

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): October 6, 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.

Unit Subscription Agreements and Private Placement Offering

1. Unit Subscription Agreement

On October 6, 2022, TeraWulf Inc. (the “Company”) entered into Unit Subscription Agreements (the “Subscription Agreements”) with certain accredited investors in privately negotiated transactions (each, a “Purchaser” and collectively, the “Purchasers”) as part of a private placement (the “Private Placement”) exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”).

Pursuant to the Subscription Agreements, the Company sold 7,481,747 units (the “Units”), each consisting of one share of the Company’s common stock, par value \$0.001 per share (the “Common Shares”), and one warrant (the “Warrants”), exercisable for one share of common stock (such shares underlying the Warrants, the “Warrant Shares” and together with the Units and the Common Shares, the “Securities”), to the Purchasers for an aggregate purchase price of approximately \$9.5 million based on an offering price equal to the trailing 10-day volume weighted price of \$1.26 for each Common Share plus one Warrant exercisable at a price of \$1.93 per Common Share. The closing of the Private Placement occurred on October 6, 2022 (the “Closing Date”). The Units separated into Common Shares and Warrants on the Closing Date.

The Company will use the proceeds from the sale of the Securities for general corporate purposes, including infrastructure buildout and purchasing bitcoin miners.

The Subscription Agreements contain customary representations, warranties, covenants and agreements of the Company and the Purchasers and are subject to customary closing conditions and termination rights.

2. Registration Rights Agreement

In connection with the issuance of the Securities pursuant to the Subscription Agreements, the Company and the Purchasers entered into a Registration Rights Agreement, dated as of October 6, 2022, pursuant to which the Company has agreed to provide customary shelf and piggyback registration rights to the Purchasers with respect to the Purchasers’ Common Shares and Warrant Shares.

3. Warrant Agreement

In connection with the issuance of the Securities pursuant to the Subscription Agreements, the Company and the Purchasers entered into a Warrant Agreement, dated as of October 6, 2022 (the “Warrant Agreement”), to issue Warrants to the Purchasers, immediately exercisable on a one-for-one basis for the Company’s common stock at an exercise price of \$1.93 per Warrant Share. The Warrants expire on the fifth anniversary of the Closing Date.

Loan Agreement Amendment

1. Third Amendment to Loan Agreement

On October 7, 2022, the Company entered into a third amendment (the “Third Amendment”) to its Loan, Guaranty and Security Agreement dated as of December 1, 2021 (as amended by the First Amendment dated as of July 1, 2022 and the Second Amendment, Consent and Amendment to First Amendment dated as of August 26, 2022, and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time, 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 Third Amendment divides the initial funding of up to \$15,000,000 of the delayed draw term loans under the Loan Agreement into two tranches of up to \$7,500,000 each. The first tranche of \$7,500,000 was borrowed upon the effectiveness of the Third Amendment on October 7, 2022.

The foregoing description of the provisions of the Third Amendment does not purport to be complete and is qualified in its entirety by reference to the full and complete terms of the Third Amendment which is attached hereto as Exhibit 1.1 and is incorporated herein by reference.

2. Amended & Restated Lender Warrant Agreement

On October 7, 2022, in connection with the Third Amendment described above, the Company entered into an amendment and restatement of that certain Warrant Agreement, dated July 1, 2022, by and among the Company and the holders party thereto (such original agreement, the “Original Warrant Agreement” and such amended agreement, the “Amended and Restated Warrant Agreement”). The Amended and Restated Warrant Agreement provides that holders party thereto are entitled to additional warrants to purchase an aggregate number of Common Shares equal to an incremental 3.75%, to be divided into two separate increments of 1.875% each, of the fully diluted equity of the Company, determined on the date of the funding of the two separate sub-tranches of \$7,500,000 each pursuant to the Third Amendment.

The Amended and Restated Warrant Agreement also provides for the immediate exercisability of the warrants and removes the 50% Warrant Cancellation Event in its entirety (as defined in the Original Warrant Agreement filed as Exhibit 4.1 to the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 1, 2022).

The foregoing description of the provisions of the Amended and Restated Warrant Agreement does not purport to be complete and is qualified in its entirety by reference to the full and complete terms of the Amended and Restated Warrant Agreement which is attached hereto as Exhibit 4.1 and is incorporated herein by reference.

Item 2.03. Creation of Direct Financial Obligation.

The disclosure set forth under the heading “Loan Agreement Amendment” in Item 1.01 above is hereby incorporated by reference into this Item 2.03.

Item 3.02. Unregistered Sales of Equity Securities.

The disclosure set forth above in Item 1.01 of this Current Report on Form 8-K with respect to the Private Placement is incorporated by reference herein. The shares of common stock issuable in connection with the Private Placement will not be registered under the Securities Act at the time of issuance, in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act and/or Regulation D promulgated thereunder, but are subject to the Registration Rights Agreement described above in Item 1.01.

Item 7.01. Regulation FD Disclosure.

A copy of the Company’s press release announcing the Private Placement 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 or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
1.1	<u>Third Amendment to Loan, Guaranty and Security Agreement, dated as of October 7, 2022, by and among TeraWulf Inc., certain subsidiaries party thereto, the lenders from time to time party thereto and Wilmington Trust, National Association.</u>
4.1	<u>Amended and Restated Warrant Agreement, dated as of October 7, 2022, by and among TeraWulf Inc. and certain persons listed therein.</u>
99.1	<u>Press Release, dated October 10, 2022.</u>
104.1	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: October 12, 2022

**THIRD AMENDMENT TO
LOAN, GUARANTY AND SECURITY AGREEMENT**

This Third Amendment to Loan, Guaranty and Security Agreement (this “Amendment”) is made as of this 7th day of October, 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 the Second Amendment, Consent and Amendment to First Amendment dated as of August 26, 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 Third Amendment Effective Date:
 - a. Section 2.2(a) of the Loan Agreement is hereby amended by amending and restating paragraph (iii) thereof in its entirety as follows:

“(iii) Subject to the terms and conditions of this Agreement, each Lender with a Delayed Draw Term Loan Commitment agrees to make loans to Borrower (each such loan, a “**Delayed Draw Term Loan**”) after the First Amendment Effective Date and until December 31, 2022 (the “**Delayed Draw Term Loan Availability Period**”), in no more than three draws and in an amount equal to (x) with respect to the Delayed Draw Term Loans to be made after the First Junior Capital Raise (the “**First Delayed Draw Term Loan Funding**”), the lesser of (i) the unfunded Delayed Draw Term Loan Commitments in an amount not exceeding \$7,500,000 and (ii) the amount of the First Junior Capital Raise, (y) with respect to the Delayed Draw Term Loans to be made after the Second Junior Capital Raise (the “**Second Delayed Draw Term Loan Funding**”), the lesser of

(i) the unfunded Delayed Draw Term Loan Commitments in an amount not exceeding \$7,500,000 and (ii) (A) the amount of the First Junior Capital Raise plus the amount of the Second Junior Capital Raise less (B) the amount of Delayed Draw Term Loans funded on the First Delayed Draw Term Loan Funding and (z) with respect to the Delayed Draw Term Loans to be made after the Third Junior Capital Raise (the “**Third Delayed Draw Term Loan Funding**”), the lesser of (i) the unfunded Delayed Draw Term Loan Commitments in an amount not exceeding \$20,000,000 and (ii) (A) the amount of the First Junior Capital Raise plus the amount of the Second Junior Capital Raise plus the amount of the Third Junior Capital Raise less (B) the sum of (1) the amount of Delayed Draw Term Loans funded on the First Delayed Draw Term Loan Funding and (2) the amount of Delayed Draw Term Loans funded on the Second Delayed Draw Term Loan Funding. Each borrowing of Delayed Draw Term Loans shall be made ratably by the Lenders in proportion to their respective Delayed Draw Term Loan Commitment Percentage. Delayed Draw Term Loans subsequently repaid or prepaid may not be reborrowed. The Commitments of the Lenders to make Delayed Draw Term Loans will expire, to the extent not previously reduced or terminated, on the last day of the Delayed Draw Term Loan Availability Period. After repayment or prepayment, no portion of the Delayed Draw Term Loans may be reborrowed.

b. Section 3.3 of the Loan Agreement is hereby amended and restated in its entirety as follows:

