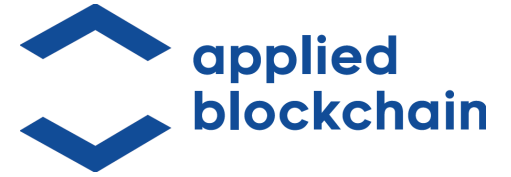


**applied
blockchain**

Investor Presentation

April 2021

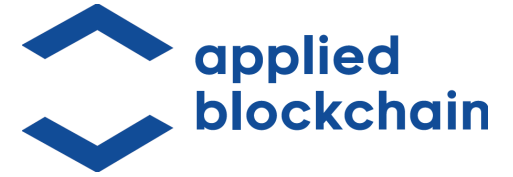
Forward Looking Statements



- This presentation contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 regarding, among other things, future operating and financial performance, product development, market position, business strategy and objectives. These statements use words, and variations of words, such as "continue," "build," "future," "increase," "drive," "believe," "look," "ahead," "confident," "deliver," "outlook," "expect," and "predict." Other examples of forward-looking statements may include, but are not limited to, (i) statements of Company plans and objectives, including the introduction of new products, or estimates or predictions of actions by customers or suppliers, (ii) statements of future economic performance, and (iii) statements of assumptions underlying other statements and statements about the Company or its business. You are cautioned not to rely on these forward-looking statements. These statements are based on current expectations of future events and thus are inherently subject to uncertainty. If underlying assumptions prove inaccurate or known or unknown risks or uncertainties materialize, actual results could vary materially from the Company's expectations and projections. These risks, uncertainties, and other factors include: price competition; the decisions of customers or consumers; the actions of competitors; changes in the pricing of commodities; the effects of government regulation; possible delays in the introduction of new products; and customer acceptance of products and services. Information in this release is as of the dates and time periods indicated herein, and the Company does not undertake to update any of the information contained in these materials, except as required by law.



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Investment Highlights

Public Company with Sole Focus on Ethereum / Altcoins

Attractive Returns on Capital. Ability to scale Revenue and EBITDA Rapidly

Strategic Partnerships with Industry Leaders: SparkPool and GMR

19.8% granted equity ownership aligns interests

Access to scarce mining equipment

Deep Cryptocurrency Mining Expertise

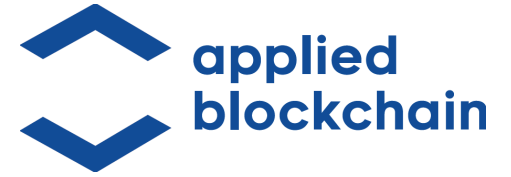
Proprietary algorithm calculates real-time most profitable mining strategy

Experience deploying hundreds of millions of dollars into mining operations

Swift Up-listing Timeline for Company

Goal to be leading publicly listed pure-play Ethereum / Altcoins miner in next 6-12 months

Leadership Team



Management Team



Wes Cummins
Chairman &
CEO

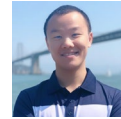
- 272 Capital L.P, 2020 - Present, Founder and Chief Executive Officer
- Nokomis Capital, 2012 - 2020, Research Analyst
- B. Riley & Co, 2002 - 2011, President
- Current and Former Board Member at Telenav (NASDAQ: TNAV), Vishay Precision Group, Inc. (NYSE: VPG), and Sequans Communications (NYSE: SQNS)



David Rench
CFO

- Hirzel Capital, 2017 - 2020, Chief Financial Officer
- Ihiji (acquired by Control4 - NASDAQ: CTRL), 2010 - 2017, Vice President
- Essilor Group, 2005 - 2010, Senior Associate, Business Development
- American Airlines, 2000 - 2005, Credit Card Manager and Business Analyst

Board of Directors



Jason Zhang

- Early Bitcoin and Ethereum miner
- Former: Sequoia Capital, MSD Capital
- Harvard University



Douglas Miller

- Former: Telenav (NASDAQ: TNAV), CFO, Board of Directors and Chairman of Audit Committee
- Former: Procera Networks (NASDAQ: PKT), Synplicity (NASDAQ: SYNPN), Ernst & Young (Partner)



Kelli McDonald

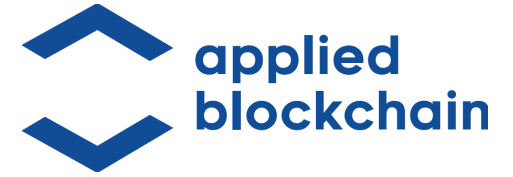
- KSD Now, 2019 – Present, Fundraising Chairperson and Manager



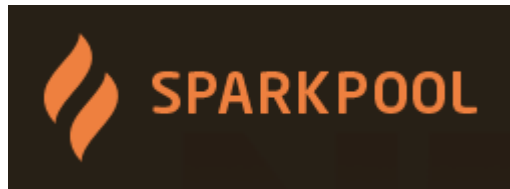
Virginia Moore

- Co-founder and CEO of Catavento
- Former: Coca-Cola (NYSE: KO), ACNielsen, Universal Studios Home Entertainment

