

**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): November 12, 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. ☐

Item 2.02. Results of Operations and Financial Condition.

On November 12, 2024, TeraWulf Inc. (“TeraWulf” or the “Company”) issued a press release (“Press Release”) announcing the Company’s results for the third quarter ended September 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 November 12, 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 November 12, 2024.</u>
99.2	<u>Presentation of the Company, dated November 12, 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

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.

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: November 12, 2024

TeraWulf Reports Third Quarter 2024 Financial Results

Q3 2024 Revenue of \$27.1 million and Non-GAAP Adjusted EBITDA of \$6.0 million.

Revenue growth of 42.8% year-over-year for the three-month period ended September 30, 2024.

Operational self-mining capacity as of September 30, 2024 increased 100% year-over-year to 10.0 EH/s.

Subsequent to Q3 2024, strategic activities included: (i) sale of Nautilus JV interest, (ii) new Lake Mariner ground lease, (iii) convertible note offering and (iv) share buyback.

EASTON, Md. – November 12, 2024 – TeraWulf Inc. (Nasdaq: WULF) (“TeraWulf” or the “Company”), a leading owner and operator of vertically integrated, next-generation digital infrastructure powered by predominantly zero-carbon energy, today announced its unaudited interim financial results for the third quarter of fiscal year 2024 and provided an operational update.

Third Quarter 2024 GAAP Operational and Financial Highlights

- Self-mined 442 bitcoin at the Lake Mariner Facility.
- Revenue increased to \$27.1 million in Q3 2024 compared to \$19.0 million in Q3 2023.
- Cost of revenue (exclusive of depreciation) increased to \$14.7 million in Q3 2024 compared to \$8.3 million in Q3 2023.
- Total self-mining hashrate capacity of 10.0 EH/s as of September 30, 2024, representing an increase of 100.0% relative to the same prior year period.

Key GAAP Metrics (\$ in thousands)	Three Months Ended Q3 2024	Three Months Ended Q3 2023	% Change
Revenue	\$ 27,059	\$ 18,955	42.8 %
Cost of revenue (exclusive of depreciation)	\$ 14,660	\$ 8,268	77.3 %
Cost of revenue as % of revenue	54.2 %	43.6 %	24.3 %

Third Quarter 2024 Non-GAAP Operational and Financial Highlights

- Self-mined 555 bitcoin across the Lake Mariner and Nautilus Cryptomine facilities, which represented a 43.4% decrease relative to in Q3 2023.
- Total value of bitcoin self-mined¹ of \$33.9 million in Q3 2024 compared to \$27.6 million in Q3 2023.
- Power cost per bitcoin self-mined increased year-over-year, to \$30,448 per bitcoin in Q3 2024 from \$9,322 per bitcoin in Q3 2023, due to an approximate doubling in network difficulty and the bitcoin reward halving in April 2024.
- Adjusted EBITDA of \$6.0 million in Q3 2024, an decrease of 33.6% from \$9.0 million in Q3 2023.

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

Key Non-GAAP Metrics ²	Three Months Ended Q3 2024	Three Months Ended Q3 2023	% Change
Bitcoin Self-Mined ³	555	981	(43.4)%
Value per Bitcoin Self-Mined ⁴	\$ 61,075	\$ 28,104	117.3 %
Power Cost per Bitcoin Self-Mined ⁵	\$ 30,448	\$ 9,322	226.6 %
Avg. Operating Hash Rate (EH/s) ⁶	8.1	5.0	62.0 %

Recent Events Subsequent to Third Quarter 2024

- Completed sale of 25% equity interest in the Nautilus joint venture to its partner, a subsidiary of Talen Energy Corporation.
- Completed construction of 2.5 MW HPC hosting proof-of-concept project at Lake Mariner.
- Entered into new, long-term ground lease agreement at Lake Mariner extending both term and land area to support the Company's expansion into HPC hosting.
- Announced board of director approval for \$200.0 million inaugural share repurchase program.
- Completed \$500.0 million convertible notes offering and simultaneous repurchase of \$115.0 million worth of TeraWulf shares.

² 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 condensed 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 condensed 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.

³ Excludes 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.

⁴ Computed as the weighted-average opening price of BTC on each respective day the Self-Mined Bitcoin is earned.

⁵ The Q3 2024 and Q3 2023 calculations excludes 0 and 14 bitcoin, respectively, earned via hosting profit share.

⁶ While nameplate inventory for TeraWulf's two facilities was 10.0 EH/s and 5.5 EH/s as of Q3 2024 and Q3 2023, respectively, 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. Average operating hash rate for Q3 2023 also includes hash rate related to a hosting agreement that expired in February 2024 at the Lake Mariner Facility.

agreement that expired in February 2024 at the Lake Mariner Facility.



Management Commentary

"The third quarter and the beginning of the fourth quarter marked a pivotal turning point for TeraWulf, as we delivered strong results across our strategic, financial, and operational objectives," said Paul Prager, Chairman and CEO of TeraWulf. "The sale of our interest in the Nautilus joint venture not only generated a substantial return but also sharpened our focus on scaling high-performance computing at Lake Mariner. Securing an expanded ground lease with exclusive rights to 750 MW of infrastructure capacity is a significant milestone in our growth strategy. Combined with the success of our \$500.0 million capital raise, we are exceptionally well-positioned to seize new opportunities in both Bitcoin mining and HPC hosting as we enter 2025."

Prager continued, "We are excited about the surging demand for high-performance computing and the unique opportunity it presents for TeraWulf. Our power-ready energy assets offer a competitive advantage unmatched in the industry, providing a strong foundation as we scale our energy and digital infrastructure capabilities. We are focused on securing a customer contract by year-end, and remain dedicated to delivering outstanding value for our shareholders."

Patrick Fleury, TeraWulf's CFO added, "We are fully funded to execute our growth plans through the first half of 2025. In October, we secured \$500.0 million in convertible notes financing, using \$60 million for a capped call to neutralize dilution up to a share price of \$12.80. Simultaneously, we repurchased \$115.0 million in common stock, resulting in no effective dilution until the stock exceeds \$18.00 per share. This strategic move reinforces our commitment to shareholder value and positions us for strong growth ahead."

Operations Update

TeraWulf's current operational Bitcoin mining capacity includes approximately 195 MW at the Lake Mariner Facility. With the ongoing reinstallation of XP miners from Nautilus, the Company expects to increase its total self-mining hash rate to approximately 8.7 EH/s in the near term.

On the WULF Compute front, TeraWulf is actively expanding its HPC hosting infrastructure at Lake Mariner. Notable milestones include the successful completion of a 2.5 MW HPC proof-of-concept project, specifically designed to support both current and next-generation GPU technologies. The construction of CB-1, a 20 MW Tier 3-grade HPC hosting facility, is progressing on schedule and is expected to be completed by Q1 2025. Preparations for CB-2, a 50 MW HPC hosting facility, are also well advanced, with key components already secured, positioning the Company for a timely launch by the end of Q2 2025.

Third Quarter 2024 GAAP Financial Results

Revenue in the third quarter of 2024 increased 42.8% to \$27.1 million as compared to \$19.0 million in the third quarter of 2023. This increase is attributable to a significant growth in operating self-mining hash rate as well as a higher average bitcoin price relative to the third 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 condensed consolidated statements of operations.

