

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): **January 11, 2024**

AKERNA CORP.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-39096

(Commission File Number)

83-2242651

(IRS Employer
Identification No.)

1550 Larimer Street, #246, Denver, Colorado

(Address of principal executive offices)

80202

(Zip Code)

Registrant's telephone number, including area code: **(888) 932-6537**

(Former name or former address, if changed since last report)

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, par value \$0.0001 per share	KERN	NASDAQ Capital Market
Warrants to purchase Common Stock	KERNW	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 7.01. Regulation FD Disclosure.

As previously disclosed, on January 27, 2023, Akerna Corp., a Delaware corporation (“Akerna”), entered into the Agreement and Plan of Merger with Gryphon Digital Mining, Inc., a Delaware corporation (“Gryphon”) and Akerna Merger Co., a Delaware corporation and wholly-owned subsidiary of Akerna (such transaction, the “Merger”).

On January 11, 2024, Gryphon issued a letter to its stockholders to provide them an update on the status of the Merger transaction. A copy of this letter is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

On January 12, 2024, Gryphon published a presentation. A copy of the presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated by reference herein.

The information in this Item 7.01, and Exhibits 99.1 and 99.2 attached hereto, is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits**

Exhibit Number	Description
99.1	Letter to Gryphon Stockholders
99.2	Presentation of Gryphon Digital
104.1	Cover Page Interactive Data File (embedded within the Inline XBRL Document).

Additional Information and Where to Find It

This Current Report on Form 8-K may be deemed to be solicitation material with respect to the proposed transactions between Akerna and Gryphon and between Akerna and MJ Acquisition Co. In connection with the proposed transactions, Akerna has filed relevant materials with the United States Securities and Exchange Commission, or the SEC, including a registration statement on Form S-4 (File No. 333-271857) (the “Form S-4”) that contains a prospectus and a proxy statement. Akerna mailed the proxy statement/prospectus to the Akerna stockholders on January 9, 2024. Investors and securityholders of Akerna and Gryphon are urged to read these materials because they contain important information about Akerna, Gryphon and the proposed transactions. This Current Report on Form 8-K is not a substitute for the Form S-4, definitive proxy statement/prospectus included in the Form S-4 or any other documents that Akerna may file with the SEC or send to securityholders in connection with the proposed transactions. Investors and security holders may obtain free copies of the documents filed with the SEC on Akerna’s website at www.akerna.com, on the SEC’s website at www.sec.gov or by directing a request to Akerna’s Investor Relations at (516) 419-9915.

This Current Report on Form 8-K is not a proxy statement or a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the proposed transactions, and shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Participants in the Solicitation

Each of Akerna, Gryphon, MJ Acquisition Co. and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Akerna in connection with the proposed transactions. Information about the executive officers and directors of Akerna is set forth in the proxy statement/prospectus included in the Form S-4, as last filed with the SEC on January 8, 2024. Other information regarding the interests of such individuals, who may be deemed to be participants in the solicitation of proxies for the stockholders of Akerna, is also set forth in the proxy statement/prospectus included in the Form S-4. You may obtain free copies of these documents as described above.

Cautionary Statements Regarding Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements based upon the current expectations of Gryphon and Akerna. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation: (i) the risk that the conditions to the closing of the proposed transactions are not satisfied, including the failure to timely obtain stockholder approval for the transactions, if at all; (ii) uncertainties as to the timing of the consummation of the proposed transactions and the ability of each of Akerna, Gryphon and MJ Acquisition Co. to consummate the proposed merger or asset sale, as applicable; (iii) risks related to Akerna's ability to manage its operating expenses and its expenses associated with the proposed transactions pending closing; (iv) risks related to the failure or delay in obtaining required approvals from any governmental or quasi-governmental entity necessary to consummate the proposed transactions; (v) the risk that as a result of adjustments to the exchange ratio, Akerna stockholders and Gryphon stockholders could own more or less of the combined company than is currently anticipated; (vi) risks related to the market price of Akerna's common stock relative to the exchange ratio of outstanding securities of Akerna at closing; (vii) unexpected costs, charges or expenses resulting from either or both of the proposed transactions; (viii) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the proposed transactions; (ix) risks related to the inability of the combined company to obtain sufficient additional capital to continue to advance its business plan; and (x) risks associated with the possible failure to realize certain anticipated benefits of the proposed transactions, including with respect to future financial and operating results. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties. These and other risks and uncertainties are more fully described under the heading "Risk Factors" in the proxy statement/prospectus included in the Form S-4 and the periodic filings with the SEC, including the factors described in the section titled "Risk Factors" in Akerna's Annual Report on Form 10-K for the year ended December 31, 2022 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2023, each filed with the SEC, and in other filings that Akerna makes and will make with the SEC in connection with the proposed transactions. You should not place undue reliance on these forward-looking statements, which are made only as of the date hereof or as of the dates indicated in the forward-looking statements. Except as required by law, Akerna and Gryphon expressly disclaim any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions, or circumstances on which any such statements are based.