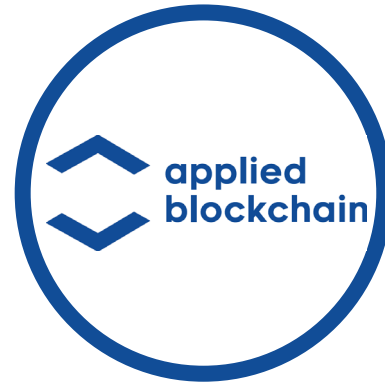
Industry Leading Partners



SparkPool and GMR taking a strategic stake in APLD



9.9% Strategic
Ownership Stake



9.9% Strategic
Ownership Stake



Overview

- Largest Ethereum mining pool in the world
- Controls ~26% of Ethereum hashrate
- Developer and contributor to Ethereum ecosystem
- Leader in evolution and governance of Ethereum protocol
- Leading mining software developer for other major altcoin networks

Partnership Details

- Three-year services agreement with auto renewals
- Provides hardware selection and procurement purchasing power and analytics
- In-depth market research and analysis

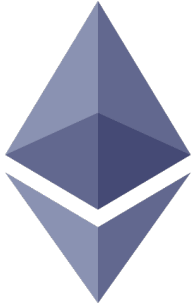
Overview

- Best-in-class partner with four years of mining experience in Ethereum and Bitcoin
- GMR proprietary algorithm optimizes mining in real-time to maximize return on deployed assets

Partnership Details

- Three-year services agreement with auto renewals
- Provides mining asset selection, asset management, trading, hedging, etc.
- Manage hosting to ensure best service providers in lowest cost locations

What is Ethereum?



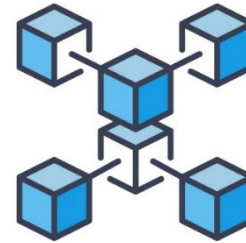
ETHEREUM

- Ethereum is an open software platform based on blockchain technology that enables anyone to build and deploy decentralized applications (dapps)



ETHER

- The cryptocurrency of the Ethereum network
 - Ether (ETH) is a way to pay for the processing power required to run the network
 - Users on the platform pay fees in ETH



DAPPS

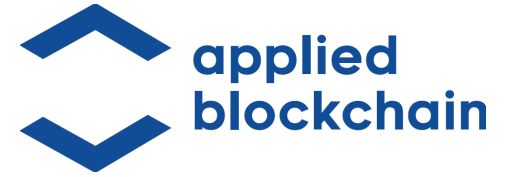
- Decentralized application (DApp) is a computer application that runs on a distributed computing platform such as Ethereum



MINING

- Mining is the process of creating a block of transactions to be added to the Ethereum blockchain
- Miners are rewarded with ETH for processing and securing transactions

Why Ethereum?



Enables a new version of the internet

- Global distributed computing network
- Growing demand for permissionless platforms without centralized toll takers



Material and rapidly growing transaction fee revenue

- Ethereum is on pace to capture \$3.9B in revenue in 2021



Largest and most active ecosystem for decentralized finance (DeFi)

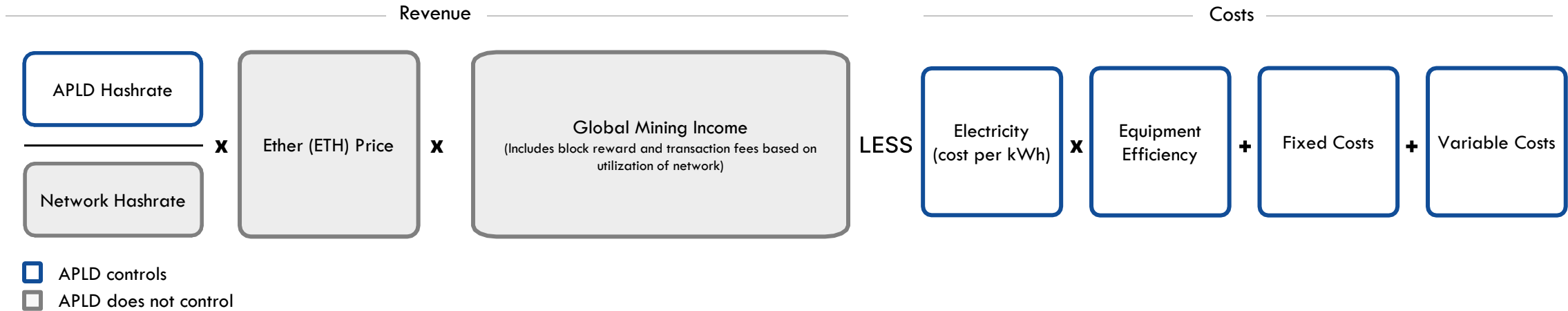
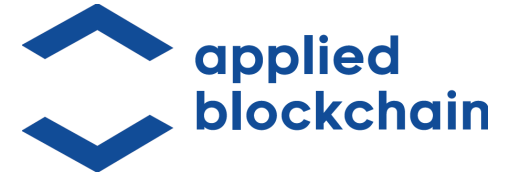
- Decentralized finance (DeFi) ecosystem is capturing all the market share
- Offers protocol platforms for borrowing & lending, asset exchange, payments, insurance, asset management, etc.