“ **3.3 Conditions Precedent to Delayed Draw Term Loans** . Each Lender’s obligation to make a Delayed Draw Term Loan hereunder on any Delayed Draw Funding Date is subject to conditions precedent that (i) no Default or Event of Default has occurred and is continuing and (ii) Agent and the Lenders shall have received, in form and substance reasonably satisfactory to Agent and each Lender, each of the following:

(a) the Delayed Draw Term Loan Warrants;

(b) the Operating Documents (or written confirmation of no change since the First Amendment Effective Date) and good standing certificate of each Loan Party certified by the Secretary of State of Delaware as of a recent date;

(c) bring down searches of UCC filings in the jurisdiction of incorporation or formation, as applicable, of each Loan Party and in the jurisdiction of its chief executive office, copies of the financing statements on file in such jurisdictions and evidence that no Liens exist other than Permitted Liens and tax lien, judgment and bankruptcy searches;

(d) a solvency certificate signed by a Responsible Officer of Borrower that, after giving effect to the borrowing of the Delayed Draw Term Loan on the Delayed Draw Funding Date and the issuance of Junior Capital occurring in connection therewith, the Loan Parties, taken as a whole, are Solvent;

(e) payment of the fees then due and expenses (including any Lenders’ Expenses) payable in accordance with Section 14.3 of the Loan Agreement for which an invoice has been provided to Borrower at least one (1) Business Day prior to the Closing Date;

(f) a duly executed Borrowing Request;

(g) a certificate of a Responsible Officer of Borrower certifying that, at the time of and immediately after giving effect to such borrowing of the Delayed Draw Term Loan on the Delayed Draw Funding Date, (i) the representations and warranties of each Loan Party in this Agreement and each other Loan Document to which it is a party are true and correct in all material respects on the Delayed Draw Funding Date and (ii) no Default or Event of Default shall have occurred and be continuing.

(h) [reserved];

(i) solely in the case of the Second Delayed Draw Term Loan Funding, evidence reasonably satisfactory to each Lender of the prior or contemporaneous repayment in full of the Yorkville Promissory Note;

(j) evidence reasonably satisfactory to each Lender of (i) with respect to the First Delayed Draw Term Loan Funding, the prior funding of the First Junior Capital Raise, (ii) with respect to the Second Delayed Draw Term Loan Funding, the prior funding of the Second Junior Capital Raise or (iii) with respect to the Third Delayed Draw Term Loan Funding, the prior funding of the Third Junior Capital Raise;

(k) evidence reasonably satisfactory to each Lender that the net cash proceeds (meaning cash actually received by the Borrower from any Junior Capital raise less any transaction costs directly related to the issuance of such Junior Capital) from the issuance of (i) the First Junior Capital Raise or (ii) if the Second Junior Capital Raise has been funded, the First Junior Capital Raise or the Second Junior Capital Raise, have not been used to make payments in respect of the Yorkville Promissory Note;

(l) evidence reasonably satisfactory to each Lender that the net cash proceeds from the issuance of the First Junior Capital Raise, the Second Junior Capital Raise and the Third Junior Capital Raise are not permitted to be utilized to make any payments (other than permitted cash interest payments) in respect of any Junior Capital pursuant to the terms of the applicable documentation related to the First Junior Capital Raise, the Second Junior Capital Raise and the Third Junior Capital Raise; and

(m) evidence reasonably satisfactory to each Lender that (i) with respect to the First Delayed Draw Term Loan Funding, Lake Mariner Data, LLC has taken title and delivery to the Lake Mariner Facility of no fewer than 4,400 miners in the aggregate under the Miner Purchase Agreements and (ii) with respect to the Third Delayed Draw Term Loan Funding, Lake Mariner Data, LLC has taken title and delivery to the Lake Mariner Facility of no fewer than 7,400 miners in the aggregate under the Miner Purchase Agreements, in each case free and clear of all liens, claims and encumbrances other than Liens in favor of the Agent and the Lenders.”

c. Section 9.12 of the Loan Agreement is hereby amended and restated in its entirety as follows:

“9.12 **Junior Capital.** Following (a) the First Junior Capital Raise, the sum of (x) the aggregate outstanding principal amount of all Junior Capital in the form of Indebtedness (net of any repayments, prepayments or repurchases) plus (y) the cash proceeds of all Junior Capital in the form of equity (as reduced by any dividends, redemptions or repurchases of such equity) issued in the First Junior Capital Raise shall at any time be less than \$22.5 million, (b) following the Second Junior Capital Raise, the sum of (x) the

aggregate outstanding principal amount of all Junior Capital in the form of Indebtedness (net of any repayments, prepayments or repurchases) plus (y) the cash proceeds of all Junior Capital in the form of equity (as reduced by any dividends, redemptions or repurchases of such equity) issued in the First Junior Capital Raise and the Second Junior Capital Raise shall at any time be less than \$30 million, or, (c) following the Third Junior Capital Raise, the sum of (x) the aggregate outstanding principal amount of all Junior Capital in the form of Indebtedness (net of any repayments, prepayments or repurchases) plus (y) the cash proceeds of all Junior Capital in the form of equity (as reduced by any dividends, redemptions or repurchases of such equity) issued in the First Junior Capital Raise, the Second Junior Capital Raise and the Third Junior Capital Raise shall at any time be less than \$50 million.”

- d. Section 15.1 of the Loan Agreement is hereby amended by adding the following defined terms thereto in appropriate alphabetical order:

“**Third Delayed Draw Term Loan Funding**” is defined in Section 2.2(a)(iii).”

“**Third Junior Capital Raise**” means the first issuance or incurrence of Junior Capital equal to or greater than, when aggregated with the amount of the First Junior Capital Raise and the amount of the Second Junior Capital Raise, \$35,000,000 (excluding, for the avoidance of doubt, the Yorkville Promissory Note and any Junior Capital the net cash proceeds of which were utilized to make payments in respect of the Yorkville Promissory Note or any other Junior Capital) to occur after the First Junior Capital Raise and the Second Junior Capital Raise.”

- e. Section 15.1 of the Loan Agreement is hereby amended by amending and restating the definitions of “First Junior Capital Raise” and “Second Junior Capital Raise” therein each in its entirety as follows:

“**First Junior Capital Raise**” means the first issuance or incurrence of Junior Capital equal to or greater than \$7,500,000 (excluding, for the avoidance of doubt, the Yorkville Promissory Note and any Junior Capital the net cash proceeds of which were utilized to make payments in respect of the Yorkville Promissory Note or any other Junior Capital) to occur after the First Amendment Effective Date.”

“**Second Junior Capital Raise**” means the first issuance or incurrence of Junior Capital equal to or greater than, when aggregated with the amount of the First Junior Capital Raise, \$15,000,000 (excluding, for the avoidance of doubt, the Yorkville Promissory Note and any Junior Capital the net cash proceeds of which were utilized to make payments in respect of the Yorkville Promissory Note or any other Junior Capital) to occur after the First Junior Capital Raise.”

3. Consent. In reliance upon the representations and warranties set forth in Section 6 below, the Agent and the Lenders hereby consent that (a) the notice to request the borrowing of the First Delayed Draw Term Loan Funding required pursuant paragraph (iii) of Section 2.2(b) of the Loan Agreement may be delivered at any time prior to the Third Amendment Effective Date and (b) the notice of the proposed entry into an agreement for the First Junior Capital Raise (as such term is amended by this Amendment) required pursuant to Section 7.2(l) of the Loan Agreement may be delivered at any time prior to the First Junior Capital Raise.

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

- (a) Amendment. The execution and delivery of this Amendment by each Loan Party, the Agent and each Lender;
- (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 Third 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 Third 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 Third 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; and
- (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 Third 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.

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 all 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 Third Amendment to Loan Agreement]

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 Third Amendment to Loan Agreement]

AGENT:

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Agent

By: /s/ Joseph B.

