee, security interest and Lien is reaffirmed and shall remain and continue in full force and effect in accordance with its terms notwithstanding this Amendment and shall include and extend to any new obligations assumed by any Loan Party under this Amendment or otherwise under the Loan Documents. The validity and enforceability of the appointment of the Agent as proxy and attorney-in-fact under Section 10.3 of the Loan Agreement is ratified and reaffirmed as of the date hereof, and to the extent expressly contemplated by such provision and subject to the limitations set forth therein, each Loan Party reappoints the Agent as its proxy and attorney-in-fact in accordance with the terms of such provisions, as applicable, which appointment is **IRREVOCABLE** and coupled with an interest and shall terminate only on the Termination Date, for the purpose of carrying out the provisions of such Loan Documents, as applicable. Except as expressly set forth herein, this Amendment shall not be deemed to be an amendment to, modification of or consent to the departure from any provisions of the Loan Agreement or any other Loan Document or any right, power or remedy of the Agent or the Lenders, nor constitute a waiver of any provision of the Loan Agreement or any other Loan Document, or any other document, instrument and/or agreement executed or delivered in connection therewith or of any Event of Default under any of the foregoing, in each case, whether arising

before or after the date hereof or as a result of performance hereunder or thereunder. All references to the Loan Agreement shall be deemed to mean the Loan Agreement as modified hereby. For the avoidance of doubt, all modifications of the Loan Agreement provided for in this Amendment shall apply to all Term Loans, including the Closing Date Term Loan, the First Amendment Term Loan and the Delayed Draw Term Loans, and shall survive any repayment or prepayment of the First Amendment Term Loan and the Delayed Draw Term Loans. This Amendment shall not constitute a novation or satisfaction and accord of the Loan Agreement and the other Loan Documents. The parties hereto agree to be bound by the terms and conditions of the Loan Agreement and the Loan Documents as modified by this Amendment, as though such terms and conditions were set forth herein. Each reference in the Loan Agreement to “this Agreement,” “hereunder,” “hereof,” “herein” or words of similar import shall mean and be a reference to the Loan Agreement as modified by this Amendment, and each reference herein or in any other Loan Document to the “Loan Agreement” shall mean and be a reference to the Loan Agreement as modified by this Amendment.

8. Release. Each Loan Party hereby waives, remises, releases, acquits, satisfies and forever discharges the Agent and each Lender, their respective agents, employees, officers, directors, predecessors, attorneys and all others acting or purporting to act on behalf of or at the direction of the Agent or any Lender (“Releasees”), of and from any and all manner of known and unknown actions, causes of action, suits, debts, accounts, covenants, contracts, controversies, agreements, variances, damages, judgments, claims and demands whatsoever, whether in law or in equity, which any of such parties ever had, now has or, to the extent arising from or in connection with any act, omission or state of facts taken or existing on or prior to the date hereof, may have after the date hereof against the Releasees, for, upon or by reason of any matter, cause or thing whatsoever in connection with the Obligations or the Loan Documents through the date hereof. Without limiting the generality of the foregoing, each Loan Party waives and affirmatively agrees not to allege or otherwise pursue any defenses, affirmative defenses, counterclaims, claims, causes of action, setoffs or other rights they do, shall or may have in connection with the Obligations or the Loan Documents as of the date hereof, including, but not limited to, the rights to contest any conduct of the Releasees relating to or arising out of the Loan Agreement or the other Loan Documents on or prior to the date hereof.

9. Direction to Agent. The undersigned Lenders hereby represent and warrant that they constitute not less than Required Lenders as of the date hereof and hereby direct and authorize the Agent to execute this Amendment.

10. Counterparts. This Amendment may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Amendment. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a “.pdf” format data file, such signature (including an electronic signature) shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “.pdf” signature page were an original thereof.

11. Successors and Assigns. This Amendment shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties; provided, however, that neither this Amendment nor any rights, benefits, obligations or duties hereunder or under any of the other Loan Documents may be assigned, transferred, hypothecated or otherwise conveyed by any Loan Party without the prior express written consent of Agent and the Required Lenders. Any such purported assignment, transfer, hypothecation or other conveyance by any Loan Party without the prior express written consent of Agent and the Required Lenders shall be void.