Use of non-fungible tokens (NFTs) on Ethereum is rising

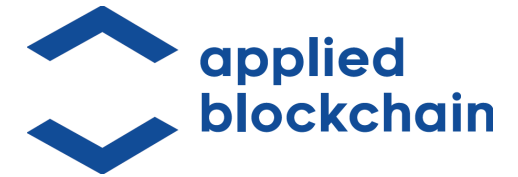
- Represents anything digitally unique and scarce, with current excitement centered around digital art
- Unique and verifiable on a blockchain
- Permanent and programmable
- Digital ownership that is freely tradable

Economics of Ethereum Mining











- Targeting 100% return on investment (ROI) in ~300 days
- \$103 variable break even cost per Ether (ETH)

Diverse Altcoin Opportunity

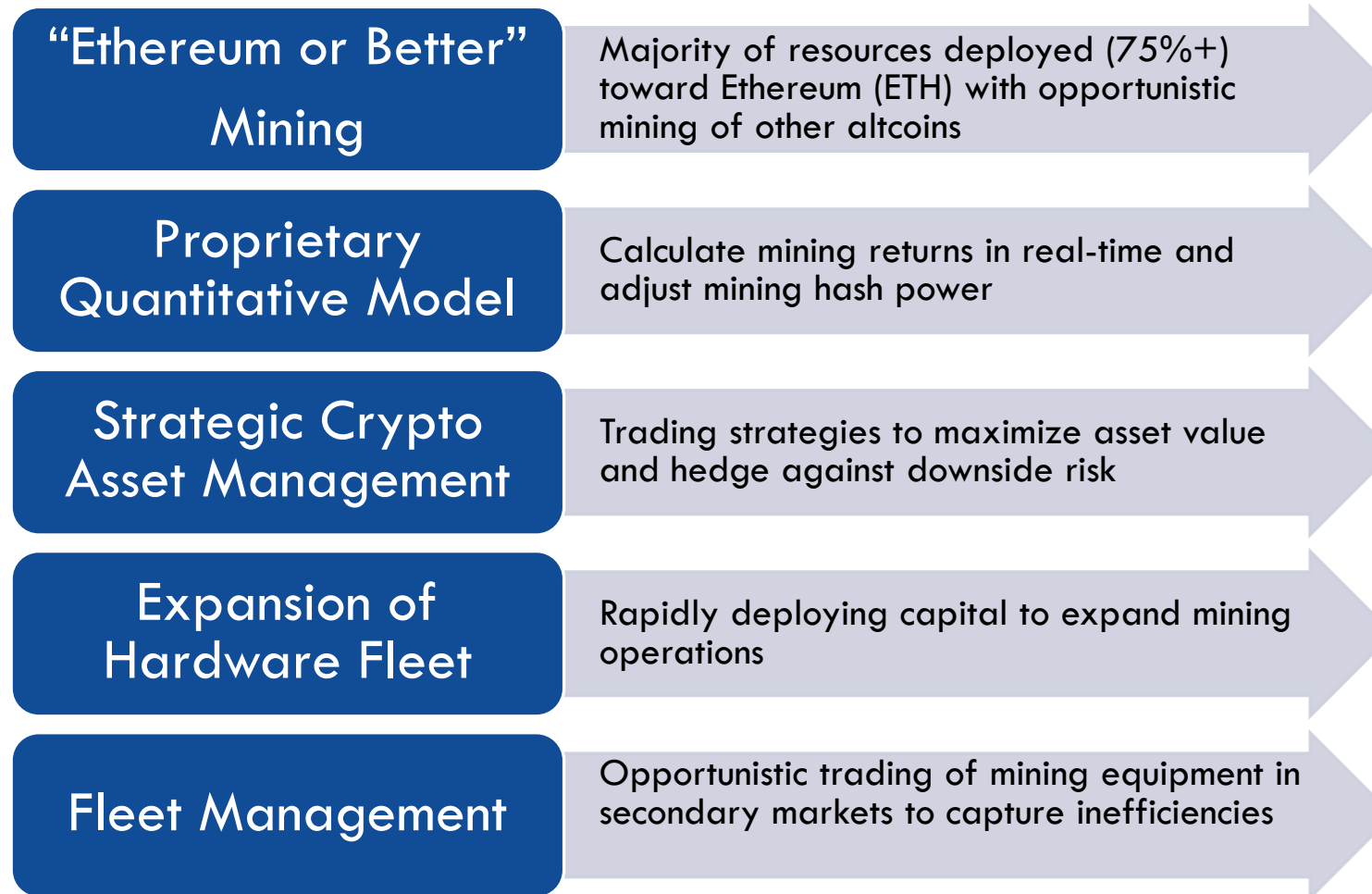
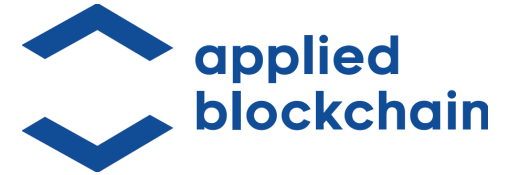


Altcoins that can be mined with GPU

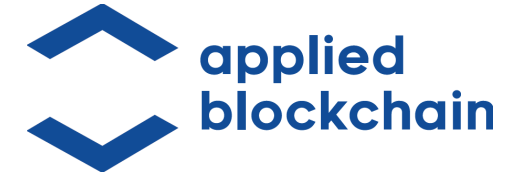
	Name	Market Cap ¹ (\$B)	Supply (M)	Price ¹	1-Year Return ¹
	Ethereum	\$196.4	115.2	\$1,702.93	+1,125%
	Litecoin	\$12.5	66.7	\$187.01	+378%
	Filecoin	\$7.5	61.5	\$122.13	+4,975%
	Dogecoin	\$7.1	128,900.0	\$0.05	+2,856%
	Monero	\$4.1	17.9	\$227.87	+384
	Ravencoin	\$1.7	8,400.0	\$0.20	+1,222%
	Zcash	\$1.6	11.4	\$138.22	+93%
	Ethereum Classic	\$1.4	116.3	\$12.41	+145%