Feil

Name: Joseph B. Feil

Title: Vice President

[Signature Page to Third Amendment to Loan Agreement]

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: Managing Director

[Signature Page to Third Amendment to Loan Agreement]

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

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

[Signature Page to Third Amendment to Loan Agreement]

THRACIA, LLC, as a Lender

By: /s/ John
Vassallo
Name: John Vassallo
Title: Authorized Signatory

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

By: /s/ John
Vassallo
Name: John Vassallo
Title: Authorized Signatory

[Signature Page to Third Amendment to Loan Agreement]

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

By: Mariner Investment Group, LLC, its Investment Manager

By: /s/ Peter
O'Rourke
Name: Peter O'Rourke
Title: Authorized Signatory

[Signature Page to Third Amendment to Loan Agreement]

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/ Jason

New

Name: Jason New

Title: Director

[Signature Page to Third Amendment to Loan Agreement]

NOVAWULF DIGITAL PRIVATE FUND, LLC, as a Lender

By: NovaWulf Digital Management, LP, its Manager

By: NovaWulf Digital Management GP, LLC, its general partner

By: /s/ Jason

New

Name: Jason New

Title: Authorized Person

JEFFERIES LEVERAGED CREDIT PRODUCTS, LLC, as a
Lender

By: William
McLoughlin
Name: William McLoughlin
Title: SVP

[Signature Page to Third Amendment to Loan Agreement]

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: Chief Investment Officer

[Signature Page to Third Amendment to Loan Agreement]

**LIVELLO CAPITAL SPECIAL OPPORTUNITIES MASTER
FUND LP, as a Lender**

By: /s/ Joseph
Salegna
Name: Joseph Salegna
Title: Chief Financial Officer

TERAWULF INC.

AMENDED AND RESTATED WARRANT

This warrant and the securities issuable upon exercise of this warrant have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any state or other jurisdiction. This warrant and the securities issuable upon exercise of this warrant may not be sold or offered for sale, pledged or hypothecated except pursuant to an effective registration statement under the Securities Act or pursuant to an exemption from registration thereunder, in each case in accordance with all applicable securities laws of the states or other jurisdictions, and in the case of a transaction exempt from registration, such warrant and the securities issuable upon exercise of such warrant may only be transferred if the issuer and, if applicable, the transfer agent for such warrant and the securities issuable upon exercise of such warrant has receive documentation reasonably satisfactory to it that such transaction does not require registration under the Securities Act.

THIS AMENDED AND RESTATED WARRANT AGREEMENT, dated as of October 7, 2022 (this “*Amended and Restated Warrant Agreement*” or “*Warrant*”), is by and between (a) TeraWulf Inc., a Delaware corporation (the “*Corporation*”), and (b) each Person listed on Schedule I (each a “*Holder*” and, collectively, the “*Holder*s”). The Corporation and the Holders are sometimes referred to herein collectively as the “*Parties*” or individually as a “*Party*.”

RECITALS

WHEREAS, the Parties previously entered into that certain Warrant Agreement, dated July 1, 2022 (the “*Original Warrant Agreement*”);

WHEREAS, the Parties previously entered into that certain Loan, Guaranty and Security Agreement, dated December 1, 2021, by and among the Corporation, the Guarantors (as defined therein), the Lenders (as defined therein) and Wilmington Trust, National Association, as administrative agent and collateral agent (the “*Original Loan Agreement*”);

WHEREAS, substantially concurrently with the execution and delivery of the Original Warrant Agreement, the Parties, or Affiliates thereof, entered into an amendment to the Original Loan Agreement pursuant to which the Corporation borrowed up to \$15,000,000 in principal amount of a senior secured term loan (the “*First Amendment Term Loan*”) structured as a new term loan tranche from the Holders or Affiliates thereof on the terms set forth therein (the “*Loan Agreement Amendment*” and the Original Loan Agreement, as amended by the Loan Agreement Amendment and the Subsequent Amendments, the “*Loan Agreement*”);

WHEREAS, subject to the terms and conditions of the Loan Agreement, the Corporation may borrow up to \$35,000,000 in principal amount of senior secured delayed draw term loan commitments (the “*DDTL Commitments*”) structured as a new delayed draw term loan tranche under the Loan Agreement;

WHEREAS, in connection with the closing of the transactions contemplated by the Loan Agreement Amendment, on the First Amendment Effective Date, the Corporation issued to the Holders (ratably, based on their respective funding of the First Amendment Term Loan) warrants to purchase an aggregate number of Common Shares equal to 3.0% of the Fully Diluted Equity of the Corporation determined as of the First Amendment Effective Date (the “*First Amendment Warrants*”);

WHEREAS, for each funding of DDTL Commitments, the Corporation previously agreed to issue to the Holders (ratably, based on their respective funding of DDTL Commitments) additional warrants to purchase an aggregate number of Common Shares equal to (x) for the funding of the first tranche of \$15,000,000 in aggregate principal amount of DDTL Commitments, an incremental 3.75% of the Fully Diluted Equity of the Corporation determined as of the date of such funding (the “*Prior First DDTL Warrants*”) and (y) for the funding of the second

tranche of \$20,000,000 in aggregate principal amount of DDTL Commitments, an incremental 4.25% of the Fully Diluted Equity of the Corporation determined as of the date of such funding (the “*Second DDTL Warrants*”);

WHEREAS, as partial consideration for the DDTL Commitments, the Corporation agreed to issue to the Holders (ratably, based on their respective funding of DDTL Commitments) additional warrants to purchase an aggregate number of Common Shares equal to 2.0% of the Fully Diluted Equity of the Corporation determined as of the First Amendment Effective Date (the “*Commitment Warrants*”);

WHEREAS, on August 26, 2022, the Parties, or Affiliates thereof, entered into a Second Amendment to the Original Loan Agreement (the “*Second Loan Agreement Amendment*”);

WHEREAS, substantially concurrently with the execution and delivery of this Amended and Restated Warrant Agreement, the Parties, or Affiliates thereof, will enter into a Third Amendment to the Original Loan Agreement, providing, inter alia, that the first tranche of DDTL Commitments in the aggregate principal amount of \$15,000,000 be divided into two separate sub-tranches of \$7,500,000 each (the “*Third Loan Agreement Amendment*”, and, together with the Second Loan Agreement Amendment, the “*Subsequent Amendments*”);

WHEREAS, the Parties desire to amend and restate the Original Warrant Agreement in its entirety to revise the definition of the Prior First DDTL Warrants set forth above to specify that such warrants shall be for the purchase of an aggregate number of Common Shares equal to: for the funding of the first tranche of \$15,000,000 in an aggregate principal amount of DDTL Commitments (to be funded in two separate sub-tranches of \$7,500,000 each), an incremental 3.75% (to be divided into two separate increments of 1.875% each) of the Fully Diluted Equity of the Corporation determined as of the date of such funding (such revised definition of the Prior First DDTL Warrants, the “*First DDTL Warrants*” and together with the Second DDTL Warrants, the “*DDTL Warrants*”); and

WHEREAS, the Parties desire to amend and restate the Original Warrant Agreement in its entirety to also delete the definition of a 50% Warrant Cancellation Event in Section 2.01(b) of the Original Warrant Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1 DEFINITIONS AND REFERENCES

Section 1.01 Definitions. As used herein, the following terms have the respective meanings:

“*Affiliate*” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, “control” (including, with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”) with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

“*Aggregate Exercise Price*” means an amount equal to the product of (a) the number of Warrant Shares in respect of which this Warrant is then being exercised pursuant to Section 2.02, multiplied by (b) the then-current Exercise Price.

“*Amended and Restated Warrant Agreement*” has the meaning set forth in the preamble.

“*Board*” means the board of directors of the Corporation.

“*Business Day*” means any day other than a Saturday, a Sunday or a day on which banks are authorized or required to close in the City of New York, New York.

“*Commitment Warrants*” has the meaning set forth in the recitals.

“*Common Shares*” means the shares of common stock, par value \$0.001 per share, of the Corporation.

“*Corporation*” has the meaning set forth in the preamble.

“*DDTL Commitments*” has the meaning set forth in the recitals.

“*DDTL Warrants*” has the meaning set forth in the recitals.

“*Equity Interests*” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such Equity Interests.

“*Exercise Certificate*” has the meaning assigned to such term in Section 3.01(a).

“*Exercise Date*” means, for any given exercise of a Warrant, the earliest date that is a Business Day on which the conditions to such exercise as set forth in Section 3.01 shall have been satisfied at or prior to 5:00 p.m., New York City time.

“*Exercise Period*” means the period beginning on the Issue Date and ending at the Expiration Time.

“*Exercise Price*” means \$0.01 per Common Share, as may be adjusted pursuant to Article 4 hereof.