12. CHOICE OF LAW, VENUE, JURY TRIAL WAIVER AND JUDICIAL REFERENCE . IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS AMENDMENT, THE OTHER LOAN DOCUMENTS AND THE OBLIGATIONS SHALL BE SUBJECT TO THE PROVISIONS REGARDING CHOICE OF LAW AND VENUE, JURY TRIAL WAIVER, AND JUDICIAL REFERENCE SET FORTH IN SECTION 12 OF THE LOAN AGREEMENT, AND SUCH PROVISIONS ARE INCORPORATED HEREIN BY THIS REFERENCE, MUTATIS MUTANDIS.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the date first above written.

**LOAN PARTIES:**

**BORROWER:**

**TERAWULF INC.**, as Borrower

By: /s/ Paul B.

Prager

Name: Paul B. Prager

Title: President and Chief Executive Officer

**GUARANTORS:**

**TERACUB INC.**, as a Guarantor

By: /s/ Paul B.

Prager

Name: Paul B. Prager

Title: President and Chief Executive Officer

**KYALAMI DATA LLC**, as a Guarantor

By: /s/ Paul B.

Prager

Name: Paul B. Prager

Title: President

**LAKE MARINER DATA LLC**, as a Guarantor

By: /s/ Paul B.

Prager

Name: Paul B. Prager

Title: President

*[Signature Page to Second Amendment to Loan Agreement]*

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**TERAWULF BROOKINGS LLC**, as a Guarantor

By: /s/ Paul B.  
Prager

Name: Paul B. Prager  
Title: President

**TERAWULF PLOUGHWIND LLC**, as a Guarantor

By: /s/ Paul B.  
Prager

Name: Paul B. Prager  
Title: President

**TERAWULF (THALES) LLC**, as a Guarantor

By: /s/ Paul B.  
Prager

Name: Paul B. Prager  
Title: President

*[Signature Page to Second Amendment to Loan Agreement]*

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**AGENT:**

**WILMINGTON TRUST, NATIONAL ASSOCIATION**, as Agent

By: /s/ Joseph B.

Feil

Name: Joseph B. Feil

Title: Vice President

*[Signature Page to Second Amendment to Loan Agreement]*

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**LENDERS:**

**SUNRISE PARTNERS LIMITED PARTNERSHIP**, as a Lender

By: Paloma Partners Management Company,  
its general partner

By: /s/ Douglas W.  
Ambrose

Name: Douglas W. Ambrose

Title: Managing Director

**SUNEMERALD LLC**, as a Lender

By: /s/ Douglas W.  
Ambrose

Name: Douglas W. Ambrose

Title: President

*[Signature Page to Second Amendment to Loan Agreement]*

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**OWL CREEK CREDIT OPPORTUNITIES MASTER FUND,  
L.P., as a Lender**

By: /s/ Kevin Dibble  
Name: Kevin Dibble  
Title: General Counsel

*[Signature Page to Second Amendment to Loan Agreement]*

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**THRACIA, LLC**, as a Lender

By: /s/ Dan Phai

Name: Dan Phai

Title: Authorized Signatory

**LUMYNA SPECIALIST FUNDS – EVENT ALTERNATIVE  
FUND**, as a Lender

By: /s/ Dan Phai

Name: Dan Phai

Title: Authorized Signatory

*[Signature Page to Second Amendment to Loan Agreement]*

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**MARINER ATLANTIC MULTI-  
STRATEGY MASTER FUND, LTD.**, as a Lender

By: Mariner Investment Group, LLC, its Investment Manager

By: /s/ John C.