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.

Dated: January 12, 2024

AKERNA CORP.

By: /s/ Jessica Billingsley

Name: Jessica Billingsley

Title: Chief Executive Officer

Dear Gryphon Stockholders,

We deeply appreciate your patience and understanding during Gryphon’s journey to going public, a pivotal process spanning two and a half years. Your support during this phase, as we worked diligently with regulators, has been invaluable.

Exciting Milestones Ahead

We are thrilled to share important updates, within our regulatory bounds, about Gryphon’s progress. Please note, our disclosures are limited to events up to the effective date of the filed S-4.

SEC Clearance Achievement

On January 9, 2024, the SEC marked a significant milestone for Gryphon by declaring Akerna’s S-4, pertaining to our merger with Akerna (the “Business Combination”) effective. This crucial step brings us closer to the stockholder vote for Akerna and Gryphon and the impending closing. For detailed information, the final prospectus is available at https://www.sec.gov/Archives/edgar/data/1755953/000121390024002292/f424b30124_akerna.htm.

Key Merger Updates

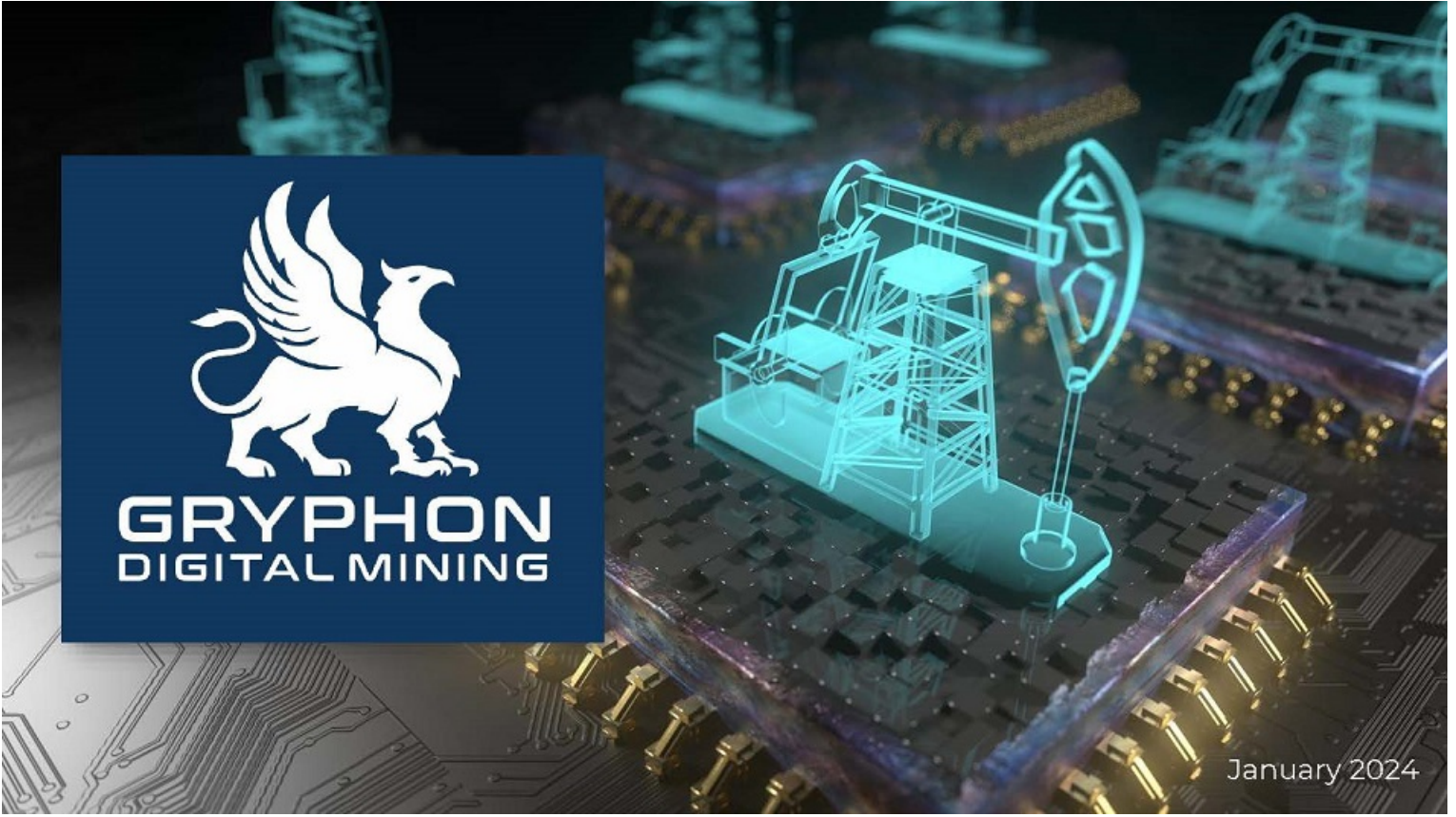
Akerna is expected to hold a special meeting of its stockholders to vote on the Business Combination on January 29, 2024, where 41% of outstanding Akerna shares are subject to support agreements requiring them to vote in favor of the Business Combination. Gryphon shareholders will not need a special meeting, as we will be soliciting written consents from our stockholders. Gryphon stockholders holding 72% of Gryphon’s outstanding shares have executed support agreements requiring them to vote in favor of the Business Combination. The closing of the Business Combination is anticipated on or before January 31, 2024.