Cost of revenue (exclusive of depreciation) in the third quarter of 2024 increased 77.3% to \$14.7 million compared to \$8.3 million in the third quarter of 2023. Cost of revenue (exclusive of depreciation) as a percentage of revenue increased to 54.2% in the third quarter of 2024 compared to 43.6% in the third quarter of 2023, primarily due to an approximate doubling in network difficulty and the bitcoin reward halving in April 2024, partially offset by an 62.0% increase in average operating hash rate and 117.3% increase in average value per bitcoin self-mined year-over-year.

During the third quarter of 2024, the Company repaid \$75.8 million of debt to fully pay down the remaining balance on its Term Loans ahead of maturity.

About TeraWulf

TeraWulf develops, owns, and operates environmentally sustainable, next-generation data center infrastructure in the United States, specifically designed for Bitcoin mining and high-performance computing. Led by a team of seasoned energy entrepreneurs, the Company owns and operates the Lake Mariner facility situated on the expansive site of a now retired coal plant in Western New York. Currently, TeraWulf generates revenue primarily through Bitcoin mining, leveraging predominantly zero-carbon energy sources, including hydroelectric and nuclear power. Committed to environmental, social, and governance (ESG) principles that align with its business objectives, TeraWulf aims to deliver industry-leading economics in mining and data center operations at an industrial scale.

Forward-Looking Statements

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郑七十	女	45	商人	广东省江门市开平市100号	07101012345
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林七十三	男	52	工人	广东省江门市江海区100号	06801012345
周七十四	女	39	护士	广东省佛山市南海区100号	06701012345
吴七十五	男	29	程序员	广东省广州市白云区100号	06601012345
郑七十六	女	47	商人	广东省深圳市龙岗区100号	06501012345
冯七十七	男	36	工程师	广东省珠海市斗门区100号	06401012345
陈七十八	女	24	销售	广东省江门市新会区100号	06301012345
林七十九	男	50	工人	广东省肇庆市高要区100号	06201012345
周八十	女	37	教师	广东省江门市鹤山市100号	06101012345
吴八十一	男	26	医生	广东省江门市台山市100号	06001012345
郑八十二	女	45	商人	广东省江门市开平市100号	05901012345
冯八十三	男	34	工程师	广东省江门市恩平市100号	05801012345
陈八十四	女	23	学生	广东省江门市新会区100号	05701012345
林八十五	男	52	工人	广东省江门市江海区100号	05601012345
周八十六	女	39	护士	广东省佛山市南海区100号	05501012345
吴八十七	男	29	程序员	广东省广州市白云区100号	05401012345
郑八十八	女	47	商人	广东省深圳市龙岗区100号	05301012345
冯八十九	男	36	工程师	广东省珠海市斗门区100号	05201012345
陈九十	女	24	销售	广东省江门市新会区100号	05101012345
林九十一	男	50	工人	广东省肇庆市高要区100号	05001012345
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吴九十三	男	26	医生	广东省江门市台山市100号	04801012345
郑九十四	女	45	商人	广东省江门市开平市100号	04701012345
冯九十五	男	34	工程师	广东省江门市恩平市100号	04601012345
陈九十六	女	23	学生	广东省江门市新会区100号	04501012345
林九十七	男	52	工人	广东省江门市江海区100号	04401012345
周九十八	女	39	护士	广东省佛山市南海区100号	04301012345
吴九十九	男	29	程序员	广东省广州市白云区100号	04201012345
郑一百	女	47	商人	广东省深圳市龙岗区100号	04101012345

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.

Investors:

Investors@terawulf.com

Media:

media@terawulf.com

CONDENSED CONSOLIDATED BALANCE SHEETS

AS OF SEPTEMBER 30, 2024 AND DECEMBER 31, 2023

(In thousands, except number of shares and par value; unaudited)

	September 30, 2024	December 31, 2023
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 23,938	\$ 54,439
Digital currency	297	1,801
Prepaid expenses	3,091	4,540
Other receivables	4,383	1,001
Other current assets	706	806
Total current assets	<u>32,415</u>	<u>62,587</u>
Equity in net assets of investee	79,494	98,613
Property, plant and equipment, net	283,098	205,284
Right-of-use asset	10,188	10,943
Other assets	710	679
TOTAL ASSETS	<u><u>\$ 405,905</u></u>	<u><u>\$ 378,106</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:

Accounts payable	\$ 19,770	\$ 15,169
Accrued construction liabilities	5,040	1,526
Other accrued liabilities	7,080	9,179

Share based liabilities due to related party	—	2,500
Other amounts due to related parties	472	972
Current portion of operating lease liability	53	48
Insurance premium financing payable	—	1,803
Current portion of long-term debt	—	123,465
Total current liabilities	32,415	154,662
Operating lease liability, net of current portion	859	899
Long-term debt	—	56
TOTAL LIABILITIES	33,274	155,617

Commitments and Contingencies (See Note 12)

STOCKHOLDERS' EQUITY:

Preferred stock, \$0.001 par value, \$100,000,000 authorized at September 30, 2024 and December 31, 2023; \$9,566 issued and outstanding at September 30, 2024 and December 31, 2023; aggregate liquidation preference of \$12,302 and \$11,423 at September 30, 2024 and December 31, 2023, respectively	9,273	9,273
Common stock, \$0.001 par value, \$600,000,000 and 400,000,000 authorized at September 30, 2024 and December 31, 2023, respectively; \$382,632,083 and \$276,733,329 issued and outstanding at September 30, 2024 and December 31, 2023, respectively	383	277
Additional paid-in capital	666,055	472,834
Accumulated deficit	(303,080)	(259,895)
Total stockholders' equity	372,631	222,489
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 405,905	\$ 378,106

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(In thousands, except number of shares and loss per common share; unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenue	\$ 27,059	\$ 18,955	\$ 105,066	\$ 45,944
Costs and expenses:				
Cost of revenue (exclusive of depreciation shown below)	14,660	8,268	42,986	18,383
Operating expenses	729	442	2,311	1,218
Operating expenses – related party	856	779	2,619	2,015

Selling, general and administrative expenses	8,502	5,767	29,904	18,137
Selling, general and administrative expenses – related party	2,976	4,519	8,399	10,093
Depreciation	15,643	8,224	44,864	20,085
Gain on fair value of digital currency, net	(951)	—	(1,580)	—
Realized gain on sale of digital currency	—	(697)	—	(1,883)
Impairment of digital currency	—	922	—	2,231
Impairment of property, plant, and equipment	355	—	355	—
Loss on disposals of property, plant, and equipment	—	420	—	420
Total costs and expenses	<u>42,770</u>	<u>28,644</u>	<u>129,858</u>	<u>70,699</u>
Operating loss	(15,711)	(9,689)	(24,792)	(24,755)
Interest expense	(409)	(10,251)	(16,779)	(25,535)
Loss on extinguishment of debt	(4,273)	—	(6,300)	—
Other income	339	59	1,286	113
Loss before income tax and equity in net income (loss) of investee	(20,054)	(19,881)	(46,585)	(50,177)
Income tax benefit	—	—	—	—
Equity in net income (loss) of investee, net of tax	(2,679)	850	3,363	(12,613)
Loss from continuing operations	(22,733)	(19,031)	(43,222)	(62,790)
Loss from discontinued operations, net of tax	—	(68)	—	(106)
Net loss	(22,733)	(19,099)	(43,222)	(62,896)
Preferred stock dividends	(300)	(272)	(878)	(796)
Net loss attributable to common stockholders	<u>\$ (23,033)</u>	<u>\$ (19,371)</u>	<u>\$ (44,100)</u>	<u>\$ (63,692)</u>
Loss per common share:				
Continuing operations	\$ (0.06)	\$ (0.09)	\$ (0.13)	\$ (0.32)
Discontinued operations	-	—	-	—
Basic and diluted	<u>\$ (0.06)</u>	<u>\$ (0.09)</u>	<u>\$ (0.13)</u>	<u>\$ (0.32)</u>
Weighted average common shares outstanding:				
Basic and diluted	<u>382,086,768</u>	<u>221,718,367</u>	<u>337,999,865</u>	<u>199,259,314</u>

