

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): May 13, 2024

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

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

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

**87-1909475**  
(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 Capital Market

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

Emerging growth company

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

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## Item 2.02. Results of Operations and Financial Condition.

On May 13, 2024, TeraWulf Inc. (“TeraWulf” or the “Company”) issued a press release (“Press Release”) announcing the Company’s results for the first quarter ended March 30, 2024. The Press Release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

## Item 7.01. Regulation FD Disclosure.

On May 13, 2024, the Company posted a presentation to its website at <https://investors.terawulf.com> (the “Presentation”). A copy of the Presentation is furnished as Exhibit 99.2 to this Report. The Company expects to use the Presentation, in whole or in part, and possibly with modifications, in connection with the earnings call with investors, analysts and others.

The information contained in the Presentation is summary information that is intended to be considered in the context of the Company’s Securities and Exchange Commission (“SEC”) filings and other public announcements that the Company may make, by press release or otherwise, from time to time. The Presentation speaks only as of the date of this Report. The Company undertakes no duty or obligation to publicly update or revise the information contained in the Presentation, although it may do so from time to time. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure. In addition, the exhibit furnished herewith contains statements intended as “forward-looking statements” that are subject to the cautionary statements about forward-looking statements set forth in such exhibit. By furnishing the information contained in the Presentation, the Company makes no admission as to the materiality of any information in the Presentation that is required to be disclosed solely by reason of Regulation FD.

The information contained in Items 2.02 and 7.01 of this Report (as well as in Exhibits 99.1 and 99.2 attached hereto) is furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and such information shall not be deemed to be incorporated by reference into any of the Company’s filings under the Securities Act of 1933, as amended or the Exchange Act.

## Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	<u>Press Release, dated May 13, 2024.</u>
99.2	<u>Presentation of the Company, dated May 13, 2024.</u>
104.1	Cover Page Interactive Data File (embedded within the inline XBRL document).

## Forward Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, as amended. Such forward-looking statements include statements concerning anticipated future events and expectations that are not historical facts. All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements. In addition, forward-looking statements are typically identified by words such as “plan,” “believe,” “goal,” “target,” “aim,” “expect,” “anticipate,” “intend,” “outlook,” “estimate,” “forecast,” “project,” “continue,” “could,” “may,” “might,” “possible,” “potential,” “predict,” “should,” “would” and other similar words and expressions, although the absence of these words or expressions does not mean that a statement is not forward-looking. Forward-looking statements are based on the current expectations and beliefs of TeraWulf’s management and are inherently subject to a number of factors, risks, uncertainties and assumptions and their potential effects. There can be no assurance that future developments will be those that have been anticipated. Actual results may vary materially from those expressed or implied by forward-looking statements based on a number of factors, risks, uncertainties and assumptions, including, among others: (1) conditions in the 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

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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) adverse geopolitical or economic conditions, including a high inflationary environment; (8) 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); (9) 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; (10) employment workforce factors, including the loss of key employees; (11) litigation relating to TeraWulf and/or its business; (12) potential differences between the unaudited results disclosed in this release and the Company's final results when disclosed in its Annual Report on Form 10-K as a result of the completion of the Company's final adjustments, annual audit by the Company's independent registered public accounting firm, and other developments arising between now and the disclosure of the final results; and (13) other risks and uncertainties detailed from time to time in the Company's filings with the SEC. Potential investors, stockholders and other readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they were made. TeraWulf does not assume any obligation to publicly update any forward-looking statement after it was made, whether as a result of new information, future events or otherwise, except as required by law or regulation. Investors are referred to the full discussion of risks and uncertainties associated with forward-looking statements and the discussion of risk factors contained in the Company's filings with the SEC, which are available at [www.sec.gov](http://www.sec.gov).

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**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: May 13, 2024

### TeraWulf Reports First Quarter 2024 Financial Results

Self-mined 1,057 bitcoin in Q1 2024, an 8.9% increase over Q4 2023, on a total installed hashrate of 8.0 EH/s.

Q1 2024 revenue grows 82.2% over Q4 2023 to \$42.4 million.

Q1 2024 Non-GAAP Adjusted EBITDA increases 95.4% over Q4 2023 to \$32.0 million.

Paid down approximately \$63.6 million of debt so far in 2024, demonstrating the power of low-cost, profitable operations.

On track to reach ~10.2 EH/s in Q3 2024, with plans to grow to ~13.3 EH/s by Q1 2025.

**EASTON, Md. – May 13, 2024** – TeraWulf Inc. (Nasdaq: WULF) (“TeraWulf” or the “Company”), which owns and operates vertically integrated, domestic bitcoin mining facilities powered by 95% zero-carbon energy, today announced its unaudited interim financial results for the first quarter of fiscal year 2024 and provided an operational update.

#### First Quarter 2024 GAAP Operational and Financial Highlights

- Self-mined 767 bitcoin at the Lake Mariner Facility and realized another 6 bitcoin earned from profit sharing associated with a hosting agreement.
- Revenue increased to \$42.4 million in Q1 2024 compared to \$23.3 million in Q4 2023.
- Gross profit (exclusive of depreciation) increased to \$28.0 million in Q1 2024 compared to \$14.4 million in Q4 2023.
- Total installed hashrate capacity at the Lake Mariner Facility of 6.1 EH/s as of March 31, 2024, representing an increase of 205.0% relative to the same prior year period.
- Announced new miner purchase and option agreement with Bitmain, including 5,000 Antminer S21 bitcoin miners for a total price of \$17.5 million, which has been fully paid. The miners are expected to be delivered to the Lake Mariner Facility in the second quarter of 2024. The Company also made a \$9.6 million deposit on an additional 30,000 miners with secured pricing of approximately \$16.00 per terahash.

Key GAAP Metrics (\$ in thousands)	Three Months Ended Q1 2024	Three Months Ended Q4 2023	% Change
Revenue	\$ 42,433	\$ 23,285	82.2 %
Gross profit (exclusive of depreciation)	\$ 28,025	\$ 14,353	95.3 %
Gross profit margin	66.0 %	61.6 %	7.1 %

## First Quarter 2024 Non-GAAP Operational and Financial Highlights

- Self-mined 1,057 bitcoin across the Lake Mariner and Nautilus Cryptomine facilities, inclusive of 6 bitcoin earned from profit sharing associated with a hosting agreement at the Lake Mariner Facility.
- Total value of bitcoin self-mined<sup>1</sup> of \$56.8 million<sup>2</sup> in Q1 2024 compared to \$35.2 million<sup>3</sup> in Q4 2023.
- Power cost per bitcoin self-mined increased quarter-over-quarter, to \$15,501 per bitcoin in Q1 2024 from \$10,308 per bitcoin in Q4 2023, due to the 15.5% increase in network difficulty during the period and higher realized energy prices at the Lake Mariner Facility in New York.
- Adjusted EBITDA increased 95.4% to \$32.0 million in Q1 2024 compared to \$16.4 million in Q4 2023.