“*Expiration Time*” means 5:00 p.m., New York City time, on December 31, 2025.

“*Fair Market Value*” means, as of any particular date: (a) if the Common Shares are listed on a domestic securities exchange as of such date, the VWAP Price for such date on all domestic securities exchanges on which the Common Shares may at the time be listed; (b) if the Common Shares are not listed on a domestic securities exchange but are quoted on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association as of such date, (i) the VWAP Price for such date on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association or (ii) if there have been no sales of the Common Shares on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association on such day, the average of the highest bid and lowest asked prices for Common Shares quoted on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association at the end of the day; or (c) if the Common Shares are not listed on a domestic securities exchange or quoted on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association as of such date, the fair market value of one Common Share as determined in good faith by the Board.

“*First Amendment Effective Date*” means the closing date of the Loan Agreement Amendment.

“*First Amendment Term Loan*” has the meaning set forth in the recitals.

“*First Amendment Warrants*” has the meaning set forth in the recitals.

“*First DDTL Warrants*” has the meaning set forth in the final recital of this Amended and Restated Warrant Agreement.

“*First Exercise Trigger Date*” has the meaning assigned to such term in Section 2.03.

“*First Junior Capital Raise*” has the meaning assigned to such term in the Loan Agreement Amendment.

“*Fully Diluted Equity*” means, as of the relevant measurement time, the sum, without duplication, of (a) Common Shares that are issued and outstanding immediately prior to such measurement time, *plus* (b) Common Shares issuable upon exercise of vested options (and options that will vest within 120 days of such measurement time) to purchase Common Shares as of immediately prior to such measurement time, *plus* (c) Common Shares issuable upon exercise of any warrants (including the Warrants issued and outstanding under this Warrant Agreement) to

purchase Common Shares as of immediately prior to such measurement time (provided that, for purposes of this clause (c), (i) the First Amendment Warrants and the Commitment Warrants shall be deemed to be to be issued and outstanding for purposes of measurement in connection with the First Amendment Effective Date and (ii) the First DDTL Warrants and the Second DDTL Warrants, as applicable, shall be deemed to be issued and outstanding for purposes of measurement in connection with the funding of the applicable DDTL Commitments), *plus* (d) shares of convertible preferred stock (on an as-converted to Common Shares basis) issued and outstanding as of immediately prior to such measurement time, *plus* (e) any convertible indebtedness (on an as-converted to Common Shares basis) outstanding as of immediately prior to such measurement time, *plus* (f) Common Shares issued and outstanding immediately prior to such measurement time or issuable as of such measurement time as or in respect of Junior Capital.

“Fundamental Transaction” means, whether through one transaction or a series of related transactions, any (a) recapitalization of the Corporation, (b) reclassification of the stock of the Corporation (other than (i) a change in par value, from par value to no par value, from no par value to par value or (ii) as a result of a stock dividend or subdivision, split up or combination of shares to which Section 4.01 applies), (c) consolidation or merger of the Corporation with and into another Person or of another Person with and into the Corporation (whether or not the Corporation is the surviving corporation of such consolidation or merger), (d) sale or lease of all or substantially all of the Corporation’s assets (on a consolidated basis) or capital stock to another Person or (e) other similar transaction, in each case, that entitles the holders of Common Shares to receive (either directly or upon subsequent liquidation) stock, securities or assets (including cash) with respect to or in exchange for Common Shares.

“Holders” has the meaning set forth in the preamble.

“Holder Parties” means (i) the Holders, (ii) each Holder’s respective Affiliates, (ii) employee benefit plans sponsored by any Holder or any of its Affiliates (or a master trust holding the assets of such benefit plans), and/or (iii) any other Person that invests money for or on behalf of any of the foregoing.

“Issue Date” means July 1, 2022.

“Junior Capital” has the meaning assigned to such term in the Loan Agreement Amendment.

“Loan Agreement” has the meaning set forth in the recitals.

“Loan Agreement Amendment” has the meaning set forth in the recitals.

“NASDAQ” means The Nasdaq Stock Market LLC.

“Original Warrant Agreement” has the meaning set forth in the recitals.

“OTC Bulletin Board” means the Financial Industry Regulatory Authority OTC Bulletin Board electronic inter-dealer quotation system.

“Parties” has the meaning set forth in the preamble.

“Person” means any individual, sole proprietorship, partnership, limited liability company, corporation, joint venture, trust, incorporated organization or government or department or agency thereof.

“Pink OTC Markets” means the OTC Markets Group Inc. electronic inter-dealer quotation system, including OTCQX, OTCQB and OTC Pink.

“Prior First DDTL Warrants” has the meaning set forth in the recitals.

“Restriction Lapse” has the meaning assigned to such term in Section 6.02.

“Second DDTL Warrants” has the meaning set forth in the recitals.

“Second Exercise Trigger Date” has the meaning assigned to such term in Section 2.03.

“*Second Loan Agreement Amendment*” has the meaning set forth in the recitals.

“*Second Junior Capital Raise*” has the meaning assigned to such term in the Loan Agreement Amendment.

“*Securities*” has the meaning assigned to such term in Section 5.01.

“*Securities Act*” means the Securities Act of 1933, as amended.

“*Subsequent Amendments*” has the meaning set forth in the recitals.

“*Successor Affiliate*” has the meaning assigned to such term in Section 6.02.

“*Third Loan Agreement Amendment*” has the meaning set forth in the recitals.

“*Transfer*” has the meaning assigned to such term in Section 6.02.

“*Transfer Agent*” means the entity designated by the Corporation to act as transfer agent for the Common Shares.

“*VWAP Price*” means, as of a particular date, the volume-weighted average trading price, as adjusted for splits, combinations and other similar transactions, of a Common Share for the consecutive period of ten Business Days ending two Business Days prior to such date, except that if the Common Shares are listed on any domestic securities exchange, the term “Business Day” as used in this sentence means Business Days on which such exchange is open for trading.

“*Warrant*” has the meaning set forth in the preamble.

“*Warrant Register*” has the meaning assigned to such term in Section 6.05.

“*Warrant Shares*” has the meaning assigned to such term in Section 2.01.

Section 1.02 Rules of Construction. Unless the context otherwise requires or except as otherwise expressly provided:

- (a) “herein,” “hereto” or “hereof” and other words of similar import refer to this Warrant as a whole and not to any particular Section, Article or other subdivision;
- (b) the word “including” is not limiting and means “including without limitation”;
- (c) definitions will be equally applicable to both the singular and plural forms of the terms defined;
- (d) all references to Sections or Articles or Exhibits refer to Sections or Articles or Exhibits of or to this Warrant unless otherwise indicated;
- (e) all exhibits annexed hereto or referred to herein are hereby incorporated in and made a part of this Warrant as if set forth in full herein, and any capitalized terms used in any exhibit but not otherwise defined therein will have the meaning as defined in this Warrant;
- (f) all references to a Party include such Party’s successors and permitted assigns;
- (g) any reference to “\$” or “dollars” means United States dollars; and

(h) references to agreements or instruments, or to statutes or regulations, are to such agreements or instruments, or statutes or regulations, as amended from time to time (or to successor statutes and regulations).

ARTICLE 2 ISSUANCE, EXERCISE AND EXPIRATION OF WARRANT

Section 2.01 Issuance of Warrant.

(a) Subject to the terms and conditions hereof, this Warrant shall represent the right to purchase from the Corporation up to (i) an aggregate number of Common Shares equal to 3.0% of the Fully Diluted Equity of the Corporation determined as of the First Amendment Effective Date, *plus* (ii) up to an aggregate number of additional Common Shares equal to (x) for the funding of the first tranche of \$15,000,000 aggregate principal amount of DDTL Commitments (to be funded in two separate sub-tranches of \$7,500,000 each), an incremental 3.75% (to be divided into two separate increments of 1.875% each) of the Fully Diluted Equity of the Corporation determined as of the date of such funding and (y) for the funding of the second tranche of \$20,000,000 aggregate principal amount of DDTL Commitments, an incremental 4.25% of the Fully Diluted Equity of the Corporation determined as of the date of such funding, *plus* (iii) an aggregate number of Common Shares equal to 2.0% of the Fully Diluted Equity of the Corporation determined as of the First Amendment Effective Date. The Common Shares issuable upon exercise of the warrants described in the immediately preceding sentence, as may be adjusted from time to time pursuant to Article 4 hereof (the “*Warrant Shares*”).