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023
(In thousands; unaudited)

	Nine Months Ended September 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (43,222)	\$ (62,896)
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	10,931	14,316
Related party expense to be settled with respect to common stock	—	2,502
Common stock issued for interest expense	—	26
Stock-based compensation expense	14,181	4,023
Depreciation	44,864	20,085
Amortization of right-of-use asset	755	750
Revenue recognized from digital currency mined and hosting services	(104,461)	(41,936)
Gain on fair value of digital currency, net	(1,580)	—
Realized gain on sale of digital currency	—	(1,883)
Impairment of digital currency	—	2,231
Proceeds from sale of digital currency	97,559	52,570
Digital currency paid as consideration for services	278	—
Impairment of property, plant, and equipment	355	—
Loss on disposals of property, plant, and equipment	—	420
Loss on extinguishment of debt	6,300	—
Equity in net (income) loss of investee, net of tax	(3,363)	12,613
Loss from discontinued operations, net of tax	—	106
Changes in operating assets and liabilities:		
Decrease in prepaid expenses	1,449	2,735
Increase in other receivables	(3,382)	(2,723)
Decrease (increase) in other current assets	336	(97)
(Increase) decrease in other assets	(148)	69
Increase (decrease) in accounts payable	499	(3,936)
Decrease in other accrued liabilities	(2,499)	(3,463)
Decrease in other amounts due to related parties	(515)	(2,396)
Decrease in operating lease liability	(35)	(31)
Net cash provided by (used in) operating activities from continuing operations	18,302	(6,915)
Net cash provided by operating activities from discontinued operations	—	283

Net cash provided by (used in) operating activities	18,302	(6,632)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investments in joint venture	—	(2,845)
Purchase of and deposits on plant and equipment	(114,307)	(41,392)
Proceeds from sale of digital currency	31,911	—
Net cash used in investing activities	(82,396)	(44,237)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on long-term debt	(139,401)	—
Payments of prepayment fees associated with early extinguishment of long-term debt	(1,261)	—
Proceeds from insurance premium and property, plant and equipment financing	211	790
Principal payments on insurance premium and property, plant and equipment financing	(2,103)	(2,613)
Proceeds from issuance of common stock, net of issuance costs paid of \$663 and \$1,051	188,715	57,664
Proceeds from exercise of warrants	4,193	2,500
Payments of tax withholding related to net share settlements of stock-based compensation awards	(16,761)	(852)
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	—	(9,598)
Net cash provided by financing activities	33,593	49,141
Net change in cash and cash equivalents	(30,501)	(1,728)
Cash and cash equivalents at beginning of period	54,439	8,323
Cash and cash equivalents at end of period	\$ 23,938	\$ 6,595
Cash paid during the period for:		
Interest	\$ 6,955	\$ 15,542
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 ("U.S. GAAP"), we disclose Adjusted EBITDA as a non-GAAP measure. This measure is not a financial measure calculated in accordance with U.S. GAAP, and it should not be considered as a substitute for net income, operating income, or any other measure calculated in accordance with U.S. 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 be 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 U.S. GAAP and should not be considered as an alternative to operating loss or any other measure of performance derived in accordance with U.S. 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 U.S. 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 condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net loss attributable to common stockholders	\$ (23,033)	\$ (19,371)	\$ (44,100)	\$ (63,692)

Adjustments to reconcile net loss
attributable to common stockholders to
non-GAAP Adjusted EBITDA:

Preferred stock dividends	300	272	878	796
Loss from discontinued operations, net of tax	—	68	—	106
Equity in net (income) loss of investee, net of tax	2,679	(850)	(3,363)	12,613
Distributions from investee, related to Nautilus	3,395	6,739	22,482	11,682
Income tax benefit	—	—	—	—
Other income	(339)	(59)	(1,286)	(113)
Loss on extinguishment of debt	4,273	—	6,300	—
Interest expense	409	10,251	16,779	25,535
Depreciation	15,643	8,224	44,864	20,085
Amortization of right-of-use asset	252	249	755	750
Stock-based compensation expense	2,408	1,413	14,181	4,023
Related party expense to be settled with respect to common stock	—	2,085	—	2,502
Non-GAAP Adjusted EBITDA	<u>\$ 5,987</u>	<u>\$ 9,021</u>	<u>\$ 57,490</u>	<u>\$ 14,287</u>



TERAWULF

Moving Infrastructure Forward

Investor Update
November 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) 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 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.

WULF: The Power of Infrastructure



TERAWULF



WULF
MINING

- 195 MW in operation
- 50 MW of expansion planned in Q1 2025

~750 MW potential capacity

~250 MW to be deployed for
bitcoin mining in 2025

~500 MW additional
capacity for
HPC hosting

Site benefits from core
electrical infrastructure with
redundant power and fiber



WULF
COMPUTE

- 2.5 MW "WULF Den" in operation
- 20 MW "CB-1" expected online in Q1 2025
- 50 MW "CB-2" expected online in Q2 2025
- Additional 178 MW of growth targeted in 2H 2025



TERAWULF

WULF Infrastructure

Our Operations

- 10 EH/s deployed in Q3 2024
- 555 BTC mined in Q3 2024
981 BTC mined in Q3 2023
- Realized \$0.032/kWh power cost in 2023
- Target \$0.035/kWh power cost in 2024
- Predominantly zero-carbon energy sources ⁽¹⁾

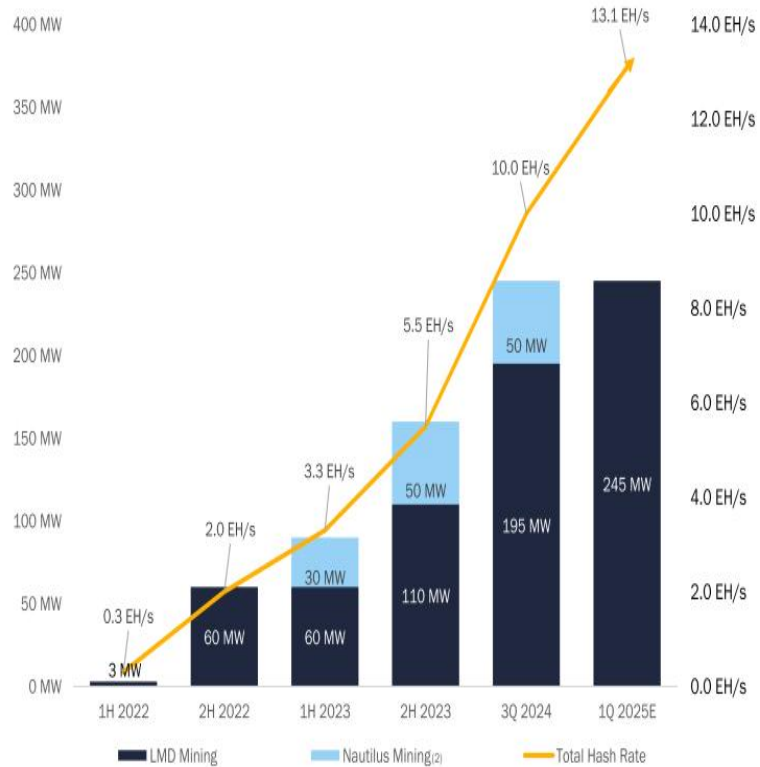
Our Strategy

- **Scalable Infrastructure:** 750 MW of rapidly scalable capacity
- **Sustainable Energy:** located in region with 91% zero-carbon energy production.
- **Low-Cost Bitcoin Production:** industry-leading efficiency for profitable mining.
- **Accelerating HPC Hosting:** rapid growth in HPC hosting capabilities.