Key Non-GAAP Metrics <sup>4</sup>	Three Months Ended Q1 2024	Three Months Ended Q4 2023	% Change
Bitcoin Self-Mined <sup>5</sup>	1,057	971	8.9 %
Value per Bitcoin Self-Mined <sup>6</sup>	\$ 53,750	\$ 36,300	48.1 %
Power Cost per Bitcoin Self-Mined <sup>7</sup>	\$ 15,501	\$ 10,308	50.4 %
Avg. Operating Hash Rate (EH/s) <sup>8</sup>	6.8	5.1	33.3 %

## Management Commentary

"During the first quarter, TeraWulf delivered outstanding results, setting a new benchmark for profitability among publicly traded bitcoin miners," stated Paul Prager, CEO of TeraWulf. "During this period, we also further solidified our financial foundation by reducing debt and augmenting our cash reserves."

<sup>1</sup> Includes BTC earned from profit sharing associated with a hosting agreement that expired in February 2024 at the Lake Mariner Facility and TeraWulf's net share of BTC produced at the Nautilus Cryptomine Facility.

<sup>2</sup> Values profit share BTC at \$53,750 per BTC as opposed to \$38,000 per BTC, which was the quoted price of bitcoin in the Company's principal market at the time of hosting contract inception.

<sup>3</sup> Values profit share BTC at \$36,300 per BTC as opposed to \$38,000 per BTC, which was the quoted price of bitcoin in the Company's principal market at the time of hosting contract inception.

<sup>4</sup> The Company's share of the earnings or losses of operating results at the Nautilus Cryptomine Facility is reflected within "Equity in net income (loss) of investee, net of tax" in the consolidated statements of operations. Accordingly, operating results of the Nautilus Cryptomine Facility are not reflected in revenue, cost of revenue or cost of operations lines in TeraWulf's consolidated statements of operations. The Company uses these metrics as indicators of operational progress and effectiveness and believes they are useful to investors for the same purposes and to provide comparisons to peer companies. All figures except Bitcoin Self-Mined are estimates.

<sup>5</sup> Includes BTC earned from profit sharing associated with a hosting agreement that expired in February 2024 at the Lake Mariner Facility and TeraWulf's net share of BTC produced at the Nautilus Cryptomine Facility.

<sup>6</sup> Computed as the weighted-average opening price of BTC on each respective day the Self-Mined Bitcoin is earned. Excludes value earned from hosting contract, which expired in February 2024, for which the quoted price of BTC in the Company's principal market at the time of contract inception was approximately \$38,000.

<sup>7</sup> The Q1 2024 and Q4 2023 calculations exclude 6 and 13 bitcoin, respectively, earned via hosting profit share.

<sup>8</sup> While nameplate inventory for TeraWulf's two facilities is 8.0 EH/s, inclusive of gross total hosted miners, actual monthly hash rate performance depends on a variety of factors, including (but not limited to) performance tuning to increase efficiency and maximize margin, scheduled outages (scopes to improve reliability or performance), unscheduled outages, curtailment due to participation in various cash generating demand response programs, derate of ASICS due to adverse weather and ASIC maintenance and repair.

"Capital efficiency remains central to our strategic approach. Our focus on sustainable and prudent growth underscores our commitment to maximizing returns on invested capital," Prager emphasized. "We take pride in outperforming our competitors in terms of profit generation per exahash while minimizing shareholder dilution. This quarter's performance underscores our dedication to delivering tangible value."

"Our extensive 600 megawatts of owned and scalable digital infrastructure capacity form the cornerstone of our competitive edge. This infrastructure uniquely positions us, enabling the leveraging of our industry-leading bitcoin mining as the foundational element for developing an alternative compute hosting business. This move is perfectly aligned with the escalating demand for high-power data center capacity," continued Prager.

"We're actively exploring opportunities with various stakeholders, ranging from hyperscalers to enterprise-level clients, to leverage our more than 300 megawatts of available infrastructure capacity," Prager continued. "With access to low-cost, zero-carbon power, we are well-positioned to meet the escalating demand for sustainable computing solutions. As we near the completion of Building 4 and begin construction on Building 5 at Lake Mariner, we are strategically expanding our bitcoin mining hash rate while concurrently developing a robust high-performance computing offering. This dual-pronged approach positions us favorably to capitalize on emerging opportunities in both markets."

### **Production and Operations Update**

As of March 31, 2024, TeraWulf had an operational miner fleet consisting of approximately 66,900 of the latest generation miners. This fleet was divided between the Company's two locations: the wholly owned Lake Mariner Facility in New York and the nuclear-powered Nautilus Cryptomine Facility in Pennsylvania. The Lake Mariner Facility housed 51,100 miners, while the Nautilus Cryptomine Facility had 15,800 self-miners. The total installed hashrate across both sites was 8.0 EH/s, with a total operational capacity of 210 MW.

TeraWulf is currently expanding mining operations at its wholly owned Lake Mariner Facility in New York with the addition of Building 4, which is expected to increase the facility's bitcoin mining infrastructure capacity from its current 160 MW to 195 MW by mid 2024, which is expected to further increase TeraWulf's total operational capacity to more than 10.0 EH/s. The Company has also recently initiated construction activities for Building 5 at the Lake Mariner Facility, which is expected to add an incremental 50 MW of bitcoin mining capacity, bringing TeraWulf's total operational capacity to approximately 300 MW by the first quarter of 2025.

In Pennsylvania, the Company currently has 50 MW of operational mining capacity at the Nautilus Cryptomine Facility, a joint venture with Cumulus Coin, LLC. TeraWulf's additional 50 MW of expansion capacity at the Nautilus Cryptomine Facility is planned to come online in 2025, accommodating up to 2.5 EH/s of additional operational mining capacity at the site.

As previously announced, the Company is finalizing the design for a large-scale, high-performance computing (HPC) / AI project at the Lake Mariner Facility and has committed an initial 2 MW block of power, capable of deploying thousands of the latest generation graphics processing units (GPUs). The Company has upgraded the internet interconnection at the Lake Mariner Facility to align with bandwidth requirements of AI, designed closed loop liquid cooling, and power supply for 100% redundancy in support of the project.

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## **Miner Purchase Agreements**

During the first quarter of 2024, the Company entered into a new miner purchase and option agreement with Bitmain for the purchase of S21 miners. In connection with this agreement, the Company has paid \$17.5 million for 5,000 S21 miners, which are expected to be delivered in the second quarter of 2024 and occupy Building 4 at the Lake Mariner Facility. TeraWulf has also made a deposit of \$9.6 million towards an additional 30,000 miners with secured pricing of approximately \$16.00 per terahash.

## **First Quarter 2024 GAAP Financial Results**

Revenue in the first quarter of 2024 increased 82.2% to \$42.4 million as compared to \$23.3 million in the fourth quarter of 2023. This increase is attributable to a significant growth in operating self-mining hashrate as well as a higher average bitcoin price relative to the fourth quarter of 2023. Notably, revenue and expenses reported in the TeraWulf GAAP income statement excludes revenue and expenses from the Nautilus joint venture; the net financial impact of the Nautilus joint venture is captured within equity in net income (loss) of investee, net of tax in the consolidated statements of operations.

Gross profit in the first quarter of 2024 increased 95.3% to \$28.0 million compared to \$14.4 million in the fourth quarter of 2023. Gross profit margin as a percentage of revenue increased to 66.0% in the first quarter of 2024 compared to 61.6% in the fourth quarter of 2023, primarily driven by a 33.3% increase in average operating hashrate and 48.1% increase in average value per bitcoin self-mined quarter-over-quarter.