... and many other altcoins (100+)

Multi-Pronged Strategy

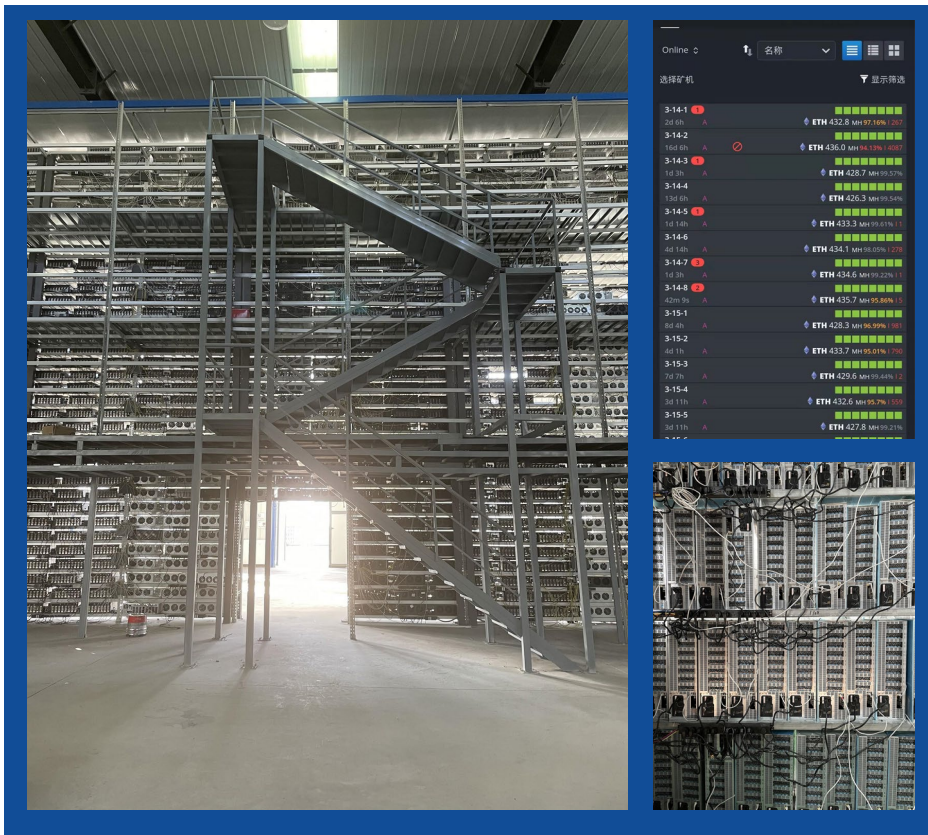


Mining Equipment and Facility



Leveraging high-performing equipment and existing facilities

SparkPool and GMR Mining Facility and Dashboard



✓ Energy Efficient

Low cost hydro electricity

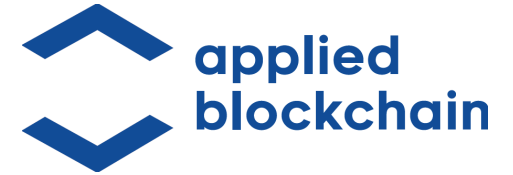
✓ Operationally Efficient

Most efficient mining software, ensures 99%+ uptime and highest mining rewards

✓ Supply Chain and Deployment Expertise

Streamlined process from procurement (special vendor relationships ensure priority access to hardware), shipping, setting up mining facilities, analytical dashboard, asset custody, asset management

Forecasted Profit & Loss

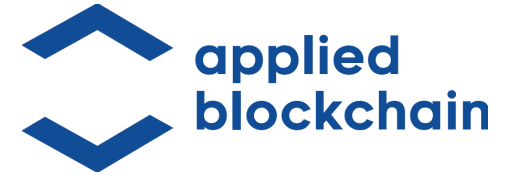


(\$ in 000s)

	2021	2022	2023
Revenue	\$ 11,965	\$ 141,254	\$ 199,417
Cost of Mining	4,041	56,126	89,802
Gross Profit	7,924	85,127	109,615
SG&A	2,900	6,000	6,000
EBIT	5,024	79,127	103,615
Depreciation	3,000	41,667	66,667
EBITDA	\$ 8,024	\$ 120,794	\$ 170,281

Note: Assumes base case \$1,500 ether price, 9,200 ETH transaction fee per day, 419 TH current network hashrate and .55 network hashrate increment per day
Note: Assumes \$60 million of additional equity capital

Rapidly Scaling EBITDA



(\$ in 000s, except Ether Price)

	Ether Price	Transaction Fee/ Day	EBITDA ¹		
	(USD)	(ETH)	2021	2022	2023
Base Case	\$1,500	9,200	\$8,024	\$120,794	\$170,281
	1,750	12,000	11,666	163,631	230,563
	2,000	15,000	15,927	213,760	301,106