(b) [reserved].

Section 2.02 Exercise of Warrant. Subject to the terms and conditions hereof, and pursuant to the procedures set forth in Section 3.01, each Holder may exercise such right to purchase with respect to all or any part of this Warrant Shares at any time or from time to time on any Business Day during the Exercise Period.

Section 2.03 Vesting.

(a) No Warrant (including Commitment Warrants, First Amendment Warrants and DDTL Warrants) may be exercised until the 91st day after the First Amendment Effective Date (the “*First Exercise Trigger Date*”). Upon the occurrence of the First Exercise Trigger Date, the following Warrants will become immediately exercisable: (w) all Commitment Warrants, (x) 50% of the First Amendment Warrants, (y) all First DDTL Warrants, and (z) 50% of any Second DDTL Warrants, whether issued before or after the First Exercise Trigger Date. On the 121st day after the First Amendment Effective Date (the “*Second Exercise Trigger Date*”), all Warrants held by each Holder that have not previously become exercisable pursuant to the immediately preceding sentence shall become immediately exercisable. For the avoidance of doubt, any Warrant issued after the Second Exercise Trigger Date shall be immediately exercisable in the full amount of such Warrant.

(b) Upon the exercise of any Warrant, each Holder shall be entitled to receive freely tradeable Common Shares.

(c) For the avoidance of doubt, no Warrants that have become exercisable shall be subject to cancellation or deemed cancellation.

(d) Warrants shall have no voting rights until exercised.

Section 2.04 Expiration of Warrant. The right to purchase the Warrant Shares pursuant to this Warrant shall terminate and become void as of the Expiration Time.

ARTICLE 3 EXERCISE PROCEDURE

Section 3.01 Conditions to Exercise. Each Holder may exercise this Warrant during the Exercise Period upon (and only upon):

(a) execution and delivery of an Exercise Certificate in the form attached hereto as Exhibit A (each, an “*Exercise Certificate*”), duly completed (including specifying the number of Warrant Shares to be purchased in connection with such exercise);

(b) payment to the Corporation of the Aggregate Exercise Price for such exercise in accordance with Section 3.02; and

(c) to the extent any withholding tax on the exercise of a Warrant is required, each Holder shall (i) make a wire transfer in immediately available funds to the Corporation in an amount sufficient to satisfy any such withholding tax or (ii) establish to the satisfaction of the Corporation that such withholding tax has been paid.

Section 3.02 Payment of the Aggregate Exercise Price. Payment of the Aggregate Exercise Price shall be made to the Corporation by wire transfer of immediately available funds to an account designated in writing by the Corporation, in the amount of such Aggregate Exercise Price.

Section 3.03 Delivery of Warrant Shares. As promptly as reasonably practicable on or after the Exercise Date, and in any event within three Business Days thereafter, the Corporation shall cause the Transfer Agent to issue book-entry interests representing the number of freely tradable Warrant Shares exercised on such Exercise Date to the account designated by the applicable Holder in the applicable Exercise Certificate.

Section 3.04 Fractional Shares. The Corporation shall not be required to issue a fractional Warrant Share upon exercise of any Warrant. As to any fraction of a Warrant Share that any Holder would otherwise be entitled to receive upon such exercise, the Corporation shall pay to such Holder an amount in cash (by delivery of a certified or official bank check or by wire transfer of immediately available funds) equal to the product of (i) such fraction of a Warrant Share multiplied by (ii) the Fair Market Value of one Warrant Share on the Exercise Date.

Section 3.05 Warrant Register. Unless this Warrant shall have been fully exercised, the Corporation shall, at the time of delivery of the Warrant Shares being issued in accordance with this Article 3, provide by notation in the Warrant Register the number, if any, of Warrant Shares that remain subject to purchase by the Holders upon exercise.

Section 3.06 Valid Issuance of Warrant and Warrant Shares. With respect to the execution and delivery of this Warrant and each exercise of this Warrant, the Corporation hereby represents, warrants, covenants and agrees:

(a) The Corporation is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization;

(b) The Corporation has the corporate power and authority to execute and deliver this Warrant and to perform its obligations hereunder. The Corporation has taken all corporate actions or proceedings required to be taken by or on the part of the Corporation to authorize and permit the execution and delivery by the Corporation of this Warrant and the performance by the Corporation of its obligations hereunder and the consummation by the Corporation of the transactions contemplated hereby. This Warrant has been duly executed and delivered by the Corporation, and assuming the due authorization, execution and delivery by the Holders, constitutes the legal, valid and binding obligation of the Corporation, enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium, and other laws relating to or affecting creditors’ rights generally and by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(c) The execution and delivery by the Corporation of this Warrant, the performance by the Corporation of its obligations hereunder and the consummation by the Corporation of the transactions contemplated hereby will not violate (i) any provision of law, statute, rule or regulation applicable to the Corporation, (ii) the certificate of incorporation or bylaws of the Corporation, (iii) any applicable order of any court or any rule, regulation or order of any governmental authority applicable to the Corporation or (iv) any provision of any indenture, certificate of designation for preferred stock, agreement or other instrument to which the Corporation is a party or by which its

property is or may be bound, except, in each case, for any such violation that would not impair in any material way the Corporation's ability to perform its obligations under this Warrant.

(d) Assuming the accuracy of the Holders' several representations and warranties set forth in Article 5, the issuance of this Warrant (and the issuance of the Warrant Shares upon exercise of this Warrant) is exempt from the registration requirements of the Securities Act and all other applicable state blue sky or other securities laws, statutes, rules or regulations.

(e) None of the Corporation, its Affiliates or any Person acting on any of their behalf (other than the Holders and their Affiliates), directly or indirectly, has offered, sold or solicited any offer to buy and will not, directly or indirectly, offer, sell or solicit any offer to buy, any security of a type or in a manner which would be integrated with the issuance of this Warrant. None of the Corporation, its Affiliates or any Person acting on any of their behalf (other than the Holders and their Affiliates) has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Rule 502(c) promulgated under the Securities Act) in connection with the issuance of this Warrant.

(f) This Warrant has been duly authorized and is validly issued.

(g) Each Warrant Share issuable upon the exercise of this Warrant pursuant to the terms hereof shall be, upon issuance, validly issued, fully paid and non-assessable, and free from preemptive or similar rights and free from all taxes, liens and charges with respect thereto (other than liens and charges arising solely from the actions and circumstances of any Holder).

(h) The Corporation will at all times during the Exercise Period maintain authorized and reserved for issuance solely for the purpose of effecting the exercise of this Warrant, such number of Common Shares as are then and from time to time subject to issuance upon the exercise in whole of this Warrant, which shares have not been subscribed for or otherwise committed or issued.

(i) The Corporation shall take all such action as may be necessary to ensure the par value per Warrant Share will at all times during the Exercise Period be less than or equal to the applicable Exercise Price.

(j) The Corporation shall take all such actions as may be necessary to ensure that all Warrant Shares are issued without violation by the Corporation of its certificate of incorporation, bylaws or any other constituent document and of any applicable law, statute, rule or regulation or any requirements of any securities exchange upon which the Common Shares or other securities constituting Warrant Shares may be listed at the time of such exercise (except for official notice of issuance which will be promptly delivered by the Corporation upon each such issuance).

(k) The Corporation shall use commercially reasonable efforts to cause the Warrant Shares, promptly upon such exercise, to be listed on the NASDAQ or any domestic securities exchange upon which Common Shares are listed at the time of such exercise.

(l) The Corporation shall pay all expenses in connection with, and all taxes (other than United States federal, state or local income taxes) and other governmental charges that may be imposed with respect to, the issuance or delivery of Warrant Shares upon exercise of this Warrant.