During the first quarter of 2024, the Company repaid \$33.4 million of debt, followed by an additional \$30.2 million repayment in April 2024, collectively reducing the debt balance to \$75.8 million. In total, the Company has reduced its debt balance by \$70.2 million since the start of the fourth quarter of 2023, with \$51.6 million of this repayment funded by cash flow from operations and only \$18.6 million from equity proceeds.

## **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 currently has two bitcoin mining facilities: the wholly owned Lake Mariner Facility in New York, and Nautilus Cryptomine Facility in Pennsylvania, a joint venture with Cumulus Coin, LLC. TeraWulf generates domestically produced bitcoin powered primarily by nuclear and hydro energy with a goal of utilizing 100% zero-carbon energy. With a core focus on 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

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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, and/or regulation regarding safety, health, environmental and other matters, which could require significant expenditures; (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) adverse geopolitical or economic conditions, including a high inflationary environment; (8) 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); (9) 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; (10) employment workforce factors, including the loss of key employees; (11) litigation relating to TeraWulf and/or its business; and (12) other risks and uncertainties detailed from time to time in the Company's filings with the Securities and Exchange Commission ("SEC"). Potential investors, stockholders and other readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they were made. TeraWulf does not assume any obligation to publicly update any forward-looking statement after it was made, whether as a result of new information, future events or otherwise, except as required by law or regulation. Investors are referred to the full discussion of risks and uncertainties associated with forward-looking statements and the discussion of risk factors contained in the Company's filings with the SEC, which are available at [www.sec.gov](http://www.sec.gov).

**Company Contact:**

Jason Assad  
 Director of Corporate Communications  
[assad@terawulf.com](mailto:assad@terawulf.com)  
 (678) 570-6791

**CONSOLIDATED BALANCE SHEETS  
 AS OF MARCH 31, 2024 AND DECEMBER 31, 2023  
 (In thousands, except number of shares and par value)**

	<u>March 31, 2024</u>	<u>December 31, 2023</u>
	(unaudited)	
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 45,824	\$ 54,439
Digital currency	2,018	1,801

Prepaid expenses	3,973	4,540
Other receivables	1,668	1,001
Other current assets	873	806
Total current assets	<u>54,356</u>	<u>62,587</u>
Equity in net assets of investee	91,866	98,613
Property, plant and equipment, net	237,889	205,284
Right-of-use asset	10,691	10,943
Other assets	586	679
<b>TOTAL ASSETS</b>	<u><u>\$ 395,388</u></u>	<u><u>\$ 378,106</u></u>

## LIABILITIES AND STOCKHOLDERS' EQUITY

### CURRENT LIABILITIES:

Accounts payable	\$ 14,313	\$ 15,169
Accrued construction liabilities	938	1,526
Other accrued liabilities	5,494	9,179
Share based liabilities due to related party	—	2,500
Other amounts due to related parties	975	972
Current portion of operating lease liability	49	48
Insurance premium financing payable	983	1,803
Current portion of long-term debt	99,360	123,465
Total current liabilities	<u>122,112</u>	<u>154,662</u>
Operating lease liability, net of current portion	886	899
Long-term debt	47	56
<b>TOTAL LIABILITIES</b>	<u><u>123,045</u></u>	<u><u>155,617</u></u>

Commitments and Contingencies (See Note 12)

### STOCKHOLDERS' EQUITY:

Preferred stock, \$0.001 par value, 100,000,000 authorized at March 31, 2024 and December 31, 2023; 9,566 issued and outstanding at March 31, 2024 and December 31, 2023; aggregate liquidation preference of \$11,709 and \$11,423 at March 31, 2024 and December 31, 2023, respectively

9,273	9,273
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Common stock, \$0.001 par value, 400,000,000 authorized at March 31, 2024 and December 31, 2023; 302,921,785 and 276,733,329 issued and outstanding at March 31, 2024 and December 31, 2023, respectively

303	277
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Additional paid-in capital

532,238	472,834
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Accumulated deficit

(269,471)	(259,895)
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    Total stockholders' equity

<u>272,343</u>	<u>222,489</u>
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**TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY**

<u><u>\$ 395,388</u></u>	<u><u>\$ 378,106</u></u>
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**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**  
(In thousands, except number of shares and loss per common share; unaudited)

	Three Months Ended March 31,	
	2024	2023
Revenue	\$ 42,433	\$ 11,533
Cost of revenue (exclusive of depreciation shown below)	14,408	5,002
Gross profit	<u>28,025</u>	<u>6,531</u>
Cost of operations:		
Operating expenses	785	308
Operating expenses – related party	888	597
Selling, general and administrative expenses	12,289	6,492
Selling, general and administrative expenses – related party	2,620	2,898
Depreciation	15,088	5,433
Gain on fair value of digital currency, net	(1,329)	—
Realized gain on sale of digital currency	—	(603)
Impairment of digital currency	—	627
Total cost of operations	<u>30,341</u>	<u>15,752</u>
Operating loss	(2,316)	(9,221)
Interest expense	(11,045)	(6,834)
Loss on extinguishment of debt	(2,027)	—
Other income	500	—
Loss before income tax and equity in net income (loss) of investee	<u>(14,888)</u>	<u>(16,055)</u>
Income tax benefit	—	—
Equity in net income (loss) of investee, net of tax	5,275	(10,167)
Loss from continuing operations	<u>(9,613)</u>	<u>(26,222)</u>
Loss from discontinued operations, net of tax	—	(35)
Net loss	<u>(9,613)</u>	<u>(26,257)</u>
Preferred stock dividends	(286)	(259)
Net loss attributable to common stockholders	<u>\$ (9,899)</u>	<u>\$ (26,516)</u>
Loss per common share:		
Continuing operations	\$ (0.03)	\$ (0.16)
Discontinued operations	-	—
Basic and diluted	<u>\$ (0.03)</u>	<u>\$ (0.16)</u>

Weighted average common shares outstanding:

Basic and diluted

290,602,725

165,015,228

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023  
(In thousands; unaudited)**

	Three Months Ended March 31,	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (9,613)	\$ (26,257)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Amortization of debt issuance costs, commitment fees and accretion of debt discount	7,593	3,549
Related party expense to be settled with respect to common stock	—	313
Common stock issued for interest expense	—	26
Stock-based compensation expense	6,931	876
Depreciation	15,088	5,433
Amortization of right-of-use asset	252	250
Increase in digital currency from mining and hosting services	(41,537)	(9,940)
Gain on fair value of digital currency, net	(1,329)	—
Realized gain on sale of digital currency	—	(603)
Impairment of digital currency	—	627
Proceeds from sale of digital currency	54,391	9,982
Loss on extinguishment of debt	2,027	—
Equity in net (income) loss of investee, net of tax	(5,275)	10,167
Loss from discontinued operations, net of tax	—	35
Changes in operating assets and liabilities:		
Decrease in prepaid expenses	567	717
Increase in other receivables	(667)	—
Increase in other current assets	(67)	(241)
Decrease (increase) in other assets	22	(83)
Decrease in accounts payable	(1,686)	(2,435)
Decrease in other accrued liabilities	(3,906)	(1,354)
Increase in other amounts due to related parties	67	325
Decrease in operating lease liability	(12)	(10)
Net cash provided by (used in) operating activities from continuing operations	22,846	(8,623)
Net cash used in operating activities from discontinued operations	—	(90)