We will be in touch closer to closing regarding how to exchange your Gryphon private shares for public company shares.

Looking Forward with Optimism:

The journey since our inception in October 2020 has been filled with challenges and triumphs. As we eagerly anticipate the opportunities that listing on the Nasdaq will bring, we remain committed to building on our legacy of excellence. Your steadfast support has been a cornerstone of our journey, and we’re excited to share the next chapter with you.

Thank you for being a part of Gryphon’s remarkable journey.



January 2024

Disclaimer

This presentation ("Presentation") is being issued by Gryphon Digital Mining Inc. (the "Company", "Gryphon" or "Gryphon Digital Mining") for information purposes only. The content of this Presentation has not been approved by any securities regulatory authority. Reliance on this Presentation for the purpose of engaging in any investment activity may expose an individual to a significant risk of losing all of the property or other assets invested.

This Presentation is not an admission document, prospectus or an advertisement and is being provided for information purposes only and does not constitute or form part of, and should not be construed as, an offer or invitation to sell or any solicitation of any offer to purchase or subscribe for any securities of the Company in Canada, the United States or any other jurisdiction. Neither this Presentation, nor any part of it nor anything contained or referred to in it, nor the fact of its distribution, should form the basis of or be relied on in connection with or act as an inducement in relation to a decision to purchase or subscribe for or enter into any contract or make any other commitment whatsoever in relation to any securities of the Company. No representation or warranty, express or implied, is given by or on behalf of the Company, its directors, officers and advisors or any other person as to the accuracy, sufficiency or completeness of the information or opinions contained in this Presentation and no liability whatsoever is accepted by the Company, its directors, officers or advisors or any other person for any loss howsoever arising, directly or indirectly, from any use of such information or opinions or otherwise arising in connection therewith.