Track Record of Execution

Rapidly scaling since inception with significant owned capacity for growth



(1) Source: "Power Trends 2024," published by the New York Independent System Operator (NYISO).

(2) Nautilus was sold on October 2, 2024. Sale proceeds comprised of \$85 million cash consideration, the return of \$1.3 million of working capital, and approximately \$7 million worth of Talen contributed miners and related equipment.

Positioned to Maximize Profitability and Growth

Delivering low-cost Bitcoin production with scalable HPC hosting infrastructure



Nautilus Transaction Overview

On October 2, 2024, WULF sold 25% equity interest in Nautilus to Talen Energy

Strategic Rationale

- 1 Strong Financial Returns:** MOIC exceeding 3.4x and substantial premium based on the NPV of the remaining lease term
- 2 Reduced Risk Exposure:** Allows for monetization of WULF's interest before expiration of the Nautilus 2¢ power contract and ground lease (June 2027)
- 3 Enhanced Miner Fleet and Opex Efficiency:** Maintains Q125 capacity of 13 EH/s, while upgrading fleet to 18.2 J/TH and optimizing opex costs
- 4 Increased Liquidity for Growth:** Provides opportunity to reinvest surplus proceeds into Lake Mariner's planned HPC/AI expansion
- 5 Clearer Financial Reporting:** Simplifies reporting by removing requirement to use the equity method to account for WULF's minority stake in Nautilus



NAUTILUS
CRYPTOMINE

~\$92 Million

Transaction Proceeds ⁽¹⁾

3.4x

Multiple on Invested Capital ⁽²⁾

~\$36k / BTC

Pro Forma Cost-to-Mine ⁽³⁾

18.2 J/TH

Pro Forma Miner Efficiency

Realized Value (\$M)	\$ IN	\$ OUT	MOIC
Infrastructure	\$31.5	\$61.0	1.9x
Power Contract (2¢/kWh) ⁽⁴⁾	\$8.0	\$24.0	3.0x
Cumulus Data Miners		\$7.0	
Est. Free Cash Flow (thru Sep 24)		\$42.0	
Total	\$39.5	\$134.0	3.4x

Transaction fuels expansion of HPC/AI and bitcoin mining at flagship Lake Mariner facility



(1) Sale proceeds comprised of \$85 million cash consideration, the return of \$1.3 million of working capital, and approximately \$7 million worth of Cumulus Coin miners and related equipment.

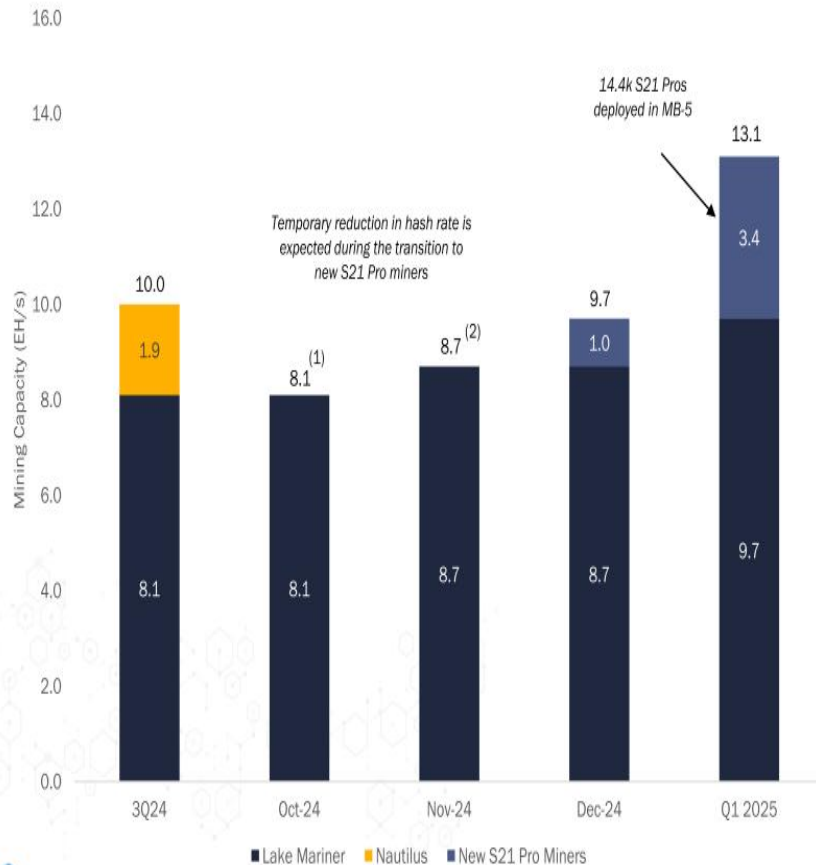
(2) MOIC excludes WULF's miner acquisition cost.

(3) Reflects the estimated pro forma cost-to-mine a BTC in Q1 2025 following the planned mining fleet upgrade.

(4) Power Contract "\$ IN" value of \$8.0 million represents the amortized balance of TeraWulf's initial \$14.6 million cash contribution to the JV for 2¢/kWh power; "\$ OUT" value of \$24.0 million represents the mark-to-market value for the remaining term of TeraWulf's 50 MW @ 2¢/kWh contract.

Expanded Mining Operations

Increased hash rate with operational efficiencies and reduction in cost



- (1) Average operating hash rate in October 2024 was 6.8 EH/s.
(2) Lake Mariner Data will be taking a planned outage in mid-November, which will impact approximately 5.2 EH of mining capacity for approximately one week as we connect the ultra-high voltage redundant power feeds from the grid to support HPC data center infrastructure.

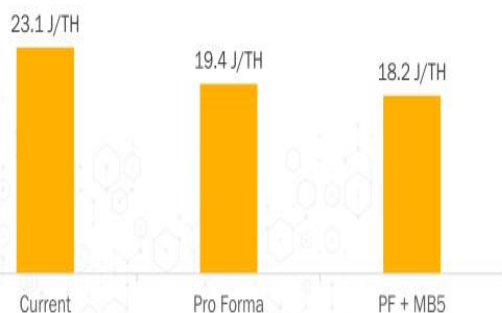
- As part of the Nautilus sale, TeraWulf received ~30,000 Talen miners
- WULF successfully monetized over 80% of the Nautilus miners, along with all existing S19 miners from its fleet, generating approx. \$10.5 million in proceeds
- In Q1 2025, WULF expects to receive an additional 14,400 S21 Pro miners to fully utilize capacity at MB-5 at the Lake Mariner facility