Net cash provided by (used in) operating activities	<u>22,846</u>	<u>(8,713)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investments in joint venture, including direct payments made on behalf of joint venture	—	(2,285)
Purchase of and deposits on plant and equipment	<u>(46,979)</u>	<u>(9,986)</u>
Net cash used in investing activities	<u>(46,979)</u>	<u>(12,271)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Principal payments on long-term debt	(33,412)	—
Payments of prepayment fees associated with early extinguishment of long-term debt	(314)	—
Proceeds from insurance premium and property, plant and equipment financing	—	295
Principal payments on insurance premium and property, plant and equipment financing	(827)	(1,451)
Proceeds from issuance of common stock, net of issuance costs paid of \$0 and \$1,051	50,722	26,562
Proceeds from common stock to be issued, net of issuance costs of \$0 and \$56	—	4,390
Proceeds from warrant issuances	—	2,500
Payments of tax withholding related to net share settlements of stock-based compensation awards	(651)	—
Proceeds from issuance of convertible promissory note	—	1,250
Payment of contingent value rights liability related to proceeds from sale of net assets held for sale	—	(3,899)
Net cash provided by financing activities	<u>15,518</u>	<u>29,647</u>
Net change in cash and cash equivalents	(8,615)	8,663
Cash and cash equivalents at beginning of period	54,439	8,323
Cash and cash equivalents at end of period	<u>\$ 45,824</u>	<u>\$ 16,986</u>
<b>Cash paid during the period for:</b>		
Interest	\$ 3,726	\$ 5,399
Income taxes	\$ —	\$ —

#### Non-GAAP Measure

To provide investors with additional information in connection with our results as determined in accordance with generally accepted accounting principles in the United States ("GAAP"), we disclose Adjusted EBITDA as a non-GAAP measure. This measure is not a financial measure calculated in accordance with GAAP, and it should not be considered as a substitute for net income, operating income, or any other measure calculated in accordance with GAAP, and may not be comparable to similarly titled measures reported by other companies.

We define Adjusted EBITDA as income (loss) from continuing operations adjusted for (i) impacts of interest, taxes, depreciation and amortization; (ii) preferred stock dividends, stock-based compensation expense and related party expense to be settled with respect to common stock, all of which are non-cash items that the Company believes are not reflective of its general business performance, and for which the accounting requires management judgment, and the resulting expenses could vary significantly in comparison to other companies; (iii) equity in net income (loss) of investee, net of tax, related to Nautilus; (iv) other income which is related to interest income or income for which management believes is not reflective of the Company's ongoing operating activities; (v) loss on extinguishment of debt, which is not reflective of the Company's general business performance; and (vi) loss from discontinued operations, net of tax, which is not applicable to the Company's future business activities. The Company's non-GAAP Adjusted EBITDA also includes the impact of distributions from investee received in bitcoin related to a return on the Nautilus investment, which management believes, in conjunction with excluding the impact of equity in net income (loss) of investee, net of tax, is reflective of assets available for the Company's use in its ongoing operations as a result of its investment in Nautilus.

Management believes that providing this non-GAAP financial measure allows for meaningful comparisons between the Company's core business operating results and those of other companies, and provides the Company with an important tool for financial and operational decision making and for evaluating its own core business operating results over different periods of time. In addition to management's internal use of non-GAAP Adjusted EBITDA, management believes that Adjusted EBITDA is also useful to investors and analysts in comparing the Company's performance across reporting periods on a consistent basis. Management believes the foregoing to be the case even though some of the excluded items involve cash outlays and some of them recur on a regular basis (although management does not believe any of such items are normal operating expenses necessary to generate the Company's bitcoin related revenues). For example, the Company expects that share-based compensation expense, which is excluded from Adjusted EBITDA, will continue to be a significant recurring expense over the coming years and is an important part of the compensation provided to certain employees, officers, directors and consultants. Additionally, management does not consider any of the excluded items to be expenses necessary to generate the Company's bitcoin related revenue.

The Company's Adjusted EBITDA measure may not be directly comparable to similar measures provided by other companies in the Company's industry, as other companies in the Company's industry may calculate non-GAAP financial results differently. The Company's Adjusted EBITDA is not a measurement of financial performance under GAAP and should not be considered as an alternative to operating loss or any other measure of performance derived in accordance with GAAP. Although management utilizes internally and presents Adjusted EBITDA, the Company only utilizes that measure supplementally and does not consider it to be a substitute for, or superior to, the information provided by GAAP financial results. Accordingly, Adjusted EBITDA is not meant to be considered in isolation of, and should be read in conjunction with, the information contained in the Company's consolidated financial statements, which have been prepared in accordance with GAAP.

The following table is a reconciliation of the Company's non-GAAP Adjusted EBITDA to its most directly comparable GAAP measure (i.e., net loss attributable to common stockholders) for the periods indicated (in thousands):

---

	<b>Three Months Ended March 31,</b>	
	<b>2024</b>	<b>2023</b>
Net loss attributable to common stockholders	\$ (9,899)	\$ (26,516)
Adjustments to reconcile net loss attributable to common stockholders to non-GAAP Adjusted EBITDA:		
Preferred stock dividends	286	259
Loss from discontinued operations, net of tax	—	35
Equity in net (income) loss of investee, net of tax	(5,275)	10,167
Distributions from investee, related to Nautilus	12,022	—
Income tax benefit	—	—
Other income	(500)	—
Loss on extinguishment of debt	2,027	—
Interest expense	11,045	6,834
Depreciation	15,088	5,433
Amortization of right-of-use asset	252	250
Stock-based compensation expense	6,931	876
Related party expense to be settled with respect to common stock	—	313
Non-GAAP Adjusted EBITDA	<u>\$ 31,977</u>	<u>\$ (2,349)</u>



**TERAWULF**

**Moving Infrastructure  
Forward**

Investor Update

May 2024





# SAFE HARBOR STATEMENT

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



# WULF: The Power of Infrastructure



WULF  
MINING

- 210 MW in operation
- 85 MW of expansion
- Targeting 200 MW to 300 MW of growth in 2025

600 MW owned digital  
infrastructure to scale

Expansive site to scale

Access to low-cost,  
zero-carbon power at scale  
(target cost \$0.035/kWh)

Existing industrial water  
intake system

Core electrical infrastructure in  
place and redundant fiber access



WULF  
COMPUTE

- 2 MW pilot in operation
- 10 MW of expansion underway
- Targeting up to 100 MW of growth in 2025 and beyond



Note: Figures represent illustrative estimates. WULF Compute metrics represent range for white space or rack ready colocation for illustrative purposes only.