ARTICLE 4 ADJUSTMENT TO NUMBER OF WARRANT SHARES

Section 4.01 Adjustment to Number of Warrant Shares. If the Corporation, at any time after the Issue Date but prior to the Expiration Time (or, if earlier, the exercise in full of this Warrant), (a) makes or declares a dividend or other distribution (in part or in full) on its outstanding Common Shares payable in Equity Interests of the Corporation, (b) subdivides (by any split, recapitalization or otherwise) its outstanding Common Shares into a greater number of Common Shares, or (c) combines (by combination, reverse split or otherwise) its outstanding Common Shares into a smaller number of Common Shares, then the remaining number of Warrant Shares issuable upon the exercise of this Warrant immediately prior to any such dividend, distribution, subdivision or combination shall be

proportionately adjusted so each Holder will thereafter receive upon exercise in full of this Warrant the aggregate number and kind of shares of Equity Interests of the Corporation that such Holder would have owned immediately following such action if this Warrant had been exercised in full immediately before the record date for such action. Any adjustment under this Section 4.01 shall become effective at the close of business on the record date of the dividend, distribution, subdivision or combination (or, if no record date is set (whether by action of the Corporation, through statute or otherwise), the date the dividend, distribution, subdivision or combination becomes effective). If any such event is announced or declared and the Warrant Shares are adjusted pursuant to this Section 4.01 but such event does not occur, the Warrant Shares shall be readjusted, effective as of the date the Board announces that such event shall not occur, to the number of Warrant Shares that would then be in effect if such event had not been declared. Whenever the number of Warrant Shares subject to this Warrant is adjusted pursuant to this Section 4.01, the Corporation shall provide the notice required by Section 6.01.

Section 4.02 Dissolution, Liquidation or Winding Up. If the Corporation, at any time after the Issue Date but prior to the Expiration Time (or, if earlier, the exercise in full of this Warrant), commences a voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Corporation, then (a) each Holder of this Warrant shall receive the kind and number of other securities or assets which such Holder would have been entitled to receive if such Holder had exercised in full this Warrant and acquired the applicable number of Warrant Shares then issuable hereunder as a result of such exercise immediately prior to the time of such dissolution, liquidation or winding up, and (b) the right to exercise this Warrant shall terminate on the date on which the holders of record of Common Shares shall be entitled to exchange their Common Shares for securities or assets deliverable upon such dissolution, liquidation or winding up.

Section 4.03 Fundamental Transactions. If the Corporation, at any time after the Issue Date but prior to the Expiration Time (or, if earlier, the exercise in full of this Warrant), effects any Fundamental Transaction, then upon consummation of such Fundamental Transaction, this Warrant shall automatically become exercisable for the kind and amount of securities, cash or other assets which each Holder of this Warrant would have owned immediately after such Fundamental Transaction if such Holder had exercised in full this Warrant immediately before the effective date of such Fundamental Transaction, assuming that such Holder failed to exercise its rights of election, if any, as to the kind or amount of securities, cash or other assets receivable upon the consummation of such Fundamental Transaction. With respect to any Fundamental Transaction that the Corporation has not publicly announced at least 15 days prior to the consummation of such Fundamental Transaction, (a) the Corporation will deliver to the Holders written notice of such Fundamental Transaction at least 15 days prior to the consummation of such Fundamental Transaction (which written notice will be treated as confidential by the Holders), and (b) each Holder agrees not to exercise this Warrant (or any portion thereof) during the two Business Days immediately preceding the consummation of such Fundamental Transaction. Concurrently with the consummation of any Fundamental Transaction, the Person formed by or surviving the Fundamental Transaction (if other than the Corporation), or if such Fundamental Transaction is a transfer of lease, the Person to which such transfer or lease shall have been made, shall, and the Corporation shall direct such Person to, enter into a supplemental agreement so providing and further providing for adjustments that shall be as nearly equivalent as may be practical to the adjustments provided for in this Article 4. If this Section 4.03 applies to a transaction, Section 4.01 shall not apply.

Section 4.04 Exercise Price in the Event of an Adjustment in Number of Warrant Shares. Upon any adjustment of the number of Warrant Shares subject to this Warrant pursuant to this Article 4, the Exercise Price per Warrant Share subject to issuance upon exercise of this Warrant shall be adjusted concurrently thereto to equal the product of (a) \$0.01 (or if the Exercise Price has been previously adjusted, then as such adjusted Exercise Price) times (b) a fraction, of which the numerator is the total number of Warrant Shares subject to issuance upon the exercise of this Warrant before giving effect to the adjustment, and the denominator is the total number of Warrant Shares subject to issuance upon the exercise of this Warrants as so adjusted.

ARTICLE 5 REPRESENTATIONS OF HOLDERS

Section 5.01 Investment Intent. Each Holder represents and warrants that it is acquiring this Warrant and the Common Shares underlying this Warrant (collectively, the “*Securities*”), solely for its beneficial account, for investment purposes, and not with a view to, or for resale in connection with, any distribution of the Securities in violation of applicable securities laws.

Section 5.02 Unregistered Securities. Each Holder represents and warrants that it understands that the Securities have not been registered under the Securities Act or any state securities laws by reason of specific exemptions under the provisions thereof, the availability of which depend in part upon the bona fide nature of its investment intent and upon the accuracy of its representations made herein.

Section 5.03 Reliance. Each Holder represents and warrants that it understands that the Corporation is relying in part upon the representations and agreements of the Holders contained herein for the purpose of determining whether the offer, sale and issuance of the Securities meet the requirements for such exemptions described in Section 5.02.

Section 5.04 Accredited Investor. Each Holder represents and warrants that it is an “accredited investor” as defined in Rule 501(a) under the Securities Act.

Section 5.05 Sophisticated Investor. Each Holder represents and warrants that it has such knowledge, skill and experience in business, financial and investment matters that it is capable of evaluating the merits and risks of an investment in the Securities, including experience in and knowledge of the industry in which the Corporation operates.

Section 5.06 Restricted Securities. Each Holder represents and warrants that it understands that the Securities will be “restricted securities” under applicable federal securities laws and that the Securities Act and the rules of the U.S. Securities and Exchange Commission provide in substance that it may dispose of the Securities only pursuant to an effective registration statement under the Securities Act or an exemption therefrom.

Section 5.07 Information. Each Holder represents and warrants that it has been furnished by the Corporation all information (or provided access to all information) regarding the business and financial condition of the Corporation, its expected plans for future business activities, the attributes of the Securities, and the merits and risks of an investment in such Securities which it has requested or otherwise needs to evaluate the investment in such Securities; that in making the proposed investment decision, such Holder is relying solely on such information, the representations, warranties and agreements of the Corporation contained herein and on investigations made by it and its representatives; that the offer to sell the Securities hereunder was communicated to such Holder in such a manner that it was able to ask questions of and receive answers from the management of the Corporation concerning the terms and conditions of the proposed transaction and that at no time was it presented with or solicited by or through any leaflet, public promotional meeting, television advertisement or any other form of general or public advertising or solicitation; and such Holder recognizes that an investment in the Securities involves risks and can result in a total loss of all funds invested.

Section 5.08 Non-Reliance. Notwithstanding anything in this Warrant to the contrary, each Holder hereby acknowledges, with respect to itself, that the Corporation may possess material non-public information with respect to the Corporation and/or its securities not known to each Holder as of the date hereof or at a time when each Holder exercises its right to purchase Warrant Shares pursuant to this Warrant and that any such information may impact the value of the Warrant and the Warrant Shares. Each Holder with respect to itself irrevocably waives any claim, or potential claim, that it may have based on the failure of the Corporation or its Affiliates, officers, directors, employees, agents or other representatives to disclose such information in connection with the execution and delivery of this Warrant or the purchase of Warrant Shares hereunder; *provided, however*, notwithstanding anything in this Section 5.08 or otherwise to the contrary, each Holder does not and shall not be deemed to have waived or otherwise compromised any rights or claims based upon or arising out of (i) the Corporation’s disclosure obligations under the federal securities laws with respect to any untrue statement of a material fact or omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading in any public statement or filing made by the Corporation pursuant to the Securities Exchange Act of 1934, as amended, or (ii) any breach or inaccuracy of any representation or warranty of the Corporation in this Warrant, the Loan Agreement or the Loan Agreement Amendment. Each Holder with respect to itself acknowledges that the Corporation would not enter into this Warrant in the absence of the agreements set forth in this Section 5.08.

**ARTICLE 6
OTHER AGREEMENTS**

Section 6.01 Notice of Adjustment. Upon any adjustment of the number of Warrant Shares subject to a Warrant and the Exercise Price pursuant to Article 4 hereof, the Corporation shall promptly thereafter cause to be given to the Holders written notice of such adjustments. Where appropriate, such notice may be given in advance. Such notice shall be delivered in accordance with Section 6.07 and shall state (a) the event giving rise to the adjustment, (b) the effective date of the adjustment and (c) the adjustment to the number of Warrant Shares subject to this Warrant and the adjusted Exercise Price pursuant to Article 4 hereof.