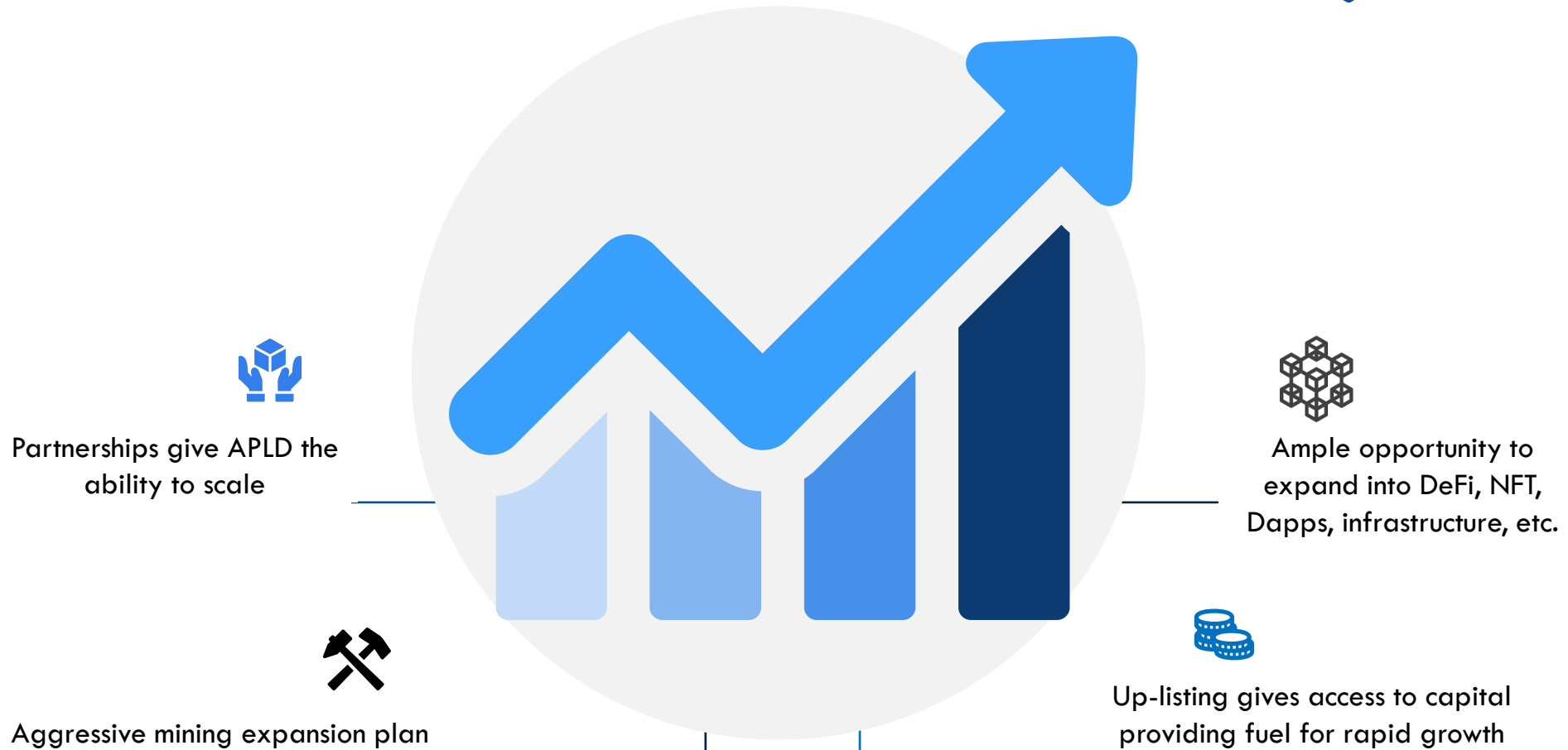
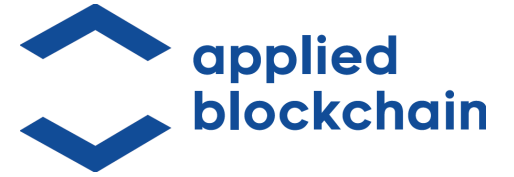
Q4 2021 Run-Rate EBITDA² is \$24 million at base case

Note: All cases assume 419 TH current network hashrate and .55 network hashrate increment per day

(1) Assumes \$60 million of incremental equity capital

(2) Q4 2021 Run-rate EBITDA is calculated by annualizing the 4th quarter 2021 EBITDA projection

Compelling Projected Growth



Ethereum is just reaching mainstream status
"New Blockchain ETF to be Introduced on the London Stock Exchange" – March 11, 2021
"Ethereum ETP Launches In Germany" – March 11, 2021
"Second Ethereum ETF Filed in Canada" – March 2, 2021



Institutional Backing

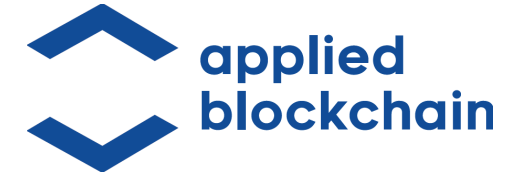
- Closed PIPE financing transaction in April 2021
- Led by institutional investors
- Gross proceeds of \$16.5M, before expenses



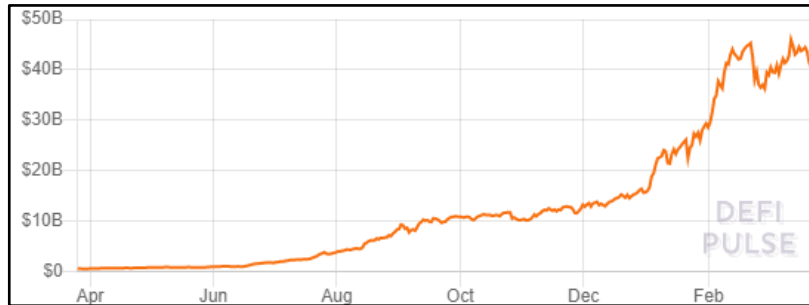
Appendix



Ethereum Adoption Has Arrived



Total Value Locked (TVL) in DeFi



TVL represents the dollar value of all tokens locked in smart contracts of a given decentralized lending project