# WULF Mining

## Our Operations

- 8 EH/s deployed and 210 MW operational
- Target 295 MW operational by YE 2024
- Additional 300 MW of growth capacity
- 3,407 BTC mined in 2023  
1,057 BTC mined in Q1 2024
- \$0.032/kWh realized power cost in 2023  
\$0.035/kWh target for 2024
- 95% zero-carbon energy

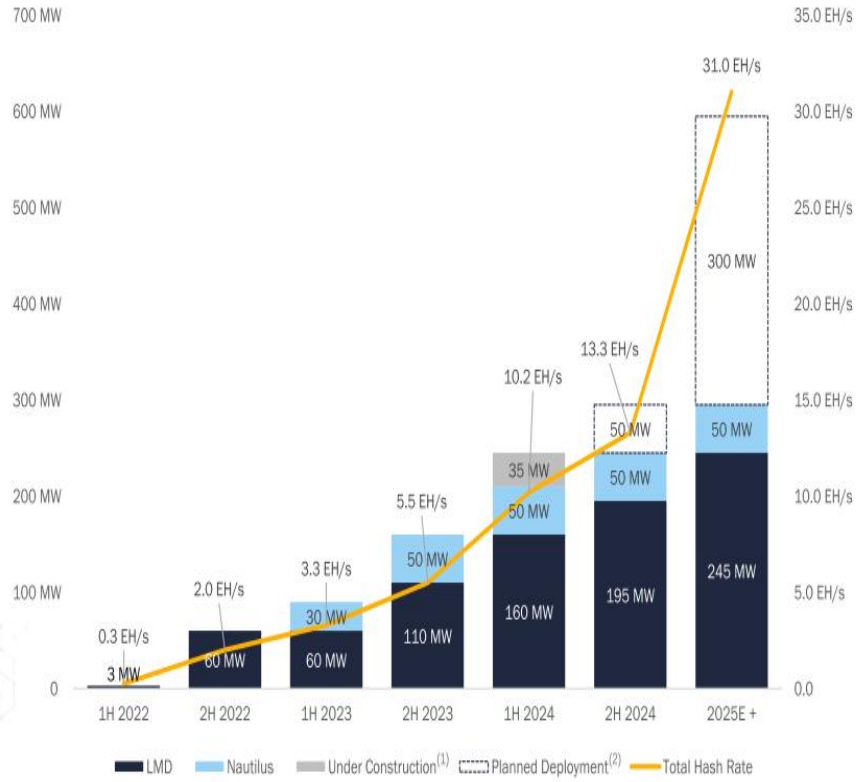
## Our Strategy

- Owned infrastructure to **scale** flexibly
- **Lowest cost** producer of BTC
- **Sustainable:** 100% zero-carbon target
- **ESG** is core to operations, risk mitigation, and reputational value



## Track Record of Execution

Rapidly scaling since inception with significant owned capacity for growth

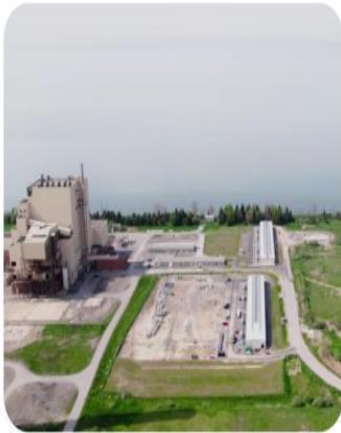


(1) Under Construction includes Building 4 (35 MW) at Lake Mariner.  
 (2) Planned Deployment includes 300 MW expansion capacity at Lake Mariner and Nautilus sites.

# Sustainable and Scalable Sites



- 93%+ Zero-Carbon<sup>(1)</sup>
- 160 MW Online
- 500+ MW Capacity (Primarily Hydro)



210 MW

deployed mining capacity across both sites

85 MW

near-term expansion in 2024 at LMD  
➤ B4: 35 MW, mid-2024  
➤ B5: 50 MW, YE 2024

>300 MW

additional expansion capacity at existing sites

> 95%

zero-carbon power supply today, with the goal of 100%

3.5¢

per kilowatt hour targeted average power cost



- 100% Zero Carbon
- 50 MW Online
- 100 MW Capacity<sup>(2)</sup> (Nuclear)



(1) Source: NYISO Power Trends 2023 report (<https://www.nyiso.com/power-trends>).

(2) Reflects TeraWulf's 50 MW interest in the Nautilus Cryptomine facility and option to expand by 50 MW, which the Company exercised in February 2024.



# Unparalleled Access to Low-Cost, Zero-Carbon Power

*Strategically located in regions with significant energy surplus*



LAKE  
MARINER  
DATA



**\$0.04/kWh**

- ✓ Abundant, **low-cost hydropower** (site is ~25 miles from Niagara Hydro)
- ✓ **93%** zero-carbon power
- ✓ Market power averages **~4.0 cents** per kilowatt hour year-round



NAUTILUS  
CRYPTOMINE



**\$0.02/kWh**

- ✓ First **behind-the-meter** facility in the U.S. directly connected to nuclear power plant
- ✓ **100%** zero-carbon power
- ✓ Contracted fixed-cost power price of **2.0 cents** per kilowatt hour for 5 years

# Positioned to Maximize Profitability and Growth

*Lowest-cost producer of Bitcoin with large-scale infrastructure optionality*



## Large-Scale Infrastructure for Organic Growth

- Existing sites have more than 300 MW of available capacity to expand
- Attractive site strategically positioned to support other forms of compute

## Access to Abundant, Low-Cost, Zero-Carbon Power

- Achieved \$0.032/kWh all-in power cost in 2023
- Target \$0.035/kWh all-in power cost in 2024

## Miner Purchase Contract Locks in Pricing

- Recent 7 EH/s purchase and option agreement for \$21 miners
- Locks in pricing at ~\$16 per terahash

## Strengthened Balance Sheet & Liquidity

- Reduced debt by 50% in the last 6 months with free cash flow generation
- 2024 growth plan largely funded; expect to be debt free in 2025 with substantial free cash flow to reinvest in business

# Q1 2024 Financial Snapshot

Achieved record free cash flow generation

Metric	Amount	Comments
End of Period Hash Rate	8.0 EH/s	➤ 167% increase year-over-year
Bitcoin Produced	1,057	➤ 11.6 BTC per day; +8% over Q423; +110% over Q123
Power Cost	\$0.041/kWh	➤ Represents power cost per BTC of \$15,501
Revenue <sup>(1)</sup>	\$42.4 million	➤ Value per BTC self-mined (non-GAAP) averaged ~\$53k
Gross Profit <sup>(1)</sup>	\$28.0 million	➤ 95% increase quarter-over-quarter
Non-GAAP Adjusted EBITDA <sup>(2)</sup>	\$32.0 million	➤ 95% increase quarter-over-quarter; EBITDA/EH of \$4,100
Cash and Cash Equivalents	\$45.8 million	➤ Excludes BTC of \$2 million <sup>(3)</sup>
Net Debt <sup>(4)</sup>	\$60.2 million	➤ Additional \$30 million repayment was made in April 2024 ➤ Anticipate \$15-\$20 million repayment in July 2024

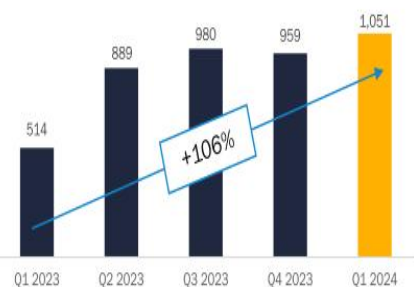


- (1) GAAP measure; excludes Nautilus.
- (2) Non-GAAP measure; includes Nautilus.
- (3) Based on the market price per one Bitcoin of \$71,333 on March 31, 2024.
- (4) Net Debt as of 3/31/24 calculated as follows: \$106.0 million principal balance of debt less \$45.8 million of cash.