Section 6.02 Transfer of Warrant and Warrant Shares. Until the 121st day after the First Amendment Effective Date (the earlier of such times, the “*Restriction Lapse*”), no Holder may sell, transfer, assign, pledge, hypothecate, mortgage, dispose of or in any way encumber (“*Transfer*”) this Warrant (or any portion thereof) to another Person; *provided* that, each Holder may Transfer this Warrant (in whole but not in part) to any such Holder’s Affiliates (the “*Successor Affiliate*”) if such Successor Affiliate expressly assumes and agrees to succeed to, in writing reasonably satisfactory to the Corporation, all the rights and obligations of such Holder, including the restrictions in this Section 6.02, under this Warrant. Except as permitted pursuant to the immediately foregoing sentence, any Transfer of this Warrant prior to the Restriction Lapse shall be *void ab initio*. From and after the Restriction Lapse, no Transfer restrictions shall apply hereunder.

Section 6.03 Holders Not Deemed Stockholders; Limitations on Liability. This Warrant does not confer upon any Holder any right to vote or receive dividends or confer upon the Holders any of the rights of stockholders of the Corporation. Each Holder acknowledges that the Corporation’s certificate of incorporation stipulates that, subject to the exceptions and the constructive ownership rules described therein, no person may own, or be deemed to own, in excess of (i) 9.99% in value of the outstanding shares of all classes or series of the Corporation’s capital stock or (ii) 9.99% in value or number (whichever is more restrictive) of the outstanding shares of any class of the Corporation’s Common Shares, or such other percentage determined by the Corporation’s Board in accordance with the Corporation’s certificate of incorporation.

Section 6.04 Agreement to Comply with the Securities Act; Legend. Each Holder, by acceptance of this Warrant, agrees to comply in all respects with the provisions of this Section 6.04 and the restrictive legend requirements set forth on the face of this Warrant and further agrees that such Holder shall not offer, sell, assign, transfer, pledge or otherwise dispose of this Warrant or any Warrant Shares to be issued upon exercise hereof except, in the case of any Warrant Shares, under circumstances that will not result in a violation of the Securities Act. All Warrant Shares issued upon exercise of this Warrant (unless registered under the Securities Act) shall be stamped or imprinted with a legend in substantially the following form:

“These securities have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any state or other jurisdiction. These securities may not be sold or offered for sale, pledged or hypothecated except pursuant to an effective registration statement under the Securities Act or pursuant to an exemption from registration thereunder, in each case in accordance with all applicable securities laws of the states or other jurisdictions, and in the case of a transaction exempt from registration, such securities may only be transferred if the transfer agent for such securities has received documentation reasonably satisfactory to it that such transaction does not require registration under the Securities Act.”

Section 6.05 Warrant Register. The Corporation shall keep and properly maintain at its principal executive offices books for the registration of this Warrant and any exercises thereof (the “*Warrant Register*”).

Section 6.06 Other Cooperation. If required, the Corporation will, in consultation and cooperation with the Holders, file or submit, and assist the Holders with any filing, submission or notification it makes, in connection with the exercise of this Warrant with or to any governmental entity any filing, report or notification necessary or advisable in connection with any antitrust, competition or merger control law applicable to such exercise and cooperate with the Holders, to obtain as promptly as practicable all approvals, authorizations, terminations or expiration of applicable periods and clearances in connection therewith. If any such approval, authorization, termination or clearance is required to permit the Holders to purchase any Warrant Shares for which an Exercise Certificate has been delivered to the Corporation but has not been obtained by the Expiration Time, the Expiration Time shall be deemed

to be extended until such approval, authorization or clearance has been obtained, or termination or expiration of any applicable waiting period has occurred.

Section 6.07 Notices. Any notices or other communications required or permitted hereunder will be deemed to have been properly given and delivered if in writing by such Party or its legal representative and delivered personally or sent by email or nationally recognized overnight courier service guaranteeing overnight delivery, addressed as follows:

If to the Corporation:

TeraWulf Inc.
9 Federal Street
Easton, MD 21601
Attention: Paul Prager, Chief Executive Officer
Email: prager@terawulf.com

with a copy to (which shall not constitute notice):

TeraWulf Inc.
9 Federal Street
Easton, MD 21601
Attention: Office of the General Counsel
Facsimile: (410) 770-9705
Email: legal@terawulf.com

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064
Attention: David S. Huntington
Email: dhuntington@paulweiss.com

If to a Holder:

To its address set forth on its signature page to this Warrant

with a copy to (which shall not constitute notice):

White & Case LLP
1211 Avenue of the Americas
New York, NY 10020
Attention: Keith Wofford, Stephen Moeller-Sally, A.J. Ericksen
Email: kwofford@whitecase.com; sally@whitecase.com; aj.ericksen@whitecase.com

Unless otherwise specified herein, such notices or other communications will be deemed given: (a) on the date delivered, if delivered personally; (b) one Business Day after being sent by a nationally recognized overnight courier guaranteeing overnight delivery; and (c) on the date delivered, if delivered by email during business hours (or one Business Day after the date of delivery if delivered after 5:00 p.m. in the place of receipt). Each of the Parties will be entitled to specify a different address by delivering notice as aforesaid to the other Party hereto.

Section 6.08 Entire Agreement. This Warrant is intended by the Parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein. This Warrant supersedes all prior agreements and understandings between the Parties with respect to such subject matter hereof.

Section 6.09 Assignment by the Corporation. The Corporation may not, without the prior written consent of the Holders, sell, transfer (by operation of law or otherwise, except in connection with a Fundamental Transaction in compliance herewith) or assign this Warrant or any of its rights or obligations hereunder.

Section 6.10 No Third-Party Beneficiaries. This Warrant is for the sole benefit of the Corporation and the Holders and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Warrant.

Section 6.11 Headings. The headings in this Warrant are for reference only and shall not affect the interpretation of this Warrant.

Section 6.12 Amendment and Modification; Waiver. This Warrant may only be amended, modified or supplemented by an agreement in writing signed by each Party hereto. No waiver by the Corporation or the Holders of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Warrant shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 6.13 Severability. If any term or provision of this Warrant is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Warrant or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 6.14 Governing Law. This Warrant shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Delaware.

Section 6.15 Submission to Jurisdiction. To the fullest extent permitted by law, each Party hereby consents irrevocably to personal jurisdiction, service and venue in connection with any claim arising out of this Warrant or the transactions contemplated hereby, in the courts of the State of New York located in New York County, New York and in the federal courts in the Southern District of New York. Service of process, summons, notice or other document by certified or registered mail to such Party's address for receipt of notices pursuant to Section 6.07 shall be effective service of process for any suit, action or other proceeding brought in any such court. To the fullest extent permitted by law, each Party hereto hereby irrevocably waives any objection which it may now or hereafter have to the laying of venue or any such suit, legal action or proceeding in such courts and hereby further waives any claim that any suit, legal action or proceeding brought in such courts has been brought in an inconvenient forum.

Section 6.16 WAIVER OF JURY TRIAL. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS WARRANT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS WARRANT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 6.17 Remedies. The Parties agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Warrant and that each Party, in its sole discretion, may apply to any court of law or equity of competent jurisdiction for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Warrant.

Section 6.18 Counterparts. This Warrant may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Warrant delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Warrant.

Section 6.19 No Strict Construction. This Warrant shall be construed without regard to any presumption or rule requiring construction or interpretation against the Party drafting an instrument or causing any instrument to be drafted.

[Signature pages follow]

IN WITNESS WHEREOF, the Corporation has duly executed this Warrant as of the date first set forth above.

TERAWULF INC.