Cryptocurrency Has Reached Mainstream Status

- There are currently 2,589 decentralized apps (“dapps”) on Ethereum’s platform
- “Christie’s Auction House Will Now Accept Cryptocurrency” – Bloomberg, February 18, 2021
- “The \$69 Million Beeple NFT Was Bought With Cryptocurrency” – New York Times, March 11, 2021

Leading Executives Embrace Blockchain

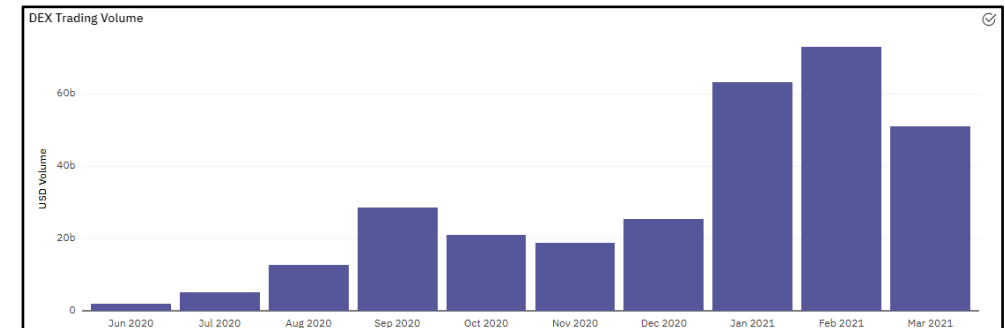
In Deloitte’s 2020 Global Blockchain Survey of 1,488 senior executives:

83% said their organization or project will lose a competitive advantage if they don’t adopt Blockchain technology, up from **68%** in 2018

88% said Blockchain technology is broadly scalable and will eventually achieve mainstream adoption

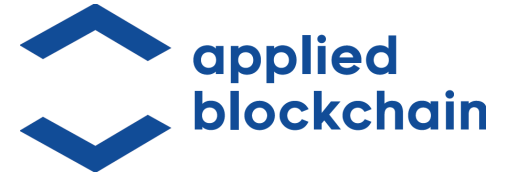
55% said Blockchain technology will be critical and in their top-five strategic priorities

Decentralized Exchange (DEX) Trading Volume



DEX Trading Volume represents the total trading volume across major decentralized exchanges

Ethereum vs. Bitcoin



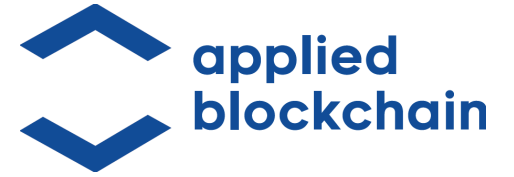
ETHEREUM (ETH)

- General purpose mining hardware (GPU)
- Global computation platform
- Global settlement layer and store-of-value
- Programmable and used to build decentralized applications
- Vibrant ecosystem of additional tokens launched (2,500+)

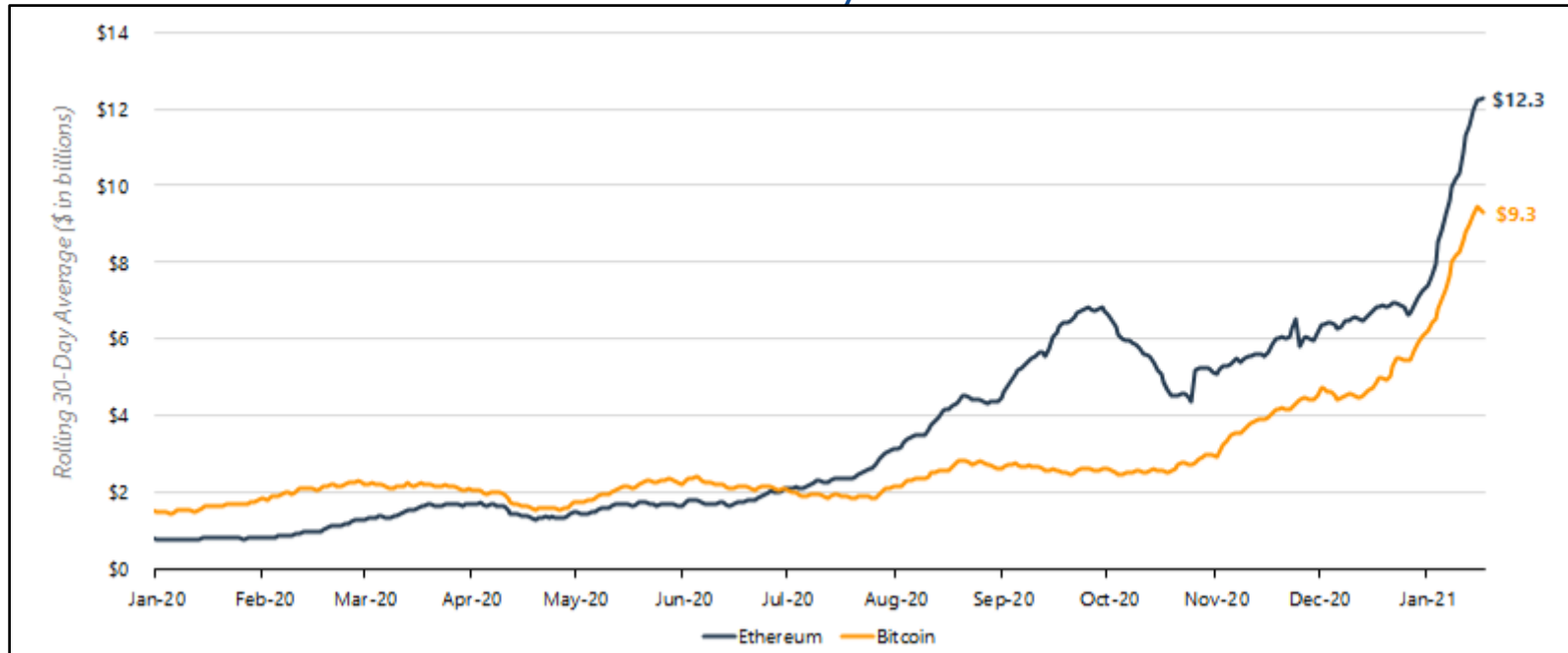
BITCOIN (BTC)