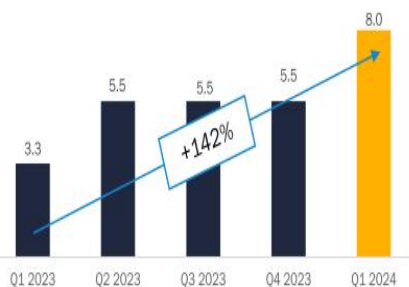
# WULF Quarterly Performance

All figures include WULF's net share of Nautilus operations

Bitcoin Self Mined (# BTC)<sup>1</sup>



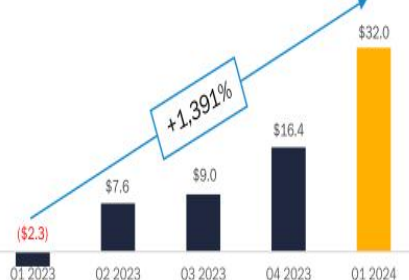
Ending Operating Capacity (EH/s)<sup>2</sup>



Gross Profit<sup>3</sup>



Non-GAAP Adjusted EBITDA<sup>4</sup>



- Record BTC production of 1,051 in Q1 2024, despite ~16% increase in network hash rate quarter-over-quarter
- 62% increase in Gross Profit and 95% increase in Adjusted EBITDA quarter-over-quarter
- Operating hash rate expansion in Q4 2023 and phase-out of hosting operations in Q1 2024 contributed to significant increase in gross margin
- Implies average EBITDA per EH of \$4.1 million vs. peer average of \$2.9 million per EH



(1) Excludes bitcoin earned via hosting profit share.  
 (2) Includes gross total hosted hash rate.  
 (3) Calculated as Revenue less Cost of Revenue (exclusive of depreciation, inclusive of demand response proceeds); includes WULF's share of Nautilus JV.  
 (4) Includes distributions from Nautilus.



# Substantial Debt Repayment

Greatly improved balance sheet and liquidity

## 48% Reduction in Debt Since Q4 2023



**\$45.8 M**

Cash  
As of March 31, 2024

**\$60.2 M**

Net Debt  
As of March 31, 2024

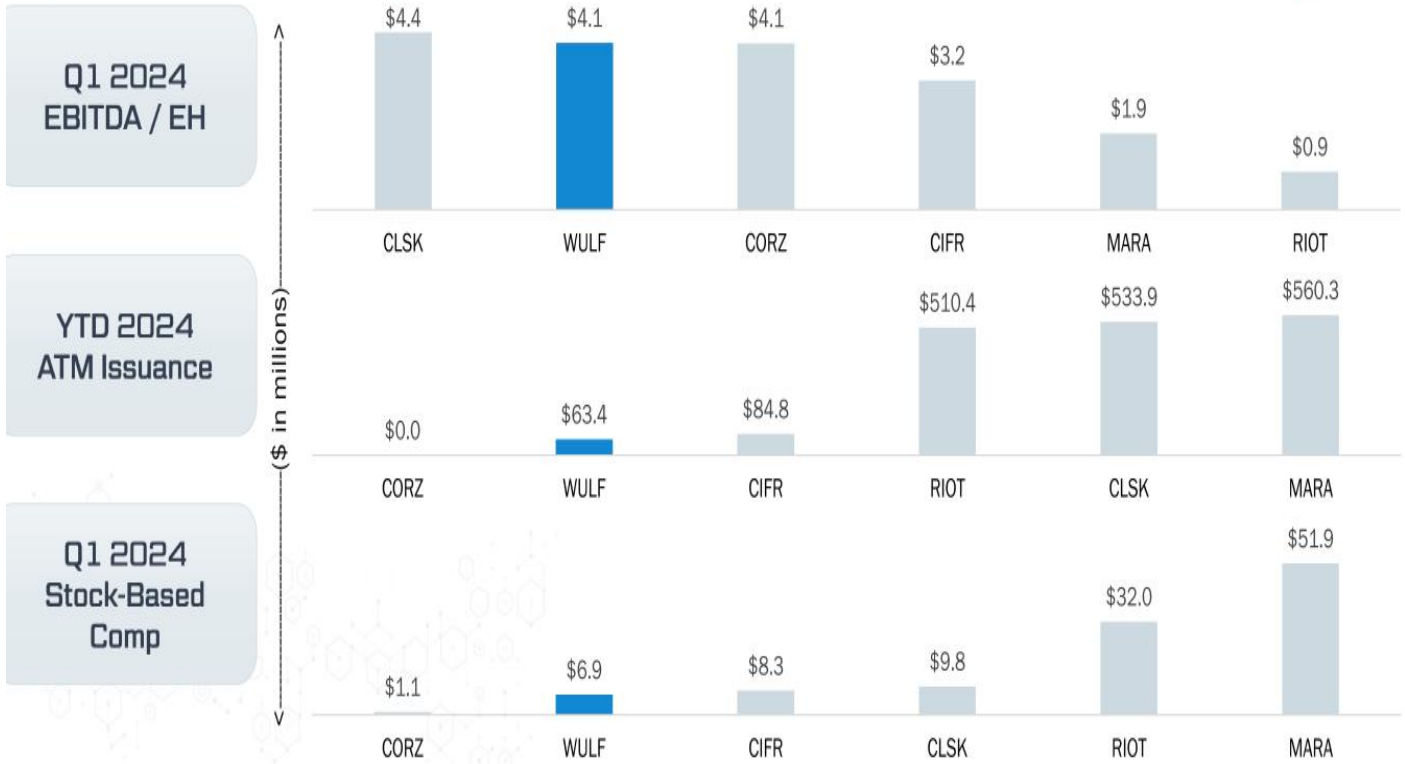


- Approximately **\$106 million** of debt and **\$46 million** of cash at March 31, 2024
- Principal repayments in Q2 2024 reduced debt further to **\$76 million**
- Company anticipates additional repayment of **\$15-\$20 million** in early Q3 2024
- **\$8.1 million** of annual interest savings from debt repaid since Q4 2023