Additional Information and Where to Find It

This Presentation may be deemed to be solicitation material with respect to the proposed transactions between Akerna and Gryphon and between Akerna and MJ Acquisition Co. In connection with the proposed transactions, Akerna has filed relevant materials with the United States Securities and Exchange Commission, or the SEC, including a registration statement on Form S-4 (File No. 333-271857) (the "Form S-4") that contains a prospectus and a proxy statement. Akerna mailed the proxy statement/prospectus to the Akerna stockholders on January 9, 2024. Investors and securityholders of Akerna and Gryphon are urged to read these materials because they contain important information about Akerna, Gryphon and the proposed transactions. This Presentation is not a substitute for the Form S-4, definitive proxy statement/prospectus included in the Form S-4 or any other documents that Akerna may file with the SEC or send to securityholders in connection with the proposed transactions. Investors and security holders may obtain free copies of the documents filed with the SEC on Akerna's website at www.akerna.com, on the SEC's website at www.sec.gov or by directing a request to Akerna's Investor Relations at (516) 419-9915.

This Presentation is not a proxy statement or a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the proposed transaction, and shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Participants in the Solicitation

Each of Akerna, Gryphon, MJ Acquisition Co. and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Akerna in connection with the proposed transactions. Information about the executive officers and directors of Akerna is set forth in the proxy statement/prospectus included in the Form S-4, as last filed with the SEC on January 8, 2024. Other information regarding the interests of such individuals, who may be deemed to be participants in the solicitation of proxies for the stockholders of Akerna, is also set forth in the proxy statement/prospectus included in the Form S-4. You may obtain free copies of these documents as described above.



Disclaimer (Continued)

Forward-Looking Statements

Certain statements contained in this Presentation constitute "forward-looking information" or "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable Canadian and United States securities laws relating to, without limitation, expectations, intentions, plans and beliefs, including information as to the future events, results of operations and the Company's future performance (both operational and financial) and business prospects. In certain cases, forward-looking statements can be identified by the use of words such as "expects", "estimates", "forecasts", "intends", "anticipates", "believes", "plans", "seeks", "projects" or variations of such words and phrases, or state that certain actions, events or results "may" or "will" be taken, occur or be achieved. Such forward-looking statements reflect the Company's beliefs, estimates and opinions regarding its future growth, results of operations, future performance (both operational and financial), and business prospects and opportunities at the time such statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or circumstances should change. Forward-looking statements are necessarily based upon a number of estimates and assumptions made by the Company that are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Forward-looking statements are not guarantees of future performance. In particular, this Presentation contains forward-looking statements pertaining, but not limited to: expectations regarding the price of bitcoin and sensitivity to changes in such prices; industry conditions and outlook pertaining to the bitcoin and cryptocurrency market; expectations respecting future competitive conditions; expectations regarding future government regulation, industry activity levels; expectations about shareholder approval of the Company's pending merger with Akerna, beliefs about future power rates based upon historical rates, and the Company's objectives, strategies and competitive strengths.

By their nature, forward-looking statements involve numerous current assumptions, known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from those anticipated by the Company and described in the forward-looking statements. With respect to the forward-looking statements contained in this Presentation, assumptions have been made regarding, among other things: current and future prices for bitcoin; future global economic and financial conditions; current and future regulatory and legal regimes, demand for bitcoin and the product mix of such demand and levels of activity in the cryptocurrency finance markets and in such other areas in which the Company may operate, and supply and the product mix of such supply; the accuracy and veracity of information and projections sourced from third parties respecting, among other things, current finance markets and proposed changes to those markets, supply and demand; and, where applicable, each of those assumptions set forth in the footnotes provided herein in respect of particular forward-looking statements.