- Specialized mining hardware (ASIC)
- Store-of-value, not used for transactions
- Not programmable
- No ecosystem of additional tokens

Ethereum Surpasses Bitcoin



Ethereum vs. Bitcoin Daily Transaction Volume

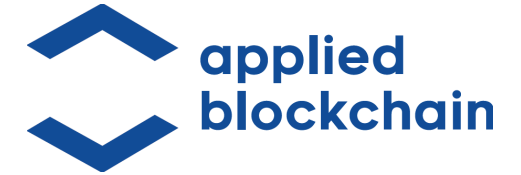


Data as of: Jan. 17, 2021

Source: Messari, CoinMetrics

Note: Ethereum includes stablecoins, but not other ERC-20s to prevent double counting from DEX volumes. Bitcoin includes USDT issued on Omni

Recent Surge In Mining Revenue

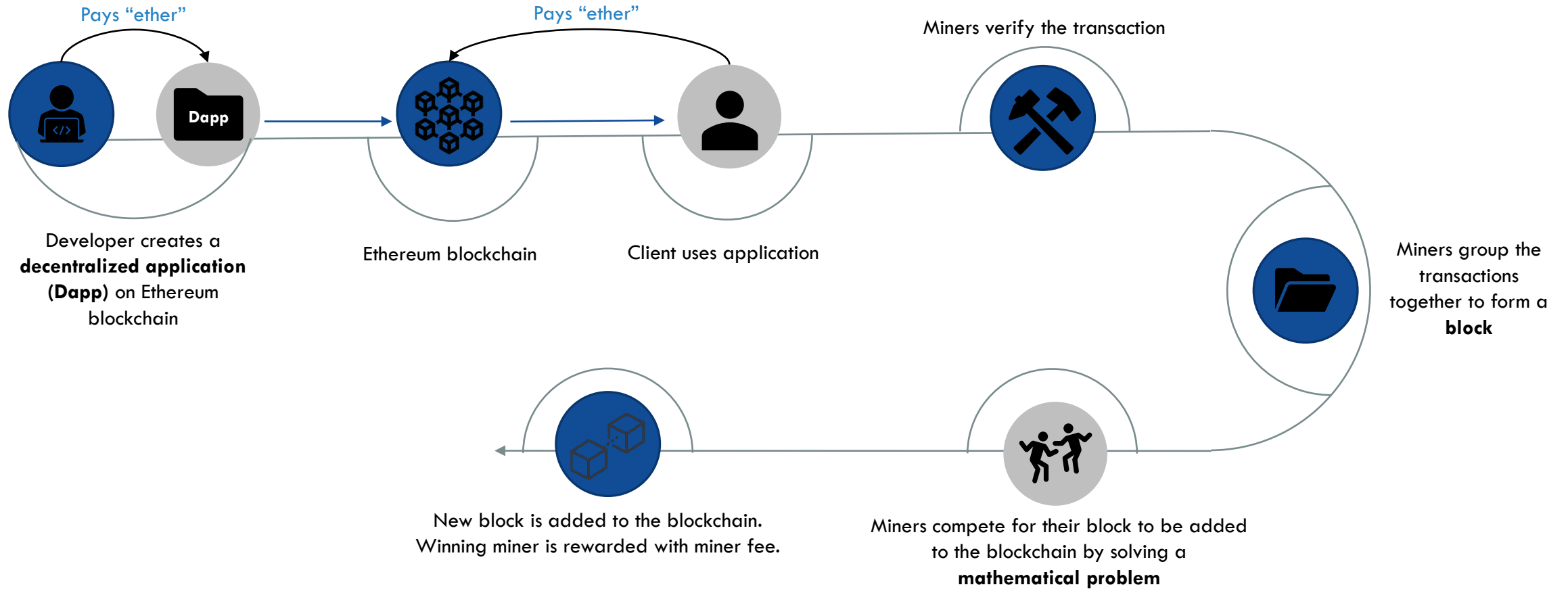


Ethereum Miner Revenue (Monthly)