Kelty

Name: John C. Kelty

Title: Authorized Signatory

*[Signature Page to Second Amendment to Loan Agreement]*

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**NOVAWULF DIGITAL MASTER FUND, L.P.**, as a Lender

By: NOVAWULF DIGITAL GENPAR, L.P.,  
its General Partner

By: NOVAWULF DIGITAL MGP LTD.,  
its General Partner

By: /s/ Michael  
Abbate

Name: Michael Abbate

Title: Director

*[Signature Page to Second Amendment to Loan Agreement]*

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**HN SUMMIT HOUSE CREDIT OPPORTUNITIES FUND I, LP,**  
as a Lender

By: HN Summit House Capital Management, LLC

By:        /s/ Jed

Walsh

Name: Jed Walsh

Title: CIO

*[Signature Page to Second Amendment to Loan Agreement]*

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## Exhibit A

### Summary of Amended and Restated Limited Liability Company Agreement of Nautilus Cryptomine LLC (“Nautilus”)

#### Cash and Miner Contributions

Under the A&R Talen Joint Venture Agreement, TeraWulf (Thales) LLC (“TeraWulf Member”) will hold a 33.33% equity interest in Nautilus and Cumulus Coin LLC (“Cumulus Member”) and, together with TeraWulf Member, each a “Member” and collectively the “Members”) will hold a 66.67% equity interest in Nautilus, each subject to adjustment based on relative capital contributions. The Members agreed that TeraWulf Member will contribute \$17.1 million and Cumulus Member will contribute \$57.1 million in cash to Nautilus TeraWulf Member, in each case by November 11, 2022.

TeraWulf Member agrees to contribute 20,000 miners and Cumulus Member agrees to contribute 40,000 miners to Nautilus. Cumulus Member will receive credit towards its miner contribution obligation for 2,500 S19j Pro miners previously delivered to TeraWulf Member under that certain Exchange Agreement, dated as of Marcy 14, 2022, by and among TeraWulf Member, Cumulus Member and Nautilus.

#### Distributions

Until satisfaction of each Member’s cash and miner contributions, monthly bitcoin distributions will be made in accordance with the Members’ respective hash rate contributions, after which distributions will be made monthly in bitcoin *pro rata* in accordance with each Member’s ownership interest in Nautilus.

#### Governance

Assuming certain conditions are met, Nautilus will be governed by a board of managers comprised of two managers appointed by TeraWulf Member and four managers appointed by Cumulus Member. If the conditions are not met by October 31, 2022, then the A&R Talen Joint Venture Agreement will terminate and be of no force and effect, and the existing arrangements regarding the operation of Nautilus will be restored, with TeraWulf Member and Cumulus Member holding percentage ownership interests based on capital contributions as of the date of such termination.

Under the A&R Talen Joint Venture Agreement, the board of managers generally acts upon a majority vote at a duly called meeting at which at least one manager appointed by TeraWulf Member is present, except that, for certain specified matters (“Special Consent Matters”), the board of managers acts upon a unanimous vote, subject to deadlock procedures. The number and type of Special Consent Matters have been reduced, and such matters now exclude, among others, approval of the annual budget and approval of fundamental corporate transactions. Any Member owning less than 20% of Nautilus has no right to vote on Special Consent Matters. Generally, neither TeraWulf Member nor Cumulus Member may directly transfer any of its interests in Nautilus to any third parties without the majority consent of the board of managers, except that TeraWulf Member is entitled to transfer its interests in Nautilus if certain conditions are met.

#### Electric Capacity

The Nautilus Cryptomine facility will initially require 200 MW of electric capacity, and the Members may elect to expand the energy requirement by up to 100 MW prior to May 13, 2024, for a total

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capacity of 300 MW. Each Member will have the right to elect up to an incremental 50 MW of expansion capacity beyond the initial 200 MW. Upon such election, Nautilus will call additional capital for expansion and enter into an additional energy supply agreement with Cumulus Member or its affiliate for the additional capacity, subject to any regulatory approvals and third-party consents.

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**TeraWulf Announces Amendments to its Nautilus Joint Venture Agreement with Talen Energy**

*Decreases Near-Term Capital Requirements and Aligns Digital Infrastructure Capacity with Owned Miners*

**EASTON, Md. – August 29, 2022** – TeraWulf Inc. (Nasdaq: WULF) (“TeraWulf” or the “Company”), which owns and operates vertically integrated, domestic bitcoin mining facilities powered by more than 91% zero-carbon energy, is pleased to announce that the Company and a subsidiary of Talen Energy Corporation have reached an agreement to amend their existing joint venture agreement (the “Nautilus JV”) for the Nautilus Cryptomine bitcoin mining facility (the “Nautilus Cryptomine Facility”), which is located adjacent to, and will source zero-carbon nuclear power directly from, Talen’s 2.5 GW Susquehanna Station in Pennsylvania.