A number of factors, risks and uncertainties could cause results to differ materially from those anticipated and described herein including, among others: volatility in market prices and demand for bitcoin; effects of competition and pricing pressures; risks related to interest rate fluctuations and foreign exchange rate fluctuations; changes in general economic, financial, market and business conditions in the industries in which bitcoin are used; alternatives methods to cryptocurrency; increases in power rates and changing demand for bitcoin; potential conflicts of interests; actual results differing materially from management estimates and assumptions. The risk that the conditions to the closing of the proposed transactions are not satisfied, including the failure to timely obtain stockholder approval for the transactions, if at all; uncertainties as to the timing of the consummation of the proposed transactions and the ability of each of Akerna, Gryphon and MJ Acquisition Co. to consummate the proposed merger or asset sale, as applicable; risks related to Akerna's ability to manage its operating expenses and its expenses associated with the proposed transactions pending closing; risks related to the failure or delay in obtaining required approvals from any governmental or quasi-governmental entity necessary to consummate the proposed transactions; the risk that as a result of adjustments to the exchange ratio, Akerna stockholders and Gryphon stockholders could own more or less of the combined company than is currently anticipated; risks related to the market price of Akerna's common stock relative to the exchange ratio; unexpected costs, charges or expenses resulting from the proposed transaction; potential adverse reactions or changes to business relationships resulting from the announcement or completion of the proposed transaction; risks related to the inability of the combined company to obtain sufficient additional capital to continue to advance its business plan; and risks associated with the possible failure to realize certain anticipated benefits of the proposed transaction, including with respect to future financial and operating results. These and other risks and uncertainties are more fully described under the heading "Risk Factors" in the proxy statement/prospectus included in the Form S-4 in periodic filings with the SEC, including the factors described in the section titled "Risk Factors" in Akerna's Annual Report on Form 10-K for the year ended December 31, 2022 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2023, June 30, 2023 and September 30, 2023, each filed with the SEC, and in other filings that Akerna makes and will make with the SEC in connection with the proposed transaction, including the proxy statement/prospectus described under "Additional Information and Where to Find It." You should not place undue reliance on these forward-looking statements, which are made only as of the date hereof or as of the dates indicated in the forward-looking statements.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in its forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will materialize or prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The forward-looking statements contained in this Presentation are expressly qualified by this cautionary statement. Readers should not place undue reliance on forward-looking statements. These statements speak only as of the date of this Presentation. Except as may be required by law, the Company expressly disclaims any intention or obligation to revise or update any forward-looking statements or information whether as a result of new information, future events or otherwise.



Mission Statement

To create a financially nimble, highly profitable, and environmentally responsible bitcoin miner



Proposed Merger – Akerna (Nasdaq: KERN)

Creating a leading carbon-neutral bitcoin miner with top-tier efficiency*

- All-stock transaction with Gryphon shareholders retaining at least 92.5% ownership of the combined company on a fully diluted basis
- Simultaneous with the merger, Akerna expects to sell its cannabis software business to create a pure-play, ESG-committed, net-carbon neutral, bitcoin miner. Both transactions are conditioned on the other closing.
- The merger and sale transaction are subject to the approval of Akerna's stockholders (41% in voting support agreements), and the merger is subject to the approval of Gryphon's stockholders (72% in voting support agreements)
- Listing of the combined company is subject to the approval of the Nasdaq Capital Market and is expected to trade under the ticker "GRYP"
- SEC declared effectiveness on Form S-4. Shareholder vote scheduled for Jan 29, 2024



X



*"Top-tier efficiency" as defined by bitcoin efficiency, which is a measure of the number of bitcoin generated per exahash of hashing power deployed.



Investment Highlights

Creating an industry leader in bitcoin mining.

Size & Scale

- Up to 1.2 Exahash of combined hashrate
- 0.86 exahash of self mining
- 0.34 exahash via a 22.5% gross profit royalty via management fees paid by third-party bitcoin miner
- **Breakeven Cost per BTC**
~\$15,746/BTC*

Leadership Team

- CEO & Director, Rob Chang, previously served as CFO of Riot Blockchain and as MD at Cantor Fitzgerald
- Chairperson, Brittany Kaiser, globally-renowned expert in blockchain technology and digital assets
- CFO, Sim Salzman, previously served as CFO of Marathon Digital Holdings
- Chief Technical Advisor, Chris Ensey, is the former CEO & COO of Riot Blockchain and has developed over 100 MW in mining operations

ESG

- **Certified Clean Energy Operation** as one of the inaugural recipients of the Green Proofs for Bitcoin certification
- **Net Carbon Neutral miner** pursuing a negative carbon strategy with the acquisition of carbon offset credits and mining operations using carbon-neutral energy

*Based on YTD through Sept 30, 2023



Management Team

Industry leading management team



Rob Chang
CEO & Director

- Former CFO, Riot Blockchain
- Former Managing Director, Head of Metals & Mining Research, Cantor Fitzgerald
- Current Board Member: Fission Uranium and Ur-Energy
- Member: Young Presidents Organization (YPO)