# Not All Exahash is Created Equal

TeraWulf delivers more profitability with less dilution than any of its peers

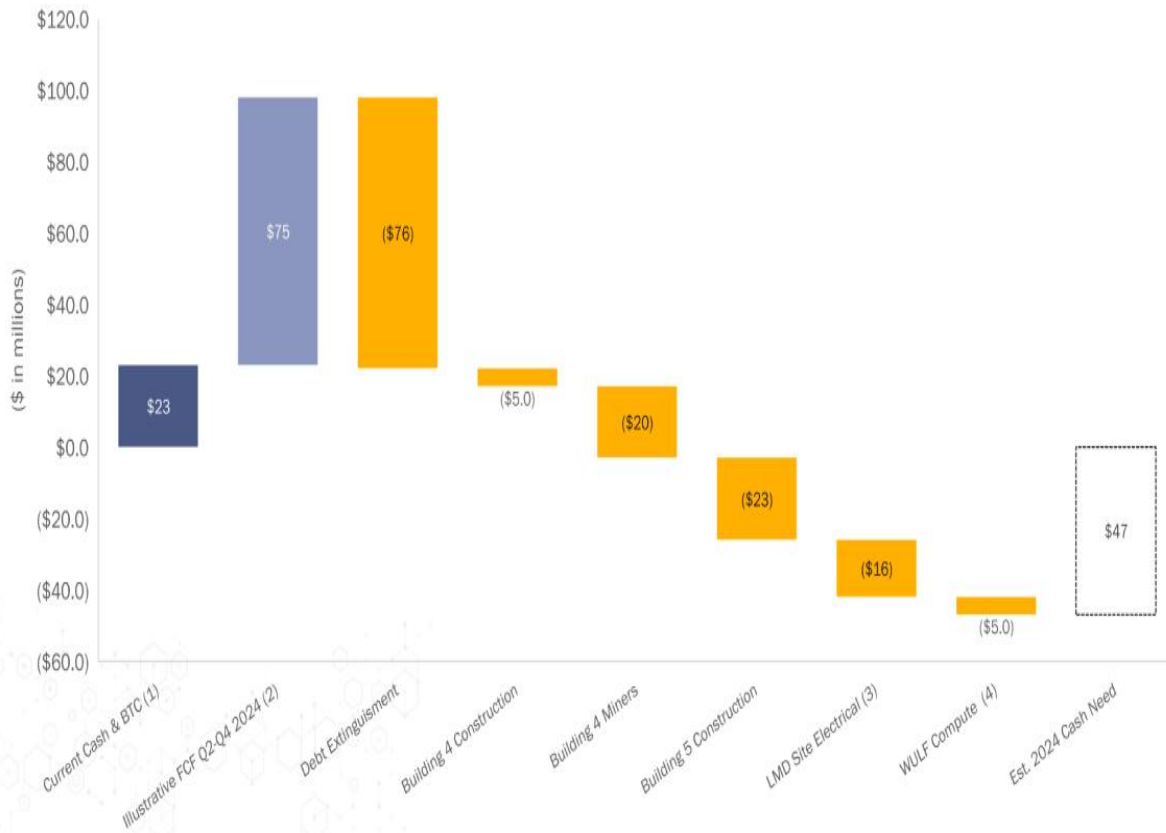
"Revenue is vanity, profit is sanity, but cash is KING."  
 Alan Miltz, co-author of Scaling Up



Source: Public filings and publicly available earnings transcripts, and good faith calculations by WULF based thereon.  
 Note: Core Scientific emerged from bankruptcy in January 2024; 1Q 2024 stock-based comp does not reflect management incentive plan.

# Funding Growth Plans Through Year-End 2024

Plan to repay debt with free cash flow and expand mining to over 10 EH/s; maintain optionality for future growth



- (1) Reflects cash balance as of April 30, 2024, and assumes market price of BTC of \$60,637 as of April 30, 2024.
- (2) Assumes average BTC price and network hash rate of \$75,000 and 600 EH/s, respectively, May 1 - December 31, 2024.
- (3) Includes 24 kV line upgrades required for Phase 2 of capacity expansion at Lake Mariner facility.
- (4) Reflects capex associated with 2 MW AI/HPC pilot infrastructure at Lake Mariner facility.

# Updated Guidance: \$/BTC and Hash Cost \$/PH/Day

Realized cost-to-mine of ~\$29k in Q1 2024; projected of ~\$40k for balance of 2024

	Q1 2024 <sup>[1]</sup>			Q2 2024 <sup>[2]</sup>			2H 2024			Full Year 2024
<b>Illustrative Market Inputs:</b>										
Network Hash Rate (EH/s)				630			630			
Transaction Fees (%)				10%			10%			
<b>Illustrative Operating Inputs:</b>										
Miner Fleet Efficiency (J/TH) <sup>[3]</sup>				25.6			23.7			
Total Hash Rate (EH/s)				8.0			10.2			
Total Bitcoin Mined	1051			695			1,462			3,208
	\$ in 000's	\$/BTC	\$/PH/Day	\$ in 000's	\$/BTC	\$/PH/Day	\$ in 000's	\$/BTC	\$/PH/Day	\$ in 000's
Power Cost (@ \$0.035/kWh)	\$16,292	\$15,501	\$26	\$15,777	\$22,701	\$22	\$36,232	\$24,776	\$20	\$68,301
SG&A for the Period	8,028	7,639	13	6,491	9,339	9	12,981	8,877	7	27,500
Other OpEx for the Period	3,113	2,962	5	3,462	4,982	5	6,925	4,735	4	13,500
Interest Expense for the Period <sup>[4]</sup>	3,726	3,545	6	2,180	3,137	3	3,295	2,253	2	9,201
<b>Total Cost</b>	<b>\$31,159</b>	<b>\$29,647</b>	<b>\$50</b>	<b>\$27,910</b>	<b>\$40,159</b>	<b>\$39</b>	<b>\$59,433</b>	<b>\$40,641</b>	<b>\$33</b>	<b>\$118,502</b>

(1) Actual results, excludes 6 BTC earned via hosting profit share.

(2) Reflects actual April production; May and June BTC quantity projected using inputs above.

(3) Assumes 4% ancillary load. Nameplate miner efficiency is 24.6 J/TH pre-halving and 22.8 J/TH post-halving.

(4) Interest expense in 2024 based on 11.5% interest rate and \$76 million balance of debt outstanding in Q2 2024 and \$57 million outstanding in Q2-Q4 2024. Does not reflect anticipated incremental debt repayments with cash generated in Q2-Q4 2024.



# WULF Compute – Potential Illustrative Business Models

Optimizing LAND, MWs and CAPITAL for the most efficient long-term value creation

	Cloud Service Provider	Colocation – Whitespace & Rack Ready	Build to Suit
Description	Shell data center and GPU clusters; space, power, cooling, fiber/internet, security, compute, storage and environment.	Shell data center; lease rack ready whitespace including redundant power, cooling, fiber/internet, and security	Data center built to spec; lease space, redundant power, cooling, fiber/internet, and security
Customer	Multiple Managed through cloud platform partner	Multiple Enterprise and well funded startup customers	Single – Hyperscaler (e.g., Magnificent 7)
Contract Size	0.1 – 50 MW	0.5 – 100 MW+	100+ MW
Contract Term	1 – 36 months	1 – 7+ years	15+ years with renewals
O&M	WULF managed	WULF managed	Tenant managed
Build Cost per MW	\$27 – 30 million <sup>(1)</sup>	\$4 – 8 million <sup>(1)</sup>	\$2 – 4 million <sup>(4)</sup>
Financing	Equity & Debt	Equity (initially)	Highly Bankable
Revenue per MW	\$11 – 18 million <sup>(2)</sup>	\$1.3 – 1.5 million <sup>(3)</sup>	\$0.2 – 0.5 million
Margins	70 – 80%	65 – 75%	90% +
Valuation Range	7-12x EBITDA	10-15x EBITDA	15-20x EBITDA

(1) Build cost for CSP and colocation model reflect liquid cooling infrastructure.

(2) Low end of range based on long-term reserve contract at \$2.1/GPU/hr with 100% rental utilization, high end of range represents \$4.50/GPU/hr of on-demand revenue at 80% rental utilization.