Enhanced Mining Fleet

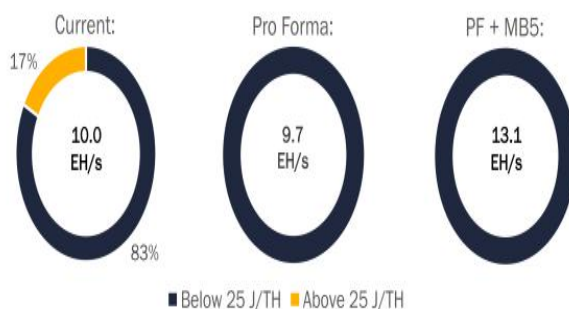
Upgrade is expected to result in a fleet efficiency of 18.2 J/TH in Q1 2025

Fleet Summary								
Model	Hash Rate	Efficiency J/TH	Current Fleet ⁽¹⁾	Cumulus Miners	Buy / (Sell) ⁽³⁾	+ Building 5	PF Fleet	PF Capacity
S21 Pro ⁽²⁾	234	15.0	5,000		7,400	14,400	26,800	6.3 TH
S21	195	17.9	5,000				5,000	1.0 TH
S19 JXP/XP	141	21.5	32,800	5,200			38,000	5.3 TH
S19K Pro	117	23.6	4,000				4,000	0.5 TH
S19 J/J-Pro	100	30.0	27,200	22,500	(49,700)		0	
MicroBT M30s	100	31.0	1,200		(1,200)		0	
Total			75,200	27,700	(43,500)	14,400	73,800	13.1 TH

Fleet Efficiency ⁽⁴⁾



Hash Rate Mix (EH/s)



- (1) Includes WULF's net share of miners contributed to Nautilus JV.
 (2) Miner orders to be installed in Q4 2024.
 (3) Reflects planned sale of S19/J-Pro and MicroBT M30 miners, and exercise of option to purchase 7.4k and 14.4k of the remaining 30k Bitmain S21 Pro miners under the purchase agreement option in Q4 2024 and Q1 2025, respectively.
 (4) Weighted average nameplate efficiency, figures exclude 4% ancillary load.

Q3 2024 Financial Snapshot

Positive EBITDA and cash flow generation despite a difficult operating environment

Metric	Amount	Comments
End of Period Hash Rate	10.0 EH/s	➤ 100% increase year-over-year in self-mining hash rate
Bitcoin Self-mined	555	➤ 6.0 BTC per day
Power Cost	\$0.038/kWh	➤ Represents power cost per BTC of \$30,448
Revenue ⁽¹⁾	\$27.1 million	➤ 43% increase year-over-year; value per BTC self-mined (non-GAAP) averaged ~\$61k ⁽²⁾⁽³⁾
Non-GAAP Adjusted EBITDA ⁽²⁾	\$5.9 million	➤ EBITDA/EH of \$0.6 million
Cash and Cash Equivalents	\$23.9 million	➤ Excludes BTC of \$0.3 million ⁽⁴⁾
Net Debt ⁽⁵⁾	\$(23.9) million	➤ Debt fully repaid in July 2024

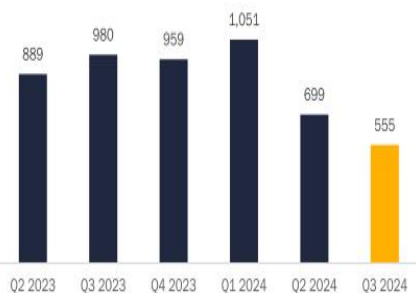


- (1) GAAP measure; excludes Nautilus JV.
 (2) Computed as the weighted average opening price of BTC on each respective day the self-mined BTC is earned.
 (3) Non-GAAP measure; includes Nautilus JV.
 (4) Based on the closing market price per one Bitcoin of \$63,301 on September 30, 2024.
 (5) Net Debt as of September 30, 2024, reflects no debt and \$23.9 million of cash.

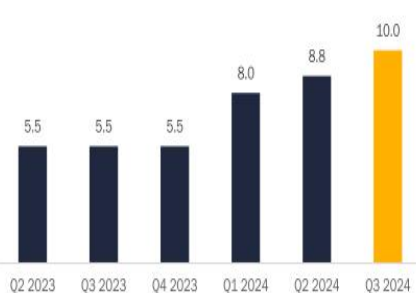
WULF Quarterly Performance

All figures include TeraWulf's net share of Nautilus JV

Bitcoin Self Mined (# BTC)¹



Ending Operating Capacity (EH/s)²



- 555 BTC mined in Q3 2024
- Operating capacity increased 82% y-o-y to 10.0 EH/s
- EBITDA per EH of \$0.6 million

Non-GAAP Gross Profit³



Non-GAAP Adjusted EBITDA⁴



(1) Excludes bitcoin earned via hosting profit share.

(2) Includes gross total hosted hash rate.

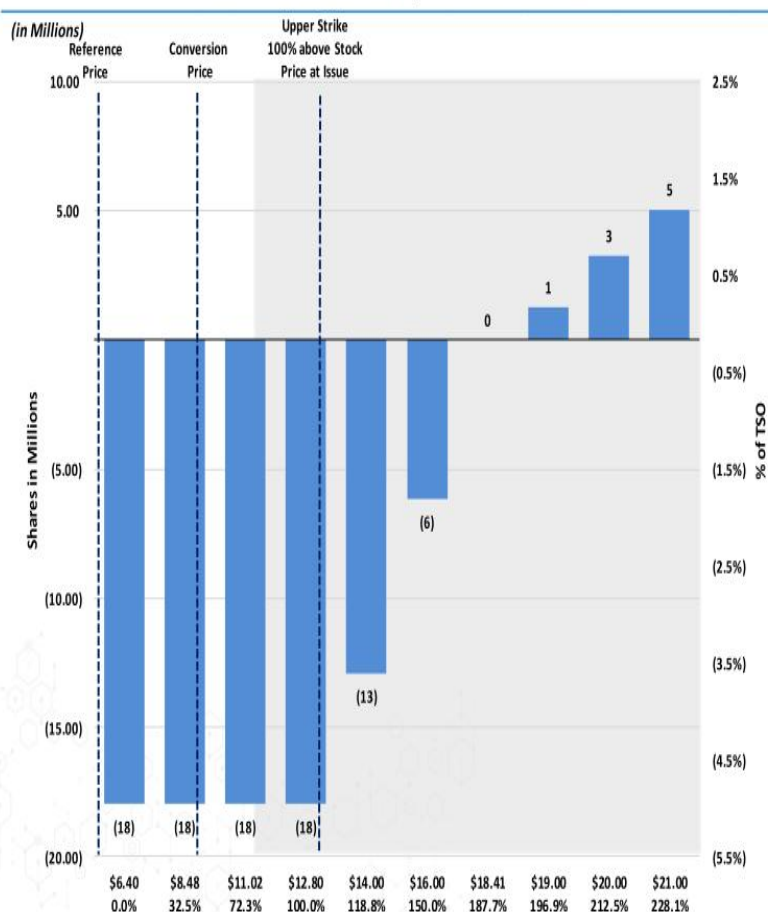
(3) Calculated as Revenue less Cost of Revenue (exclusive of depreciation, inclusive of demand response proceeds); includes WULF's share of Nautilus JV.

(4) Includes distributions from Nautilus JV.

Recent Convertible Financing

Simultaneous Capped Call and \$115M Share Repurchase = No Dilution until >\$18/share

Net Shares Issued Upon Conversion⁽¹⁾



- (1) TSO based on 382.60mm shares outstanding per Bloomberg as of October 25.
 (2) Grey shaded Zone is provisionally callable by company.
 (3) \$500.0mm deal size at 2.75% coupon up 32.5% conversion premium with up 100% capped call overlay +\$115mm share repurchase.