Sim Salzman
CFO

- Former CFO, Marathon Digital Holdings
- Oversaw market cap growth from \$500 million to \$8 billion over 12 months
- Former CFO, Las Vegas Monorail Company
- Former Senior Auditor, BDO & RSM



Chris Ensey
Chief Technical Advisor

- Former CEO and COO, Riot Blockchain
- Former CTO, BlueVoyant
- Former COO and Founder, Dunbar Cybersecurity
- Former Principal Security Strategist & Associate Director, IBM



Board of Directors

Unparalleled Pedigreed Leadership



Steven Gutterman
Independent Director

- CEO, Falcon International, one of the largest private cannabis companies in California
- Former COO & EVP, E*Trade Bank and other senior roles at E*Trade Financial
- Former President of Harvest Health & Recreation Inc., which was acquired for \$2.1 billion



Brittany Kaiser
Chair of the Board

- Globally renowned blockchain thought-leader, having co-authored 22 laws in the US to promote and protect blockchain businesses
- Current Member of the Congressional Standing Committee on Blockchain, Fintech and Digital Innovation for Wyoming
- Keynote speaker on blockchain, data & privacy for governments, corporate training & universities



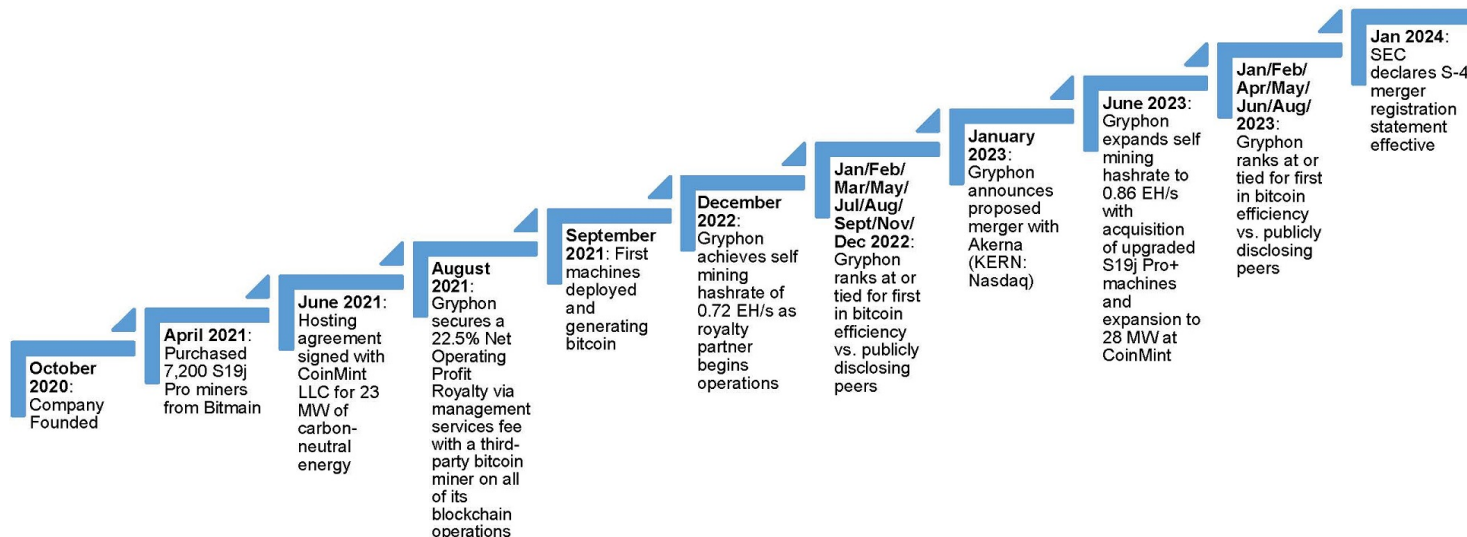
Heather Cox
Independent Director

- Member of the Board of Directors, NRG Energy
- Former Chief Digital Health and Analytics Officer, Humana
- Former Chief Technology and Digital Officer, USAA
- Former CEO of Citi FinTech, Citigroup

