

February 15, 2024



# TeraWulf Announces \$22 Million Debt Repayment and Increase in Self-Mining Capacity

*Achieved 7.6 EH/s of self-mining online in February.*

*Expect to reach 8 EH/s of owned hashrate in Q1 2024 and 10 EH/s by mid-2024.*

*\$22 million debt repayment extends cash flow sweep to maturity.*

*Expect another significant debt repayment in early April 2024 with cash generated in Q1 2024.*

*Balance sheet and liquidity continue to improve with over \$50 million of cash reserve at year-end 2023.*

EASTON, Md. , Feb. 15, 2024 (GLOBE NEWSWIRE) -- TeraWulf Inc. (Nasdaq: WULF) ("TeraWulf" or the "Company"), which owns and operates vertically integrated, domestic Bitcoin mining facilities powered by more than 91% zero-carbon energy, today announced it has surpassed a total self-mining hashrate of 7.6 EH/s and has repaid an additional \$22 million of its Term Loan, thereby extending the cash flow sweep to maturity.

## Recent Operational and Financial Achievements

- Total self-mining hashrate reached 7.6 EH/s as of mid-February, with the Company projecting an increase to 8 EH/s by the end of Q1 2024.
- The completion of Building 4 (35 MW) at the Lake Mariner facility is anticipated to increase TeraWulf's overall operational capacity to approximately 10 EH/s by mid-2024.
- Repaid a total of \$40 million in debt to date, thereby extending the cash flow sweep to maturity of Term Loan.
- Expect another significant debt repayment in early April with cash generated in Q1 2024.

## Management Commentary

"Over the past year, we have remained resolute in fulfilling our commitment to deleveraging, marking a significant financial milestone for the Company. With our industry-leading cost to mine bitcoin, we are poised to achieve another substantial debt repayment in the first week of April from the cash generated in the first quarter. This swift debt reduction underscores our confidence in the efficacy of our financial and strategic approaches, as well as the successful execution of our expansion initiatives," stated Patrick Fleury, Chief Financial Officer.

Fleury continued, "Using our website's innovative 'Cost-to-Mine Calculator'<sup>1</sup> and the guidance outlined in our July Investor presentation, combined with a bitcoin price of \$50,000 and a network hashrate of 580 EH/s, we estimate our total mining cost to be approximately \$25,000 per BTC. This positions us favorably to generate substantial cash flow in the first quarter and execute another significant debt repayment in April."

Paul Prager, Chief Executive Officer, underscored, "We have maintained unwavering financial discipline and, as promised, accelerated the paydown of our debt while advancing organic growth at our existing sites with the target of having 300 MW of infrastructure capacity in operation by year-end 2024 and 550 MW in 2025." Prager added, "Closing out 2023 with a cash reserve exceeding \$50 million, we harbor significant confidence in TeraWulf's strategic positioning, both in anticipation of the halving and over the long term."

## **About TeraWulf**

TeraWulf 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 by nuclear, hydro, and solar 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 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, RM 101 f/k/a IKONICS Corporation and/or 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).

**Company Contact:**

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

<sup>1</sup> TeraWulf's Cost-to-Mine Calculator can be accessed on its website at <https://investors.terawulf.com/financial-information/cost-to-mine-calculator>.



Source: TeraWulf Inc.