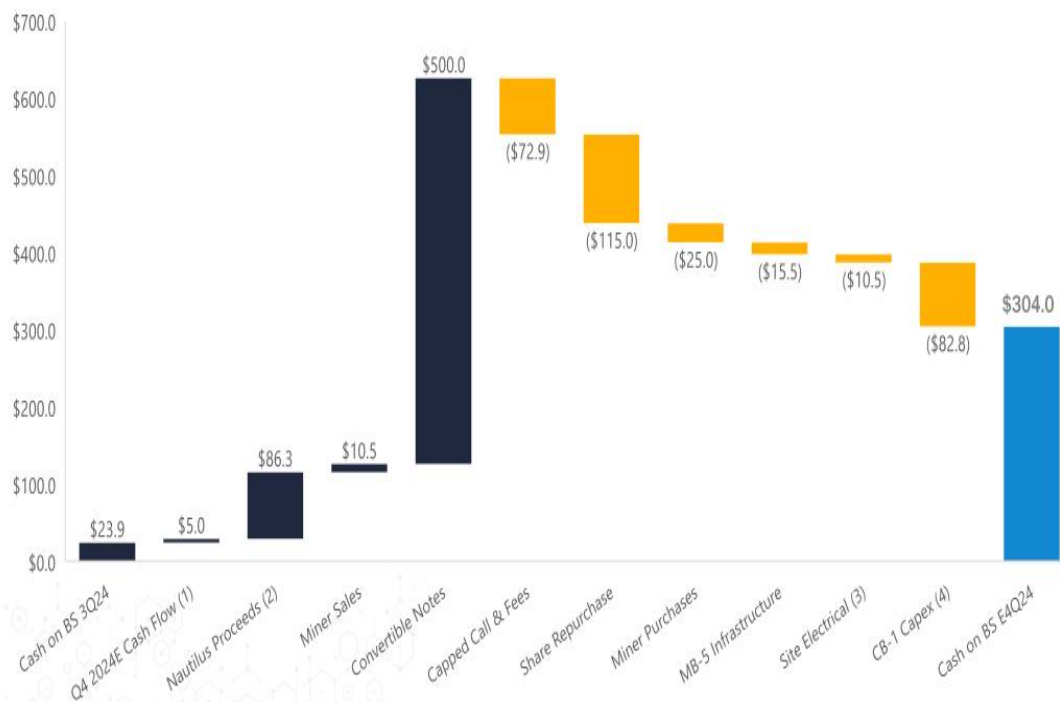
Four Key Aspects that Minimized Shareholder Dilution from Convertible Notes Offering:

- **Capped Call**
Neutralizes dilution until the stock price reaches \$12.80 (100% above the reference price)
- **Concurrent Share Repurchase:**
Repurchased 17.97 million shares at \$6.40 with offering proceeds
- **Early Call Option After Three Years**
Company can call notes after November 2027 if the stock hits \$11.02 (130% of the conversion price)
- **Overnight Pricing Execution**
Priced off an unaffected share price, avoiding typical market declines

Together, these strategies mean that WULF will not issue more net shares than were repurchased upon conversion, unless the share price exceeds 188% of the \$6.40 reference price, or \$18.41 per share

4Q24 Capital Allocation

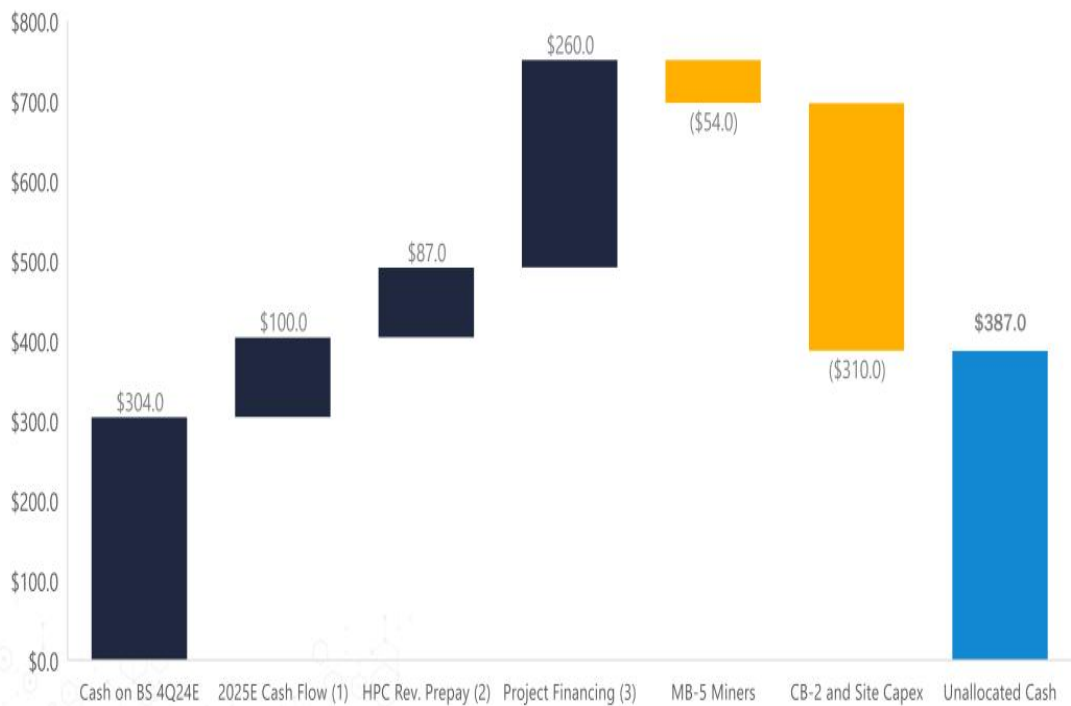
Growth in Bitcoin mining and HPC/AI is funded



- (1) Q4 2024E Cash Flow assumes average BTC price of \$70,000 and average network hash rate of 710 EH/s, October 1 - December 31, 2024.
- (2) Nautilus Proceeds include \$85 million cash consideration and the return of \$1.3 million of working capital.
- (3) Includes electrical capital expenditures required to expand the Lake Mariner facility to 500 MW.
- (4) Reflects estimated remaining capex to complete construction of the 20 MW CB-1.

2025 Capital Allocation: The Inflection Point

HPC hosting contracts are projected to unlock substantial platform value



Substantial cash flow available for capital allocation



(1) Estimated 2025E cash from operations assumes: 1) average BTC price of \$80,000 and network hash rate of 725 EH/s; 2) 20 MW CB-1 and 50 MW CB-2 operating for 9 months and 6 months, respectively.
(2) Estimated HPC Revenue Prepay assumes 1.25 average annual PUE and 12-month revenue prepay for 2.5 MW Wulf Den, 20 MW CB-1 and 50 MW CB-2 at \$1.5M per MW.
(3) Estimated Project Financing assumes that ~70% of total project costs for Wulf Den, CB-1 and CB-2 are financed.