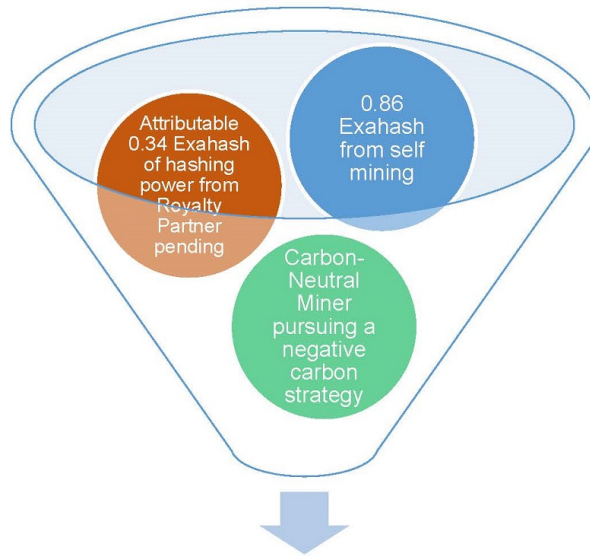


Company Overview - History

Unparalleled Growth in Just Over 3 Short Years



Company Overview – Snapshot



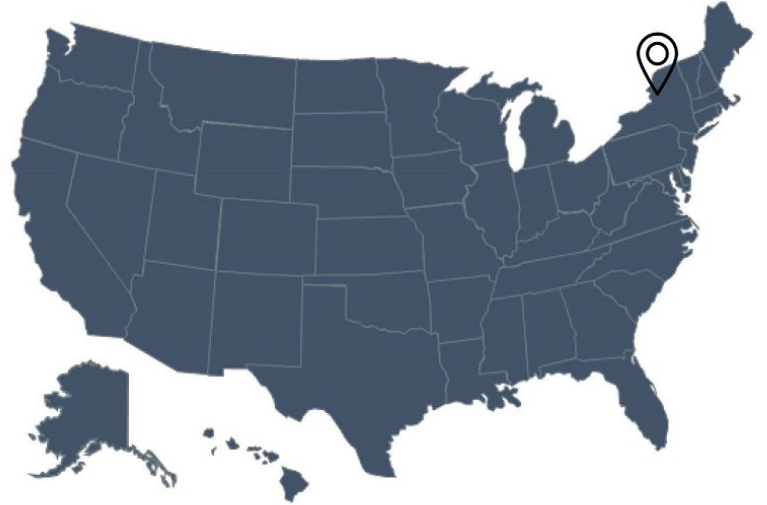
1.2 Exahash of Carbon-Neutral Bitcoin Mining Power



Location – 28 MW Hydro-Powered Energy

Partnering with one of the largest digital currency data centers in the world

- Hydro-powered host in an economic opportunity zone
- Direct cost pass-through with profit sharing model
 - ~ \$15,746/BTC cost*
- Gryphon has secured 28 MW of power for its ~9,000 machines
- Hosting and share structure reduces capital investment and financial risk



*Based on YTD through Sept 30, 2023



www.GryphonDigitalMining.com

Leading Bitcoin Efficiency

Gryphon also outperforms peers in Bitcoin Efficiency*

- Gryphon is an industry leader in Bitcoin Efficiency, posting a superior 76 BTC/EH** in September 2023
- Peer average Bitcoin Efficiency of 63 BTC/EH
- Gryphon has consistently placed at or near the top of these publicly available bitcoin efficiency scores
 - Top 3 efficiency among all peers since inception
 - At or tied for 1st in nine of the last 12 months
- Superior performance driven by Gryphon's experienced mining team, fleet of efficient miners, and royalty stream
- Impact of royalty stream was minimal until Jan 2023

	Gryphon	Peer Average	Peer Rank
Sep-21	218	181	2
Oct-21	199	165	3
Nov-21	173	148	2
Dec-21	166	151	3
Jan-22	183	141	1
Feb-22	134	118	1
Mar-22	146	132	1
Apr-22	136	121	2
May-22	132	107	1
Jun-22	129	108	2
Jul-22	139	112	1
Aug-22	141	118	1
Sep-22	122	105	1
Oct-22	115	105	2
Nov-22	106	94	1
Dec-22	115	96	1
Jan-23	113	95	1
Feb-23	94	81	1
Mar-23	94	81	2
Apr-23	86	71	1
May-23	101	84	1
Jun-23	81	65	1
Jul-23	80	67	2
Aug-23	77	63	1
Sep-23	76	TBD	TBD