(3) Does not include customer pass-through energy expense. Subject to term length and payment terms

(4) Based on air cooled powered shell infrastructure. NNN Rent Structure; customer pays all OpEx directly.





**17 GW** U.S. data center demand  
2023 <sup>(1)</sup>

**35 GW** Expected US data center  
power capacity by 2030 <sup>(4)</sup>

**105 %** Projected annual growth of  
power demand for GenAI <sup>(2)</sup>

**23 %** Data center electrical  
consumption annual growth  
through 2035 <sup>(3)</sup>

**2 %** Electricity production  
annual growth through  
2035 <sup>(3)</sup>

**101 %** Power price premium  
willingly paid for bringing  
data centers online faster  
by 2 years <sup>(2)</sup>



## Value of Large-Scale Digital Infrastructure

*Significant mismatch in data center demand and power growth -  
increasing the value of land and power assets*

- Electricity demand growth driven largely by GenAI and data centers significantly outpacing the expected supply growth of available power capacity
  - Over time, the imbalance will continue to increase the value of the time limiting resource - power and land
- The top constraint for data center market growth today is access to power capacity, with the key constraint being time to power
- Near term access to power adds meaningful time advantages for data center developers which suggest that they are willing to pay significant premiums for quicker access to power
- Players with access to the key limiting resource - land and power - are well situated to capture tremendous value over the next decade

(1) Source: Data Center Dynamics dated January 15, 2024: "Newmark: US Data center power consumption to double by 2030".

(2) Source: Morgan Stanley Research dated March 24, 2024: "Powering GenAI: The Tortoise and the Hare", MS base case assumptions.

(3) Source: Eastdil Secured Digital Infrastructure Sector Update 2024 Capital Markets Outlook.



# APPENDIX

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# Best-in-Class Management Team

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



**PAUL PRAGER**

Co-Founder, Chairman & Chief Executive Officer

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



**NAZAR KHAN**

Co-Founder, Chief Operating Officer & Chief Technology Officer

20+ years in energy infrastructure and cryptocurrency mining; previously at Evercore



**KERRI LANGLAIS**

Chief Strategy Officer

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



**STEFANIE FLEISCHMANN**

Chief Legal Officer

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



**PATRICK FLEURY**

Chief Financial Officer

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



**SEAN FARRELL**

SVP, Operations

13+ years of energy experience in renewables, grid optimization, digitalization, and storage solutions; previously at Siemens Energy



# TeraWulf Capitalization Table

As of May 10, 2024

	Estimated Diluted Shares at Various Share Prices (Based on the Treasury Method)								
	Outstanding	\$ 2.50	\$ 3.00	\$ 4.00	\$ 5.00	\$ 7.50	\$ 10.00	\$ 12.50	\$ 15.00
Common Stock	333,182	333,182	333,182	333,182	333,182	333,182	333,182	333,182	333,182
Preferred Stock, Convertible into Common Stock	1,171	-	-	-	-	-	1,171	1,171	1,171
Warrants to Purchase Common Stock									
\$0.010 Exercise Price	2,568	2,558	2,559	2,562	2,563	2,565	2,565	2,566	2,566
\$1.000 Exercise Price	13,430	8,058	8,953	10,073	10,744	11,639	12,087	12,356	12,535
\$1.925 Exercise Price	7,482	1,721	2,681	3,881	4,601	5,562	6,042	6,330	6,522
Subtotal	23,480	12,337	14,194	16,515	17,908	19,766	20,694	21,251	21,623
Omnibus Incentive Plan Equity Awards - Unvested									
Restricted Stock Units	6,094	6,094	6,094	6,094	6,094	6,094	6,094	6,094	6,094
Performance-based Restricted Stock Units									
\$2.25 vesting, as defined	1,399	1,399	1,399	1,399	1,399	1,399	1,399	1,399	1,399
\$2.50 vesting, as defined	1,399	1,399	1,399	1,399	1,399	1,399	1,399	1,399	1,399
\$2.75 vesting, as defined	1,399	-	1,399	1,399	1,399	1,399	1,399	1,399	1,399
\$3.50 vesting, as defined	1,300	-	-	1,300	1,300	1,300	1,300	1,300	1,300
Subtotal	11,591	8,892	10,291	11,591	11,591	11,591	11,591	11,591	11,591
Estimated Diluted Share Count	369,424	354,411	357,667	361,288	362,681	364,539	366,638	367,195	367,567

# WULF Mining – Efficient Fleet

Highly efficient fleet drives profitability

TeraWulf Current Fleet Summary <sup>1</sup>			
Model	Quantity	Hash Rate	Efficiency J/TH
S19 J/J-Pro	27,500	100	30
S19 JXP/XP	31,500	146	21.5
S19K Pro	4,000	120	23
MicroBT M30s	1,200	100	31
S21 Pro <sup>2</sup>	5,000	234	15
S21 <sup>2</sup>	5,000	200	17.5

## Fleet Efficiency Improvements<sup>3</sup>



- Ongoing buildout is expected to improve fleet efficiency by ~18%
- 8 EH of sub 30 J/TH capacity currently in operation

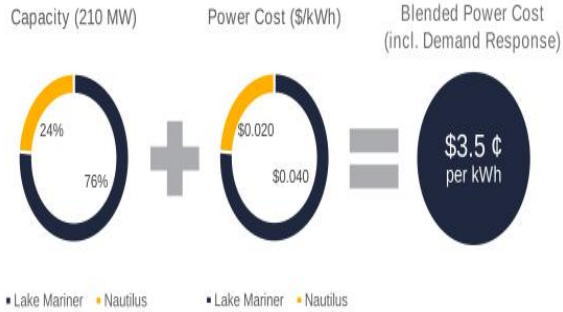
## Hash Rate Contribution Mix



(1) Includes WULF's net share of miners contributed to Nautilus JV.  
 (2) Miner orders to be installed 2H 2024  
 (3) Figures include 4% ancillary load, nameplate efficiency of miners alone is 27.6 J/TH for 23E, 24.6 J/TH for 2Q 24, and 22.8 for 2H 24

# Industry Leading Cost Profile

Annual guidance of 3.5 cents per kWh average cost of power across both sites



NYISO Zone A ATC Power Prices



(1) NYISO Zone A prices atypically high during Q2-Q3 2022 due to elevated gas prices, regional transmission outages, weather events and supply constraints due to pandemic and war in Ukraine.  
 (2) Includes transmission charges, taxes and demand response proceeds received at Lake Mariner.  
 (3) Source: Bloomberg NYISO Zone A ATC forward curve as of 03/11/24; excludes transmission charges, taxes and demand response proceeds expected to be received at Lake Mariner.

# Lake Mariner Data



Barker, NY



100% Ownership



Long-Term  
Lease



500 MW of  
Infrastructure  
Capacity



93%+ Zero-Carbon  
Hydro & Nuclear Power



✓ 160 MW Operational

✓ 85 MW Under Construction



✓ Target of 250 MW Deployed in 2024

✓ Target of 500 MW Deployed in 2025



# Nautilus Cryptomine



Berwick, PA



25% JV with  
Talen Energy



Long-Term  
Lease



100 MW of  
Infrastructure  
Capacity



100% Zero-Carbon  
Nuclear Power



✓ 50 MW Operational

✓ 50 MW Planned  
Expansion in 2025