2025: The Inflection Point

HPC hosting contracts are projected to unlock substantial platform value

- Sale of Nautilus JV interest increases liquidity to support HPC growth
- Convertible financing secures the delivery timeline for CB-1 and CB-2:
 - CB-1 (20 MW) is on track for delivery in Q1 2025
 - CB-2 (50 MW) is scheduled for delivery in Q2 2025
- Capital expenditure coverage:
 - CB-1's (20 MW) capex is fully funded
 - CB-2's (50 MW) capex is fully funded
- HPC hosting contracts are expected to be long-term with creditworthy counterparties, providing opportunities for future debt financing

Substantial cash flow available for capital allocation

Updated Guidance

Unit economics are expected to improve upon completion of site electrical upgrades, MB-5 and miner fleet upgrade

	Q3 2024			Q4 2024E			Full Year 2024E	Q1 2025E		
Illustrative Market Inputs:										
Network Hash Rate (EH/s)				715				725		
Transaction Fees (%)				3.0%				3.0%		
Illustrative Operating Inputs:										
Miner Fleet Efficiency (J/TH) ⁽¹⁾				21				19		
Realized Average Hash Rate (EH/s)				7.8				13.2		
Total Bitcoin Mined	555			465			2,770	769		
	\$ in 000's	\$/BTC	\$/PH/Day	\$ in 000's	\$/BTC	\$/PH/Day	\$ in 000's	\$ in 000's	\$/BTC	\$/PH/Day
Power Cost (@ \$0.045/kWh) ⁽²⁾	\$16,899	\$30,448	\$23	\$15,878	\$34,178	\$22	\$65,104	\$24,130	\$31,319	\$20
SG&A for the Period ⁽³⁾	9,070	16,342	12	7,500	16,144	11	\$31,672	7,500	9,757	6
Other OpEx for the Period ⁽⁴⁾	3,273	5,897	4	1,688	3,632	2	\$11,546	1,688	2,195	1
Cash Interest Expense for the Period	741	1,335	1	2,503	5,389	4	\$9,458	3,438	4,472	\$3
Total Cost	\$29,983	\$54,022	\$40	\$27,568	\$59,344	\$39	\$117,779	\$36,755	\$47,815	\$30

Note: All expenses are cash cost only and all figures through Q3 2024E include the impact of TeraWulf's net share of the Nautilus JV.

(1) Assumes 4% ancillary load.

(2) Estimated power cost of \$0.045/kWh at Lake Mariner in Q4 2024 and Q1 2025 based on forward power curve in NYISO Zone A as of November 11, 2024.

(3) Excludes stock-based compensation.

(4) Q3 2024 includes Nautilus OpEx; Other Operating Expenses were expected to be ~\$13.5 million annually split ~50/50 between the Lake Mariner facility and the Nautilus JV.



WULF Compute – Potential Illustrative Business Models

Maximizing land, megawatts, and capital for optimal long-term value creation

WULF Compute's Core Business

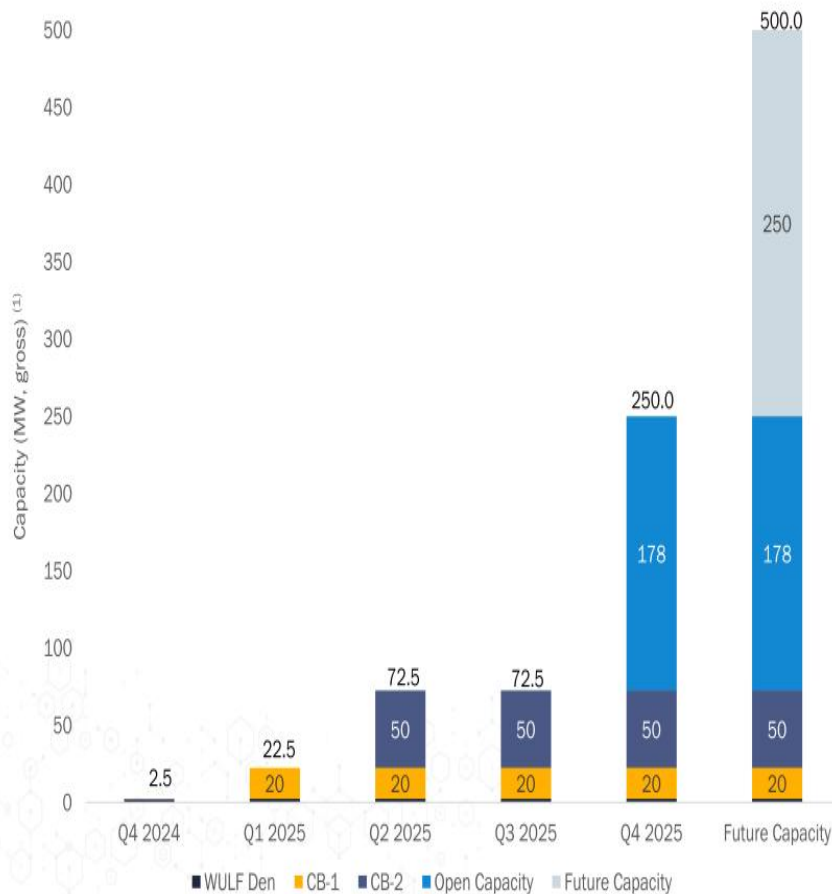
	Cloud Service Provider (CSP)	Colocation – Whitespace & Rack Ready	Build to Suit
Description	Shell data center and GPU clusters; space, power, cooling, fiber/internet, security, compute, storage and environment.	Shell data center; lease rack ready whitespace including redundant power, cooling, fiber/internet, and security	Data center built to spec; lease space, redundant power, cooling, fiber/internet, and security
Customer	Multiple – Managed through cloud partner	Multiple – Enterprise and well funded startups	Single – Hyperscaler
Contract Size	0.1 – 50 MW	0.5 – 100 MW+	100+ MW
Contract Term	1 – 36 months	5 – 15 years	15+ years with renewals
O&M	WULF managed	WULF managed	Tenant managed
Build Cost per MW	\$27 – 30 million ⁽¹⁾	\$6 – 8 million ⁽¹⁾	\$2 – 4 million ⁽⁴⁾
Financing	Equity & Debt	Equity (initially)	Highly Bankable
Revenue per MW	\$11 – 18 million ⁽²⁾	\$1.3 – 1.8 million ⁽³⁾	\$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.

Illustrative HPC Hosting Timeline



(1) Represents gross load capacity. Critical load IT capacity is expected to be based on a 1.25 average annual PUE.
 (2) Future capacity subject to transmission studies and potential transmission upgrades.

- **Q3 2024:** 2.5 MW operational at WULF Den
- **Q1 2025:** 20 MW expected to be operational (CB-1)
- **Q2 2025:** 50 MW expected to be operational (CB-2)
- **2H 2025:** Additional 178 MW expected to be available
- **Future Expansion:** Up to 250 MW; design and timeline to be finalized based on ongoing customer discussions and demand ⁽²⁾



APPENDIX

Best-In-Class Leadership

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



JOHN LARKIN
Director of Investor
Relations

25+ years of capital
markets experience across
both buy-side and sell-side
positions; previously at
Connacht Asset
Management



TeraWulf Capitalization Table

As of November 11, 2024

	Estimated Diluted Shares at Various Share Prices (Based on the Treasury Method)								
	Outstanding	\$ 6.00	\$ 7.50	\$ 9.00	\$ 10.50	\$ 12.00	\$ 13.50	\$ 15.00	\$ 16.50
Common Stock	385,908	385,908	385,908	385,908	385,908	385,908	385,908	385,908	385,908
Convertible Senior Notes							3,057	8,648	13,222
Preferred Stock, Convertible into Common Stock	1,230	-	-	-	1,230	1,230	1,230	1,230	1,230
Warrants to Purchase Common Stock									
\$0.010 Exercise Price	142	142	142	142	142	142	142	142	142
\$1.000 Exercise Price	9,962	8,302	8,634	8,855	9,013	9,132	9,224	9,298	9,358
\$1.925 Exercise Price	7,482	5,082	5,562	5,882	6,110	6,282	6,415	6,522	6,609
Subtotal	17,586	13,525	14,337	14,879	15,265	15,555	15,781	15,962	16,109
Omnibus Incentive Plan Equity Awards - Unvested	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237	4,237
Estimated Diluted Share Count	408,961	403,670	404,482	405,024	406,640	406,930	410,213	415,984	420,706



TERAWULF

Note: all figures are approximate.