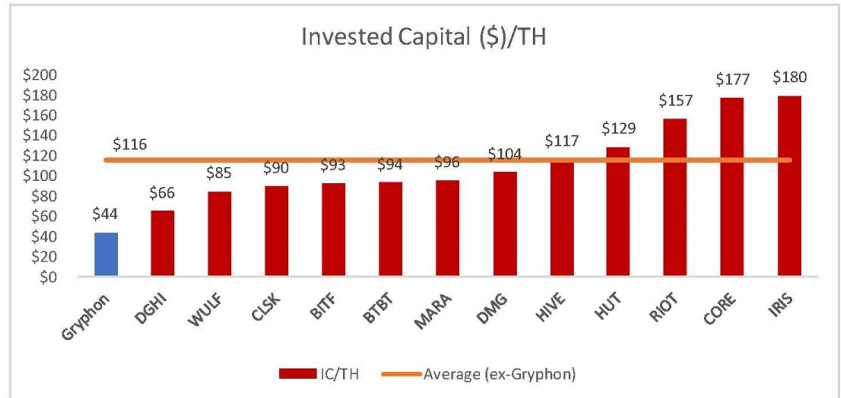
*Bitcoin Efficiency is a measure of the number of bitcoin generated per exahash of hashing power deployed
Source: Company Reports



Industry Leader in Capital Efficiency

Gryphon outperforms peers in Invested Capital Efficiency*

- Gryphon has spent only \$44/TH to build its entire operation (machines, hosting, management, etc.)
- Peer average Invested Capital Efficiency \$116/TH**
- Superior performance driven by unique royalty stream with a third-party miner, resourceful capital raising, disciplined capital deployment and asset light model



*Invested Capital per terahash is defined as (Paid In Capital + Short- and Long-Term Debt + Short- and Long-Term Capital Leases – Liquid Assets) / Forecast hashrate that includes royalty stream
** Based on most recent publicly reported financial statements



22.5% MSA with Sphere 3D

Unique Royalty Stream Provides Additional Cash Flows

- Gryphon has an agreement to manage all of Sphere 3D's blockchain operations for a five-year period
- Gryphon earns 22.5% of gross operating profit royalty from all of Sphere 3D's current and future blockchain operations through August 2026
- Sphere 3D's fully deployed 15,000 miners are expected to have over 1.5 Exahash and generate 1,232 BTC on an annual basis based on current network hashrate*
- Sphere has moved to terminate this arrangement and Gryphon is confident it will prevail

Forecast 2024 Revenue from Royalty ~\$6M



*Based on an estimated average hashrate of 400 exahash and BTC price of US\$26,000



Key Success Factor: Green Proofs for Bitcoin

Independently verified certification based on clean energy use

- Gryphon Digital Mining was among a select inaugural group of 5 miners to be awarded a “Green Proofs for Bitcoin” certification
- Certifications were issued to Bitcoin miners based on their clean energy use and contributions to grid stability via demand response
- Developed in partnership with over 35 miners, NGOs, grid operators, and other energy and crypto market participants, its approach to scoring is aligned with best practices for sustainability leadership and to approaches to corporate ESG reporting



2024E Gross Profit Sensitivity Analysis

		BTC - USD				
		20,000	25,000	30,000	35,000	40,000
Global Hash Rate (TH/s)	350,000,000	3,133,704	8,730,499	14,327,295	19,924,090	25,520,885
	375,000,000	1,833,398	6,864,901	12,088,577	17,312,252	22,535,928
	400,000,000	897,042	5,232,502	10,129,698	15,026,894	19,924,090
	425,000,000	70,845	3,792,151	8,401,276	13,010,402	17,619,527
	450,000,000	-663,552	2,511,838	6,864,901	11,217,964	15,571,027

*As of Sept 30, 2023





**GRYPHON
DIGITAL MINING**

Contact:
Rob@GryphonMining.com