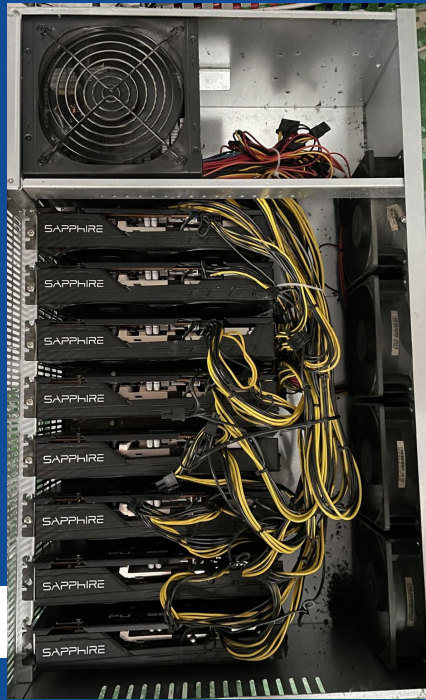
Data as of: Mar. 1, 2021
Source: Coin Metrics

How Does Ethereum Work?



GPU Mining

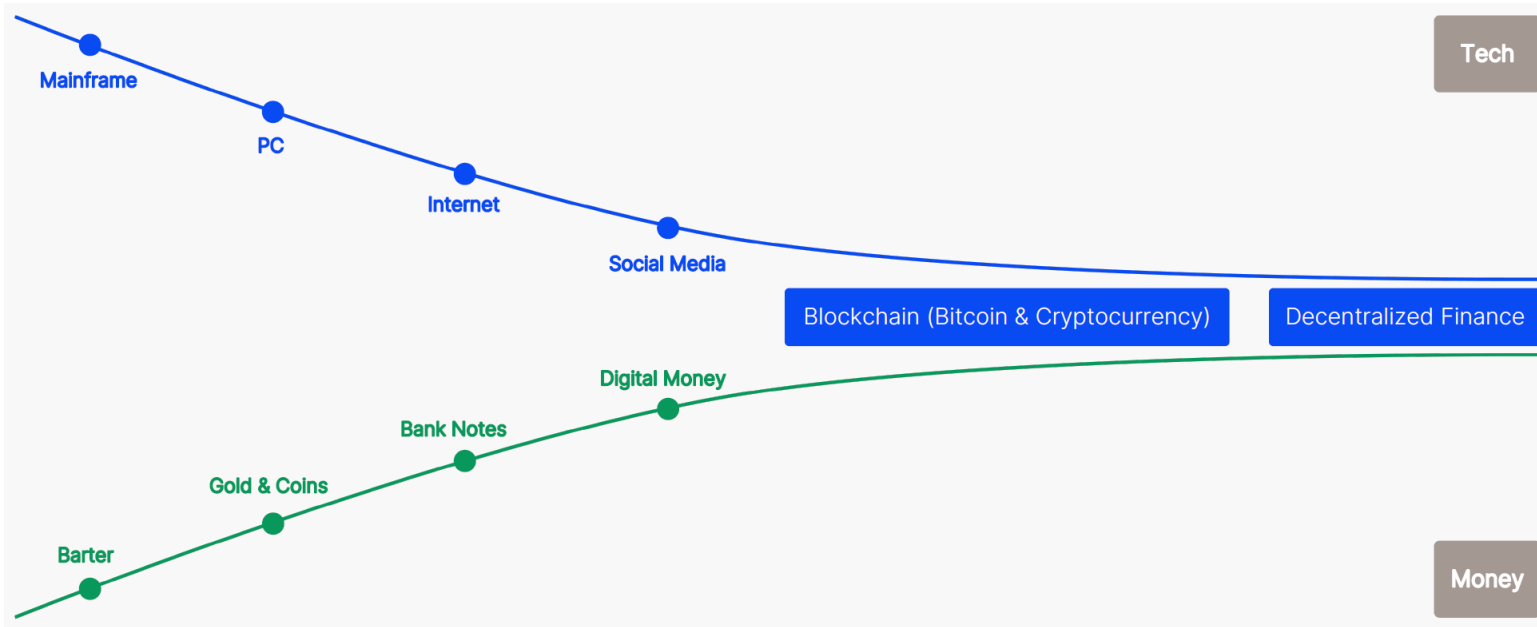
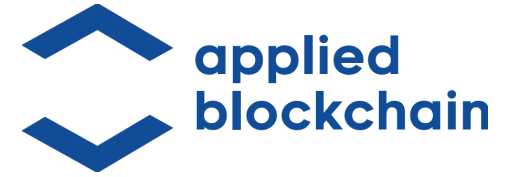
A GPU's power potential makes it more useful in blockchain mining than traditional CPU mining



Platform and graphic cards

- GPU (graphics processing unit) is responsible for digital rendering in a computer system
- GPUs are **faster and more efficient** than CPUs
- GPU mining solves complex math problems to **verify electronic transactions on a blockchain**
- GPU can also be used to mine **many different crypto networks including Ethereum**, Litecoin, Dogecoin, Filecoin, Ethereum Classic, Monero, Zcash, Grin, Beam, etc.

Why DeFi?



The problems with Centralized Finance (CeFi)

- Lack of transparency
- Legacy infrastructure
- No global access
- Censorship
- High fees & costs
- Counterparty risk

The case for Decentralized Finance (DeFi)

- Full transparency
- Blockchain technology
- Open for everyone
- Users have full control
- Free of intermediaries
- No counterparty risk

96% of total transaction volume of DeFi is on Ethereum