By: /s/ Paul B. Prager
Name: Paul B. Prager
Title: Chief Executive Officer

SIGNATURE PAGE TO WARRANT

Accepted and agreed by:

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

Address for Notices:

c/o Paloma Partners Management Company
Two American Lane
Greenwich, CT 06831
Attn: Joshua Hertz

SIGNATURE PAGE TO WARRANT

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

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

Address for Notices:

640 Fifth Avenue
20th Floor
New York, New York 10019
Email: operations@owlcreeklp.com

SIGNATURE PAGE TO WARRANT

THRACIA, LLC, as a Lender

By: /s/ John
Vasallo
Name: John Vasallo
Title: Authorized Signatory

Address for Notices:

PSAM
1350 Avenue of the Americas
21st Floor
New York, New York 10019
Attn: Phil Brown

SIGNATURE PAGE TO WARRANT

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

By: /s/ John
Vasallo
Name: John Vasallo
Title: Authorized Signatory

Address for Notices:

PSAM
1350 Avenue of the Americas
21st Floor
New York, New York 10019
Attn: Phil Brown

SIGNATURE PAGE TO WARRANT

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

By: Mariner Investment Group, LLC, its Investment Manager

By: /s/ Peter
O'Rourke
Name: Peter O'Rourke
Title: General Counsel

Address for Notices:

500 Mamaroneck Avenue
Suite 101
Harrison, New York 10528

SIGNATURE PAGE TO WARRANT

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/ Jason

New

Name: Jason New

Title: Authorized Person

Address for Notices:

9 Federal Street
Easton, Maryland 21601

SIGNATURE PAGE TO WARRANT

NOVAWULF DIGITAL PRIVATE FUND, LLC, as a Lender

By: NovaWulf Digital Management, LP, its Manager

By: NovaWulf Digital Management GP, LLC, its general partner

By: /s/ Jason

New

Name: Jason New

Title: Authorized Person

Address for Notices:

9 Federal Street
Easton, Maryland 21601

SIGNATURE PAGE TO WARRANT

JEFFERIES LEVERAGED CREDIT PRODUCTS, LLC, as a
Lender

By: /s/ William
McLoughlin
Name: William McLoughlin
Title: SVP

Address for Notices:

520 Madison Avenue
New York, New York 10022

SIGNATURE PAGE TO WARRANT

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: Chief Investment Officer

Address for Notices:

5960 Berkshire Ln
5th Floor
Dallas, TX 75225

SIGNATURE PAGE TO WARRANT

**LIVELLO CAPITAL SPECIAL OPPORTUNITIES MASTER
FUND LP, as a Lender**

By: /s/ Joseph
Salegna
Name: Joseph Salegna
Title: Chief Financial Officer

Address for Notices:

c/o Livello Capital Management LP
1 World Trade Center
85th Floor
New York, New York 10007
Email: jsalegna@livellocap.com

SIGNATURE PAGE TO WARRANT

EXHIBIT A

TERAWULF INC.
WARRANT EXERCISE CERTIFICATE

TO TERAWULF INC.:

As of the date hereof, the undersigned Holder has the right under the Warrant Agreement, dated as of July 1, 2022, by TeraWulf Inc., a Delaware corporation, and the holders named therein (the "*Warrant*") to purchase up to _____ Warrant Shares.

Upon payment of the applicable Aggregate Exercise Price and any applicable withholding tax, the undersigned Holder hereby irrevocably elects to exercise its right represented by the Warrant to purchase _____ Warrant Shares, and requests that the Warrant Shares be issued in the following name:

Name

Address

Federal Tax Identification or Social Security No.

and, if the number of Warrant Shares shall not be all the Warrant Shares purchasable by the undersigned Holders upon exercise of the Warrant, that the Corporation make appropriate notation in the Warrant Register to reflect the Warrant Shares that remain subject to purchase upon exercise of the Warrant after giving effect to this Warrant Exercise Certificate.

Capitalized terms used herein and not otherwise defined herein have the meaning given to such terms in the Warrant.

* * * * *

Sincerely,

[]

By: _____

Name:

Title:

Schedule I

Holders	First Amendment Term Loan Funding	DDTL Commitment
SUNRISE PARTNERS LIMITED PARTNERSHIP	\$3,643,725.00	\$8,502,025.00
OWL CREEK CREDIT OPPORTUNITIES MASTER FUND, L.P.	\$3,279,345.00	\$7,651,805.00
THRACIA, LLC	\$2,477,730.00	\$5,781,370.00
NOVAWULF DIGITAL PRIVATE FUND, LLC	\$1,821,855.00	\$4,250,995.00
MARINER ATLANTIC MULTI-STRATEGY MASTER FUND, LTD.	\$1,518,225.00	\$3,542,525.00
LUMYNA SPECIALIST FUNDS – EVENT ALTERNATIVE FUND	\$558,705.00	\$1,303,645.00
HN SUMMIT HOUSE CREDIT OPPORTUNITIES FUND I, LP	\$607,290.00	\$1,417,010.00
LIVELLO CAPITAL SPECIAL OPPORTUNITIES MASTER FUND LP	\$485,835.00	\$1,133,615.00
JEFFERIES LEVERAGED CREDIT PRODUCTS, LLC	\$607,290.00	\$1,417,010.00
	\$15,000,000.00	\$35,000,000.00

TeraWulf Increases Operating Capacity to >1.6 EH/s and Announces \$17 million of Incremental Capital

EASTON, Md. – October 10, 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, today announced it has increased its total operating capacity to more than 1.6 EH/s at its Lake Mariner facility in New York. The Company also announced \$17 million of new capital, comprised of an approximate \$9.5 million non-brokered private placement of equity (the “Private Placement”) and \$7.5 million of incremental proceeds under the Company’s Term Loan.

Increased Operating Capacity

TeraWulf today announced it has expanded its operating capacity to exceed 1.6 EH/s. This follows the recent full energization of Building 1 (50 MW) at the Company’s Lake Mariner facility in New York. Building 2 (also 50 MW) at Lake Mariner remains on track to be energized by the end of Q4 2022, expanding the Company’s expected near-term self-mining operating capacity to 3.8 EH/s.

TeraWulf’s Founder and Chief Executive Officer, Paul Prager, commented, “We are pleased to achieve such a significant ramp of mining operations at Lake Mariner, and look forward to further expanding our operating capacity in the months ahead. I would like to thank the tireless construction team at Lake Mariner for their extraordinary work on getting this facility online and increasing our hashing capacity as efficiently and safely as possible.”

As previously announced, the Nautilus Cryptomine facility is in the final stages of construction and is projected to begin mining this quarter. The Nautilus Cryptomine, a partnership between TeraWulf and Talen Energy Corp., has access to up to 300 MW of bitcoin mining capacity from the 2.3 GW Susquehanna Nuclear Station in Pennsylvania and is expected to be the first domestic bitcoin mining facility site that is powered by 100% “behind the meter” nuclear energy.

TeraWulf continues to target reaching a total of 5.8 EH/s of operational mining capacity across its two mining facilities in Q1 2023.

Incremental Capital

In connection with the Private Placement, the Company has entered into a securities purchase agreement with existing investors for approximately \$9.5 million of common stock shares and warrants to acquire 7,481,746 additional shares of its common stock (the “Warrants”). The Warrants will be exercisable immediately upon issuance, in whole or in part, at an exercise price of \$1.93 per share and will have a five-year term. Aggregate gross proceeds from the offering were approximately \$9.5 million, before deducting estimated offering expenses payable by the Company, based on an offering price equal to the trailing 10-day volume weighted price of \$1.26 for each share of the Company’s common stock plus one Warrant.

Simultaneous with the Private Placement, the Company drew an incremental \$7.5 million of available proceeds under its \$50 million Term Loan add-on facility entered into in July 2022 with existing lenders. TeraWulf intends to use net proceeds of the Private Placement, in conjunction with the incremental debt, to fund expenditures related to Bitcoin mining infrastructure and equipment, as well as for general corporate purposes.

“With this funding, we are well positioned to continue the value creating deployment of our mining facilities and move the Company a step closer to self-sustaining operations,” said Patrick Fleury, TeraWulf’s Chief Financial Officer.

“We are grateful to our investors, including some who have been with the Company since its inception, and our lenders for their continued support and confidence in our management team,” added Paul Prager.

The securities were offered in a private placement under the Securities Act of 1933, as amended (the "Act") and have not been registered under the Act, or applicable state securities laws. Pursuant to a registration rights agreement with the investors, the Company has agreed to file one or more registration statements with the Securities and Exchange Commission covering the resale of the shares of common stock and the shares issuable upon exercise of the Warrants.

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 EH/s 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 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.

Company Contact:

Sandy Harrison
harrison@terawulf.com
(410) 770-9500