The Nautilus Cryptomine Facility benefits from one of the lowest electricity costs among publicly traded bitcoin mining peers in the United States with contracted power for the first 100 MW of gross mining capacity at \$0.02 per kilowatt hour for an initial term of five years (the “Initial Block”). Under the amendments, TeraWulf will maintain the benefit of its previous share of 50 MW of the Initial Block at \$0.02 per kilowatt hour. TeraWulf’s affiliate, Beowulf Electricity & Data Inc., will continue to operate the Nautilus Cryptomine facility pursuant to its previously announced facility services agreement.

Under the amended agreement, TeraWulf will retain a thirty-three percent (33%) ownership interest in the Nautilus JV. The Nautilus Cryptomine Facility has access to up to 300 MW of mining capacity from the Susquehanna Station, with each of the JV members having the right to increase digital infrastructure capacity at the site by 50 MW beyond the initial 200 MW planned. The Nautilus Cryptomine Facility is expected to be the first bitcoin mining facility site powered by 100% “behind the meter” zero-carbon nuclear energy. The Nautilus Cryptomine Facility remains on track to commence mining operations in Q4 2022.

Simultaneously with the amendments to the Nautilus JV, TeraWulf has reached a commercial understanding with Bitmain Technologies Limited (“Bitmain”) whereby TeraWulf’s previous payments are expected to be utilized for future antminer shipments comprised of Bitmain S19 XP and S19j Pro miners. The Company currently anticipates minimal additional cash payments to complete its miner purchases for existing miner orders. This arrangement is expected to provide TeraWulf the flexibility to align the timing and delivery of miners with the infrastructure deployment at TeraWulf’s two facilities.

TeraWulf’s Co-Founder and CEO, Paul Prager, commented, “The amendments to the Nautilus JV agreement enable TeraWulf to reduce our near-term capital obligations at the Nautilus Cryptomine Facility, while preserving opportunities for future capacity expansion.” Prager continued, “The amended joint venture will now focus on infrastructure investment and governance only, enabling each party to deploy its own miners. With these modifications, TeraWulf can optimize two critical value drivers for the Company; 50 MW of two cent power for five years at the Nautilus facility, and deploying miners at our wholly owned Lake Mariner facility, where we are aggressively ramping operations.”

As previously announced, TeraWulf recently energized the first dedicated mining building at its Lake Mariner facility for a total online digital capacity of approximately 60 MW. Building 2 is expected to add another 50 MW of mining capacity in the fourth quarter, for a total targeted year-end capacity of 110

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MW. Once complete, Lake Mariner has the capacity to reach over 500 MW of low-cost infrastructure capacity in a location that leverages its proximity to abundant hydroelectric power and minimal demand, which together translate into low around-the-clock power prices.

Nazar Khan, TeraWulf's CTO and COO, commented, "The amended Nautilus JV agreement right-sizes the Company's deployment of miners. This should enable TeraWulf to effectively deploy its near-term miner deliveries with its energized digital infrastructure in New York, where we have the most efficient infrastructure cost and power cost, thereby optimizing the financial benefit of self-mining for our stakeholders."

Additional information about this amended joint venture arrangement can be found in a current report on Form 8-K filed with the Securities and Exchange Commission. The Company also intends to update its Investor Presentation reflecting these and other changes in the near future.

### **Upcoming Investor Event**

TeraWulf announced the Company will be speaking at the SALT New York 2022 conference taking place September 12-14, 2022, in New York City. Details on this and other scheduled events are subject to change and additional information can be found on the TeraWulf Investor Relations website at [www.investors.terawulf.com](http://www.investors.terawulf.com) under the "Events & Presentations" section.

### **About TeraWulf**

TeraWulf (Nasdaq: WULF) owns and operates vertically integrated environmentally clean bitcoin mining facilities in the United States. Led by an experienced group of energy entrepreneurs, the Company is currently developing two mining facilities, Lake Mariner in New York and the Nautilus Cryptomine Facility in Pennsylvania, with the objective of over 800 MW of mining capacity deployed by 2025, enabling over 23 exahash per second of expected hashrate. TeraWulf generates 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

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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 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; 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).

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