Power Price at Lake Mariner

Continued value from low-cost power and demand response at Lake Mariner

Zone A 2025 Forward Energy Price		Forecast net delivery charges ⁽¹⁾		Forecast net cost of energy
\$40/MWh	+	\$5/MWh	=	\$45/MWh

NYISO Zone A 24x7 Energy Prices⁽³⁾



- (1) Net delivery charges include tax, and transmission and distribution charges less anticipated demand response revenue and curtailment impacts on realized power price
- (2) 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.
- (3) Source: Bloomberg NYISO Zone A ATC forward curve as of 11/11/24 or closest forward curve price to Nov 11th in prior year for historical market forwards. Excludes transmission charges, taxes and demand response proceeds expected to be received at Lake Mariner.

Q3 2024 Statement of Operations

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023 (In thousands, except number of shares and loss per common share; unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenue	\$ 27,059	\$ 18,955	\$ 105,066	\$ 45,944
Costs and expenses:				
Cost of revenue (exclusive of depreciation shown below)	14,660	8,268	42,986	18,383
Operating expenses	729	442	2,311	1,218
Operating expenses – related party	856	779	2,619	2,015
Selling, general and administrative expenses	8,502	5,767	29,904	18,137
Selling, general and administrative expenses – related party	2,976	4,519	8,399	10,093
Depreciation	15,643	8,224	44,864	20,085
Gain on fair value of digital currency, net	(951)	—	(1,580)	—
Realized gain on sale of digital currency	—	(697)	—	(1,883)
Impairment of digital currency	—	922	—	2,231
Impairment of property, plant, and equipment	355	—	355	—
Loss on disposals of property, plant, and equipment	—	420	—	420
Total costs and expenses	42,770	28,644	129,858	70,699
Operating loss	(15,711)	(9,689)	(24,792)	(24,755)
Interest expense	(409)	(10,251)	(16,779)	(25,535)
Loss on extinguishment of debt	(4,273)	—	(6,300)	—
Other income	339	59	1,286	113
Loss before income tax and equity in net income (loss) of investee	(20,054)	(19,881)	(46,585)	(50,177)
Income tax benefit	—	—	—	—
Equity in net income (loss) of investee, net of tax	(2,679)	850	3,363	(12,613)
Loss from continuing operations	(22,733)	(19,031)	(43,222)	(62,790)
Loss from discontinued operations, net of tax	—	(68)	—	(106)
Net loss	(22,733)	(19,099)	(43,222)	(62,896)
Preferred stock dividends	(300)	(272)	(878)	(796)
Net loss attributable to common stockholders	\$ (23,033)	\$ (19,371)	\$ (44,100)	\$ (63,692)
Loss per common share:				
Continuing operations	\$ (0.06)	\$ (0.09)	\$ (0.13)	\$ (0.32)
Discontinued operations	—	—	—	—
Basic and diluted	\$ (0.06)	\$ (0.09)	\$ (0.13)	\$ (0.32)
Weighted average common shares outstanding:				
Basic and diluted	382,086,768	221,718,367	337,999,865	199,259,314



Q3 2024 Balance Sheet

CONDENSED CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2024 AND DECEMBER 31, 2023 (In thousands, except number of shares and par value; unaudited)

	September 30, 2024	December 31, 2023
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 23,938	\$ 54,439
Digital currency	297	1,801
Prepaid expenses	3,091	4,540
Other receivables	4,383	1,001
Other current assets	706	806
Total current assets	32,415	62,587
Equity in net assets of investee	79,494	98,613
Property, plant and equipment, net	283,098	205,284
Right-of-use asset	10,188	10,943
Other assets	710	679
TOTAL ASSETS	\$ 405,905	\$ 378,106
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 19,770	\$ 15,169
Accrued construction liabilities	5,040	1,526
Other accrued liabilities	7,080	9,179
Share based liabilities due to related party	—	2,500
Other amounts due to related parties	472	972
Current portion of operating lease liability	53	48
Insurance premiums financing payable	—	1,803
Current portion of long-term debt	—	123,465
Operating lease liability, net of current portion	859	899
Long-term debt	—	56
TOTAL LIABILITIES	33,274	155,617
Commitments and Contingencies (See Note 12)		
STOCKHOLDERS' EQUITY:		
Preferred stock, \$0.001 par value, 100,000,000 authorized at September 30, 2024 and December 31, 2023; 9,586 issued and outstanding at September 30, 2024 and December 31, 2023; aggregate liquidation preference of \$12,302 and \$11,423 at September 30, 2024 and December 31, 2023, respectively	9,273	9,273
Common stock, \$0.001 par value, 600,000,000 and 400,000,000 authorized at September 30, 2024 and December 31, 2023, respectively; 382,632,083 and 276,733,329 issued and outstanding at September 30, 2024 and December 31, 2023, respectively	383	277
Additional paid-in capital	666,055	472,834
Accumulated deficit	(303,080)	(259,895)
Total stockholders' equity	372,631	222,489
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 405,905	\$ 378,106



Q3 2024 Non-GAAP Adjusted EBITDA Reconciliation

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Net loss attributable to common stockholders	\$ (23,033)	\$ (19,371)	\$ (44,100)	\$ (63,692)
Adjustments to reconcile net loss attributable to common stockholders to non-GAAP Adjusted EBITDA:				
Preferred stock dividends	300	272	878	796
Loss from discontinued operations, net of tax	—	68	—	106
Equity in net (income) loss of investee, net of tax	2,679	(850)	(3,363)	12,613
Distributions from investee, related to Nautilus	3,395	6,739	22,482	11,682
Income tax benefit	—	—	—	—
Other income	(339)	(59)	(1,286)	(113)
Loss on extinguishment of debt	4,273	—	6,300	—
Interest expense	409	10,251	16,779	25,535
Depreciation	15,643	8,224	44,864	20,085
Amortization of right-of-use asset	252	249	755	750
Stock-based compensation expense	2,408	1,413	14,181	4,023
Related party expense to be settled with respect to common stock	—	2,085	—	2,502
Non-GAAP Adjusted EBITDA	\$ 5,987	\$ 9,021	\$ 57,490	\$ 14,287



Note: The Company presents adjusted EBITDA, which is not a measurement of financial performance under generally accepted accounting principles in the United States ("GAAP"). We use Adjusted EBITDA to eliminate the effects of certain non-cash and/or non-recurring items, that do not reflect our ongoing strategic business operations. Adjusted EBITDA is provided in addition to, and not as a substitute for, or as superior to, the comparable GAAP measure, Net Income. For a full reconciliation of the Non-GAAP measures we use to their comparable GAAP measures, see the discussion under the heading "Non-GAAP Measure" commencing on page 45, under Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Sept 30, 2024, Form 10-Q.

